

# Vendor System Implementation Assessment

*Edgewater assists major Insurer in addressing issues with lagging system implementation.*

## **Edgewater's Insurance consultants:**

- Delivered an independent project assessment;
- Addressed project planning, quality standards and requirements generation including levels of specificity and methodology;
- Identified recommendations regarding industry implementation project metrics and methodology related to change control for projects of this magnitude; and
- Assisted with solution build out and deployment.

## **Company Focus**

A northeast-based Commercial Property & Casualty organization, who writes \$1 billion in premiums annually, had been updated by AM Best to a "Negative Outlook." This categorization was partially due to a vendor policy system implementation that had been dragging on for three years, and was not expected to be completed for another two years. The organization still wanted to replace their legacy system, but was unsure if they were going down the right path. They wanted an objective third party to review their implementation strategy and provide insight on what changes should be put in place to make the system replacement successful.

## **The Challenges**

After several years of requirements gathering, development and testing, the organization had yet to realize any substantial benefits from the effort. The project was being managed without a plan and formal requirements documents. In addition, it was ongoing with rampant fluctuation, affecting testing, scope management and overall system stability. Additionally, the Information Technology (IT) organization suffered high turnover of project management and analysis staff, resulting in a lack of central control and continuity. The project was drawing more time from the business sponsor than originally planned, and were unsure if the the right level of resource allocation, from the business end users was applied. Having invested significant time and money into this initiative, executive management determined it was time to reevaluate the entire project including a better understanding of why it was taking too long, and costing more than anticipated.

## **The Business Solution**

The organization turned to Edgewater Technology to review the requirements and testing documentation, deliverables and project plan, as well as the escalating costs for the implementation. Upon completion, Edgewater provided an independent assessment of the implementation project in

comparison with similar implementations in other Insurance organizations. In addition, the organization required Edgewater to identify recommendations regarding industry implementation project metrics and methodology related to change control for projects of this magnitude. The purpose of these recommendations and metrics was to address project planning, quality standards, requirements generation and level of specificity, and methodology.

Edgewater leveraged its team of consultants with significant expertise in implementing vendor policy administration systems. Over a two-month period, Edgewater's team, which consisted of a System Architect, a Principal Business Specialist and a staff of business and technology experts, interviewed members of the business and IT staff involved in the project, as well as the vendor's implementation team.

Based upon the data gathered, Edgewater provided the organization with a comprehensive assessment report of the current project status. The report illustrated poor and inconsistent documentation, including business and functional requirements, change control and project management failures, and deficient application quality upon delivery.

## **Next Steps**

Subsequent to the delivery of the report, the Insurance organization engaged Edgewater again to provide expertise to assist with the continuing efforts to build out and deploy the solution. In addition to vendor management and project oversight, Edgewater introduced a full-time Project Manager, specializing in assisting with troubled projects who developed a new comprehensive master project plan against which the project could be managed and monitored efficiently.

Edgewater's assessment also provided the organization with insight that the project was lacking Project Management Office strategies and documentation. Edgewater worked with the organization to create and implement these policies to establish structure and processes surrounding documentation, communication and change management, as well as other key tracking mechanisms.

By leveraging the placement of a Project Manager along with the establishment of strong procedures, Edgewater's principal consultants were able to work with the organization to build a better engagement model with the vendor, and support the organization for the remainder of the implementation effort to bring it to a successful conclusion.