

# 2014 Awards of Excellence Honorable Mention



## IT Management Hall of Famer

Abe Naguib, American International Group (AIG)  
Evolving a world-class, next-generation PMO

### Application Lifecycle Management

### Business Service Management

**High-level overview:** Using HP solutions, AIG has realized the following benefits:

- Transform PMO from task master to strategic enabler
- Achieve productivity gains with stable systems, reduced fire-fighting, agile dev/test/delivery teams
- Increase brand-value by presenting customers and business partners with reliable, scalable, systems to access and manage market-timely insurance products
- Foster delivery collaboration through Enterprise "IT intelligence" to govern organizational and technical challenges enabling faster, sound decisions by stakeholders and executive management
- Set stage for IT evolution into synchronized, continuous delivery service provider, with reduced risk and cost
- \$11m/year (avg) cost-avoidance; shorter MTTR; 95% proactive failure resolution prior to production release; accurate, insightful, production monitoring and threshold management

**Company:** AIG is one of the world's largest insurance carriers, with more than 88 million customers worldwide. AIG is a leader in property casualty insurance, life insurance and retirement services, and mortgage insurance.

**Contact:** Abe Naguib is Senior Director, Global Performance Architecture at AIG.

**Business goals:** AIG has more than 1,000 subsidiaries, aligned with multiple lines of business (LOB). Each LOB has a dedicated CIO/CTO technology delivery organization to evolve and promote its technology requirements within AIG's standards governance framework. The challenge is maintaining benefits of standards' stability, while adopting new federated, innovative solutions within AIG's

global enterprise framework. Today's Project Management Office (PMO) is realizing it has to evolve. PMOs can no longer continue with the old task master mentality. They must promote ROI and identify the intrinsic value, priority, or risk, of critical milestones across the value chain. They must identify, isolate and resolve delivery, technology integration, and cost overrun risks to modernize and transform legacy systems. And they need to reduce delivery cycles by enabling mature, transparent, practices such as Lean/6-Sigma. Additional Next Generation-PMO roles include driving cost transparency; fostering collaboration; and better alignment with customer demands.

**HP Software products implemented:**

LoadRunner/Performance Center; SiteScope; Diagnostics; Quality Center; TruClient; Project Portfolio Management (PPM); Executive Scorecard (Dashboard).

**Benefits:** Faster time-to-market is achieved by early risk detection, resolution, and control from reoccurrences. The result: promote IT's evolution to Business-Partner (Level 4 of Gartner Maturity Model). Accurate data enables sound shareholder decisions, customer satisfaction, and repeat business. NGPMOs can provide appropriate direction for stakeholders with clear scientific proof, whether a transformation will result in benefit, or risk. This leads to improvements in IT and business productivity, increasing program ROI and reduced TCO. Lastly, the recent focus on modernization was found to be less technical and more a people factor; i.e., Gallup poll 2002-2013 shows 70% of employees are disengaged in the workforce. Shifting IT's focus on innovative solutions versus fire-fighting, promotes employee retention. As shown in market analysis, the downstream result is new and return customers that were developed from happier, informed, employees.



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