

How To: Implementation Best Practices

INTRODUCTION

To ensure that group insurance carriers can succeed in today's highly competitive market, solution providers need to deliver transformative solutions for their clients' operating and customer engagement models. Advanced core system technology, powerful digital engagement for all stakeholders, and robust enterprise capabilities are important differentiators that can set insurers apart and ahead of the competition. Just as important as the technology implemented are the best practices used to implement their policy administration systems (PAS). This Insight will describe some of the industry best practices for successful PAS implementations that consistently meet budget and schedule expectations and provide insurers with the best possible outcomes for operations modernization and performance.

STEP 1: ESTABLISH CRITICAL BUSINESS AND PROJECT OBJECTIVES

Solution providers and clients need to understand the objectives and have a mutual understanding of the scope, time, and budget assumptions that are critical to a project's success. To meet prescribed goals throughout the implementation, both must meet agreed-on time and budget, functional requirements, usability, and adoption objectives. For successful PAS implementations, one best practice is to start with well-defined business objectives, which establish a foundation for intelligent resource prioritization, conflict resolution, and other critical decision-making throughout the project. Common business objectives include:

- **Agility and speed to market.** Introduce new products or make product and process changes in weeks and months, instead of months and years.
- **Straight-through processing.** Streamline and simplify the claims process to enhance the customer experience, reduce errors, and lower operational costs.
- **Effortless customer experience.** Whether for new business/enrollments or follow-on servicing by employees, employers, and brokers, all interactions need to be as effortless as possible.
- **Motivated and energized workforce via change management.** By actively participating in the project, focusing on higher-value activities, and experiencing its successes and rewards, the client's employees should become more empowered and energized.

Successful policy administration implementations need to result in a sustainable solution that allows for continuous improvement in a contained cost model. To be competitive, clients require a cloud-enabled SaaS solution that avoids the traditional, disruptive upgrades associated with enterprise software. Clients usually want to avoid infrastructure and data center management and be flexible with their involvement with the ongoing evolution of the configurations and integrations.

STEP 2: ESTABLISH PHASED BEST PRACTICES

Another recommended best practice is to divide projects into five phases: analysis, launch, configuration – the heart of the implementation project, deployment, and post-implementation/warranty. Detailed steps include:

- **An initial analysis phase to understand the detailed project expectations and resourcing requirements.** Begin with the information provided in sales discussions and/or the RFP, then confirm and finalize the scope, requirements, interfaces, approach (like new business only prior to migrations), migration strategy, timeline, and costs. Solution providers should then:
 - **Clarify the work responsibilities among client, solution providers, and system integrator resources.**
 - **Establish dedicated project staffing.** Solution providers should appoint a project track lead to a client counterpart, who remains co-accountable for the success of that project track, makes timely decisions, ensures the availability of the correct client resources, and includes meetings and project activities as important priorities in their daily workload.
 - **Develop a management directive for the initial implementation go-live with a minimally viable product (MVP).** Subsequent production releases should include less critical functionality, prioritized based on business value.
- **A launch phase for setting up the right governance and team empowerment.** Solution providers should use this phase to orient all team members (the client, vendor, and the system integrator) with the project's scope, objectives, and methodology and establish the necessary project governance and operations standards that:
 - **Achieve active client sponsor involvement from the business and IT.**
 - **Facilitate good management decision-making, with a reasonable, big-picture approach.** The agreed-on business objectives provide the right business value context for difficult cost/time/quality trade-offs and decisions and help to avoid adding project requirements beyond original objectives.
 - **Address the hard things early in the project.** Not addressing the hardest functionality and integration requirements, data quality challenges for migrations, subject matter expert availability, and other pain points early in the project significantly increases project risk.
 - **Help to avoid making easy things hard.** For instance, using public cloud infrastructure, rather than relying on the client to manage the infrastructure, greatly simplifies the project and reduces risk.

- **Lay the groundwork for team empowerment and timely project member decision-making.** If the client does not empower its designated track leads, subject matter experts, or third-party partners to make decisions during and after their scheduled sprint/design sessions, this often results in re-work and general project "churn," negatively affecting timeline and cost.
- **The configuration phase for completing most of the project work with full client buy-in throughout.** For maximum efficiency, solution providers should divide the project work into a series of sequential sprints, organized across multiple, functional tracks. These sprints should result in an incremental delivery approach that drives alignment, transparency, early identification of concerns, and buy-in throughout the project by:
 - **Matching requirements to the correct configuration approach.** For example, trained business users may address user interface requirements through pre-set parameter configurations while more technical users (trained IT analysts or developers) will likely complete the configurations for complex business rules, calculations, and system interfaces.
 - **Achieving data cleanliness and minimizing client IT involvement for migrations.** Begin with rigorous data cleansing and analysis by using a small sample of representative data. Solution providers should begin by cleansing and normalizing data for a small subset of employer customer data and then cleansing and normalizing the bulk legacy data, minimizing the involvement of the client's IT resource involvement, and empowering project associates to complete the migrations over time.
- **The deployment phase for completing final user acceptance testing, moving the configurations into production, and executing the training plan for successful client user adoption.** Over the course of the implementation, the vendor should collaborate with the client's leadership to develop a comprehensive training plan that addresses the learning needs and logistics of the various user and constituent groups. The training should include virtual or in-person instructor-led training, train-the-trainer instruction, non-instructor video lessons, and documentation.

CONCLUSION

For successful policy administration implementations that provide insurers with next-level technology and optimum performance, solution providers need a modern benefits administration platform along with a highly disciplined implementation methodology that minimizes project risk and allows clients to achieve project and business objectives. Solution providers need to deliver this unique combination of capabilities by using industry best practices, including an agile, but rigorous implementation methodology, that can result in transformative and overall well-strategized client engagements.

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