

A
Perspective on
Modernising Insurance
Legacy Systems



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Executive

1

Summary

Global primary insurance premiums are expected to be almost HK\$40 trillion by 2020 and HK\$65 trillion by 2030, with premium volumes in China and other emerging Asia markets growing multiple times. A rapidly changing insurance industry is supported by decades-old technologies designed with proprietary codes which cannot readily plug in to eco-systems or interact with external interfaces.¹

Current customer sentiment clearly shows a desire for affordable products and a hassle-free experience with prompt service delivery. However, most insurers struggle to fulfil this expectation because of the limitations of their legacy systems and infrastructure. In order to stay relevant in the market, established insurers have been looking for faster and cheaper ways to create products and services to compete with digital-native challengers, who are not encumbered by legacy systems.

Due to legacy systems, insurers in Hong Kong's highly competitive market (with 162 authorized insurers) are facing challenges in Product Differentiation, Technology & Operational Risks, and Compliance & Regulatory Risks, along with the resulting cost implications. At the same time, digital-natives such as Bowtie, ZhongAn and other challengers are revolutionizing insurance practices through innovative technology, products and services that emphasise customer experience.

Technology aside, upgrading legacy systems involves potential disruption to existing services, additional costs for developing and migrating to new systems, and associated change management issues. In this paper, we explore a potential approach to upgrading legacy systems with a universal insurance event model running on blockchain technologies

which creates the least disruption and hence risk. We introduce a solution created by platform provider Ignatica which implements this model. We then look at a scenario for Hong Kong's Mandatory Provident Fund (MPF). We show how applying a technology like Ignatica's can lower transition costs and associated risks, while allowing insurers to operate at lower costs and with greater flexibility to engineer products and customer experience.

We believe that this approach and architecture can help modernize the legacy systems of any insurer – in Asia or globally.

¹ [Munich RE. \(Apr 2019\). "Insurance Market Outlook"](#).

Challenges and Cost Implications of Legacy Systems

Insurers face several challenges when operating legacy systems.

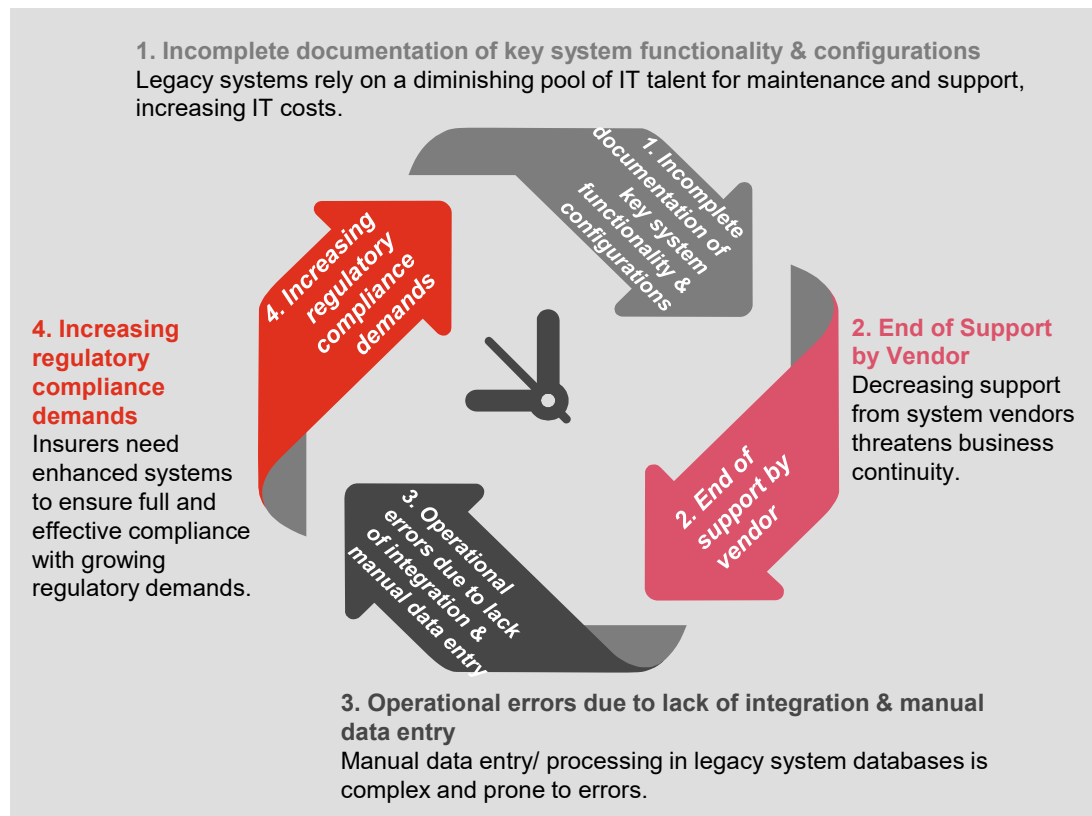
Figure 1. Challenges of Legacy Insurance Systems



2.1 Operational Risks related to Legacy Systems

When it comes to replacing legacy systems "if it ain't broke, don't fix it" is a common attitude among insurers. The risk, uncertainties, and potential disruption of replacing a stable policy admin system sometimes outweighs the benefits of a new one. However, operating a legacy system exposes insurers to increased risk over time:

Figure 2. Increasing Operational Risks Faced by Legacy Users



2.2 Challenges in Product Development

Insurance companies that introduce more than five new products every year have on average a 9% higher growth rate in direct premiums written than companies that produce fewer.² However, almost every system is a touchpoint when launching a new product. From new business, underwriting and claims to policy serving, each is tightly coupled and interdependent. This results in manual configurations of each system for each product. This in itself limits the ability of these systems to integrate with digital ecosystems. As a result of this interconnectedness, configuration and testing of new

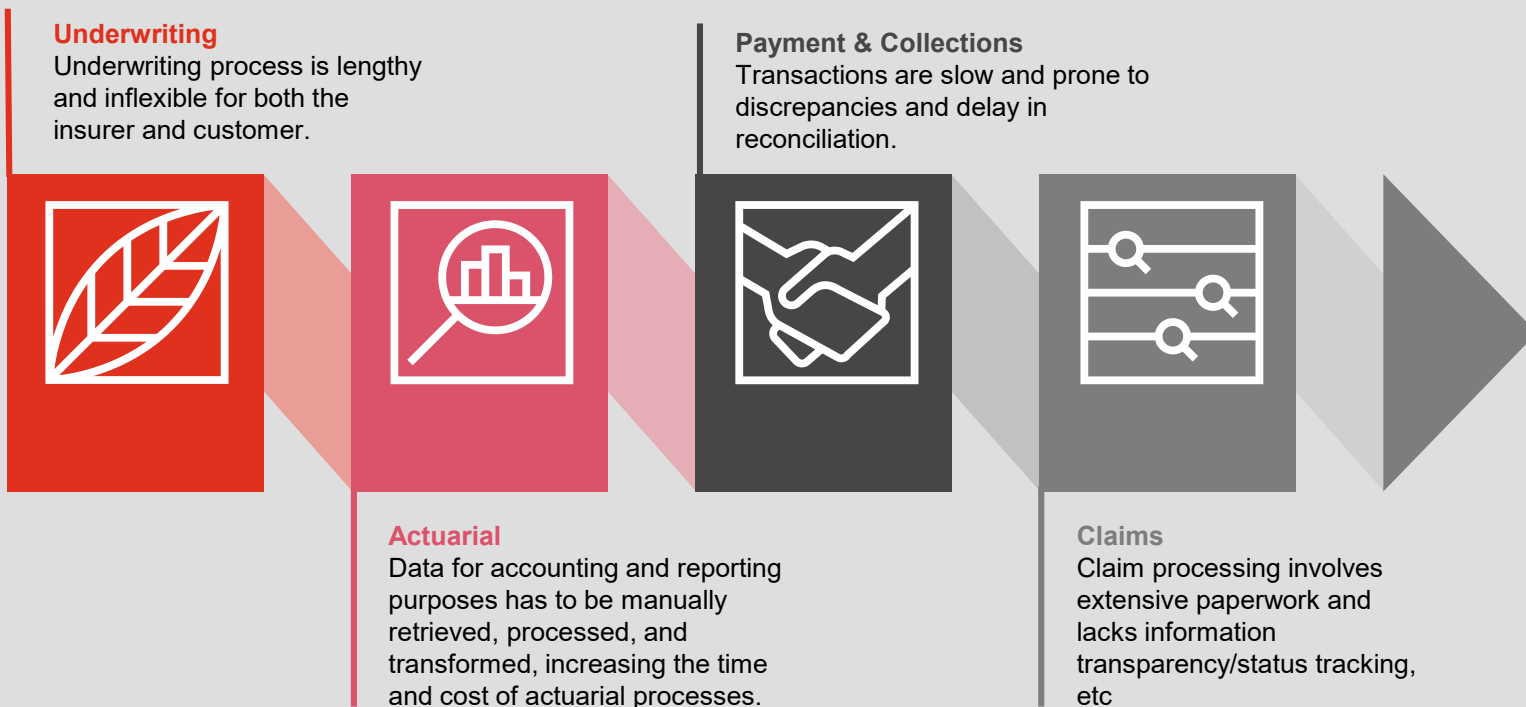
products can take 6 - 9 months, while time-consuming manual processes can push implementation into the range of US\$400,000 - US\$900,000.³ The excessive time and effort required affect the return on investment for product experimentation, constraining the ability to create new, innovative products.

2.3 Technology Risks and Other Pain Points

To support changes in their business, IT teams need to continuously re-platform their legacy systems. This requires customization, which is costly and risky. Often, system design constraints mean that re-platforming may not fully support the emerging needs of the business. As a result, insurers are merely replacing legacies with 'new legacies'.

Anthem, Inc., a major U.S. insurer that has been operating legacy systems, paid a US\$16 million fine to regulators for a data breach in 2017. It also had to take substantial corrective action for compliance and was put under regulatory scrutiny for an extended period.⁴ While legacy systems remain in use, they pose challenges to the efficiency and consistency of insurers' daily operations through burdensome administrative processes and system maintenance, which impede sustainable business growth.

Figure 3. Pain-points in Current Insurance Practices



² Based on analysis of published insurance industry data.

³ [Society of Actuaries. \(2017\). "Understanding the Product Development Process of Individual Life Insurance and Annuity Companies".](#)

⁴ [U.S. Department of Health & Human Services. \(2018\). "Anthem Pays OCR \\$16 Million in Record HIPAA Settlement".](#)

2.4 System Maintenance

On average, maintaining legacy systems makes up 70% of organizations' IT budgets. Global insurers spent almost US\$101 billion on IT in 2015 – a 4.4% year-on-year increase.⁵ This cost will only keep increasing as legacy systems continue to age. Insurers' ability to support these decades-old systems with highly customized applications diminishes as the knowledge required to operate them becomes scarcer and thus more expensive. Over the past five years, businesses have lost an average 23% of their legacy-supporting workforce, and 63% of these positions remain unfilled.⁶ This heavy reliance on a shrinking pool of legacy IT personnel will continue to raise operating costs for insurers. For instance, major businesses relying on programs that were developed in Common Business-Oriented Language (COBOL) face a serious shortage of technicians due to the rise of modern coding languages like Java. Research estimates the labour cost of maintaining COBOL-based applications to be roughly US\$1.02 billion per year.⁷

The archaic nature of legacy systems also makes them vulnerable to interruption and even failure. Lack of frequent maintenance and backup can lead to data losses, breakdowns, and prolonged business downtime, which incur substantial costs and can

lead to reputational damage. An example of this was the 2012 Royal Bank of Scotland (RBS) system crash, which caused the freezing of 12 million customer accounts and impacted customers making online payments. RBS officials later disclosed that the system failure was the result of decades-old systems that had been poorly maintained. The incident cost RBS £175 million and loss of reputation as a financial services provider.⁸

2.5 Compliance and Regulatory Risks

Hong Kong insurers face a growing range of regulations and compliance requirements from regional and global regulators. These include the Insurance Levy Regulation, Risk-based Capital regulations and VHIS compliance. In addition, the Hong Kong Insurance Authority (HKIA) has issued a new Guideline on Cybersecurity (GL20) which sets the minimum standard for cybersecurity that authorized insurers are expected to implement to protect their business and policyholder data.⁹ Patching up legacy systems won't be enough to meet the changes required. Advances in technology have led to progressive solutions to resolve difficulties faced by stakeholders across the industry. In the next chapter, we look at these solutions and how they can help insurers grow.

⁵ [IDC Market Research. \(Jan 2015\).](#)

⁶ [Forrester Consulting. \(March 2018\).](#) "Modern Mainframe KPIs Are Key to a Successful Digital Strategy".

⁷ [Phase Change. \(April 2019\).](#) "The Cost of Fixing COBOL Bugs".

⁸ [The Guardian. \(Dec 2013\).](#) "RBS Boss Says Sorry for Decades of Penny-pinching on IT".

⁹ [Hong Kong Insurance Authority. \(June 2019\).](#) Guideline on Cybersecurity.

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Market Opportunities

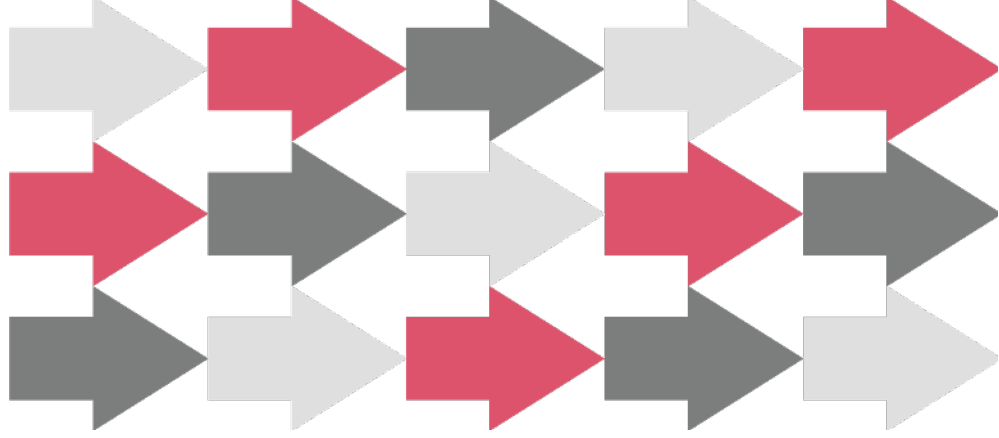
The Hong Kong Monetary Authority (HKMA) and the Monetary Authority of Singapore (MAS) are considered to be among the most forward-looking regulators in Asia. Following the launch of its InsurTech Sandbox in September 2017, the Hong Kong Insurance Authority (IA) has begun issuing digital insurance licenses under a fast-track scheme. Singapore may well follow suit. It issued five digital banking licenses in June 2019 (the HKMA released nine between March and May 2019). It is therefore anticipated that the MAS may move onto virtual insurance licenses in the not too distant future as well (it should be noted that InsurTech firms such as SingLife and Axinan are already present in Singapore).

While still in their infancy, these 'virtual insurer' models are clearly positioning themselves to take advantage of ever-accelerating developments in technology without the burden of legacy systems. Their aim is to capture the so-called 'last-mover advantage' – to be an insurance carrier built on flexibility for innovation. This allows for shorter time-to-market and greater credibility with channel partners as they grow in market share.

At the same time, because of the way Internet-based businesses have evolved, customers now expect flexibility, convenience, transparency and less bureaucracy from their interactions. Bowtie, for example, provides customers with a fully end-to-end digital VHS experience with integrated services, such as qualified doctor and nurse concierge services. It aims to be part of a bigger digital ecosystem by partnering with virtual banks and other FinTechs to better cater to customer needs. Vested insurers therefore cannot afford to ignore the importance of being technologically adept and current in both their business and operating models.

Customers now expect flexibility, convenience, transparency and less bureaucracy from their interactions





One opportunity for industry collaboration, with benefits shared by all participants as the market develops, is Hong Kong's Voluntary Health Insurance Scheme (VHIS). This HK\$10 billion (US\$1.3 billion) Government-backed initiative incentivizes the purchase of private health insurance to reduce the burden on public healthcare. Insurance companies must be successfully registered and approved as VHIS Providers before they can market VHIS products. They also have to comply with minimum product design requirements ('Certified Plans') outlined by the Hong Kong Government. The scheme is designed to enhance the protection level of hospital insurance products, provide the public with an additional option when using private healthcare and, in the long run, relieve the pressure on the public system. Moreover, VHIS Providers must comply with Codes of Practice covering sales and marketing, handling of applications, after-sales services, etc.

Eleven insurance companies have been approved to join the VHIS, which kicked off in April 2019. These include Manulife, Prudential, Zurich, FWD, Bupa, BOC Life, FTLife and Bowtie. Even before the VHIS, health and accident insurance has become an important revenue driver for insurers. The net premium of health and accident insurance rose 11.5% in the first nine months of 2018 compared to the same period the previous year and reaching HK\$10.7 billion, according to data from the HKIA .

Some participating insurers have taken this government push as an opportunity to accelerate their digital agenda and (online) platform innovation roll-outs. For example, AXA Hong Kong, the second largest medical insurance provider in Hong Kong, says its 6,000 agents and online platforms will be deployed to meet the expected demand and expand its product offerings with VHIS products that offer additional protection at a higher price. Bowtie, already a digital insurer in Hong Kong, will also use its online platform to sell VHIS. This aligns with Bowtie's vision that "a growing number of customers are turning to online-only channels, especially those who are young and tech-savvy". As VHIS Providers are required to meet product compliance rules and its code of practice, participating insurers will need to compete on services and distribution, rather than product differentiation. Having a fit-for-strategy system to meet modern customer demands will be one of the key enablers to gain competitive advantage in this battle for customers.

10 [FinTech Hong Kong. \(May 2019\). "Exploring the Growth of InsurTech in Hong Kong"; Bloomberg. \(June 2019\). "Singapore to Issue New Digital Banking Licenses to Non-Banks".](#)

11 https://www.vhis.gov.hk/en/about_us/scheme.html

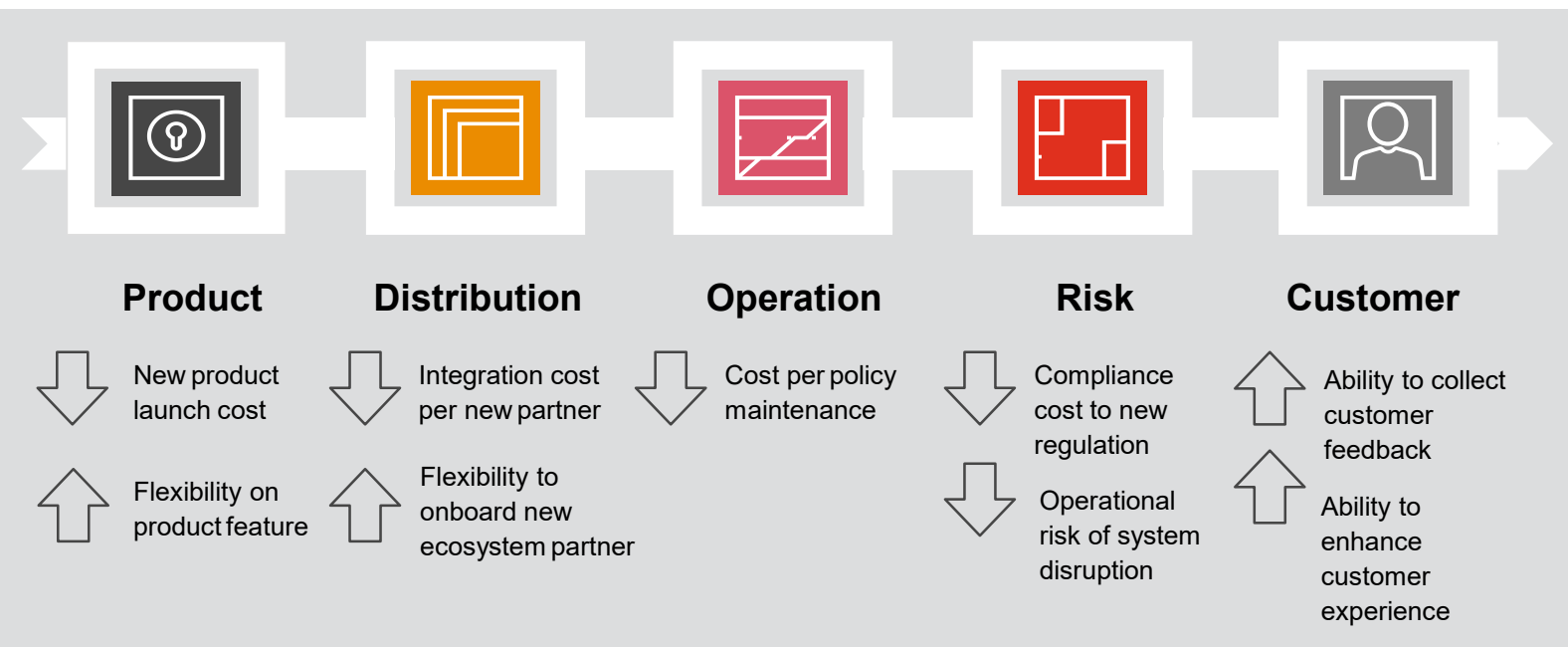
12 [South China Morning Post. \(March 2019\). "Insurers Jumping aboard Hong Kong's New Private Health Care Programme".](#)

Modern Insurance

Ecosystem

A modern insurance ecosystem should look as follows:

Figure 4. Modern Insurance Ecosystem

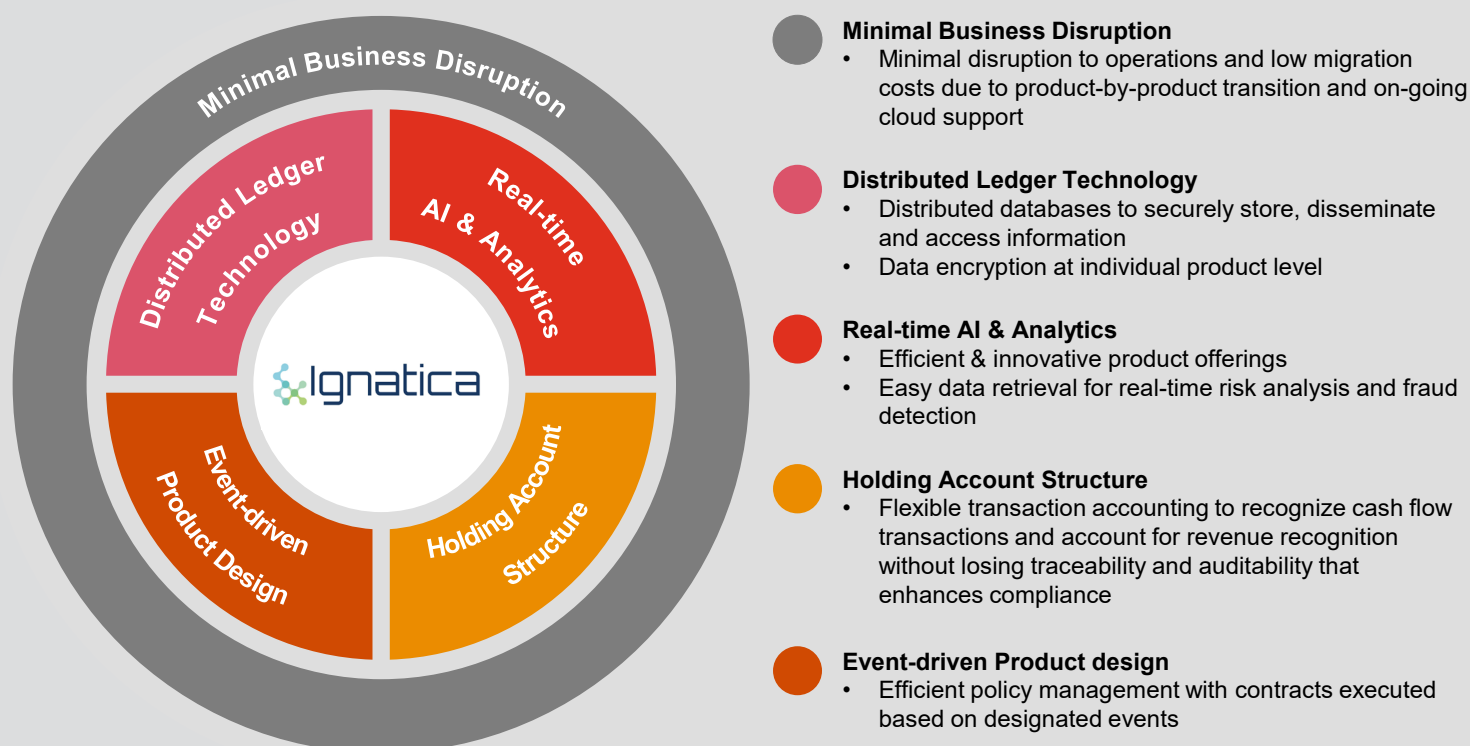


As a result of the implementation of a modern insurance ecosystem, maintenance cost per policy should decrease. The cost of customer acquisition and of the lag between product development and launch will both decrease because of partner ecosystems. The system should adopt open-source technologies for ease of maintenance and be designed to allow seamless transition from legacy platforms to mitigate migration risks and avoid business disruption.

At an industry level, these costs are duplicated across all insurers, driving up the costs of premiums and servicing for consumers across the board.

Solutions to resolve the limitations of legacy systems are already on the market. This section discusses how Ignatica, a leading digital solution that leverages the power of AI, the cloud, blockchain, and big data analytics, can help insurers address the challenges they currently face through system modernization.

Figure 5. Ignatica's Digital Solution



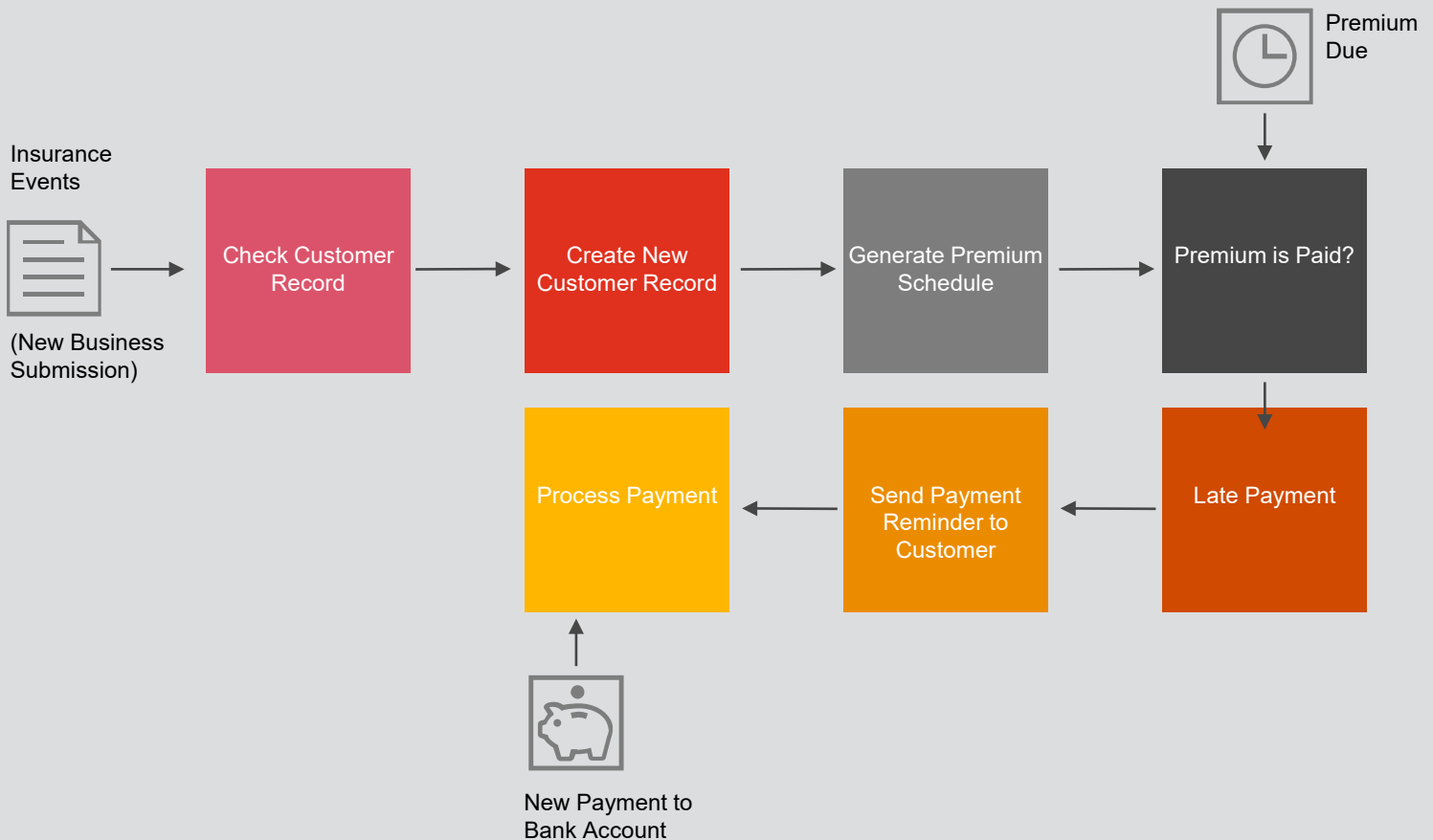
5.1 Dissecting the Problem - A Framework for the Insurance Core System

At its core, the contract life-cycle is largely consistent across products and customers. Each insurance process is a collection of events that link together in sequence to form this life-cycle. When an event occurs, whether it is initiated by a submission, time-based trigger, payment or other, a series of other events in various systems will be kicked off. For example, a new business submission will trigger the policy administration system to check existing customer records and create a new record if needed. It will also trigger the product engine to leverage this data and

generate a premium schedule. Other triggers, like **Premium Due**, are time-based events. When it falls due, the policy administration system will check whether the premium has been paid. If not, a late payment notification is generated to remind the customer. This generic workflow is built upon insurance events that depend on and affect each other. These entail multiple system touchpoints, integrations and potential points of failure.



Figure 6. Generic Insurance Workflow

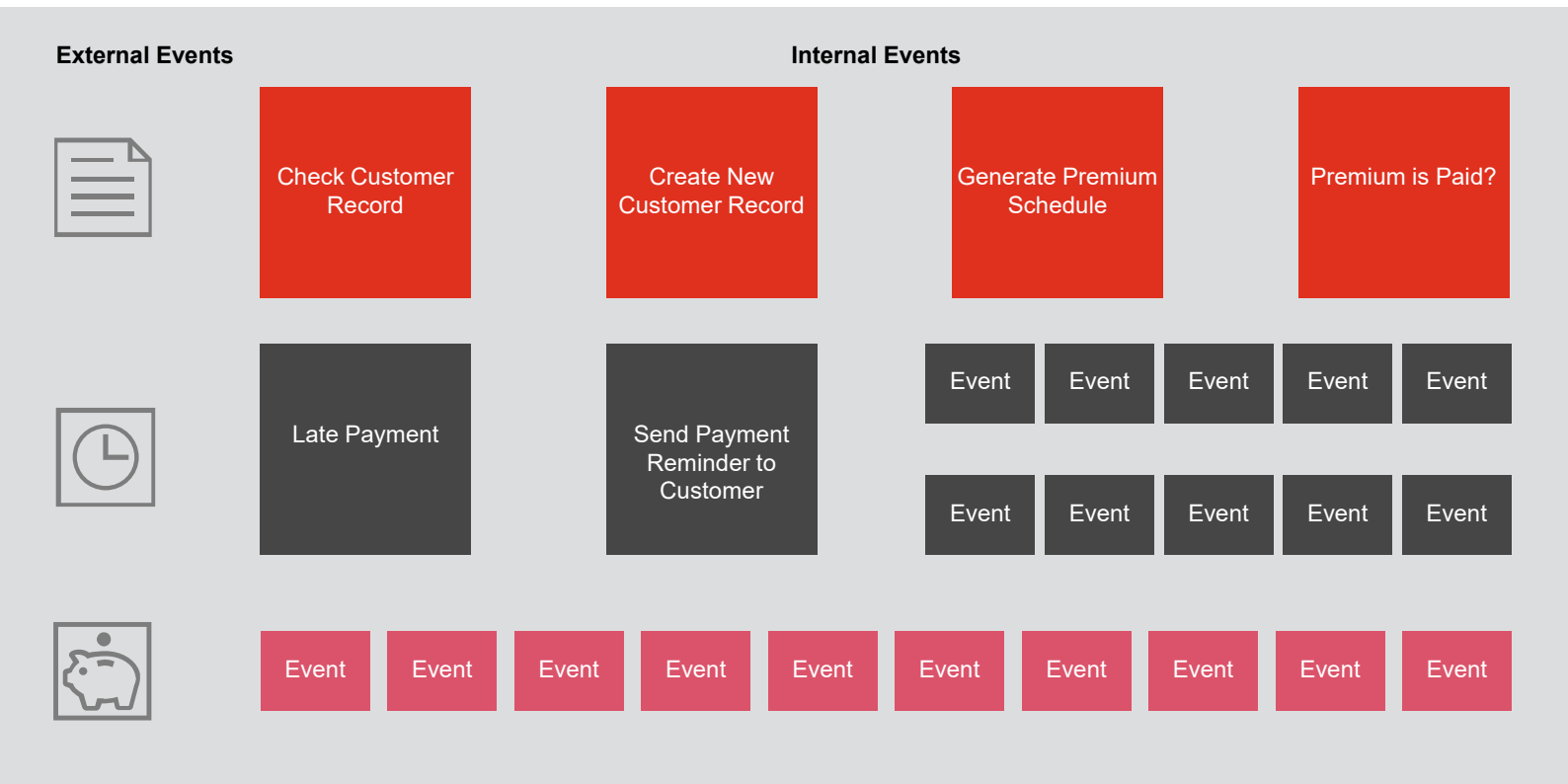


There are different processes in an insurance operation – such as new business, underwriting, claims and customer servicing – which can even vary from product to product.

However, there are common events, such as "update customer records", that will be consistent between processes. By breaking down and standardizing all the events that exist

in the processes of different insurance products, we can form a Universal Insurance Event Model. An external event (for example, submission, time-based triggers, payment or other) will automatically activate a sequence of corresponding internal events. Which events are activated would be defined by individual product configurations.

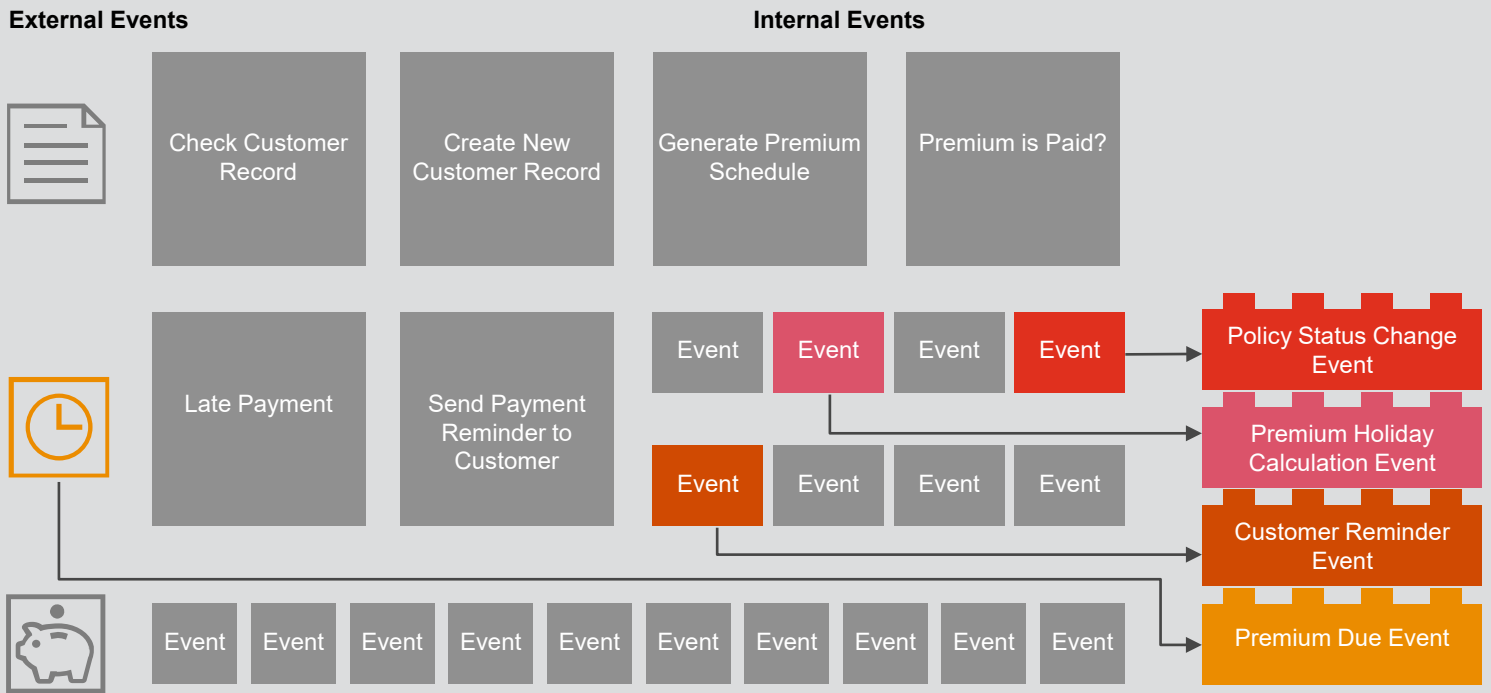
Figure 7. Universal Insurance Event Model



Once the universal model is defined, events can be modelled and used as building blocks to reconstruct all the processes catering to different insurance products. The mapping of different products and their corresponding life-cycles would involve pulling different blocks together based on their specific configurations, thus providing consistency, flexibility and scalability to the future insurance process.

Applying this to the above scenario, when the premium is due (time-based trigger), corresponding events will be triggered in the new platform (e.g. premium due event, customer reminder event, premium holiday calculation event and policy status change event), according to and in line with the defined process and product configuration.

Figure 8. The "Lego-block" Approach

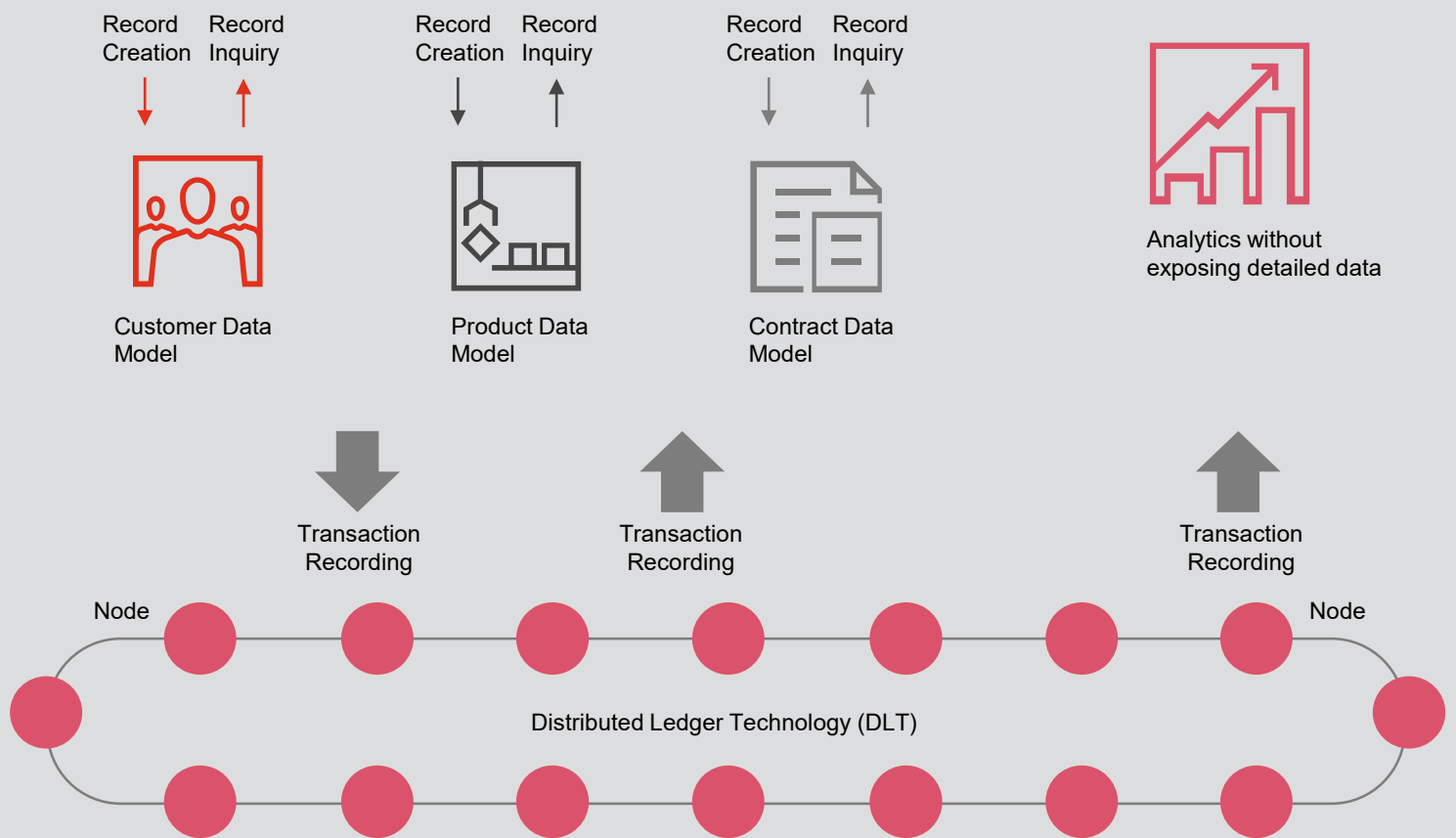


The data models underlying these events are also standardized, both in terms of structure and the way they read and write records. This means that data points (customer, product and contract-related) are being consistently captured and shared across different events and processes. Each transaction (e.g. the record of a change to data as a result of an event being executed) would then be hashed and stored on the

scalable, decentralized platform / distributed ledger (DLT) as golden copies. This creates a single source of truth, where each node maintains a copy of the complete data set, and encryption within the DLT¹³ nodes defines what information is shared with whom. This allows in-depth analytics without exposing confidential information.

13 Distributed Ledger Technology creates permanent records of transactions that are shared between many parties through a distributed and decentralised network. Transaction data is permanently recorded in files called 'blocks'. New blocks are added to the end of the chain and can never be changed or removed once accepted by the network.
<https://www.pwchk.com/en/issues/technology/emerging-technologies/blockchain.html>

Figure 9. Standardized Data Models with DLT



5.2 A Common Platform

In December 2018, the insurance sector recorded the fastest growth among nineteen business sectors across Asia. This trend is expected to continue in 2020 and beyond as the world's economic power shifts from west to east.¹⁴ As part of this growth, insurance companies are rapidly expanding into and within Asia. This encompasses both developing markets – such as Southeast Asia, China and India – and markets that are more mature, such as Hong Kong, Japan, and South Korea. To facilitate this growth, insurers need a common platform that:

- Protects customer privacy yet allows the sharing of detailed analytics

- Provides specific channels between business units that allow cross-entity collaboration and recharging.
- Allows business units to pick and choose the building blocks (events) that make up their product's life-cycle.

Ignatica answers the question of whether it is possible to have both a common platform among entities, while still maintaining privacy and confidentiality. The standardized data models ensure consistent information is captured. The DLT stores the golden copies so that traceability is consistently maintained. At the same time, individual business units expose only the data they want to share with other parties, such as transaction data.

This is because the DLT encrypts data so that each node is only able to see the information it is allowed to see, despite each maintaining a copy of the complete data set or golden copy.

The Ignatica solution is designed to manage transactional data, but explicitly leaves customer private information off the ledger and instead managed by the insurer on their existing CRM platforms. This allows data extraction of anonymous product and financial transaction data for analytics purposes by either Group or local business units, without the risk of mingling customer personal data.

14 [Insurance Business Asia. \(Jan 2019\). "Insurance Sector Tops Asia Growth Rankings".; Swiss Re. \(Nov 2018\)](#)

This technology, where DLT nodes can share selected information with each other, is also applicable to other scenarios where particular business units may require more communication or information sharing between themselves than with others. For example, a Hong Kong participating life contract would generate more communication between the Hong Kong Life and the Hong Kong Asset Management nodes, extending to downstream scenarios where, for example, the customer may choose to apply the dividend proceeds to the policy premium payment. In this case,

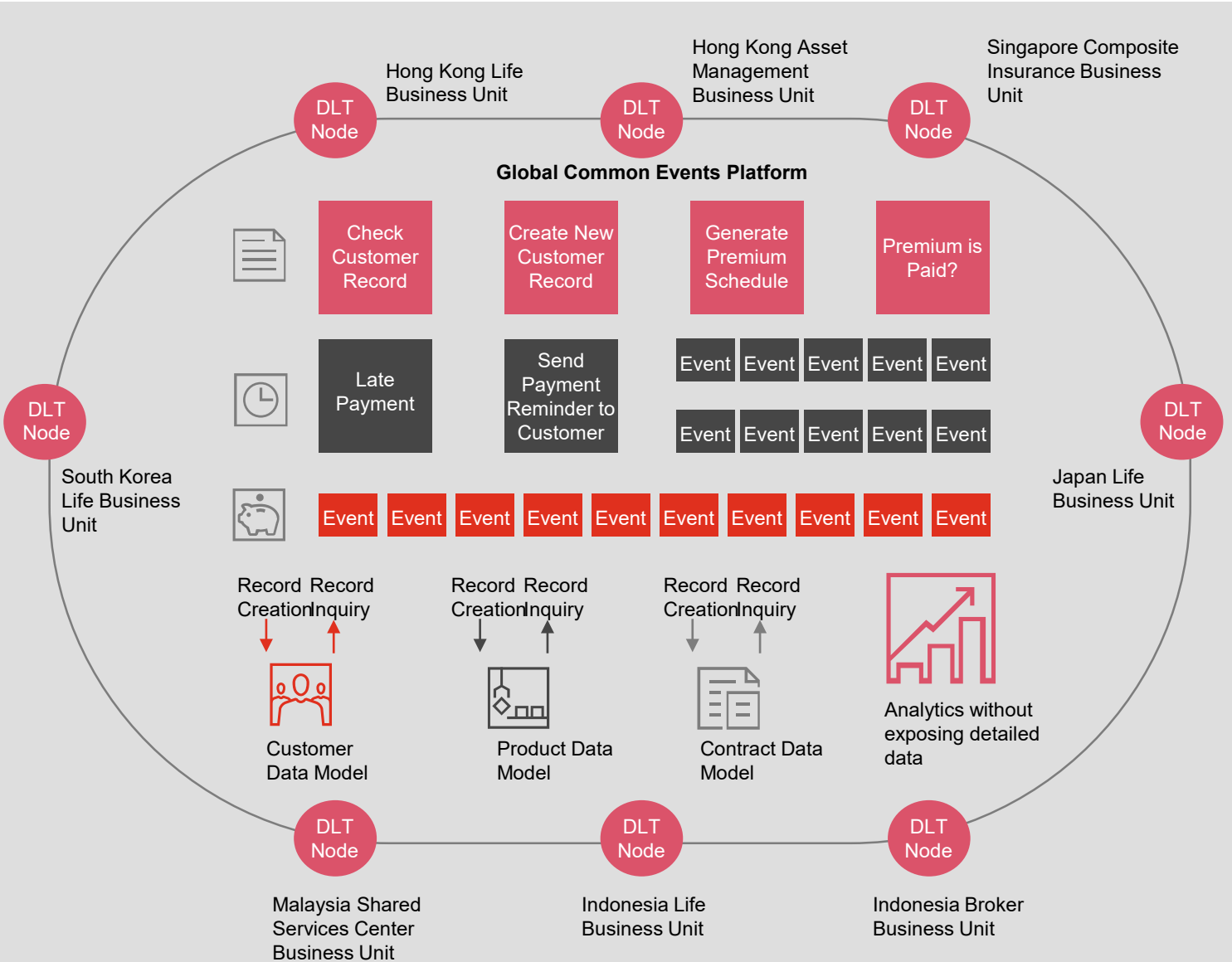
the DLT can be configured to create a specific channel of communication between these two nodes where relevant information is allowed to be exposed between these two business units to fulfil that particular activity, while otherwise operating with the efficiencies of a common platform.

In other scenarios, this can also allow specific steps of the insurance process to be exposed only to relevant nodes. For example, business units may have data flowing through a shared service centre for activities like data entry and document scanning. Out of the entire process, the DLT can expose only these two pieces to the Malaysia node, while keeping other events in the process encrypted.

At the same time, the building block approach to events within the product and contract lifecycle means different events can sit with different nodes for different business units.

This means business units that may need to manage activities such as document scanning and data entry within their own nodes due to data offshoring regulations (e.g. South Korea and China) can still do so. Meanwhile other business units in the DLT can leverage the Malaysia shared service centre for processing, as this is all configured within the same Global Common Events Platform.

Figure 10. Global Common Events Platform



5.3 System Migration

Legacy systems present a distinct challenge to business continuity. System shutdown, whether complete or partial, is unavoidable when it comes to upgrades or replacing legacy systems. At the same time, the risk, and in some cases effect, of system interruption or failure as a result of insufficient system maintenance can cost millions of dollars and affect customers across the board. This is evident through the RBS case study discussed in Section 2.4 - System Maintenance. Ignatica's solution to this problem is its product-by-product transition approach, which allows migration to occur with minimal downtime, cost and downstream impact. Applied to a multinational insurer – where entities are often spread between varying degrees of market maturity – and combined with the configurable nature of Ignatica's event-based

approach to the product life-cycle, this means that local entities, big or small, can on-board what they want when they want.

With all new business being conducted on the Global Common Events Platform, the transition approach consists of three key components:

1. New product configuration - all new products will be developed and configured on the new platform;
2. In-force product configuration - in-force products are configured on the new platform by the insurer. Business units have the flexibility to decide which products (one, some or all) should be configured and in what order, easing the burden on the change management process; and

3. In-force policy transition - where legacy systems will continue to support the in-force block until the activity is logged on a contract.

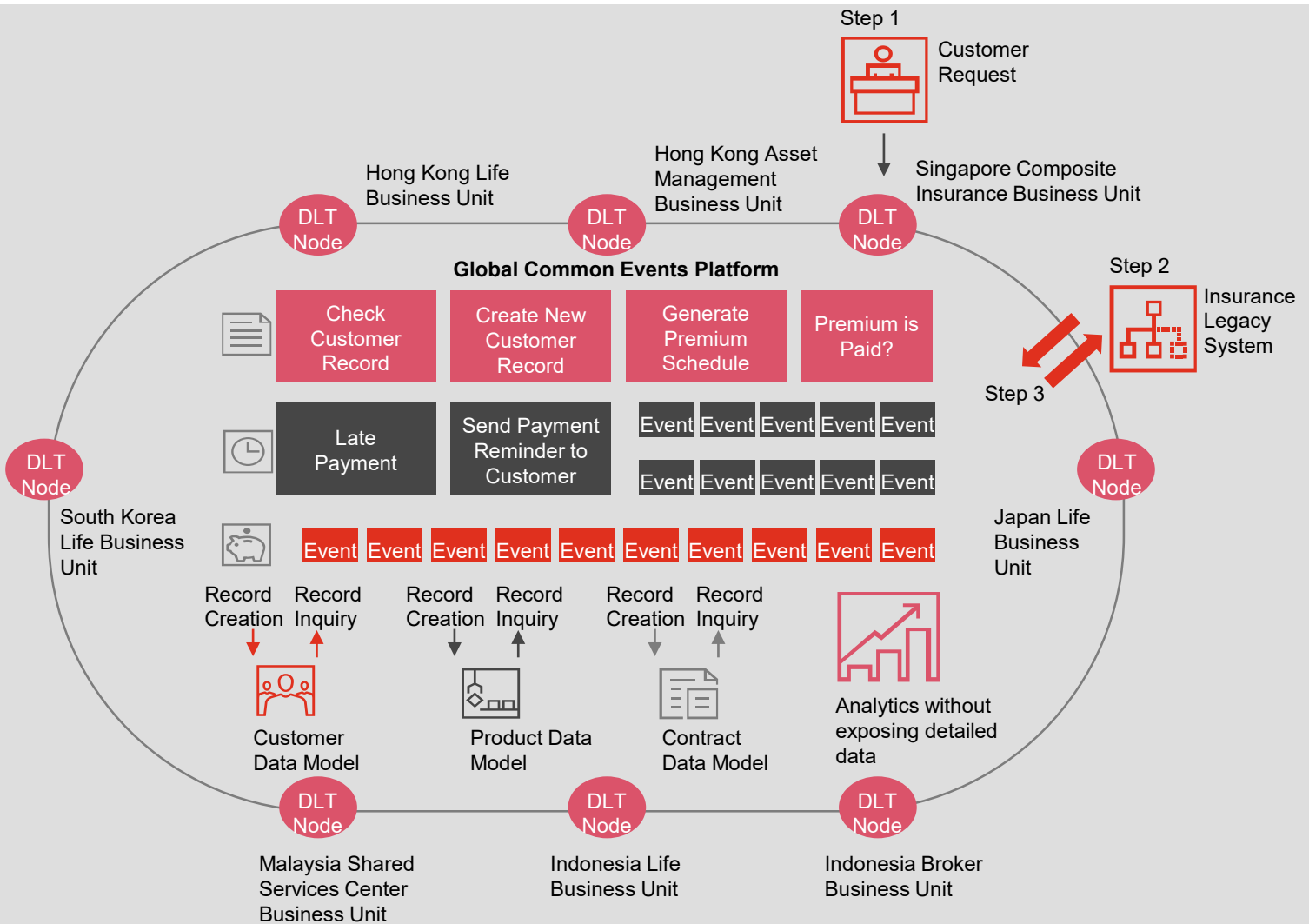
The transition of the in-force block will then be performed according to the following process:

STEP 1: A customer request comes in (e.g. change of address, top-up, claims) via the Global Common Events Platform. The triggering event can be defined according to the deployment scenario.

STEP 2: The new platform triggers a migration program to transfer relevant customer and contract data as an 'opening balance'.

STEP 3: The customer request and all subsequent events of that particular customer or contract profile will continue on the new platform. The records in the legacy system become dormant.

Figure 11. Transition of the In-force Block

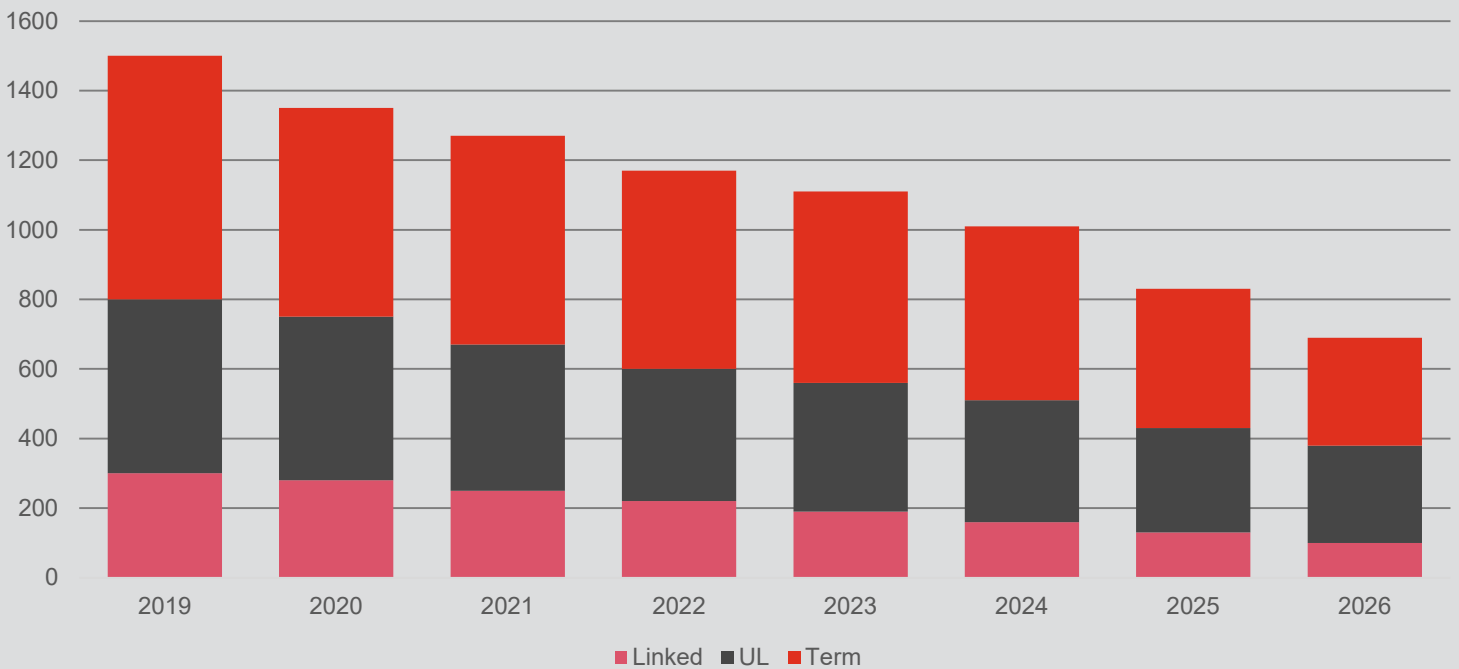




This process means that the in-force block in the legacy system can be gradually migrated to the new platform over time. The active customer who has been migrated to the new platform can enjoy new product offerings, promotions, improved customer service, etc. because of the flexibility introduced by the new platform. At the same time, the product module of the legacy system can be retired over time.

This approach of gradual migration lowers the effort and risk of one-off system migration (and failure). It allows insurers to define their migration strategy and platform based on business priorities (e.g. migrating by product, event or customer segment) and reduces complexity in the change management process by allowing business units to migrate what they want when they want.

Figure 12. Gradual System Migration



Some

thoughts on

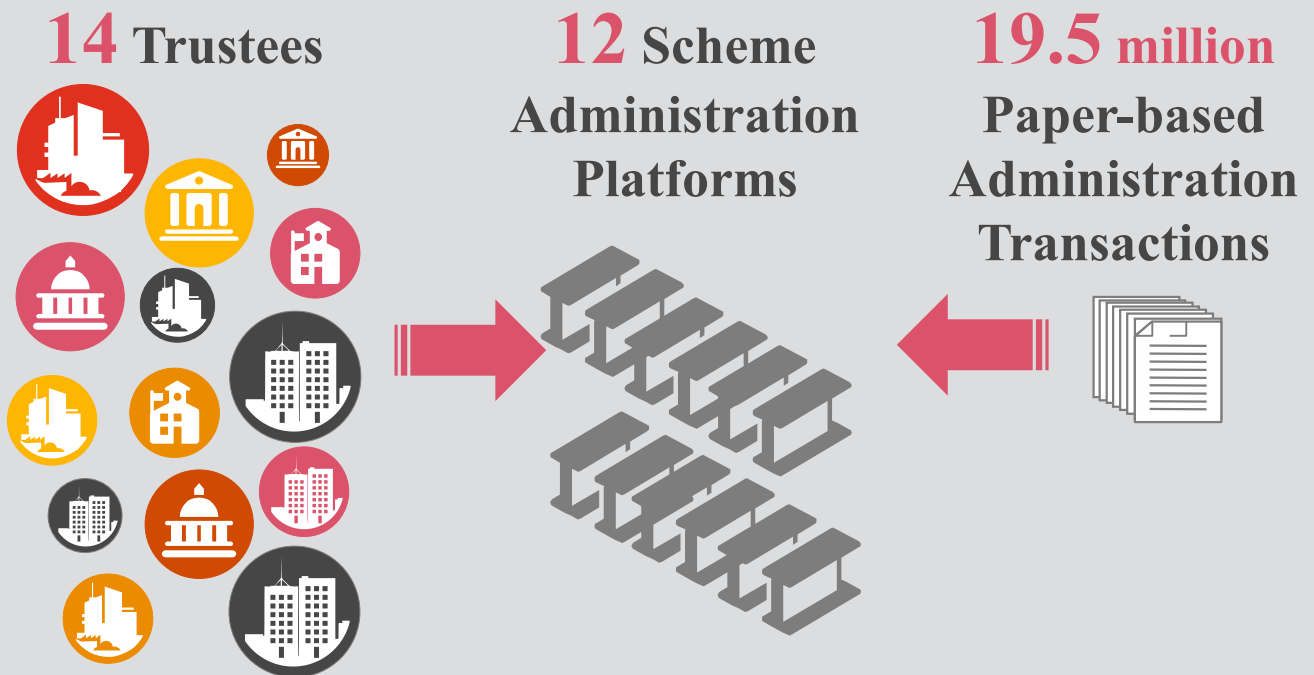
MPF

Established in 2000, The Mandatory Provident Fund (MPF) of Hong Kong is a mandatory, privately managed, and fully funded contribution scheme for retirement protection. Around 84% of the total employed population in Hong Kong is now covered under the MPF system. MPF schemes are currently administered by fourteen individual trustees approved by the Mandatory Provident Fund Schemes Authority (MPFA).

As Hong Kong's national pension scheme, the MPF generates industry-wide needs on an even larger scale. The additional operational, compliance and administrative burden on MPF trustees creates the incentive to build a cross-industry platform that helps accelerate digital transformation and enhance compliance across the industry.

The MPF system suffers from high administration costs and low operational efficiency as a result of the legacy systems that are currently in place. There are two main drivers of the high costs and low efficiency that we seek to address with legacy system modernization.

Figure 13. The Current MPF System

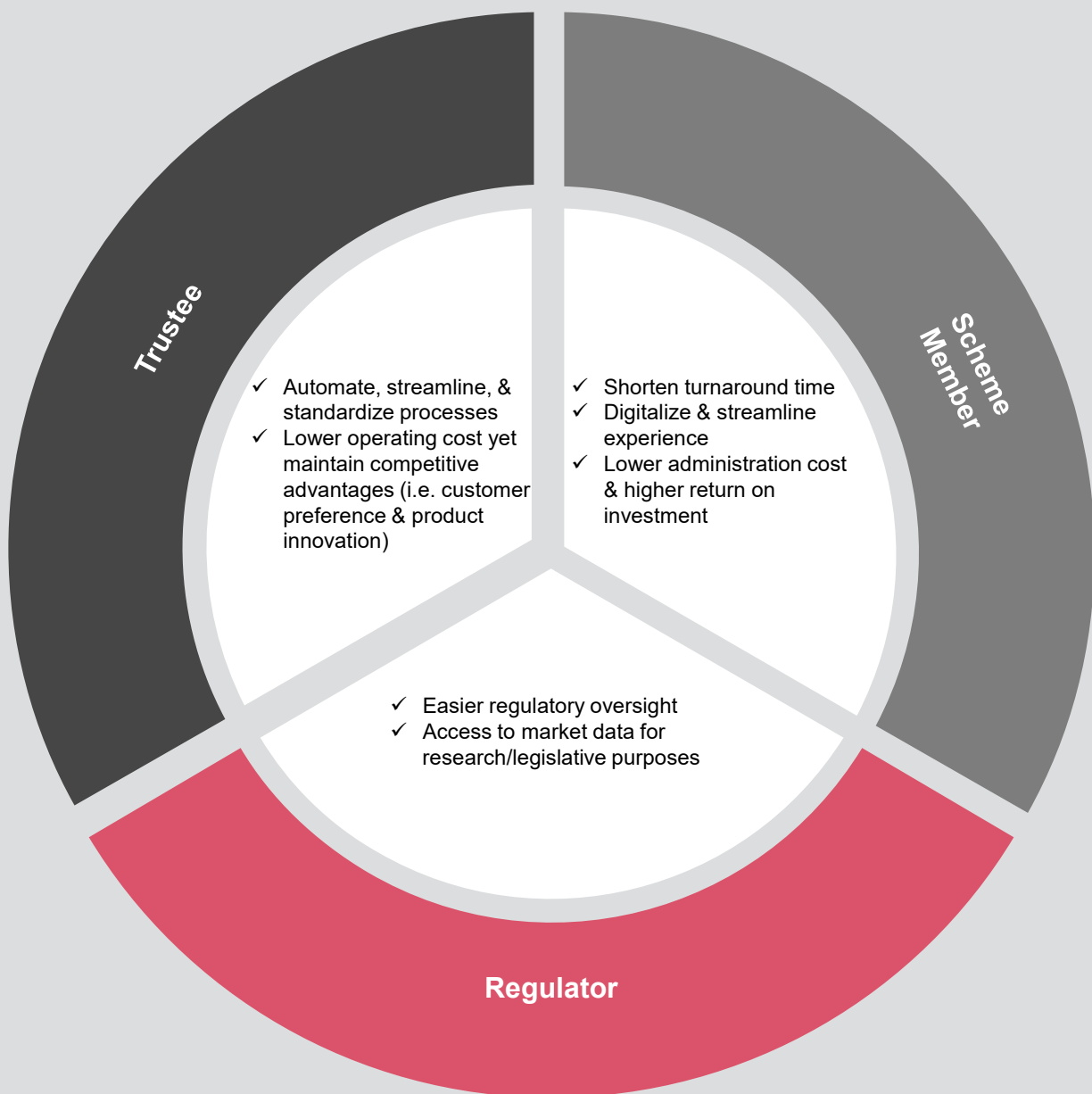


The MPFA envisages the implementation of 'eMPF'. This will be a one-stop, user-centred, common digital platform that provides streamlined services to scheme members. It will serve as an industry utility, sharing benefits across the industry created through the collaborative actions of industry

stakeholders/participants to innovate and transform industry operations.

At the heart of the planned eMPF solution lies a digital platform with standardized products, events and activities, providing interoperability that eases the participation of diverse stakeholders.

Figure 14. Envisaged Outcome of eMPF



Challenges in Implementing eMPF

7

The eMPF requires not only an efficient electronic infrastructure, but also reform to the existing MPF system to bring about an ecosystem that allows scheme members to enjoy an easily accessible, hassle-free method of saving for their retirement. Operations across all MPF ecosystem participants – from employers to intermediaries and trustees; to scheme administrators engaging members and handling contracts; to processing of data in the back office – need to be streamlined and automated concurrently. This requires a coherent and coordinated effort to prioritize, calibrate and address common and new issues arising with the adoption of an industry-wide technology, so as to make it modular and flexible at a service-level so it can be part of multiple business models in a digital platform ecosystem. This includes online (self-) servicing enabled through seamless data and communication exchange among parties. Once the MPF scheme administration has been standardized and automated, opportunities will arise for reducing costs further and paving the way for future reforms.

Delivering this vision of enhanced transparency, value-for-money and customer-centred products and services can only be made possible with the support of the broader industry answering the MPFA's urging to put MPF members' interests first. It is encouraging to see that the MPF industry in Hong Kong shares the same outlook.

Some trustees have outlined 'value for money' and 'member first' in their core values. They are working to optimise their fund investment structures so as to achieve better cost-effectiveness. They are upgrading their MPF administration systems for greater efficiency and setting up or expanding digital/online channels to deliver enhanced customer experience. A few trustees have also committed to reducing fees.¹⁵ Since the Hong Kong Government has committed to take on the role of 'facilitator' and 'promoter' in enhancing the MPF system, the MPFA is set to:

- Push for system enabling MPF intermediaries to make submissions and payments electronically and provide a higher standard of service to their beneficiaries - employers, employees, and retirees;
- Encourage MPF trustees to propose new retirement products in future that provide better risk-adjusted returns over the entire investment horizon of their scheme members; and
- Enable scheme members to take a more active role in managing their MPF investments by enabling them to choose value-for-money MPF schemes flexibly and more easily, as well as funds that meet personal needs and achieve long-term growth.

Standardize, Guide and Oversee Scheme Administration

Currently, MPF trustees have complex and varied administrative processes that can pose challenges to the implementation of a centralized system. A centralized party can help create standards for the overall MPF scheme administration. Standardized administrative processes, such as policy setting, fee structure, and benefits transfer, allow trustees to provide more consistent services and operate the MPF network in a more cost-efficient manner. The MPFA, as an entity with insights into industry operations and influence over the industry players, is able and fit to standardize, guide, and oversee scheme administration throughout the implementation of the eMPF platform, so as to ensure its benefits are maximized.

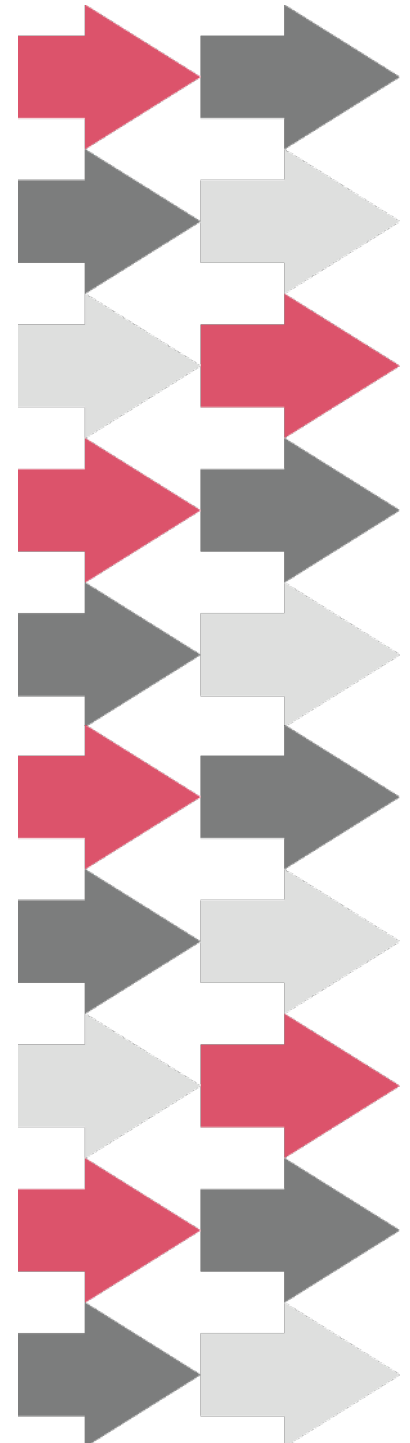
We expect to see more emerging initiatives from insurance companies to improve operations, product offering and servicing through digitalization. Therefore, having a centralized party to lead an industry-wide digitalization initiative helps trustees (1) avoid incurring duplicated system modernization costs, and (2) create a centralized market utility. Having a government-led public arrangement for building the eMPF allows the entire MPF ecosystem to enjoy improved safety, reliability, and consistency in digital pension services.

¹⁵ Mandatory Provident Fund Schemes Authority. [Annual Report 2018-2019](#).



By automating and streamlining through its event-driven configurability, Ignatica is able to drastically lower administrative costs and processing time, while its DLT framework supports networks of integrated databases that demand efficient and standardized storage, dissemination and access of information by members. By enabling the transition to be performed on a product-by-product basis, with minimal downtime and migration cost, Ignatica allows trustees to on-board at their own pace. First movers, in particular, are presented with the unique advantage of maintaining service fees while operating with lower administration costs – for a given period of time – while others in the market catch up.

For others, the independent, product-based transition allows a more cautious approach, which is useful for those who have to undergo extensive operational changes as a result. However, it is inevitable that the market will move towards the shared benefit of reduced administration costs and processes previously duplicated across multiple platforms. The Government-backed eMPF initiative is the type of disruption required in an industry that is moving increasingly towards digitalization in order to satisfy customers' demands for flexibility, convenience and transparency in their day-to-day interactions.



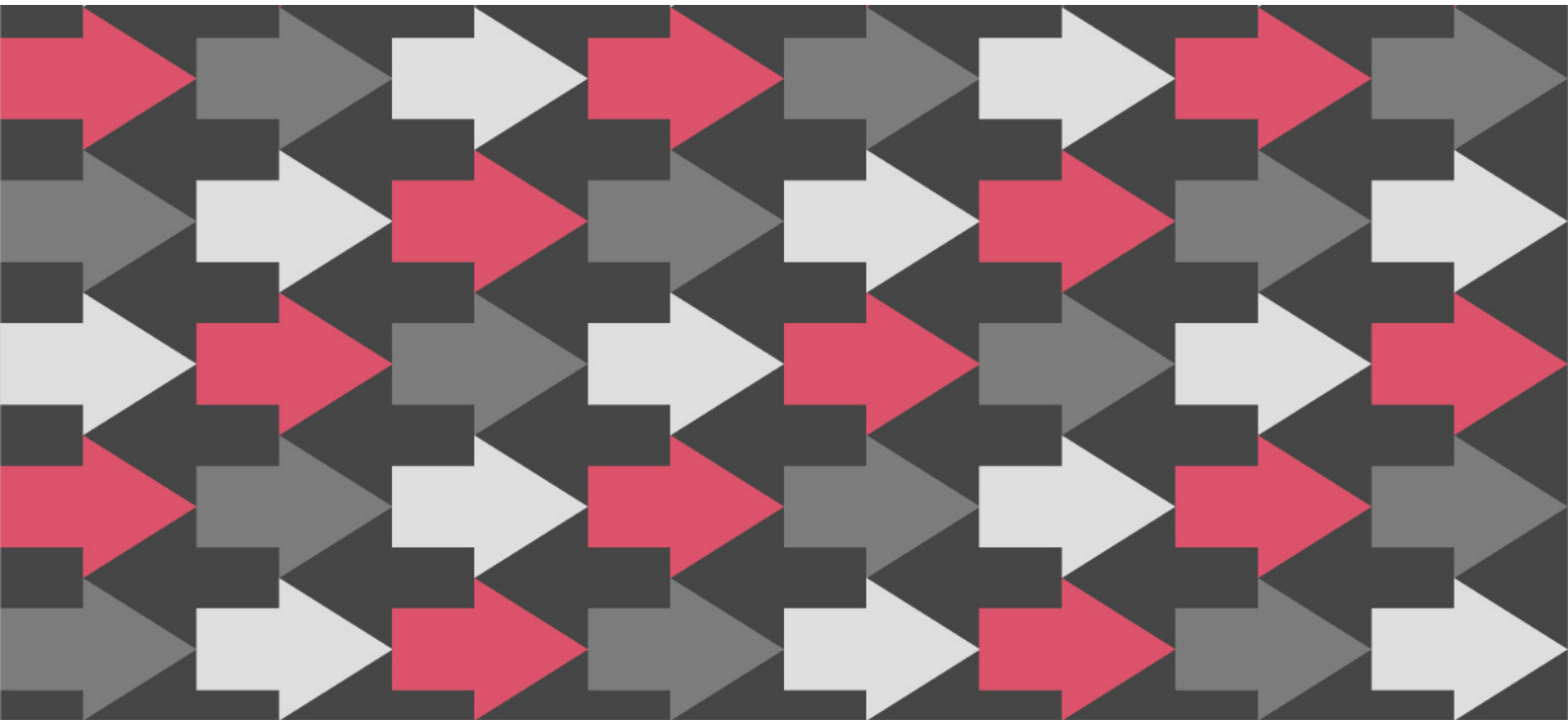
Looking Forward

It is clear that the market is demanding an inter-operable digital platform that reduces administration costs, standardizes data frameworks and increases the accuracy of data in the ecosystem.

Standardisation and collaboration are the key themes in a digital economy. Traditional insurers and other stakeholders (such as MPF trustees), who are bound by manual and paper-based processes, need to modernise their legacy systems and operations by implementing new architecture that allows them to focus on product and customer experience enhancements.

The question is no longer "what?", but "when?" Insurers need to accelerate their digital transformation, while also mitigating the risks associated with legacy system migration. To remain competitive in this digital age, insurers cannot afford to fall behind and ignore the impact that legacy systems have on their digital agenda.

The Universal Insurance Event Model-based architecture and transition approach allows non-invasive, gradual transition (e.g. by product portfolio) from legacy platform to modernised platform (such as Ignatica). This makes it clearly distinct from the partial or complete system shutdown usually required when upgrading or replacing decades-old legacy systems. As a result, it creates a level playing field for both traditional and digital native insurers.



Acknowledgements

Authors and editorial team

This paper is co-published by PricewaterhouseCoopers and Ignatica. The following contributed significantly to this paper.

| No | Organisation | Name | Role |
|----|------------------------|----------------------|----------------|
| 1 | PricewaterhouseCoopers | Abhijit Mukhopadhyay | Editorial Lead |
| 2 | PricewaterhouseCoopers | Dick Fong | Co-author |
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| 4 | PricewaterhouseCoopers | Serena Lim | Research Lead |
| 5 | Ignatica Ltd. | Manuel San Miguel | Co-author |
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