



Software Assessment & Acquisition Strategy

Software Assessment & Acquisition

Property & Casualty carriers planning to replace legacy systems must decide whether to build, buy or undertake a hybrid acquisition solution for the new system(s). CastleBay can assist your company with the evaluation of this complex decision. CastleBay has undertaken several **Build versus Buy** analyses for clients from different parts of the P&C spectrum and for differing application areas.

The Build/Buy decision comes down to the analysis of risk, opportunity cost, timing and market availability. CastleBay is uniquely well qualified to assess the ability of an in-house IT department build or manage the outsourcing of a core system development. In reality very few development efforts are “pure builds”. With so many robust rating, rules, print and workflow engines on the market most carriers that choose to build incorporate significant third party software into their solutions. CastleBay can assist with the acquisition of these third party products through our **Software Selection** services.

Should the build/buy analysis come down on the side of buying there are several strategic choices still to be made. The most obvious is whether to pursue an **integrated solution** where one vendor sources the entire solution or to follow a **best of breed** approach where multiple vendor products are purchased and integrated. There are further distinctions within the major alternatives which lead to a potentially complex set of issues which need to be understood and weighted carefully.

CastleBay Intellectual Capital

CastleBay's Software Assessment and Acquisition service is supported by substantial intellectual capital assets that provide the client with:

functional and technical criteria by which the carrier can measure both third party vendors and an in-house build option by the same metrics

- a risk-based analysis which can settle the build/buy debate
- an assessment framework for assessing the risks and benefits of the integrated versus best of breed acquisition options
- generic plans, processes and other project-related IP to fast-start a project
- and the tailoring services required to structure and execute a successful assessment and acquisition process.

Our consultants have first hand knowledge and experience with the software acquisition alternatives available and can bring speed, focus and risk mitigation from the initial fact gathering and assessment to the development of a high level “to be” architecture and associated roadmap based on strategic decisions made along the way.

Our **Software Assessment and Acquisition** service emphasizes:

- risk mitigation for the carrier in the forms of financial mitigation and minimization of inappropriate choices
- clear articulation of alternatives and their implications, carrier goals and values and the resulting choices which follow
- process control and transparency for the carrier
- and consistency in evaluating options and reaching decisions.

This process leads to successful, timely and appropriate decision making in this strategically important area. We have successfully performed this service to lead and support the formulation and execution of acquisition strategies for all mission critical, core insurance administration systems.