Because insurance is a data-centric industry, P&C carriers have large amounts of data stored in core systems, ancillary systems, and data warehouses. This data is the lifeblood of the enterprise, used to support core operations across policy, billing, and claims processes as well as to monitor the business and fulfill regulatory requirements. As insurers become proficient in managing and aggregating data, they have the opportunity to create sophisticated applications such as business intelligence, data analytics, and predictive models.

However, it can be difficult to get access to the right data at the right time. Common challenges include:

- **Disjointed data sets**: There are conflicting pictures of the business as data is difficult to merge and aggregate because of inconsistent data models, data refresh rates, and context.

- **Application centricity**: Data is often incomplete as it comes from databases designed for single-application functionality that don’t take downstream application needs into account.

- **Integration difficulties**: Proliferation of point-to-point leads and feeds can be costly and complicated, creating a highly complex IT environment.

**Data Integration via an Insurance Data Model**

Guidewire DataHub™ is an insurance data store that captures, standardizes, validates, and stores data from the typical patchwork of an insurer’s systems and external sources. It enables carriers to create a single version of the truth through a detailed transaction repository where internal and third-party data is subject oriented, conformed, and given common context. This provides the perfect staging platform to meet the needs of both data consumers and data producers.

"Data integration through a master data hub is a proven approach that provides many benefits to the insurer. In legacy systems replacements, a data hub can serve as the backbone for core system integration, but also can mitigate the need for complex or large conversion efforts and provide a consolidated enterprise view of the business.”

- Martina Conlon, Principal Analyst, Insurance Novarica
DataHub homogenizes multiple data sources by using proven P&C-specific data models. Relational data models provide rapid updates to ensure efficient retrieval and maintenance. Because data is maintained in both original and conformed formats, DataHub can provide access to both data sources as needed. Pre-integration with Guidewire InsuranceSuite™ defines data and process flows that enable customers to accelerate progress and reduce risk as part of a complete business transformation.

Foundation for a Data-Centric Enterprise

Retire legacy systems
Despite the high costs of integration and maintenance, it is very common for legacy systems to survive a core system transformation. Data migration from legacy systems to new core systems can be challenging and expensive. In addition, data that is exported from the legacy system may have many downstream dependencies and can therefore be disruptive and risky to migrate to the new core systems. In this scenario, the legacy system can end up being used merely to store and look up historical policy, billing, or claims information.

DataHub pulls existing legacy data into a central data repository, thereby streamlining data management issues and providing flexibility during the new implementation. This enables a carrier to systematically unplug all data leads and feeds from the legacy system and then carefully reconnect them to DataHub with minimal or no downtime issues. DataHub maintains the original source data prior to transformation in addition to the transformed and conformed data so that legacy systems can be retired with confidence.

Future-proof data architecture
Anticipating future needs for data can be difficult. For example, just a few years ago it would have been difficult to envision the opportunities available to a carrier by leveraging “big data” analysis tools and techniques. However, an insurer can be certain that investments in making data easily accessible will be the required foundation to quickly take advantage of such opportunities.

DataHub decouples data consumers from data producers, thus insulating data consumers from any changes in the behaviors and capabilities of the data producers. This means that launching a new system (for example, a new claims management or policy administration system) does not involve unplugging and replugging a network of data feeds. All that remains is the far simpler process of linking the new application or infrastructure to the central data repository. In addition, the extensibility of the DataHub models facilitates the ongoing accumulation of new data that is available as new technology is added to the overall architecture.
Improve data quality, completeness, and consistency
Data often lacks integrity or is incomplete in legacy source systems. For example, changes made by developers over the years may have affected data quality due to inconsistent interpretations of the data model or reuse of available fields. Furthermore, legacy applications are often organized by line of business and/or functional area, and have proliferated over time because of historical needs, mergers, or acquisitions. The result is lack of consistency.

DataHub secures data integrity and prepares a robust data infrastructure by using methodologies and platform tools that gather, analyze, test, and validate insurance data throughout the organization. This means that data and system connectors are continually integrated and fully tested, and data consumers can use the data with confidence. At the same time, data is cleansed and transformed without disrupting ongoing processes. In addition, incomplete data can be supplemented with third-party data sources where possible.

DataHub Services
Guidewire offers services to help customers define, design, and implement a data integration strategy to meet their individual business and technical goals. Specialized consultants bring an in-depth understanding of insurance data solutions, along with an average of more than ten years’ experience working with P&C insurance data. Although every consulting engagement is unique and tailored to the needs of the customer, consultants typically help with the following:

* **Data integration**: Define and implement a data integration strategy, including identification of internal data producers, data consumers, third-party data sources, and gap analysis.

* **Data consolidation and publication**: Leverage pre-built InsuranceSuite integrations, landing zones, and transformation scripts to consolidate customer data from source systems into DataHub and to make the conformed data ready for publication to data consumers.

* **Data conformance**: Design and implement scripts that ensure the quality, completeness, and consistency of data in DataHub, including automated data-cleansing and transformation scripts.

About Guidewire Software
Guidewire delivers the software that Property/Casualty (P/C) insurers need to adapt and succeed in a time of rapid industry change. We combine three elements – core processing, data and analytics, and digital engagement – into a technology platform that enhances insurers’ ability to engage and empower their customers and employees. More than 200 P/C insurers around the world have selected Guidewire. For more information, please visit www.guidewire.com and follow us on twitter: @Guidewire_PandC.

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