As part of Employers Holdings, Inc. (NYSE:EIG), EMPLOYERS provides workers’ compensation insurance and services for small businesses in low to medium hazard industries. Founded in 1913, the company operates in 46 states and the District of Columbia, and is rated A- (Excellent) by A.M. Best Company.

EMPLOYERS Reinvents Itself as a Data Analytics Company with VMware Cloud Solutions

EMPLOYERS strives to meet the needs of its small business insurance policyholders while working to bolster the long-term success of its thousands of appointed agents, many running small businesses of their own. To help provide its end customers and agents with the efficient claims handling they want, in addition to more streamlined policy management, EMPLOYERS turned to cloud solutions from VMware.

Preparing for the next 105 years of business growth

After experiencing new growth of 29 percent in 2018 during its 105th year in business, EMPLOYERS needed to ensure its IT environment would continue to support evolving business needs. In particular, the company’s strategic plans included rolling out new capabilities centered on improving the agent and end-customer experience to help foster the organization’s growth and retention goals for agents and customers.

The company needed a more flexible and powerful technology foundation that would support data analytics and process improvement capabilities to enhance agent efficiency and business results. Its existing aging data center and applications infrastructure was costly and simply not up to the task. The organization also needed a more effective disaster recovery (DR) strategy for IT to protect critical customer and systems data, along with further strengthening the trust of its agents and customers. The IT team looked to the cloud as the foundation for its new digital strategies.
All in on the cloud, with rapid migrations
With a goal to transition its entire IT environment to the cloud, EMPLOYERS looked to VMware for the key underpinnings to its new foundation. “Multi-cloud is important to us because we didn’t want to get locked into any particular public cloud,” says Jeff Shaw, executive vice president and CIO, EMPLOYERS. “With VMware, we have the flexibility to use AWS, Azure, Google Cloud or IBM, without having to worry about lock-in.”

An existing environment based on VMware vSphere made it easy for EMPLOYERS to choose VMware HCX to power an accelerated migration to the cloud, with VMware Cloud on AWS selected for DR needs in particular. “It was going to cost more to do disaster recovery built out in our data center than just moving to the cloud,” says Shaw.

EMPLOYERS brought in VMware Professional Services to assist with preplanning, smoothing the path for deployment of its VMware Cloud on AWS DR environment. Thoughtful strategizing enabled the IT team to experience rapid migrations with HCX. “We had planned two big initial cutovers for Dev and QA, and blocked off the whole weekend, starting on a Friday. But we finished that very same day, within just a few hours. HCX made it all happen incredibly fast and due to the preplanning with VMware Professional Services, even more so,” says Dale Ramsey, director of infrastructure, EMPLOYERS.

Micro-segmentation with VMware NSX Data Center along with other security advances that VMware increasingly includes in its solutions have elevated VMware’s role as a strategic fortifier for the IT infrastructure of EMPLOYERS. “We value how VMware is wrapping security around apps and making security intrinsic to its solutions. In a highly regulated industry like ours, security is paramount, so advances that VMware is making with the acquisition of Carbon Black, and with solutions such as VMware NSX-T™, are important,” says Shaw.

Boosting data analytics and innovation
The absence of any performance impact during migration has made the IT infrastructure changes seamless for business users. The highly scalable and reliable environment, including improved DR and security capabilities, fosters continued agent and customer trust. Indeed, the strategic planning for the company’s digital transformation initiatives, made possible by the company’s cloud and IT infrastructure overhaul, has bolstered the relationships between IT and the business, positioning IT as a key enabler for innovation.

With fast migrations of apps to the cloud, the company’s developers can add new test features to apps, solicit agent end-user feedback, and iterate new versions to share more quickly than ever. “Before, we were not nimble. It would take us six to nine months to deploy a new application. Now, with our move to the cloud, we’re deploying every two weeks,” Shaw says.

Using VMware Cloud on AWS and HCX, EMPLOYERS has successfully migrated 350 apps to the cloud in less than one year. The EMPLOYERS IT team is working on rewriting some legacy apps in Kubernetes, knowing that, if needed, they can migrate the apps easily with HCX from one cloud to another.

“A multi-cloud environment, underpinned by VMware, allows our IT team to support the nimble development of valuable new products and services for our insurance agents and customers.”

JEFF SHAW
EXECUTIVE VICE PRESIDENT AND CIO, EMPLOYERS
Looking ahead
The cloud and IT infrastructure changes herald a transformation in the way EMPLOYERS’ agents work with data analytics to accelerate business process improvements. Upgraded apps and systems, for example, accelerate the claims settlement process for a better customer experience and operational efficiency gains that reduce costs.

In addition, EMPLOYERS can now leverage a high-performance, cloud-based IT infrastructure with a vSphere foundation suitable for artificial intelligence and big data workloads to help the company improve fraud prevention, better assess risk, diversify exposure across markets, develop more targeted pricing, and underwrite more profitable policies to bolster business growth.

“A multi-cloud environment, underpinned by VMware, allows our IT team to support the nimble development of valuable new products and services for our insurance agents and customers,” says Shaw.