Can IT Projects be Insured?

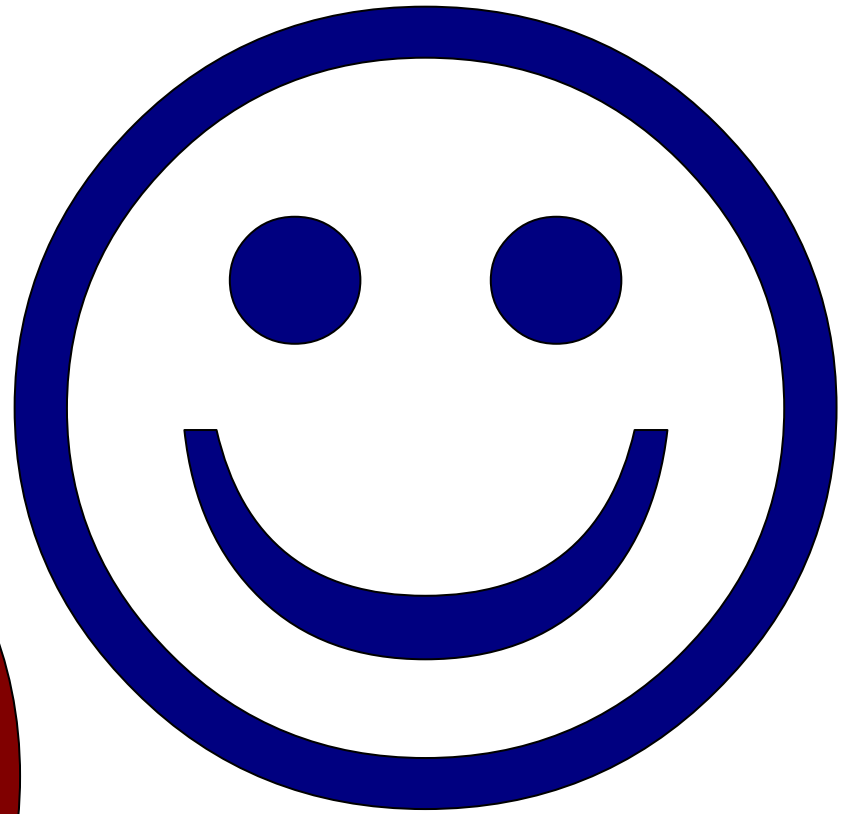## Completion Bonds for IT projects

GrahamOakes
making sense of technology

Agenda

- Chaos
- Trust Hurdle   15 min
- Completion Bonds
- Barriers   60 min
- Next Steps   15 min

Chaos

Many organisations get overwhelmed

Mistrust

Bad News

Analysts
News
Industry

Technology
Projects

Complex Language

- They avoid IT Projects
- They tie them up in procurement and other overheads to "manage risk"
- They forgo potential benefits
- We lose out on interesting and valuable work

Saying "Trust Me" isn't enough

Completion Bonds

2-6%

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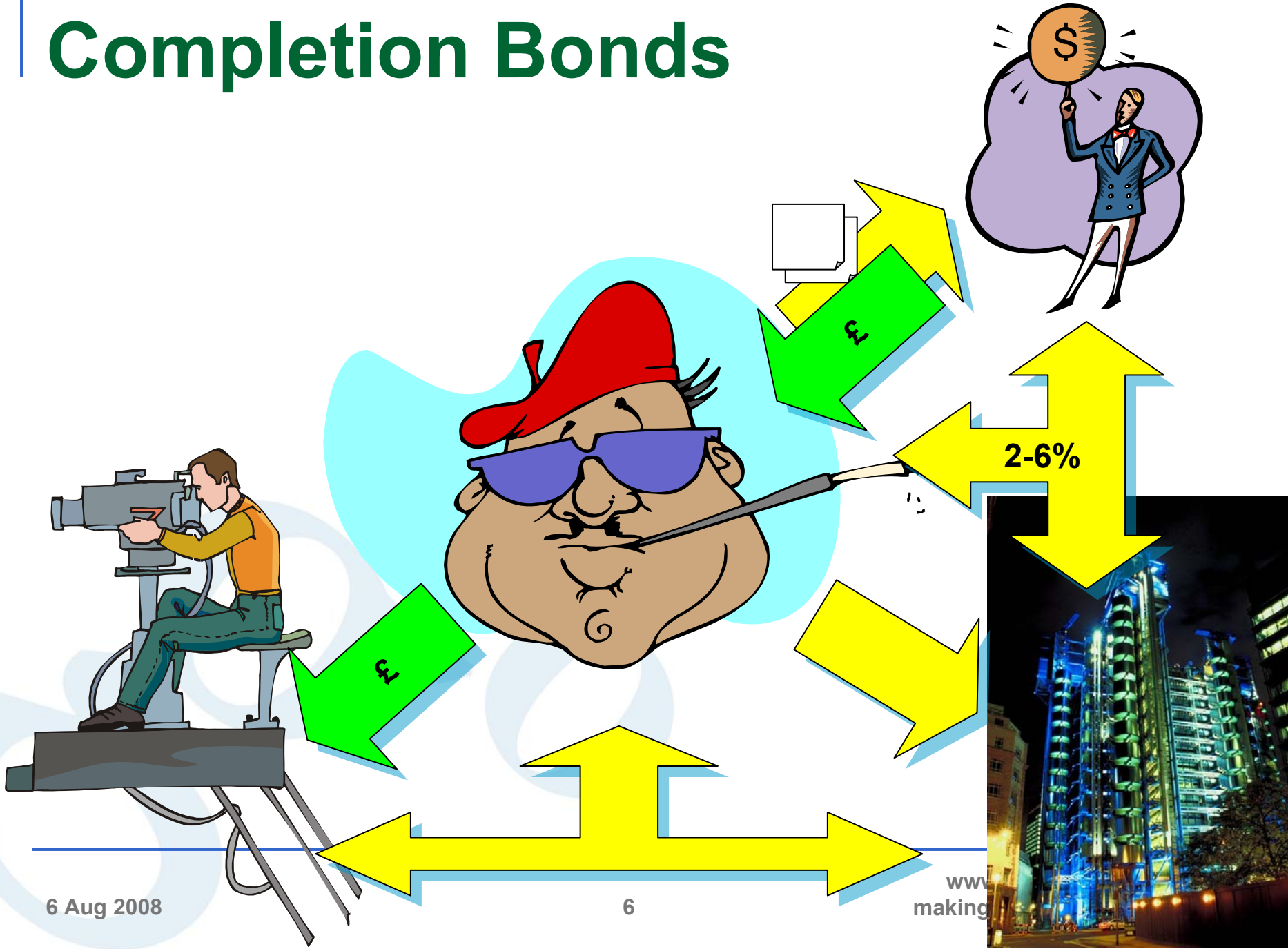
Benefits

* Consultants aren't trusted – they don't have skin in the game.

- Buyer gains:
  - ❑ Confidence to take risks
  - ❑ Trusted third party to explain and mediate*
  - ❑ Wider market (small players have similar risk to large ones)

- Seller gains:
  - ❑ Level playing field for small players
  - ❑ Trusted third party to explain and mediate*
  - ❑ Savvy customers

- Insurer gains:
  - ❑ Premiums

Why can films afford the premiums?

- **Team**
  - ☐ Defined roles
  - ☐ Known track record

- **Charter**
  - ☐ Script describes what they'll get (but can be flexed)
  - ☐ Known budget elements, with detailed costings

- **Common practices**

- **Visible progress**

- **Way to value IPR**

I think agile approaches have, or could have, many of these elements

My questions

- Imagine you are an insurer assessing the premium for a completion bond for a project. What would you look for –
  - ❑ in the **team**
  - ❑ in the **client**
  - ❑ in the **environment**
  - ❑ in the **project**

  when assessing the premium?

- What actions would you take to manage your risk?

- What would enable you to reduce your premiums?

- What would increase them?

If we had these things, how would that change the way we work?

If completion bonds were available, how would that change the type of work we do?

What do we need to do to make these things happen?

Thank You

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- **■** *Making sense of technology…*
  - ❑ Many organisations are caught up in the complexity of technology and systems.
  - ❑ This complexity may be inherent to the technology itself. It may be created by the pace of technology change. Or it may arise from the surrounding process, people and governance structures.
  - ❑ We help untangle this complexity and define business strategies that both can be implemented and will be adopted by people throughout the organisation and its partner network. We then help assure delivery of implementation projects.

- **■** *Clients…*
  - ❑ **Cisco Worldwide Education** – Architecture and research for e-learning and educational systems
  - ❑ **Council of Europe** – Systems for monitoring compliance with international treaties; e-learning systems
  - ❑ **Dover Harbour Board** – Systems and architecture review
  - ❑ **European Agency** – ECM Roadmap
  - ❑ **MessageLabs** – Architecture and assurance for partner management portal
  - ❑ **National Savings & Investments** – Helped NS&I and BPO partner develop joint IS strategy
  - ❑ **The Open University** – Enterprise architecture, CRM and product development strategies
  - ❑ **Oxfam** – Strategy for content management, CRM, e-Commerce
  - ❑ **Thames Valley Police** – Internet Consultancy
  - ❑ **Sony Computer Entertainment** – Global process definition
  - ❑ **Amnesty International, Endemol, tsoosayLabs, Vodafone, …**