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AmFam's Data Journey From Legacy To Cloud:
Teaching People To Fish In The Data Lake

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American Family Insurance, also known as AmFam, is an American private mutual company that sells American Family-brand products, including auto, homeowners, life, business and farm/ranch insurance, primarily through its exclusive agents in 19 states. Based in Madison, Wisconsin, AmFam comprises several subsidiaries, which constitute the nation's 13th-largest property/casualty insurance group. AmFam ranks No. 311 on the Fortune 500 with revenues for its group of companies exceeding $10.3 billion in 2018.

Nishant Upadhyay is vice president of information and data management for AmFam. In this role, Upadhyay and his organization are responsible for building a data environment that supports the companies financial, regulatory, operational and analytical needs, including data science. The area also manages a data governance program that ensures data assets are used appropriately. To use the traditional data offense and defense parlance, Upadhyay, who reports to the Chief Technology Officer, views his role as 30% defense and 70% offense as he helps champion data capabilities across the enterprise.

Among the areas Upadhyay supports is the Digital Transformation Office, a transformational initiative launched within AmFam in 2017. The company came to a quick realization that this transformation initiative would not be successful using legacy platforms. The organization also realized that people need to change. "A guiding principle for our transformation is CTO Peter Settel's rallying

Nishant Upadhyay, Vice President of information and data management for American Family Insurance.

cry 'no legacy systems; no legacy mindset' ", Upadhyay says. This is an informal governing motto for the company as it undertakes its technology and business transformation. Upadhyay observed, "I am sure that it sounds weird from a technology executive that data/digital transformation is not foremost about Cloud or technology, but about people and how we create the citizen data analyst across the whole enterprise".

AmFam has embarked on a 3-year business and technology transformation effort to eliminate legacy data platforms and replace these by putting all data assets in the Cloud. As Upadhyay describes it, AmFam went "all in on the Cloud". For AmFam, this was a foundational transformation. Upadhyay comments, "The Cloud is about agility, elasticity, and flexibility and gives us a platform where we can manage any volume and variety of data coming our way with different velocity." In addition, by providing platform software as a service, "the cost of making a mistake goes down", notes Upadhyay.

The cornerstone of the organizational transformation effort is people transformation. Upadhyay offers a metaphor, "Just by having a data lake in the Cloud, doesn't mean that it is going to start raining insights. We now must teach people to fish in the data lake". To achieve this objective, Upadhyay and his organization embarked on a Data Literacy effort to help business analysts understand what data is available, and where it is available. He notes, "data governance is never sexy, but it can be used as a serious competitive differentiator".

A Culture of Reporting to a Culture of Analysis

To enable this data transformation, AmFam is leveraging Alation to provide the data catalog that establishes the underpinnings for this effort. Alation has helped with AmFam's Data Literacy program, the stated objective of which is to teach people how to read and write in data. Upadhyay observes, "we are moving from a culture of reporting to a culture of analysis". His approach is pragmatic. He is trying to provide analysts with the tools and data that they need to answer

basic but fundamentally important business questions that drive the next best action, such as who are the customers that I should call today, or what are the tasks that I should complete today.

Upadhyay notes that Data Literacy is fundamentally about people transformation. He explains that the data literacy program that is underway at AmFam, in an ideal state, will ultimately encompass all 12,000 employees of the American Family enterprise. He describes these new data literate employees as "citizen data analysts". Even the name has a revolutionary ring to it, suggesting themes of liberation and data democratization. AmFam is wisely starting small, piloting the data literacy effort with a few hundred employees as an initial starting point.

For AmFam, this people transformation effort is fundamentally about looking at "how we work" and breaking down silos of activity as the company completes its journey to the Cloud. For example, his IT organization has established the role of Data Solution Engineer, a new, broad data role that handles several responsibilities previously divided among a number of positions. "We want to move away from a traditional solution delivery mindset to a product owner who can gather requirements and design and architect solutions," Upadhyay says. The goal of this effort to create new data roles is to provide simultaneous vertical and horizontal learning paths for employees, which will help increase employee growth and retention.

From a Data-Rich to a Data-Driven Company

AmFam comprises a portfolio of companies, and as such, strong partnerships with business lines is essential. AmFam is working diligently toward breaking down the IT/business wall, recognizing that data cuts across traditional lines and barriers. Upadhyay notes that their goal is to enable business analysts to be self-sufficient. In taking a holistic approach to the use of data, AmFam is integrating machine learning, AI, and operational reporting. "We are committed to helping everybody do a better job — from our adjusters, to underwriters to agents. Our goal is ensure that relevant data is available to everybody", notes Upadhyay, citing the 3,200 claims employees and adjusters that AmFam employs today as an example. "We increase efficiency with better information", he concludes. For a company that processes over 1 million insurance claims each year, streamlining and simplification of basic operational reporting makes a meaningful difference. It is about having access to the right information at the right time.

Today, AmFam is preaching what it practices, having just made a $20MM gift to the University of Wisconsin-Madison to support training in data science, with a focus on primary research and ethical uses of data.

Upadhyay summarizes the mission of AmFam as it progresses on its journey from a "data-rich" to a "data-driven" company. He notes that this transformation is fundamentally about a shift in thinking, "We are helping make data thinking become business thinking". He observes that technology alone is not a differentiator, but that when technology is coupled with data literacy, the result is powerful and transformational. Upadhyay concludes, "We have to get this right. Everyone is a data analyst".