Improving the Delivery of IT Solutions Projects

Abstract

In today's maturing IT markets, customers want to know that their suppliers have the tools and methods to deliver projects to them successfully. A key element of successful project delivery is the project management methodology the supplier uses, but industry research shows that very few IT companies have succeeded in implementing a completely satisfactory project management methodology.

PMI, PRINCE and generic methodologies have a place, but can be overly burdensome and don't meet all the specific needs of the very commercial world of IT.

This paper provides the IT executive responsible for delivering successful projects with a strategy for adopting best practice methodologies, improving project profitability and increasing customer satisfaction.

✍ A key element of successful project delivery is the company's project management methodology

To understand how best to support the project delivery process, this model is useful.

Knowledge
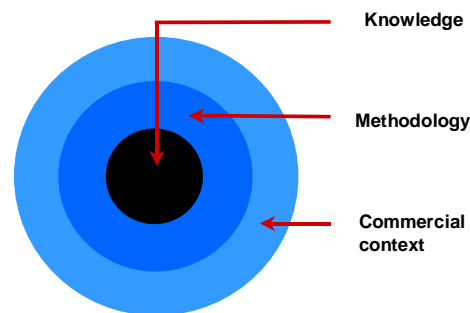
✍ Knowledge is non-prescriptive

In this article, in line with the PMI[1] (Project Management Institute), we use the term *Knowledge* to describe what professional project managers and other project stakeholders need to know to be effective. Knowledge includes useful information, definitions, techniques and practices. Knowledge is non-prescriptive, in that it does not dictate how to approach a particular task, and each practitioner is free to decide how best to apply the knowledge when doing his or her job.

The PMI is the emerging worldwide authority for project management and publishes the *Body of Knowledge*, containing the generally accepted sum of knowledge within the project management profession, across project environments from road construction to pharmaceutical development. Best practice for project delivery in the IT solutions sector must embody the relevant parts of this knowledge in the delivery methodology.

Methodologies

✍ Methodologies apply knowledge by using processes and tools

Once a practitioner or organisation has gained the relevant knowledge, a set of *integrated[2]* processes is needed to apply the knowledge – these processes and supporting tools, templates, reference documents, and so forth are called the *Methodology*. The methodology may be highly prescriptive, requiring a lot of mandatory

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[1] The Project Management Institute (PMI)® is a worldwide professional body for project management, based in Philadelphia.

[2] By *integrated* we mean that the outputs from one process match the inputs to the subsequent processes, that consistent terminology is used, and that there is a consistent look and feel to the tools to make them intuitive to learn and use.

reporting and checks. Alternatively it can be very flexible allowing the project manager a lot of discretion (but rarely free rein) and having relatively few reviews and reports.

The IT solutions sector commercial context

✎ *Methodologies must be adapted to the commercial context*

The detail of the methodology chosen must be strongly influenced by the *commercial context*. A flexible methodology is fine if the projects are simple and non-critical, but lack of adequate reporting and review would certainly be seen as a dereliction of duty where large sums of money or people's lives are at stake.

The IT solutions sector has particular challenges. For example

✎ *The IT business places special demands*

- It is highly competitive, which means that supplier evaluation is often occurring in parallel with work to define and scope the project in detail. This can lead to problems arising from unreasonable customer demands and mis-set expectations.

- Orders are often placed and accepted without a very clear definition of the solution to be delivered, the scope of the project, the cost of the project, or the risks and necessary actions to contain them. The methodology must cope with this reality (if not condone it).

- It is more difficult to describe precisely the operation of an IT system than that of a more tangible item, such as a building.

- IT solutions project vendors need to follow project completion with a cyclical programme of reviews to ensure that the users are happy, the IT solution works as planned and that it delivers the expected benefit. Completing the delivery cycle in this way enables the vendor to close the commercial loop and create the opportunities for further projects.

These special demands are not fully met by any generic methodology. As an illustration of this, many project managers in the UK are familiar through education and usage with PRINCE2[3], which provides a project management methodology and knowledge primarily

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[3] PRINCE®, which stands for Projects in Controlled Environments, is an integrated project management method covering the organisation, management and control of projects, developed by the Central Computer and Telecommunications Agency (CCTA), now part of the Office of Government Commerce (OGC) as a UK Government standard for IT project management.

✎ *An adopt and adapt strategy is valid and valuable…*

relevant to the commercial context of large public sector projects.

Many project managers have carried the concepts and language (part of the knowledge) and some tools and templates (part of the methodology) into the commercial IT solutions arena, and find it to be valuable as part of their personal kitbag. However, in nearly all cases, they have thrown off the shackles of the mandatory reporting and reviews (essential to the scrutiny expected in the public sector) because they find it too bureaucratic for the commercial IT solutions arena.

✎ *…but effort is needed to reintroduce controls and integration*

However, whilst this is a practical approach, consistency, integration and integrity of the methodology are lost.

Our proposed approach

There is clearly a market need for an integrated project delivery methodology, embodying commercial IT solution knowledge. However, we have found that none of the many currently available knowledge bases and methodologies is completely suited to meet the special demands of the IT industry, and so are seldom fully implemented.

✎ *We propose a methodology adapted to the commercial IT solutions context*

We propose an approach using a scalable methodology, adapted to the needs of the commercial IT solutions context and embodying the PMI Body of Knowledge. In the next section we look at the special demands of the IT solutions industry.

Key requirements

✎ *Planning*

1. IT solutions companies need a modular, scalable methodology, based on generally accepted project management knowledge and practice, as contained in the PMI Body of Knowledge, but enhanced to reflect the commercial nature of IT project relationships. This approach would enable the sophistication of a company's project management processes to be matched to the complexity of the projects to be undertaken and to grow as the company gained experience and maturity.

✎ *Project integrity*

2. Solutions delivery projects are volatile and demand a programme of prescribed gateway reviews, which would ensure the integrity of the plans to manage the risks, resources and timescale of the delivery project. This must be underpinned by an integrated project document, which provides the current,

definitive record for project team members and project stakeholders.

3. An effectively managed formal communication regime needs to be seen as an essential project cost. An important objective, over and above progress reporting, is to raise the mutual understanding and confidence of the stakeholders and the delivery project team.

Relationships and communication

## The *ChangeBEAT* approach

Overview

ChangeBEAT's approach is to build a project delivery methodology to comply with the emerging global standard, PMI. At the heart of our approach is a flexible, scalable methodology for project management that complies with the PMI model in structure and terminology and embodies the relevant elements of the PMI Body of Knowledge.

PMI Body of knowledge

ChangeBEAT Methodology

Commercial IT solutions context
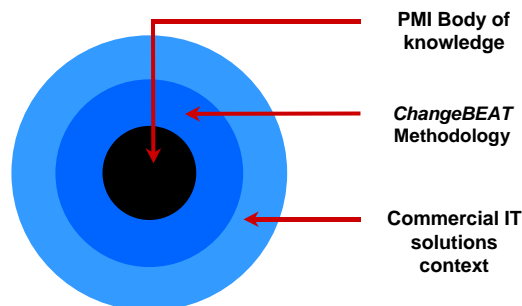
The *ChangeBEAT* methodology

The PMI model is generic, designed to apply to all project environments, so we have adapted and honed the model to the specific needs of the commercial IT solutions industry.
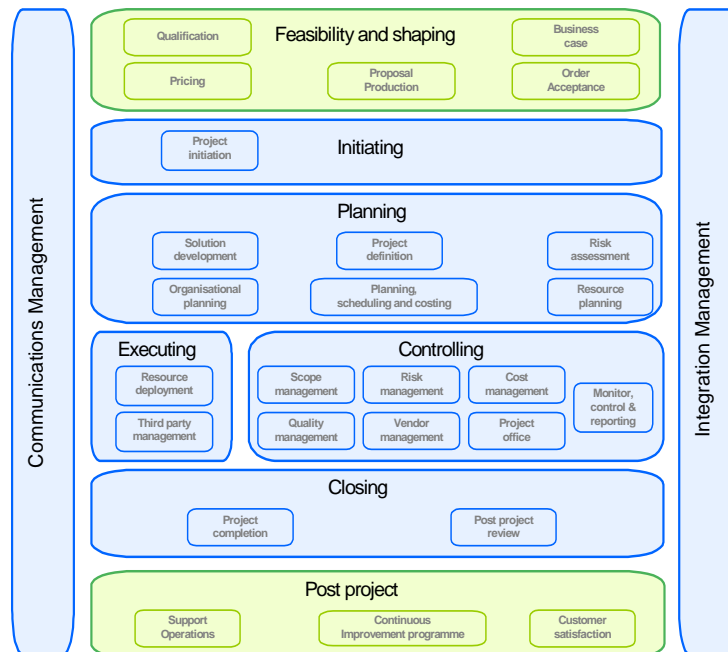
Specifically, we have added two additional phases

- *Feasibility and shaping*, a commercial proposal phase before project initiation

- *Post project*, to manage the realisation of benefits and to maintain a healthy commercial relationship

We have also recognised that *integration management* and *communication management* need particular focus, so have created methodologies for these, reflecting best practice for IT solutions delivery projects.

Matching the implementation to customer needs

ChangeBEAT recognises that every company has particular needs for a delivery methodology, determined by the type and sophistication of its projects and by the experience and maturity of the company in delivering projects. We also recognise that a company matures in its delivery capability by building experience, taking on tougher projects and setting and meeting higher customer expectations. To meet these needs, we allow a flexible, phased implementation, providing frameworks for organisations of different maturity levels and projects

✎ *A scalable project delivery framework*

of varying complexity. Each framework entails different requirements for authorisation and documentation.

To illustrate this, there are three levels of framework below. (Note that specific processes could be implemented earlier or later depending on need.)

The **Standard** framework is designed as an entry level for a company looking to implement a level of discipline and control in the management of delivery projects.

The **Advanced** framework builds on the **Standard** framework for larger, more complex types of projects, where it is important to manage scope, cost and customer satisfaction.

The **Mature** framework adds project process controls, audits and reviews aimed at continuous improvement of the delivery process.

	Standard	Advanced	Mature
Feasibility and shaping	• Qualification • Proposal production	• Business case	• Pricing • Order acceptance
Initiating	• Project initiation		
Planning	• Project definition • Risk assessment • Planning, scheduling and costing	• Solution development • Project definition • Resource planning	
Executing		• Resource deployment	• Third party management
Controlling	• Risk management • Monitor, control and reporting	• Scope management • Cost management • Quality management	• Vendor management • Project office

Closing	• Project completion • Post project review		
Post project		• Support operations • Customer satisfaction	• Continuous improvement programme

Extensions to the PMI framework

Feasibility and shaping

In commercial solutions companies, projects are initially sized and scoped during a sales campaign, with a focus on closing a deal rather than setting a precise scope, fully assessing the risks and ensuring that the customer fully understands them. Nevertheless, the scope of delivery projects needs to be formally defined, documented and agreed as a precursor to project initiation. The *ChangeBEAT* approach is to build the necessary disciplines into the sales processes, so that the customer signs up for a well-shaped, feasible project. The project manager will be able to take the sales and order acceptance documentation as a strong starting point for creating a project scope.

✎ Projects are shaped during the sales campaign

These modules are included in the Feasibility and Shaping methodology

- Qualification

- Business case development

- Proposal Production

- Pricing

- Order Acceptance

Post project

New projects are most easily won from existing satisfied customers. This satisfaction comes partly from the support that a company gives after project delivery, ensuring that the solution really is delivering what it promised, and partly from an on-going dialogue which will enable the supplier to understand the customer's views on what has been delivered and their future needs. The *ChangeBEAT* approach is to facilitate the progress from completing the project into

✍ *Project completion sets the stage for further projects*

support, improvement and a discussion of follow-on projects.

These modules are included in the Post Project methodology

- Support operations
- Continuous improvement programme
- Customer satisfaction

Integration

✍ *Volatility is managed through integration*

Integration is the set of processes required to ensure coordination and consistency in the many activities and plans across the project. Integration can be highly complex and is the single most important characteristic of a well-run project. Integration is needed across these project phases

- Feasibility and shaping
  - ∗ Proposal production
- Planning
  - ∗ Project definition
  - ∗ Planning, scheduling and costing
- Executing
  - ∗ Resource deployment
- Controlling
  - ∗ Scope management
  - ∗ Risk management
  - ∗ Monitor, control and reporting
- Closing
  - ∗ Post project review

The *ChangeBEAT* approach is to link the integration methodology tightly with gateway reviews where a consistent set of project documentation is created in the Feasibility and Shaping phase and built, refined and revised in subsequent phases. The gateway reviews enable inspection and assurance of the integrity of the project as it progresses from one phase to the next.[4]

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[4] Those familiar with the PACE® (Project and Cycle-time Excellence) model for product development will see a parallel with the *ChangeBEAT* approach.

Communication

✎ Communicating the project can sometimes be more important than executing it

A delivery project has many stakeholders, including the project team, planned users of the solution, their managers, and executives who are sponsoring and funding the project. All are anxious about progress and the ultimate success of the project. Many need to make or approve decisions to keep the project on track, or to change the scope, plan, costs or timescale. For stakeholders, the old adage "no news is bad news" applies, so they must be kept informed.

Communication must be managed like any other activity — it should be regular, and multi-sourced, ensuring the recipients find out what they need to know and are given confidence and enthusiasm for the project's success.

Communication starts during or even before the Feasibility and Shaping phase and continues through to the Post Project phase. The *ChangeBEAT* approach is to create a formal communication regime that is managed effectively to ensure it is followed.

Summary

The IT solutions industry has a tarnished reputation for delivering on its promises. This has been attributed to the immaturity of the industry and the unique, or at least special, issues associated with delivering IT solutions projects.

✎ ChangeBEAT has analysed the issues and proposes…

ChangeBEAT has found that many institutes and methods offer valid approaches, but none completely meets the special demands of the IT industry, and so are seldom fully implemented.

At *ChangeBEAT* we see two key requirements

- A flexible, scalable, project delivery methodology, adapted to the particular needs of solutions delivery projects

- Tools and processes to recognise and manage the commercial context of solution delivery projects

✎ …a scalable methodology based on PMI BOK…

To meet these requirements, we have developed a methodology for project management that complies with the PMI model in structure and terminology and embodies the relevant elements of the PMI Body of Knowledge.

To recognise and manage the commercial context of solution delivery projects, we put increased emphasis

✏ *…adapted to the delivery of commercial solutions projects*

and focus on integration and communication and have added two additional phases

- *Feasibility and shaping*, a commercial proposal phase before project initiation

- *Post project review*, to manage the realisation of benefits and to maintain a healthy commercial relationship

ChangeBEAT defines, develops and executes change programmes that help achieve enduring business benefit rapidly and reliably. Our people have practical field experience, and are equipped with WingBEAT, our proven change methodology, and our extensive tools. We are professional, pragmatic and action oriented.

ChangeBEAT is a trading name and a trademark of Contact to ContRact Ltd.

For further information call **+44 (0) 208 446 6946** or visit ***www.ChangeBEAT.com***