Platform Play

How LAWPRO Overcame a Decade of Technical Debt to Embrace Digital Transformation and Advance its Risk-Based Legal Claims Process into the Future
Summary

LAWPRO is the leading provider of professional indemnity insurance and services to thousands of providers in the Ontario legal community. LAWPRO also provides property title insurance across Canada. Since its incorporation in 1994, LAWPRO has acted as an independent body of the Law Society with independent governance and board of directors. A commercially successful organization, the key value proposition of LAWPRO is a highly efficient risk-based claims process backed by masterful expertise in financial investment, fraud, cybercrime, and new technologies affecting the legal profession.

Delivery and operation of an Information Technology (IT) platform called “My LAWPRO” is fundamental to the services LAWPRO provides. My LAWPRO acts as the central hub for claims processing, account and policy information, and general education. It’s a 25-year-old platform that has grown to support a dramatic increase in the number of external users over its life. As the last 10 years have been focused almost entirely on reducing costs, the burden of technical debt within this legacy infrastructure is now significant.

The strategic choice to re-platform the core central nervous system of the organization requires courage in leadership, confidence in partnerships, and maturity in delivery, as well as a governance model that spans the entire corporate structure.

Key Findings

• Refactoring was not an option, as the technical debt was too high and internal and external stakeholders desired new functions and integrations.

• Project governance that engaged both the CEO and CIO created the necessary transparency and urgency for success.

• Time to market and cost containment were the primary driving factors in technology decision making, with a preference for partner over vendor.

• Implementation was planned as a single event, with a well-defined, orchestrated data migration strategy. Planning, communication, and training users takes center stage.

Special thanks to the major contributions to this report to Ernest Solomon, Chief Information Officer at LAWPRO, and his high profile technology team.

Challenge

Over the last decade, the primary management direction across the banking, financial services, and insurance (BFSI) industry was cost containment, as was certainly the case for LAWPRO. In 2019, with the onboarding of Ernest Solomon as CIO, discussion within the executive team turned to the lack of
progress in improving business processes for the external lawyer user community. This concern stretched across the insurance value chain, including overall satisfaction and business risk. Solomon established a three-year technology roadmap focused on four core areas: core application, workplace, infrastructure, and security modernization.

The assessment for this plan featured a joint presentation to the Board by the CEO and CIO, where they visualized a timeline of the existing platform. It depicted the increase in external users and compared that to annual innovation on the existing platform, showcasing obvious gaps in functionality, usability, and making clear the debt that had accumulated around user expectations and technological change. Falling short of expectations and facing future growth demands, the Board approved a plan to dramatically invest in the IT systems.

Like most long-term centralized systems, the technical debt within My LAWPRO was overwhelming. The web-based Java application ran on outdated, legacy equipment and was hampered by an aging application architecture that lacked support for continuous improvement and deployment of agile development processes. The development costs to overhaul and update the application to be in line with current and future state security initiatives were prohibitive. While the current state of the platform may not have been outside of the norm, it was a business challenge that had to be resolved with IT.

The re-platform project is expected to create substantial opportunities for LAWPRO. These include:

- **Technical**: Significant reduction of technical debt, better resiliency and availability, additional business continuity and sustainability, and moving the needle on cyber posture
- **Customer**: Updated business processes to handle current and future insurance lifecycle, significantly update customer and user experiences
- **Operational**: Agility to update/create new business processes for productivity and timeliness of new offerings, increased user experience to dramatically increase employee satisfaction
- **Financial**: Transparent and predictable upfront and ongoing cost model

Lawyer expectations have changed over the past decade, as younger and more tech-savvy clients demand mobile, interactive, and a simplified engaged customer experience (CX). These users also seek usability and integration that leverage the benefits of digital transformation. The new LAWPRO platform meets this new demand.

**Solution**

The traditional options used to address the challenges facing LAWPRO would be to “repaint” (cosmetic changes), “renovate” (superficially fix), “rebuild” (foundational updates), or replace. None of these were untenable strategies for the business. Instead, the CEO and CIO convinced the organization to re-platform—replace the core application set, create new integrations to internal
corporate systems, incorporate updated security controls, and deploy with a SaaS/Cloud business model with a market partner.

The approach to selecting a solution followed traditional guidance and governance processes:

- Identify and document the business requirements of critical workflows and weight each flow to determine completeness (for example, screen flows, fields within screens, and number of required clicks).
- Redefine requirements as reviewed/documented
- Present RFI/RFP to multiple vendors and narrow down to two providers (both SaaS offerings)
- Conduct vendor demonstrations to showcase features and configure the platform to customize specific LAWPRO workflows as requested (minimal effort on behalf of vendor)
- Select a single vendor for a proof-of-concept (POC) of additional workflows, screens, bandwidth requirements, top-level architecture diagrams, and BCP/data residency discussions (moderate effort on behalf of vendor)

Figure 1. Understanding the Process

Those defining the solution requirements, especially the demonstrations and POC, included stakeholders from finance, claims, underwriting, communication, and IT. They were led by both the CIO and CEO considering the strategic importance of the initiative.

After the evaluation period, LAWPRO chose OneShield Market Solutions (OMS) for the new platform. Of the final two candidates, OMS provided a total cost of ownership (TCO) in line with LAWPRO expectations, provided far more integrations with new technology platforms to build a future application ecosystem (including collaboration and auto-documentation), and expressed a desire to help digitally transform the business, including building new B2B and B2C portals for clients. In addition to replacing the central nervous system, OMS would help to build the portal to redefine the customer experience (CX).
OMS declared LAWPRO a strategic partner and invested in the marketplace using time-tested blueprints. The success of the program would require an effective governance model and a focused timeline for implementation and user adoption. It is imperative for the selected platform to deliver the following on a high note.

Figure 2. The Digital Transformation Plan

**Process/Transformation**
Re-platforming a core system requires a balance of timeliness and risk. The year-long project will progress throughout 2021 for delivery in 2022; a pace that is likely twice as fast as any project of a similar nature. This aggressive timeline requires unique project governance, roles, communication/collaboration, and preemptive engagement with customers (lawyers) well before launch.

These unique project attributes include:

- Shared technical expertise and business architecture between LAWPRO, OMS, and the OMS hosting provider; plus Microsoft Azure and Okta for security

- The addition of three critical roles: a seasoned program manager (handling cross-department and cross-organizational planning), an enterprise architect (translating technical language into business processes), and a technical lead (crossing the app/infrastructure implementation and integration complexities)

- Full-time department champions for underwriting, claims, finance, and communications representing both internal and external stakeholders
• Since the launch will be a single delivery date, all data must be converted without data synchronization with the original platform (legacy platform to be accessed for informational purposes only)

• All end users (internal and external) must be ready at launch, and the training environment with videos for self-training must be ready months before the official launch

**Governance Model**

![Governance Model Diagram]

**Figure 3. The Governance Model**

A project of this scale does not come without challenges. In addition to the natural concerns of aggressive timelines, potential technical integration issues, usability, and user adoption problems, the issues of security and risk were critical. The challenge posed by personally identifiable information (PII) stored in the platform was naturally a concern, but the legal, contractual, and regulatory implications of fraudulent access to the data via a cyber breach added a level of difficulty to the effort.

Risk areas to be addressed and resolved include:

• Addressing data residency via deployment to only Microsoft Azure regions in Canada

• Integration with Okta for identity management, with role-based and privileged access

• Carefully assessing technical requirements for needed integrations in building the LAWPRO technology ecosystem

• Assurance of ISO/SOC Type II certifications evaluated and achieved for all partners

• All partners required to participate in security design, architecture, and implementation; and partners would handle SOC operations

• Scale and seasonality risks (September to December) through Azure scaling and SaaS contractual obligations above 150%
Production and Business Value
After a decade focused mostly on cost containment, the investment in a new platform will create short-, mid-, and long-term business value for LAWPRO. In the short term, reducing technical debt and enhancing the security posture will turn down the dial on potential risk. In the mid term, the new workflows and usability will increase both employee productivity and client satisfaction with the features, functions, and benefits of the corporate offerings. In the longer term, the new SaaS platform will prepare LAWPRO for waves of change delivered in highly agile, burstable projects, almost eliminating a need for another future re-platform.

Several types of ongoing business value were identified:

- Elimination of technical debt and effort in IT operations by shifting from on-premises management of application infrastructure to a SaaS business model and partner
- Additional security, availability, reliability, and business continuity controls dialing up the risk mitigations required in today’s client expectations
- Improved employee experience and productivity through the implementation of automation and operational workflows
- Increased transparency and predictability in annual IT spend

Fortunately, through the solution definition and process of choosing OMS as the partner, the company discovered a key unanticipated benefit. The new platform provides the means to centrally locate corporate data from many disparate sources. This new data foundation, combined with commercial data and analytics tools, will dramatically increase the organization’s ability to discover new business insights with a digital strategy to store, enrich, activate, and monetize data.

Resolution

It all happened so fast.

After a whirlwind start in early 2020, the new CIO evaluated the state of the team, the internal IT capabilities, and the application portfolio and quickly determined they needed to consider large-scale adjustments and have the executive committee and board address them head-on. Once approved, within a few short months, they determined the core application was replaceable, they selected a vendor, and started the project. It was a “big bang” approach that produced its share of risks.

In hindsight, the IT team believes slowing down may have been a more prudent approach. Take time to consider and evaluate options and create and document a strategy, architectural vision, and an end state. Instead of transforming the entire system in a single project, implement and address in waves—address security and availability, then integrations, then user experience, then internal business processes, and finally data accessibility.
The re-platforming journey will not end after the initial implementation. There will almost certainly be outstanding production problems, usability defects, and several “mandatory” features pushed out after the late descoping typical at the end of major projects. Over the next year, welcoming short-term pain to achieve long-term gain will become a driving philosophy.

The future is bright. While the first step for LAWPRO is re-platforming the core marketplace, the next step will be delivering a new primary customer experience and setting off on a customer journey that positions the platform for long-term sustainability and dramatic growth. For example, IT leadership is evaluating the future impact of using AI for chat-bots, as well as robo-advisory, mobile applications, predictive and prescriptive business insights, and microservice architectures.

Lessons Learned

**Embrace Digital Transformation**
The first best practice the team embraced was to implement a strategy that assumes that the future is digitally transformed. Beyond the presumption that all analog processes should go digital (paperless transfer of information, elimination of wet signatures, and virtual communications), this approach anticipates demand for highly social, highly mobile customer experiences. It also introduces diverse, targeted business models for each customer segment, virtually eliminating encumbered operational inefficiency. Re-platforming is not an IT project, it’s a business project that implements a digitally transformed business future.

**Skill Up**
Second, adopting a new modern architecture likely requires an upskill or reskill of the current IT team. You will need to augment your expertise and capabilities with chosen partners, and create project objectives that specifically address individual and team expertise and education. The effort also may require expertise currently not available to the team. Adding seasoned veterans experienced in major longtail core system projects will help determine weak spots and pitfalls in long-running, multi-phased, core system implementations.

**Commit to Testing**
Third, when implementing major changes that redefine business continuity and disaster recovery, plan for testing. When you are a major player in a marketplace, downtime for you will holistically represent downtime for a significant percentage of transactions. Prepare for this and test the appropriate failover and recovery infrastructure before an event strikes. Also, evolve the existing security posture to meet the changing cybersecurity landscape, which prepares the organization to implement best practices and avoid a security breach.

**Value Employee Engagement**
Fourth, place a greater focus on improving the employee experience. This requires a concentrated effort to increase technology adoption. You can’t deliver a powerful experience with a narrow vision of simply implementing one of the transformational initiatives. In reality, it requires every leader to influence the transformation outcomes, resulting in an increase in employee engagement.
About Paul Lewis

A Global CTO for more than 25 years, Paul Lewis is passionate about leading technology evangelism, client advocacy, and technological and business strategy, especially when related to digital transformation and IT operations.

In his current role as Global CTO of Hitachi Vantara, Paul focuses on technology sales, support, and innovation; IT and business strategic plans; governance, security and risk management; and software and infrastructure architecture. Before Hitachi, Paul managed multidisciplinary teams as a CIO/CTO and senior executive technologist at several financial services organizations, from start-ups to large international business services providers such as Basl100, Filogix, and D+H.

Through various technology and industry publications, including Forbes Insights and Edge Computing Association, Paul interprets and translates complex technology trends for the CIO/CTO community, including digital transformation, Agile IT, cloud computing, data mobility, governance, IoT, AI and analytics, and the role of the CxO.

Paul serves as a member of the Masters of Business Analytics (MBAN) and Masters of Management in Artificial Intelligence (MMAI) advisory board at the Schulich School of Business, and on the IT Media Group’s advisory board providing guidance on compelling issues and topics for CIOs and the vendors that serve them.

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