Case Study

everis Centers' Global Network Demonstrates Commitment to Continuous Performance Improvement for Over 15 Years with CMMI®

The Business Need

everis Centers provides software development and maintenance for a wide range of industries with a high level of productivity and efficiency. They first adopted CMMI in 2006 because they needed a structured model of best practices to use as reference for their development of a large global network of high-performing centers, and continue their performance improvement journey to date.

Beginning in 2006, they initially chose CMMI to:

- **Achieve the highest levels of productivity and efficiency for everis Center, regardless of location.** It was imperative to create standardized processes and procedures to maximize capacity and throughput for a global group of centers.
- **Focus on savings and efficiency at all everis Center locations** by implementing standardized process and cost optimization methods. Even a small efficiency or savings can realize a significant return, when multiplied across many locations in many countries.

Company Background

everis Center Group is an everis Spain SLU company, which is a division of NTT Data, a multi-national organization focused on providing IT solutions, consulting and outsourcing to industry, with revenue of $1.73 billion in the last fiscal year. Our 27,000 professionals are spread across Europe, USA and Latin America.

everis, is firmly committed to talent, and their main objective is to achieve high professional performance by creating an environment of responsible freedom. everis Centers Group has a lean coordination structure, headquartered in Madrid with a network of multiple high performance centers located in Spain (Alicante, Murcia, Seville and Salamanca), Portugal (Lisbon), Morocco (Tetuán) and Latin America (Temuco-Chile, Uberlandia-Brazil, Trujillo-Peru), with year over year growth of 20%. Its services are structured into three main divisions: Outsourcing, Development and Testing.

For more information, go to
everis.com/spain/es/home-spain

The Business Challenge

Software development and maintenance is an ultra-competitive business, with the highest client expectations, and narrowing margins. As everis Centers continue to grow, each Center is expected to handle an ever-increasing volume of work while maintaining the highest levels of quality and efficiency. To succeed, this requires improving performance and aligning operations to business goals. They wanted to identify which processes most directly impacted business performance, and what needed to be measured operationally to meet those goals.

The Solution

everis Centers first chose the CMMI Development (CMMI-DEV) view in order to create the processes needed to provide customers with high quality software. They focused on the following capabilities for improvement:

- Ensuring Quality
- Engineering & Developing Products
- Delivering & Managing Services
- Selecting & Managing Suppliers
- Planning & Managing Work
- Managing Business Resilience
- Managing the Workforce
- Supporting Implementation
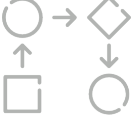- Sustaining Habit & Persistence
- Improving Performance

Once everis Centers reached Maturity Level (ML) 5 in 2012, they chose to focus on the CMMI Services view (CMMI-SVC) as their reference model in order to optimize their corrective maintenance and testing services.

Significant everis Centers Maturity Level Milestones

ML3 CMMI-DEV
Spanish Centers (3)

ML5 CMMI-DEV
Spanish Centers (3)
+ Latin America (3)

ML5 CMMI-DEV
Spanish Centers (3)
+ Latin America (4)

2009 · · · · **2012** · · · · **2015** · · · · **2017** · · · · **2018** · · · · **2020** ›

ML5 CMMI-DEV
Spanish Centers (3)
+ Latin America (3)

ML3 CMMI-DEV
Portugal + Morocco
+Peru

ML5 CMMI-SVC
Spanish Centers (4)
+ Latin America (4) +
Portugal + Morocco

ML5 CMMI-DEV
Salamanca Center,
Spain + Portugal
+ Morocco

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everis Centers Identified and Solved Key Performance Issues

	Target Measurement	Actual Measurement Goals	Post-Improvement Results	Summary of Quantifiable Organizational Benefits
Quality	**Incidence Ratio**	• On average, 1 error for every 200 development hours • Decrease by 50% the % of services that don't achieve the goal	2016 • Average 88h • 20% of target not achieved 2020 • Average 152h • 6% of target not achieved	Variability dramatically reduced: lower limit of the overall control chart improved by 60 points on average (LCL from 60 to 110h)
	% Rework	• To maintain the average rework <5% of the development effort • Decrease % of services not achieving the goal <5% by 25%	2014 • Rework 1.83 6.5% of target not achieved 2020 • Rework 1.14 • 3.6% of target not achieved	50% decrease in rework* Reduced development hrs. by 130,000, saving $2.3M
	Performance Detection Process	• Average process yield >=85%	2014: 78% 2020: 92%	Reduced development hrs. by 230,000, saving $4.2M*
Efficiency	**Effort Deviation**	• To maintain the average effort deviation <5% • To decrease the upper variability by 50%	2014 • Average effort deviation 0.26% UCL 36% 2020 • Average effort deviation -0,80% • UCL 19.6%	Reduced development hrs. by 40,000, saving $732,000 in last year
Time Delivery	**Time Deviation**	• Average days of deviation, statistically close to zero • % of work delivered with delay <2%	2014 • Average days of deviation 0.07 • 2.15% of target not achieved 2020 • Average days of deviation 0.03 • 1.71% of target not achieved	Work delivered on-time Project delivery predictions more precise

*In last five years.

Key Performance Goals Achieved

CMMI gave everis Centers the tools to create a single global working method, supported by a set of appropriate tools, that made it possible **to standardize the operations of all everis Centers.** This allowed each everis Center to maximize production capacity with common global knowledge and skills wherever the center is located. Their client satisfaction has increased because a common global methodology guarantees efficiency and speed to market. **This has translated into a revenue increase of 20% year over year in a highly competitive market with reducing margins.** Today, if a new everis Center opens, they are confident that they can achieve an ML5 rating within 18 months, a considerable achievement. Other quantifiable benefits of CMMI include:

- Prior to CMMI adoption, the variability in meeting request service deadlines varied between 10% and 20%. It is currently statistically close to zero
- Systematic attention to error detection has resulted in improvement of the error detection process from 73% to 85% over five years, realizing a savings of approximately 230,016 hours per year
- Process optimization (according to the Value Stream Mapping criteria) has created estimated savings of 1,500 hr/yr
- Production increased due to the hours saved by the increased efficiency in error detection and process optimization

> **"everis Centers now has the need for continuous performance improvement embedded in its DNA."**
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> **Giuseppe Satriani**
> **Certified CMMI Lead Appraiser**

Lessons Learned

CMMI has provided a competitive advantage for everis Centers. Centralizing the definition and coordination of the improvement process before rolling it out globally has been critical to its successful adoption by all everis Centers. Some of the best practices implemented include:

- Creating common and automated tools to support both management and engineering
- A centralized quality assurance team audits services and immediately detects where and when it is necessary to act
- External consultants with specialized statistical process control enabled faster progress to build our internal statistical knowledge and save time building performance models
- The systematic use of quantitative indicators has helped provide a transparent and objective picture for each Center
- Continuing emphasis and attention to standardizing the collection and use of data. Mandatory data collection practices have facilitated data maturation and quality. This is particularly critical in a global organization where there are cultural differences

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Results

- **Improved center productivity:** In the last 5 years everis Centers saved 360,000 development hours previously dedicated to rework
- **Increased the service margins:** in the last year everis Centers got $73,000+ of extra margins for the efficiency improvement
- **Cost savings:** in the last 5 years everis Centers saved $4.2 million of development costs and consequently increased its production capability
- **Improved operational coordination** with both internal and external stakeholders
- An **integrated management scorecard,** facilitating business control and development, resource and capacity management
- **Increasing workload** without compromising deadlines and quality

> "The CMMI model has proven to be a winning choice over time because it allowed us to prioritize our work more quickly and have effective indicators to swiftly manage and solve problems. What has helped us the most is a dedicated and centralized management and support team, a single management tool (CMMI) used in all locations in the same way, and team alignment around common objectives."
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> **Jesús Vicente González Martínez**
> **Head of everis Centers**

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For more than 50 years, ISACA® (www.isaca.org) has advanced the best talent, expertise and learning in technology. ISACA equips individuals with knowledge, credentials, education and community to progress their careers and transform their organizations, and enables enterprises to train and build quality teams. ISACA is a global professional association and learning organization that leverages the expertise of its 145,000 members who work in information security, governance, assurance, risk and privacy to drive innovation through technology. It has a presence in 188 countries, including more than 220 chapters worldwide.

ISACA's CMMI enables organizations to elevate and benchmark performance across a range of critical business capabilities, including product development, service excellence, workforce management, data management, supplier management, and cybersecurity. For more than 25 years, thousands of high-performing organizations have achieved sustainable business success through CMMI adoption and demonstrated their ability as capable business partners and suppliers.