When Perry Rotella joined Verisk Analytics in 2009 as CIO, he wanted to increase the pace of delivering IT projects, which are critical to Verisk’s success as a data and analytics provider to such industries as insurance, healthcare, financial services, and supply chain. Rotella quickly realized that he had to find a solution that would substantially reduce the time it took to deliver to customers.

The solution Rotella chose was transforming the system development process from the traditional waterfall method (where all requirements are detailed before the system is designed, coded, tested, and finally implemented) to agile development. When using agile development processes, projects are divided into “sprints” in which clients’ stories (key aspects of business functionality) are detailed, designed, coded, tested, integrated with previously developed code, and implemented as a fully functional system. Two-week sprints deliver new...
capabilities every two weeks. During each sprint, technology teams work collaboratively with project stakeholders to identify and resolve problems, clarify key assumptions, modify requirements, and obtain feedback on how the new system should work. The emphasis on continuous testing and integration, daily status updates, and dynamic prioritization of user stories enables agile development teams to quickly adapt to customer feedback, reducing the risk of investing in the wrong solution while incorporating new insights into the development process.

Beginning in 2010, agile development was successfully piloted at Verisk with two very high profile projects that have since been rolled out across most of the enterprise. The first was a new product for fraud prevention, which had to be completed in time for a demonstration at an anti-fraud convention. According to one project stakeholder, “With agile development, we accomplished what would have been impossible to do with a waterfall method. Everyone was accountable daily for their work, and the result was magic.”

The second project was for a Fortune 100 company, one of Verisk’s most important clients. The project — to connect data from three healthcare providers for the company’s new health benefits program — had failed twice before Verisk was engaged in May 2012. It had to be completed by December 31, 2012, the start of the new benefit year. The client, its healthcare providers, and Verisk all had to collaborate to develop a system in which complex data from multiple sources could be integrated and used in real time. Verisk provided the project management and platform for integration. “The only way we could get up and running with this project was to use agile,” said Jim Despelteau, vice president of Strategic Technology at Verisk Analytics, who led the initiative. Despite the challenge of collaborating across teams, the emphasis on continuous integration helped to raise and resolve problems much earlier than with a more traditional approach. “It surfaced assumptions early and helped us to manage risk,” Despelteau said. The project was successfully delivered on time. Rotella called it a huge victory for agile: “Our client was very impressed, as was our senior executive team.”

Today, agile is used in at least 80% of all development projects at Verisk. Response from the operating units to agile development has been enthusiastic, and Verisk’s senior executive team has been impressed with the timeliness and high quality of the projects.

Verisk has demonstrated that agile development can be used on major, complex projects even with geographically distributed teams. Agile is by no means a silver bullet and must be implemented with training and careful thought. However, agile development can improve both time to market and quality while increasing business satisfaction with the process and outcomes delivered. “We’ve learned that agile processes give us much better results than waterfall methodologies,” said Rotella.