YOUR CLOUD MIGRATION ROADMAP

AN EXECUTIVE-LEVEL GUIDE TO NAVIGATING CLOUD MODERNIZATION WITH CONFIDENCE AND CLARITY

2025 // PREPARED BY TIN HUYNH
SVP, STRATEGY & INNOVATION | 17+ YEARS OF
INSURANCE TRANSFORMATION EXPERTISE

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Break free from

LEGACY LIMITS

WHY CLOUD TRANSFORMATION IS A STRATEGIC IMPERATIVE

Senior leaders at mid-sized P&C insurance companies understand the stakes. Legacy systems are limiting growth, innovation and responsiveness. Cloud transformation is no longer optional—it is a strategic lever to reduce operational risk, improve customer experience and enable future-ready capabilities.

Yet, migration is complex, and failure is costly.

This roadmap is designed specifically for senior decision-makers—CEOs, CIOs, COOs, CTOs, and Heads of Transformation who need a clear, business-aligned plan to navigate a transition to Guidewire Cloud.

What we'll cover:

- Common challenges that derail migrations
- Migration pitfalls and how to avoid them
- A proven Guidewire Cloud Transition Framework
- Best practices for executive oversight
- De-risking the journey
- Key questions every executive should ask

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Common Challenges That Derail Migrations

Even the most promising cloud migrations can get derailed.

Here's where and why it happens.

1. **Legacy Integration & Data Migration Complexity**

   Decades of code don't migrate overnight.

   Most mid-sized carriers rely on legacy systems built 20+ years ago often with layers of customizations and outdated data structures. This makes cloud migration far more complex than a simple "lift and shift." In fact, legacy integration is ranked the #1 technical barrier to cloud transformation among insurance CIOs.

   Without a phased migration plan and deep domain expertise, insurers risk costly data integrity issues, outages, or customer experience failures. Add to that the challenge of migrating large volumes of historical claims and policy data and the need for pre-migration cleansing and validation becomes clear.

STRATUS INSIGHT: OUR MIGRATION BLUEPRINTS INCLUDE DATA AUDIT PROTOCOLS, PHASED DEPLOYMENT, AND PARALLEL RUN MODELS TO MITIGATE LEGACY RISK FROM DAY ONE.
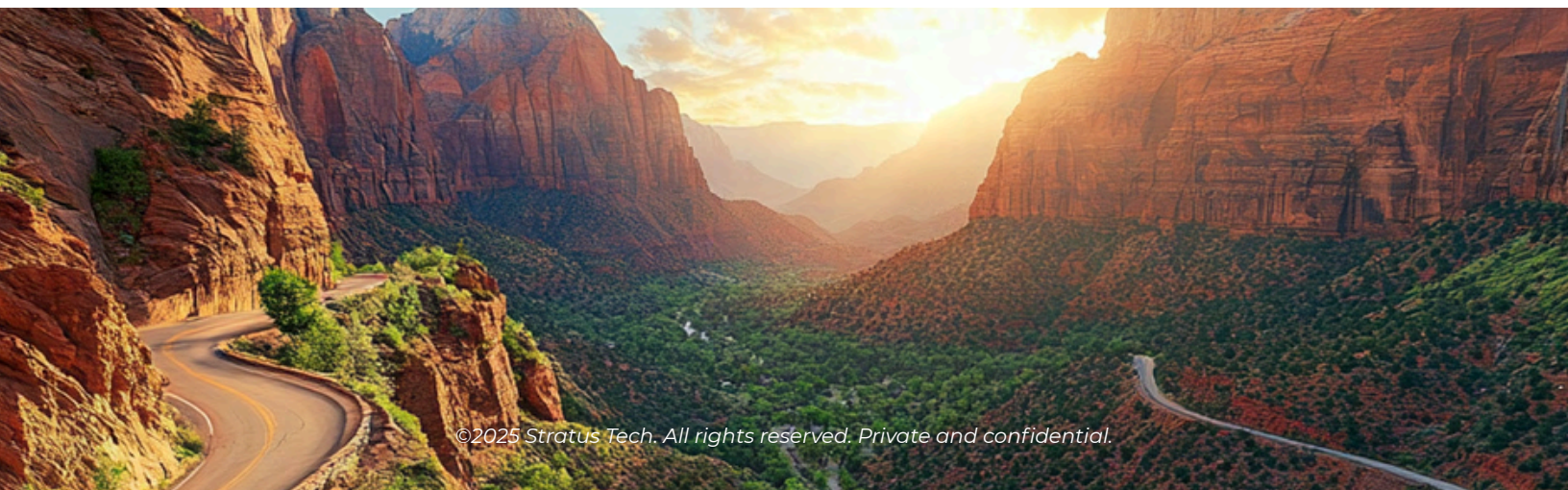
2. Cost Overruns and ROI Ambiguity

While cloud promises long-term savings, 27% of IT projects run over budget and 1 in 6 experiences cost overruns of 200% or more. Mid-sized insurers often lack visibility into cloud total cost of ownership (TCO), especially when legacy systems are not cloud-optimized.

Unexpected costs like egress fees, extended dual environments or excessive third-party consulting can derail even the best-laid plans. And because the value is realized over time, many executives struggle to quantify ROI upfront.

Insurers that approach cloud migration as a strategic enabler—not just a technical upgrade—are far more likely to see returns. When organizations define and communicate a long-term roadmap for how they'll leverage technologies like Guidewire Cloud to modernize workflows, introduce new products, improve speed to market, and unlock data insights, ROI becomes not only justifiable, but measurable.

> **STRATUS INSIGHT:** OUR FINANCIAL MODELING TOOLS PROVIDE SCENARIO-BASED TCO FORECASTS AND ROI TIMELINES TAILORED TO EACH CLIENT'S CLOUD MATURITY, REDUCING FINANCIAL GUESSWORK.

3. Change Resistance from Staff

If the team isn't onboard, nothing flies.

Modernization isn't just a technology challenge, it's a people challenge. In insurance, where tenure often spans decades, operational leaders and frontline users are deeply invested in legacy systems. This can lead to fear, friction and pushback.

In fact, 70% of digital transformation failures are caused by cultural resistance, not technical issues. Staff worry about unfamiliar tools, job security and process disruptions.

> **STRATUS INSIGHT:** OUR MIGRATION AND COMMUNICATIONS FRAMEWORKS, AND COLLABORATIVE USER TESTING FOSTER ADOPTION—NOT ALIENATION.

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4. Business Disruption During Migration

Insurance doesn't pause for platform upgrades.

Unlike other industries, insurers can't afford downtime. Agents need systems live to quote. Underwriters need access to data and technology to assess risk, process submissions and manage the portfolio. Adjusters must settle claims, especially during catastrophic events. A single outage or slow transition can damage customer trust.

Carriers report that poorly timed or executed migrations have led to agent attrition and customer churn. Even successful transitions often require parallel systems and meticulous business continuity planning.

STRATUS INSIGHT: WE ARCHITECT MIGRATIONS TO RUN IN THE RIGHT CYCLES WITH SHADOW SYSTEMS, ROLLBACK PLANS AND LIVE SUPPORT TO ENSURE BUSINESS NEVER SKIPS A BEAT. COMPANIES HAVE COME TO STRATUS AS A RESULT OF FAILED MIGRATIONS WITH OTHER COMPANIES THAT DIDN'T FULLY UNDERSTAND AND SERVE THEIR TRUE NEEDS.

Insurers trust Stratus

Over the past year, we successfully implemented and launched two products within our Guidewire environment through our collaboration with Stratus—one of which was a brand-new product built from the ground up. The partnership, collaboration, and guidance from Stratus were instrumental in our success, and we look forward to continuing this strong partnership.

~ Lisa Barber, VP of Underwriting, Farm Bureau Insurance Company of Idaho.

"We understand that the road to modernization is as much about people and managing risk as it is about technology. We meet insurers where they are, and guide them forward one confident step at a time."

— Chuck Fillizola, CEO

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QUICK REFERENCE:

MIGRATION PITFALLS & HOW TO AVOID THEM

Get ahead of what trips others up

Even with the best intentions, many insurers hit the same avoidable obstacles during cloud migration. The table below distills decades of industry tech modernization experience into a simple but powerful reference: the most common pitfalls and how to avoid them with strategic foresight and the right partner.

These aren't abstract risks.

They're the real-world challenges that derail timelines, inflate budgets and erode stakeholder confidence. But they're also entirely manageable with a plan built around phased execution, internal alignment and domain-driven expertise.

Think of this as your executive radar: a way to anticipate what's coming and act before challenges become crises.

Challenge	What can go wrong	Stratus Migration Aproach
Legacy Complexity	Broken integrations, data loss	Phased cutovers, sandbox pilots, data cleansing
Cost & ROI Clarity	Budget overruns, unclear returns	Pre-migration ROI modeling, real-time dashboards
Staff Resistance	Low adoption, productivity drop	Change playbooks, hands-on training
Talent Gaps	Over-dependence on external vendors	Embedded expertise + internal upskilling
Business Disruption	Downtime, lost customers	Parallel systems, off-peak deployment
Vendor Lock-in	Long-term cost rigidity, tech debt	Cloud-agnostic design, open APIs

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A PHASED, PROVEN APPROACH

OUR CLOUD TRANSITION FRAMEWORK

Guided by experience, built for results.

Stratus' team brings years of hands-on experience leading Cloud upgrades for mid-sized insurers. Our delivery teams are comprised of former insurance IT leaders, cloud architects, and Guidewire specialists who have seen every challenge in the book, from monolithic legacy architectures to cultural resistance.

What makes our framework different is its foundation in real-world success. It's not theoretical. It's a tested and optimized blueprint, shaped by engagements with insurers just like you.

Whether migrating policy systems, implementing claims SaaS or launching in hybrid environments, our method adapts to your business while minimizing risk.

This is more than a project plan. It's a proven path to transformation. With Stratus guiding each phase, insurers move to the cloud with confidence, clarity and full alignment between IT and the business.

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The Cloud Transition Framework

❯ **PHASE 1: Cloud Readiness & Risk Assessment**

- Evaluate current tech stack, business drivers, and risk profile
- Identify legacy constraints, security requirements, and compliance risks

TIMELINE: 2-4 WEEKS

❯ **PHASE 2: Strategic Roadmap & Business Case Alignment**

- Define target outcomes (speed to market, cost savings, resilience)
- Gain consensus among IT, operations, and executive stakeholders

TIMELINE: 3-5 WEEKS

❯ **PHASE 3: Architecture & Data Strategy**

- Develop scalable cloud architecture with resilience and governance
- Plan for phased data migration, cleansing, and validation

TIMELINE: 4-6 WEEKS

❯ **PHASE 4: Pre-Cloud Platform Tuning**

- Code refactor and on-prem clean up & set up
- DBCC error fixes

TIMELINE: 8-14 MONTHS

The Cloud Transition Framework

PHASE 5: Cloud Upgrade Delivery & Execution

- Prioritize by product line or business function
- Execute in agile sprints with real-time testing and feedback

TIMELINE: 8-14 MONTHS

PHASE 6: Change Management & Enablement

- Upskill internal teams, support frontline adoption
- Communicate wins and progress across the business

TIMELINE: ONGOING

PHASE 7: Optimization & Governance

- Monitor performance, security, and cost
- Refine workflows and unlock value from cloud-native capabilities

TIMELINE: 2-4 WEEKS POST MIGRATION

PHASE 8: Ongoing Value Realization

- Align business strategy with Guidewire's release roadmap for ongoing modernization
- Continuous optimization for efficiency gains

TIMELINE: ONGOING

LEAD WITH VISION, GOVERN WITH PRECISION

BEST PRACTICES FOR EXECUTIVE OVERSIGHT

The most successful transformations are championed by engaged executives who align strategy, steer accountability, and translate IT milestones into measurable business outcomes.

At Stratus, we've seen firsthand that sustained executive involvement delivers transformation success. The best-led migrations feature strong sponsorship, cross-functional governance and a clear line of sight to both risks and results.

Here are the practices we've found most effective for a successful Cloud Upgrade:

- Appoint an Executive Sponsor to maintain momentum and authority
- Set clear KPIs (e.g., deployment velocity, claims automation, user satisfaction)
- Track business impact in parallel with IT metrics
- Create a Governance Council across business, IT and compliance
- Celebrate milestones to maintain buy-in and morale

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De-Risking the Journey

Transitioning to cloud technology doesn't have to be all-or-nothing or all-at-once.

The most successful mid-sized insurers take a pragmatic path: they reduce complexity by breaking transformation into manageable phases, and they minimize disruption by planning around the business, not just the system.

At Stratus, our experienced team has helped insurers modernize confidently by tailoring each migration to the organization's readiness, risk appetite and operational realities. Our approach emphasizes co-existence strategies (running new and legacy systems in parallel), sandbox testing environments to de-risk new deployments and hybrid configurations that allow insurers to move at their own pace.

The result? Fewer surprises. Faster time to value. And a transformation that's as sustainable as it is strategic.

- Start with non-core systems or new lines of business
- Use sandbox environments and pilots to validate functionality
- Maintain business as usual (BAU) continuity with parallel systems when needed
- Engage business users in user-acceptance testing (UAT) and change feedback loops

STRATUS INSIGHT: WE USE A MODULAR, MILESTONE-DRIVEN MODEL THAT ENABLES YOUR TEAM TO VALIDATE SUCCESS INCREMENTALLY WITHOUT RISKING OPERATIONAL CONTINUITY. OUR PHASED DEPLOYMENTS AND DUAL ENVIRONMENT RESILIENCE TURN UNCERTAINTY INTO PREDICTABILITY.

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Key Questions Every Executive Should Ask

Pressure-test your plan.

Even the most experienced executive teams benefit from pressure-testing their assumptions. Before launching a major Cloud Upgrade or expanding a current one, it's critical to pause and ask the questions that cut through technical jargon and get to the heart of business impact.

These aren't just IT questions. They're strategic, organizational and financial filters that help ensure your modernization journey is rooted in real business value and prepared for long-term agility. The right questions reveal hidden risk, surface unspoken concerns and guide smarter decisions.

At Stratus, we've sat at the table with CIOs, COOs and boards navigating these very conversations. The difference between success and struggle often comes down to asking the right questions early and often.

1. What is our risk if we delay modernization?

2. Which part of our tech stack limits strategic growth the most?

3. Do we have the internal talent to manage this?

4. Are we building flexibility into our cloud architecture?

5. Who are the partners we trust to navigate this?

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Your Modernization Mandate

Cloud migration isn't about replacing technology; it's about creating a foundation for your company's future. Stratus works side-by-side with insurance leaders to de-risk transformation and deliver results that matter.

Next Step: Request a Cloud Readiness Briefing with Stratus
Let's co-author a modernization plan tailored to your vision, challenges, and goals.

stratustech.com

About the Author
Practical transformation guidance from industry veterans who've walked in your shoes.

Tin Huynh is the SVP of Global Solutions at Stratus, where he leads the firm's modernization strategy for insurers navigating core system and cloud transformation. With over 17 years of experience across the insurance lifecycle—including Policy, Underwriting, Claims, Finance, and Distribution—Tin brings a unique blend of business acumen, technology insight, and transformation execution.

Tin has extensive experience advising Fortune 100 carriers on Guidewire Cloud upgrades, organizational change management, and future-state operating models. His work has spanned multi-year core migrations, $70M transformation programs, and the design of cloud-native frameworks that accelerate ROI while protecting operations.

At Stratus, Tin champions a client-first approach to ensure every solution drives measurable, strategic impact for our clients.

Visit stratustech.com to explore how we can help you lead modernization with clarity and confidence.