

# NEWSLETTER MAY 2014



## WELCOME TO THE MAY 2014 EDITION OF THE CARAVEL NEWSLETTER.

This month we have some exciting news from our recent DeliverMyStrategy™ CEO forum and a look at another result from our project governance survey.

We hope you enjoy this month's edition and as always, if you need any further information please

### CARAVEL GROUP HOLDS CEO FORUM



The Caravel Group recently held the first of a series of CEO forums to showcase the benefits of our DeliverMyStrategy™ (DMS) software that helps organisations to improve their strategic initiative success rate.

The invitation only event was fully subscribed with all places filling quickly.

Caravel's approach to successful delivery was reviewed together with our ground breaking research with the Melbourne Business School to put into context what is needed to lift success rates from an industry average of 50% to around 80% (or more). We also demonstrated our DMS software that encapsulates the Caravel approach and delivers unprecedented control and reach over strategic portfolio delivery.

This translates into significant bottom line returns that far exceed those that can be achieved through applying best practice. Applying the success rate improvements to a publicly listed company's published results showed that a 1%-3% improvement in dividend payout ratio could be achieved! This is a significant bottom line improvement.

Interestingly, most organisations do not see success rates much better than average so the use of DMS is backed by a very compelling business case.

If you would like more information on DMS and how it can help drive your strategic initiative success rates, please contact **DAVID RUSHTON** or **PAUL MYERS** from our Sydney office.

If you think you would benefit from attending our next event later this year, please contact us and we will reserve your place.

### HOW WE CAN HELP



The use of "standard" project governance approaches cannot deal to the inherent conflicts.

Caravel has the answers that can unlock your project governance performance barriers as part of an integrated approach to improving your delivery success rates from 50% to 80% and beyond.

For more on how we can help you achieve your business strategy and improve your project success rates, please contact:

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### PROJECT GOVERNANCE IN OPERATION - FINDING THE BALANCE



Project governance is critical to the success of a project. When poorly delivered, governance contributes to about 50% of all project failures and this hasn't changed much in over 20 years. In fact, our survey highlighted a number of significant issues with governance delivery that contribute to poor success rates.

This newsletter, we will focus on the balance between project and business needs – a key factor in successful project delivery.

### THE SURVEY FOUND THE FOLLOWING

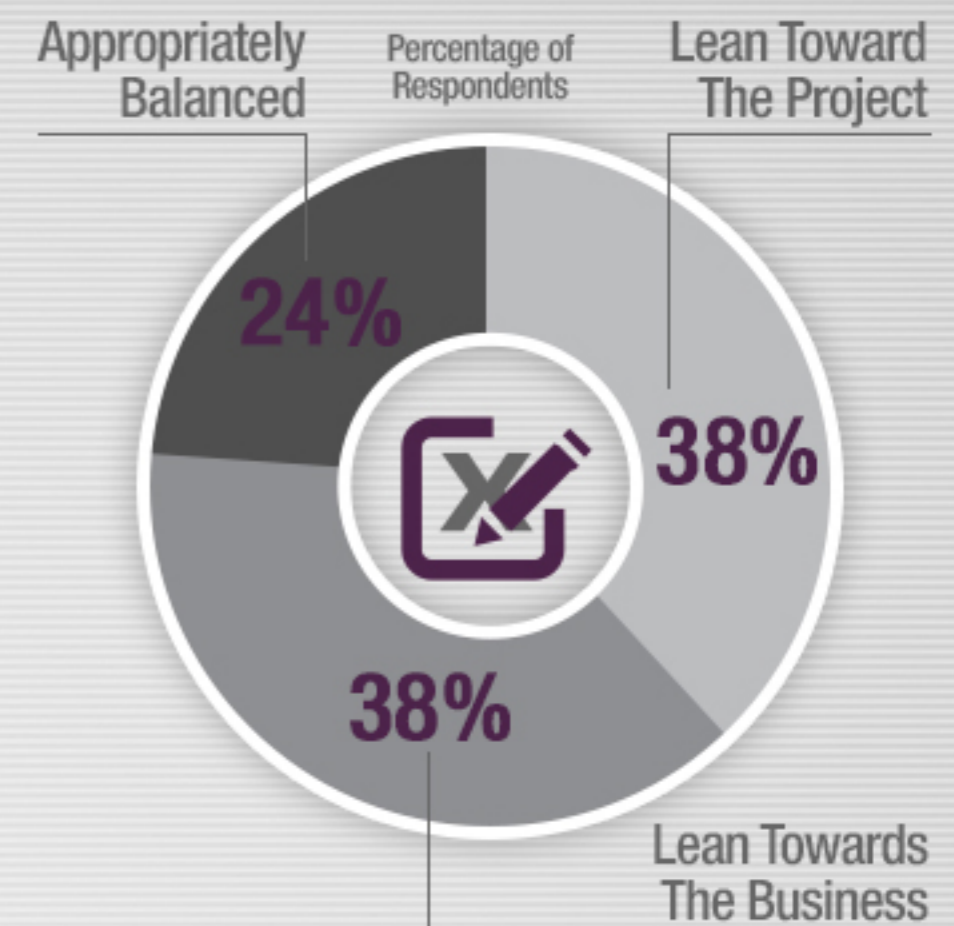


#### GOVERNANCE IN OPERATION

##### GOVERNANCE TEAM DECISION MAKING

# 76% OF DECISIONS FAIL

to attain the right balance  
between the project and  
business needs



When our governance teams are failing to make the right balance either the delivery team is set up for failure or the business team is set up for failure. Either way, the ability to achieve a successful outcome is significantly reduced. This should be raising alarm bells as we rely on our project governance processes to keep our strategic initiatives and projects on track.

One of the major issues with governance teams is that they are inherently conflicted. The governance team is made up of individuals representing various aspects of the business and the project who also have their day jobs. Jobs that carry performance incentives and a wide range of outcomes that the project or strategic initiative will impact.

In order to achieve a successful balance there needs to be as a minimum:

- Independence around the governance process.
- Organisational alignment between project and business outcomes at individual and organisational levels.
- Measurement of performance of the governance team.

Without these 3 key areas being addressed, it is unlikely that your delivery success rates will be able to be lifted. It is also worth noting that the "best practice" approaches to governance have not been able to address these aspects. To make a difference, you will need to think outside the box.