

Tech Decisions • Financial Insights

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**INSURER'S CHOICE**

Technology Ranking

**2009**

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**Tech***decisions* **National Underwriter** **National Underwriter**

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Financial **Insights**  
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# Winners

## Property & Casualty

### OVERALL

|     |                           |
|-----|---------------------------|
| 1st | ImageRight from Vertafore |
| 2nd | CSC                       |
| 3rd | StoneRiver                |

### OPERATIONS

|     |                           |
|-----|---------------------------|
| 1st | ImageRight from Vertafore |
| 2nd | CSC                       |
| 3rd | Guidewire Software, Inc.  |

### INFORMED (ANALYTICS)

|     |                           |
|-----|---------------------------|
| 1st | ImageRight from Vertafore |
| 2nd | Cognos, an IBM Company    |
| 3rd | Microsoft                 |

### CHANNELS

|     |                       |
|-----|-----------------------|
| 1st | StoneRiver            |
| 2nd | TIE: CSC; Oracle      |
| 3rd | TIE: Microsoft; IVANS |

### FINANCIALS

|     |            |
|-----|------------|
| 1st | StoneRiver |
| 2nd | Oracle     |
| 3rd | SunGard    |

### PRODUCT DEVELOPMENT

|     |                           |
|-----|---------------------------|
| 1st | ImageRight from Vertafore |
| 2nd | CSC                       |
| 3rd | Oracle                    |

### CUSTOMER CARE

|     |                     |
|-----|---------------------|
| 1st | Cisco Systems, Inc. |
| 2nd | CSC                 |
| 3rd | Oracle              |

### WORKFLOW

|     |                           |
|-----|---------------------------|
| 1st | ImageRight from Vertafore |
| 2nd | Highland Software         |
| 3rd | AcroSoft Corporation      |

### UP & COMING

|     |                          |
|-----|--------------------------|
| 1st | Guidewire Software, Inc. |
| 2nd | OneShield                |
| 3rd | iPartners                |

## Life & Health

### OVERALL

|     |         |
|-----|---------|
| 1st | SunGard |
| 2nd | IBM     |
| 3rd | Oracle  |

### OPERATIONS

|     |         |
|-----|---------|
| 1st | SunGard |
| 2nd | IBM     |
| 3rd | Oracle  |

### INFORMED (ANALYTICS)

|     |   |
|-----|---|
| 1st | TIE: Oracle; SunGard  |
| 2nd | TIE: Cognos, an IBM Company; Business Objects, an SAP Company |
| 3rd | —   |

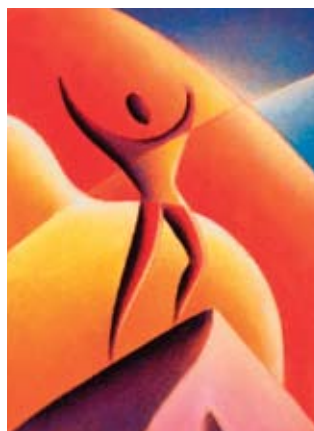
### FINANCIALS

|     |                      |
|-----|----------------------|
| 1st | Oracle               |
| 2nd | SunGard              |
| 3rd | TIE: SAP; StoneRiver |

### PRODUCT DEVELOPMENT

|     |                                     |
|-----|-------------------------------------|
| 1st | TIE: IBM; ImageRight from Vertafore |
| 2nd | TIE: EMC; SunGard                   |
| 3rd | —                                   |

(Note: Not all categories have winners nor do all categories have all three winners due to insufficient data.)



# Interesting Times

By Barry Rabkin

Whether ancient curse or folklore, the expression *May you live in interesting times* certainly has taken on a bit more meaning than any of us would like. The financial crisis seems never ending as life insurers' asset-backed and mortgage-backed securities are tumbling, and all insurance companies are starting uncomfortably into a potentially new federal regulatory regime. In the face of this tumult, Financial Insights and *Tech Decisions* decided this would indeed be a great time to collaborate once again on "Insurer's Choice 2009" to find out which technology firms insurers have been choosing to help run their companies.



Barry Rabkin

Given the environment, insurers' opinion of the investments they've made with various technology partners is even more important now than one year ago. Insurers must have full faith and trust their technology partners will see them through these tough times. The table beside this column shows the technology firms insurers are trusting to keep their business operating, help them with their financials, and other functions needed to get and keep customers.

Is your insurance company spending more or less money for technology in 2009? Financial Insights estimates North American life/annuity industry IT spending will decline modestly in 2009 to an estimated level of \$15.1 billion. This is a drop of 0.73 percent from 2008. However, the North American P&C industry will experience a slight increase to almost \$20 billion. This is an uptake of 0.98 percent in 2009 IT spending.

Of course, we always are asked where this list comes from. We'll go into more detail in the Methodology section in this supplement, but the key point is this list reflects the voice of the insurance industry. These technology firms are not in this supplement because of any analyst's opinion. The technology firms were chosen by North American L&H and P&C insurance professionals. Obviously, it represents a fraction of the insurance industry: Slightly more than 700-plus insurance professionals clicked the survey open, while about 600 P&C and 140 L&H insurance professionals answered some or all of the questions. But the chart of winners shown at left does represent the respondents' short list.

To all of the North American insurance professionals who took the survey from mid-September to mid-November 2008, thank you very much. We really do appreciate the time you invested, certainly considering your usual full plate of responsibilities and the additional stressful pressures the economy has delivered. We hope all the readers of the survey results find value in this supplement.

### READER NOTE

Barry Rabkin recently has left Financial Insights and currently is president of his own firm, Market Insight Group, Ltd. For questions regarding "Insurer's Choice 2009," contact Dave Potterton at 508-988-6784 or [dpotterton@financial-insights.com](mailto:dpotterton@financial-insights.com).



# SunGard Offers Vision For the Industry

By Robert Regis Hyle

Gregory S. Webber doesn't want to downplay the importance of having a great product and excellent customer service in today's insurance software market. But Webber, president of SunGard iWorks, believes those two factors are required and expected of any world-class vendor. "I think if anything made a difference this year [for SunGard] it's recognition we have a strong vision in support of the industry," he says.

SunGard has made a difference for its customers, Webber claims, by examining key issues the company believes insurers are struggling with. He puts those issues into three categories.

"One, as times have tightened up, each carrier is looking at its top line and asking how it is going to capture growth in its own business," he says. Carriers have "come to the realization growth is difficult to capture and sustain—and not just in mature markets such as North America and Europe—because the economy is slowing."

It's only natural for insurers to look to emerging markets—India, China, or elsewhere in Asia, suggests Webber. "They realize growth is available [in those markets], but how are they going to put [new business] on their admin platform and how are they going to sell that business?" says Webber. "We've focused our capabilities on helping the industry capture that growth."

A second critical issue is the ability to balance growth with effective risk management, continues Webber. "If ever there was an indication now is the time to be sure you have effective risk management across the whole of the enterprise, the debacles of the last 12 months have perfectly illustrated that need," he says. "With our iWorks Profit enterprise risk management capability, I think insurers are recognizing the power of that platform, so if they do capture growth or at least maintain a semblance of growth, they are not going to embarrass themselves in the *Wall Street Journal* or the *Financial Times* a month from now with poor risk management."

The third factor is businesses need to go through their portfolio of vendors and applications. "The fact is when times are tough, the bar of whom you want to do business with and whom you can afford to do business with shifts dramatically," says Webber. This does two things for companies, he explains. "There are fewer vendors to manage and fewer disparate products to manage," he says. "With fewer vendors you can negotiate leverage a little harder."

That ability to focus on major strategic issues in the industry and discuss the big picture, Webber contends, is what earned SunGard first place overall in the life and health segment of "Insurer's Choice 2009."

Battling the economy, particularly in the last six months, has been a challenge for insurers and vendors alike. "I'm not going to tell you it's easy," he says. "You can't pick up a newspaper, watch TV, or open your Internet browser and not read or hear the doom and gloom."

In better economic times, insurers around the globe were chasing revenue but didn't pay the right amount of time or attention to how efficiently they were chasing that revenue. As growth has slowed, insurers have realized they need to be more efficient and thus are going to focus on the capabilities of the vendors and the systems—the things they can best leverage, explains Webber.

"If anything, insurers have come to their own conclusion as to how important it is to take a step back," says Webber. "Growth won't be quite as rampant or available, but they have to leverage what growth there is down to the bottom line. They do that by looking at the same process that is going on [in the software market]: Whom are we doing business with? Who offers what? Whom can we best leverage to step up the results of the bottom line? This actually has contributed to our business, not hindered it."

SunGard is not going to take a "woe is me" approach to the economy for the remainder of this year. Instead Webber views the challenges in the economy as presenting interesting dynamics in the insurance software marketplace. "There is this flight to quality—a sincere desire to engage with vendors at a level we haven't seen in a number of years," he maintains.

Webber looks at this as an opportunity to engage with top executives of the insurance industry and make a difference in their business.

"It's a great opportunity for us because [insurers] are looking for help," he says. "It's not easy for them to spend for help, though. When there are alternatives out there, we are one of the companies we think the industry looks toward as a leader. We intend to continue to make a difference in the industry." ♦



Gregory Webber

# Resilient Insurance Enterprise



**SUNGARD** IWORKS

In a changing and challenging market climate, Insurers need to strengthen and empower their Insurance Enterprise and become resilient; reducing risk exposure, improving operational excellence, withstanding the challenges that regulatory and maturing markets present and capitalizing on emerging markets. SunGard has the Insurance solutions, the strength, the experience and the global footprint to help ensure that Insurance Enterprises are Empowered and Resilient.

- More than 2,500 customer sites use SunGard's iWorks solutions
- SunGard iWorks solutions are used in more than 50 countries
- SunGard is the largest privately held business software and services company on the Forbes list of private businesses

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