



Case Study: Insurance

Leading insurer partners with Cognizant on its digital transformation journey

Property and casualty insurers must control costs while investing in digital innovation. Innovative, outcomes-based managed services delivery models with trusted partners help them achieve that balance.

After being impressed with our systems and application development work in group benefits, one large P&C insurer not only turned to Cognizant to streamline its group benefits business, but to build synergies between IT and business processes, as well as implement digital business, operating, and technology models. Starting as a relatively small engagement, this quickly expanded as we showed the company how it could achieve significant savings with operations transformation across its lines of business.

At a Glance

Transformation journey partners

Cognizant is the single service provider for key processes across the insurer's lines of business, a relationship that evolved from delivering IT services to executing business transformation.

Outcomes:

- 20% TCO reduction across IT landscape.
- Delivered \$20 million in savings over three years from automation and process optimization.

Growing toward outcomes-based delivery

Outcomes-driven

We built synergies between IT and business process operations and are implementing digital business, operating and technology models to ultimately deliver processes as a service via an outcomes-based delivery model.

Our proposal included capitalizing on IT to business process synergies, which we were uniquely positioned to identify through our IT work with the company. We created a four-year transformation roadmap that would net the client more than \$20 million in savings through lean processes, \$6 million through automation, nearly \$27 million through optimized sourcing and \$3 million through organizational redesign.

The roadmap guided a large-scale optimization process, with Cognizant taking the lead in consulting and execution. The insurer had multiple vendors managing services across its different lines of business. A lack of transparency into the operations of these vendors and the fact that no single vendor owned a complete process made it difficult to align processes across businesses. That meant the insurer was losing opportunities to realize operational efficiencies and the potential for transformation.

The client entrusted its IT and business processes across all lines of business to Cognizant, tasking us to identify and drive additional efficiencies. We replaced five other vendors, becoming the client's single service provider for digital operations across commercial insurance, accident and health, personal insurance and individual annuities, as well as group benefits. Our delivered services included new business, underwriting, policy servicing, claims, contact center, finance and accounting, and mailroom and document management.

The major initiatives we tackled included implementing Guidewire, an enterprise claims operating system. We also established an

- Analytics-driven conversion rate improved the top line by 2% to 3%.
- \$56.7 million saved by implementing a transformation roadmap.

automation center of excellence to identify common use cases across the enterprise for robotic process automation. Our intake platform automates data capture, validation and enrichment, all of which helped reduce policy service request turnaround time by approximately 85%. An analytics-driven program we implemented increased conversion rates, resulting in a 2% to 3% improvement in the top line.

Our efforts have reduced the client's total costs across its IT landscape by 20% while improving end-to-end cycle time on most business functions by 20%. An array of optimization projects across the client's lines of business deliver annual savings of \$5 million to \$10 million. Our teams meet frequently to identify new optimization opportunities as our client and digital technologies advance.

The next phase in our relationship with the insurer is for Cognizant to evolve from managing services to becoming the complete delivery mechanism for those processes. In this phase, we will take responsibility for delivering results on an end-to-end process, sharing in the risks and rewards of essentially investing in our client's success.

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 193 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.



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