

Scaling With Application Engineering

How a Configuration-Driven Approach
Positions Your Business for Success



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Executive Summary

Insurance is a competitive industry. To prepare for the future, carriers are engaging in strategies such as offering bespoke products; acquiring insurtechs and other companies to gain new capabilities; and improving engagement experiences for customers, agents, technology partners, and distribution partners.

But embarking on these new strategies adds complications of its own. Many insurers have found that their current architectures can be inflexible when it comes to new integrations since they are working with a mix of on-premises and cloud-based applications, and there are data siloes across the organization. To unlock data and products from disparate core systems; enable better, more consistent engagement experiences; and build agility into their applications, insurers need to modernize their technology infrastructure.

One of the tactics insurers are embracing to achieve these goals is application engineering. No two insurers are alike, and neither are their application architectures. This makes it difficult for insurers to look for publicly available benchmarking examples or useful guides to help them upgrade their applications. Successful application engineering initiatives consider all factors inherent in an effective application: infrastructure, dependent systems, developers, users, and the business. They don't just consider the implementation phase; instead, they consider how the application will be accessible to other systems and users and how it can scale to support future business.

Not many insurers have experience wading through these considerations. This whitepaper acts as an insurance-specific guide to application engineering. It will walk through:

- Business goals application engineering can help address
- Challenges with typical application development practices
- An approach to build applications at scale
- Insurance use cases

This application engineering guide will provide insurance IT leaders with the knowledge, approaches, and frameworks they need to build future-ready applications that will support their organization's business growth strategy.

Unlocking Growth With Application Engineering

The insurance industry has evolved over the last several years. Digital and cloud capabilities are no longer cutting-edge tools but rather table-stakes components of a technology stack. To differentiate themselves in a competitive marketplace, insurers are looking to offer modern products and bundles that make their customers feel understood; gain more advanced capabilities like machine learning or Internet of Things, either by building them out in-house or acquiring insurtech startups; and enhance the user experiences they're offering across product lines and stakeholder roles.

While cloud deployments have become much more standard in the world of insurance, carriers are at varying levels of maturity in their cloud journeys. And whether they lifted and shifted their systems to the cloud years ago or they are just now seeking the best way to move their applications to the cloud, application modernization plays a major role in maintaining a competitive advantage.

Insurers are dealing with dozens, if not hundreds, of applications across all of their departments. The back ends of these numerous, varying systems can get convoluted, to say the least — held up by data silos, inaccessible legacy systems, and inconsistent engagement channels. This makes it difficult to ensure effective data access and analysis across products and core systems to support growth goals.

Custom application engineering can help insurers unlock these data silos to ensure accessibility of product information across systems, improve engagement by simplifying integrations, and implement automation to increase scalability.



3 Main Drivers of Application Engineering



Accessibility of Products



Effective Engagement



Scaling Agility and Automation

Technical Challenges	Siloed core systems, servers, and data analysis for separate lines of business	Different users, different channels, different expectations for digital engagement	Lack of agility needed to scale with evolving business demands
Outcome Desired	Visibility into policy information and data across the organization, infuse agility into the infrastructure	Ability to manage experience attributes like persona management, navigation on digital channels, product workflows, etc.	Flexibility to keep up with shifts in traffic and launch new applications efficiently
Why Application Engineering	• Unlock product and policyholder data • Achieve flexibility needed for composable applications • Support innovative products to cover emerging risks	• Modernize legacy applications • Create intuitive mobile and web applications • Deliver consistency across channels • Provide seamless onboarding to partners	Build in processes for: • monitoring problems • troubleshooting issues • reporting on traffic • issuing resolutions