



# 7 key business objectives you'll meet with cloud adoption



The cloud and as-a-Service  
are driving carrier success –  
offering flexibility, scalability,  
sustainability, affordability  
and so much more...



## You're already in the cloud

Whether you know it or not, you and your business are already functioning in a “cloud” computing world. In fact, without thinking twice about it, you use software and computer servers running in the cloud regularly for many day-to-day activities – accessing music on your smartphone, ordering products online, uploading photos snapped on your vacation to Instagram or renewing your driver’s license online.

The Internet and the cloud are essential elements of today’s workforce – working remotely via access to your company’s VPN, engaging with collaboration and project management tools, streaming virtual events, and meeting virtually whether working from home or in the office.

There is no end in sight for cloud computing’s potential to support our workforce, improve productivity and delight customers. CISCO’s 2021 survey of 23,000 CIO and IT leaders from across industries reports that 83% are in process of or planning on leveraging at least one<sup>1</sup>:

- cloud first/native solution
- private cloud solution
- multi-cloud & on-premise solution

Wait a minute, though. Isn’t “the cloud” just the same old Internet we’ve come to know and love over the past few decades? No.

More than just the static or database-driven websites first hosted on singular servers linked to the Internet in its early days, cloud computing’s secret sauce is its **ability to share a pool of processing resources and data from multiple computers and other devices, on-demand, that are connected to the Internet anywhere in the world.**

This shared pool of scalable and configurable resources – ranging from networked computers to servers to data storage units to powerful software applications – can be called upon and released as needed with little or no human intervention. Distributing the computing load across this network of shared resources creates new levels of stability for business

transactions, enhances operational scalability and flexibility, allows for fail-safe disaster recovery, and enables easier software maintenance.

Cloud computing is what gives a garage-based startup the same potential computing power as a global Fortune 1000 company without the need to invest significantly in on-site hardware or software. Just as an electricity grid or network allows users to draw as much or as little power as needed, so too does cloud computing allow businesses of all sizes to be nimble, efficient, and cost-effective.

The cloud, though, is not just a global reservoir of potential computing power for storing and processing information. Thanks to innovative companies, such as OneShield, organizations can leverage highly configurable software platforms and applications designed specifically to operate in the cloud that can run almost every aspect of your business – **without any major investments in new hardware or software development.**

Suddenly, you no longer need to worry about hiring a team of software developers, building a large IT department, or mulling over on-site hardware specifications, like random access memory (RAM) or hard drive space, because the cloud’s computers and customizable software platforms do all the heavy lifting for you. If your business needs access to more resources, you can scale quickly in the cloud. And, if you need to reduce the use of resources, you can do so just as easily.



## Now, let's think about how cloud computing can transform your business...

As you can imagine, cloud-hosted technology and services are revolutionizing how we interact with businesses, governments, and each other – storing massive amounts of data safely at a low cost, powering countless software applications, and lowering total cost of ownership with dramatically reduced capital and maintenance expenses for hardware and software. Cloud computing also lets you focus on what you do best – your business.



### Cloud continues to grow

Gartner expects the cloud market for enterprise software to be double the size of the non-cloud market within just three years. Further, Gartner reports that “cloud is responsible for nearly all of the 11% spending growth within the enterprise software segment in 2022 as organizations focus on upgrading their software stack to software-as-a-service (SaaS) to support continued flexibility and agility.”<sup>2</sup>

## As-a-Service (aaS) economy

With the invention of every new and disruptive technology, from the automotive to the insurtech, a door opens for a new business ecosystem that supports, augments, and enhances its evolution.

In cloud computing, that marketplace has become known as the hardware, software, and platform as-a-Service (aaS) economy.

Providers ranging from data centers to software vendors are creating customizable services and core business systems accessible through the cloud that can be scaled up or down as needed, often on a pay-as-you-go basis.

In the insurance industry, there is great potential for distributed and scalable cloud-based platforms to give insurers and related businesses the ability to roll out new products quickly, communicate efficiently with stakeholders or offices around the globe, and cost-effectively adapt their business model to changing market or regulatory conditions. OneShield was among the pioneers in re-inventing its own market-leading enterprise software platform for the aaS world shortly after cloud-based computing started emerging.



### The legacy challenge

In the beginning, many insurers were slow to move any applications or core functions to the cloud. It wasn't for a lack of vision, however. In many cases, insurers were being held back by their legacy enterprise software systems. Legacy system platforms, often housed on-site on mainframes or private internal networks, suffer from well-known issues. Frequently, they are a patchwork of manual processes and software applications from multiple vendors. Legacy systems may constrain business processes, processing speed, time-to-market for new products and services, as well as overall service capability and flexibility. They also tend to drive up the cost of change and ongoing maintenance. Finally, they complicate the use of new tools such as web portals, inhibit adding new rules to improve risk analysis, leveraging geo-coding data and risk models in pricing algorithms, and performing cost analysis of third-party market partners.

Whether built in-house or acquired from vendors, these decades-old core systems are often upgraded sporadically by inserting exception processes, a wrapper layer of new screens, or by tacking on a new module. The old core, however, remains, with all its limitations, redundancies, cost, and complexity. Ultimately, these upgrades make the system slower, harder to maintain and more error prone.

For many insurers locked in a legacy system world, their business processes cannot adapt easily and quickly to market or technology changes, leading to an ever-widening gap against business needs and, eventually, requiring an expensive “rip and replace” of their system. The cloud, however, is changing all of that.



## Small and nimble insurers, the first to adopt aaS

For cloud computing in the insurance sector, change first happened a few years ago – not among the largest and best-funded insurers, but with startups and smaller innovative players. Having less money, time and personnel resources, smaller businesses not tied to legacy systems saw right away the advantages of the cloud and the aaS economy, including:

- **365/24/7 access:** The cloud can give an insurance business “anytime, anywhere” access to its systems. That becomes a competitive edge as more organizations allow remote access to core functions by employees, customers and third-party market partners. With the cloud, stakeholders can work together around the world.
- **Agility:** We’re talking both innovation and business agility. Unlike legacy systems, aaS software is easily implemented, configured, and launched – ideal for smaller businesses. They can quickly test new product lines and processes without major investments in expensive digital infrastructure.
- **Extreme efficiency:** Highly-evolved aaS platforms offer built-in best practices – a major value-add for a startup or fast-growing company entering new markets. Today’s cloud-based enterprise software is based on the collective learning and input of a broad base of customers. As a result, upgrades and add-on modules are developed rapidly to offer real solutions to real problems – cloud software is never static and gets better thanks to the collaborative nature of the aaS marketplace.
- **Scalability:** Every successful business is going to grow. Smaller and fast-growing businesses don’t want to have to worry about adding new servers or finding more storage capacity for data. Cloud-based

software aaS accommodates a business’s needs instantly no matter what level you’re operating at – and makes all your processes more efficient and your operations more competitive.

- **Freeing up resources:** The cloud frees up CIOs and CTOs from worrying about software upgrades, hardware replacements and systems crashes and focusing instead on strategic decisions that further business growth.

One certainty in business is that change is a constant and now that utilization and benefits of the cloud are widely acknowledged, adoption of aaS is happening at exponential rates across the industry. As a result, the insurance industry is fast approaching a tipping point for the move to pre-dominantly cloud-based core systems.

Aite-Novarica Group’s 2022 Top 10 Trends in PC Insurance include several initiatives facilitated by cloud technology. These include:

- Enablement of insurtech solutions through modern core systems
- Cloud data storage
- Digital distribution capabilities
- AI enabled underwriting
- Leveraging imagery in claims processing
- Conversion and ingestion of text dense documents and emails into actionable data<sup>3</sup>

For customer-focused enterprises looking to expand into new markets (and who isn’t these days), the ability to maximize your technology spend and resources efficiently through cloud-based computing can deliver a significant competitive edge affecting how and when you service the customers of today and tomorrow.





## Top use case for cloud technology: data and analytics

Aite-Novarica Group's highlights data and analytics as a top use case for cloud technology in 2022.<sup>4</sup>

Benefits include:

- Storage of structured and unstructured data in the cloud via data lakes that require far less maintenance and IT resources than in-house storage.
- Real time data transformation with the elimination of overnight batch processing to perform ETL (extract, transform and load data)
- Cloud vendors can handle enormous computing workloads such as those required to process machine learning algorithm.
- Data insights from machine learning, using first and third party, are supporting underwriting and claims processes.

**Eric Weisburg,**  
VP of Research & Consulting

## Drivers for transformation in 2022

Bain & Company's 2021 Digital GPS Benchmark Survey highlights global technology objectives in pursuit of speed, product differentiation and scale.<sup>5</sup> Focusing on the insurance sector, industry respondents seeks to become more productive, profitable and client focused through use of automation and data analytics.<sup>6</sup> How do these translate into business directives achievable through cloud and aaS?

Following years of experience in the marketplace, OneShield recognizes the key benefits for insurers moving to cloud-based services. These align with the priorities trending within the industry to find new ways to offer profitable products, reduce operational and loss expenses and support future growth and innovation.



**Faster speed-to-market:** Leveraging pre-built content and a tools-based development model reduces implementation time dramatically.



**Increased operational agility:** Taking advantage of extensive integration capabilities, such as those offered by OneShield's portal technology, enables existing and new services to be adopted quickly.



**Enhanced flexibility in product offerings:** Highly configurable development tools, like OneShield Designer, provide the flexibility to tailor insurance products easily to specific subsets of customers, modify pricing or product features rapidly and adapt smoothly to regulatory changes.



**Lower costs with shared infrastructure:** Leading aaS providers, such as OneShield, typically host and maintain core services platforms in a private and highly secure shared cloud infrastructure. You benefit from the cost-efficiencies of having dedicated administrative support and security expertise, as well as the savings gained by having no additional server hardware investments and maintenance costs.





**Faster deployments:** Since new environments can be brought online in less time than ever before with virtual technology, the time to deploy a new application drops dramatically. Instead of acquiring, installing, and configuring new server hardware, aaS systems can provide a new environment quickly using virtually provisioned servers.



**Complete configuration control:** While core services are hosted by the aaS provider, you still enjoy the full benefits of a highly configurable product offering. There is no limit to the configurability of a cloud-based system.

Your software solution is also independent of any other hosted applications. By retaining the ability to customize your software platform, you enjoy complete self-sufficiency in developing and maintaining your own user interface, workflows, rates, rules, forms, and transaction processing methods.



**Enhance internal efficiencies and achieve economies of scale:** Because the aaS provider hosts these core services, you can do more with fewer people and minimize the learning curve for hardware and software issues. This means more time to spend working on your core business activities, and less time spent managing logistics and dealing with IT issues.

## Case study



### Efficiencies enhanced by automated processes

Before it moved to the cloud, International Catastrophe Insurance Managers, LLC (ICAT) of Broomfield, CO, was like many insurers. Of the 42,000 catastrophe insurance submissions cleared every 12 months, 40,000 risk management models run each year, and almost 4,000 renewal quotes and thousands more new business quotes produced annually – all were managed, in part, using multi-step and sometimes complex manual processes.

Today, ICAT has been able to automate and streamline its manual processes using a cost-effective, secure, and highly configurable end-to-end submission management solution provided by OneShield's cloud-based AAS platform – the first to be implemented by a risk management insurer.

It empowered ICAT to automate the handling of all stages of the submissions lifecycle with specialty rate handling, unlimited billing and payment plans, and unlimited other account-specific procedures.

Enabled by OneShield's robust workflow engine, ICAT's underwriters can now access an online, integrated underwriter workbench that automates workflows, reduces processing costs, and allows ICAT to deliver faster turnaround time to producers.

## With leading aaS providers, such as OneShield, benefits include:

- Out-of-the-box integration
- Unlimited scalability
- Disaster recovery and failover protection
- 24/7 support, including software release support, ensuring all updates are managed and automated
- Security for your applications and secure logons for users and third parties
- Rich analytics and reporting on your business
- Customizable, pre-built solutions that are vertical agnostic for billing, rating, and enterprise risk management
- Full range of automation features, including workflow handoffs, document routing, report generation and other customizable functions specific to your business model
- Third-party self-service web portal access for agents, consumers, reinsurers, and others
- Training

1. Cisco. (2021). [Accelerating Digital Agility](#).
2. Gartner® Press Release, "Gartner Forecasts Worldwide IT Spending to Grow 5.1% in 2022", January 18, 2022. GARTNER is a registered trademark and service mark of Gartner, Inc. and/or its affiliates in the U.S. and internationally and is used herein with permission. All rights reserved.
3. Aite-Novarica Group.(2022). [2022 Top 10 Trends in PC Insurance](#).
4. Bain & Company, Bain & Co. (2021) [Four Winning Patterns of Digital Transformation](#).
5. Bain & Company, Bain & Co. (2021) [Four Winning Patterns of Digital Transformation](#).
6. Bain & Company, Bain & Co. (2021) [Digital Transformation: What Matters Most for Your Sector?](#)



It's no wonder AAS has changed how insurers look at technology. With the ability to pick and choose what core services should move to the cloud, C-suite leaders can identify where they have a competitive advantage and leverage best-of-breed software solutions that add value to their business today and into the future.







## About OneShield Software

OneShield provides core solutions for P&C insurers and MGAs of all sizes. Deployed in the cloud, our portfolio of standalone, subscription, and Software-as-a-Service (SaaS) products includes enterprise-class policy management, billing, claims, rating, product configuration, business intelligence, and smart analytics. OneShield automates and simplifies the complexities of core systems with targeted solutions, seamless upgrades, collaborative implementations, and lower total cost of ownership. With corporate headquarters in Marlborough, MA, and offices in India, OneShield has 80+ products in production across P&C and specialty insurance markets.

For more information, visit [OneShield.com](https://www.oneshield.com)



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