



services

Success Story

From a Bottleneck to a Benefit

FARRAGUT Services Helps Transform ANPAC's QA Unit

SITUATION

Company

American National Property And Casualty Company (ANPAC®) is a billion-dollar property and casualty insurance company with its home office located in Springfield, Missouri. It is a subsidiary of American National Insurance Company (ANICO), a life and health insurance company that has been in business since 1905.

The Problem

Something was wrong—somewhere. Strategic software development projects were failing to meet deadlines (or worse yet, falling off the plate). The help desk was inundated with calls from agents reporting software bugs. The quality assurance (QA) team members knew they weren't being as effective as they could. ***Problem was: ANPAC's QA didn't know what they should be doing differently.***

In the meanwhile, projects were being thrown over the wall to the struggling team, which was currently operating without a front-line manager. Mike Dailey, Director — Software Development, ANPAC, was overseeing the group. He remembers: "We didn't feel the team had the proper training or the proper processes, we knew we didn't have enough automated testing, and there was a general feeling we were understaffed, but there was absolutely no time to take that step back and do a focused analysis."

"This kind of knowing-doing gap is a common problem," said NK Shrivastava, Vice President of Services, FARRAGUT. "When you are moving forward very quickly in software development, it can be extremely difficult to maintain control and ensure quality. Does your code adhere to the specifications? Do your customers report more defects than you expected? Do you know why these defects are occurring? Are you able to measure the process to pinpoint the root cause of the defects? This kind of analysis requires focused attention."

And that's exactly what FARRAGUT Services offered the QA team: a focused, ROI-oriented process improvement program.

FARRAGUT started the work with a strong foundation. They had been working with ANPAC for 10 years at the point – FARRAGUT staff worked onsite for six years of those years. "There was already a high degree of trust," said Bernard Gerwel, Chief Information and Innovation Officer with ANPAC.

"Before FARRAGUT began working with us, QA was seen as a bottleneck. Now QA is viewed as a benefit, a resource, their stature has dramatically improved."

Mike Dailey
Director — Software Development,
ANPAC

Tangible Program Results

- 150% ROI
- Number of defects reduced by 60 percent in first year alone
- The number of help desk calls related to defects dropped by one third in the first year
- A three-month average project turn-around time was reduced to less than a month
- Each QA team member received extensive training and became appropriately certified

About FARRAGUT Services

FARRAGUT Services helps strip out the stress and ramp up the productivity of enterprise application projects. The goal is to close the gap between the potential of IT and the reality of executing strategies to achieve meaningful business value—including more revenue, better service, and improved productivity.

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SOLUTION

The FARRAGUT team quickly realized the problem was not with staff count. According to industry standards, the QA team was proportional to the software development team they supported (though the lack of a manager was noted). Rather, the problem was that the team did not systematically follow standard processes, automation was lacking, necessary skills were missing, and there were no measurement mechanisms in place.

FARRAGUT began systematically addressing each gap. The team began identifying, documenting and modifying processes as well as incorporating automation whenever possible. “FARRAGUT uses six sigma expertise to find the hidden inefficiencies in a process you have in place,” said Gerwel.

After FARRAGUT was engaged, Kathy Blankenship was hired by ANPAC as Manager of Quality Assurance. Blankenship recalls an early discussion with Shrivastava: “NK asked me, ‘What is your idea of QA success?’ I laid out a few things and he said, ‘That’s a very excellent direction to take.’ He never discounted anything I said. He’s very good at seeing where you are and challenging you to go to the next level. That’s called mentoring. NK is one of the wisest individuals I’ve ever worked with.”

As the program matured the FARRAGUT team began to shift focus from defect reduction to test automation and skill/capability enhancement (figure to the right illustrates the ROI breakdown). FARRAGUT helped Blankenship develop and implement an ambitious program to train and certify all the QA testers. FARRAGUT also introduced a skill self-assessment tool that was rolled out to other areas in the company.

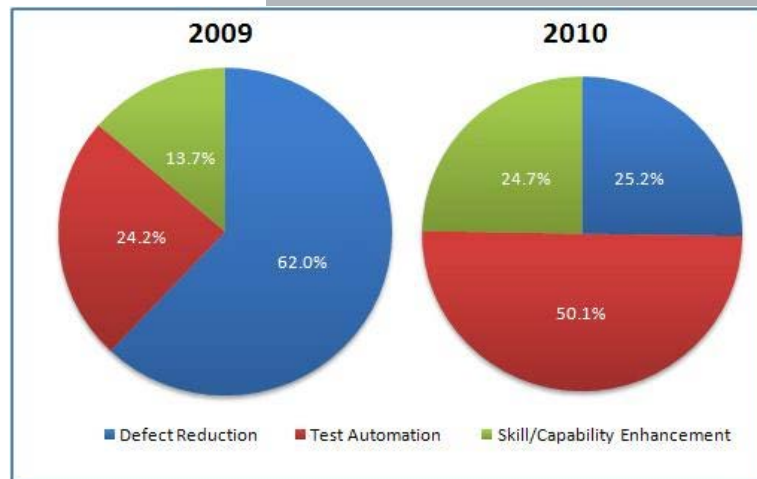
The FARRAGUT team also began capturing metrics. For example, they created a dashboard to support the goal of reducing help desk calls from ANPAC’s 1,500+ insurance agents. *Calls were analyzed and categorized, defects vs. training vs. support (such as a password reset) to help pinpoint issues.*

“FARRAGUT has more and different kinds of experience than my group,” said Dailey. “They know industry best practices. And it’s not just ‘here’s some good ideas’ and then they walk away. Rather, the attitude is, ‘here are good ideas, and here are plans on how to implement them.’ They see each modification through until they are not needed anymore.”

With projects running smoother, the QA team was freed to start analyzing reported defects seeking trends they could *proactively* address—a shift from the teams’ previous *reactive* stance. Part of the prioritization process involves evaluating key business processes. “Without FARRAGUT, we would be more inclined to look at the functionality of a program. FARRAGUT helps us see things from the user’s perspective, the perspective of an insurance agent,” said Blankenship. “They understand the insurance industry, and they bring us a view of the broader picture - a business focus that I think was very much needed.”

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QA Manager, ANPAC



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RESULTS

With systematic processes in place, order emerged out of chaos. “We used to be the last people in line to find out about a project,” said Blankenship. “We were the afterthought; we spent an exorbitant amount of time figuring out the project and how to test it; we were running by the seats of our pants.”

By tightly integrating the QA team with the development team it supports, the QA team can now develop a plan and systemized test cases so that they are prepared to hit the ground running when the project lands in QA. Often, in fact, the development and QA work can even happen simultaneously in stages. **The result?** “From an average three-month turnaround time, we can now typically get a project out the door within a month,” said Blankenship.

A focus on test automation has also helped condense timelines. “FARRAGUT has been instrumental in taking us to the next level in our automation efforts,” said Blankenship. “It’s a much more sophisticated way of testing.”

Shrinking timelines was one objective, improving quality was another. “It’s never a good thing when our clients are reporting software bugs to our help desk. It means they are essentially doing our QA for us,” said Gerwel.

As the figure to the right illustrates, the number of production defects dropped by 60%. In turn, the calls by agents calling the help desk to report a software bug decreased by one third in the first year alone. It is projected to continue its downward trajectory in 2010. These represent just two areas FARRAGUT began measuring in its metrics dashboard. “Every month we get more insight into what is going on,” said Dailey. “We are fact based now instead of feelings based.”

As the QA team became proactive in development, versus fighting fires behind the QA wall at the end of the line, a shift took place. “Before FARRAGUT began working with us, QA was seen as a bottleneck,” said Dailey. “Now QA is viewed as a benefit, a resource, their stature has dramatically improved.”

It’s a shift that has made a big difference in the lives and careers of the QA team. “Many of my team members say that they now enjoy coming into work whereas before it was just a grind,” said Blankenship. “Now they can take ownership of their projects; and when QA team members meet with a developer or a project manager and they say something, it has worth. Their suggestions now carry weight.”

The results haven’t gone unnoticed by ANPAC’s senior management team. The program’s 150% ROI was just one metric that came out of FARRAGUT’s analytics. “The dashboard they created lets us monitor the state of health in that group. It gives us validation and clarity. It’s easy to translate to senior management. It’s not some kind of esoteric exercise. The benefits are very real,” said Gerwel.

“I was pleasantly surprised at the degree of analytics FARRAGUT produced. The dashboard that was developed lets us monitor the health of our IT environment, and proactively solve problems before our customers experience them. The tangible benefits exceeded my expectations.”

Bernard Gerwel,
CIO, ANPAC

