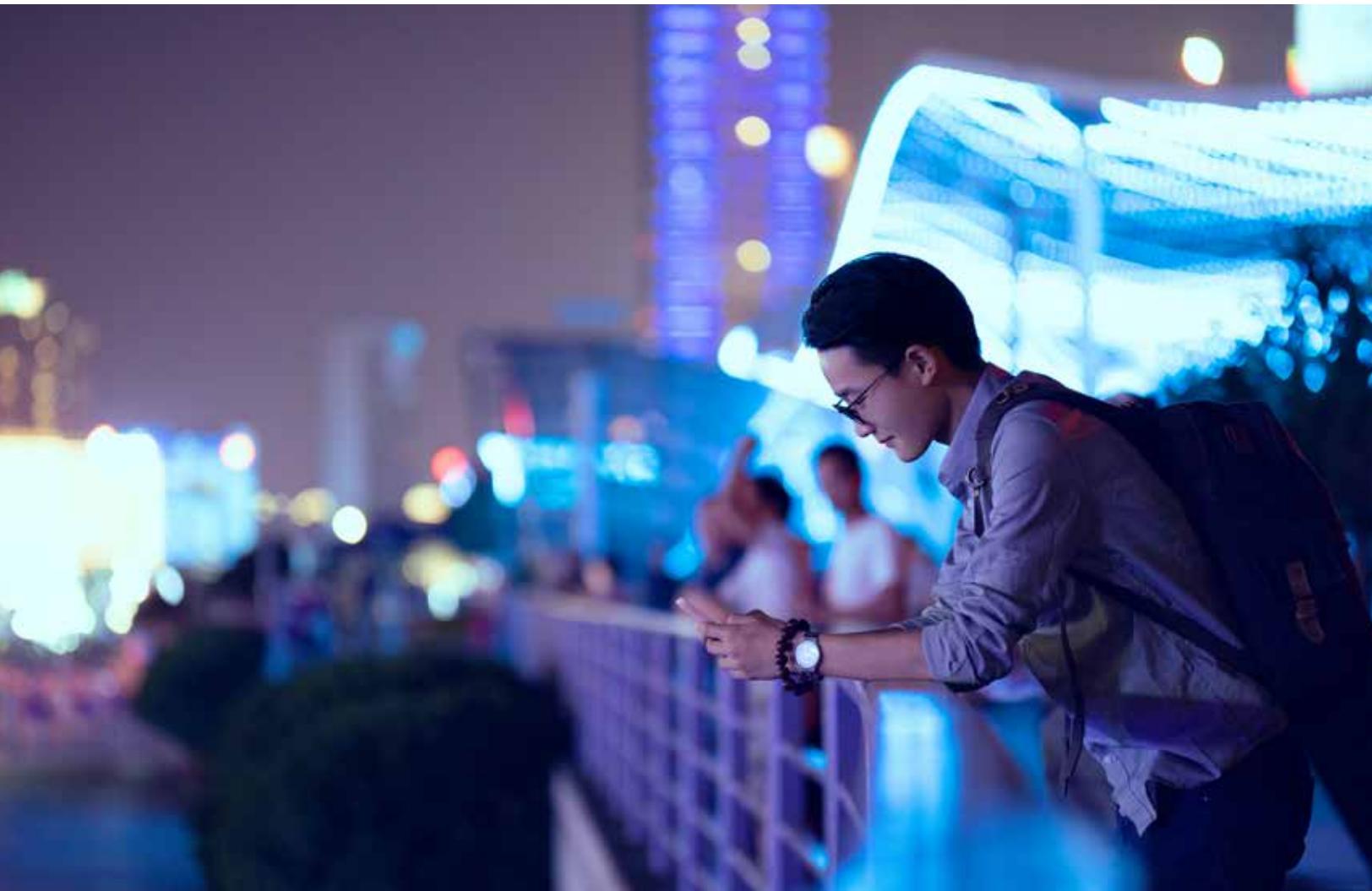# GUIDEWIRE

Grinnell Mutual Delivers Operational Efficiencies with Modern Cloud Platform

Insurer improves customer and agent experiences

CASE STUDY

> "With Guidewire, we recognized their strong market penetration with some of the bigger players in the industry. This platform was going to continue to grow and adapt to the market. We're getting some of the best thinking, not only of Guidewire, but of the more than 380 customers they have."
>
> —Roby Shay, VP, Enterprise Solutions and CIO, Grinnell Mutual

GGrinnell Mutual Group is the 110th-largest property and casualty insurance company in the United States and the largest primary reinsurer of farm mutual companies in North America. Grinnell Mutual comprises three insurance companies: Grinnell Mutual Reinsurance Company and its two wholly-owned subsidiaries, Grinnell Select Insurance Company (Grinnell Select) and Grinnell Compass. Named to the Top 100 Super Regional Property/Casualty Insurers in 2019 by Insurance Journal, Grinnell Mutual cultivates trusted relationships by providing insurance solutions with a focus on ease of doing business.

According to Roby Shay, the company's Vice President of Enterprise Solutions and CIO, "Our focus is on relationships and using technology to create great, trust-based relationships. That's imperative to our long-term business model."

The Need for an End-to-End Solution

Grinnell Mutual's existing platform was extremely limiting and revolved around legacy technology. Customer data was not connected to the back-end system, so there was no single customer view. There were many disparate systems, but none were integrated and none worked well together. The result was that customer experiences were not optimal.

GRINNELL MUTUAL.

Headquarters
Grinnell, Iowa

Operations
United States

Business Lines
Commercial, Personal

Employees
850

Website
www.grinnellmutual.com

Product
- Guidewire InsuranceSuite

Benefits
- Submitted 124 quotes and bound nine policies in a first week release with a small pilot group of Pennsylvania agents
- Realized straight-through processing improvement on auto policies—now at 80%-85%
- Transitioned from managing software on-premises to using a cloud service

GUIDEWIRE

As President and CEO Jeff Menary explains, "We didn't have systems where employees could maximize efficiency and production. So, for years, we sort of cobbled things together. Our number one issue was how to add value to our products and the services we provide—not only for our agents but with actual policyholders and claimants."

For Grinnell Mutual, replacing its existing system could take place in two ways. The insurer could implement multiple pieces (policy, claims, billing, portals) and combine them in a single package. Or, it could find a policy administration system from among different vendors and try to piece it together with other systems.

When Guidewire announced it would offer a cloud platform, Roby Shay explored this single-package solution. By implementing Guidewire InsuranceSuite Cloud, a small Grinnell Mutual IT team with limited resources could spend more time focusing on things that create competitive advantage, rather than on day-to-day efforts like patching servers and deploying software updates. "We needed a platform that could scale as our business scales, without having to add a lot of staff," says Shay.

Giving employees the best tools, even as the business scales, helps make them key differentiators. In this way, employees can provide world-class customer service and help retain not only agents but policyholders as well. Likewise, agents can create an experience that makes it easy to do business, encouraging customers to write their business with Grinnell Mutual. "With Guidewire, we recognized their strong market penetration with some of the bigger players in the P&C industry. This platform was going to continue to grow and adapt to the market," Shay continues. "We're getting some of the best thinking, not only of Guidewire, but of the more than 380 customers they have."

A Business-Led Transformation

To remake its business interfaces and replace every major system used to do business, Grinnell Mutual devised the CONNECT project. It invested in Guidewire InsuranceSuite Cloud, comprising BillingCenter, ClaimCenter, and PolicyCenter. It also leveraged InsuranceSuite's digital capabilities for agents and policyholders. "What we want in the future from Guidewire, besides great software that enables our business, is a partnership," says Shay.

Using an agile methodology, CONNECT Release 1 was designed and implemented in four-week-long sprints. Every major system (policy, claims, billing, and document management, as well as back-end systems) was built over two years with a goal of launching personal lines in Pennsylvania. The focus was on Grinnell Compass, a new underwriting company for a new multi-variate auto insurance product. "Our existing platform was not really in a position to do that," Shay explains. "Many of our decisions are really about business agility, and we were constrained by that within the existing technology footprint."

Grinnell Mutual committed to launching an end-to-end solution all at once and focused on launching a quality product rather than speed-to-market. The insurer worked with a pilot group of agents in Pennsylvania to gather input and work out problems before rolling it out to thousands of agents. This innovative approach helped avoid many of the pitfalls other companies experienced. "The CONNECT project's work, and the implementation of InsuranceSuite and Guidewire Digital, is about adopting best-in-class technology to better serve our agents and customers," says Shay.

Shifting Operations to the Cloud

The advantages of the Guidewire Cloud implementation go well beyond the technological. Employees are thinking—and working—differently. Seven teams— more than 200 people—were involved in the project full time, along with more who had critical roles in launching InsuranceSuite Cloud and bringing Grinnell Compass to market. According to Lauren Augustin, Vice President of Product Transformation and Delivery,

"Our people are working toward a common goal and thinking more globally. Every department has been interdependent in making this happen."

For Grinnell Mutual, the decision to move to the cloud was the right one. "Guidewire laid out a very compelling vision, making it clear that they're on the path to get there—and that's really about making their software more cloud native," explains Shay.

Guidewire Cloud is powered by AWS's highly resilient cloud infrastructure and uses more than 30 of AWS's 175 web services. Service-level agreements are backed by experienced Guidewire teams and Guidewire Cloud certified partners. Essentially, Guidewire is the core platform that will run the majority of Grinnell Mutual's business. Key benefits of the Guidewire Cloud infrastructure include staying current on upgraded software so that the insurer can adapt to a changing business environment with newer features and functions delivered directly on Guidewire Cloud.

Enhancing Agent and Consumer Agility

Focusing on agent experience had a transformative impact. In the first week, a small pilot group of Pennsylvania agents submitted 124 quotes—and bound nine polices, exceeding hit-rate benchmarks. Agents work from one item, one screen. The technology was so intuitive that conversations focused on agents' needs around products and services, and not around how to work with the technology.

InsuranceSuite and Guidewire ProducerEngage now enable movement into areas where agency sophistication and expectations are increasing. Agents expect to do business with a company that has the ability and system horsepower to meet their needs, and Grinnell Mutual can now do that.

One of the significant metrics Grinnell Mutual is tracking is the straight-through processing rate. With its legacy platform, Shay explains, issues existed with straight-through processing. The number of policies going from quote to issue without human intervention was relatively low. "With Guidewire, those numbers show well over three times improvement in straight-through processing. The less time we spend dealing with minutiae in the policy life cycle, the better our personal customer service can be."

Grinnell Mutual also pays attention to call volumes, specifically for billing. With additional payment types and capabilities built into the Guidewire platform, there has been a drastic reduction in the amount of calls.

In addition, agents like the new platform because it doesn't require them to be on the phone with underwriters to close deals. "Now we probably have around 80%–85% of all of our auto policies going through without a human touching it," notes Shay.

"Guidewire has been a catalyst for much more change than just the technology platform," concludes Shay. "We've changed the way we work. We've changed our mindsets. We've really broken away from the way it's always been done. Guidewire really became the cornerstone of a strategy of modernization, and so far we've achieved that goal."

About Guidewire Software

Guidewire delivers the industry platform that Property and Casualty (P&C) insurers rely upon to adapt and succeed in a time of accelerating change. We provide the software, services, and partner ecosystem to enable our customers to run, differentiate, and grow their business. As of the end of our fiscal year 2019, we were privileged to serve more than 380 companies in 34 countries. For more information, please visit www.guidewire.com and follow us on twitter: @Guidewire_PandC.