

## TASC Uses SEER for Software and Delivers Improved Productivity and Cost Savings With Software Development



- *Founded: 1975*
- *Industry: Third-party benefits administrator serving clients across all 50 states*
- *Location: Madison, WI*

### CHALLENGES:

- *Measuring software development productivity*
- *Demonstrating the costs of software development*

### KEY RESULTS:

- *Reduced costs to estimate*
- *Tracking and measuring project productivity*
- *82% IRR saving both time and lost opportunity cost*
- *Early visibility into cost and schedule*

### Background

As one of the nation's largest privately held third-party benefits administrators, Total Administrative Services Corporation (TASC) provides a wide range of employee benefits solutions to clients of all sizes across all 50 states. The services they provide include flexible spending accounts, health reimbursement arrangements, health savings accounts, COBRA administration, and other products designed to assist Human Resource leaders with corporate benefit and risk compliance administration.

### Challenges TASC Faced

TASC is experiencing rapid growth--over 20% every year--and the company's product development capabilities and capacity needs have been growing at a similar rate. "We develop most of our product administration software internally and we wanted to be better able to measure our productivity within the software development function. It can be maddeningly hard to measure software development productivity, and you can't improve what you can't measure", explained Karl Richards, CIO of TASC.

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TASC needed to measure productivity improvements within the software development team as they improve their development processes and implement a new continuous software delivery model. "Our goal is to be able to measure our results so we can clearly understand the impact of our actions and demonstrate the value we are contributing to the organization," said Richards.

The number one challenge for CIOs is defending and demonstrating how much software development costs. Because software is activity-based, you can't just deliver a bill of materials. The costs to write software have a lot to do with the amount of functionality the project is designed to deliver, its level of complexity and the desired level of quality, as well as the capabilities of the software development personnel, the processes, tools, and other project environmental factors that can influence productivity.

### Solutions

After considerable research and exploration, a consultant suggested that Richards look at SEER for Software. While Richards had heard of these estimation methods being used by government agencies and large development shops, at the time, he didn't think that it would be useful or applicable for midsize businesses like TASC.

The consultant suggested that the path to measuring software improvement was by using software estimation tools and modeling and then tracking actuals against those estimates.



- Industry: Project estimation software for IT, software development, manufacturing and hardware
- Location: El Segundo, CA and Andover, Hampshire, UK

Galorath has invested nearly three decades developing solutions that assist organizations to better estimate, plan and control project costs, and manage schedule and risk. With thousands of users worldwide, SEER products deliver the visibility necessary for credible project decisions and ongoing success.

## Results TASC Experienced

After working with Galorath to better understand the SEER solution, TASC decided to implement SEER for all new software development projects. TASC was able to achieve more than was originally planned and derived several important results for the organization that enhanced both the productivity and the credibility of the TASC IT team.



### Faster Estimating and Improved Productivity

Richards reports that the first thing they noticed was that his team was able to deliver project estimates much faster using SEER for Software. The tool is designed to take and analyze a series of inputs to quickly estimate the cost and schedule to actually build the project. For most companies, this process requires a significant amount of effort to be invested upfront simply to deliver an estimate. Richards commented,

“Not only are we faster at delivering the estimates, we no longer need to have our best and most costly resources spending time on the estimation process. We’re now able to empower our Project Managers to take over that role.”

### Unleashing Previously Hidden Data to Drive Results

Over the last year, TASC has been estimating projects in SEER and then returning to review benchmark data after the project has finished. That process has allowed them to also develop a mechanism to track project execution productivity over time and therefore be able to analyze trending and react accordingly.

“All that data is being captured in SEER today and we had no way to obtain that data before,” said Richards. “The data also helped us learn about the complexity of the functions we’re developing and gain a better understanding of our risk analysis throughout the Software Development Life Cycle.” By request, Galorath collaborated with and delivered a special dashboard tool to TASC that allows it to report how well projects are going and to track productivity on groups of projects over time.

### Early Visibility to Critical Business Decisions

For TASC, one of the most measurable accomplishments was experienced almost immediately when on a large integration project, SEER demonstrated that TASC was heading down a path of unfavorable economics. Because of the early visibility, changing direction allowed the team to deliver an 82% Internal Rate of Return (IRR) on this project instead of a negative net value, saving both time and lost opportunity cost.

That kind of early visibility enhances credibility with the leadership team and has also given the team a level of confidence to look at using SEER for vendor evaluations as it contemplates full software module outsourcing for certain projects. Richards says, “I know that I will never have enough resources to accomplish everything requested of IT, so I see SEER giving me the intelligence to spend IT dollars as strategically as possible, and that’s a competitive advantage for TASC.”

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