

COMPETE IN THE DIGITAL ECONOMY WITH APPLICATION MODERNIZATION FROM COGNIZANT

Equipping the Enterprise for Digital Success

In today's always-on digital world, enterprises need a fast, efficient and extensible IT foundation that reduces complexity, enhances agility, is easy to manage and enables more resilient and protected ways of working. While many companies are aware of their need to change, few understand what it takes to transform their IT applications to meet the challenges of the new, digital age.

To accomplish the task, IT organizations require an IT backbone that is agile, intelligent, resilient and able to accommodate the accelerating progression of digital technologies and tools that are on most companies' IT roadmaps or could emerge at a moment's notice. With this backbone, businesses will be equipped to fend off the continuous threat of "born digital" competitors, and defeat corporate saboteurs and fraudsters that seek to turn an enterprise's digital operational advantages into critical liabilities. For businesses to take advantage of the vast opportunities on the horizon that arise from new digital business models, it is imperative to drive change through application modernization.

Business Drivers and Client Landscape

There are huge changes happening in all major industries.

- They are going through a generational shift, with mobile becoming the primary channel of end-customer engagement, providing a compelling analytics-based user experience.
- The traditional models of generating revenues are changing fast, driven by a number of new digitally native organizations. These companies lack legacy debt, and hence, are able to leverage the power of digital and the benefits of shared economy platforms to optimize and reduce operational costs.

To ensure uninterrupted business, it is essential to improve IT system quality and ensure its 100% availability. In fact, these metrics have become the de facto standard and are considered to be "table stakes", rather than a differentiator. *What business needs today is to differentiate its offerings from its competitors, become digital, respond quickly to changing market needs - all at a lower cost.*

And yet, there are even more compelling reasons for enterprises to modernize, simplify and integrate their applications and infrastructure.

- Changes in business landscape, driven by changing consumption patterns.
- Extended cycle time to launch new products and services in the market.
- Changing competitive landscape, leading to entry of new entrants disrupting existing business models.
- Significant IT debt and application sprawl.
- Business user dissatisfaction due to unavailability of products and services.

- Cost and margin pressures.
- Multiple vendors and service providers.

Technology is expanding exponentially today, and, to be competitive, businesses must stay ahead of the curve. In doing this, businesses face a range of challenges related not only to cost, but also agility, to simply keep up with the speed at which developments are happening in the market.

In addition to these internal and external challenges, there are some aspirations which are forcing enterprises to make changes in their IT landscape and implement integrated application and infrastructure transformation. Some of the key challenges and aspirations are listed below.



- **Lack of stability** of IT environment
- Ageing apps & infra landscape (currency)
- **Siloed operations** across apps & infra
- **No transparency of operations** across IT impacting predictability
- Pressure to achieve **cost reduction**
- Disparate **tools & process maturity/adoption**



- Leverage the **power of digital** for market differentiation
- **Responsive IT** aligning to speed of business dynamics
- **Synergized IT transformation** ensuring “Always On” business availability
- **IT spend variabilization** aligned to business outcomes
- **As-a-Service** model through right bundling of services
- Deliver **enhanced user experience**

Our Point of View

Simplifying, modernizing and securing the digital infrastructure is IT's three-fold answer to today's digital mandate.

- Simplification unlocks value by creating a more efficient digital backbone, reducing the cost of providing current IT services and freeing scarce funds and skills to work on “change the business” initiatives.
- Modernization introduces newer (cloud-enabled) architectures and replaces point to-point interfaces between siloed systems with a services-based approach that makes it easier, faster and less expensive to create the unified experiences users demand.
- Securing the infrastructure means making, establishing and maintaining a resilient IT landscape that can fend off the new and unpredictable threats that come with digitization, without breaking the bank.

The agility, flexibility and scalability required for digital transformation compels enterprises to modernize, simplify and integrate their applications and infrastructure.

Cognizant's view is that to remain relevant and competitive in this fast-changing business landscape, IT will be shifting its role from being an enabler to being a true differentiator that works with business to identify opportunities, differentiate its offerings and help get those offerings to market as quickly and efficiently as possible.

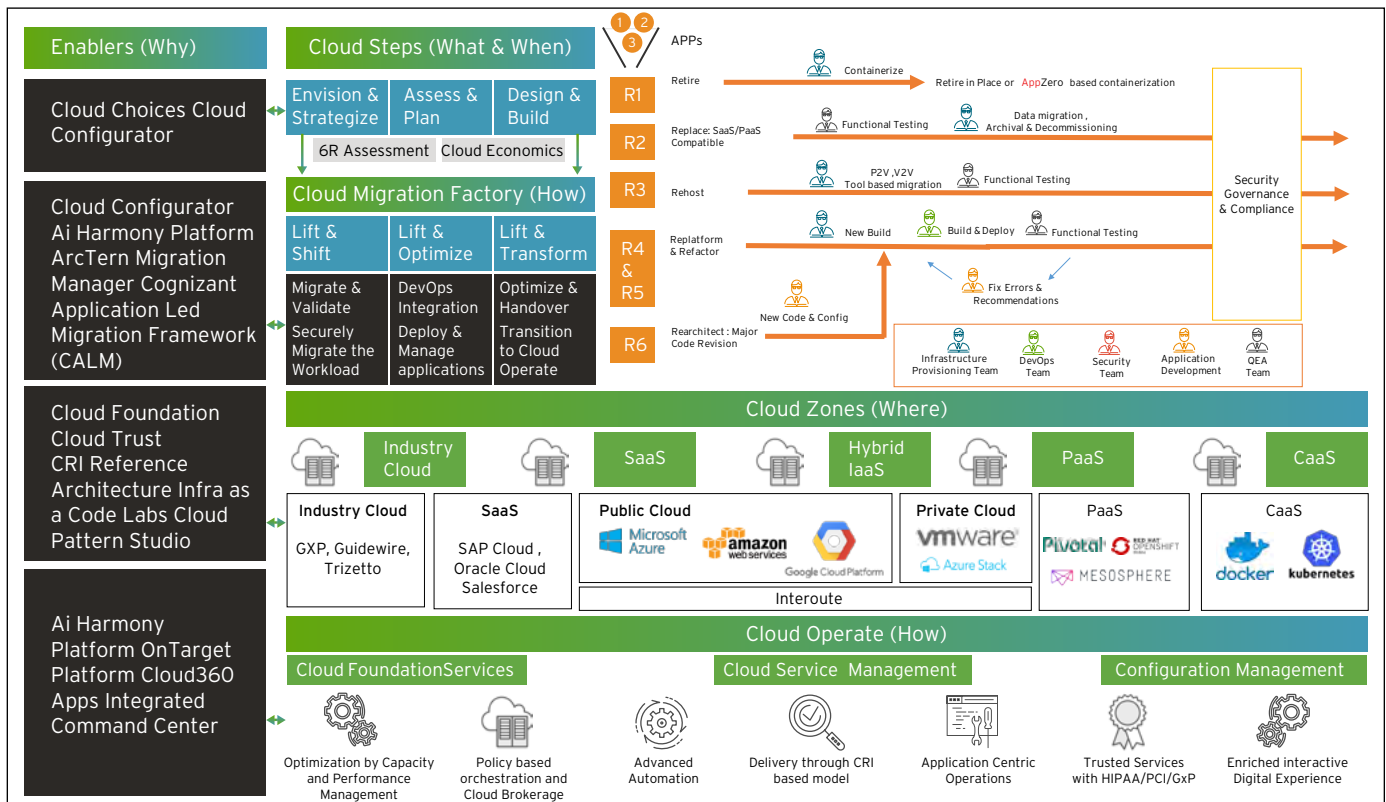
To do this, IT must:

- Drop the traditional siloed design and support model.
- Align application and infrastructure both at design and support levels.
- Adopt a common monitoring, analytics and automation framework.
- Work towards common business process speed and availability goals.
- Modernize both the application and infrastructure portfolio in tandem.
- Ensure that the legacy IT environments are maintained at right currency levels to ensure stability.

This integrated approach will help achieve the following benefits:

- Speed and agility, while getting things right the first time.
- Unified user experience and robust IT for enhanced stability through simplification, rationalization and efficiency across applications and Infrastructure landscape, rather than a siloed transformation.
- Transparency at all levels including application, infrastructure and user engagement platforms. This will lay the foundation for providing an IT-as-a-Service (ITaaS) model, which yields cost visibility and IT transparency.
- Enables decision-making to be data-driven rather than intuition-driven. This will help build a strong foundation moving toward pay-for-consumption, rather than capacity to achieve the benefits of "variabilized" IT.

Our Solution and Offering Details



Cognizant's overall methodology covers the "why, what, when, how and where" of application modernization to ensure a thorough, effective and economical digital transformation.

Key Features and Capabilities

Integrated IT Strategy, Design & Architecture

- Microservices-based architecture with simplification & modernization of IT through XaaS
- Application roadmap & function-defined landing zones to ensure stability & currency of IT systems

Business Resilience

- Integrated app infra architecture & resiliency ensuring elimination of single points of failure & availability at business process level

Process & Tools Transformation

- Simplified IT consumption through business service catalog
- Enhanced efficiency through integrated service automation & analytics-led service delivery

Cognizant's Value Proposition

VALUE TO BUSINESS

- Greater agility with **reduced time-to-market** for business
- Simplified IT consumption (XaaS) through **business-aligned service catalog**
- IT as a **disruptor to business** in a digital economy
- **Integrated operations** ensures agility to respond to business needs

VALUE TO IT

- IT aligned to **business outcomes**
- Enhanced **user experience & delight**
- Technical debt reduction & portfolio refresh enabling **enhanced stability**
- End-to-end **transparency** across IT ensuring **predictability & cost visibility**




Case Study

Digitally transforming claims management and enhancing customer experience led one U.S.-based life insurance and investment company to modernize its life and employee benefits claim operations. Manual data collection and multiple disconnected systems resulted in duplication of effort, manual errors and lengthy processes. The company turned to its long-time strategic partner, Cognizant, for a solution. Cognizant implemented ClaimVantage, a cloud-based, automated claims processing solution based on Salesforce. Modernizing the company's current claims administration processes by implementing a single solution that can be scaled as needed significantly reduced turnaround times and enhanced customer experience.

Result highlights:

- Eliminated 100 percent of spreadsheet-based data collection
- Reduced manual data collection and entry by 72 percent
- Achieved nearly 100 percent user adoption of Salesforce as the single point of access for customer information
- Automated 61 percent of specific claim types with straight-through processing
- Reduced cost per claim by nine percent
- Reduced total cost of ownership
- Implemented ClaimVantage with zero unplanned outages

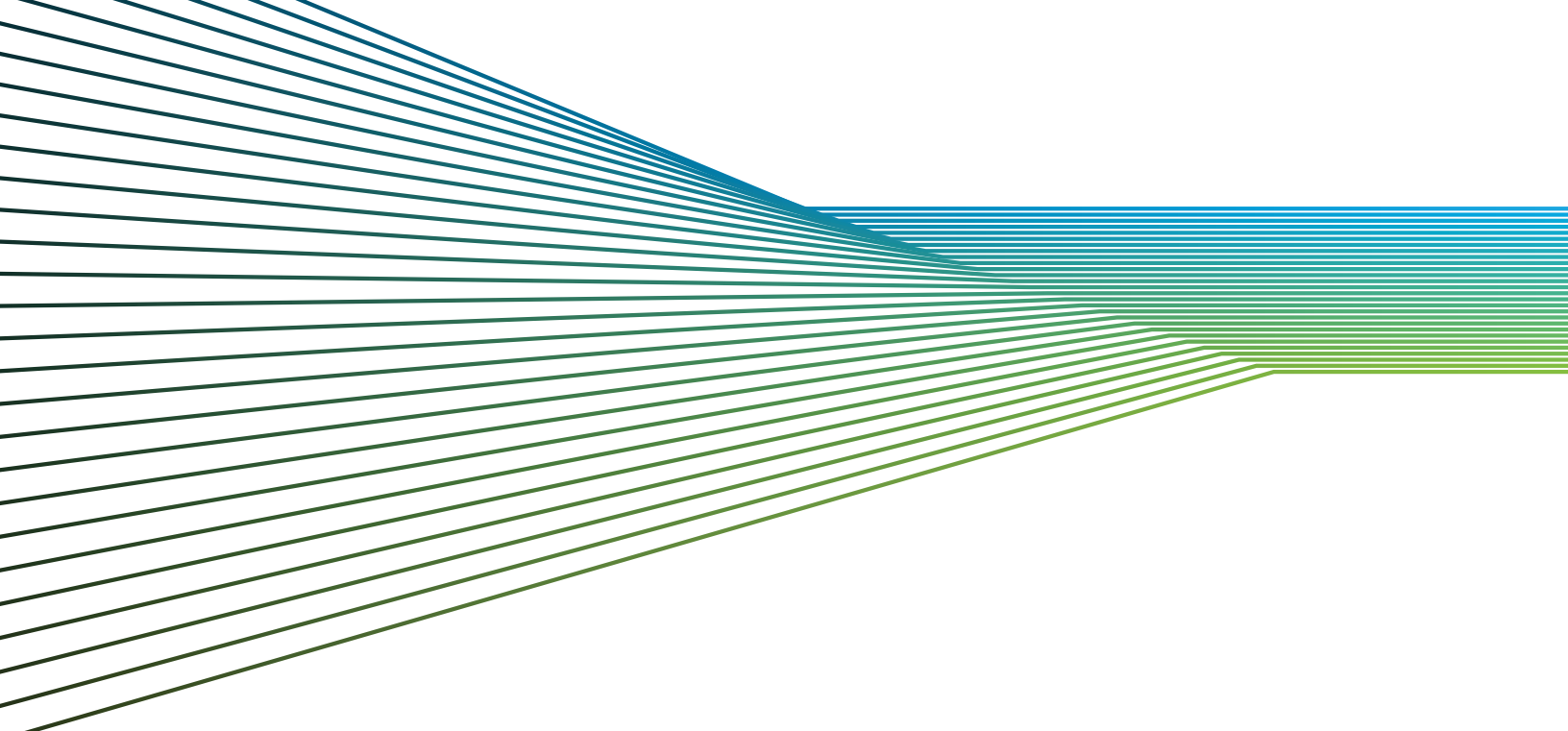
Proof point(s)

 Current status	 Solution	 Future State
<ul style="list-style-type: none">• Lack of alignment between business/IT & outcomes• Lack of visibility & predictability across IT• 1170 apps in a siloed IT estate with significant technical debt (Apps & Infra)• High cost per participant/policy	<ul style="list-style-type: none">• Apps & infra modernization/rationalization factory (1170 to 750 apps)• Integrated service automation• Business process level availability through integrated XaaS model• Enhanced user experience through integrated process & tools	<ul style="list-style-type: none">• 20% reduction in price per policy enabled by an IT spend reduction of \$120 MN USD• 50% faster provisioning, 25% faster CI/CD velocity leading to 25% faster time-to-market• Simplified IT consumption through business-aligned service catalog

Let's get started - Contact Us

Get your applications aligned for maximum impact in the digital economy. For more information, please visit us at [Cognizant Digital Systems & Technology](#), or contact one of our applications modernization experts:

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ABOUT COGNIZANT

Cognizant (NASDAQ-100: CTSH) is one of the world's leading professional services companies, transforming clients' business, operating and technology models for the digital era. Our unique industry-based, consultative approach helps clients envision, build and run more innovative and efficient businesses. Headquartered in the U.S., Cognizant is ranked 205 on the Fortune 500 and is consistently listed among the most admired companies in the world. Learn how Cognizant helps clients lead with digital at www.cognizant.com or follow us [@Cognizant](https://twitter.com/Cognizant).



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