PROJECT SUCCESS
VIA GOOD GOVERNANCE

WAGILE Governance for Project Delivery and Remote PMO

E&P CONSULTING

"Most of the Senior Managers I have met during my career consider our methodology around governance and decision-making obvious, even common sense, and yet they struggle to implement effective governance in their domain of responsibility. They are consumed by internal challenges, driven by the lobby of analysts and consultants who overwhelm them with market best practices and implant fear of making wrong decisions.

Are you one of these Senior Managers?

In this brochure, we describe the key success factors of what E&P calls good governance, and how its implementation and adoption can drive delivery success and return on investments."

**ANDREAS EBERHARDT
CEO E&P CONSULTING, 2020**

1. GOVERNANCE MATTERS

Good governance promotes project success by aligning work with strategic goals. It creates a balance between the need to control projects and the freedom required by teams to deliver. Good governance is adaptive. It encapsulates the plethora of today's delivery models and sets the strategic course for the entire delivery organisation.

This document will be of interest to business leaders, Program-, Project- and Line Managers, who wish to realise the benefits of investing in good governance. It introduces the reader to instruments that support the orchestration of the entire organisation / project teams, steering them towards the strategic goals.

And it also demonstrates how competitive advantage can be realised, through the utilisation of internal excellence and industry Know-How. Our objective is to enable international corporate organisations to achieve to move as one single entity.

Benefits realisation and delivery success is not only about the delivery methodology, it is also about good governance.

1.1. A new strategic business function

Organisations that report high benefit realisation are nearly twice as likely to have established a business function called an Enterprise Project Management Office (EPMO)[1]. An EPMO is a significant contributor to realising strategic value from internal investments. It is ideally positioned to embrace value management and to confirm, monitor and conclude the benefit realisation from each investment.

NOTE[1]:
PMI, Pulse of the Profession® 2016.

The EPMO requires a governance process framework set on a strategic level, integrated tools and expert Know-How to provide direction and practices that will steer the organisation to successful delivery outcomes.

1.2. A unique service

At E&P Consulting we are experts in project delivery. Our Remote EPMO/PMO services integrate into organisations that are devoid of this function or consider that their existing PMO is not empowered to meet expectations. Our project delivery consultants, well-versed in good governance through our "WAGILE" governance processes, fulfil key roles in portfolio, programme and project management. In addition, to support our entire delivery organisation, E&P has developed its own PMO software.

The WAGILE solution is built on the pillars of process, people and tools:

Process: The WAGILE Governance Process Framework, described in the document, provides the foundations to establishing organisation-wide good governance.

People: E&P's Remote PMO staff and project delivery consultants provide the expertise to manage value delivery.

Tools: WAGILE.pro, a unique strategic PMO tool, is used by E&P resources to manage and monitor benefit realisation.

STRATEGIC EPMO

OUR KEY AREAS FOR SUCCESFUL GOVERNANCE

OPERATIVE PMO

| PROVEN DELIVERY FRAMEWORK
Governance process with decision gates for a strategic top-down-planning

| INTEGRATED SOFTWARE
EPMO Software "Wagile" for planning, cost controlling and decision management of all projects in one place

| STRATEGIC PROJECT MANAGEMENT
Phased implementation strategies for PMO Services

| OUT OF THE BOX SOLUTIONS
A proven set of tools, processes, templates and organizational solutions

| MANAGEMENT OVERVIEW
Customizable Dashboards in Wagile or external BI Software (i.e. PowerBI)

People   Methodology

Tools   Community

(Remote) PMO Services

| MULTIPLE DELIVERY MODELS
Wagile is combinable with agile, waterfall and hybrid methods

| PMO AS A SERVICE
Remote PMO with PM Experts speaking fluent German, English, French and Italian

| FULL COST CONTROL
Services can be offered in time & material or fix prices

| ROADMAPISATION
Definition of your Delivery Artefacts with Roadmap set up and tracking

| MODERN COLLABORATION
Using modern collab tools like Azure DevOps and Jira combined with Wagile

1.3 The Wagile Manifesto

At E&P we passionately believe that good governance supports the realisation of strategic benefits.

We believe :

• The early alignment of project objectives and business strategy is a key success factor for the delivery of portfolios, programmes and projects.

• The main element of good governance is a transparent and quick decision process. The availability and the engagement of executives are a pre-condition for quick decision making.

• The quicker an organisation makes educated decisions, the more agile the delivery. We stipulate agility through governance above agility through the project delivery model.

• The cost to enforce cultural change in organisations (i.e. "agile delivery for all") is disproportionate to its value. The vehicle for change is empowerment.

• Empowerment of delivery teams and trust in experts are elementary for a successful delivery. Empowerment needs a well-defined frame to avoid inefficient control structures.

2. WAGILE PRINCIPLES

The architects at E&P conceived the framework with five main principles in mind:
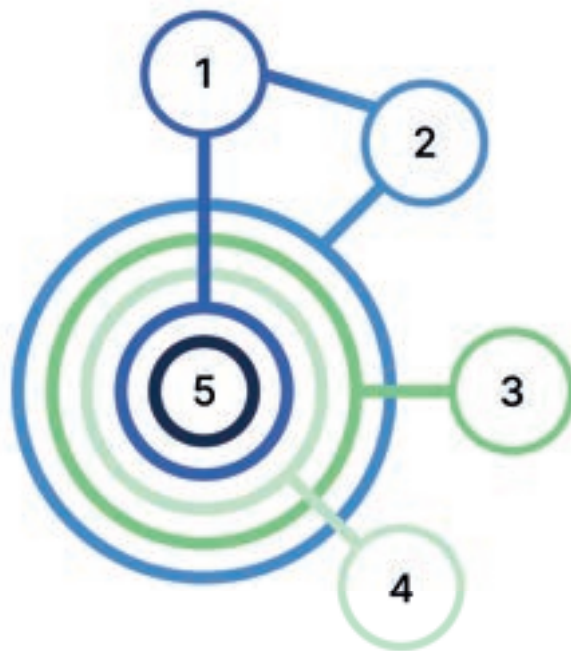
1. Split decision research & decision making

2. Formalise a decision process

3. Establish end-to-end accountability

4. Manage cultural impact

5. Measure and communicate

2.1. Split Decision Research and Decision Making

Our observation

Experts are naturally risk averse. They avoid committing to solution scenarios and "need more information" if they are to make final decisions. Besides, experts are skilled in identifying and providing recommendations for potential solution scenarios.

Decision makers make trade-offs between the risk they are prepared to accept and the return they expect to receive. They are more likely to have greater risk appetite and are consequently driven by the impact of the decision on their (individual) targets.

When decision makers and experts are put together their discussions are difficult to moderate, inefficient and often a source of conflict.

Transparent decision research, prescribed with limiting parameters that are defined by legitimate decision makers, enables an organisation to actively identify and openly manage risks. It accelerates the decision process leading to a positive impact on time-to-market and on the collaboration between cross functional teams. The teams begin to "act as one single entity" as there is less room for interpretations and conflict.

2.2. Formalise A Decision Process

Our observation

Key factors for successful delivery are *engaged executive* sponsors, their *availability*, and their *capability* to make decisions. The entire company and especially the delivery teams must be well informed about the decision-making process. They need to trust this process.

WAGILE offers instruments to reduce the dependencies on availability and engagement of executive sponsors through a formal decision strategy that incorporates **Expert Boards** and **Decision Gates**.

2.3. Establish End-To-End Accountability

Our observation

Most project organisations are matrix organisations i.e. those who work within the matrix report to both project and line organisation management. For some delivery artefacts, a sponsor is easily found, i.e. when there is clear accountability already in the line. Such artefacts are characterised by low cross functional, organisational or system dependencies.

For delivery artefacts with a high cross functional, cross organisational or cross system impact, politics may come into play as accountability is unclear. In such situations the organisation does not act as one single entity, the dialogue gets emotional and it is difficult to find a sponsor and to make decisions.

Vertical E2E accountability

Vertical E2E accountability means accountability to secure the integrity of deliveries with low cross functional dependencies, for example critical business processes or system releases.

Horizontal E2E accountability

Horizontal E2E accountability focuses on the integrity of entire domains and their impact to the overall mandate.
It describes the accountability to deliver critical cross functional artefacts such as "integration solutions", "data quality" or "reporting". It is more difficult to find owners accountable for horizontal E2E domains as there is no natural sponsor in the line organisation.

Vertical E2E Accountability

Horizontal E2E Accountability

2.4. Manage Cultural Impact

Our observation

Delivery units assume their responsibility when they are empowered to make decisions in their domain of expertise. The organisation must trust their expertise, experience and best practices. On the other hand, senior management has a need for information and control. They create governance structures to satisfy this need. Consequently, best practices, methodologies and the use of tools get challenged by senior management who are neither experts nor do they have delivery responsibility.

Good governance is about achieving a balance between the natural desire of sponsor(s) to retain control and the need of the delivery team to have sufficient freedom to allow it to manage the risk to meet the project objectives.

2.5. Measure And Communicate

Our observation

When it comes to Board Meetings or Steering Committees, the cost to prepare such meetings can be significant[2]. Stakeholders reporting into such meetings provide their individual interpretation of the status and calculate their own KPIs to emphasise their own perspectives.

Without the existence of normalised benchmarks, a project status provides room for interpretation. There is the risk of lobbying or influencing by indirect stakeholders such as Consulting companies or analysts. As a result, decision makers are provided with conflicting or confusing information leading to a reluctance to make decisions. The decision makers request audits, proof points and expert reviews, which generate frustration and additional workload for the delivery teams.

KPIs set *realistic management expectations* for their organisation. Measuring delivery performance creates trusted statistics that facilitate discussions with business executives and delivery teams alike. Without such measurements, decisions may be taken "blindly" and the dialogue with stakeholders may be considered emotional. KPI absence leaves room for internal and external lobbying.

NOTE[2]:
https://www.icsa.org.uk/about-us/press-office/news-releases/cost-calculator-reveals-the-true-cost-of-board-meetings

2.6. Principles - Summary

The WAGILE principles underpin E&P's mission to provide good governance and ultimately delivery success.

The principles indicate that at its core, the Framework is a decision-making process based on the separation of decision research and decision making, with strong lines of accountability and responsibility that embrace the need for empowerment. Yet this process and its incorporation of delivery models allow projects to be benchmarked and compared. The resulting statistics create a platform for effective communication and promote evidence-based decision making.

In practice, the principles need to be embedded in repeatable, conceptual processes so that they can be implemented within an organisation. In the next chapter we explore how the principles are put into practice via the WAGILE concepts.

3. THE WAGILE CONCEPTS

WAGILE encapsulates the governance of the entire delivery lifecycle, from roadmap entry to benefits realisation. It is built using three concepts:
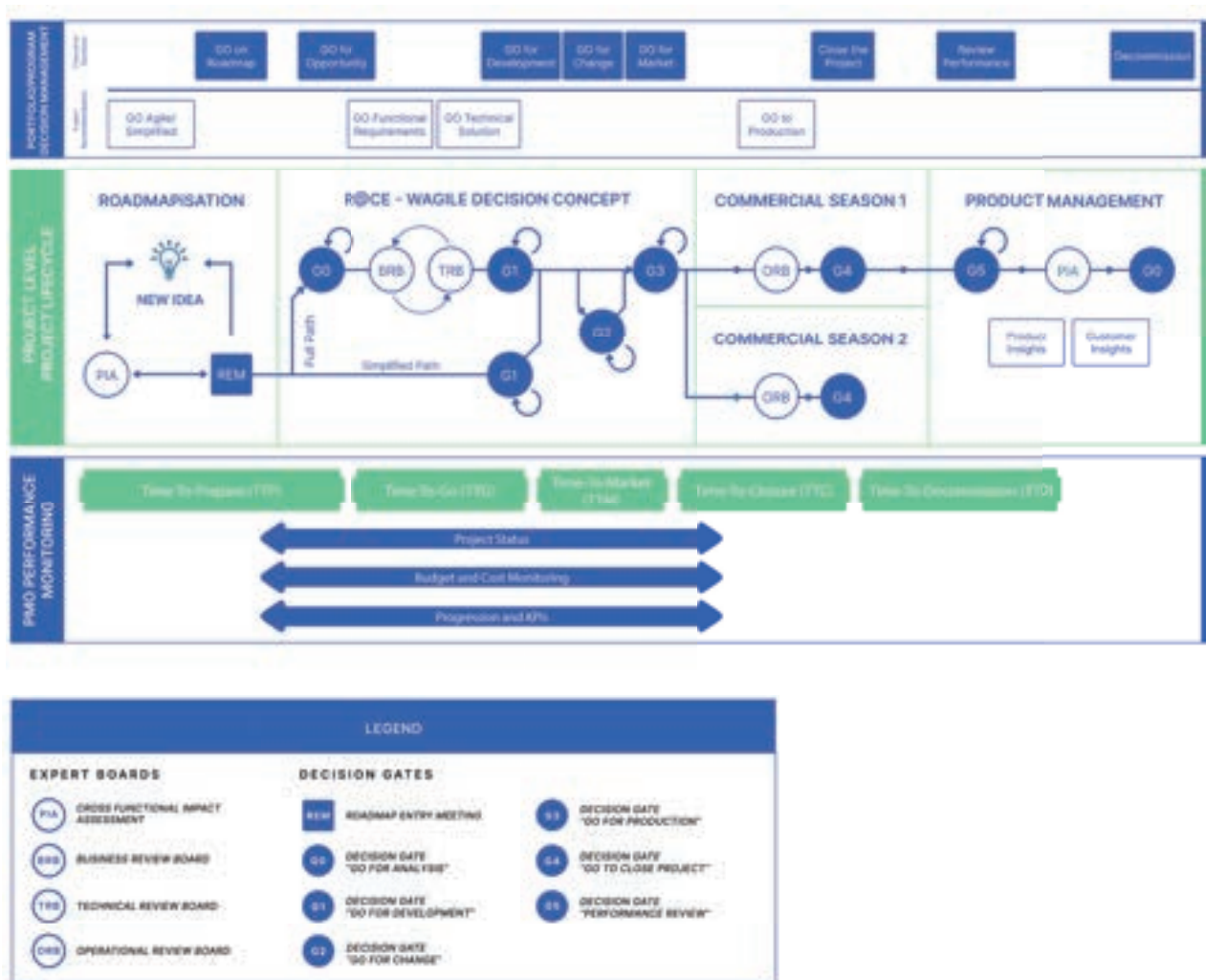
1. ROADMAPiSATION	2. R@CE	3. COMMERCIAL SEASONS

These concepts underpin the working practices of a WAGILE centric EPMO and are shown in the diagram below. The concepts are applicable independent of the delivery strategy (Waterfall, Agile, Safe, DevOps or others).

FIGURE 2:
WAGILE Concepts and Monitoring.

3.1. ROADMAPiSATION - Strategic Roadmap Creation

An organisation's strategic roadmap is the basis for companywide resource planning and prioritised delivery targets. The concept of ROADMAPiSATION collects project ideas and considers their worthiness to enter the strategic roadmap. It uses Portfolio Management techniques in the sense of providing sound governance and it defines project priority against strategic and financial targets.

A pre-condition for effective roadmap planning is the centralisation of budget responsibility. Without central budget responsibility there is no control over the end-to-end strategic fit of investments.

Any project that has financial implications (resource or material) must get formal approval and prove its business case to enter the roadmap. This includes operational or service-based areas of the organisation e.g. infrastructure services. A strategy of cost distribution for central services or licences across ongoing projects must be prevented where possible.

Businesses usually generate ideas that exceed available resource capacity and capability. Roadmap entry discussions can therefore entail tough negotiations about limited resources and require multiple iterations. A robust and stable (meaning not regularly changing) roadmap increases the trust of delivery units. This trust enables commitment.

3.2. R@CE – the WAGILE Decision Concept

After a project is approved onto the roadmap, it enters *"R@CE"*. R@CE is the WAGILE decision concept which stimulates educated decision making by offering *flexibility* and *adaptability* in a frame of a formal decision process. It imposes *accountability* on decision makers and creates a sense of absolute legitimacy for the decisions they make. The goals of R@CE are fast decision making and approval of delivery lifecycle milestones in a transparent, systematic and pragmatic way.

R@CE can be customised depending on the company culture. Figure 2 shows the WAGILE standard approach that offers a full governance strategy for complex projects and a simplified path for less complex projects or cash out only decisions (e.g. cost for Software licenses). The principle of splitting decision research and decision making is applicable for the full governance strategy. Expert Boards for business (BRB) and technical reviews (TRB) are established for the purposes of decision research.

The WAGILE Monitoring Model

The WAGILE Monitoring Model (see figure 2) defines standard KPIs for project benchmarking and governance that are relevant for all types of projects. The model's focus is to monitor the project roadmap execution and the project delivery performance without adding additional administrative overhead to the delivery units. Its objective is to enable anticipatory decision strategies (versus reactive strategies). The WAGILE Monitoring Model allows ongoing optimisation, learning and improvement to achieve greater efficiencies in the delivery process. WAGILE offers both qualitative and quantitative KPIs out of the box.

3.3. Commercial Seasons (CS) – Project Implementation
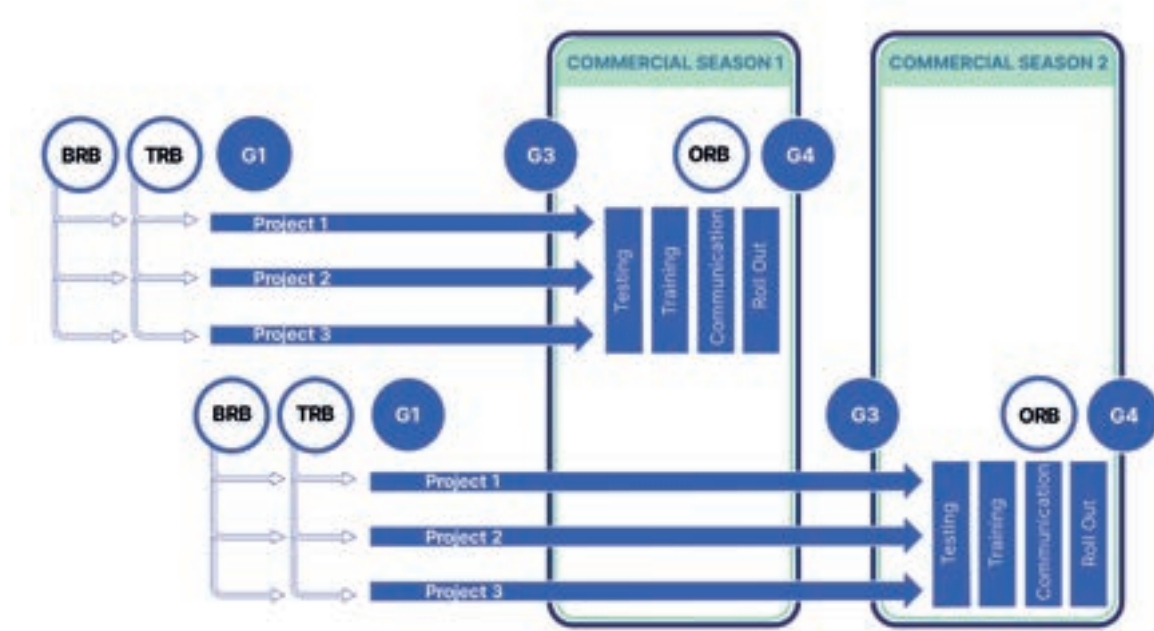
For large organisations, decisions related to a single project can lead to significant risks (whether real or perceived) in meeting the strategic roadmap. For example, a decision to delay a project could affect resource assignments and planned system releases with knock-on effects for other projects. This creates uncertainty and doubt in the minds of decision makers, who react by requesting further information and seeking more control. As a consequence, Decision Gates tend to get overloaded with deliverables and checklist items. Such an interpretation of the purpose of Decision Gates relieves delivery units of their responsibilities.

WAGILE introduces the concept of Commercial Seasons to reduce uncertainty about the impact of a decision from a single project. Figure 3 shows the standard configuration of a Commercial Season.

The basic idea is to bundle projects with the aim to implement them within a specified timeframe – a Commercial Season. Commercial Seasons can be perceived as "Company Releases". Projects within a Commercial Season are assessed according to normalised checklists and standardised governance. They have pre-defined rollout dates and consequently due dates for passing Expert Boards and Decision Gates.

An accountable "Commercial Season (CS) Manager" is mandated to manage dependencies, impact assessments and priorities between projects within a Commercial Season (horizontal accountability). The CS manager has the responsibility to deliver the Commercial Season, working closely with Project Managers and delivery teams as well as operational teams. The impact of changes or outcomes of any single project within the Commercial Season are communicated and mitigated in a controlled fashion. The Commercial Season Manager's activities prevent uncertainty from festering. They close gaps in the E2E accountability and reduce conflicts and wrong interpretations of outcomes.

4. SUMMARY

These pages have described the mechanics of WAGILE Governance and how it encourages organisational behaviour, and the creation of digital mindsets, to meet the challenges organisations face when introducing change. These challenges can be summarised as lack of trust and transparency, challenges in decision making and difficulties in implementing Agile methodologies. By implementing WAGILE Governance, these obstacles to success are removed.

Some of the detail in the document may seem obvious, even common sense, and yet established organisations struggle to implement effective governance, consumed in their own internal challenges. The last thing these organisations feel they need is more governance without realising their current problems centre around ineffective governance. E&P recognises this reality and has deliberately created a framework rather than a highly specific set of processes and rules.

WAGILE governance grows as participants at all levels see and feel the benefit of the framework.

Through WAGILE Governance, staff become comfortable in the knowledge that what they are doing is beneficial and recognised. Management can see that the roadmap is understood and is being acted upon. Communication improves and, as the framework becomes more widely used, it is greeted and acted upon with respect and becomes common day to day parlance. Established organisations start to act as a single entity, fully utilising their internal excellence and industry Know-How as they deliver change. An incredible competitive advantage over start-ups.

CONTACT US

We are ready for you!

Our mission is to spread the benefits of good governance so organisations can benefit from strategic and transformational delivery success.

Through our unique value proposition of expert knowledge, proven processes and integrated tools, we implement our effective governance and PMO structures on a global level across multiple business sectors.

Our customers benefit from organisational agility through governance. We empower their delivery teams within a framework of authority that consistently aligns operational tasks to strategic objectives. We create environments for the successful delivery of programmes and projects.

ANDREAS EBERHARDT
Managing Director & Founder

Andreas is a passionate project manager, recognised leader of complex projects and transformation programmes, and founder of E&P. His expertise and experience in the project management services domain are key drivers for E&P's success. Andreas has more than 20 years of experience in building strong consulting teams and delivering international IT and business programmes across multiple industries. In 2015 he created the "WAGILE" Governance Framework enabling E&P and E&P customers to scale trusted services in consulting and remote PMO.)

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