LTIMindtree

Cloud Leap
How a US-based Insurance Provider Enhanced Scalability and Reduced Costs

Harnessing AWS modernization to drive operational excellence and improve user experiences.

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About the client

The client is a leading insurance provider in the United States with a rich history of offering a wide range of services, including life insurance, retirement planning, and annuity products. With a strong commitment to group protection and wealth management solutions, the company has expanded its diverse portfolio through strategic acquisitions. However, as they grew, they faced significant challenges, including rising on-premises data center costs and high licensing fees for applications, which hindered their ability to scale effectively and maintain operational efficiency.

Challenges

01

Rising costs of on-premises data centers created a pressing need for scalable solutions, significantly hampering the company's growth potential.

02

Increasing operational and capital expenditures put further strain on budgets, making it difficult to allocate resources effectively.

03

The steep licensing fees for applications and databases, including Oracle, Microsoft SQL Server, and Sybase, posed a major financial burden and complicated resource management.

The complexity of maintaining multiple on-premises mainframe applications highlighted the urgency for modernization, prompting a critical need for AWS Mainframe transformation to improve efficiency and performance.

Solution highlights

01 Employed the AWS Cloud Adoption Framework (CAF) to establish best practices across Business, People, Governance, Platform, Security, and Operations, which guided the cloud migration and modernization initiatives for the client's legacy systems.

02 Implemented a Microservices and Serverless architecture, enhancing agility and enabling DevOps practices for streamlined development and deployment.

03 Migrated existing databases to AWS Aurora Postgres and DynamoDB, optimizing performance and ensuring better data management.

04 Leveraged AWS Managed Services to boost scalability and operational efficiency. The AWS Mainframe Modernization process involved converting VSAMs into database tables and transforming TREX/CICS APIs into REST APIs, while batch jobs were re-engineered using Glue, PySpark, and Python scripts to elevate legacy systems within the cloud.

05 The integrated strategy of AWS Application and Mainframe Modernization empowered the client to significantly reduce operational costs, improve scalability, and future-proof their IT infrastructure.

This approach ensured reduced costs, greater scalability, and a seamless integration of new technologies, with AWS Data Migration playing a critical role in transforming the client's infrastructure.

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Business outcomes

Leveraged managed services to lower ongoing maintenance expenses, allowing teams to focus on innovation rather than upkeep.

Implemented robust disaster recovery solutions for all critical applications, safeguarding against data loss and downtime.

Ensured **99.9% application availability**, enhancing operational reliability and customer trust.

Realized a **30% decrease** in database costs through **optimized management and consolidation.**

Achieved a **40-50% reduction** in both **Capital Expenditures (CapEx) and Operational Expenditures (OpEx)**, streamlining overall financial management.

Accelerated application modernization on AWS for annuities, life insurance, retirement plan services, and group protection resulted in:

- Enhanced policyholder experiences throughout the entire journey from policy submission to delivery through a "Digital-first Strategy" on AWS.
- Achieved a target margin increase of 5% to 7% for group protection by enhancing modernization velocity by 25% with Gen AI, utilizing Amazon Bedrock.
- Lowered overall operational expenses by adopting a cloud-native stack on AWS, positioning the company for future growth and efficiency.

Conclusion

The collaboration with LTIMindtree enabled the client to successfully modernize its operations, resulting in a transformative impact on both user experience and operational efficiency. By leveraging AWS technologies, the insurance provider achieved significant cost reductions, enhanced application availability, and robust disaster recovery capabilities. These advancements not only accelerated policyholder interactions but also improved overall service reliability. Ultimately, this transformation has positioned the client for sustainable growth in an increasingly competitive market, driving higher customer satisfaction and loyalty.

Ready to unlock the full potential of your insurance operations with cloud innovation and modernization? Contact us at *dea.genai@ltimindtree.com*