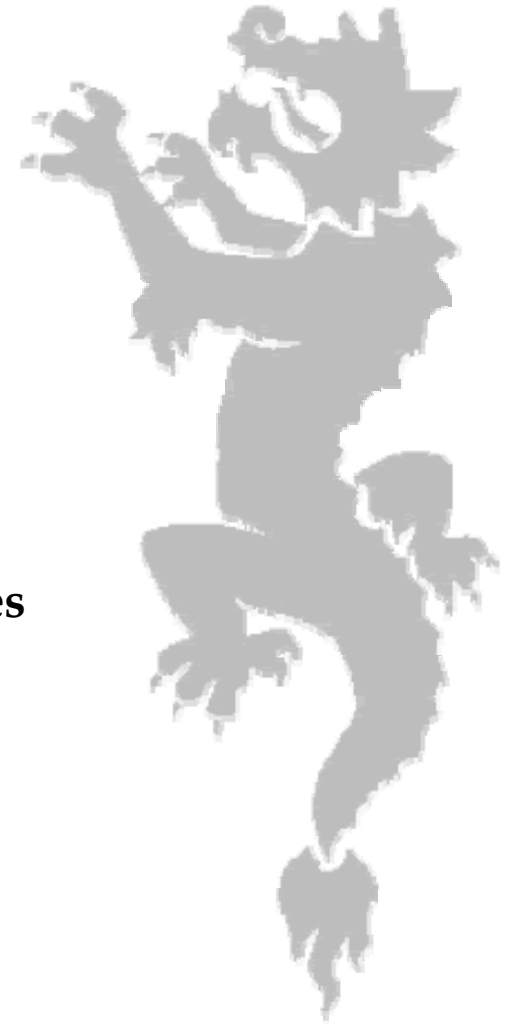


APMG

**Best Practice Showcase
June 2011**

Designing & Setting Up Programmes

MIRAGROUP



Workshop Facilitator

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Introduction

Subject

Designing & Setting Up Programmes

Introductions

Quick Introductions

Handouts

- Session Notes (extract from Miragroup workshop session)
- Case Study (used in Miragroup workshop sessions)
- Flyers (IRMUK Business Analysis Conference, Cranfield/Miragroup Short Courses)
- Miragroup Brochure & Contact Cards



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Session Format

- Walkthrough from Strategy to Programme Design to Programme Set Up
- Handout notes include:
 - Definitions
 - Programme Design Lifecycle & Examples
 - Programme Set Up & Examples
- Use the Case Study or a delegate “real life” case
- Discuss, Engage, Question, Share, Learn

SEE NEXT PAGE FOR SOME “STARTER” QUESTIONS

Questions to Start...

- Is anyone designing a Programme now?
- Is anyone working on a Programme and finding Project Scope, Budgets, Benefits, and Stakeholder Management is an issue?
- Is anyone part of a Programme Team and finding their role is difficult to deliver?
- Is anyone confused about how their Programme is linked to Strategy?

Some Definitions

Strategy

- Every organisation tries to understand where they believe they need to go.
- In a Commercial organisation this will usually describe:
 - Target market(s)
 - Target revenue, margin & profit
 - Target products & services
 - Target % market
 - Target demographics
 - etc.
- In a Government organisation this will usually describe:
 - High level policy
 - Target performance measures
 - Target achievements (service, costs, equipment, etc.)
- The Strategic intent may be defined annually or every 2 - 5 years or a combination of both (i.e. the Strategy is set for 5 - 10 years and reviewed annually).
- Strategy that is set too frequently can mean there is no time to implement each Strategy before the next one is set.

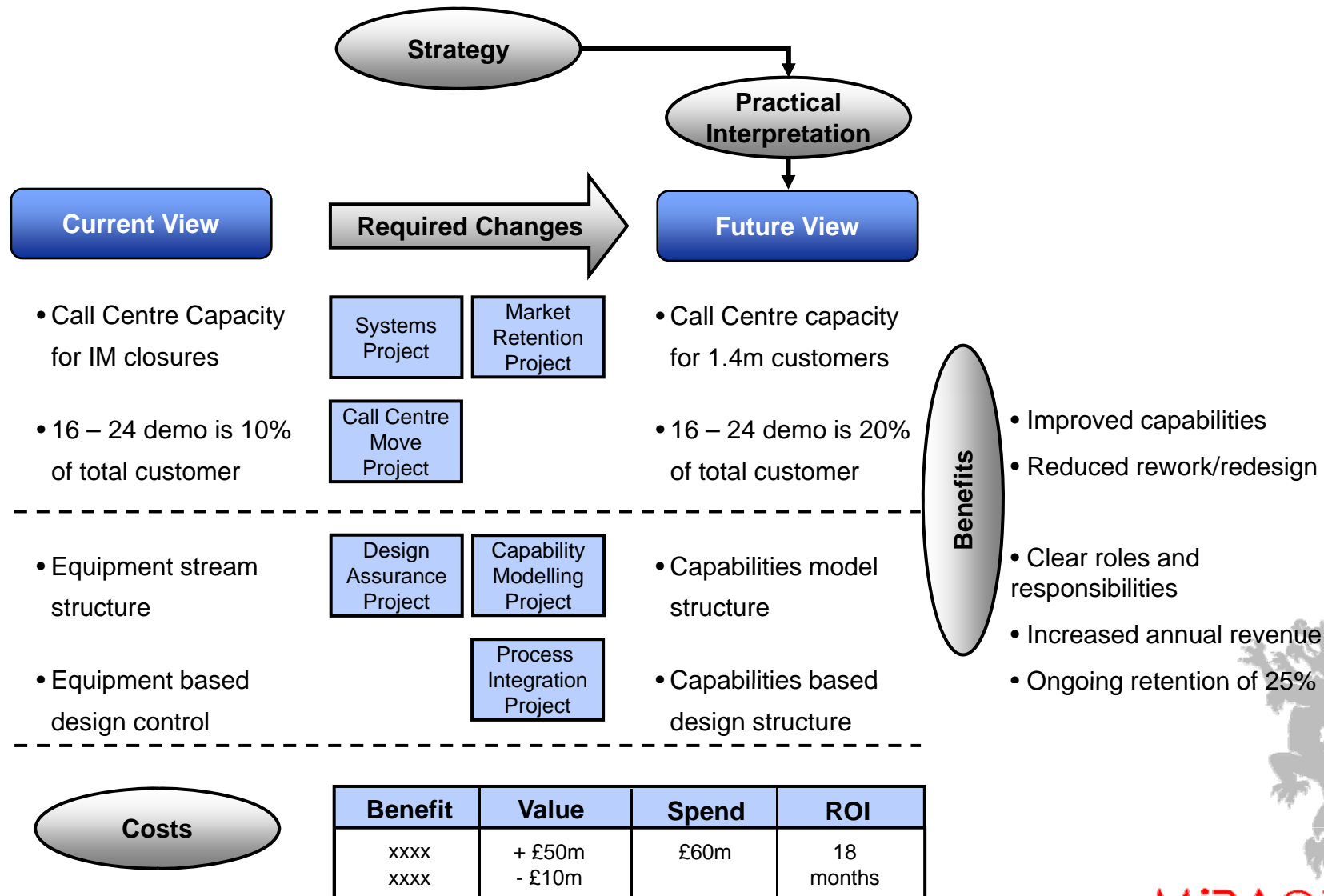
Some Definitions

Programme

- A Programme is a collection of changes we are making to an organisation to achieve a set of objectives.
- The changes we are making are usually grouped together to form a number of Projects leading towards the objectives.
- Projects are usually sequenced to manage risk, prioritise and achieve in-progress benefits as we move towards the objectives.
- The objectives are usually based on the organisation's strategic intent.
- Projects focus on outputs. Programmes focus on outcomes.

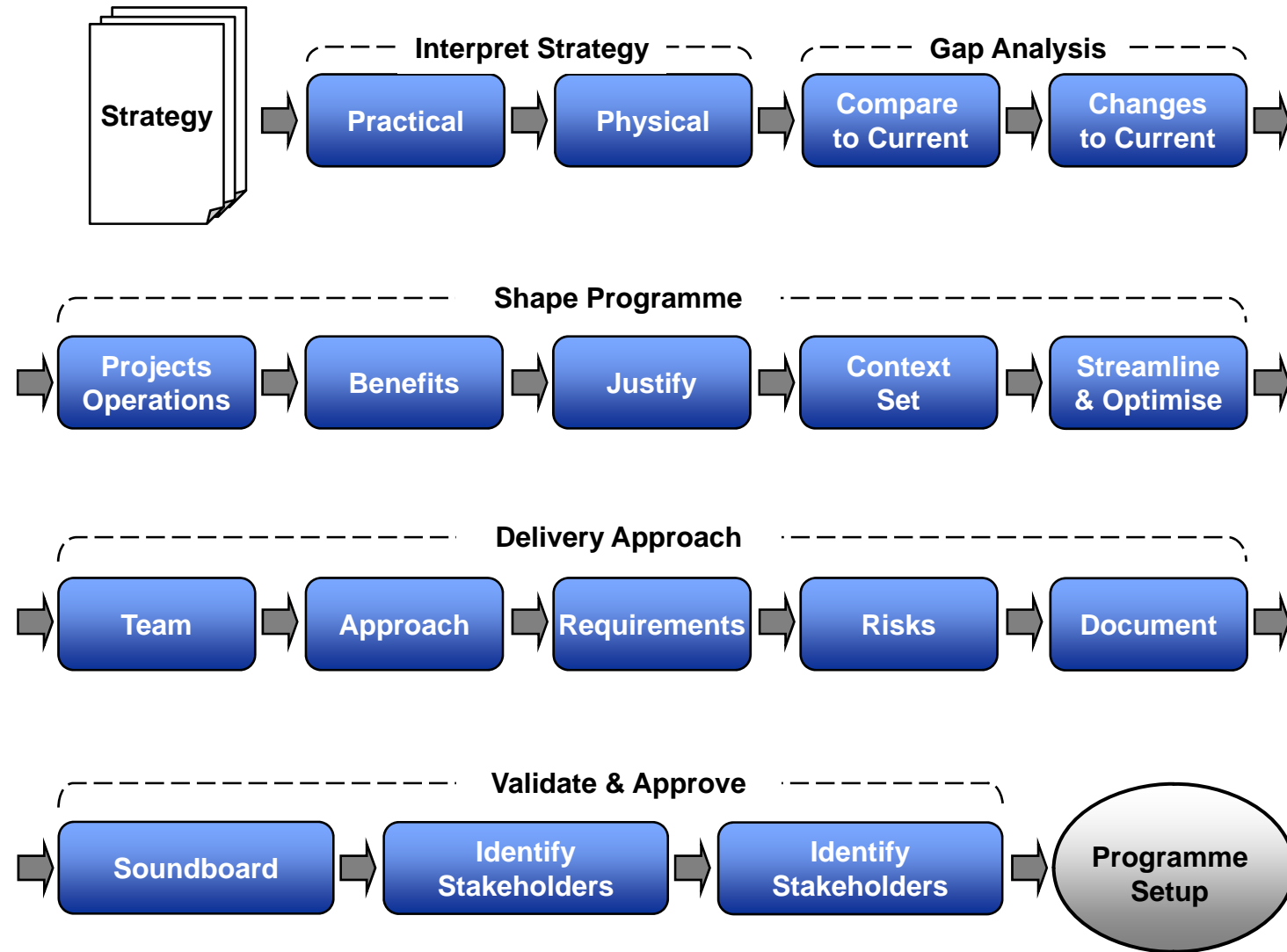
Programme Design Lifecycle

Overview – The End Game



Programme Design Lifecycle cont...

Overview - The Path to the End Game



Programme Design Lifecycle cont...

Interpreting Strategy

Practical Interpretation

Strategic Statement (Future View)	Practical Interpretation (Future View)
We will increase customer share	<ul style="list-style-type: none"> • Increase active customers from 1M to 1.4M • Target new customers from ages 16 - 24 demographic • Achieve 100,000 increase in customer numbers each Quarter
We will operate in a Federated Model	<ul style="list-style-type: none"> • Organisation restructure to have a single management structure for all Regions • Single business model for whole operation • Common systems and processes
We will optimise our capabilities through integration	<ul style="list-style-type: none"> • Single capabilities model • Single review and approval process for all related technical design & delivery • Post implementation integration review
We will extend our marketing demographic to the EMEA's	<ul style="list-style-type: none"> • Acquisition of businesses in target Regions • Control of EMEA's Regions by UK • 15% of total revenue through EMEA's by 2015
We will source most cost effective supply	<ul style="list-style-type: none"> • Single supplier model for standard materials • 80% of Suppliers (spend) to supply all Regions

- Strategy is usually interpreted by Executives and Senior Managers.
- All we need to do is understand how they have decided to interpret the Strategy.

Programme Design Lifecycle cont...

Interpreting Strategy cont...

Translating Practical to Physical

Strategic Statement (Future View)	Practical Interpretation (Future View)	Physical Interpretation (Future State)
We will increase customer share	<ul style="list-style-type: none"> • Increase active customers from 1M to 1.4M • Target new customers from ages 16 - 24 demographic • Achieve 100,000 increase in customer numbers each Quarter 	<ul style="list-style-type: none"> • Increase existing systems capacity for additional records. • Increase call centre capacity (increase each quarter by 25% of calls). • Increase sales force by 2 people each quarter. • Increase customer retention activities.
We will operate in a Federated Model	<ul style="list-style-type: none"> • Organisation restructure to have a single management structure for all Regions • Single business model for whole operation • Common systems and processes 	<ul style="list-style-type: none"> • New organisation structure with functional responsibilities. • Reassign & retrench personnel. • New business model with functional responsibilities and high level processes. • Review global systems architecture and select single global systems based on best cost and support.
We will optimise our capabilities through integration	<ul style="list-style-type: none"> • Single capabilities model • Single review and approval process for all related technical design & delivery • Post implementation integration review 	<ul style="list-style-type: none"> • Define single model for each set of capabilities. • Develop organisation structure including skills and capabilities for Design Assurance and assign personnel. • Implement Design Assurance function and integrate to existing design processes.

- In theory if we deliver all of the physical outcomes we will deliver the Strategy.

Programme Design Lifecycle cont...

Compare to Current

- But our organisation already exists!
- We need to look at what is currently in place to understand what we need to change:

Strategic Statement (Future View)	Practical Interpretation (Future View)	Physical Interpretation (Future State)	Required Change (Changes to current)
We will increase customer share	<ul style="list-style-type: none"> • Increase active customers from 1M to 1.4M • Target new customers from ages 16 - 24 demographic • Achieve 100,000 increase in customer numbers each Quarter 	<ul style="list-style-type: none"> • Increase existing systems capacity for additional records. • Increase call centre capacity (increase each quarter by 25% of calls). • Increase sales force by 2 people each quarter. • Increase customer retention activities. 	<ul style="list-style-type: none"> • Increase existing user licence agreements. • Increase current system capacity • Expand call centre floor space (may require office move) • Temporarily increase sales bonus structure • Increase costs for market retention activities
We will optimise our capabilities through integration	<ul style="list-style-type: none"> • Single capabilities model • Single review and approval process for all related technical design & delivery • Post implementation integration review 	<ul style="list-style-type: none"> • Define single model for each set of capabilities. • Develop organisation structure including skills and capabilities for Design Assurance and assign personnel. • Implement Design Assurance function and integrate to existing design processes. 	<ul style="list-style-type: none"> • Create & maintain single capability models. • Add new function to Programme Office function. • Add costs to Programme budgets.

- These changes form the basis of the Projects we need to do to deliver the Future View.

Programme Design Lifecycle cont...

Streamlining & Optimising

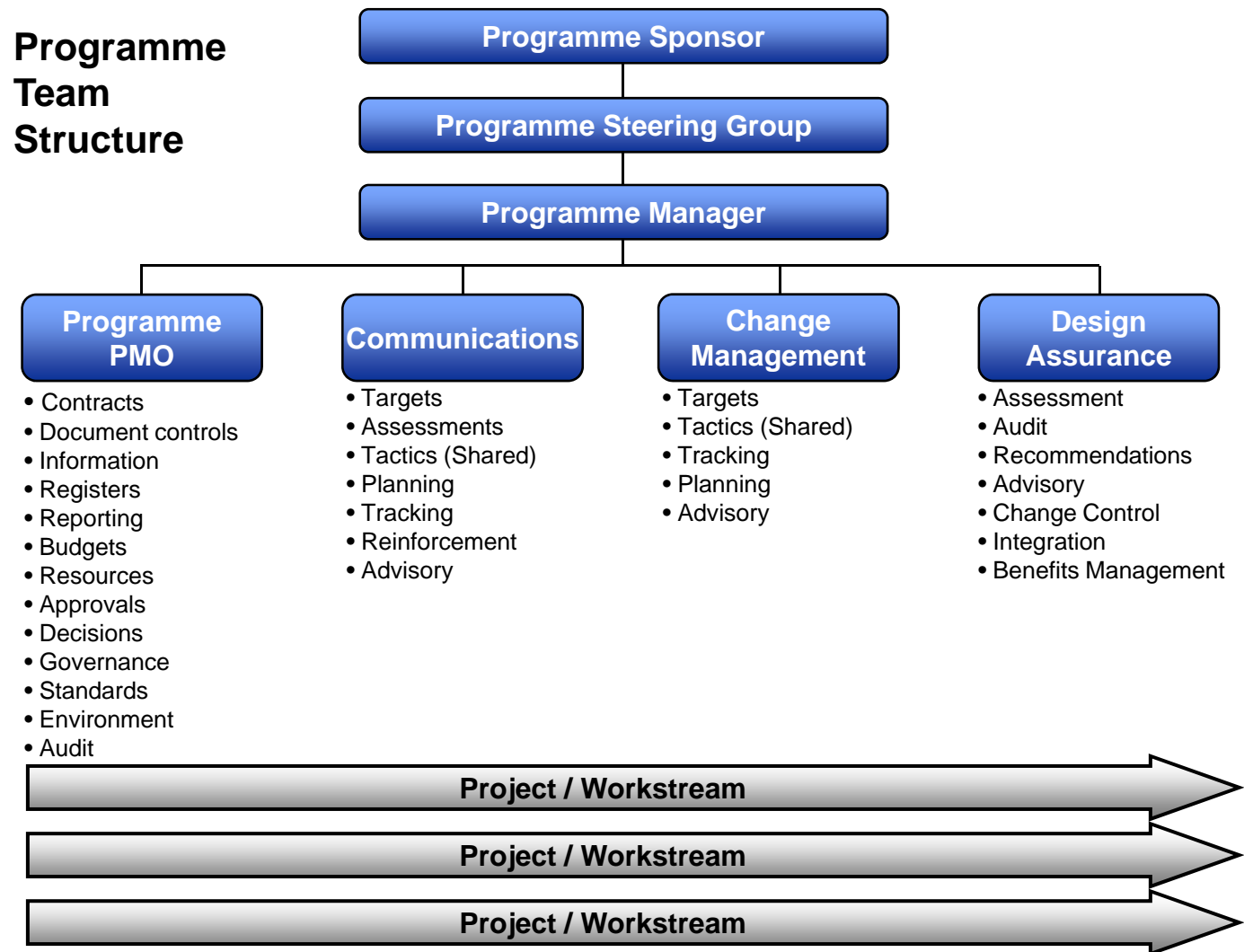
- To streamline and optimise we need to challenge the Programme Design:

Key Question	Answer	Considerations
Can these changes really be made?		
Are there any cultural, historical or practical issues?		
If we made these changes would we get the anticipated change and benefit?		
Could we make the changes by setting operational targets rather than making this a Project?		
Have we tried to make these changes before and succeeded/failed?		
Have we made similar changes and can we leverage from previous attempts (i.e. learn from, copy, template?)?		
Could we do less and achieve 80% of the benefits?		
If we try to make these changes and fail, what will happen?		
If we try to make these changes and only achieve some of the changes, what will happen?		
Have we over/under estimated the complexity (people, process, systems, organisation) of these changes?		
Does everyone agree these changes are required and if not, why not (they may have a valid point)?		

- Answers to these questions may move the shape of the Programme by reducing scope, changing timelines and affecting costs.

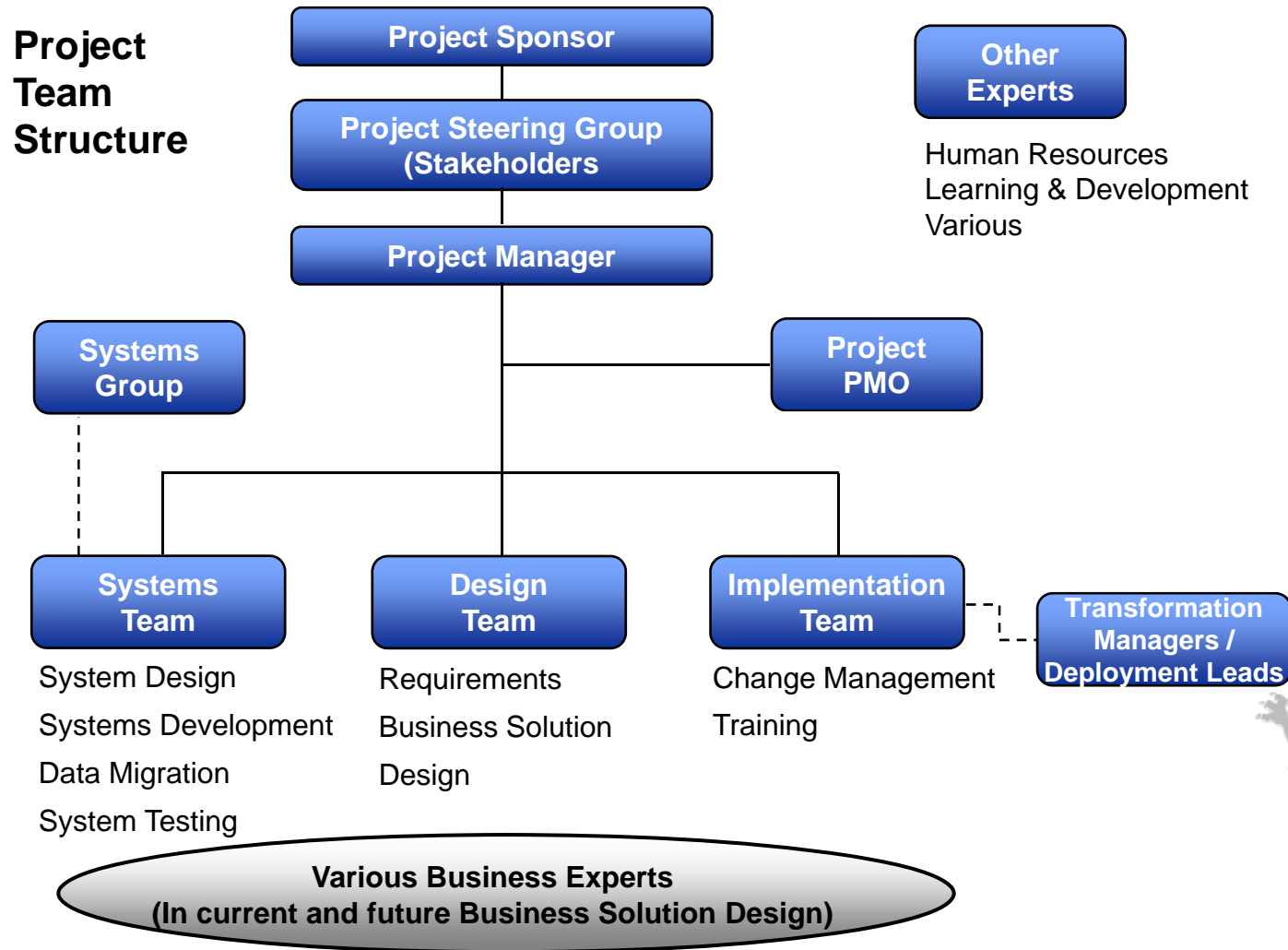
Designing the Delivery Approach

Programme & Project Team Structures



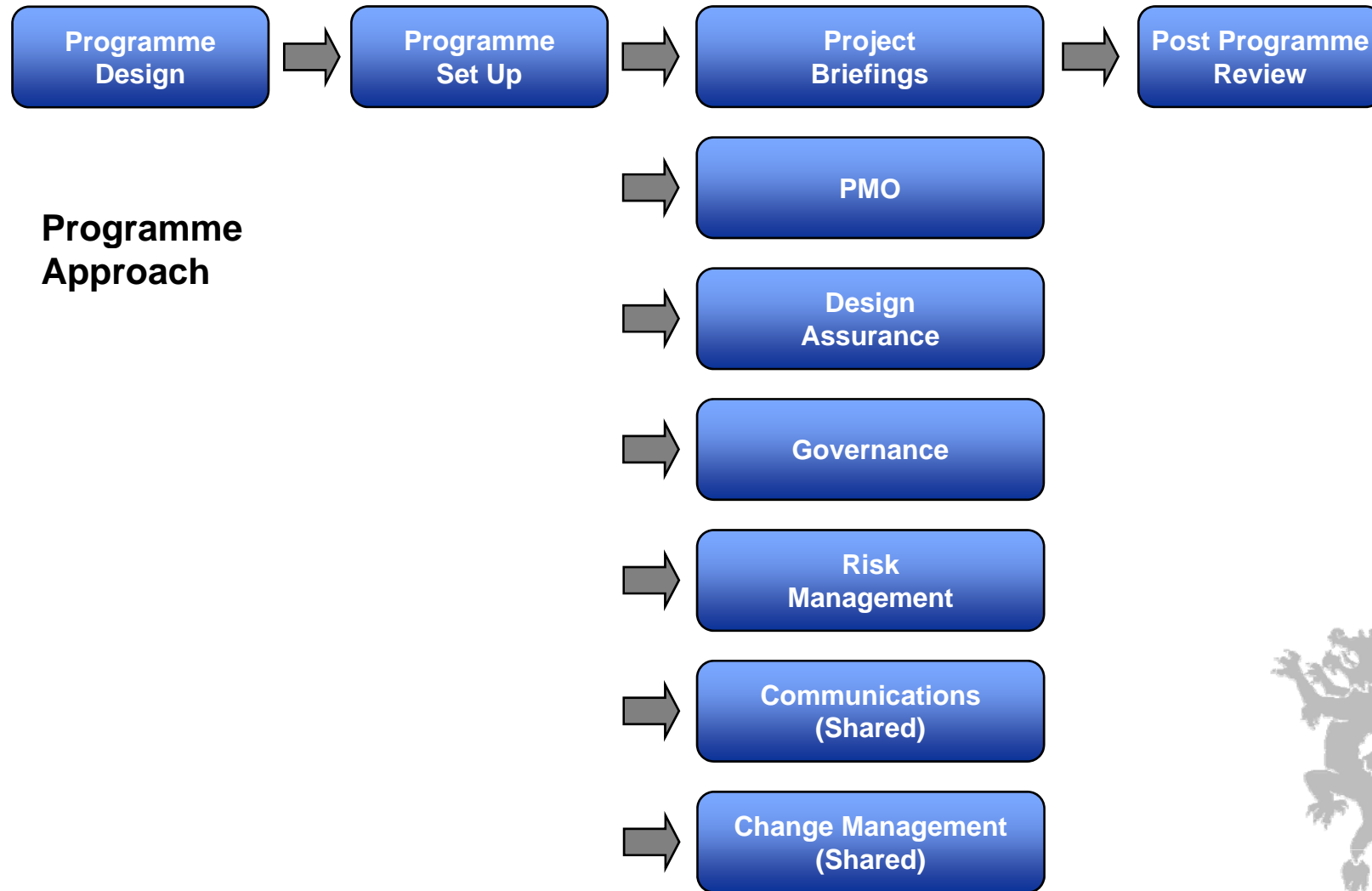
Designing the Delivery Approach cont...

Programme & Project Team Structures cont...

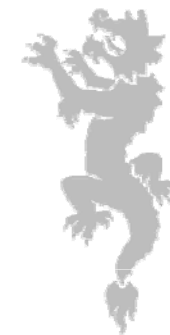


Designing the Delivery Approach cont...

Developing the Approach



**Programme
Approach**

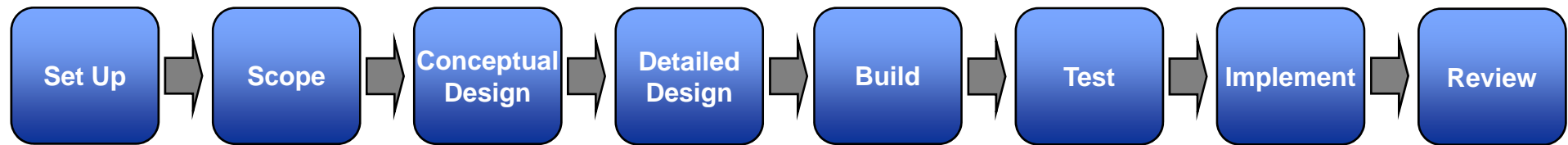


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Designing the Delivery Approach cont...

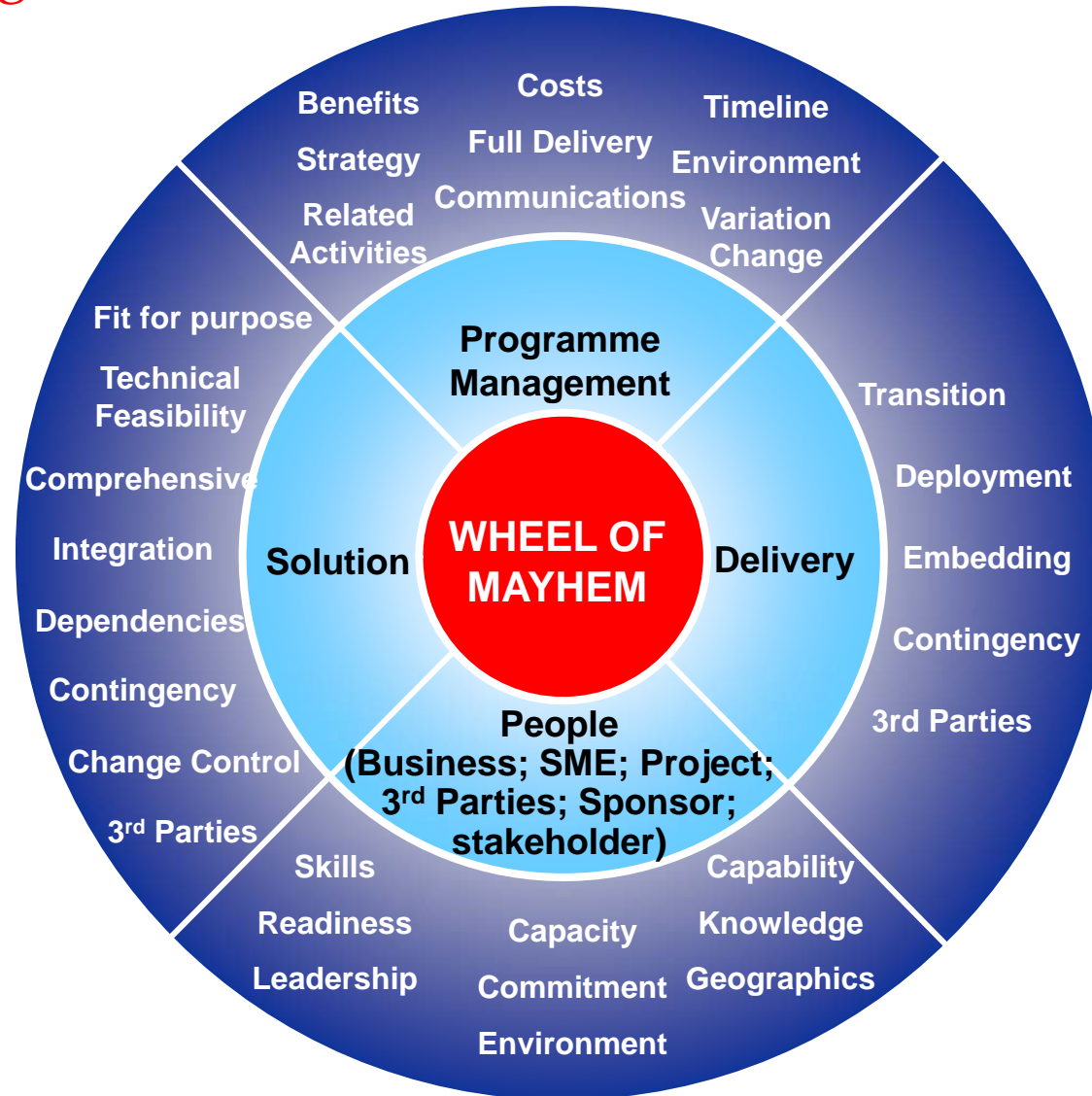
Developing the Approach cont...

Project Approach



Designing the Delivery Approach cont...

Identifying Risks



Designing the Delivery Approach cont...

Identifying Risks cont...

- Each element should be phrased as a question:

Category	Subject	Typical Questions
Programme Management	Benefits	<ul style="list-style-type: none"> • Are the Benefits achievable? If not, why not? • Are the Benefit valuations realistic? If not, why not? • What assumptions have we made? What would make the assumptions invalid? • If we fail to achieve the Benefits, what is the impact to the organisation?
	Timeline	<ul style="list-style-type: none"> • Is the timeline achievable? If not, why not? • What assumptions have we made to create the timeline? Are our assumptions valid? What would make them invalid? • What would happen if the timeline was delayed? Or achieved earlier?
Delivery	Transition	<ul style="list-style-type: none"> • What do we need to transition (people, locations, systems, data, files, suppliers, customers, etc.)? How difficult is each transition? • What have assumed in the transition estimation (time, cost, difficulty)? Are our assumptions valid? What would make them invalid?
	Deployment	<ul style="list-style-type: none"> • What are we deploying and to where (number of people, locations, data, process, systems, variation to current, operational situation, etc)? • What have we assumed about deployment (time, cost, difficulty, likely future situation, language, local deployment resources, etc)? Are our assumptions valid? What would make them invalid?

Designing the Delivery Approach cont...

Identifying Risks cont...

- We need to rate our guesses/assumptions:

Category	Subject	Typical Responses
Programme Management	Benefits	<ul style="list-style-type: none"> The benefits are achievable assuming: <ul style="list-style-type: none"> Programme costs do not over run Ongoing operational costs are as projected Deployment is achieved as planned If value of benefits is not achieved we may be adding to the current cost base with no cost savings. 3rd party estimates represent 80% of the cost of the Programme for design, transition and deployment. If they are not accurate then Programme costs will over run.
	Timeline	<ul style="list-style-type: none"> The timeline is achievable providing: <ul style="list-style-type: none"> Technical Solution can be designed and built within estimates Transition is achievable within estimates Deployment is achievable within estimates 3rd parties will manage design, transition and delivery. If their timeline estimates are not accurate then the timeline will be affected. Deployment will be to XX global locations with different languages. 3rd parties will provide local support. It is unlikely there will be a consistency of skill and capability in all regions. Regions have different head count, skills, functions and capabilities. We have assumed a minimum for each but it may be over estimated for some sites. Failure to achieve timeline will delay benefits and increase Programme costs.

Designing the Delivery Approach cont...

Identifying Risks cont...

- Now we are starting to see where the problems may be and can't start to identify the risk and what we can do to manage it.

Risk	Realisation	Mitigation
Reliance on 3rd party estimates	LIKELY Tendering requirements, competition may result in low ball estimates	<ul style="list-style-type: none"> Proof of concept staging Structured quoting approach Challenge significant variations between quotes Specific contract terms
Reliance on 3rd party global support	LIKELY No 3rd party has equal representation in all our Regions. Support is likely to vary.	<ul style="list-style-type: none"> 3rd parties to explain their mitigation plans Sub contracting by 3rd parties for some Regions Regions to assess local 3rd parties
Unpredictable Regional environment makes it difficult to manage our own environment	LIKELY Our Regions are not standardised and we have little visibility of these Regions.	<ul style="list-style-type: none"> Road show to all Regions to meet, discuss and assess likely problems for each Region Engage local senior management early Simple communications packs 3rd parties to engage with Regions and share findings

- These mitigations are affecting the Programme approach, costs and timeline and amending the Programme Design.

Designing the Delivery Approach cont...

Documentation

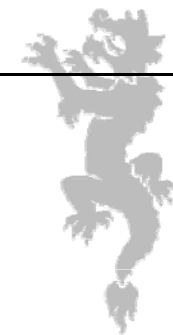
- By now we have amassed a lot of information and we need to document what we know in a structured way.

Subject	Likely Content
Strategy	<ul style="list-style-type: none"> • Scope of our Programme (in terms of Strategy) • Related Programmes • Practical Interpretation of Strategy (including sources) (Future View) • Physical Interpretation of Strategy (linked to Practical Interpretation including sources) (Future State)
Gap Analysis	<ul style="list-style-type: none"> • Current situation • Required changes to current
Change Delivery	<ul style="list-style-type: none"> • All Projects, Activities and Operations activities to deliver the change • Sequence and shape of Projects and activities • Any recommended changes to the Future View based on risks and costs • Affected areas in the organisation
Benefits	<ul style="list-style-type: none"> • High level estimates of the Benefits • Including valuations for each Benefit • And how it will be measured • And when it will be achieved

Designing the Delivery Approach cont...

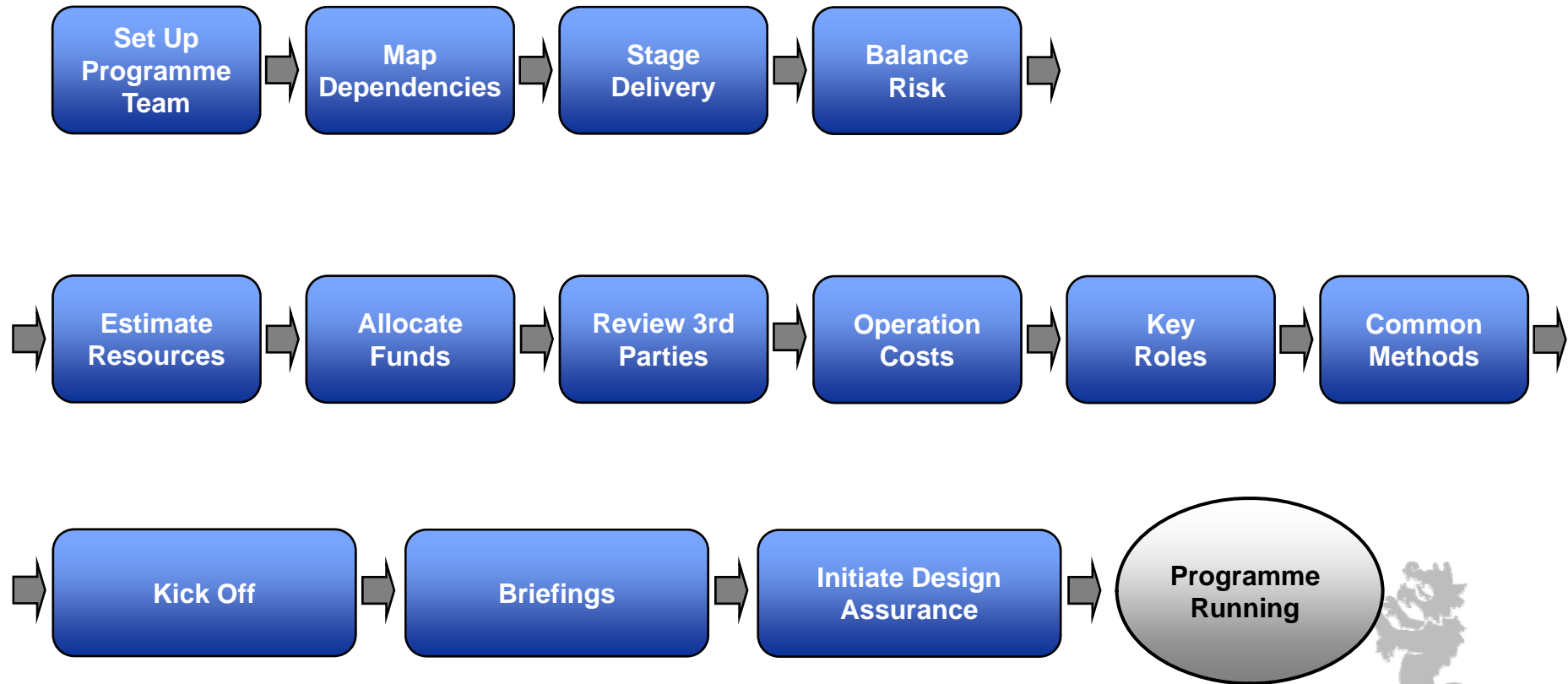
Documentation cont...

Subject	Likely Content
Related Changes	<ul style="list-style-type: none"> • Other Projects, Activities and Changes that are related or impacted by this Programme • Any possible conflicts, overlaps, gaps • Recommendations to align (i.e. Changes to scope, solution, timing, costs, etc)
Streamlining & Optimising	<ul style="list-style-type: none"> • Any recommendations to streamline and optimise that require approval or cooperation from other areas
Approach to Delivery	<ul style="list-style-type: none"> • Programme Team structure (responsibilities & key processes) • Project Team Structure(s) • Managing Operational changes • Methods (including Governance) • Requirements • Resource estimates • Spend rate
Risk Management	<ul style="list-style-type: none"> • All likely risks and approach to mitigating risks • Any recommendations requiring additional approval or support



Programme Setup

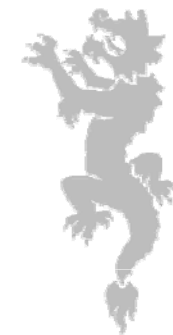
Initiation Lifecycle



Programme Setup cont...

Mapping Dependencies

Deliverable	Project, Operation, Workstream	Timings	Realisable Benefit
Improve Call Centre System	<ul style="list-style-type: none"> • Project • New Market Retention Methods 	<ul style="list-style-type: none"> • 9 months 	Able to process more customers
New Market Retention Methods	<ul style="list-style-type: none"> • Operations • No dependencies 	<ul style="list-style-type: none"> • 3 months 	Able to retain more customers
Move Call Centre	<ul style="list-style-type: none"> • Project • No dependencies 	<ul style="list-style-type: none"> • 6 months 	No benefits
Staff Recruitment & Training	<ul style="list-style-type: none"> • Operations • New Market Retention Methods (Skills) • Improve Call Centre System (Training) 	<ul style="list-style-type: none"> • 3 months 	Able to process more customers



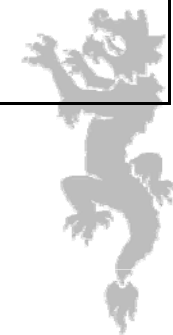
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Programme Setup cont...

Staging Delivery

- We use the dependencies and realisable benefits to define the stages of delivery.

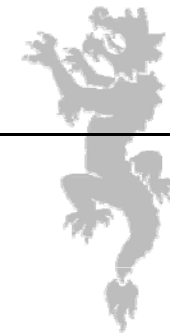
Deliverable	Project, Operation, Workstream	Timings	Realisable Benefit	Staging
Improve Call Centre System	<ul style="list-style-type: none"> Project New Market Retention Methods 	<ul style="list-style-type: none"> 9 months 	Able to process more customers	Stage 2
New Market Retention Methods	<ul style="list-style-type: none"> Operations No dependencies 	<ul style="list-style-type: none"> 3 months 	Able to retain more customers	Stage 1
Move Call Centre	<ul style="list-style-type: none"> Project No dependencies 	<ul style="list-style-type: none"> 6 months 	No benefits	Stage 1
Staff Recruitment & Training	<ul style="list-style-type: none"> Operations New Market Retention Methods (Skills) Improve Call Centre System (Training) Move Call Centre 	<ul style="list-style-type: none"> 3 months 	Able to process more customers	Stage 2



Programme Setup cont...

Estimating Resource Demands

Deliverable	Project, Operation, Workstream	Staging	Resources
Improve Call Centre System	<ul style="list-style-type: none"> • Project • New Market Retention Methods 	Stage 2 July 2012 - April 2013	<ul style="list-style-type: none"> • PM • Call Centre SME • IT
New Market Retention Methods	<ul style="list-style-type: none"> • Operations • No dependencies 	Stage 1 Jan 2012 - April 2012	<ul style="list-style-type: none"> • Ops Mgr • Call Centre Leads • Retention expert
Move Call Centre	<ul style="list-style-type: none"> • Project • No dependencies 	Stage 1 Jan 2012 - July 2012	<ul style="list-style-type: none"> • PM • Facilities Mgmt • Call Centre Leads
Staff Recruitment & Training	<ul style="list-style-type: none"> • Operations • New Market Retention Methods (Skills) • Improve Call Centre System (Training) • Move Call Centre 	Stage 2 July 2012 - Oct 2012	<ul style="list-style-type: none"> • HR • Ops Mgr • Call Centre Leads • L&D



Programme Setup cont...

Allocating Funds

- The Programme funds are usually now allocated:
 - To each Project
 - To each Operations change
 - To the Programme Team

Deliverable	Project, Operation, Workstream	Staging	Resources	Budgets
Improve Call Centre System	<ul style="list-style-type: none"> • Project • New Market Retention Methods 	Stage 2 July 2012 - April 2013	<ul style="list-style-type: none"> • PM • Call Centre SME • IT 	<ul style="list-style-type: none"> • £110,000 (ext)
New Market Retention Methods	<ul style="list-style-type: none"> • Operations • No dependencies 	Stage 1 Jan 2012 - April 2012	<ul style="list-style-type: none"> • Ops Mgr (KEY ROLE) • Call Centre Leads • Retention expert 	<ul style="list-style-type: none"> • £15,000 (ext)
Move Call Centre	<ul style="list-style-type: none"> • Project • No dependencies 	Stage 1 Jan 2012 - July 2012	<ul style="list-style-type: none"> • PM • Facilities Mgmt • Call Centre Leads 	<ul style="list-style-type: none"> • £120,000 (ext)
Staff Recruitment & Training	<ul style="list-style-type: none"> • Operations • New Market Retention Methods (Skills) • Improve Call Centre System (Training) • Move Call Centre 	Stage 2 July 2012 - Oct 2012	<ul style="list-style-type: none"> • HR • Ops Mgr (KEY ROLE) • Call Centre Leads • L&D 	<ul style="list-style-type: none"> • £50,000 (ext)

Programme Setup cont...

Selecting Key Roles

Deliverable	Project, Operation, Workstream	Staging	Resources	Budgets
Improve Call Centre System	<ul style="list-style-type: none"> • Project • New Market Retention Methods 	Stage 2 July 2012 - April 2013	<ul style="list-style-type: none"> • PM • Call Centre SME • IT 	<ul style="list-style-type: none"> • £110,000 (ext)
New Market Retention Methods	<ul style="list-style-type: none"> • Operations • No dependencies 	Stage 1 Jan 2012 - April 2012	<ul style="list-style-type: none"> • Ops Mgr • Call Centre Leads • Retention expert (KEY ROLE) 	<ul style="list-style-type: none"> • £15,000 (ext)
Move Call Centre	<ul style="list-style-type: none"> • Project • No dependencies 	Stage 1 Jan 2012 - July 2012	<ul style="list-style-type: none"> • PM • Facilities Mgmt • Call Centre Leads 	<ul style="list-style-type: none"> • £120,000 (ext)
Staff Recruitment & Training	<ul style="list-style-type: none"> • Operations • New Market Retention Methods (Skills) • Improve Call Centre System (Training) • Move Call Centre 	Stage 2 July 2012 - Oct 2012	<ul style="list-style-type: none"> • HR (KEY ROLE) • Ops Mgr • Call Centre Leads • L&D 	<ul style="list-style-type: none"> • £50,000 (ext)

- When we look at the problem this was we start to get a very different view of what may be a key role to the realisation of benefits.

Programme Setup cont...

Skills & Requirements

- Although the Project or Operations team will be responsible for forming their own teams we do need insight into the skills that may be needed for the key roles.
- We don't need to map the skills for every resource, only for key roles to the Programme.

Resource	Project, Operation, Workstream	Skills & Requirements
Operations Manager	<ul style="list-style-type: none"> • New Market Retention Methods • Staff Recruitment & Training 	<ul style="list-style-type: none"> • Time available. • Commitment to improving retention methods. • Ability to lead the expert and leads. • Understanding of the criticality of getting the method right.
Retention Expert	<ul style="list-style-type: none"> • New Market Retention Methods 	<ul style="list-style-type: none"> • Needs to be right first time. • Benchmarked options for market retention methods.
HR	<ul style="list-style-type: none"> • Staff Recruitment & Training 	<ul style="list-style-type: none"> • Ability to source right people quickly.



Programme Setup cont...

Developing Briefings

- We are now ready to brief the organisation on the planned changes.
- Effective briefing is critical. The better people understand what needs to be done, when, how and their role the better chance we have of successful delivery.
- Provide pre-reading, hand out notes and set up several briefing session. People need 'soak time' to consider what they have been told and ask questions.
- Be prepared to brief everyone known to the Programme Team even if their role will not commence immediately. If people know in advance what their role will be then they will pay attention to the Programme earlier.

Area	Briefing Content
Whole organisation	<ul style="list-style-type: none"> • Strategy, Change to Current • Programme intent • Anticipated Benefits
Project/Operations	<ul style="list-style-type: none"> • Programme Team and Key Processes. • Project scope • Fit to Programme • Dependencies • Milestones • Risks • Resources • Budgets • Key roles • Skill & Requirements

Thank You!

Q&A

For more information about Miragroup and methods please visit:

www.miragroup.co.uk

Or contact me on

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