The Legacy Enterprise
The New Enterprise
Industry or Proprietary Labels

<Account#> 12345 </Account#>

<AcctID> 12345 </AcctID>

<ID> 12345 </ID>
<billingaddress>
  <firstname>Gregory</firstname>
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  <street>256 Eight Bit Lane</street>
  <city>Boston</city>
  <state>MA</state>
  <post>07655</post>
</billingaddress>
ACORD XML Standards
A Clear Decision

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Industry Standards

Proprietary Formats
Gartner XML Research
October 2007

- Online Survey of ACORD Members
  - Brokers, Insurers, Reinsurers
  - Largely USA but includes global organizations

- 176 Organizations Participated
  - 129 Property & Casualty
  - 60 Life & Annuity
  - 29 Reinsurance
XML Deployment

Has your organization *implemented* XML?

Source: Gartner October 2007
Information Exchange

Is XML used for **internal or external** information exchange?

- Life Insurance
  - Internal: 0%
  - External: 20%
  - Both: 80%

- P&C Insurance
  - Internal: 0%
  - External: 30%
  - Both: 70%

- Reinsurance
  - Internal: 0%
  - External: 10%
  - Both: 90%

92%

Source: Gartner October 2007
Who Benefits

Who *benefits* from your XML implementations?

Source: Gartner October 2007
Value of XML Development

What results have you seen from your XML projects?

Average for all participants (Multiple Answers)

- Ease of application integration
- Faster information exchange
- Increased efficiency
- Legacy transformation
- Increased productivity
- Cost Savings

Source: Gartner October 2007
Return on Standards Investment

- Efficiencies as great as 80%
- Project savings of 20% to 30%
- Reduce integration costs from 23% of new project budgets between 14% to 20%

Source: Celent 2003
STP

- Lower Cost
- Automated Workflow
- Integrated Systems
- Reduce Errors
- Less Translation
- Better Service
- More Consistency
- Higher Quality
- More Transparency
- Speed to Market
- Ease of Doing Business
Information Issues

- Need Transparency
- Improve Quality
- Reduce Errors
- Lower Cost
- Speed to Market
- Less Friction
- Real-time Processing
- Bridge Silos
- Contract Certainty

- Leverage Legacy
- Development Time
- Future-proof Architecture
- Regulatory Requirements
- More Accountability
- Maintenance Costs
- More Innovation
- Recruit Talent
- Leverage Web Services
Organizational Challenges
Barriers Mentioned

- Avoiding change
- Priority issues
- No sense of urgency
- ROI perceptions
- Business case issues
- Lack of understanding
- Lack of resources
- Mindset and egos
- Process unclear
- Lack of vision
- Senior level buy-in
- Industry fragmentation
Does your organization have a corporate XML strategy in place or actively developing one?

Source: Gartner October 2007
Does your organization have a person or team responsible for strategy development?

Source: Gartner October 2007
XML Is A Bottom Up Approach

How does your organization **invest** in XML?

Source: Gartner October 2007
Standards Team

Do you have an individual or dedicated team assigned to coordinate *standards* activities?

![Bar Chart]

Source: Gartner October 2007
Vendor Expectations

To what extent do you require vendors to support ACORD XML Standards?

Source: Gartner October 2007
The Fog of IT
Standards are part of a larger development effort
Standards Require Collaboration

Value

Internal Systems

# of Trading Partners & Suppliers

Present . . . . . . Future

Expense
A Community Effort

- Employees
- Suppliers
- Partners
- Distributors
- Policyholders
- Regulators
- Bureaus
- Competitors
- Others
People Change
People Change
MIND THE GAP
Top-Down & Bottom-Up

1. Corporate Industry Standards Compliance Policy
2. Enterprise Architecture Strategy
3. Governance, Leadership, Best Practices
4. Participate & Influence Standards
5. Planning, Training, ACORD Resources
6. Connect to Your Business
7. Understand Industry Standards
Corporate Compliance Policy

A process... to change the way we think about moving information and working with suppliers and trading partners.
Standards Framework

Dictionary & Capability Process Product Information Models
ACORD XML Messaging Library

Lines of Business
Member Support
ACORD Certified Experts
ACORD eForms

PROPERTY LOSS NOTICE

AGENCY
PHONE (AC, No, Ext)

MICHELANGELO INF (site & location code)

DATE OF LOSS AND TIME

DATE (MM/DD/YYYY)

PREVIOUSLY REPORTED

YES NO

<XML>

AGENCY CUSTOMER ID

FAX (AC, No)

EMAIL ADDRESS:

CODE:

SUB CODE:

INSURED

NAME AND ADDRESS OF INSURED

SOC SEC # OR FEIN

RESIDENCE PHONE (AC, No)

BUSINESS PHONE (AC, No, Ext)

NAME AND ADDRESS OF SPOUSE (IF APPLICABLE)

SOC SEC # OR FEIN

WHERE TO CONTACT

WHEN TO CONTACT

CONTACT INSURED

POLICY DATES

POLICY DATES

POLICY DATES
What does success look like?
Your Tipping Point
Gregory Maciag
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Standards  Value  Challenge

ACORD®