# Delivering change, sustaining benefits

*Projects Consulting
Service Catalogue*

2013 version

pwc

# Project Consulting – Capabilities

## Portfolio Management

We help our clients structure their portfolio to best meet their strategic needs and objectives and maximise the return on their investments

We work with our clients to manage the ongoing alignment and delivery of their portfolio as needs change and competing pressures on valuable resources occur

## Project Services

We support our clients in establishing and structuring new programs and projects, and improving the performance of existing initiatives

We help in stopping and/or closing programs and projects if they are reaching the end of their lifecycle or are no longer aligned with strategic needs

## PMO

We help our clients to rapidly mobilise PMO's that are fit for purpose and add value through providing control, rigour and challenge

Using our best practice tools and templates we can accelerate the establishment process and run these for or with our clients, as well as providing initial set-up and coaching and then stepping out

## Benefits Management

We help our clients structure their initiatives with a clear focus on benefits and ensure that alignment to these is maintained throughout the delivery lifecycle

We help them ensure that benefits are realised when planned and are pro-actively tracked and realised following program closure

## Project Assurance

We quickly and effectively identify weaknesses, risks and areas for improvement in those initiatives that are either of concern to senior management or are critical to the organisation

We do this at project, program and portfolio level

## Training and Methodology

We help our clients to develop their internal project management capability through developing and delivering training, producing client tailored project and program management methodologies.

We work with clients to understand their current capability level, their desired level and then help them to get there

## Our Methodologies and Tools

Our PNG project consulting team have a wealth of experience using best practice methodologies and tools which we deploy to accelerate our work and bring the best of PwC's global collateral to our clients

*The Projects competency helps organisations drive and deliver change to achieve their strategic vision. We do this at Project, Program and Portfolio level.*

This Service Catalogue sets out the range of services that Projects provide and explains how we use our people, tools and methodologies to support our engagements.

If you don't see what you need here, please speak to a member of our team (p.10)

# *Portfolio management*

## Overview

Portfolio management is critical to an organisations ability to manage and allocate it's project and program spend in a way such as to maximise it's return on investment in line with strategic goals.

It also plays a vital role in identifying 'problem' projects and programs and in ensuring that enterprise level issues, risks and dependencies are identified and managed appropriately.

## Purpose

Portfolio management has two key themes of balancing the portfolio and managing the portfolio.

## Balancing the portfolio

This focuses on:

- Identifying all projects and programs within the scope of the portfolio
- Gaining clarity on sponsorship, budgets, benefits, schedule, scope baselines and current position
- Evaluating the alignment between business strategy and portfolio prioritisation criteria
- Assessing the current portfolio against constraints (eg resource/budget) and targets (eg Target Operating Model)

The outcome of this work is a portfolio which is aligned to the business strategy.

## Managing the portfolio

Here we focus on putting in place the processes and systems for the ongoing management and alignment of the portfolio including:

- A balanced Run the Business vs. Change the Business governance model,
- Intelligent portfolio dash boarding (reporting) and communications,
- Balanced portfolio delivery controls to strategically align portfolio prioritisation criteria, including benefits identification and realisation, and
- Portfolio management and resourcing structure with appropriate resource and financial control software.

## Issues we address

- Change capability and transformation programs are not effectively enabling the organisational strategy.
- Embedded ways of working and attitudes result in unwillingness to adopt new ways of working
- Ineffective and slow decision-making due to imbalanced governance structures between Run the Business and Change the Business functions.
- Focus on financial prioritisation without assessing non-financial drivers (such as risk reduction, staff, and/or client satisfaction or environmental impact).
- Poor portfolio Risk Management resulting in additional costs and reduced benefits.

## Typical process and approach

| Stage 1 – Assess | Stage 2 – Design |
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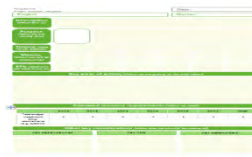
- Understand from portfolio sponsor, how the current construct aligns, or not, with strategic imperatives and how it is governed.
- Discuss the overall shape of the portfolio – in terms of key Target Operating Model programs (and releases), interim operating models, ring-fenced spend or definitions of 'mandatory' spend.
- Identify the unique features of the portfolio and how the current control mechanisms enable/disable effective delivery and benefits realisation .
- Agree roles and responsibilities and access to key client staff for initial engagement.

- Design the portfolio prioritisation criteria, aligned to vision and strategy, and test with client leadership.
- Detail proposals for the way the portfolio should be organised to deliver the plan ie Design and Change Boards and the Portfolio Business Rhythm.
- Define ways of working and Responsibility, Accountability, Consulted, Informed (RACI) matrix for program and subject matter resources.
- Design key controls (eg effective resource utilisation processes, robust benefits definition and management).
- Design an integrated portfolio dashboard to provide oversight and insight for the portfolio.

| Stage 3 – Embed | Stage 4 – Manage |
|---|---|
|  |  |

- The portfolio lead will embed the optimised organisational and structural changes whilst being cognisant of:
    - Effective communications requirements.
    - Political and/or cultural factors.
    - Functional maturity of current portfolio function
    - Capacity and/or appetite for change.
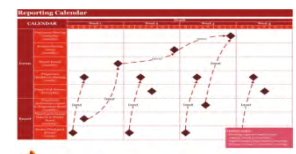
- Execute portfolio reporting from programs including risk, issue, dependency, changes and benefit management.
- Consolidate performance through benefits reports.
- Complete portfolio and program reviews.
- Provide support where requested or identified.
- Re-define portfolio targets and KPIs to reflect internal and external changes and lessons learned.

## Benefits

- The financial and non-financial value of the portfolio is maximised against the organisation's strategic vision.
- A sustainable and dynamic reporting and control framework is created to ensure clients can respond quickly to changes in strategy and environmental conditions.
- The Portfolio is underpinned by governance structures and ways of working that set it up for success.

# *Program and project management*

## Overview

Effective program and project management is key to the successful delivery of any significant project or program. It is not necessarily complicated, but to do it effectively requires depth of experience, training and discipline which can only really be gained through 'doing'. Often organisations do not have this capability and experience in house, and if they do it is usually over subscribed.

## Purpose

Effective program and project management has a number of key features:

- Ensuring there is clarity of scope and effective planning
- Co-ordinating and focusing effort on project or program priorities
- Providing effective risk and issue management and minimise the chance of 'surprises'
- Maintaining focus on the big picture of what the initiative is to deliver, by when and at what cost
- Driving and co-ordinating delivery including timely decision making based on adequate information

## Issues we address

- Recent programs have failed to deliver the expected outcomes and benefits and a review of the program management capability and maturity is required
- Change within the organisation such as a new management structure or IT system has affected existing programs and projects or the general PPM methodology, requiring a review of the processes and approach to identify improvement areas
- The scope and objectives for the program are unclear or poorly communicated because of the complex nature of the program
- Due to the intricate dependencies on workstreams and tasks, the high-level timescales are unclear and it is difficult to define the priorities
- People who have experience of delivering initiatives of this type and scale are either not present in the organisation or do not have capacity
- A large dynamic program introduces difficulty in assigning roles and responsibilities to key stakeholders
- There is a lack of understanding of how the program will be funded and of the funding requirements, both immediately and going forward
- Poor communication is reducing efficiency, collaboration and visibility. There is no structure for effective communications

## Benefits

- The benefit of effective project and program management lies in maximising the likely success of an initiative in delivering the requisite benefits in time, on cost and of an agreed quality
- Through using experienced project and program management specialists you can be comfortable that the 12 elements of successful program management will be fully addressed (see opposite)
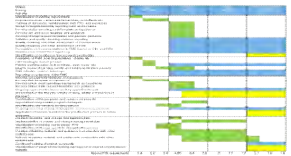
## Typical process and approach

| Stage 1 – Project initiation | Stage 2 – Planning |
|---|---|



| | |
|---|---|
| • Ensure that the business case is robust, complete and approved<br>• Mobilise the program team<br>• Be clear on the scope of work to deliver the business case and that this and the approach has been adequately documented and approve by all key stakeholders<br>• Ensure that key program processes and controls are in place (eg; governance, stakeholder management, risks and issues management etc.) | • The scope of the delivery has been broken down by workstreams and into stages as appropriate<br>• Levels of planning are in place for both strategic and detailed delivery use<br>• The plans have a critical path of delivery and capture dependencies<br>• The plans are clearly aligned to the delivery of program benefits<br>• The plans are practical and achievable given resource and environmental constraints<br>• They have been signed off |

| Stage 3 – Controlled delivery | Stage 4 – Closure |
|---|---|



| | |
|---|---|
| • Delivery is managed in line with plans and the twelve elements of program management excellence<br>• Risks and issues are identified and in a timely manner and mitigated effectively where possible<br>• Deviations in delivery or scope are carefully managed<br>• Stakeholders are kept informed and engaged as appropriate throughout | • The closure of the program is handled in a pro-active manner<br>• All deliverables are formally accepted by the business<br>• Benefits realisation plans are in place and agreed with ownership assigned and accepted<br>• The governance board has signed off that the agreed scope and deliverables have been achieved to an agreed quality |

12 Elements of successful Program Management:

- Delivery enabling plans
- Clear scope
- Governance enabling decision making
- Engaged stakeholders
- Focussed benefits management
- High performing teams
- Managed risk and opportunities
- Smart financing
- Agile change control
- Active quality management
- Integrated suppliers
- Embedded life-cycle assurance and learning

For more on the 12 elements please refer to our tools and methodologies.

# *Portfolio, program and project management offices*

## Overview

The PMO acts as the central point of co-ordination for all portfolio, program or project activity to assist in achieving change.

## Purpose

Functions include: planning and status reporting, risk, issue, assumption and dependency management, business case development and benefits realisation, project/program governance, document control and configuration management, change control, project management support.

There are three main types of PMO:

### Enterprise PMO

- Designed to monitor, analyse and report against an organisation's portfolio of projects and programs
- Not focused on the actual delivery of projects and programs
- Sets minimal standards of PMO functionality and often acts as a centre of excellence
- Provides rigour and challenge to projects and programs and gives senior management strong and reliable MI to make decisions against

### Strategic PMO

- Designed to support large scale transformation programs.
- Targets investment in highest value activity, while recognising the mandatory workload associated with daily operations.
- Removes organisational barriers to help to improve communication, identify synergies and manage risks, issues and interdependencies.

### Functional PMO

- A PMO designed for specific functional areas such as HR, IT or Finance.
- Skilled PPM professional specialising in the functional area.
- Tools and methods specific to the functional area.
- Customised and bespoke approach for HR, IT and Finance in conjunction with other areas of the program

## Issues we address

- There is no PMO in place and therefore senior members of the organisation find it difficult to influence the delivery of the program.
- PMO processes are not functioning correctly, dependencies are not mapped accurately, governance does not work effectively, costs are spiralling out of control, or there is a lack of understanding of the risks that affect the program. Lack of standardisation across the program means that it is difficult to assess the true status of the program and the critical risks.
- Potential opportunities are being missed as the PMO cannot offer the correct level of strategic insight across the program.
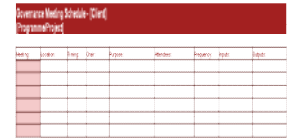
## Typical process and approach

| Stage 1 – Mobilise | Stage 2 – Establish governance |
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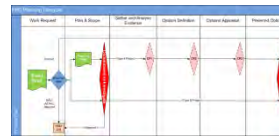
- Socialise, refine and agree the proposed program design with Program Sponsor and other key stakeholders.
- Form an initial core 'One-Team' drawn from client and key suppliers.
- Build consistent understanding of key documents.

- Secure stakeholder buy-in to Program objectives.
- Establish Steering Committee with appropriate business, supplier and program representation.
- Build stakeholder map and communications plan.
- Draft Quality management plan.

| Stage 3 – Drive and facilitate planning | Stage 4 – Manage and control delivery |
|---|---|
|  |  |

- Develop high level approach and structure to phase delivery of objectives.
- Establish risk profile and mitigate to acceptable level.
- Agree accountability for delivery of objectives.
- Produce workstream and program plans.
- Implement Program structure.
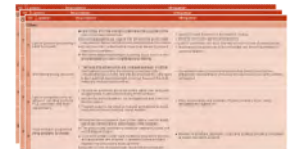
- Leadership of program delivery.
- Manage stakeholders and facilitate alignment of business and program objectives.
- Maintain appropriate risk profile.
- Sustained focus on delivery of target outcomes.

## Benefits

Benefits of an effective PMO include:

- Sustaining a balanced focus on outcomes and delivery targets, navigating uncertainty with appropriate consultation
- Integrated delivery across multiple phases and sites making effective use of Program and Business assets and resources
- Accurate and timely management information that has been analysed and interrogated
- Efficient and effective program 'housekeeping' to minimise the administrative process on delivery teams

> "Organisations who establish enterprise standards for project management, including a project office with suitable governance, will experience half as many major project cost overruns, delays and cancellations as those that fail to do so"
>
> *(M. Light, T. Berg, "The Project Office: Teams, Processes and Tools," Gartner Strategic Analysis Report, 1 August 2000*

# *Benefits management*

## Overview

Benefits Management ensures that benefits are clearly identified and planned from the outset of a program.

Putting benefits realisation at the centre of program delivery ensures that all program delivery aspects are designed and delivered with benefits realisation in mind.

## Purpose

Effective benefits management ensures that:

- The benefits of a project or program are understood, articulated and shared
- Programs are structured adequately to deliver benefits,
- The initial planning of deliverables are robust in terms of benefits identification, and
- Program delivery aspects are arranged to ensure a continued focus on benefits realisation.
- The focus on, and realisation of benefits is not lost with transition to BaU

## Issues we address

- The program is 'delivered' on time and to budget but the benefits are not realised as expected.
- The business case is poorly constructed and fails to articulate what the real value or benefits are meant to be.
- The business case is well constructed but is not referred to during the remainder of the program.
- There is a strong delivery mindset but the deliverables are not tested during the project to make sure they are fit for purpose.
- There is no entity responsible for owning the benefits management process.
- KPI's are not in place to measure whether the benefits are realised.

## Benefits

- A clear understanding of what investment objectives exist for the program.
- Clear articulation of what business benefits will result from the achievement of these objectives.
- Firm understanding of how these benefits will be measured and who owns them.
- Strong, on-going linkage between benefits and what needs to change in the organisation to realise them.
- Change ownership and measures of the achievement.
- Ensures that the project is delivered and that the benefits are sustained after implementation.

## Typical process and approach
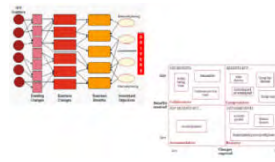
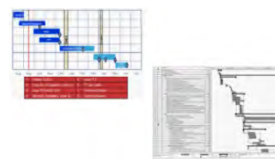| Stage 1 – Identify | Stage 2 – Execute |
|---|---|
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| <ul><li>Confirm investment objectives.</li><li>Identify benefits that will result from objectives.</li><li>Draft required business and enabling changes.</li><li>Agree ownership for benefits and changes.</li><li>Agree how benefits can be measured.</li><li>Agree achievement measures for the changes.</li><li>Identify any potential organisational or stakeholder issues that could impact the realisation of the benefits.</li></ul> | <ul><li>Transfer the benefits to the benefits profile templates.</li><li>Build out changes into change profiles.</li><li>Review and agree resource and time required for changes.</li><li>Undertaken baseline measurement/agree frequency for re-measurement.</li><li>Review and confirm benefits dependency map.</li><li>Generate stakeholder action plan.</li><li>Categorise benefits for business case purposes.</li><li>Build and finalise business case.</li></ul> |

| Stage 3 – Plan | Stage 4 – Track |
|---|---|
|  |  |
| <ul><li>Confirm overall responsibility for benefits management.</li><li>Benefits manager to work with PMO to build and initiate the execution of benefits realisation plan.</li><li>Initial focus through the design and construct to be on the changes.</li><li>As the program moves to implement, focus shifts to include the benefits profiles.</li></ul> | <ul><li>Benefits manager works with benefit and change owners to evaluate progress on benefits.</li><li>Corrective action agreed between working team and submitted to project board or business sponsor for approval.</li></ul> |

> Our benefits management approach moves benefits realisation from the periphery to the heart of program delivery

# *Project assurance*

## Overview

Those who sponsor, govern and manage a project, program, or portfolio need to understand the likelihood of success, have adequate information to make decisions about whether to continue with the investment and be able to identify and implement necessary improvements.

Assurance and learning can be both formative (in that lessons learnt from assurance during the project or program can be used to influence and improve its ongoing development and delivery) and summative (in that it will summarise achievements to date, along with the resources associated with delivering these).

## Purpose

Embedded lifecycle assurance and learning provides a clear view of the project or program's status and the extent to which it:

• Remains viable and aligned to the business case;

• Is being managed appropriately and effectively, in line with agreed policies and procedures;

• Is 'under control' and on target to achieved defined deliverables and benefits.

Where issues and concerns are identified, it proposes improvements to manage them and maximise the chances of success.

## Issues we address

• Will the project or program meet business needs?
  - Is it still valid?
  - Is the business or technology solution going to deliver what is required?

• Is the project or program on track to deliver?
  - Are benefits achievable?
  - What has been achieved to date?
  - What are the key risks to success, and what should be done to mitigate them?

• Could the project or program deliver more efficiently?
  - Where can savings be made?
  - Are the PMO and delivery controls effective and proportionate?
  - Which areas of the project or program are over or under resourced

• What can we learn from this project or program?
  - What lessons and actions can be applied to further enhance the delivery of this and future initiatives?

## Typical process and approach

| Stage 1 – Identify assurance needs | Stage 2 – Agree the timing and scope of assurance |
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|  |  |

| | |
|---|---|
| • The project or program's assurance needs are identified up front and a plan developed and agreed<br><br>• As a minimum the plan will include reviews at critical stages in the lifecycle to ensure that the program does not continue to the next stage unless it meets certain criteria. It may also include focused reviews on particular aspects of the program that are of concern/high risk<br><br>• The assurance plan will be reviewed and adjusted throughout delivery | When developing the assurance plan, the following factors are considered:<br><br>• Length, structure and nature of the program<br><br>• Areas of high risk<br><br>• Timing of reporting requirements<br><br>• Periods of high delivery pressure on program teams<br><br>• External factors affecting availability of information and staff |

| Stage 3 – Conduct reviews | Stage 4 – Report findings |
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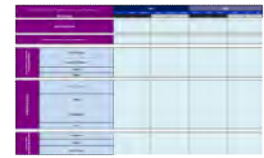| | |
|---|---|
| Reviews will be carried out via:<br><br>• Desktop document review of key program information<br><br>• Interviews with key project/program staff, either individually or in small groups<br><br>• The reviews may be provided by a variety of sources such as Internal Audit and external providers | •The reviews will report key findings, priority areas for improvement, good practice recommendations and lessons learned, along with an action plan for implementation which identifies action owners and deadlines for completion.<br><br>•It will make recommendations when undertaken at Stage ends as to whether and how the program should progress |

## Benefits

• Clear line of sight over whether the elements fundamental to successful delivery are in place and operating effectively.

• Identification and mitigation of risks to successful delivery present in a project or program's sponsorship, business case and benefits plan, governance and reporting arrangements, contracting and supply chain strategies, commercial and delivery skills, funding and resourcing and overall management approach

• Capture of learning that could be used in this or other similar initiatives in the future.

# *Capability improvement*

## Overview

Organisations are ever more reliant on their ability to select the right mix of programs that will provide them the maximum benefit and return on their investment, and on their ability to execute the projects in these programs within the time, cost and quality parameters.

## Purpose

Up-skilling teams with project management capability and empowering an organisation to effectively and efficiently select and deliver projects successfully is fundamental to achieving strategic outcomes.

The Project Consulting team have developed and successfully implemented a robust and structured approach to how we do this, with a capability improvement service tailored to an organisation's desired outcome, prevailing culture, existing governance structures, the nature of projects and the current level of execution capability maturity.

This allows us:

- To provide a structured mechanism to assesses project management capability and identify targeted areas for improvement
- To provide lasting confidence around internal investment decisions and delivery decisions
- To ensure that project activity is driven towards meeting the strategic outcomes that an organisation desires and improve the likelihood that project benefits are realised
- To improve consistency in project delivery, and ensure that it is sustainable.

## Issues we address

- Poor history around project delivery – projects often running over budget and not to schedule
- Individuals 'don't know where to start' when needing to scope out and deliver a new project
- Heavy reliance on external entities to support project delivery
- Initiatives often don't have appropriate ownership within an organisation
- There is limited guidance around how to run a project and a clear absence of tools, techniques and templates to support delivery.

## Benefits

The benefit of project capability improvement lies in building the confidence of teams and the organisation as a whole to successfully deliver projects, and appropriately manage a project portfolio. Specific benefits to arise from capability improvement include:
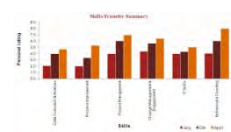
- Competence and confidence of senior leaders to direct projects is increased
- Projects consistently realise benefits
- Project management is more efficient, better resourced, and applied to key projects

## Typical process and approach

| Stage 1 – Assess maturity | Stage 2 – Identify key gaps |
|---|---|



- Maturity models have become an essential tool in assessing organisational capability, and helping to implement change and improvements in a structured way
- The team is conversant with a number of industry standard maturity models (including P3M3, OPM3, CMMI), all of which provide a framework with which organisations can assess their current performance, and put in place improvement plans with measurable outcomes.

- Identify areas of targeted capability improvement maintaining a strong focus around overall governance and structure, methodologies and processes and systems and tools
- Understand skill expectations of groups and individuals, and undertake detailed skills assessments
- Develop any necessary training materials and associated development plans for individuals
- Establish capability tracking and measurement mechanisms.

| Stage 3 – Improve capability | Stage 4 – Embed changes |
|---|---|



- Plan and implement improvements through a series of capability improvement methods including:
- Methodology Development – Relating to project selection and or delivery
- Mentoring – Supporting and coach team members to fulfil their project responsibilities and obligations
- Training – Development and delivery of customised training sessions to up-skill project teams.

- Focus on truly changing behaviour – Capability improvement is focused on embedding cultural change within organisations & up-skilling individuals and teams in a manner that makes sure changes 'stick'
- Establishing Continuous improvement – Establishing annual maturity review processes to ensure organisations are measuring and enhancing their level of capability on an ongoing basis.

- Organisational risks are mitigated or reduced
- There is a cultural shift towards staff valuing project management disciplines, having observed the benefits of better practice
- A common language around project management, and a common definition of what a project is emerges
- Project teams are high performing and are actively embracing new processes and tools
- Staff feel engaged, well trained and supported in the application of new processes.

# *Our methodologies and tools*

## Overview

Projects has a range of tools and methodologies that we use to support our work and ensure our teams can mobilise quickly and efficiently. All our templates and tools are underpinned by our overarching 'Transform' project management methodology .

The competency also has specialists in wider project management tool use who can support clients in undertaking an assessment of their 'as is' practises, agreeing the most appropriate tools to address a client issue and then managing implementation. These may include Sharepoint and more complex project management and reporting tools such as CA Clarity, HP PPM, Microsoft Project Server, Plan view, Primavera etc.

## Our core methodologies



**Transform**



**12 Elements of program management excellence**



**Project assurance framework**
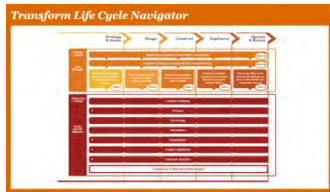
Transform provides a series of tools that have been developed, tested and refined by PPM Specialists. These range from templates for Risk and Issue Management, planning, change management etc to automated tools such as a Program 'scorecard'
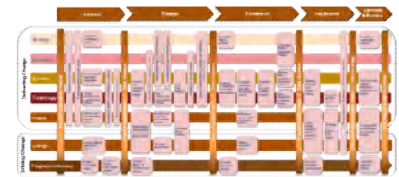
Our teams use these tools and templates to mobilise efficiently at client site, adjusting them as appropriate to ensure they are most effective for each client and situation.

PwC's 12 elements provides a practical framework for successful delivery. Based on our global experience we have identified each of these areas as being critical to effective program delivery, regardless of industry and solution.

Our consultants are able to take each of these areas and put an appropriate degree of control and rigour in place in line with a clients needs.

The program assurance framework is aligned to our 'Transform' delivery framework. It provides a holistic view of the assurance reviews that we ideally undertake across the lifecycle of a typical program.

The framework allows clients to work with us to identify specific areas of concern or high risk and to put in place a review plan to ensure timely and detailed scrutiny of these.
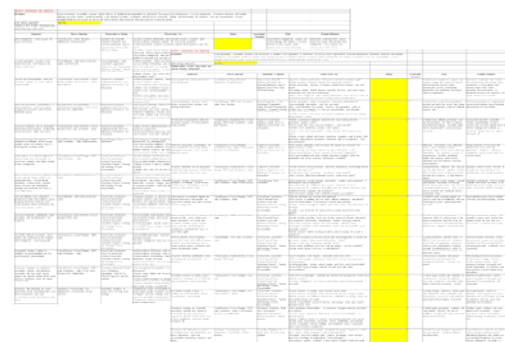
## Our assessment tools
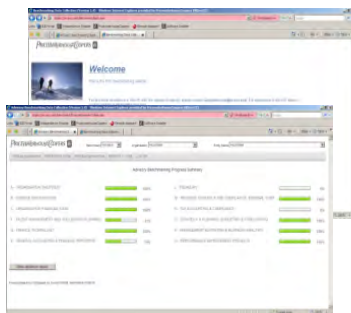


**Project assurance diagnostic and benchmarking**



**PMO maturity assessment**

The project management diagnostic and benchmarking tool is an online assessment model designed to quickly and cost-effectively identify weaknesses in the project delivery environment. It is hosted on PwC's Saratoga benchmarking site. As such all the data entered is used for driving benchmarks. These can be within an organisation's portfolio, across the lifecycle of a single project or against peers, other sectors or geographically.

The tool automatically generates a powerpoint presentation which RAG rates project controls in line with PwC's 12 elements of project and program management excellence. As part of the report it also generates potential risks and mitigations associated with any identified weaknesses.

The PMO maturity assessment is an excel based tool used to evaluate the current state of a client's PMO, giving it a maturity score of 1-5.

We work with clients to understand the desired maturity level in line with their needs and then make practical recommendations to work toward raising the current level where necessary.

# *About us*

- PricewaterhouseCoopers provides industry-focused advisory, assurance and tax service for public and private clients.
- More than 169,000 people in 150 countries connect their thinking, experience and solution to build public trust and enhance value for clients and their stakeholders.
- We are the largest professional services firm. Whilst size for the sake of size is not important to us, what is important is the leverage it gives us for the benefit of our clients.
- This means that we have a greater range of professionals to call upon to challenge, advise and support you. We see our global reach as an enabler to support the development of your international operations and to build trust and create value for you.
- In Papua New Guinea (PNG), we have eight partners and over 170 staff working from offices in Port Moresby and Lae. Our team comprises a mixture of talent from PNG and around the world, with over a quarter of our people in PNG  hailing from  territories around the world or having worked in other territories as part of their development.
- We have been in PNG for over 50 years and have significant experience providing project  consulting and related services.

To have a  deeper discussion about how we can assist, please contact:

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