

Implementing Program Governance in a Complex Environment



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Goal

Provide a clear, crisp and proven **approach** to program governance implementation and sustainability.

The story of the approach..
John's Story.



This Is Not...

- ▶ A presentation on how to setup and run a program
- ▶ This is specifically about governing a program and assumes program management practices will be in place.

Agenda

- ▶ Governance basics
- ▶ Limitations of governance
- ▶ Strengths of governance
- ▶ Governance approach
- ▶ Summing it all up

Governance Basics

What is Governance?

- ▶ Minimizes politics, favors, nepotism, who you know, corruption, bending the rules
- ▶ Replaces them with clear rules, consequences, and a mechanism for decisions to add or change those rules
- ▶ Enables companies to continue in a firm but fair manner
- ▶ Ensures consistency

Governance Defined

“Governance describes the mechanisms an organization uses to ensure that its constituents follow its established processes and policies. It is the primary means of maintaining oversight and accountability in a loosely coupled organizational structure.”¹

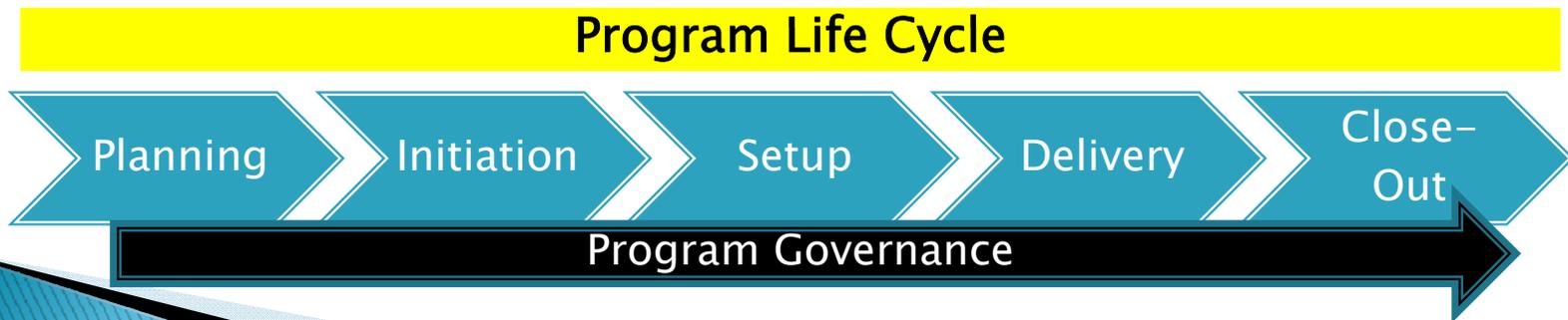
Like charity, governance begins at home with our programs...

Program Governance Defined

“The process of developing, communicating, implementing, monitoring, and assuring the policies, procedures, organizational structure, and practices associated with a given program.”⁴

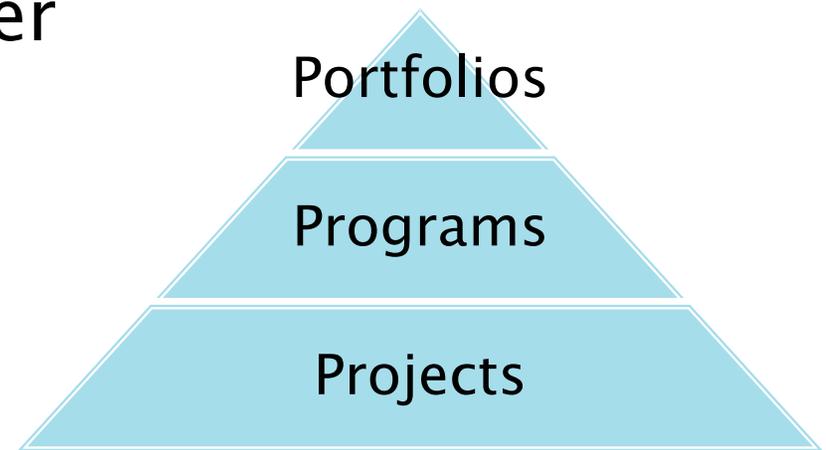
Program Governance Provides...

- ▶ Visibility and transparency
- ▶ Coordinated delivery approach
- ▶ Organization and structure to related work
- ▶ Consistent prioritization and escalation processes
- ▶ Improved compliance adherence and controls
- ▶ Improved business alignment results^{4,5}



Programs and Projects... Oh My!

- ▶ Programs and projects are not the same thing
- ▶ Programs allow organizations to obtain a maximum level of business resources efficiencies by providing a grouping and management structure for related projects and other related work ⁴



Program Defined

- ▶ Programs are “a group[ing] of related projects managed in a coordinated way to obtain benefits and control not available from managing them individually... Programs may included elements of related work outside of the scope of the discrete projects in the program.”⁴

Limitations of Governance

Program Governance \neq Program Success

- ▶ Use case 1: Infrastructure storage program
- ▶ Use case 2: Telecom program governance

- ▶ The difference?

Approach



Strengths of Governance

Strengths

- ▶ Aligns project outputs to business goals and needs
- ▶ Removes the silos around IT projects
- ▶ Enables resource matrix'ing by taking key program roles to a program or enterprise level, ex: architects, BSA
- ▶ Minimizes risk of integration failure across projects

Strengths (Cont...)

- ▶ Collaboration across projects to remediate issues
- ▶ Enables early defect/issues detection and remediation, to earlier in the lifecycle. Saving money.
- ▶ Ensures continued leadership support and awareness through-out the lifecycle
- ▶ Provides an escalation path for removing obstacles impeding progress ^{6, 7}

Program Governance Approach

Program Governance Approach

Implementing Governance

Governance Definition
& Implementation

Support & Culture

Communication

Sustaining Governance

Support & Culture

Communication

Management

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Governance Bylaws / Charter

- ▶ Develop approved governance bylaws / charter
- ▶ Set the framework for program governance
- ▶ Act as a tool to facilitate program governance planning discussions
- ▶ Once approved, become the rules of engagement for governing the program

Keep it simple!

Bylaws / Charter Includes...

- ▶ Program description
- ▶ Goals and scope of governance, such as:
 - Resource decisions
 - Prioritization
 - Compliance
 - Budget control
 - Technology selection
- ▶ Frequency of governance board meetings.
 - Recommendation that each project is reviewed periodically per program needs.

Bylaws / Charter Includes... (Cont...)

- ▶ Summary of the decision making process; such as a decision is made if:
 - Two thirds or more of the group agrees
 - A quorum is at least 50% attendance of the membership
 - Program manager or program sponsors have been given absolute decision making authority
 - Defined escalation path for issues and ties
 - Communication and tracking of decisions made

Bylaws / Charter Includes... (Cont...)

- ▶ Membership and authority of the
 - Governance steering committee
 - Program manager
 - Project managers
- ▶ How exceptions will be tracked and reported
- ▶ Summary of the escalation and governance processes
- ▶ Summary of control points being added to the program life cycle to ensure governance
 - Gating reviews and/or gating requirements
 - Reporting and metrics

Define and Implement...

- ▶ How governance will ensure projects are delivering on their expected business value
- ▶ The upstream/downstream change impact assessment process
- ▶ The initiation, acceptance, and close-out process
- ▶ Time, budget and schedule tracking process
- ▶ Adjustments to project practices within
 - Release management
 - Compliance management
 - Risk management
 - Project management
 - Quality management

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Support and Culture

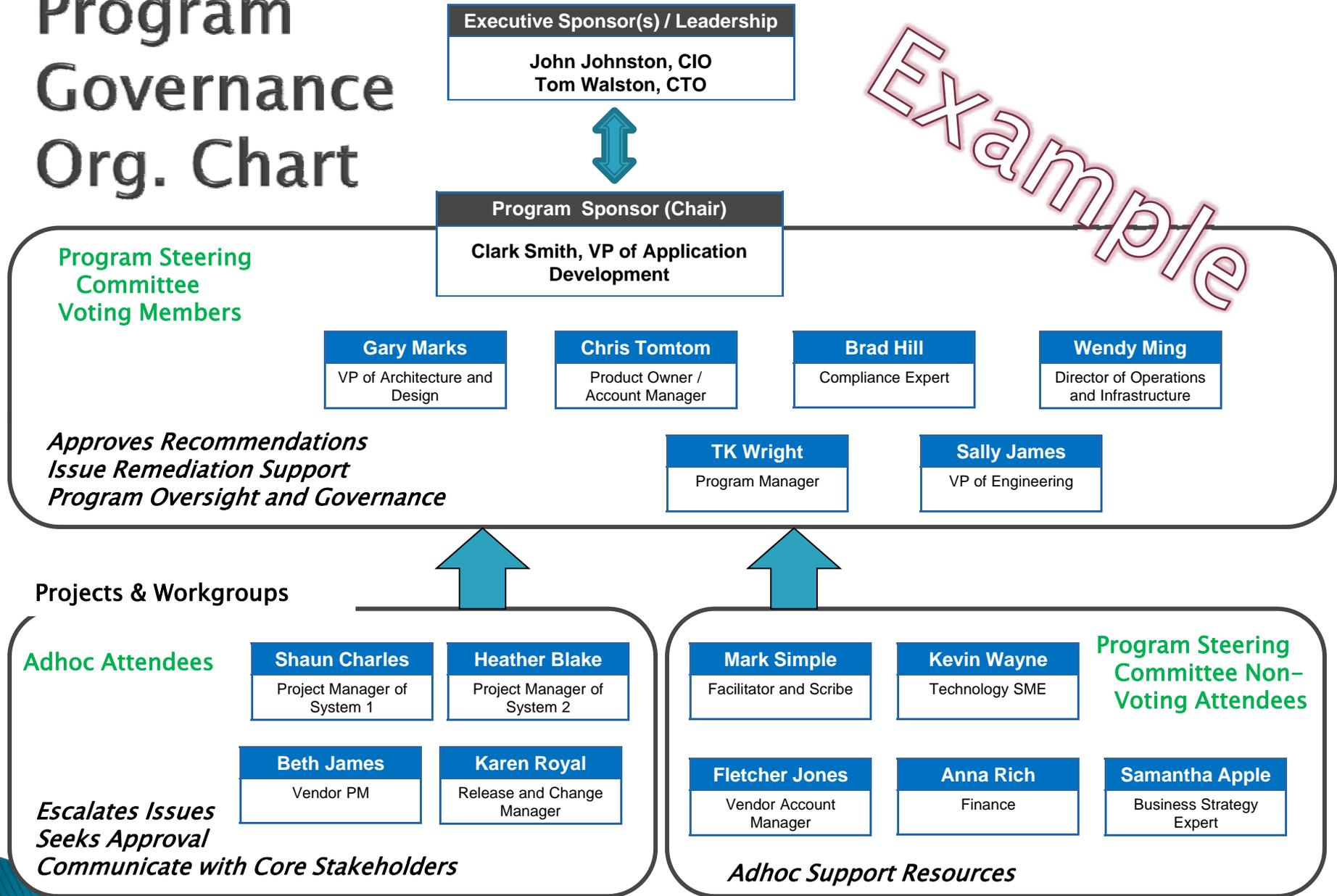
- ▶ Top down leadership support
- ▶ Governance representation from all core areas involved within the program
- ▶ Delegate to and empower the projects
- ▶ Commitment of resources, not volunteers
- ▶ Accountability and single ownership
- ▶ Collaboration, not consensus
- ▶ Openness to change and “reality checks”

Program Governance Structure

- ▶ Oversight of a program is typically performed by a governance body of various sponsors, program stakeholders and resource providing department leaders
- ▶ This group goes by many names such as a program review board, governance board, or governance steering committee
- ▶ The following slides will use the title of “steering committee”

Program Governance Org. Chart

Example



Steering Committee Unpacked

- ▶ Provide program direction (strategy) and oversight
- ▶ Resolve program escalations
- ▶ Approve technology selections, standards, and deliverables at core milestones
- ▶ Prioritize, authorize, approve, and fund projects
- ▶ Ensure alignment of deliverables and timelines to business objectives
- ▶ Communicate decisions made

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Program Communication Plan

- ▶ Update the program communication plan to include governance aspects such as;
 - Escalating to the steering committee
 - Reporting and metrics
 - Communicating steering committee decisions and major announcements to projects
- ▶ Create a governance communication plan
- ▶ Define and publish core meetings' (ex: go/no go or steering committee) procedures and frequencies

Steering Committee Meeting

- ▶ Frequency: bi-monthly
- ▶ Duration: 1 hour
- ▶ Set a rotating agenda
- ▶ Material sent out for review 3 days prior
- ▶ Standing agenda items for project reviews
- ▶ Standing agenda item for urgent issues
- ▶ Topics time boxed and taken offline, as needed
- ▶ This is a program oversight and decision making forum NOT a meeting to determine detailed solutions

Example

Steering Committee Meeting Agenda

Example

Item	Duration	Speakers
Roll Call	5 minutes	Facilitator
Review Action Items and Prior Items Taken Offline	10 minutes	Facilitator, Attendees with Assigned Action Items
Project or Track 1	5 min SBAR ¹¹ presentation 5 min Q&A and Call for Decision	Topic Presenter 1
Project or Track 2	5 min SBAR ¹¹ presentation 5 min Q&A and Call for Decision	Topic Presenter 2
Urgent Items	5 – 10 minutes <i>(no presentation required)</i>	Project Managers or Workgroup Leads
Program Metrics Review	10 minutes	Program Manager
Review of Decisions and Action Items	5 minutes	Facilitator

“Urgent Items” topic allows for agenda walk-ons at any time.

Communication

- ▶ Defined documentation and reporting standards and templates
- ▶ Right size the documentation and reporting
- ▶ Define frequency and maintenance procedures for documentation; such as at major milestones
- ▶ Define a central location for posting and sharing project materials, program governance standards, decisions, risks; such as SharePoint

WARNING: Don't make email the book of record

Templates

Example

Name ▲	Size	Type
 04- Preliminary Evaluation.dot	46 KB	Microsoft Word Template
 07- Risk Analysis.dot	205 KB	Microsoft Word Template
 08- Risk Mitigation.dot	396 KB	Microsoft Word Template
 09- Feasibility Study.dot	47 KB	Microsoft Word Template
 10- Build Vs Buy.dot	45 KB	Microsoft Word Template
 15- Formal Evaluation.dot	46 KB	Microsoft Word Template
 21- Design Specification.dot	46 KB	Microsoft Word Template
 22- Project Plan.mpt	298 KB	Microsoft Project Template
 23- Functional Specification.dot	46 KB	Microsoft Word Template
 24- Request for Development.dot	45 KB	Microsoft Word Template
 31- Test Plan.dot	50 KB	Microsoft Word Template
 57- Project Management Post Mortem.dot	48 KB	Microsoft Word Template

Sustaining Governance

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Support and Culture

- ▶ Enforce the culture implemented during program governance implementation
- ▶ Maintain control through delegation, empowerment, and leadership support
- ▶ Give accountability “teeth”
- ▶ Encourage “early” escalation
- ▶ Periodically review the processes and make relevant updates (add or remove)

Support and Culture (Cont...)

- ▶ Make authorized program changes based on progress and the changing business landscape
- ▶ Perform “secret shopper” or “skip level” meetings to see what is really occurring on the projects
- ▶ Provide failing project(s) appropriate support to correct deficiencies
 - Program Manager should resist the urge to become hands-on

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Communication

- ▶ Ensure communication is working through
 - Management by walking around
 - Skip level lunches or meetings
 - Attending some project team meetings a month
- ▶ Add check points within phase gate reviews to confirm documentation **has been written** or that documentation is **still valid**

Communication (Cont...)

- ▶ Periodically translate project level details into program level details and business objectives
- ▶ Show case this program to business alignment mapping (periodic road shows)
- ▶ Re-evaluate email usage, meetings, status reporting, and the communication plan. Revise as needed.

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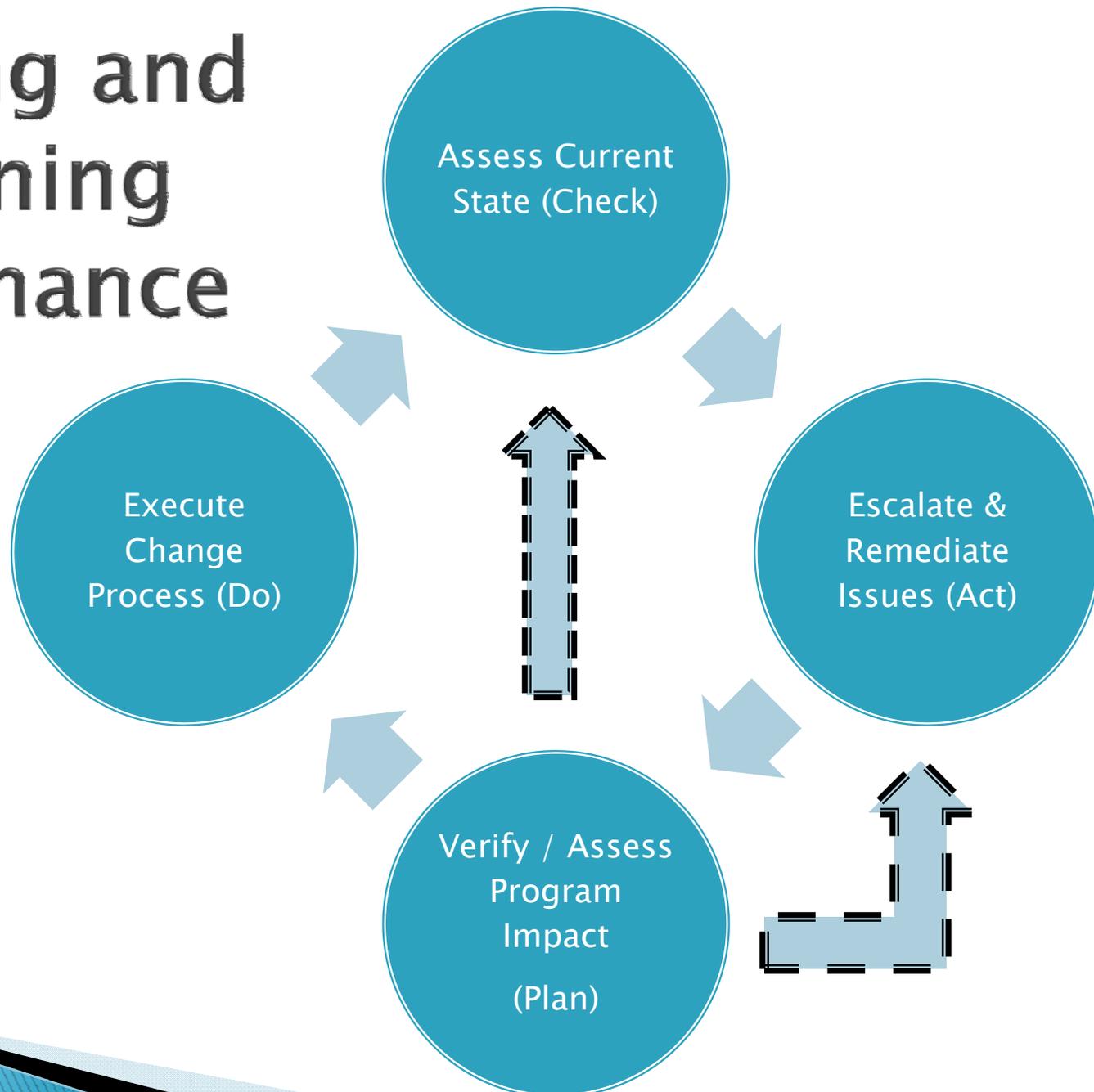
Communication

Management

Assessing the Current State

- ▶ Continually assess the current state of the program and its projects'
 - Deliverables
 - Quality
 - Compliance
 - Progress (Schedule/Cost)
- ▶ Through management reporting
 - Dashboards (status report)
 - Trend reports
- ▶ Apply the “Deming Cycle”⁸ to remediate issues found

Deming and Sustaining Governance



Dashboard

“How do you know where you are, if you do not know where you have begun?”

Measure!

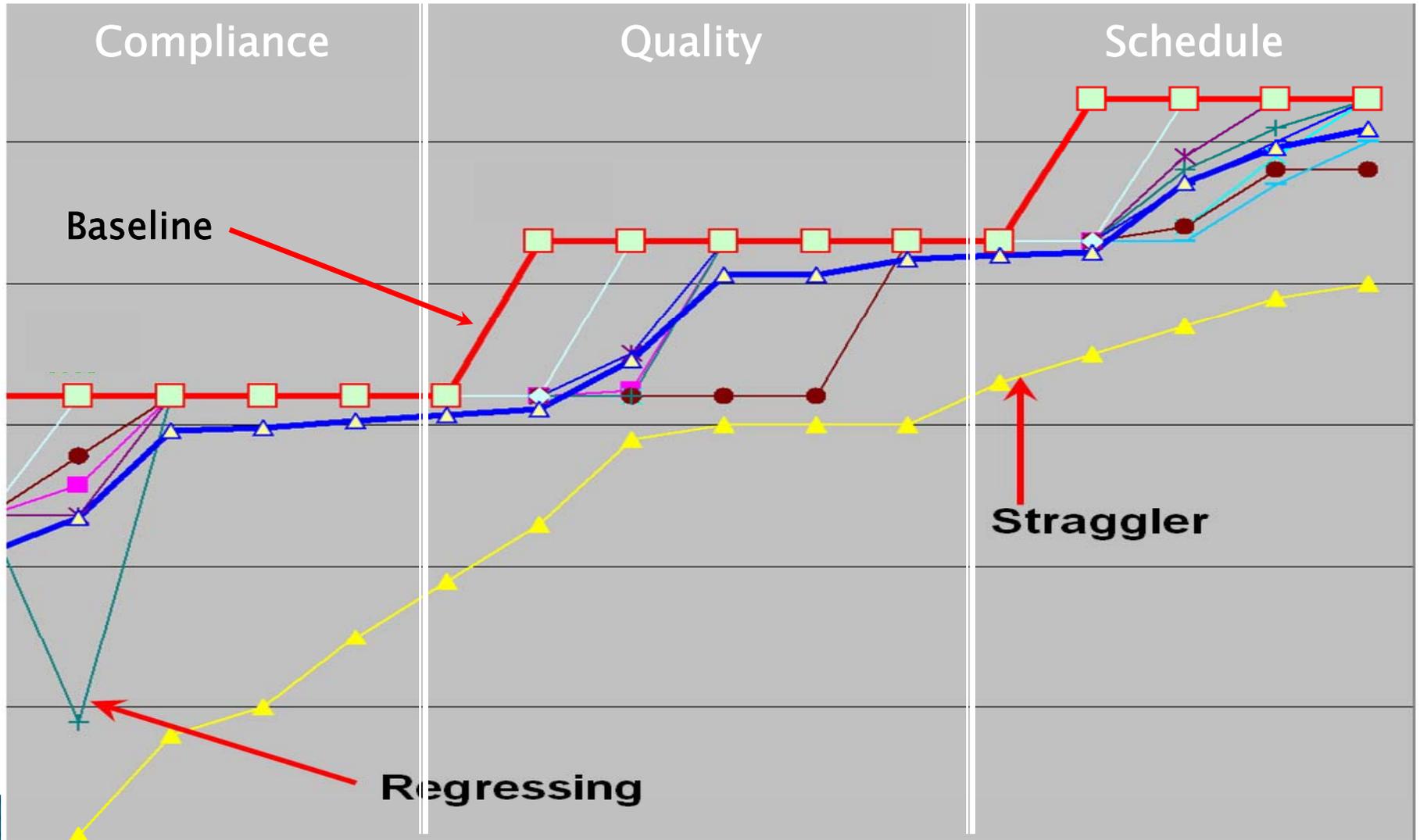
Define the baseline and measure against it.

Application	Release ID	Review Date	Target Date	Percent Complete	Occurance Count By Type		Compliance	Consistency
	lpiL_0_0.000	2/26/2008	3/7/2008	100%	A - Clear (1)	30	28	
					B - Manager Comment (.7)	0	2	
					C - Average Exception (.15)	0	0	
					D - High Risk Exception (.05)	1	1	
					Final Ratings %	62.0%	61.0%	

ID	Area	Compliance	Consistency	Comments
MIAA Certification				
1	AA Cert	0.05	0.05	In process
2	Package Type	1	1	
3	RMS Access	1	1	
4	Package Locations	1	1	
5	Package Compliance	1	1	
6	Env Validation	1	1	
7	Source Control Access	1	0.7	RCS used
8	Source Control Logs	1	1	
9	Defect Tracking Access	1	0.2	Separate Dev Defect tracking system
10	Test Results Access	1	1	
11	Build Process Access	1	1	
12	Training	1	1	
13	Release ID	1	1	
14	Package ID	1	1	
15	Source Code Read Access	1	1	
Entry Criteria				
1	Build Map	1	1	
2	Deployment Plan	1	1	
3	Rollback Plan	1	1	
4	Evidence of Unit Test	1	1	
5	Evidence of Code Review	1	1	
6	Evidence of Code Diff	1	1	
7	Test Plan	1	1	
8	Dev Mgr Approval	1	1	
Exit Criteria				
1	QA Test Results	1	1	Multiple Data elements missing
2	UAT Testing Evidence	1	1	User proxied UAT
3	User Approval	1	1	
4	QA Mgr Approval	1	1	Josh to meet with CO
5	User Release Notes	1	1	
6	Process Compliance	1	1	
7	App Runs in QA	1	1	
8	Risk Assessment	1	1	

Trend Report

Example



Other Items to Actively Manage...

- ▶ Cross project integration points; using
 - Periodic table top integration point review meetings
 - Integration testing
- ▶ Initiation, acceptance, and close-out processes
- ▶ Business benefits/objectives to program deliverable mapping
- ▶ Apply the “Deming Cycle” to remediate issues found

Beyond Management into Completion

- ▶ In 2008, 47% of projects are cancelled prior to completion ²
- ▶ In 1995, 31.1% of projects are cancelled prior to completion ³
- ▶ 15.9 % increase in project cancellations
- ▶ Governance helps minimize the impact of common program “killers”

Let's see how...

Use Governance to Minimizing Common Program “Killers”

- ▶ Disempowered program/project managers
- ▶ Failure to establish achievable program goals
- ▶ Collaborating to the point of consensus
- ▶ Constantly changing requirements and scope
- ▶ Lack of decision makers and experts
- ▶ Death by waterfall

Summing It All Up

Executive Summary

Situation:

- ◆ The lack of program governance practices with appropriate control points results in:
 - ◆ Misalignment of program deliverables against business objectives
 - ◆ Breakdowns in the delivery of enterprise programs
 - ◆ Lack of transparency into delivery status, due dates, and costs
 - ◆ Excessive management over site, reporting, and escalations to accomplish milestones
 - ◆ Increased stakeholder perception that programs are slow, expensive, and the most likely to be a problematic initiative

Background:

- ◆ Many programs are treated as a collection of related projects without a common framework to govern the end-to-end life cycle of the program and its sub-projects.
- ◆ The sub-projects operate as “silo’d” organizations with isolated and fragmented project:
 - ◆ Resources
 - ◆ Deliverables
 - ◆ Timelines
 - ◆ Processes and methodologies
 - ◆ Funding usages

Assessment:

- ◆ Without program governance practices, programs become unable to
 - ◆ Meet their original business objectives
 - ◆ Mitigate program wide integration, quality, and audit issues
 - ◆ Ensure efficient usage of business resources across multiple sub-projects
 - ◆ Minimize schedule or cost overruns
- ◆ Increase number of programs being cancelled before their completion
 - ◆ 2008 ISACA study, 47% are cancelled prior to completion ²
 - ◆ 1995 Standish Group Chao Report 31.1% are cancelled prior to completion ³

Recommendations:

- ◆ Implement and sustain governance practices across the end-to-end program life cycle.
- ◆ Include the following major program governance elements:
 1. Governance definition and implementation
 2. Support and culture
 3. Communication
 4. Management
 - ◆ Monitoring and controlling the projects at a program level
 - ◆ Managing alignment of program objectives to business objectives

Questions and Answers

Thank you!

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