



# The Project Academy Series:

## IT Project Governance

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# Welcome and Introductions

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# Agenda

- IT project governance
- Objectives
- Project phases
- Strong governance culture components
- Governance plan components
- Executive buy-in
- Assess your governance



# IT Project Governance

- A management framework for timely and effective project decision making
  - Enables a structured approach to conduct departmental change and project activities
  - A critical project element to enable project success
  - Highly dependent on leadership capacity



# Objectives

- Why is a formal decision making structure important?
- What are the governance structure components?
- How to assess effectiveness and efficiency of your governance structure.



# A formal decision making structure is important

- Ensures timely decisions are made so project is not delayed
- Ensures decisions made at right level in project structure/department

**IT Project governance comes more easily if organizational governance is already in use**



# Typical project phases

1. Great enthusiasm and will to get it done
2. Strong start with plans created
3. Challenges experienced with lack of timely resolution
4. Heroic efforts that do not produce benefits
5. Chaos and overtime
6. Pleading for money and time
7. Rats jumping ship
8. Search for the guilty
9. Punishment for the innocent
10. Return to step 1



# Let's create a new typical

1. Great enthusiasm and will to get it done
2. Strong start with plans created
3. Timely decision-making at the right level
4. Changes necessitated by additional experience, knowledge
5. Accountability at the highest level in the department
6. Business needs met, potentially with some additional (planned) time and money



# Components of a strong governance culture

## ■ People

- Effective Governance is dependent on the people
- Membership is determined by the project and thus which departmental roles should be represented

## ■ Structure

- Governance committee structure may include various stakeholder groups
- Defines the relationships of the members

## ■ Information

- Informs decision makers of the current project conditions and is based on key documents



# People

- Executive Sponsor owns the Business Case
- High-level executives in department to ensure project support and advocacy within the department and to external entities
- Need political juice to get concurrence in department and with control agencies and legislature



# Structure

- Clear reporting structure
- Single point of accountability – single right person accountable from the correct departmental area
- Identification of function (Sponsor, Project Director, Project Manager, etc.)
- Distinct responsibilities, based on department accountability structure (RACI chart helps)



## Structure, cont'd

- All project roles represented (e.g., PM, SMEs, security, vendor and state) – helps ensure fewer surprises, understanding of roles and responsibilities
- Decision making pushed to lowest project level with accountability
- Identify triggers, criteria, timeframe, and process to escalate and resolve
- Oversight reporting to highest level, unfettered



# Information

- Clear understanding of the business case
- Expectation of regular project status reporting and progress-to-plan updates
- Communicate issues and risks and impacts
- Provide information, recommendations, and decisions, to the levels needed by the project and department
- Establish and enforce department priority for the project cost, schedule, and scope constraints



## Information, cont'd

- Monitor system/product quality
- Satisfy stakeholder interests and needs (stakeholder management plan or matrix can help)
- Record and communicate decisions
- Define project success - compare the completed project to original objectives



# Governance plan content

- Purpose, scope, and project success criteria
- Intended audience and plan use
- Supporting documents
- Governance structure diagram
- Description of roles and responsibilities and limitations of authority (include authority over changes to scope, schedule, budget)
  - Executive sponsor, project director, project manager, change control board, team leads



# Governance plan content, cont'd

- Identification of the person filling the role by department/project function (not by name so that if people change don't have to change plan)
- Executive steering committee
  - Purpose
  - Membership
  - Meeting quorum – sounds bureaucratic but becomes important especially when people do not attend meeting
  - Voting rights



# Governance plan content, cont'd

- Issue escalation and resolution criteria
  - Decision maker, trigger, process, timeframe
- Decision appeal process
- Administration
  - Frequency of meetings – helps ensure decisions are made timely with regular scheduling
  - Describes how issues get on the agenda
  - Meeting minutes – documenting decisions and action items ‘to do’ is very important – especially with team turnover



# Gain executive buy-in for governance

- Explain to executives their role, importance of their role, how to perform their work
  - Executive Sponsor acts as a vocal and visible champion, legitimizes the project's goals and objectives, keeps abreast of major project activities, is the ultimate project decision-maker
  - Executive Sponsor must foster an atmosphere where people rapidly admit mistakes, take responsibility, and then allocate the resources needed to resolve the issue
  - Executive Sponsor must be a leader, coach, and guide
    - Actively engage if performance measurements fall behind
    - Actively ask how project manager is addressing issues raised by oversight



# Gain executive buy-in for governance

- **Have the cheeseburger talk**
  - What is the value of the project to your business?
  - Discuss departmental readiness and what a sponsor can do to help pave the way.
  - What are your success criteria?
    - How will we know we are done?
    - What **MUST** the project accomplish? (wants vs needs)
  - What are your priorities for the triple constraints?
    - Cost
    - Schedule
    - Scope



# Gain executive buy-in for governance

- Decide on go/no go and cancellation criteria.
- What assumptions are you using to arrive at these decisions?
  - Project is department's number 1 priority
- Explain role of tough decision-maker (what political capital is the sponsor willing to expend to get the project done).
- **Sponsor Checklist**
  - Project director should help educate the sponsor



# Assess effectiveness and efficiency of your governance structure

## ■ Perform quarterly assessment

- Are decisions getting made timely?
- Are decisions being recorded and reported?
- Are decisions made at the right project level?
- Are decisions made by right person(s)?
- Do decisions support strategy?
- Are decisions upheld when questioned?
- Is business involved in decision-making at appropriate times?



# Questions



## ■ Contact

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