Rapid-Results Initiative Case Study

You have been assigned as the project manager for the implementation of a claims processing system for a major insurance company. This company offers a variety of insurance options:

* Home
* Renter
* Landlord
* Auto and other vehicles (RV, motorcycle, etc.)
* Boat
* Business
* Other

The claims processing operation is run out of five regional offices across the United States, with over 2,000 claims adjusters located in various local offices in each region.

Over the past several years the company’s profitability has been negatively impacted due to the loss of customers primarily due to complaints about how their claims were handled. In addition, claim payments were in excess of standard industry benchmarks pretty much across all types of claims.

The business case for the new system contains the following information:

* The project is expected to be completed in three years with an estimated cost of $75 million.
* The initial budget is estimated to be 75,000 workdays, with approximately half of those days provided by external consultants.
* Major requirements for the system includes:
  + Ability to accept claims from customers in a wide variety of ways
  + Ability to assign claims quickly to the appropriate adjuster
  + Ability for adjusters to update claim information remotely
  + Ability for adjusters to identify and negotiate with appropriate contractors
  + Ability to quickly approve claim resolution and payments
  + Ability to communicate with customers and contractors effectively
  + Effective integration with financial and other systems to process payments quickly
  + Effective fraudulent claim detection and contractor performance assessment mechanisms
* The project plan includes standard SDLC phases:
  + Planning and Requirements Definition
  + Design
  + Build
  + Test
  + Implementation

In your first meeting, the CEO and CIO ask that you identify ways in which the company does not have to wait three years or more in order to see the benefits from their investment. They had just read some articles about “agile” methodologies as well as the Harvard Business Review article “Why Good Projects Fail Anyway”.

Write a memo to them recommending the following:

* What types of process or technology “quick wins” (less than 100 days) would you incorporate into the project plan?
* How would you adjust the project plan to incorporate these work streams? Where would you incorporate “agile” approaches?
* How would you structure the project team to reflect these initiatives as well as the longer term project activities?

Be sure to include an introduction and conclusion for your memo.