Project Management Principles for Shared Service Implementations
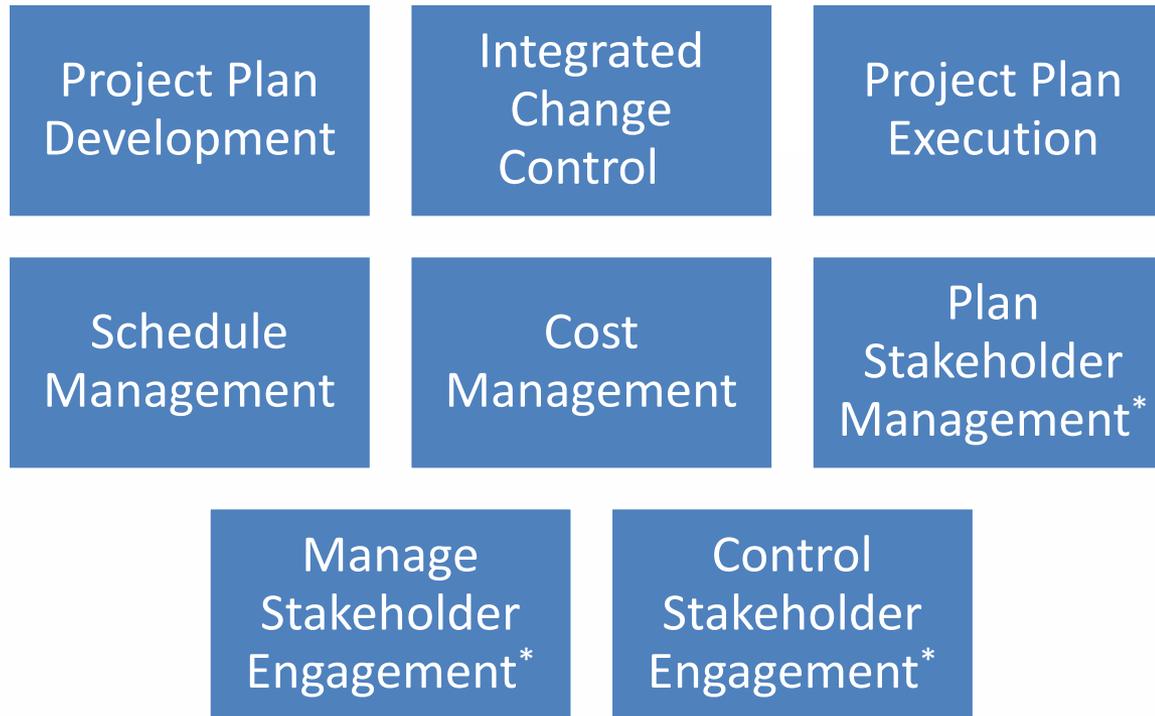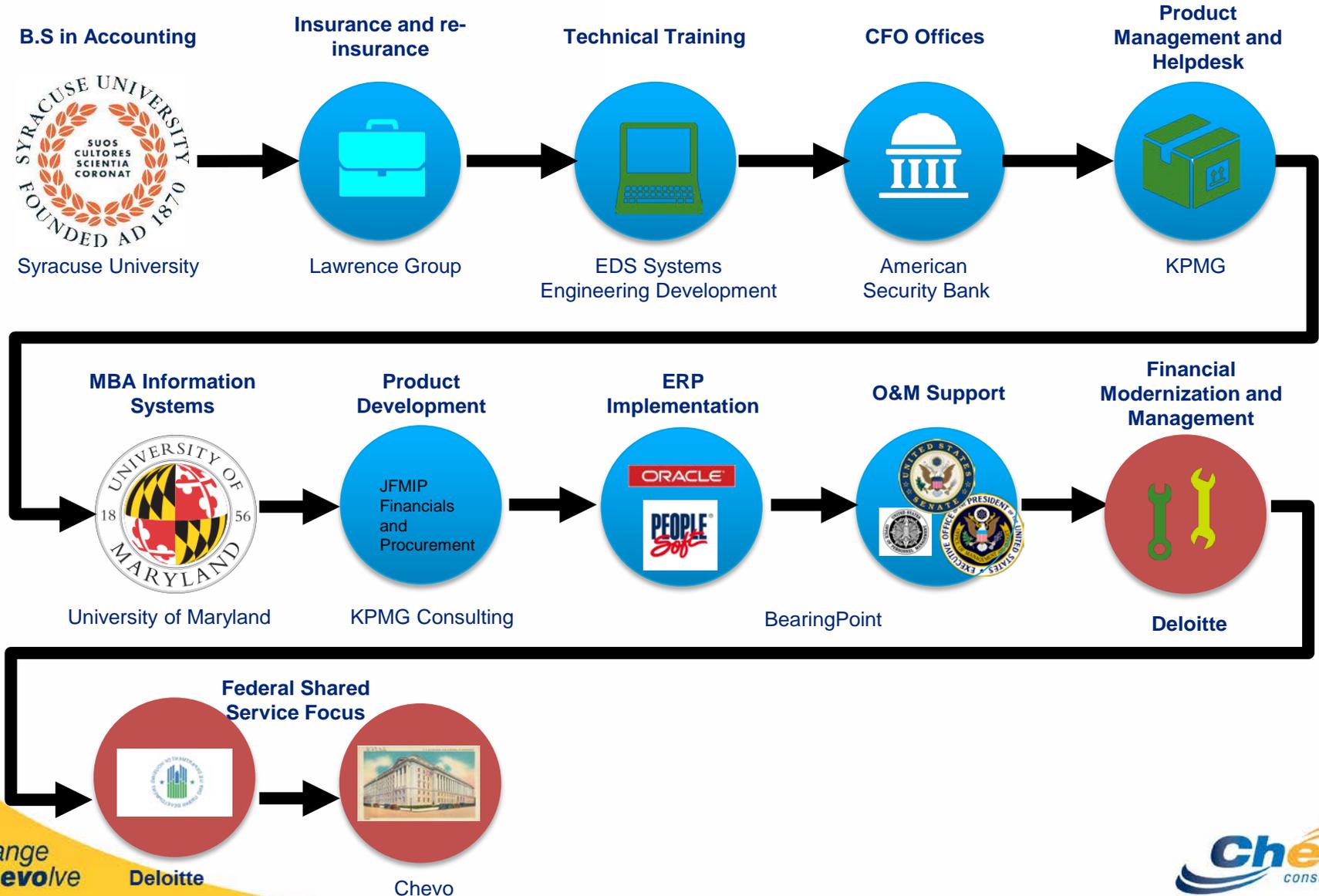
Dan Rubenstein, Director

Chevo Consulting, LLC

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PMBOK based project management discipline will effect Shared Service project success

Project Plan Development	Integrated Change Control	Project Plan Execution
Schedule Management	Cost Management	Plan Stakeholder Management*
	Manage Stakeholder Engagement*	Control Stakeholder Engagement*

Failure   Success

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My Journey

B.S in Accounting

Syracuse University

Insurance and re-insurance

Lawrence Group

Technical Training

EDS Systems Engineering Development

CFO Offices

American Security Bank

Product Management and Helpdesk

KPMG

MBA Information Systems

University of Maryland

Product Development

JFMIP Financials and Procurement

KPMG Consulting

ERP Implementation

ORACLE
PEOPLE Soft

BearingPoint

O&M Support

Financial Modernization and Management

Deloitte

Federal Shared Service Focus

Deloitte

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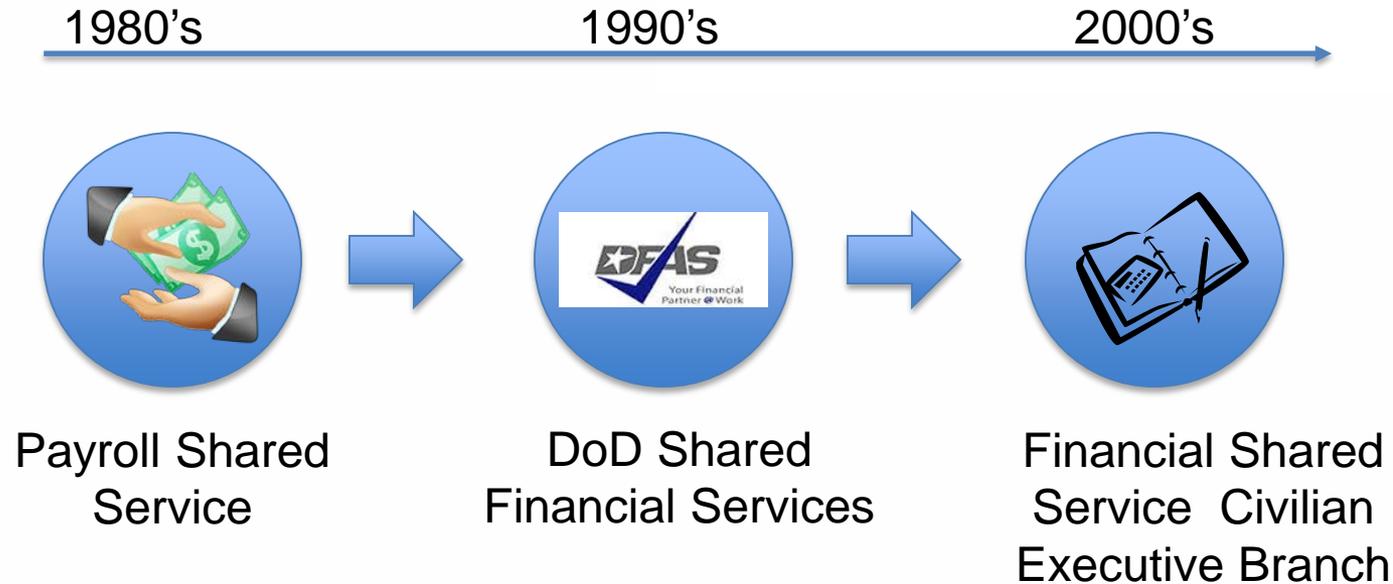*Change & evolve*

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Agenda

- ➤ Shared service history
- ➤ Shared service today
- ➤ Project Management Challenge
- ➤ Focus Areas
  - Complexity
  - Integration Management for a shared service projects
  - PMO Organizations
  - Agile
  - Stakeholder management

Governments has a history of using Federal Shared Services

1980's   1990's   2000's

Payroll Shared
Service

DoD Shared
Financial Services

Financial Shared
Service Civilian
Executive Branch

Current challenge surrounds making the financial systems
shared service model work for larger CFO Act agencies

The Office of Financial Innovation and Transformation has
recently issued the Federal Agency Migration Evaluation
Process

Change
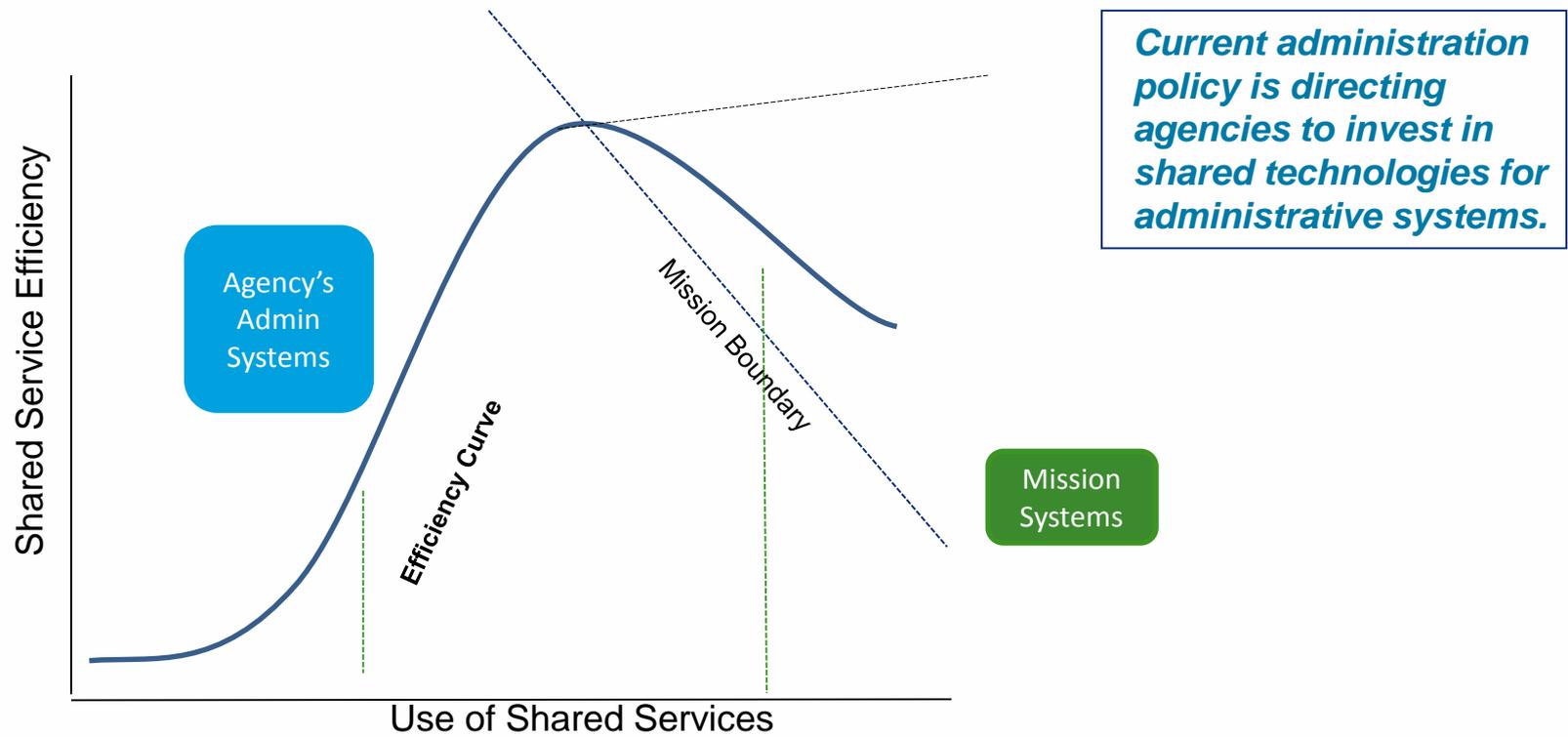& evolve

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Momentum increasing

M-13-08 Improving Financial Systems through Shared Services

A Shared Services Approach

Traditional approaches to financial systems implementations have left agencies exposed to significant risks in cost, quality and performance. Large-scale modernization efforts have frequently resulted in cost over-runs, poor return on investment, underperforming systems, and required upgrades that add little value. These system weaknesses can also lead to broader challenges in the overall financial operations at agencies. New approaches are needed that will allow the government to lower the costs of new systems and realize more value from each implementation.

Value Proposition

- Shared Service Providers offer systems to support commonly used accounting and administrative activities
- Mission requirements are still better managed and controlled by individual agencies and programs

Current administration policy is directing agencies to invest in shared technologies for administrative systems.

PROJECT MANAGEMENT VALUE

Project work in a Typical Shared Service Implementation

Project	Implementation Task			
PMO	Cost Management	Procurement	Schedule	Status
	IV&V	CCB	Governance	Deliverable (config ctrl)
Change	Comm.	Training	Process Transition	
Core Accounting	Functional Coordination*	Workflow	Requirements and Test	Data Conversion / Operations
Reports	Financial	Management		
Security	Security	COOP		
Interfaces	GRANTS	TRAVEL	PRISM	PAYROLL / Other

Legend:
- ☐ Integrated Project Team
- ☐ Coordination
- ☐ Work Streams

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PMBOK competencies are relevant to these implementations

- Expect Shared Service providers to focus on the technology and operations
  - Effective program management is still an agency responsibility
  - Still a work in progress for finding who provides the Directive PMO for the implementations
- Financial system are complex projects
  - Major systems with many touch points
  - Expect to encounter stakeholders with unique communications needs
- Mistakes cost money
  - Shared Services will not immunize Government from quality or costs issues
  - GAO recently reported that "IT projects too frequently incur cost overruns and schedule slippages, and result in duplicate systems while contributing little to mission-related outcomes".

Project management, the application of <u>knowledge</u>, <u>skills</u> and <u>techniques</u> to execute projects effectively and efficiently. It's a strategic competency for organizations, enabling them to tie project results to business goals

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Focus - Complexity

PMBOK provides tools for Navigating Complexity (*Navigating Complexity: A Practice Guide" helps practitioners and organizations understand and address complexity in projects)*

- Complexity is not simple to define
  - Which is more complex a Boeing 747 or a Cucumber?
  - (Man can build a plane but have yet to assemble a vegetable)
- Shared Service Project Complexity is driven by
  - Traditional PMBOK Measures (size, technology, organizational complexity)
- Assessing the complexity of the effort (starter questions)
  - Will there be Variation in customer needs and demands driven by mission?
  - Will there bee a need for change in silo-oriented cultures?
  - Are the requirements fixed or a evolving?
  - What is known about the system interfaces?
  - What is known about conversion?

Focus - Integration Management

The processes and activities needed to identify, define, combine, unify, and coordinate activities within the Project Management Process Groups.

Unify, consolidate, articulate, and integrate actions crucial to project completion, managing stakeholder expectations, and meeting requirements.

It Involves making tradeoffs among competing objectives and managing interdependencies.

 OMB has challenged Agencies to unleash their problem solvers to make shared services successful

Key Artifacts for Integration Management

Charter: Clearly defined roles and responsibilities for each organization, including skills and experience required to do the job

Project Management Plan(PMP): Unambiguously describe how the project management processes will work (e.g. schedule management, status reporting, and change control)

Scope

Project Scope: Include Product Scope to describe the required features of the system what is not included and project scope is with defining the work of the project. (e.g. How much workforce related changes are included)

Project Integration Management

- Develop project charter
- Monitor and control project work

- Develop project management plan
- Perform Integrated change control

- Direct and manage project execution
- Close project or phase

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TRIVIA BREAK

Project Management Trivia – Where was Henry Gantt Born?
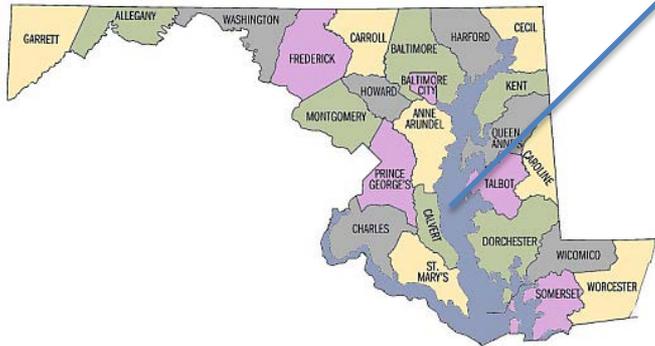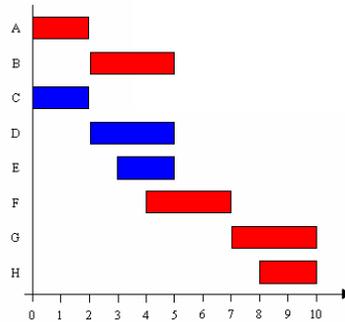

Inventor Of Chart with the same name
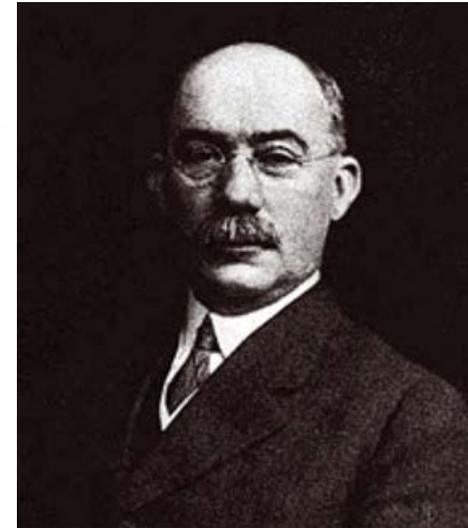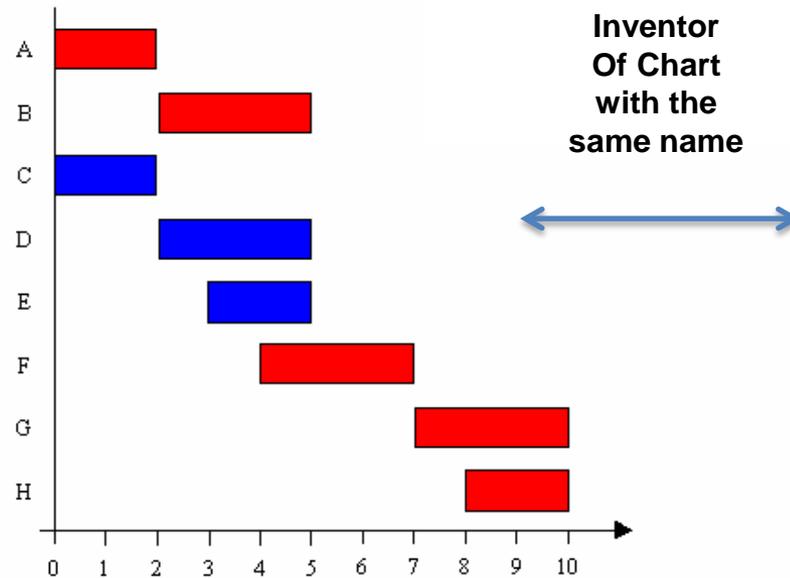
Gantt charts illustrate the start and finish dates of project activities also show the dependencies (predecessors and successor tasks) relationships between activities

Gantt Birthplace

A. New York
B. Maryland ⭐
C. Virginia
D. Washington, DC

Project Management Trivia – Born in Maryland!

Henry Laurence Gantt, A.B., M.E. (May 20, 1861 – November 23, 1919) born in Calvert County, Maryland

Focus - Project Management Organizations

All types of PMO's have a role in shared service implementation

Supportive

- Supports Agency projects using a "center of excellence" approach which provides templates, guidance in navigating the agency SDLC, tooling, and best practices for project and program managers.

    Agency support PMO's may have little influence on service provider deliverables and low degree of control on the service provider. (Service providers bring there own methods)

Directive

- Directly manages the project. Controls and executes the project. May find PMO at the SSP and the Agency.

    Challenges: Difficult to find PMO teams with Agency and Provider experience to consistently plan and execute these projects

Controlling

- Requires that projects comply with project management standards. Monitor compliance and establish reviews.

    May not have tailored processes for a financial shared service implementation. (no project management road-map)

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Focus - Role of Agile in ERP projects

- Agile project management provides techniques to use when directing and managing project execution
  - Use when it makes sense to break work up into manageable segments
  - Iterative and Incremental

Planning   Building   Testing
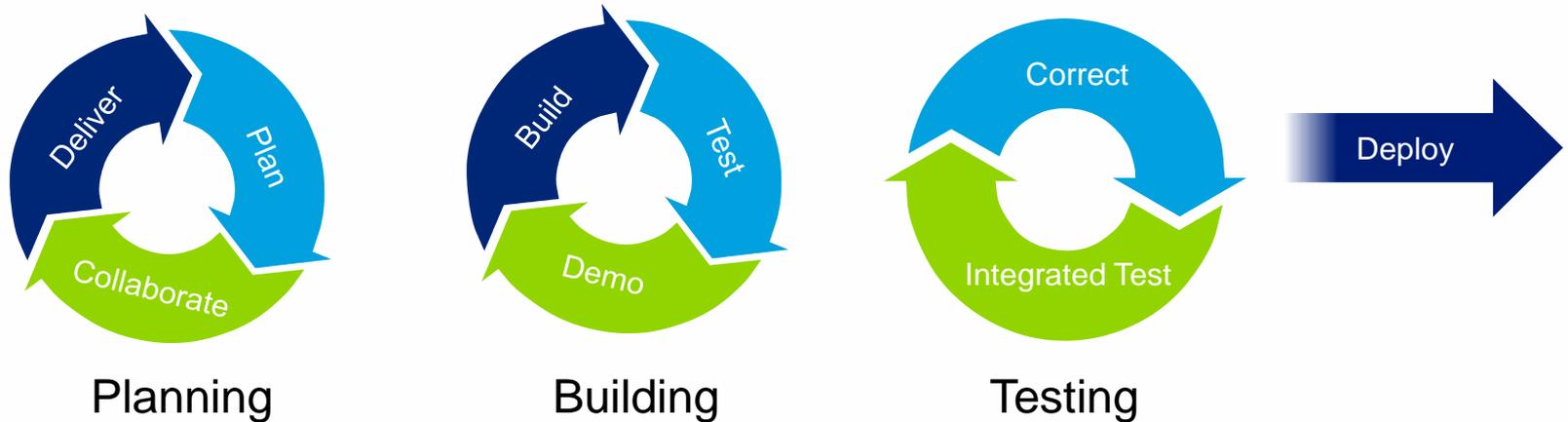
Focus - Leading Practices for Stakeholder Management for Shared Service

Recognize your stakeholders. Internal and external stakeholders. External Stakeholders include Congress, Treasury FIT, OMB, employee unions

Scale to the work required. Plan separate resources for training, change management and communication activities

Manage the relationship. It is more than establishing SLA's, agencies must actively participate in the governance
for the solution

Stakeholder Management

- Identify Stakeholders – identifying everyone affected by the work or its outcomes.
- Manage Stakeholder Engagement – communicating with stakeholders and fostering appropriate stakeholder engagement

- Plan Stakeholder Management – deciding how you will engage with the stakeholders.
- Control Stakeholder Engagement – monitoring the overall relationships and adjusting your strategies and plans as needed.

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How will your organization do?

- Is the right PMO in place?
- Does it have people with the right experience?
- Are you keeping up with PMBOK?

Predictable Results in Unpredictable
Times Stephen R. Covey

"In the Tour de France, the race is won in the mountains. In the same way, whether in business, education, or government, the successful organization is the one that gets predictably good results in uncertain times".

The mountains in are the most unpredictable part of the race.

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Q & A