The Realization of Project Benefits

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Problem Definition

Cost of IT

Return on IT Investment

Cost of Technology

Time

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Problem Scope

- Increasing $ Spent on IT
  - Expertise, Processes, Technology, Integration
- Results Do Not Meet Expectations
  - Measurable Metrics Undefined
  - User Needs Oftentimes Not Met
  - Project Scope Changeable
  - Loose Alignment to Business Requirement
- Project Commitment, Responsibility, and Accountability Unclear
Problem Impact

- What is the Impact to the Business?
- What is the Cost to the Business?
- What is the Value to the Business?

Fundamentally

A Business Problem
Problem Challenges

- Project Priorities
- Measure/Manage Projects
- Ensure Value to Business
- Align Project Scope/Deliverables To Meet Business and User Expectations
- Maximize Successes and Minimize Failures
- Lower Cost and Increase Effectiveness

For IT and Business
What Could Be Done?

- More Effective Alignment of Business to IT
- Employ Project Management Best Practices
- Increased ROI Efforts
- Better Hardware/Software Technologies
- Better IT Service Management

All Good But,

Not Sufficient
A New Approach

New Managed Business Process is Needed

- Focus on Direct/Indirect Costs and Benefits
  - Priorities
  - Deliverables
  - Objectives and Scope
  - Manage to Business Benefits
- Value to the Business is Critical
- Business Model Must be Continuous
Focus on Business Value

• Total Costs and Benefits Analysis
• Assessment of Risk
• Scope/Deliverables Managed
• Identify Business Value-Add
• Identify All Tasks
• Clear Responsibility and Accountability
• Aligned to Business/User Requirements
Approach Fundamentals

- People, Process, Technology, Organization, and Integration Perspectives
- Projects Managed by Deliverables
- Projects Managed to Business Metrics
- Continuous Business/User Reviews to Ensure Alignment

Projects Integrated into Business Programs, Organizational Initiatives
Approach Scope

- Resource and Expertise Availability
- Best Practice Processes for Project and IT Service Management
- Appropriate Quantity and Level of Technology
- Organization Focus (Beyond Project)
- Integration Alignment of IT Within Business/Organization
Manage by Deliverables

- Focus On Outcomes
- Continuous Cognitive Process: What Must Be Done to Achieve This Result?
- Value Provided by Deliverables to the Business
- Measured by Business Metrics
- Managed by Best Practices
- Integrated into Business Programs then Organization Initiatives
Manage to Metrics

- Are Projects Aligned to Business Programs and Organization Initiatives?
- Are Projects Integrated into the Business and Organization to Ensure Benefit?
- Are Projects Being Done Effectively and Efficiently?
- Are Real Benefits Resulting from Projects?

Continuous Assessment Cycle Metrics
Manage for Benefits

- Management of Change to Realize Benefits
- Value, Benefits, and Alignment for Business and Organization
- Accountability/Measurement
- Business/Organization Metrics Assessment Cycle
- Risk Assessment to Ensure Benefits
Critical Focus Areas

- Cooperation: Alignment
- Commitment: Benefits Focus
- Communication: Accountability
- Coordination: Managing Changes
- Projects Within Business Programs
  Within Organization Initiatives

Throughout Organization, Business, IT