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Digital Transformation Made **SMARTer**

Upgrading Legacy for the Next Generation

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Today's Conversation



- Migrations – Why does it matter
- Why Cloud
- How we can help – We have a process
- Customer Success Story
- Q & A

The Myth: Upgrading Legacy Systems



5-10% move to the latest release



40-50% stay on the release prior to the latest one



40-50% remain on even older releases

Source: Forrester Research

Migrations

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Migrations: Welcome to SmartCOMM, SmartDX



Why Does This Matter?

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32%

of enterprises say it is very costly to maintain and administrate their on-premise CCM system.³



Source: Keypoint Intelligence-InfoTrends Report, 2017

Why Does This Matter?

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Among enterprises, speed of production and execution is a **top 5 reason** for using cloud-based solutions for customer communications.³



Source: Keypoint Intelligence-InfoTrends Report, 2017

Why Cloud?



Improve Time to
Market



Eliminate Increasing
Maintenance Charges



Deployment Flexibility



Reduce IT Infrastructure
Costs via the Cloud



Upgrade Process



Reduce Labor
Costs



Evolving From
Print to Digital

How Can We Help?



Discussion

Project goals
New features
New use cases



Requirements Analysis

Customer & PS completes
questionnaire which
documents current solution



Review

PS reviews Requirements
Analysis with the Customer
and finalizes the document



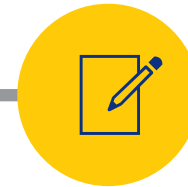
CMS Review

PS collects and reviews the
Customer's CMS



Identify Changes

PS creates a Gap Analysis
document which highlights
areas of change

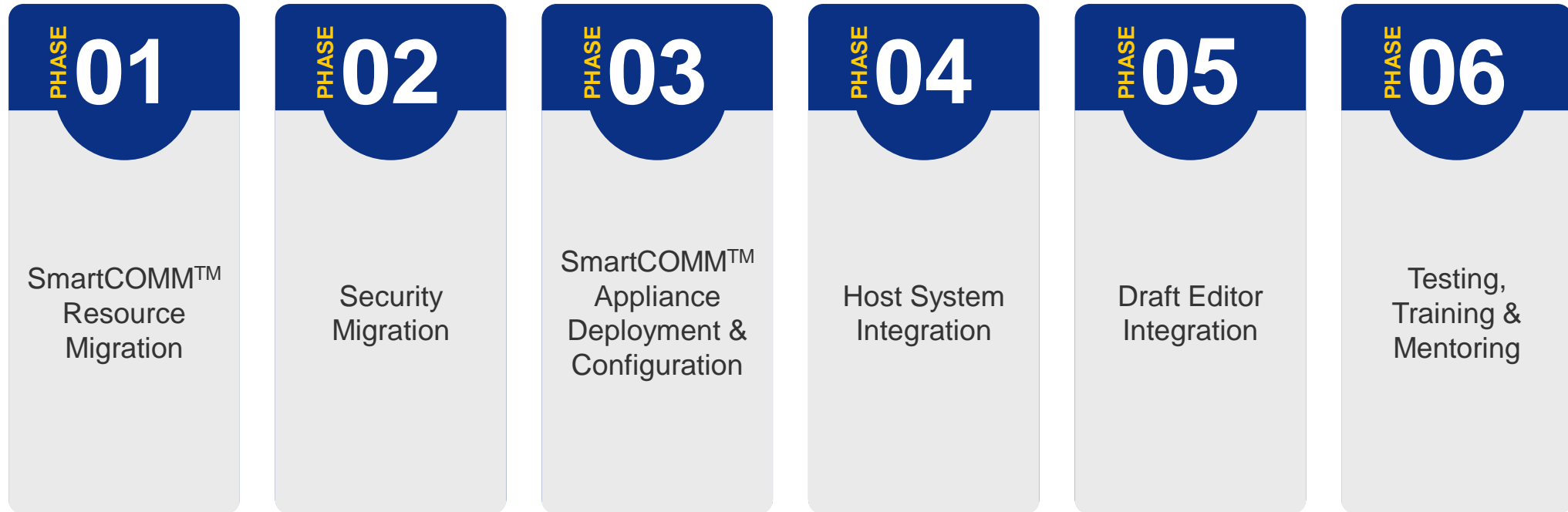


Proposal Discussion

PS creates a Proposal that
forms the basis for a future
Statement of Work (SOW)

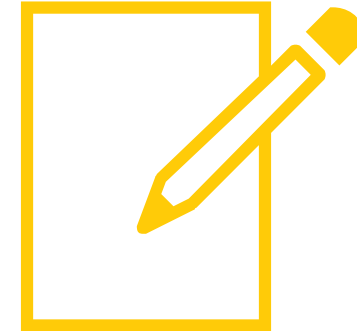
Planning: Project Phases

The Upgrade Proposal is usually broken into the following sections:



Required Project Roles

- ❖ Project Manager to oversee project and ensure on-time and on-budget delivery
- ❖ System Administrator for your NOW installation
- ❖ Developer to change integration code
- ❖ QA Team to run regression testing and ensure communications look as expected
- ❖ Template Authors to update templates if issues are found during testing



Our PS team will collaborate with you to decide which tasks you want us to lead.

Once agreed, the Statement of Work is finalized.



Who is PHEAA ?

A national provider of student financial aid services, currently serving 10 million customers and thousands of schools through its loan guaranty, loan servicing, financial aid processing, outreach, and other student aid programs

PHEAA's earnings are used to support its public service mission and to pay its operating costs, including administration of the Pennsylvania State Grant and other state-funded student aid programs

PHEAA continues to devote its energy, resources, and imagination to developing innovative ways to ease the financial burden of higher education for students, families, schools, and taxpayers



Avereo

Offering Digital Technology Solutions to enable PHEAA's AES and FedLoan Servicing brands

Leverage established and new partnerships with world-class technology providers to deliver software-as-a-service solutions



American Education Services

Guaranteeing and servicing a variety of Federal Family Education Loan Program (FFELP) and private (alternative) student loan products for approximately 100 lending partners throughout the nation

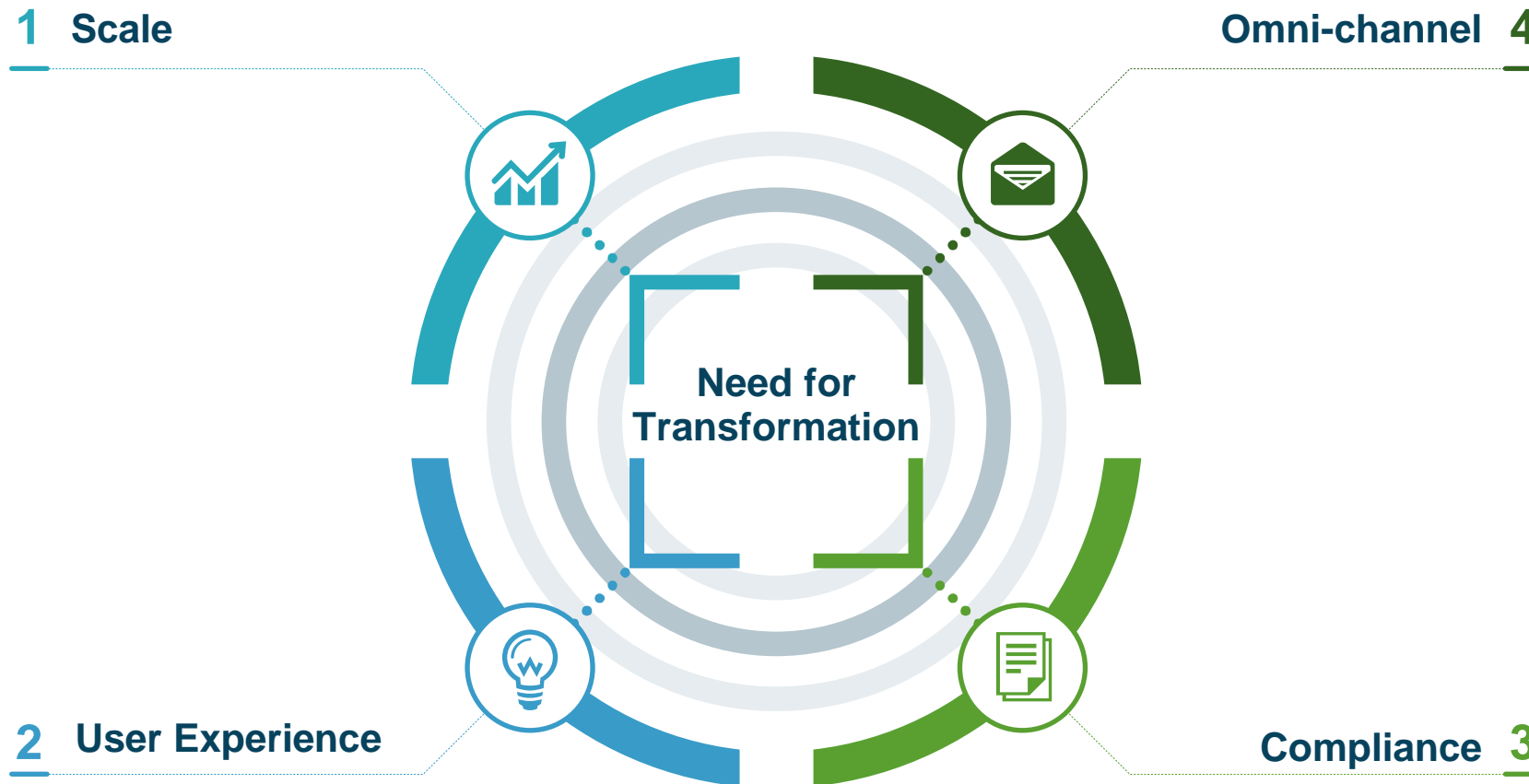


FedLoan Servicing

Established to support the U.S. Department of Education's ability to service student loans owned by the federal government

The Need for a Digital Transformation

PHEAA identified 4 main business needs to transform our mainframe based Customer Communication Management system to an enterprise level solution



The Need for a Digital Transformation

1 Scale

Our legacy systems did not have the throughput capabilities needed to achieve our business growth goals.

- 600M comms sent in 2018
- Scale to 35M customers = 2B comms annually

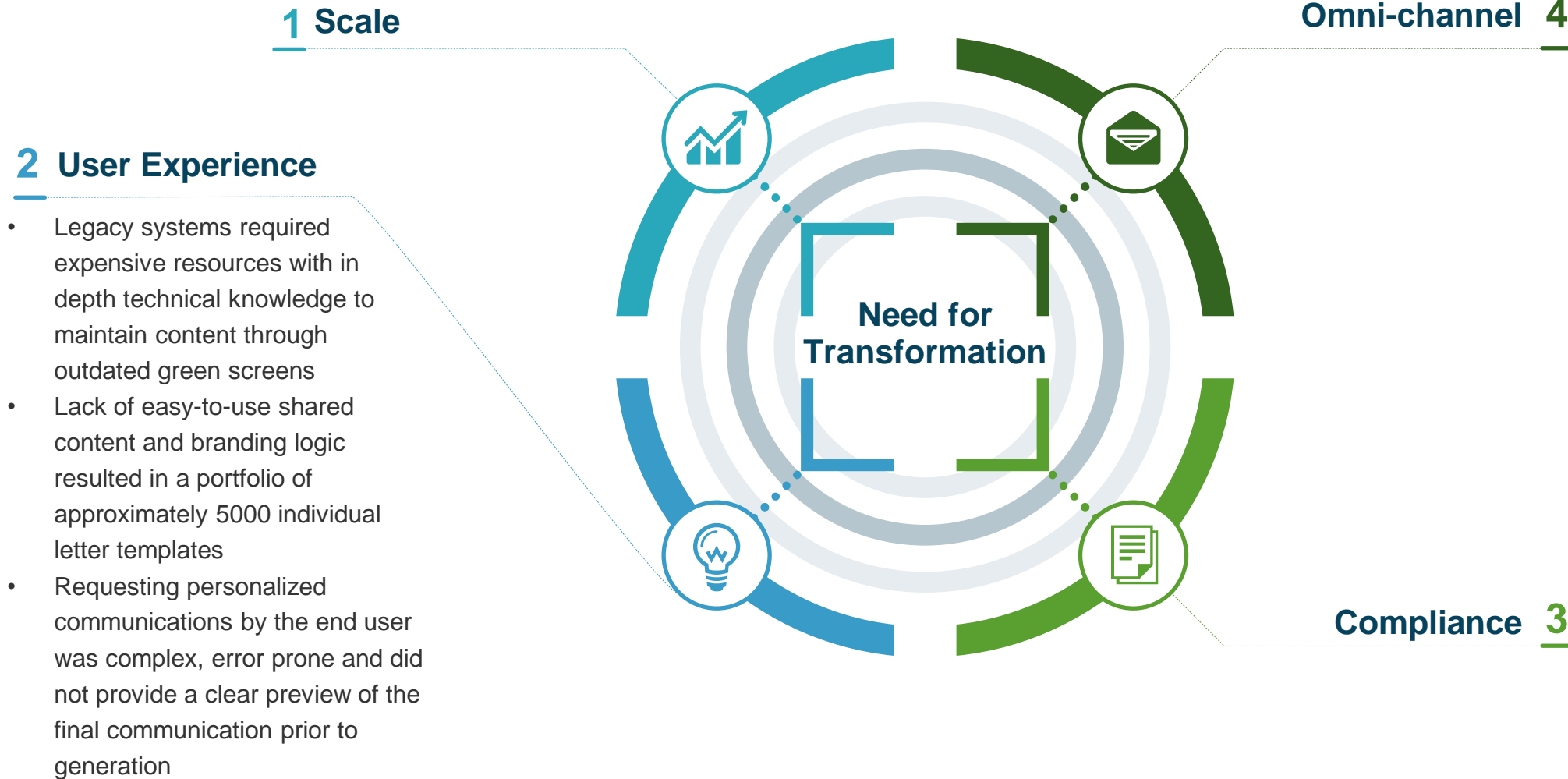
Omni-channel 4

2 User Experience

Compliance 3



The Need for a Digital Transformation



The Need for a Digital Transformation

1 Scale



Omni-channel 4

Legacy systems had very limited capabilities to pivot to preferred customer channels and digital experiences.

Need for Transformation

2 User Experience



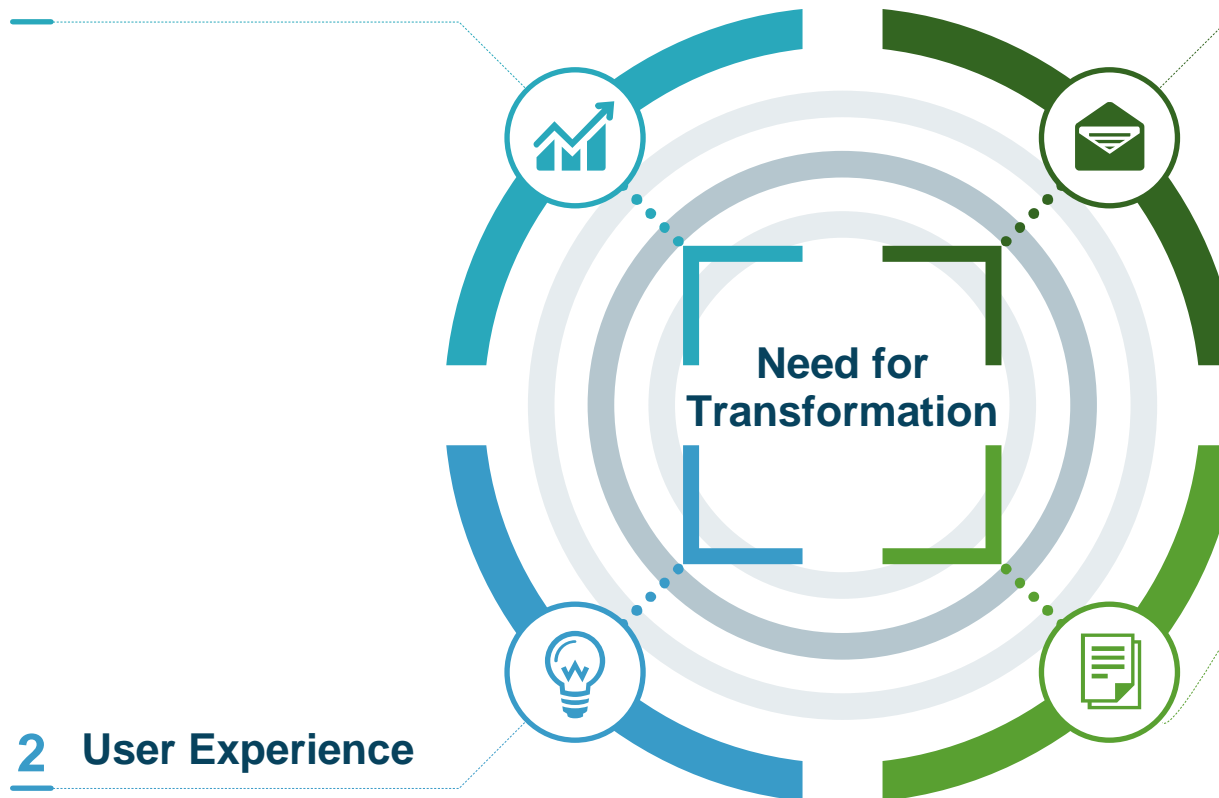
Compliance 3



The Need for a Digital Transformation

1 Scale

Omni-channel 4



Compliance 3

- Section 508 impacts federal agencies and any company that does business with a federal agency. This includes private contractors, the financial industry, healthcare, many legal organizations, and others.
- PDFs require 508 remediation as they are not accessible by screen readers and our legacy systems did not accommodate

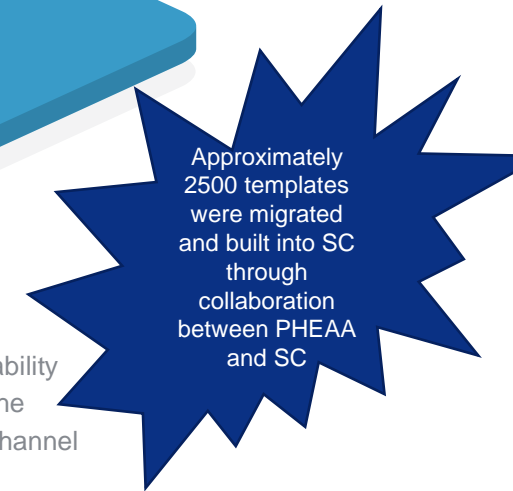
Legacy to NOW

Transformation to Thunderhead NOW began in 2014 to meet the 508 Compliance requirements to continue contracting with the Federal Government



NOW to SmartCOMM

While NOW met our Compliance requirements, it did not provide the scalability needed. SmartCOMM provided scalability AND information security with the hybrid cloud solution, while providing other important features like omni-channel communications, flexible branding and personalization



Approximately 2500 templates were migrated and built into SC through collaboration between PHEAA and SC

Gains from Digital Transformation

Scalability

We are now better positioned to grow our business and still communicate with our customers effectively and efficiently

Omni-channel

User Experience

Compliance

Cost Savings



Gains from Digital Transformation



Gains from Digital Transformation

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Scalability



Omni-channel

Real time emails
Email/letter combos
Letters System (on-line or batch)
Interactive

User Experience



Compliance



Cost Savings



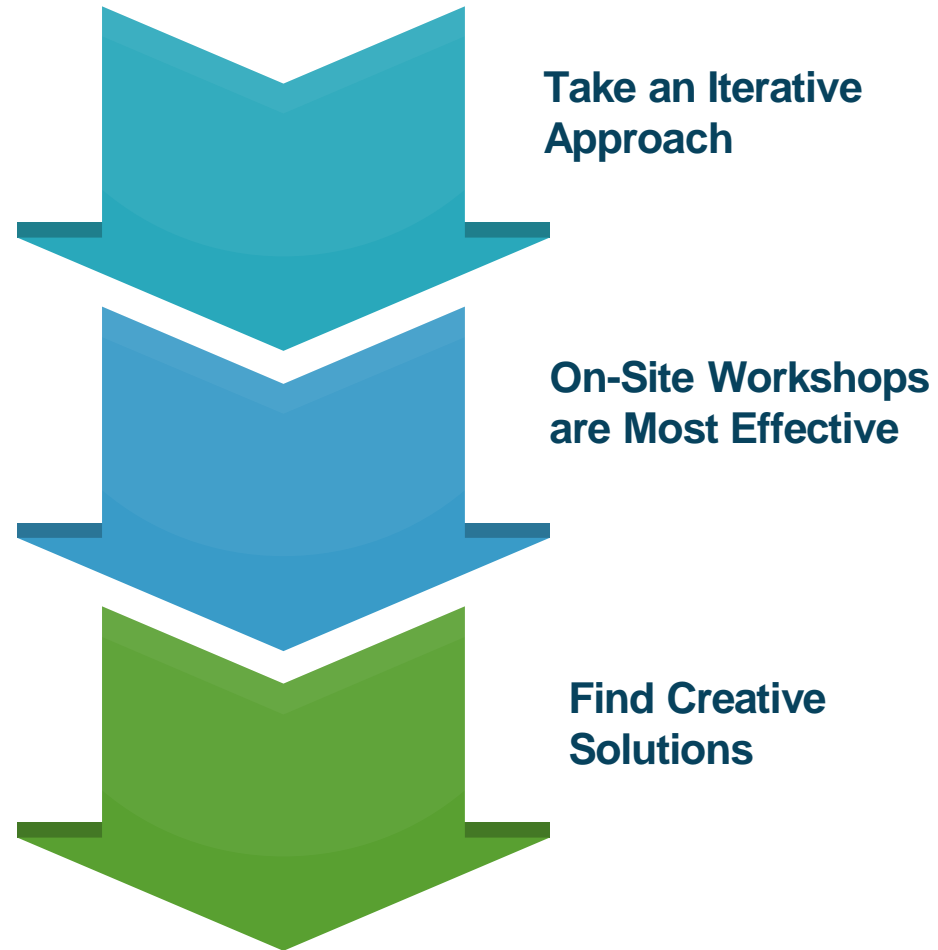
Gains from Digital Transformation



Gains from Digital Transformation

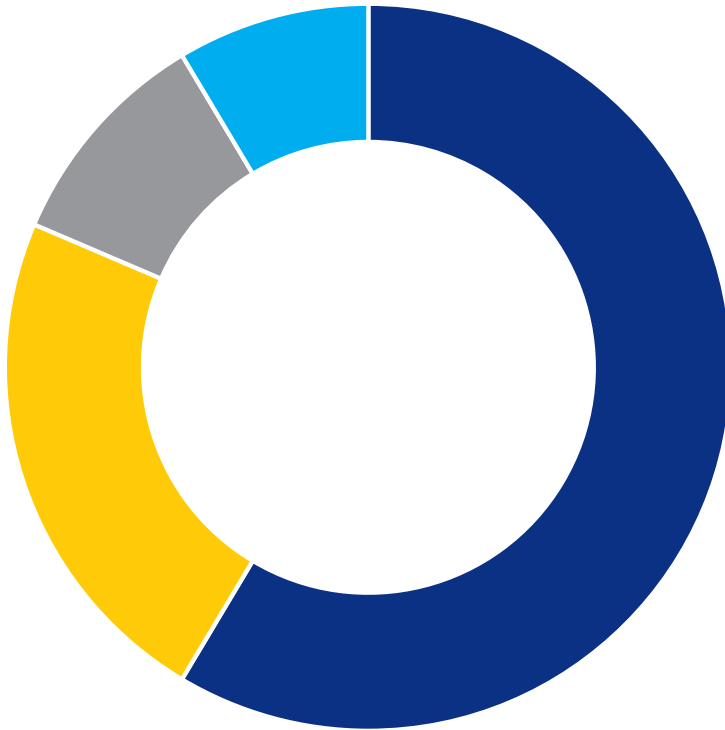


Lessons Learned





Before We Move On



- 1 Ask us how we can help you with your migration
- 2 Analysis and planning saves cost in the long run
- 3 Focus on the benefits of moving to the Cloud
- 4 We have done this **MANY** times

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Q&A



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