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 because data is difficult to merge and aggregate due to inconsistent data models, data refresh rates, and context.
- **Application centricity**: Data is often incomplete because 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.

**Role of Data in Business Transformations**

Modern core systems generate a lot of data and have the responsibility to share data with downstream systems efficiently. A majority of a core system implementation cost is spent managing and moving data between systems for reporting, migration, and integration. In addition, customers need to support data feeds from multiple core systems in a normalized and consistent fashion. These challenges share a common set of prerequisites:

- The need to extract the rich data from the modern core systems in a business-meaningful way
- The need to consolidate multiple modern and legacy core system data models into a single unified set of records
- The need to translate data from varied “producer” data sources for use in different “consumer” systems or use cases

“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
Guidewire DataHub™, a key component of the Guidewire InsuranceSuite Platform, 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.

DataHub homogenizes multiple data sources by using proven P&C-specific data models. 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

The business goals of core system transformations are well understood: improved customer service, increased business agility, and better operational efficiency—which are achieved through business process improvements and the application of best practices as guided by the features within a modern core system. Core systems create a large proportion of the business-critical data within an enterprise. As a result, the core implementation also needs to support a number of other key business objectives.

Improve Business Insight from Data

Improving business insight today requires more than just operational reporting. It requires business-relevant data, aggregated across multiple instances of legacy and modern core systems and combined into a single consolidated, insurance-specific data model. The analytics required for improved decision-making today comes from a variety of solutions, including predictive analytics, actuarial analysis, a downstream data warehouse, and other ad hoc tools. Data from core systems, therefore, also needs to feed other systems.

DataHub improves business insight by making the right data available to support the user with the decision at hand. DataHub enables performant core system data extraction, consolidation and simplification of multiple core data models, and tooling to support data translation for downstream systems.

Accelerate Project Delivery and Reduce Risk

In addition to the need for reporting, business intelligence, and analytics, core systems data also needs to be fed into a larger data warehouse, a general ledger, re-insurance, CRM, agent downloads, and other systems. Most customers will also need data from core systems to support regulatory and statutory reporting. This need for system integrations tends to increase over time.

DataHub helps address these integration challenges with proper extraction, consolidation, and translation of modern and core legacy system data. DataHub helps accelerate the transformation initiative by reducing integration complexity, providing data conformance across source and target systems, and supporting easy addition and removal of new integrations.
Achieve Long-Term Sustainability
The data needs for an enterprise will extend far beyond the initial core implementation project. Core systems data models change, new products are introduced, and new business units or lines of business are deployed. New systems are introduced in the IT landscape and need to be integrated with core systems. Over time, systems must undergo upgrades to take advantage of new innovations.

DataHub evolves in tandem with InsuranceSuite and helps rapidly respond to changing business needs. DataHub provides performance at scale, generates complex and reliable financial measures, handles asynchronous data transfers, and enables data migration and retirement of legacy systems.

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
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 operations, 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](http://www.guidewire.com) and follow us on twitter: @Guidewire_PandC.