
Aligning Projects, Processes and Infrastructure

Implementing effective Governance

Agenda

- Infrastructure, Processes, Projects
- Why do we manage them differently?
- How do we align these mindsets?
- Case studies
 - Improving predictability of delivery
 - Improving decision making across outsourcing boundaries

Non-Agenda

- One-size-fits-all solution
- Complexity
- Compliance

Business Process Management

■ What is it?

■ Key elements

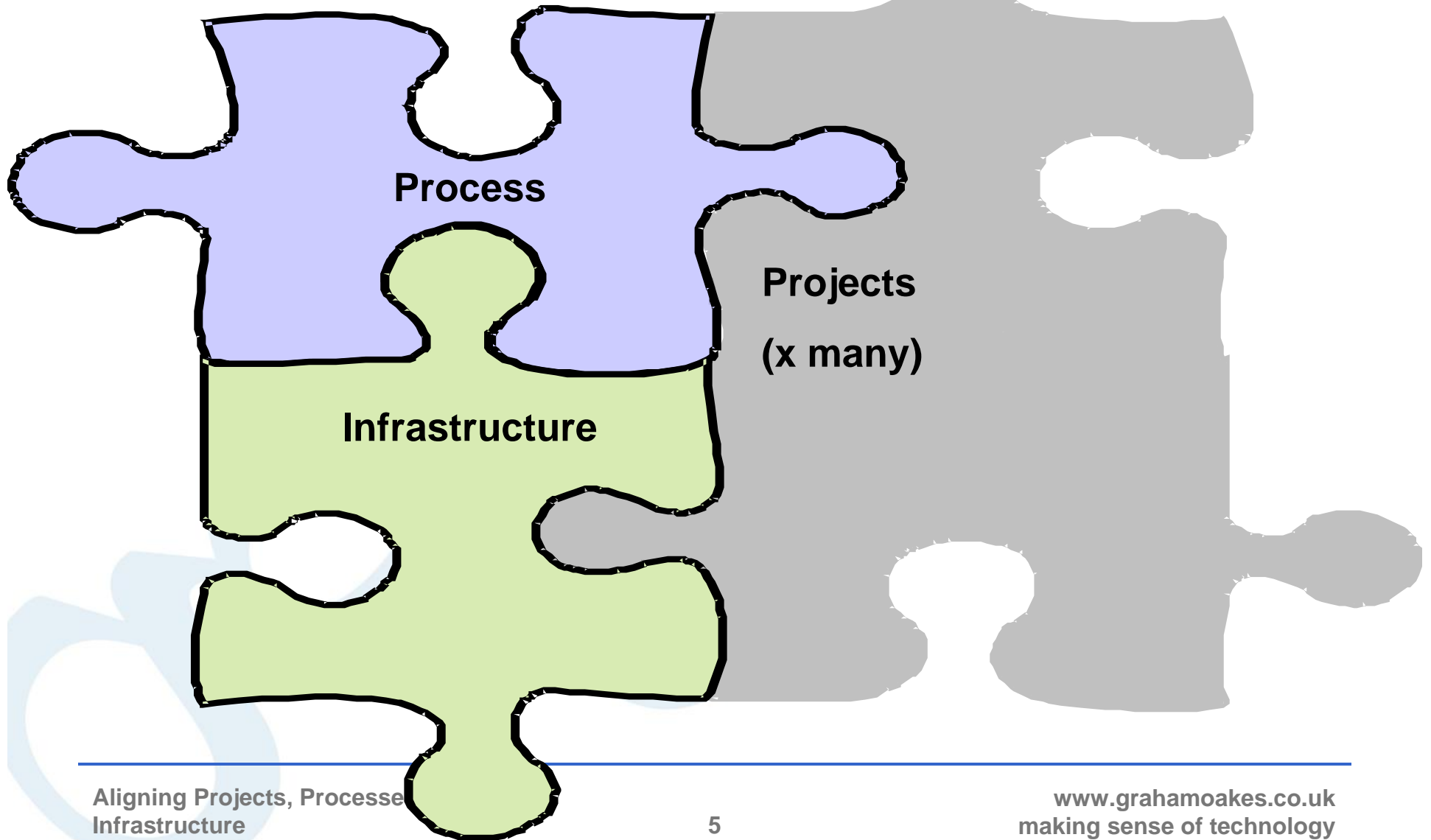
- Defined process
- Orchestration via workflow, business rules
- Monitor against performance indicators
- Review and refine
- Event monitoring and response

■ Imply

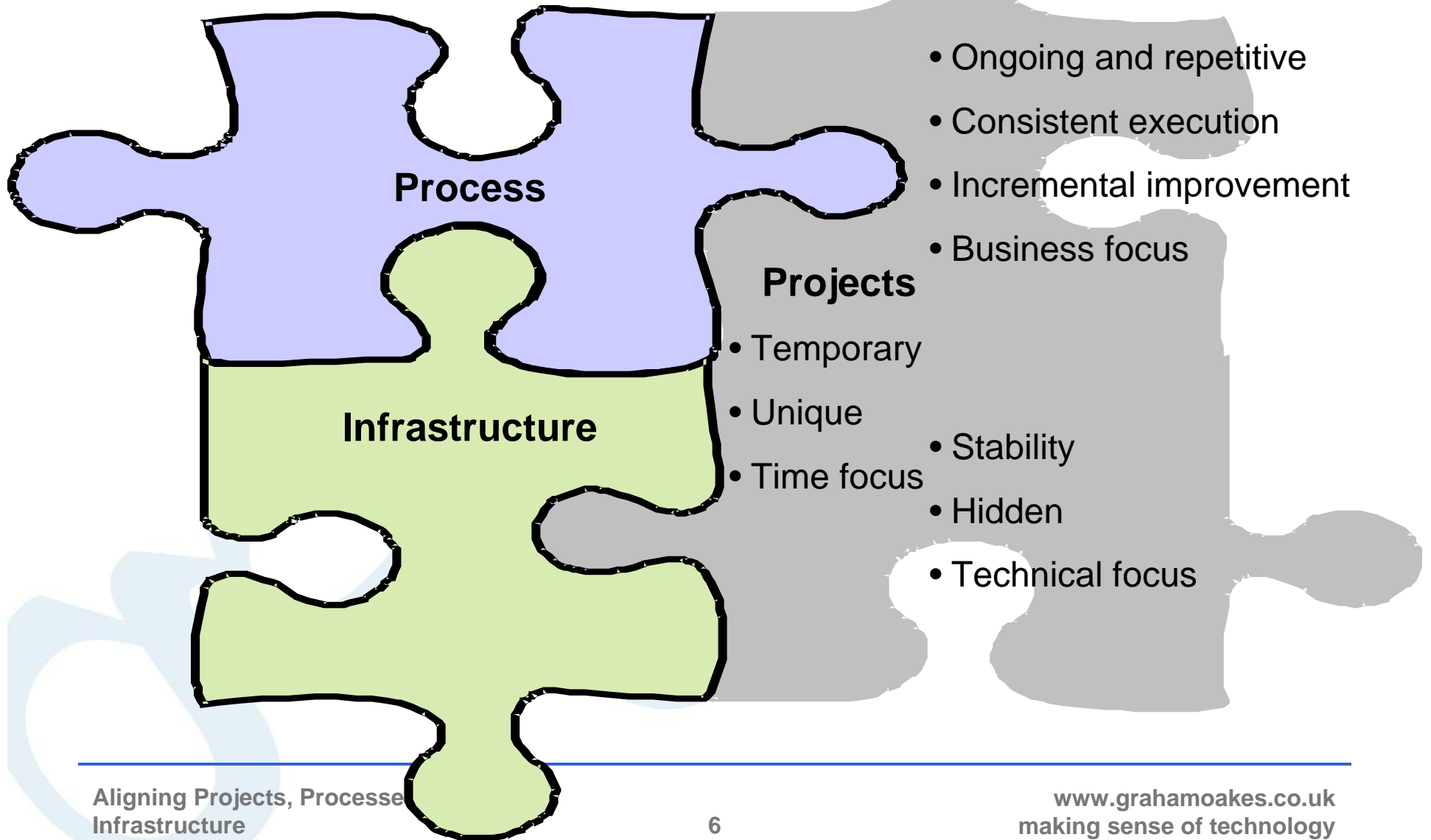
- Skills, tools
- Systems
- Analytics
- Commitment
- & more

None of this comes easy. It needs time & resources to put all this in place.

Processes, Infrastructure, Projects



Mindsets



When mindsets clash

Project Mgt

- Measured by time & budget
- Visibly outside line of business

Process Mgt

- Measured by daily stats (e.g. customers serviced)
- Line of Business

Infrastructure Mgt

- Measured by invisibility (e.g. lack of downtime)
- Technical Basement

Governance

- Ensuring the organisation uses its assets in the way the owners (& other stakeholders) want it to
- By being clear about the assets we're managing and how management of these assets is devolved, we can help align these differing mindsets
- Assets include
 - Infrastructure
 - Processes
 - Resources and budgets of projects

Governance: it's about Decision Making

“Decisions are the essence of management. They’re what managers do.”

(Harvard Business Review, Jan 2006)

- Who is allowed to make which decisions?
- How do they make those decisions?
 - who must they consult or inform?
 - what information & criteria must they use?
 - what must they record along the way?
- This is about a lot more than compliance
 - Although assuring stakeholders that decisions are being made in accordance with their wishes, and being followed through, is important.

Three key types of question

- Who decides what we're going to do?
- Who decides how we're going to do it?
- How do we know whether we're doing what we (claim to have) set out to do?

Three levels of decision making

- **Executive** – organisational objectives / strategy
- **Management** – departmental execution of strategy
- **Day-to-day** – people make hundreds of decisions in their daily work

Governance framework identifies who defines

	What are we going to do?	How will we do it?	How will we know we're doing it?
Executive	?	?	?
Management	?	?	?
Day-to-day	?	?	?

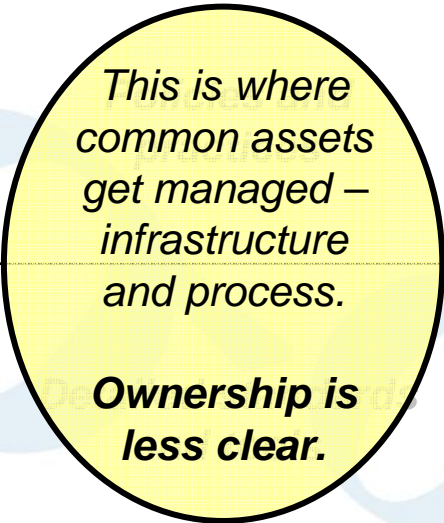
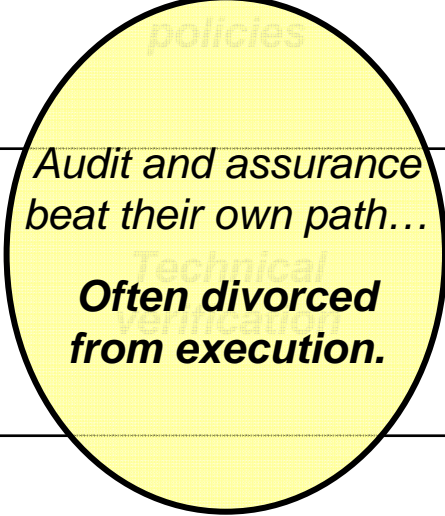
Governance framework therefore addresses:

	Set Direction	Implement	Assure
Steer - Set priorities - Set resources	Overall objectives	Strategy	Audit & assurance policies
Manage - Align resources, goals & standards - Manage people, risks & events	Policies and practices	Planning and execution	Technical verification
Execute - Build processes & systems	Detailed standards and tools	Hands-on execution	Peer review



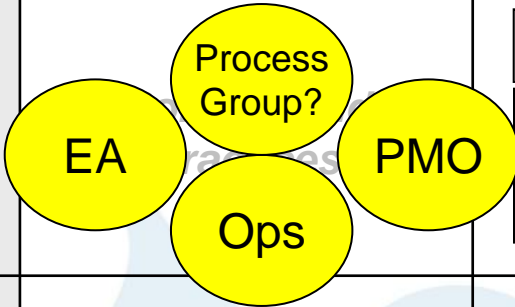
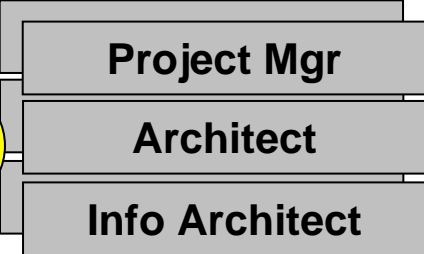
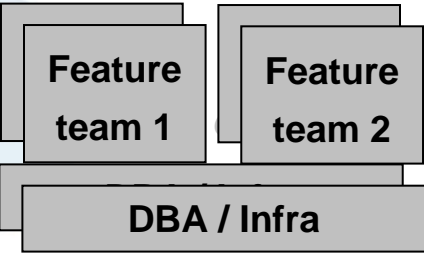
Project governance is often well-defined

	Set Direction	Implement	Assure
Steer	<ul style="list-style-type: none"> - Set priorities - Set resources <p>Project steering group</p>	<p>Sponsor / SRO</p>	<p><i>Audit & assurance policies</i></p>
Manage	<p><i>Policies and practices</i></p>	<p>Project Mgr</p> <p>Architect</p> <p>Info Architect</p>	<p><i>Technical verification</i></p>
Execute	<p><i>Detailed standards and tools</i></p>	<p>Feature team 1 Feature team 2</p> <p>DBA / Infra</p>	<p><i>Peer review</i></p>

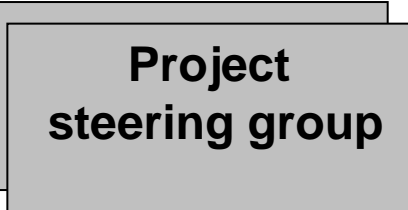

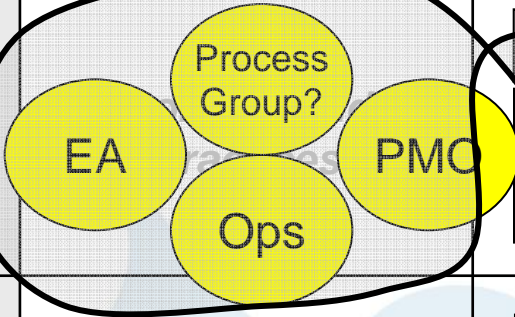
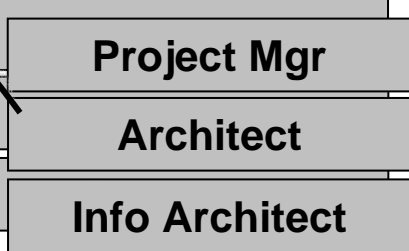
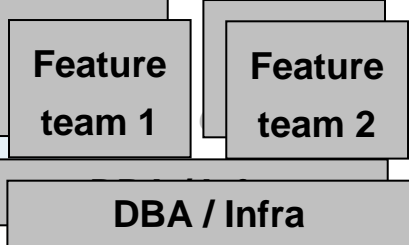
But governance of common assets ???

	Set Direction	Implement	Assure
Steer - Set priorities - Set resources	Project steering group	Sponsor / SRO	<i>Audit & assurance policies</i>
Manage - Align resources, goals & standards - Manage people, risks & events		Project Mgr	
Execute - Build processes & systems		Architect	
		Info Architect	
		Feature team 1 Feature team 2	
		DBA / Infra	<i>Peer review</i>

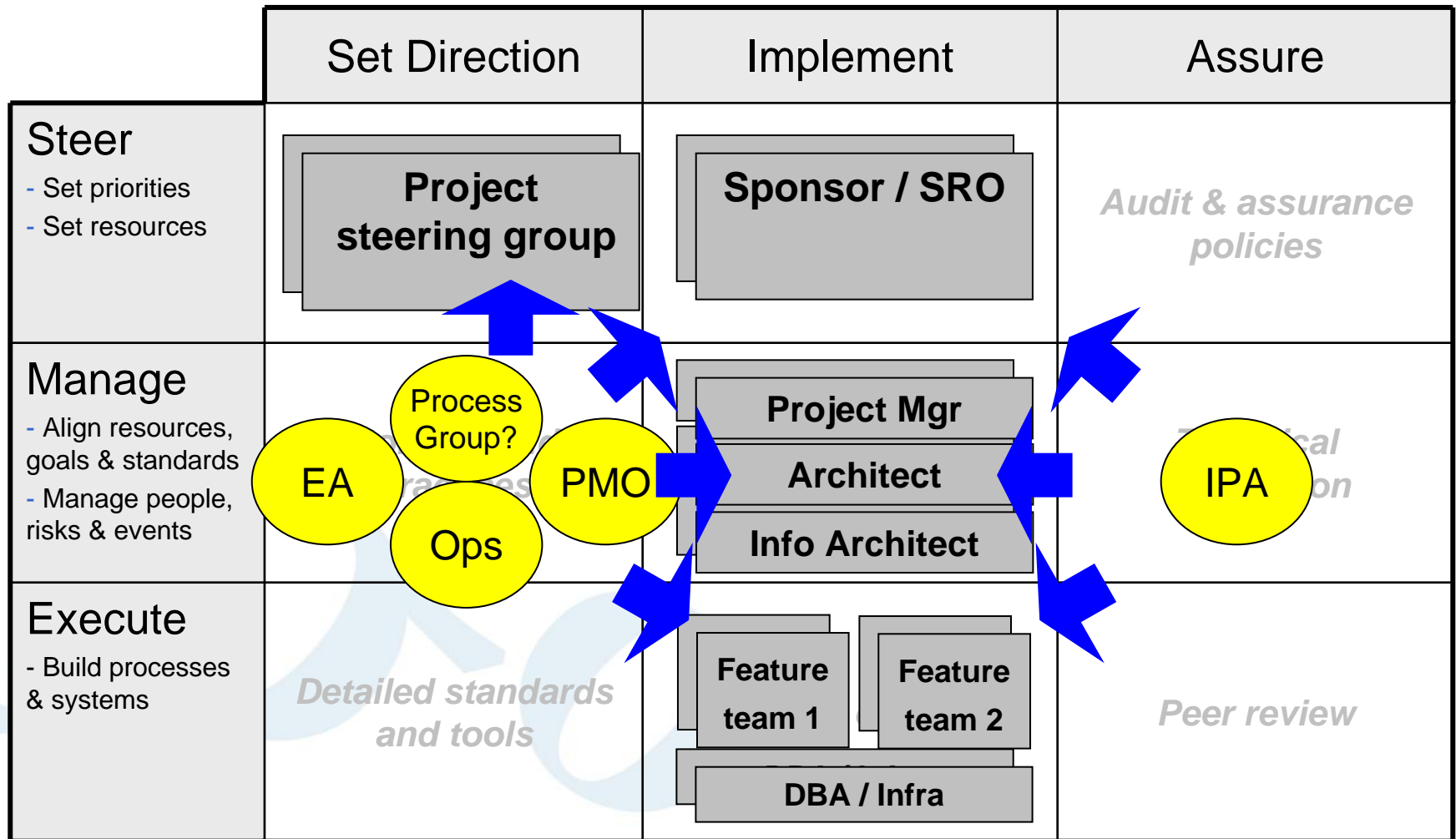
Some of the players include

	Set Direction	Implement	Assure
Steer - Set priorities - Set resources			<i>Audit & assurance policies</i>
Manage - Align resources, goals & standards - Manage people, risks & events			<i>Technical verification</i>
Execute - Build processes & systems	<i>Detailed standards and tools</i>		<i>Peer review</i>

Challenges – who owns which asset?

	Set Direction	Implement	Assure
Steer - Set priorities - Set resources			<i>Audit & assurance policies</i>
Manage - Align resources, goals & standards - Manage people, risks & events			<i>Technical verification</i>
Execute - Build processes & systems	<i>Detailed standards and tools</i>		<i>Peer review</i>

Challenges – relationships?



Improving predictability of delivery

■ Highly projectised organisation

- Consumer software
- 60 products in development (£1.5m per product, 18 month cycle)
- Difficulty creating credible financial projections due to lack of predictability in product delivery

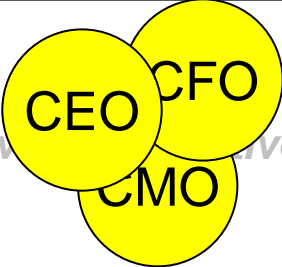

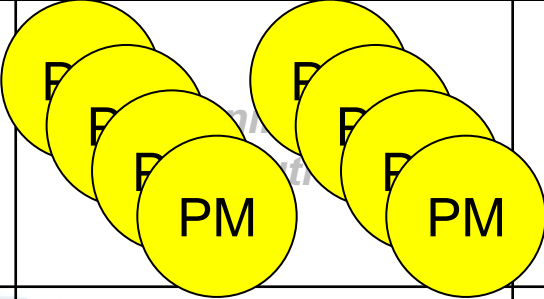
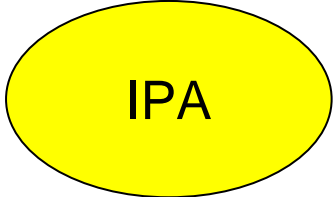
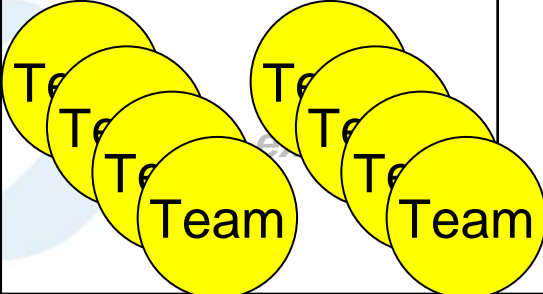
■ Process infrastructure for such an organisation includes

- Project delivery skills, tools & process
- Alignment to financial reporting processes

■ Root cause for lack of predictability

- People too busy firefighting on projects to build skills & tools
- Focus on policing, rather than building common skills and process

Improving predictability of delivery

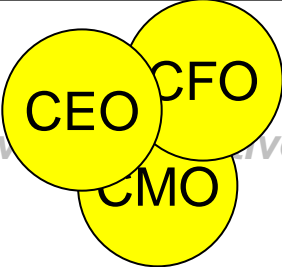


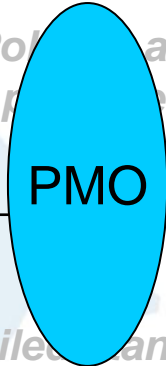
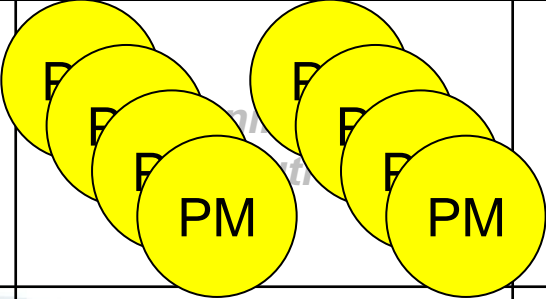
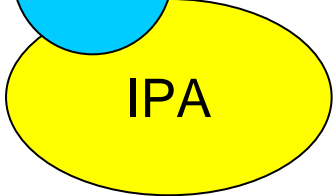

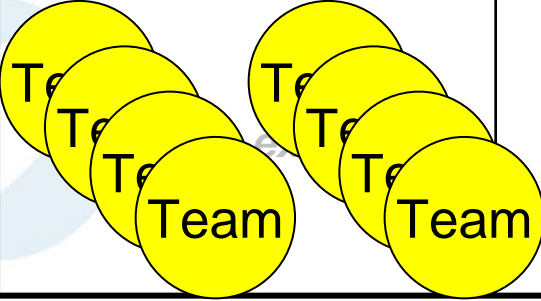
	Set Direction	Implement	Assure
Steer	<ul style="list-style-type: none"> - Set priorities - Set resources 		<i>Audit & assurance policies</i>
Manage	<ul style="list-style-type: none"> - Align resources, goals & standards - Manage people, risks & events 		
Execute	<ul style="list-style-type: none"> - Build processes & systems 		<i>Peer review</i>

Improving predictability of delivery

■ Solution

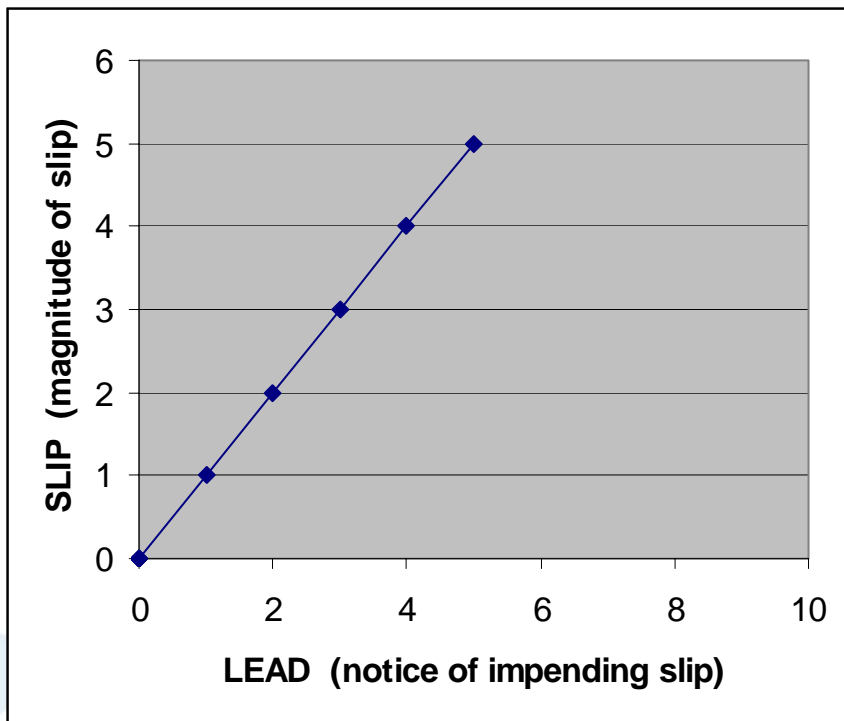
- ❑ Refocus assurance team to managing process assets
- ❑ Document best practices and disseminate through training & mentoring
- ❑ Clarify relationship between projects, assurance, PMO and executives
- ❑ Assurance built into core processes
- ❑ (Next step: once have predictability, enhance speed & cost)

Improving predictability of delivery

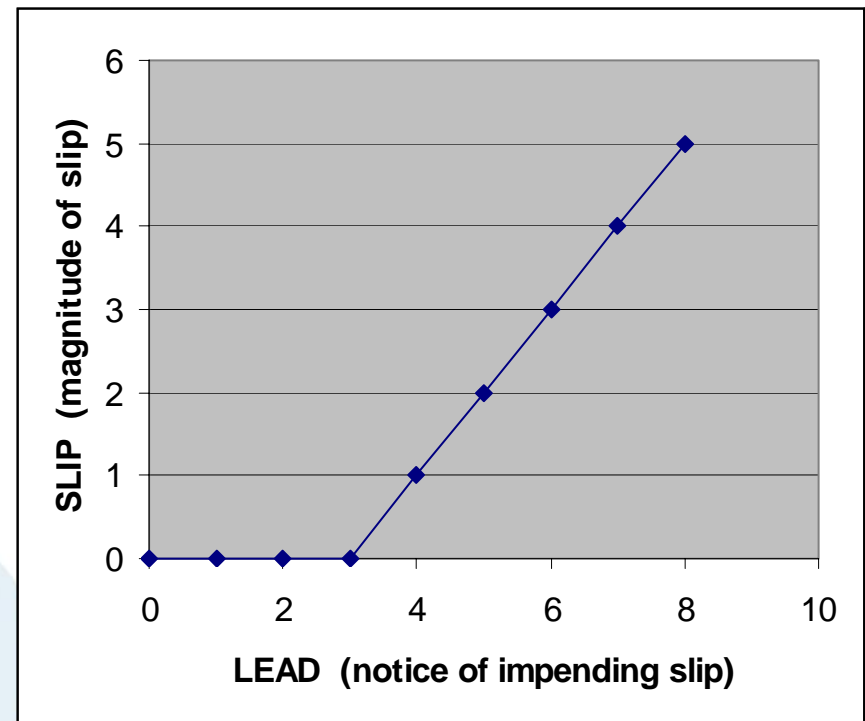
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Manage	<ul style="list-style-type: none"> - Align resources, goals & standards - Manage people, risks & events  <p><i>Policies and processes</i></p>		
Execute	<ul style="list-style-type: none"> - Build processes & systems 		<p><i>Peer review</i></p>

Improving predictability of delivery

■ Results



At outset



After 2 years

Improving decision making across outsourcing boundaries

■ Consumer Financial Services

- ❑ Extensive outsourcing of business process and technical platform
- ❑ Large customer base across small product portfolio
- ❑ Strong focus on operational efficiency in early years of outsource
- ❑ Now want to enhance product and process flexibility

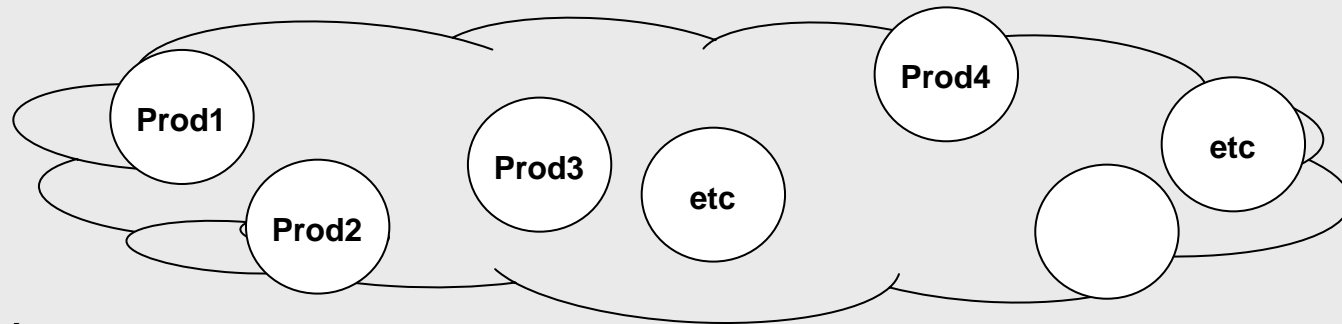
■ Process infrastructure

- ❑ Technology platform
- ❑ Technology delivery and change management organisation

■ Root cause for inflexibility

- ❑ Misalignment of unit objectives

Process Infrastructure



Business Projects

Integration & Business Process Mgt

Product

(Rapid development)

Customer

(Integrated treatment)

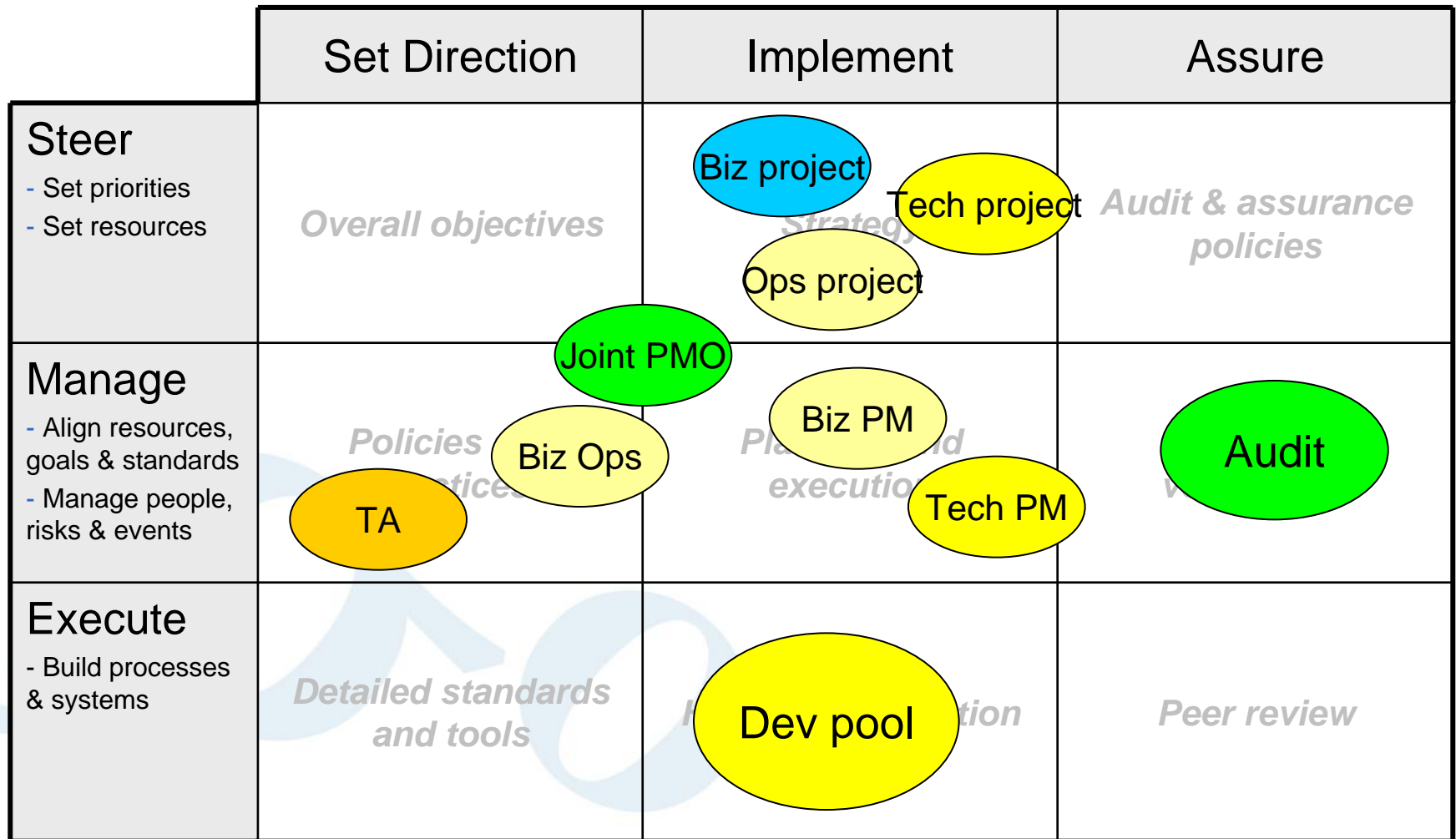
Channel

(Diversity)

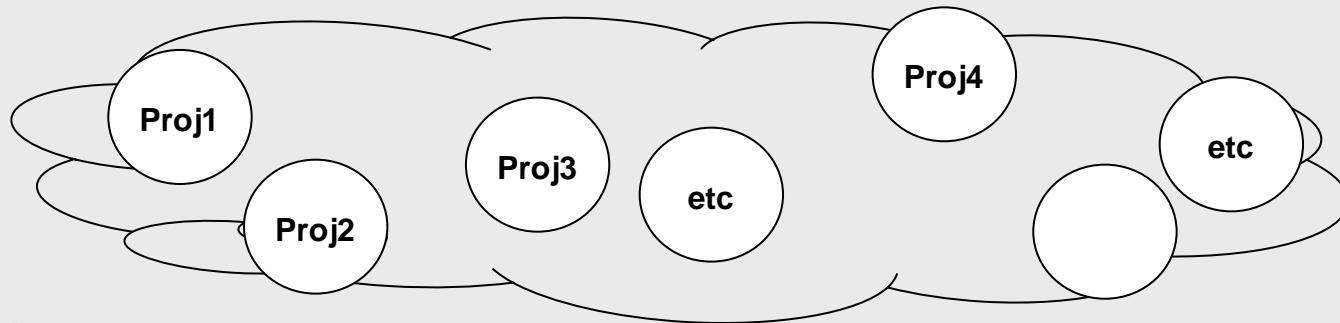
Strategic Platform

- Large reduction of operational costs by consolidating product engines, contact centres
- Business projects longer and more expensive than desired

Improving decision making



Deep Process Infrastructure



Business Projects

Integration & Business Process Mgt

Product

(Rapid development)

Customer

(Integrated treatment)

Channel

(Diversity)

Strategic Platform

Governance

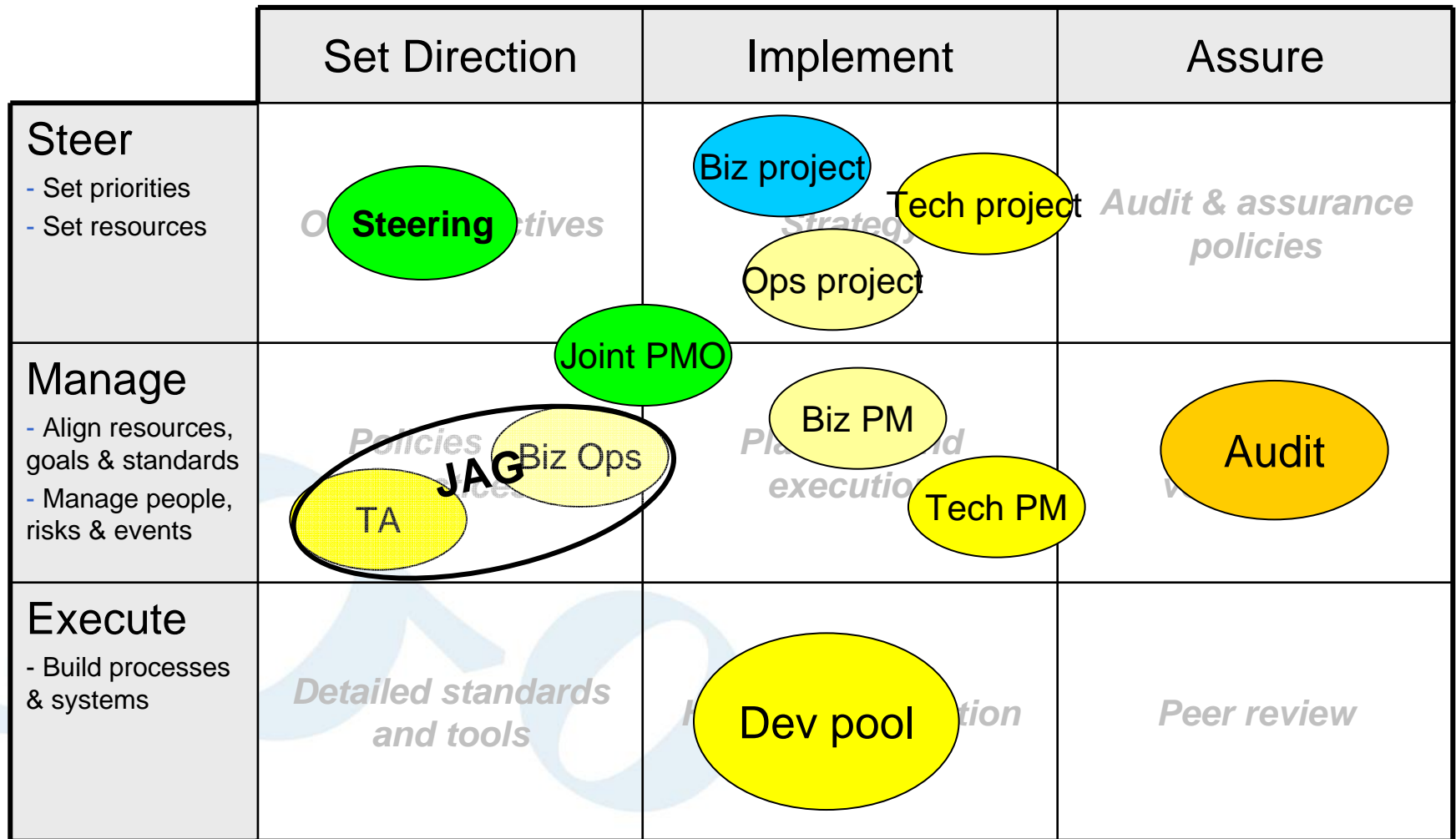
Plan & Analyse

Build & QA

Infrastructure & ops.

Strategic Capabilities (skills & processes)

Improving decision making



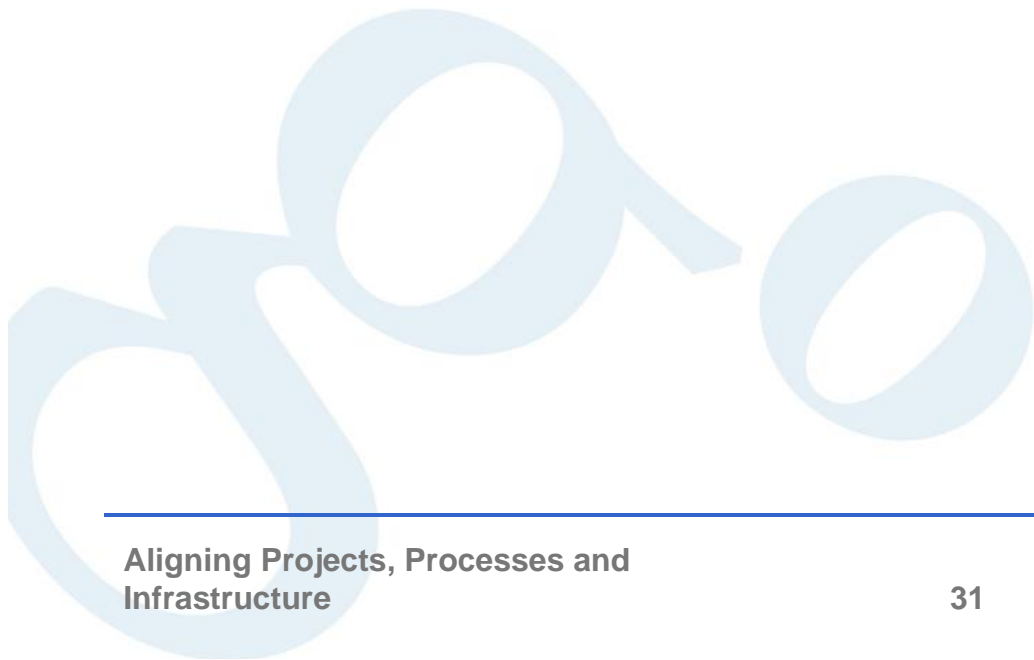
Improving decision making

- Executive level alignment through Steering Group
- Management level alignment through JAG
- Recognise build capability as strategic: address jointly

Summary

- Process operates on infrastructure
- We use projects to build both
- Project, process & infrastructure are managed differently
- Clear governance can untangle conflicts
- There is no one-size-fits-all solution

Thank you



Graham Oakes Ltd



■ ***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...***

- ❑ **Sony Computer Entertainment** – Defined common product approval process for global units
- ❑ **National Savings & Investments** – Helped NS&I and BPO partner develop joint IS strategy
- ❑ **Amnesty International** – Defined ECMS strategy for researchers, activists and campaigners
- ❑ **Cisco Worldwide Education** – Researched competitive marketplace for e-learning assets
- ❑ **The Open University** – Defined enterprise architecture, CRM and product development strategies
- ❑ **Oxfam** – Helped defined strategy for content management, CRM and e-Commerce
- ❑ **Intermediate Technology Development Group** – Knowledge sharing architecture
- ❑ **MessageLabs** – Implementation assurance for customer service portal
- ❑ **Sapient Ltd** – Risk management strategy for customer billing solution

