

CUSTOMER SUCCESS

# case study



## Hastings' Policy Express Delivers Quick ROI and Provides Exemplary Service to Agents with Duck Creek's EXAMPLE Platform®

### HASTINGS MUTUAL INSURANCE COMPANY OVERVIEW

Hastings Mutual Insurance Company is a regional property and casualty insurance carrier active in five Midwestern states. With its home office in Hastings, Michigan, the company has been providing superior insurance protection to its policyholders since 1885. The company has had an outstanding reputation based on customer service and needed insurance products, backed by sound company finances. Hastings Mutual is currently represented by over 900 independent insurance agencies, and is rated A+ by A.M. Best.

### THE BUSINESS CHALLENGE

While Hastings Mutual was not targeting a replacement for their existing mainframe-based policy administration system, they needed to find a more effective way to deliver tools to their agents via the Internet with the objective of improving new business service. With an 'if it ain't broke, don't fix it' attitude, Hastings opted to leave the existing policy administration system in place and focus their time and resources on implementing an integrated, web-enabled, front-end to deliver increased automation, real-time processing, and functionality to the agent community.

The Hastings project, dubbed Policy Express, was designed to provide agents with quick-quote capabilities, full policy rating, automated underwriting, confirmation (i.e., policy issued or referred to underwriting), acceptance, and processing of electronic payments, through to policy completion and issuance.

### THE SOLUTION

Unlike many other insurers making technology decisions, Hastings Mutual did not have any particular technology bias toward either the .NET or the J2EE platform. They felt that with any good, modern technology environment, the underlying technology should be transparent to both the users and the technology staff. Their primary criteria was choosing a technology that was current and could integrate well with the existing environment. The technology needed to provide the required real-time functionality, be Web-capable, and allow them to easily reuse code that had been developed as they upgraded over time. Other key selection criteria dictated that the solution needed to be XML-centric in order

## SOLUTION CONTINUED

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to support all the data exchange, communication, and integration required between the various in-house and external systems.

Hastings Mutual saw no need to embark on a long and extensive market search, limiting their evaluation to only a handful of products that they felt could provide a front-end, Web-based application environment. But, before any final decision was made, Hastings did want to perform a Proof of Concept; a process that they have used in the past and had found to be an effective approach to solution and vendor selection.

## WHY DUCK CREEK

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“We had heard a lot of good things about Duck Creek before actually talking to them. Considering they were a fairly new company, they had quite an impressive list of ‘in production’ clients – including many companies that we were quite familiar with. Rather than formally requesting references, we did a bit of our own networking in the industry to find out about Duck Creek, their product, and their reputation. Given that we ultimately selected Duck Creek, the industry feedback was positive,” said **Bob Eshelbrenner**, Vice President and CIO, Hastings Mutual Insurance Company.

After just two months of evaluation, Hastings narrowed their options to two possible solutions, and Duck Creek was chosen as the frontrunner. Duck Creek and Hastings Mutual moved forward with the Proof of Concept to give Hastings a real-world look at the system with one of their own products. Hastings asked Duck Creek to build and demonstrate the Hastings Selected Contractors line of business. The test clearly demonstrated that Duck Creek’s EXAMPLE Platform offered a tool that would allow Hastings to easily Web-enable the mainframe environment, while also providing a toolset that would allow for quick development and easy deployment into a production environment.



“The Proof of Concept was time well spent. It didn’t take us long to appreciate the power and flexibility of the Duck Creek solution. While the test didn’t provide us a finished product, it did give us enough knowledge to understand how the system operated and how the tools could be used by our staff to develop and deploy a front-end system that would be highly productive and easy to use for the agents,” said **Deb Girrba**ch, Sr. Programmer Analyst, Hastings Mutual Insurance Company.

The Proof of Concept lasted about one month, resulting in the final decision to move forward with Duck Creek and their EXAMPLE Platform solution.

## THE IMPLEMENTATION

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The Proof of Concept got things started, but more work needed to be done to provide a finished product for production. The implementation timeframe met with Hastings’ expectations since they knew that this implementation would take longer than normal.

## IMPLEMENTATION CONTINUED

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The extra time was due to Hastings requirement to develop required third-party calls and to accommodate their in-house staff's learning curve given their desire to gain a high level of self-sufficiency with the EXAMPLE Author tool.



“Our staff gained a lot of knowledge through the Proof of Concept, but the real learning occurred as we worked to get the first product in production. The investment of time to develop our staff's proficiency with the Duck Creek tools was a great investment. While it took us longer to get the system into production, the one-time investment in our education has resulted in our self-sufficiency and more cost-effective and quicker implementations for the rest of our product family. Our experience is a great example of effective knowledge transfer. At this point we only go to Duck Creek on an “as needed” basis. They can usually answer any questions we have via phone support or through a short WebEx session,” said **Jim Wicker**, Vice President, Hastings Mutual Insurance Company.

Hastings Mutual also leveraged the strong Duck Creek user network and the Duck Creek User Flocking (user group meeting) as creative avenues to further their Duck Creek education.

In addition to the Select Contractor product, as of July 2005, Hastings has also developed and deployed their Personal Auto line of business for Indiana and Ohio. The remaining states are under development and Hastings has also begun work on their Homeowners line of business, which is on schedule for a fourth quarter delivery.

## THE RESULTS

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“The primary business driver of this project was to create a new business process that would significantly enhance the service to our agents. Giving them control of the data input improves accuracy and puts them in control of the process,” said **Bob Eshelbrenner**.

Hastings acknowledges that the Policy Express project with Duck Creek was quick to deliver ROI by dramatically shortening the new business process and also by developing the expertise of the Hastings staff to enable self-sufficiency to quickly define, develop and deploy products with little to no support requirements with the vendor. Not only are the time savings and quick-to-market opportunities significant, but the independence from the vendor enables Hastings to avoid the cost of professional services that is so common with other vendor solutions available today.



“The self-sufficiency was a real goal for us, and Duck Creek made it happen with not just their solution, but also with the ‘knowledge transfer’ from their staff early on in our process. All-in-all, it has been a great experience with an outstanding working relationship between client and vendor—a relationship that should be considered the benchmark in the industry,” said **Jim Wicker**.

## RESULTS CONTINUED

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Using Duck Creek's EXAMPLE Platform tools, Hastings successfully created a web front-end system for the legacy policy administration environment to capture data and execute underwriting rules. The captured data is submitted to their back office rating engine for a quote and then sent back via the Internet for display to the agent. Additionally, the Duck Creek system automatically maintains a diary/workflow and submission/quote history for the agents via EXAMPLE Express.

Hastings estimates that with the new Duck Creek-enabled Web-interface to agents, real-time rating and automated underwriting rules, the new business process has been drastically shortened from the previous one to two weeks to an average of two business days.



“Feedback from the agents and the technical staff has all been extremely positive, a testament to the ease, flexibility and power of the system, as well as the support, training and implementation assistance provided by the Duck Creek staff,” said **Deb Girschbach**.

## FUTURE PLANS

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As Hastings learns more and more about the EXAMPLE Platform, they plan to continue to expand its use for additional lines of business – potentially, commercial lines as well. Hastings has also identified an opportunity to use Duck Creek's tools to develop a Web-based, front-end for yet another back-office system, the stand-alone loss control system. The Duck Creek system looks to offer great potential for the data capture component and reaching out to the Web to loss control representatives.



“We know that Duck Creek is well known and respected for their rating tools, but we actually decided to stick with our existing rating and just move it to a Server to take advantage of the real-time capabilities. Since the Policy Express project was focused on delivering tools to the agents, not in replacing the legacy, we felt our time and effort was better spent creating the Web capabilities and using Duck Creek for new business. We will consider using more of the Duck Creek policy administration system capabilities in the future. As we expand the front-end capabilities with web technologies, it will make it easier to replace the backend without impacting the users as the technology becomes more and more transparent,” said **Bob Eshelbrenner**.