

## Client Value Study

# Insurance Data Processing

### Brief Overview

Like every modern industry sector, the property and casualty insurance business has been revolutionized by information technology. From the way claims are processed to the speed with which carriers manage regulatory compliance, software and information systems have steadily injected business efficiencies into the category for decades.

IDP should know. Founded in 1949, the Pennsylvania insurance systems developer has been a prominent partner of property and casualty insurers for almost 60 years. Armed with a diverse line of software products that can perform as standalone offerings or as integrated, complementary elements, IDP serves major property and casualty insurers across the U.S.

IDP's focus recently turned toward leveraging new possibilities associated with hosted applications operating over Microsoft's dot.NET platform, allowing customers new levels of accessibility, flexibility and security. IDP's hosted platform applications represented a significant investment in software development and support that demanded a deft management approach.

*Tatum fills leadership gap during operating system migration, performs conflict resolution and places permanent executive for insurance software firm.*

### Situation

IDP's decision to pursue a bold new product development strategy meant more than upgrading existing software. The multi-year, far-reaching development effort was viewed as a transformational opportunity that would redefine nearly every aspect of IDP's product suite, as well as the way its customers would process information critical to their daily operations. The development demanded a significant capital investment and a resolute commitment from product teams and their leaders.

IDP was approaching a series of critical deadlines for delivery of new product releases in 2005 when the top product-development executive departed the company, leaving a leadership gap that required decisive action. To support its migration toward the new hosted environment while developing powerful new insurance software products, IDP called on Tatum.

### Why Tatum

IDP's management was convinced the company had little time to spare as it sought to continue its development momentum and introduce new tactical approaches to improve the software development process. The sense of



### SITUATION

Conflicting and sometimes overlapping agendas among product-centric work teams hampers development efficiency.

### TATUM SERVICE

Tatum Program Management Office: Tatum-led reorganization aligns development efforts with customer objectives, not products, speeding development time and reducing conflicts among work teams.

### SITUATION

Internal tensions threaten to sap morale and contribute to product development delays.

### TATUM SERVICE

Tatum Management Consultation: Tatum develops and institutes conflict-resolution training that reduces management-staff friction and fosters more collaborative work environment.

### SITUATION

Absence of the right personnel in key positions undermines IDP's ability to maintain control over processes.

### TATUM SERVICE

Tatum Talent: Tatum identifies, recruits and assigns candidates to fill key management posts and accomplish smooth transfer of responsibilities.

*"I could not afford to have a lapse in leadership. It can take months to interview and hire a key executive. Tatum offered the option of putting a seasoned IT executive on staff here in a matter of days."*

Gary Gilbert, Chief Executive Officer, IDP

urgency surrounding the development work was one reason Tatum appealed to IDP and its CEO, Gary Gilbert. "I could not afford to have a lapse in leadership. It can take months to interview and hire a key executive. Tatum offered the option of putting a seasoned IT executive on staff here in a matter of days," said Gilbert.

Gilbert also recognized that by turning to Tatum, he would enjoy contributions from a broad team of experienced management and information technology veterans who had run large-scale projects before. "Tatum has a strong network of business pros and leaders. With a single call, we found a Tatum resource to help with some hardware issues we were having," Gilbert said.

The immediate task at hand for Tatum was two-fold. IDP needed to deliver on its products, but Tatum also realized its engagement would afford an opportunity to retool the company's development process and organization for long-term improvement.

## Results

Upon accepting the engagement, Tatum immediately undertook a big-picture review of the way IDP developed software. The review encompassed personnel, workflow processes and the internal culture of the IDP organization, which had

undergone severe strain as employees labored overtime to complete assignments.

IDP and Tatum made the important decision to reorganize the product development work around a customer focus, instead of a product focus. By realigning work teams to focus on specific customer needs and projects, Tatum was able to speed development and align products with customer needs, as well as rectify inefficiencies and overlap that occurred as a result of sometimes-warring development efforts.

Meanwhile, at a tactical level, Tatum brought in a research and development expert who was assigned to lead IDP's technology "build process," a demanding regimen in which software is put through rigorous real-world tests before advancing into a production phase.

With a better technology development approach underway, Tatum turned its attention to accountability and culture issues. Pressed to meet demanding deadlines, IDP had become accustomed to occasional lapses or push backs in actual delivery dates. The issue wasn't the absence of will or resolve, but occasional tensions between the management and development teams. Tatum identified the causes of conflict and instituted conflict-resolution

practices that continue to prevail at IDP today.

Since Tatum began its work with IDP, the company has released the first of several new applications that have won over customers, propelling IDP's revenue growth.

Gilbert believes Tatum combined strategic insight with some old-fashioned work ethic and determination, and is certain that Tatum's contributions to IDP's reorganization will have lasting impact. "In short order, Tatum reorganized some of the department leadership and aggressively identified and screened potential candidates for a permanent replacement who could manage the day-to-day technology development process. Ultimately, they found an excellent candidate that we hired.

"Business owners need a network of hands-on consultants to help fill the voids. In my eyes, Tatum has proven itself as just such a resource."



## About Tatum, LLC

Companies turn to Tatum when critical business challenges arise because we immediately deliver financial and technology operational expertise via solutions tailored to the Office of the CFO. We understand the urgency of NOW and we leverage nearly 1,000 executives and consulting professionals nationwide to accelerate results to create more value.™

©2010, Tatum, LLC. All rights reserved. Tatum, the Tatum logo, Create more value., and Tatum Way are trademarks of Tatum, LLC.

www.TatumLLC.com  
888.TATUM11

**REGIONAL OFFICES**  
Northeast • Southeast  
Texas • Pacific