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Document Automation

Solution Vendors for Insurers 2011

This authorized reprint contains material excerpted from a recent Celent report profiling and evaluating 10 different document automation systems. The full report is 86 pages long. This report was not sponsored by Pitney Bowes in any way.

This reprint was prepared specifically for Pitney Bowes, but the analysis presented has not been changed from that presented in the full report. For more information on the full report, please contact Celent at www.celent.com, info@celent.com.

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Executive Summary

Celent defines “document automation” as, at a minimum, a system that allows the automatic generation of a document or documents from a managed template with both variable data and business rules. This definition does not include more simplistic “mail merge” technology. Today, most document automation vendors provide an array of similar features, including a WYSIWYG (“what you see is what you get”) interface for designing templates, both ad hoc and batch capability, componentized documents, a commitment to SOA, and various insurance-specific interfaces. This report examines the vendors of systems that, at a bare minimum, offer the ability to create a template with placeholders for data and defined business rules that will be used to automate the generation of multiple documents.

Report Methodology

Eligibility for Inclusion

In general in order to have a full profile and be included in the ABCD Vendor View grids, a document automation system had to have:

- At least two deployments at insurance companies worldwide.
- At least two reference clients that provided their perspective on the solution.

Nine solutions met these criteria and are included in this report with full profiles. One other solution did not meet these criteria, and as such it has a shorter profile and is not ranked in the ABCD Vendor Views.

Evaluation Process

Celent sent a detailed request for information to a broad set of document automation system vendors. After completing the RFIs, each eligible vendor provided a briefing and demo for Celent concentrating on template creation, interactive documents, creation and management of rule-based workflow, and support of various communication channels.

Celent also asked the references provided by each vendor to complete a survey to obtain their view of the system's business and technology value.

The RFIs and the reference surveys provided quantitative and qualitative data, much of which is included in this report. Vendors had an opportunity to review their profiles for factual accuracy but were not permitted to influence the evaluation. Some of the vendors profiled in this report are Celent clients, and some are not. No preference was given to Celent clients for either inclusion in the report or in the evaluations.

Celent's ABCD Vendor View and the XCelent Awards

Celent has developed a framework for evaluating vendors called the Celent ABCD Vendor View. This is a representation of a vendor marketplace designed to show at a glance the relative positions of each vendor in four categories:

- Advanced technology
- Breadth of functionality
- Customer base
- Depth of service

The ABCD Vendor view provides an easy-to-understand picture of a complex marketplace. Unlike a simple “four-quadrant” map, there is no one “best” for all cases. Insurers should consider which factors in breadth, technology, experience, and client service are most important to them, and use this report as only one factor in a vendor search process.

While this is a standard tool that Celent uses across vendor reports for many solution categories, each report will define each category in a slightly different manner. For this report, some of the elements used to evaluate each vendor are listed in Table 1. Each rating is based on both quantitative and qualitative factors.

Table 1: Core Claims ABCD Elements

ABCD Element	Representative Factors
Advanced Technology (and flexible technology)	<ul style="list-style-type: none">■ Code base, including modernity of language and consistency of architecture■ Support for SOA■ Range of databases and application servers supported■ Capabilities in terms of interactive document creation■ Reference evaluation on integration

Source: Celent

Table 1: Core Claims ABCD Elements

ABCD Element	Representative Factors
Breadth of Functionality	<ul style="list-style-type: none">■ Availability of indicative advanced functionality■ Capability in terms of creation and management of rule-based workflows for documents■ Capability of the solution to send documents via different communication channels■ Reference evaluation of features, function, and training required
Customer Base	<ul style="list-style-type: none">■ Number of live insurance customers worldwide■ Number of insurance companies who have purchased the system since January 2009
Depth of Service	<ul style="list-style-type: none">■ Experience of team providing professional services and support■ Availability ASP option■ Reference evaluation on implementation experience

Source: Celent

The XCelent Awards

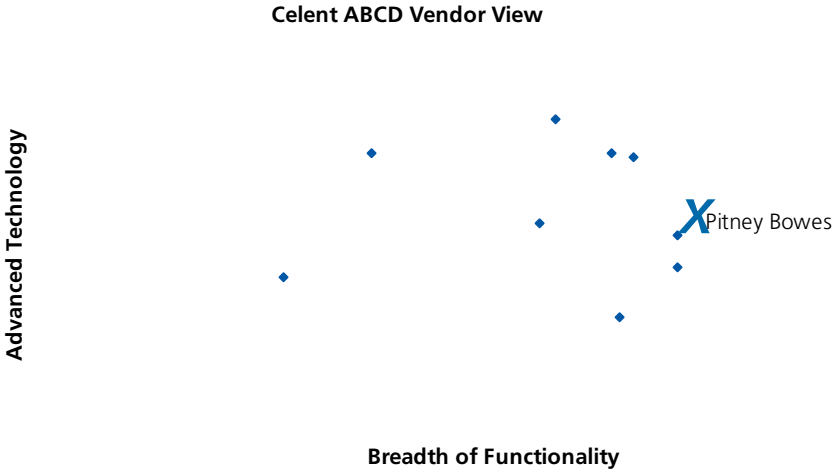
Within this framework, the top performers in each of the ABCD dimensions receive a corresponding XCelent Award:

- XCelent Technology for the leading Advanced Technology score
- XCelent Functionality for the leading Breadth of Functionality score
- XCelent Customer Base for the leading Customer Base score
- XCelent Service for the Depth of Service score

XCelent Technology and XCelent Functionality

Figure 1 positions each vendor along two dimensions: the vertical axis displaying the relative rankings for Advanced Technology and the horizontal axis showing relative Breadth of Functionality rankings. The XCelent Functionality Award goes to Pitney Bowes jointly with another vendor.

Figure 1: Technology and Breadth of Functionality



Source: Celent

About the Profiles

Each of the full profiles contains a six to seven-page written evaluation that presents information about the vendor and its document automation system, the professional services and support staff it offers, product features, insurance customers and reference feedbacks, its technology, implementation process and pricing. The full profiles each also include three tables, showing systems components, technologies used and Business User Interfaces as well as one figure providing customer average rating of vendor implementation capabilities.

The limited profile is similar to the full profiles and typically does not have reference or Celent summary available. The vendor in this section submitted detailed information to Celent but did not meet the requirements for a full profile. Celent did not conduct any reference checks, and did not view a product demonstration.

The profiles are based primarily on information provided by each vendor, as well as comments and ratings by references, and Celent's own vendor and solution knowledge base.

Pitney Bowes: The Pitney Bowes CCM Suite

Company and Product Background

Pitney Bowes is an American company founded in 1920 with headquarters in Stamford, Connecticut. The company is quoted on the New York Stock Exchange (Ticker: PBI) and serves the financial services industry, the public sector, utilities, and telecommunications.

The Pitney Bowes CCM suite roots date back from the development of DOC1 in 1992 and EngageOne in 2008. EngageOne was built to meet the changing requirements of customers who needed greater flexibility than what DOC1 could afford to offer in transactional, on-demand, and interactive environments. Web services and an SOA platform enable tight integration into every kind of environment and better collaboration for complex and multichannel insurance applications. The DOC1 offering is still very popular in transactional environments due to its unmatched throughput. The last major releases of both products were launched in September 2010 (EngageOne 2.0 and DOC1 v. 5.6), and 30% of existing clients are running the latest release. Pitney Bowes has invested more than \$30 million in the product's research and development over the last three years.

Pitney Bowes considers the following to be the main differentiators of its product: complete end-to-end offering and strong data quality offerings (Spectrum) and powerful customer analytics (Portrait), scalability and performance in all environments, and a design environment that allows the user to design in the context of a customer, which is extremely valuable to the business users.

Professional Services and Support

About 33,000 people work for Pitney Bowes. The company has 700 total FTEs that work on the CCM Suite. From this number, 75 provide professional services and client support for the document automation solution and the average experience of professional services and client support staff is six years. During 2009 and 2010, approximately 30% of Pitney Bowes total professional services and client support staff resources worked on insurance projects, and this proportion is increasing.

Product Features

Table 2 lists the function and features supported by the solution and the name of the components supporting each feature.

Table 2: Components and Features

	Feature	Name of Component
Create	Ad hoc document generation (e.g., correspondence)	EngageOne Interactive
	Batch document generation (high volume, low data complexity; e.g., annual policyholder statements)	EngageOne (45,000 pages per minute) and DOC1 (83,000 pages per minute)
	Batch document generation (high volume, high data complexity; e.g., policy packages)	EngageOne (45,000 pages per minute) and DOC1 (83,000 pages per minute)
Assemble	Automate printing and assembly processes (e.g., job control and reconciliation tools)	PCE, StreamWeaver, Emtex
Send and Print	Send documents via fax	EngageOne
	Send documents via web message center (HTML or PDF)	EngageOne and e-Messaging
	Send documents via email (PDF)	EngageOne and e-Messaging
	Creation of multiple print streams	EngageOne, DOC 1
Manage and Store	Create templates to automate document creation	Designer
	Store documents in archive for future retrieval	Vault
	Provide document collaboration tools (e.g., check in / check out functionality)	EngageOne Interactive and Designer
	"Review and release" functionality for customer correspondence documents	EngageOne Interactive
	Create and manage rule-based workflows for documents (e.g., intelligent routing, workflow queues, etc.)	EngageOne
	Search/retrieve capabilities for documents in archive	Vault
	Search/retrieve capabilities for templates in repository	Designer (filter only), EngageOne Interactive supports full search
	Scan created documents to image and apply indexing values	Partner with ECM vendors
	Scan in and manage documents received from outside the enterprise (not created documents)	Partner with ECM vendors

Source: Vendor RFI

The solution supports multiple languages, and user interfaces are available and used in English, German, Spanish, French, and Japanese. Customer can create and deliver content in virtually any language because the design and composition engines fully support double-byte character sets.

The data model used by the solution is standardized. Clients can provide data in the XML dialect of their choice or flat file formats. EngageOne Interactive uses the W3C xForm data model for data collection.

Designer provides the ability to define granular user access rights for projects, document templates, shared content and messages, images, data models, and other publishing resources such as fonts. EngageOne Admin provides role-based user access rights for template management, image management, delivery management and system admin rights. Additionally, access control can be defined for interactive and on-demand document generation for classes (or groups) of templates as well as individual templates. EngageOne authentication is provided by integration with an insured's LDAP provider and can be integrated into an insured's SSO technology platform as well.

Designer provides the ability to define business rules that drive content selection for a given document template. Simple "if/then/else" conditions are defined through a point and click interface supporting standard boolean connectors between arguments. These business rules can be maintained by a business analyst or document services specialist in an organization. More complex rules such as algebraic functions and string manipulation functions are created through a combination of keystrokes and helpers. These are typically created and maintained by senior doc services specialists or IT resources.

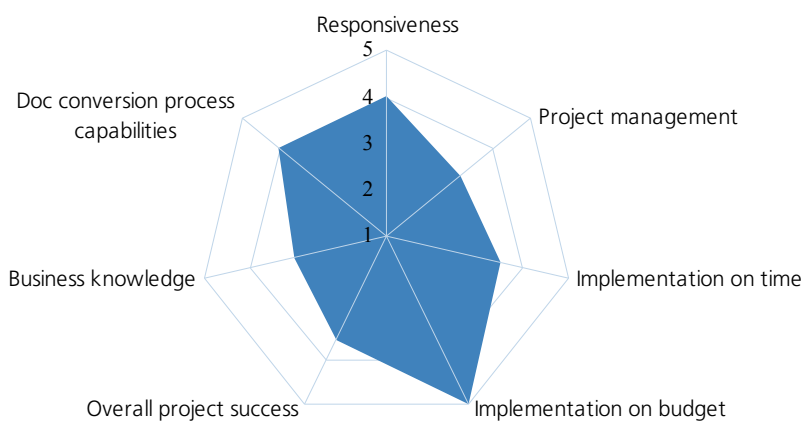
Customer Base and Feedback

Eighty percent of Pitney Bowes customer base represents insurers with over US\$1 billion in annual net written premium. Fifty percent of insurance clients are general insurers, and the other half are life, annuity, or health insurance companies. Pitney Bowes marquee clients include Aetna, Allstate, Wellpoint HealthCare, United HealthCare, and American National.

Both reference clients who agreed to provide feedback about Pitney Bowes have been using the solution for less than 12 months. Figure 2 provides the reference customer's average rating of Pitney Bowes implementation capabilities.

Figure 2: Pitney Bowes Implementation Rating

Customer average rating of vendor implementation capabilities (1= very poor; 5 = excellent)



Source: Reference client feedback form

Overall, Pitney Bowes reference clients consider the full document automation suite a complete and robust solution supporting high volume processing. They also highly value the Pitney Bowes' proposed approach of "mentoring" instead of "training," the willingness of the vendor to adjust its product roadmap based on customer inputs and the partnering approach to solution customer specific integration needs while maintaining product integrity. When asking about potential improvements, Pitney Bowes reference clients mention that the vendor's implementation staff need a broader knowledge of product features but also mention that the recent product management changes should solve this issue quickly. In batch process, a reference client would like to have an easy way for the user to identify issues like a missing image.

Technology

Table 3 details available options in terms of technologies.

Table 3: Technologies Used

	Technologies	Options Available
Operating Systems	OS/390 or z/OS	Additional option
	Other Mainframe OS	Additional option
	IBM i (OS/400)	Not an option
	Unix	Additional option
	Linux	Additional option
	Windows	Additional option
Databases	Oracle	Additional option
	DB2/UDB	Not an option
	Microsoft SQL Server	Additional option
	Sybase	Not an option
	Other SQL	Not an option
	Others	Not an option
Application Servers	WebLogic Server (BEA)	Not an option
	Windows Server/.NET	Additional option
	JBoss (Red Hat)	Additional option
	WebSphere (IBM)	Additional option
	Oracle Application Server / OC4J	Not an option
	Oracle Weblogic	Additional option
	Oracle GlassFish	Not an option
	Tomcat	Not an option
	Others	Not an option
		SOA/Web Services
Integration with Insurer Infrastructure	ACORD Standard XML	Additional option
	Other XML	Additional option
	MQSeries or similar	Additional option
	WebSphere	Not an option
	Other EAI (SeeBeyond, BEA, etc.)	Additional option
	SQL calls	Not an option
	Flat files	Additional option
	JMS	Additional option
	Custom API	Not an option
	Others	URL data push integration is provided for EngageOne Interactive where loose integration is desired

Source: Vendor RFI

There is no OEM document engine at the core of the Pitney Bowes solution. According to Pitney Bowes, the most effective way to satisfy customers' requirements for 100% WYSIWYG editing with high-performance composition is through a design environment that is tightly integrated with a high-speed composition engine. Pitney Bowes also mentions that upgrades to underlying tools such as MS-Word have proven problematic and costly to enterprises, and avoidance of such technologies has proven to be important to their clients.

The Pitney Bowes CCM Suite has been built in different languages. EngageOne and e-Messaging are JEE applications written completely in Java. DOC1 Generate has been written in C++, Designer and Content Author in .NET, Vault in C, and EngageOne Admin is written in Flex 4. Pitney Bowes is planning some key future enhancements including a multichannel web designer, BPMN standards-based workflow and approval processing, and a BI interface supporting CCM strategy and governance. These new capabilities will be developed in appropriate RIA technologies to support any browser and to be available on both traditional general insurance platforms and tablet and mobile devices.

In terms of scalability, the solution has been tested for 1,000 concurrent users. The performance and scalability tests have proven the ability to easily support upwards of 250 concurrent users on a single node in a clustered infrastructure provided appropriate hardware is utilized. Traditional batch composition can be run as a stand-alone application and has been benchmarked to perform at 82,000 pages per minute. EngageOne managed batch, which offers greater flexibility, has been benchmarked to run at 45,000 pages per minute. High availability is achieved through the use of standard application server horizontal clustering.

Table 4 lists the internal business user interfaces.

Table 4: Business User Interfaces

Interfaces	Availability
100% Browser-Based (HTML)	Not available
100% Browser-Based (HTML with Ajax/Web 2.0)	Not available
100% Browser-Based (Flash)	Secondary interface
100% Browser-Based (Other Rich Internet Application)	Not available
Browser-based with proprietary plug-in	Primary interface
Windows-based thin client	Primary interface
Other thin client (e.g., platform-independent Java application)	Not available
Thick client	Primary interface

Source: Vendor RFI

Table 4: Business User Interfaces

Interfaces	Availability
Browser-based for simple functions and thin client or plug-in for complex functions	Not available
Other	Not available

Source: Vendor RFI

Pricing and Implementation

Pitney Bowes bases its license fee on the number of functional components and modules and the number of concurrent users but also offers enterprise license or flat fee. The software license represents half of the first year pricing, while installation and customization represents 28%, annual maintenance 20%, and training 2%.

Installation is typically completed in a day or two. The duration of a project is completely dependent upon the complexity of the project, the availability of client resources with appropriate domain expertise, and the amount and type of integration that is necessary with the insured's front end business system. A simple project could be completed and deployed for production in three to six months. More complex projects can take between six and 18 months. A typical implementation team would include a project manager, a business analyst, one or two integration programmer(s) for data integration and application integration, a solution architect, and one to three document developer(s) depending on the number of templates. Team participation by the business owners is also required during requirements definition, design review, QA, and acceptance.

Standard training courses are available at the customer site, at a Pitney Bowes training facility, and via virtual training using the internet. Standard phone support is provided for clients via the Pitney Bowes global technical support team. Technical support teams may use desktop sharing tools for triage and bring in engineering resources as necessary.

Summary

The Pitney Bowes CCM Suite is a comprehensive document automation system that offers a great scope of functionality. With the continuous investment and effort put in R&D by Pitney Bowes, we think that its document automation system will gain more traction in the insurance market in the near future.