

iRise and CSAA

Improving Customer Service while Cutting Cycle Time by 25%

In the year 1900, three years before the windshield wiper was invented, a handful of visionary automobile enthusiasts formed the California State Automobile Association (CSAA). Their mission was to help people to get about the state with “comfort, safety and convenience”.

While much has changed since those early days, CSAA’s dedication to quality service has not. As the organization grows and adds an increasingly diverse set of insurance and service products to its portfolio, the ability to deliver systems that adequately serve CSAA member’s rapidly changing needs has become more complex. Even with their dedication to delivering quality, defining these complex systems with printed documents no longer worked for the company, as the time it took to agree on requirements was getting longer and longer, and rework was eating up to 30% of project costs. These issues were delaying time to market and threatening CSAA’s century-long record of service excellence.

Using iRise, the CSAA design team is better able to provide a common vision of a proposed application through iterative simulation sessions to reviewers all over the globe. The simulations have reduced requirements cycle time by 25% and eliminated much of the rework that was crippling budgets. Most importantly, clearer requirements deliver better applications, which helps CSAA continue their renowned quality of service to their members.

Spotlight

100-year-old not-for-profit with over 4 million club members in Northern California, Nevada and Utah with \$2.4B in revenue and more than 6,400 employees

Challenge

Create systems to support customer growth during consolidation of nationwide clubs and insurance processing systems

Solution

Rapid, iterative visualization to improve requirement quality and speed

Results

20% – 30% reduction in project development costs by dramatically cutting rework



"It's not unlike the difference between written directions to a destination versus using an interactive map. iRise is like using a GPS system for figuring out complex applications."

AJ Goldsmith
V.P., IT Business Development
CSAA

It used to be that "roadside service" meant asking a farmer to use his mule team to get a car back on the road. Today, it means using a mobile phone to get in touch with a call center and, 30 minutes later, a yellow truck shows up to help you out. That level of service and visionary leadership started at the famed Cliff House in San Francisco in 1900 by 11 men who began a club to help out other "automobilists", known today as the California State Automobile Association.

CSAA's commitment to its customers and dedication to the community have been repeatedly demonstrated throughout its first century in business. Still based in San Francisco, the company has enjoyed tremendous growth since those early days, thanks in large part to their high level of service. CSAA now has four major lines of business, serving 4 million members - insurance, travel service, member services and emergency roadside service. These services generate \$2.4B of revenue annually.

Challenge

The consolidation of automobile clubs and services nationwide is rapidly transforming the business model at CSAA. With increasing competition from discount insurers, other roadside service businesses and online travel services threatening the renowned travel service excellence at CSAA, business agility is at a premium. The core business strategy continues to be: compete based on service excellence, not on price.

Unfortunately, outdated legacy systems couldn't quickly adapt to such fundamental change nor support the business goal in a world where consumer expectations on service levels are rising dramatically. As a result, the 800+ people in the company's IT organization have been working to quickly deliver an updated infrastructure to support the rapid growth demanded by the business.

Using traditional, paper-based methods to gather and document requirements, the IT organization often experienced frustrating communication issues between the business and development teams. Even though the team created systems that functioned properly, iterating with such cumbersome methods decreased stakeholders' clear understanding of proposed systems. And the first time people saw them was when they were coded, when it was too late for cost-effective changes. This led to 20-30% of additional rework costs on many projects and caused significant delays, frustrating the business' ability to deliver.

To complicate matters, IT was relying on a growing footprint of outsourced development resources to get projects done. Communication with the outsourced partners was managed with the very same paper-based specifications that were

raising concerns internally, so naturally these problems were now extended outside the company, limiting the expected ROI from these strategies.

Something had to change – and it was the way applications were defined that made the difference.

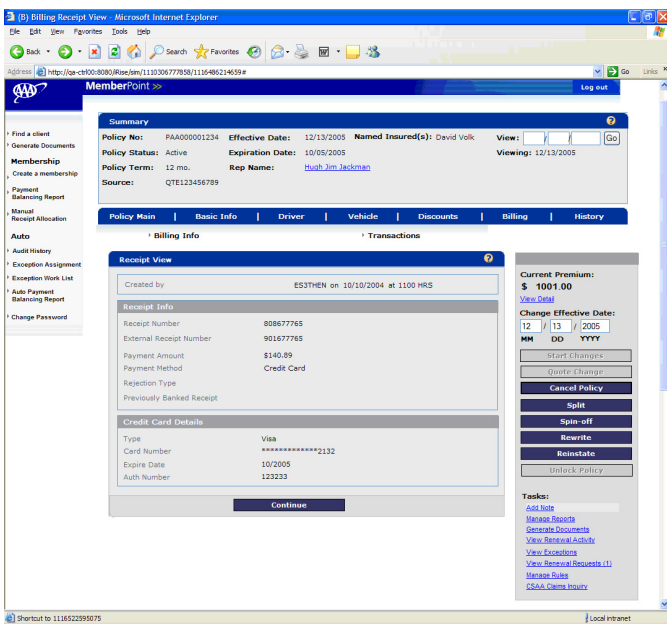
Solution

Delivering a consolidated insurance processing application with a membership system became the highest priority project for AJ Goldsmith, vice president of IT business development at CSAA. Using outsourced resources in Chicago and India, this new, Web-based system had become stalled due to indecision on what to build and poor internal and external communication. In order to get the project back on track, AJ's group had to improve the definition process to reduce cycle time, improve the quality of the requirements, align with business users' needs and improve the reusability of requirements. And in order to facilitate agreement with stakeholders spread all over the globe, they needed those requirements to be in a platform that would be accessible by all.

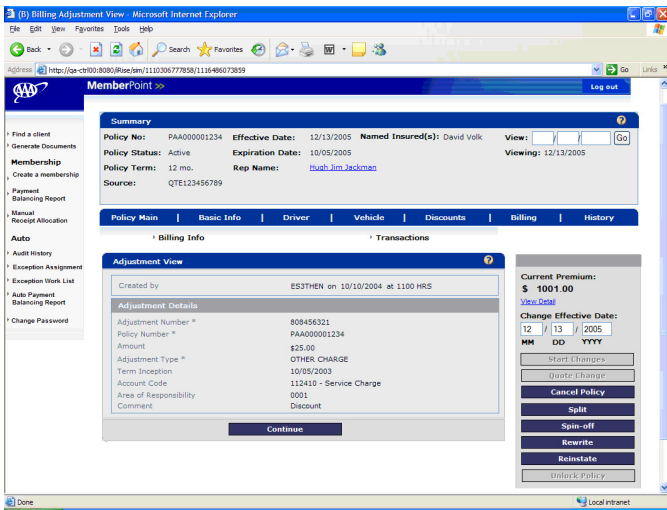
Using iRise, the business analysts at CSAA were able to quickly create a working simulation of the new system in a matter of days. The team got up to speed with iRise in a few short weeks, thanks to the product's simple interface and familiar methods. Stakeholders were then able to review the simulation by attending a virtual review meeting conducted over the Internet. Changes to the proposed application could then be made quickly and interactively – speeding the process

and dramatically improving communication. In fact, the iRise simulation was so realistic it was used internally at a company meeting to generate excitement for the new system.

For the first time, the CSAA design team, business stakeholders and developers could communicate visually with a working simulation of the new system - before coding had started. Business people now could 'see' the new system early in the process, avoiding expensive late stage rework and getting the project back on track.



The **Receipt View Page** displays the details of a payment receipt for a policy.



The **Adjustment View Page** displays the details of a billing adjustment transaction against a policy.

Result

The unprecedented level of collaboration that iRise provides means CSAA will now be able to more accurately estimate budgets and timelines for final delivery of new initiatives. The company is already using iRise in the redesign of www.csaa.com, another critical project that will drive increased service levels. Using the collaborative nature of iRise, CSAA can now provide systems that are capable of handling market-driven consolidation while at the same time comfortably welcoming new customers. And since everyone agrees on new systems faster, they can get there in a hurry, beating competitors to the finish line with their renowned service.

Using iRise, CSAA experienced the following:

- 25% improvement in overall requirement quality by catching definition-related errors early in the process
- 20% – 30% reduction in project development costs by dramatically cutting rework
- Increased agility through reusability of definition assets and integration to IBM Rational RequisitePro™
- Faster time to market by accelerating the definition process and eliminating much of the time-consuming rework associated with bad requirements

With iRise facilitating agreement between the business and IT, and the higher quality requirements that it helps them to create, future projects will predictably support new business plans. By improving confidence in their ability to deliver, CSAA can continue to deliver the service excellence that generations of customers have come to rely on.

To view the online demo of the iRise solution, please go to:

<http://www.irise.com/demo>

Call iRise for a personal product demonstration and be sure to ask about our free proof of concept.

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