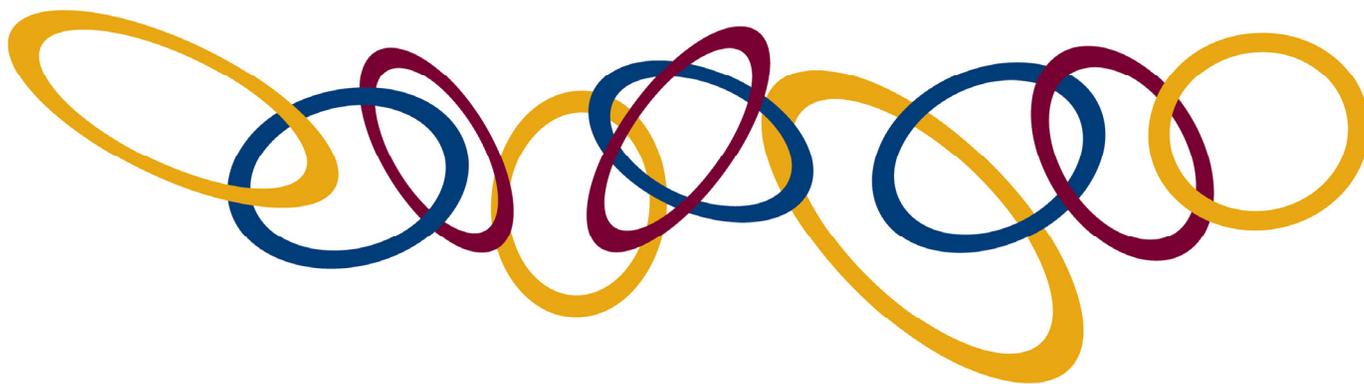


FORTUNE 100 U.S. Insurance Company

Innovation Case Study

The DeSai Group

March 2011





FORTUNE 100 U.S. Insurance Company

Business Challenge

Outsourcing and Collaboration Reduces Expense by \$1.2m and Restores Business Client Confidence and IT Staff Engagement

Industry

Insurance & Financial Services



Problem

A global diversified insurance and financial services company with an IT staff of 3500 recognized that business objectives and IT staff training were not aligned. This lack of alignment resulted in inadequately prepared IT and business staff and dissatisfied internal business clients faced with the need to add unplanned expense to acquire skills needed to achieve business targets.

As desirable assignments were afforded to consultants, on-staff IT professionals became disgruntled and disengaged resulting in staff turnover and reduced productivity. This in turn further negatively impacted on-time delivery of business projects and affected the insurer's ability to attract desirable replacement talent.

This urgent problem needed a quick, confidence-producing and effective fix. A comprehensive solution was needed to stem staff turnover and morale and to reduce unplanned business expense and to regain business client confidence.



Approach

The client contacted The DeSai Group to assess the extent of the problem and to recommend a solution. Using The DeSai Group's Strategy-Driven InnovationSM(SDI) methodology, The DeSai team conducted a rapid, deliberate and collaborative assessment involving business and IT management and staff. The DeSai Group advised the management team that restoring credibility and trust -with business clients and with IT staff, would be tantamount to maximizing the outcome of training approaches and solutions to be implemented.

The First step in the SDI Process Model is called Targeting. This step, revealed that:

- The company had multiple training contacts with the same vendor.
- There was no visibility to total training expenditure.
- Certifications needed to qualify employees to operate on behalf of the company were not tracked.
- There was no aggregate view of talent pool by skills inventory.

The assessment also uncovered that

- IT staff wanted solutions that would allow them to predictably be able to develop the skills demanded by contemporary business projects.
- Business clients wanted assurance that IT human resource project budgets could be established within a reasonable range of estimation to minimize unplanned expenses and undesirable re-prioritization. Ready, easily identifiable, on staff, trained talent would afford that.
- Both IT staff and business clients demanded evidence that learning objectives would be business centric and able to be met in a timely, cost effective manner
- IT staff complained that prior training had been difficult to track down and inconsistently communicated as no central course offerings curriculum, catalog or delivery schedule was communicated or published on any regular basis
- No existing staff member had the requisite skills to establish the comprehensive and effective program needed to achieve the desired results within the required timeframes

SDI Solution

To infuse the organization with the capability to achieve the results desired within the client's urgent timeframes, The DeSai Group recommended the installation of an outsourced experienced CLO (Chief Learning Officer.) This approach, considered radical by the client, was first of its kind for the organization. Equipped with The DeSai Group assessment findings and recommendations and a primed business and IT community, the CLO would work with business clients and IT management and staff to design and rapidly implement timely learning programs, aligned with and, prioritized in accordance with business needs. These learning options would be clearly communicated and easily accessible by IT staff to result in a stronger, more proactive learning culture.

The CLO brought evident and apparent applicable experience and credibility to the effort to implement a new approach to training. Using SDI methodology, creativity and collaboration tools, and DeSai facilitation the CLO developed change ready project plans with IT and business leadership involvement. Those project plans included the implementation of a unique training delivery model that afforded staff access to more than 3,000 courses on a novel pay-as-you-go basis thus changing the funding model by allowing for shared resources and no need to create a technology footprint.

Before full execution of the proposed solution, the SDI "Prototype" step was implemented to quickly assess the readiness, constraints, and tolerances for full change implementation. This was completed within 90 days by working with the internal IT organization and Commercial Insurance business units.



Additionally, to create a predictable supply of necessary talent and prioritized functional learning and development activities, on-line individual development plans were created. On-line certification tracking and a skills inventory database were also established.

An email-based communication process was implemented to systematically inform all 3500 IT staff members of learning events targeted at increasing their skill levels and competencies through use of new, high-impact IT College application. Reports detailing relevant and pre-established measures for key stakeholders to manage learning and development were created and disseminated routinely and modified as deemed necessary.

Benefits

- The insurer reduced expenses by \$1.2m within two years.
- 72% of staff had completed an individual development plan by the end of the second year
- 88% of staff were involved in at least one training program
- Communication processes and practices implemented assured that the learning opportunities were aligned with planned business projects and IT staff members were predictably apprised of all available learning opportunities. IT staff were as a result were able to quickly gain skills and competencies to support near-term IT business objectives.
- Longer-term business plans requiring IT support were scheduled and communicated in advance within the newly implemented planning and communication processes and practices. These resulted in increased trust amongst business clients and IT staff and facilitated desired retention.
- Business client confidence improved due to reliable reports that informed decision making and assured more successful IT project implementations and significantly reduced cost overruns and delays.
- The improved communication included: dissemination of planned business projects and the learning and development aligned with it, which would be available on a timely basis for IT staff. These practices provided employees with a greater sense of company support and appreciation thus resulting in improved morale, adequately prepared IT staff and higher productivity.

The DeSai Group is an *Innovation Management* consulting firm, helping clients build sustainable innovation capabilities for continuous growth. Using our *Strategy Driven InnovationSM (SDI) Execution Methodology* we help clients build and sustain innovative organizational climates and cultures. For more information, log onto www.desai.com/resources and download our white paper “Mastering Innovation – Roadmap to Sustainable Value Creation” along with many other articles.

Please contact us at info@desai.com for more information

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