

Legacy System Modernization: Shift in Culture from Legacy to Innovation

Like all companies that operate within the financial services industry, insurers are greatly reliant upon technology. The problem is their core information technology systems are often rapidly aging solutions, causing significant business-related complications:



Dated legacy systems require continuous maintenance, which drives up costs.



Legacy systems can cause process and decision-making friction, reducing business agility and increasing strategic risks.



Specialist operating knowledge is at risk of being lost as the workforce ages or retires.

To circumvent the problems caused by their creaking legacy systems, insurers must consider liberating the data held captive by these systems and modernizing their business.

Modernization Made Easy

Insurers are hesitant to push ahead with legacy system modernization programs because of the idea that such initiatives are extremely expensive, resource-intensive and disruptive. This does not have to be the case. An iterative approach to legacy system modernization can help insurers avoid these challenges. It allows for companies to improve access to data through modern technologies, automate processes, and gradually improve operational efficiency. This modernization approach is agile, flexible, and provides insurers with enough room to introduce new systems and processes without causing mass disruption to other line of business processes.

Reasons to Modernize

A well-designed and well-managed modernization initiative can aid operational efficiency:

- ✓ Leveraging legacy tech with modern technology promotes data automation which reduces errors and the need for manual data entry. This improves business productivity and adherence to various insurance rules and regulations.

Modernizing legacy systems can maximize revenue generation:

- ✓ Iteratively improving technology allows processes to be automated, reducing new business cycle time and withdrawals. This directly correlates with an improved customer experience, creating a positive impact on retention and new customer penetration.

Modernizing legacy systems allows the insurer to innovate:

- ✓ With access to richer data obtained by leveraging legacy systems with modern data automation technologies, businesses can improve revenue streams for higher profitability and reduce operational costs. Customer experiences can also be enhanced with new value-added offerings brought to the market at speed.

Through Synatic's Nimble, Simple, and Powerful Hybrid Integration Platform (HIP) insurers can leverage heavily invested and critical on-premise legacy systems with more a flexible, user-friendly data automation tools to meet the needs of their business. Synatic simplifies modernization allowing company resources to focus on business needs as opposed to building out complex requirements over a lengthy period of time. Investing in a HIP like Synatic to modernize legacy systems will allow insurers to future-proof their companies. Technology will only continue to evolve, and to keep up with the demands of the new digital transformation economy insurance companies must rely less on legacy systems and outdated technology. Synatic encourages insurers to shape change instead of being constrained by it.