Project
Assurance

Caravel
LEADING THE WAY IN PROJECTS

Caravel group - specialists in maximising project success

Project
Assurance

Maximising a project's chance of success

It is a well-known fact that 70% of projects[1] run over budget, over time or both. Caravel's consultative Project Assurance services support the traditional expectations of project success through specially developed methodologies and the application of Caravel's expertise.

These services are relevant throughout the project life cycle. They represent a valuable investment that can be used to ensure effective project governance, provide a snapshot of performance or get a troubled project back on track.

Caravel's Project Assurance services include:

- **Project Governance**
- **Project Audits**
- **Project Health Checks**
- **Recovering Troubled Projects**
- **Project Risk Assessments**
- **Post-implementation Reviews**
- **Mentoring and Training**

Caravel will tailor these and other services to meet the specific needs of your organisation.

1. Standard Group International (PMnetwork April 2002, PMI)

PROJECT ASSURANCE

Project Governance · Post Implementation Reviews · Recovering Troubled Projects · Mentoring & Training · Project Risk Assessments & Reviews · Project Health Checks · Project Audits

Project
Governance

High level structure affects project success

It is well documented that the vast majority of projects fail to deliver to the traditional expectations of being on time and within budget.

Studies show[2] that half of the project failures are outside of the control of the project manager. The responsibility in those cases rests firmly with the people involved in project governance. This means that these failures can generally be traced to an inadequate project governance structure or insufficient skills and experience within those people engaged in a governance role.

Effective governance delivers business value

Project Governance is the high-level project approval and control by those in authority above the project management team, such as business owners, steering committees, CEOs or Government Ministers. They 'own' the mandate to authorise the project and should defend it against political interference.

Effective project governance leads to efficient communications between stakeholders, management and the project manager. It ensures that issues and inherent conflicts of interest are identified and addressed.

However, effective project governance also:

• prevents project failure
• prevents increased project costs
• promotes improved business benefits
• avoids reduced career aspirations

2. Standard Group International (PMnetwork April 2002, PMI)
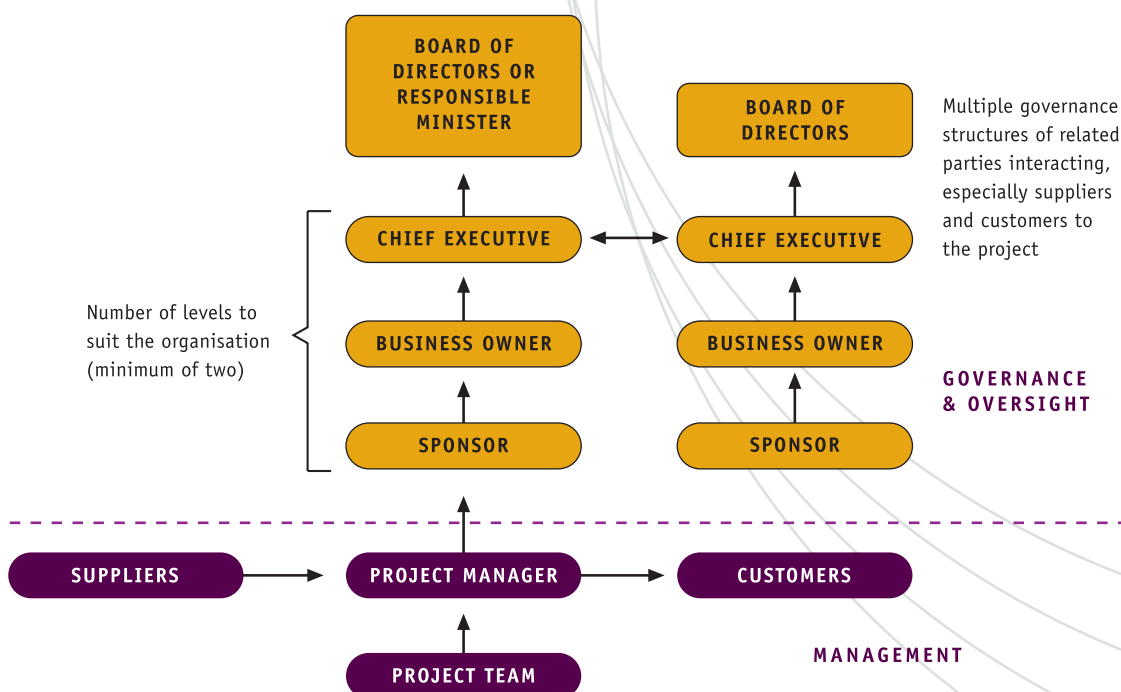
Distinguishing Project Governance from Project Management

Governance and oversight are undertaken by those with the authority to approve projects and resources.

Project management is about the actual delivery of projects. Strong Project Governance is essential to a project's success as high-level issues outside of the control of the project manager often affect a project's delivery and performance.

BOARD OF DIRECTORS OR RESPONSIBLE MINISTER

BOARD OF DIRECTORS

Multiple governance structures of related parties interacting, especially suppliers and customers to the project

CHIEF EXECUTIVE

CHIEF EXECUTIVE

Number of levels to suit the organisation (minimum of two)

BUSINESS OWNER

BUSINESS OWNER

SPONSOR

SPONSOR

GOVERNANCE & OVERSIGHT

SUPPLIERS

PROJECT MANAGER

CUSTOMERS

PROJECT TEAM

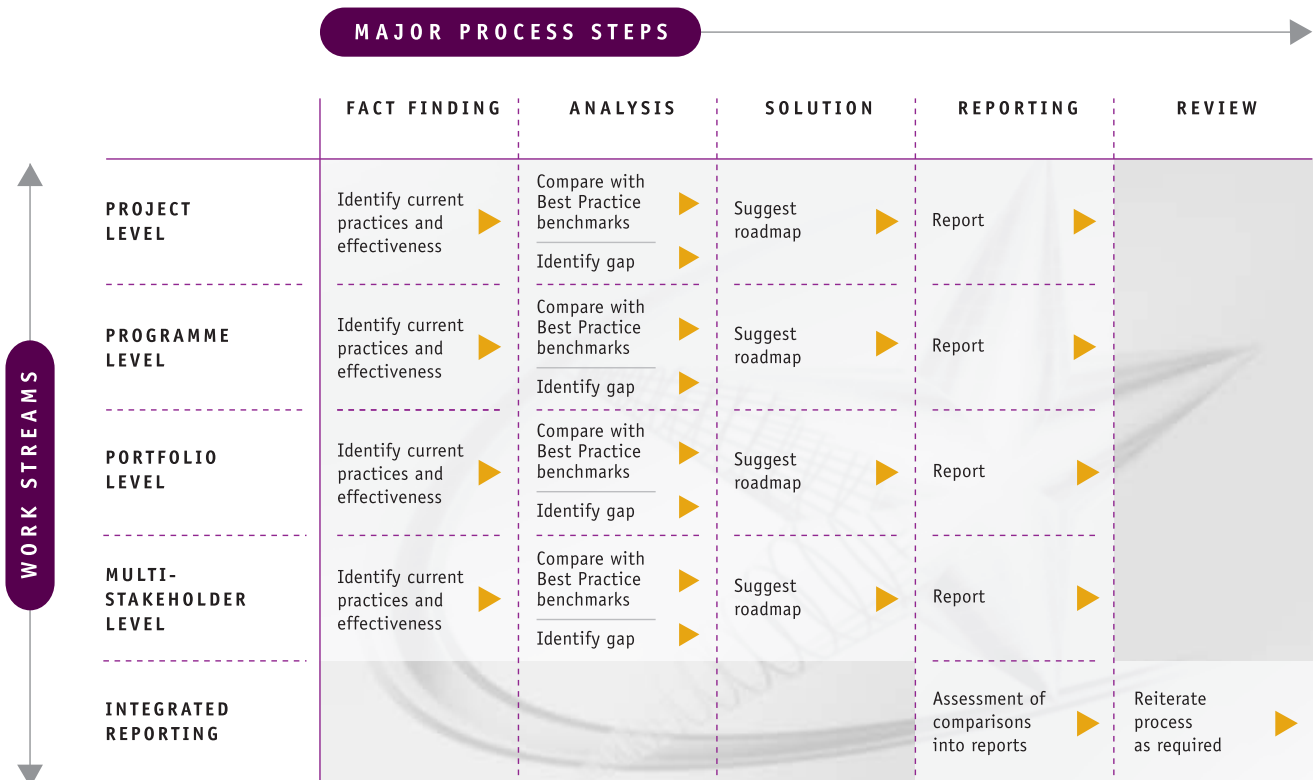MANAGEMENT

Timely review can prevent negative outcomes

To ensure high-level buy-in throughout the life cycle of a project, program or portfolio of projects, project governance should be reviewed:

- before the start of a major project or programme of projects
- following any significant change, particularly ownership changes in the organisation or in any of its suppliers or customers, or
- at any point throughout the project as initiated by the project manager or project sponsor

Project governance problems inevitably result in adverse project outcomes. Indicators of such problems include:

- rapid and unexplained turnover of project managers or team members
- projects constantly failing to meet traditional 'on time and within budget' targets
- project team members working excessively long hours
- project scope changes being accepted without a proper impact and approval process

The Caravel methodology
- tailored governance reviews cover all project domains

MAJOR PROCESS STEPS

WORK STREAMS	FACT FINDING	ANALYSIS	SOLUTION	REPORTING	REVIEW
PROJECT LEVEL	Identify current practices and effectiveness ▶	Compare with Best Practice benchmarks ▶ Identify gap ▶	Suggest roadmap ▶	Report ▶	
PROGRAMME LEVEL	Identify current practices and effectiveness ▶	Compare with Best Practice benchmarks ▶ Identify gap ▶	Suggest roadmap ▶	Report ▶	
PORTFOLIO LEVEL	Identify current practices and effectiveness ▶	Compare with Best Practice benchmarks ▶ Identify gap ▶	Suggest roadmap ▶	Report ▶	
MULTI-STAKEHOLDER LEVEL	Identify current practices and effectiveness ▶	Compare with Best Practice benchmarks ▶ Identify gap ▶	Suggest roadmap ▶	Report ▶	
INTEGRATED REPORTING				Assessment of comparisons into reports ▶	Reiterate process as required ▶

Caravel will tailor this methodology to suit your specific needs

3

Project
Audits

Looking into the past to understand the current status

At the beginning of a project, it is agreed that it should meet certain time, cost, quality or functionality criteria. Nevertheless, a high percentage of projects fail to meet some or all of those criteria.

The Project Audit process is a valuable management tool and confirms whether or not the actual project status equates with the reported project status. It considers the time period from the beginning of the project to the present day.

Project audits can often identify where a project is going wrong, frequently before the symptoms of failure appear. This represents an opportunity for early corrective action.

Reduced risk and peace of mind

Project audits should be an accepted process of all major and/or complex projects and should be integrated within the overall project process. There are many benefits of effective project audits to an organisation, including:

- reduced risk through the early identification and correction of problems
- confirmation of progress with certainty that the project is either going well or that issues requiring remedial action have been identified
- stakeholders know that projects are well managed and on track

Thorough audits can lead to improved processes

Project audits are accepted as normal business practice – they represent an opportunity for improvement. When undertaken professionally, recommended changes or suggestions for improvement are usually directed at processes rather than people.

There are nine main subject areas typically examined in a project audit. These are:

- integration
- cost
- communications
- scope
- quality
- risk
- time
- human resources
- procurement

The five process areas examined during an audit are generally:

1. initiating
2. planning
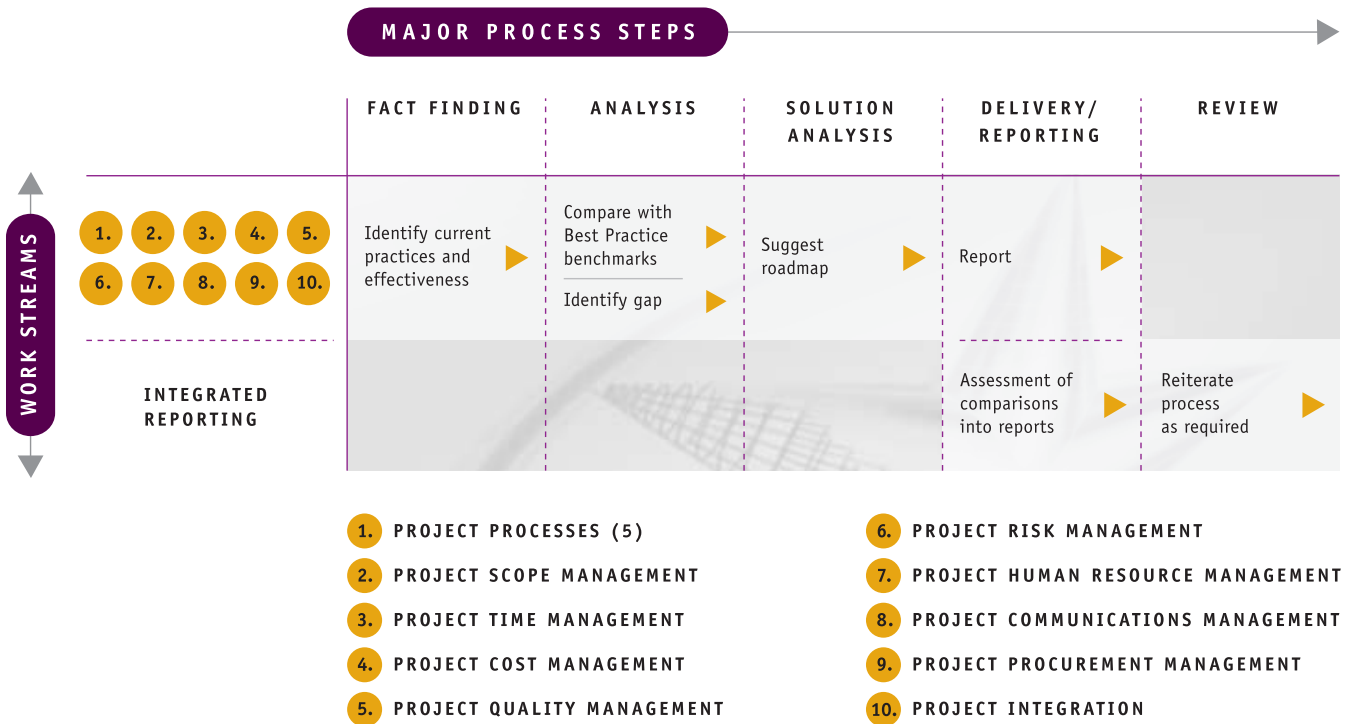3. executing
4. controlling
5. close out

When reviewing the scope of a project, for example, the audit is likely to examine:

- function specification
- progress reports
- project plan
- change control file
- test plan
- project evaluation audit

The Caravel methodology
- independent audits reflect a true picture

Caravel's consultants have the expertise and experience to undertake professional, independent project audits and evaluations, free from political influences, assumptions and preconceptions.

MAJOR PROCESS STEPS

	FACT FINDING	ANALYSIS	SOLUTION ANALYSIS	DELIVERY/ REPORTING	REVIEW
WORK STREAMS 1. 2. 3. 4. 5. 6. 7. 8. 9. 10.	Identify current practices and effectiveness	Compare with Best Practice benchmarks ▶ Identify gap ▶	Suggest roadmap ▶	Report ▶	
INTEGRATED REPORTING				Assessment of comparisons into reports ▶	Reiterate process as required ▶

1.	PROJECT PROCESSES (5)		**6.**	PROJECT RISK MANAGEMENT
2.	PROJECT SCOPE MANAGEMENT		**7.**	PROJECT HUMAN RESOURCE MANAGEMENT
3.	PROJECT TIME MANAGEMENT		**8.**	PROJECT COMMUNICATIONS MANAGEMENT
4.	PROJECT COST MANAGEMENT		**9.**	PROJECT PROCUREMENT MANAGEMENT
5.	PROJECT QUALITY MANAGEMENT		**10.**	PROJECT INTEGRATION

Caravel will tailor this methodology to suit your specific needs

Project
Health Checks

A glimpse into your project's future

The Project Health Check is a natural extension of a project audit. It answers the question "how well is the project progressing towards the achievement of its objectives?" at a future point in time, the scheduled end date.

The Project Health Check provides answers that are critical to project success through:

• an assessment of how well the project team is focussed on achieving project objectives
• a review of the project with key personnel
• a review of major project documentation

The service comes to the fore particularly when time is of the essence. The use of independent professional advice gives management peace of mind that projects with an immovable delivery date will, in fact, be delivered on schedule.

Timing is everything

If the Health Check is the only project assurance check, then it is best done about one third of the way into a project phase. This ensures that enough time has elapsed for the management style and processes to take effect, yet it is not too late to reap the benefits from the Health Check, and implement any recommended changes.

Smaller projects that do not require the rigour of planned audits benefit from a random health check as it is effective in uncovering and resolving issues before they become a real problem. One-off health checks can be initiated at any stage to identify early warning signals and assure management of the proposed action plan.

A snapshot of issues that need addressing

Once the Project Health Check is complete, Caravel's report assesses current and forecast project performances for areas such as cost, schedule, control and risk.

All the issues uncovered during the health check are documented and categorised as:

• fundamental – seriously affects outcomes
• important – needs to be addressed
• irritants – may be symptomatic of underlying dissatisfaction, but do not in themselves appear serious

The report identifies opportunities for improvement and makes recommendations based on its findings.

Independent advice when it matters

The Project Health Check is a very efficient and truly independent assessment, free from individual bias or political agenda. It allows a very fast response to concerns over project progress and management, well before the project is likely to run into trouble. It clearly indicates if a full project audit is required. Stakeholders know that the project is well managed, or that issues have been identified and addressed.

The Caravel methodology
- high level of project expertise for Health Checks with depth and substance

Consultants who undertake Project Health Checks require a very high level of subject matter expertise to assess whether a project will be completed on time and budget. Caravel uses a team of two experienced consultants who adapt the Project Audit methodology to fit the individual Project Health Check requirements – focused on the future rather than the past. The team will complete the Project Health Check quickly and without impact on project progress.

Recovering Troubled
Projects

Turning under-performing projects around

When projects run over schedule and/or over budget, organisations inevitably lose valuable resources and waste time and money by persisting with under-performing projects.
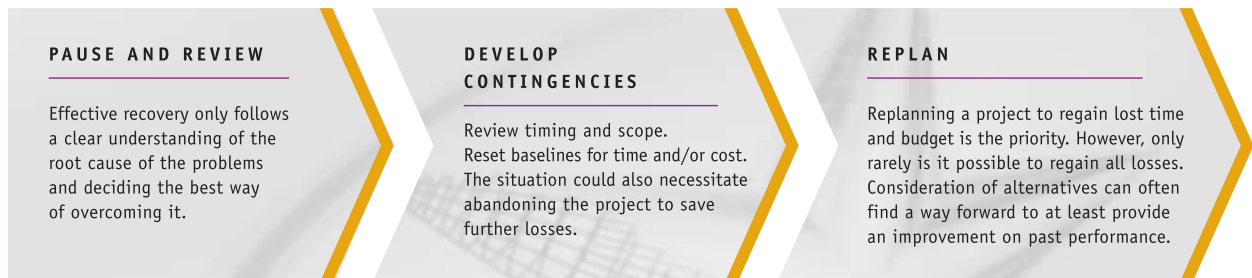
There is a clear commercial benefit in identifying and, if appropriate, recovering projects once they are declared as "troubled".

Causes of troubled projects

There are numerous reasons that projects run into trouble, including:

• weak governance
• insufficiently detailed scope or design (the complexity factor)
• insufficient resources
• project scope creep
• poor or insufficient planning
• ineffective communications

The way forward for troubled projects

PAUSE AND REVIEW

Effective recovery only follows a clear understanding of the root cause of the problems and deciding the best way of overcoming it.

DEVELOP CONTINGENCIES

Review timing and scope. Reset baselines for time and/or cost. The situation could also necessitate abandoning the project to save further losses.

REPLAN

Replanning a project to regain lost time and budget is the priority. However, only rarely is it possible to regain all losses. Consideration of alternatives can often find a way forward to at least provide an improvement on past performance.

If a troubled project proceeds then it is usually on the basis of re-planning, scope modification, re-baselining and resource alignment. Such a blend will require that the cost/benefit analysis and business case are revisited to ensure that the future benefits exceed costs.
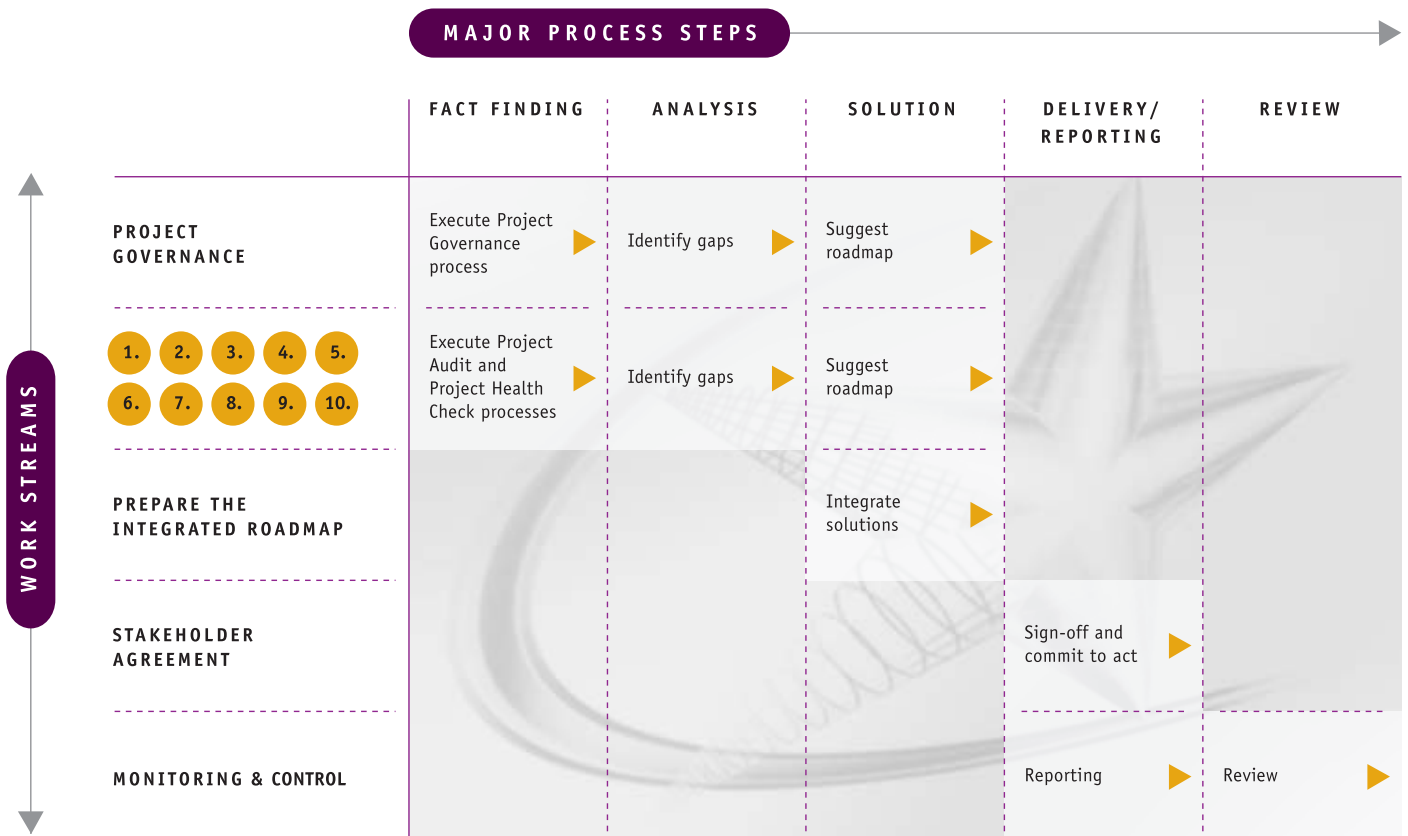
First aid at the right time saves time and money

Project recovery should be initiated as soon as it is acknowledged that a project is in trouble - often following a Project Audit or Project Health Check. Early identification and Recovery of Troubled Projects will save an organisation time and money, whereas delays increase the impact on costs and timing.

Recovery based on sound decision-making will improve commercial and organisational outcomes. An understanding of the cause of a project's divergence through root cause analysis is the only basis for determining the most appropriate way forward.

The Caravel methodology
- experience and knowledge helps projects back on track

With extensive experience in the management of large, complex projects, Caravel's expertise is invaluable when it comes to advice and assistance in the recovery of troubled projects.

MAJOR PROCESS STEPS

WORK STREAMS

	FACT FINDING	ANALYSIS	SOLUTION	DELIVERY/ REPORTING	REVIEW
PROJECT GOVERNANCE	Execute Project Governance process ▶	Identify gaps ▶	Suggest roadmap ▶		
	Execute Project Audit and Project Health Check processes ▶	Identify gaps ▶	Suggest roadmap ▶		
PREPARE THE INTEGRATED ROADMAP			Integrate solutions ▶		
STAKEHOLDER AGREEMENT				Sign-off and commit to act ▶	
MONITORING & CONTROL				Reporting ▶	Review ▶

1.	2.	3.	4.	5.
6.	7.	8.	9.	10.

1. PROJECT PROCESSES (5)		**6.** PROJECT RISK MANAGEMENT	
2. PROJECT SCOPE MANAGEMENT		**7.** PROJECT HUMAN RESOURCE MANAGEMENT	
3. PROJECT TIME MANAGEMENT		**8.** PROJECT COMMUNICATIONS MANAGEMENT	
4. PROJECT COST MANAGEMENT		**9.** PROJECT PROCUREMENT MANAGEMENT	
5. PROJECT QUALITY MANAGEMENT		**10.** PROJECT INTEGRATION	

Caravel will tailor this methodology to suit your specific needs

Project Risk Assessment
& Reviews

The importance of knowing and treating the risks

All projects carry some form of risk. The crux of the matter, however, is to have a good understanding and acceptance of the risks involved and then taking action to treat and lower the risk to an acceptable level.

Caravel's Risk Review process offers increased project certainty through the systematic identification and treatment of all the risks to the project.

A systematic approach accurately identifies and assesses risks

The process of identifying and assessing risks and their treatments is a core project activity and a common way to approach the process is to divide all risks into a number of categories. The process is often best undertaken in a workshop environment that is supportive of lateral thinking.
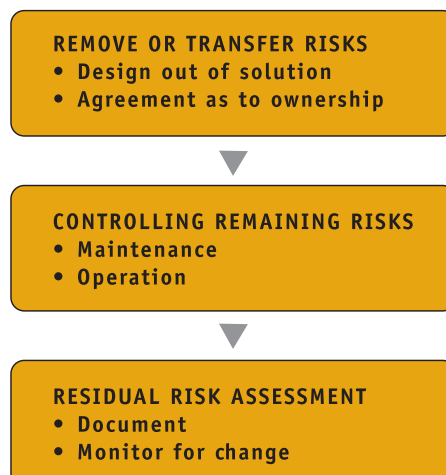
It is important to consider, however, that perception of risk fundamentally resides at an emotional level. For example, a person with a fear of heights does not objectively assess the risk of falling.

Given the emotional dimension of the perception of risk , there is a need for a carefully structured methodology to guide the project through the myriad of uncertainties and evaluate each in a logical and rational manner.
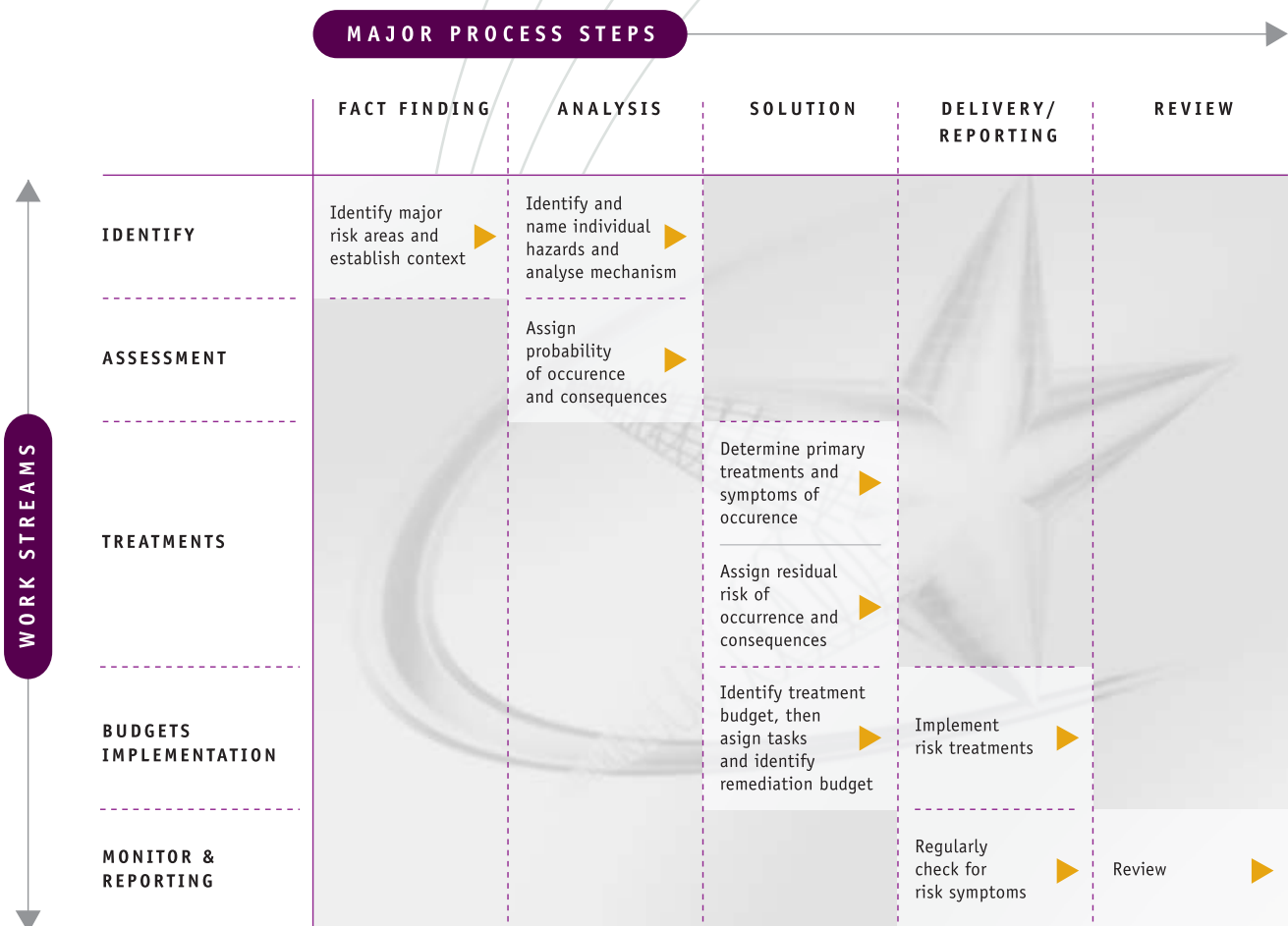
Dealing with risks

Having identified and assessed risks for likelihood and severity of consequence, the final step in the Risk Assessment and Review process is to develop treatment plans, focussing on risks with high severity/likelihood.

OVERVIEW OF RISK TREATMENT MANAGEMENT PROCESS

REMOVE OR TRANSFER RISKS
- Design out of solution
- Agreement as to ownership

▼

CONTROLLING REMAINING RISKS
- Maintenance
- Operation

▼

RESIDUAL RISK ASSESSMENT
- Document
- Monitor for change

The Caravel methodology
- a holistic approach to risk review and integration into the project

Caravel's experienced consultants take the client through the entire Risk Review process, including the management or facilitation of risk identification, assessment and treatment. To facilitate a seamless process, Caravel will also integrate the Risk Assessment and Review with other project management processes. Caravel has developed its own unique ongoing risk identification process complete with supporting tools that can be used regularly throughout the project.

MAJOR PROCESS STEPS

WORK STREAMS	FACT FINDING	ANALYSIS	SOLUTION	DELIVERY/REPORTING	REVIEW
IDENTIFY	Identify major risk areas and establish context ▶	Identify and name individual hazards and analyse mechanism ▶			
ASSESSMENT		Assign probability of occurence and consequences ▶			
TREATMENTS			Determine primary treatments and symptoms of occurence ▶		
			Assign residual risk of occurrence and consequences ▶		
BUDGETS IMPLEMENTATION			Identify treatment budget, then asign tasks and identify remediation budget ▶	Implement risk treatments ▶	
MONITOR & REPORTING				Regularly check for risk symptoms ▶	Review ▶

Caravel will tailor this methodology to suit your specific needs

Post-Implementation
Reviews

Making the most of successes and lessons

Following the completion of a project, it is prudent to identify successes and failures through a post-implementation review. This means that actions can be formulated that will result in improvements for future projects. Astute managers will use the results of a post-implementation review to elicit lessons learned from projects and improve future performance.

However, reviews are not only used to highlight project shortcomings. When a project has gone particularly well, a post-implementation review will help identify what aspects were executed effectively and ensure the same process is repeated in future projects.

PROJECT EXECUTION

1. Analysis of key project documents. Compare project schedule & cost performance with baseline.

2. Analyse project management reports

3. Conduct interviews with key personnel and analyse data

4. Compare project management methods with Best Practice

8. Discuss & review with sponsor

7. Produce report

6. Define opportunities for improvement

5. Identify strengths & weaknesses of the management approach

Post-implementation reviews should be balanced and focus on the processes and outcomes rather than individual performance.
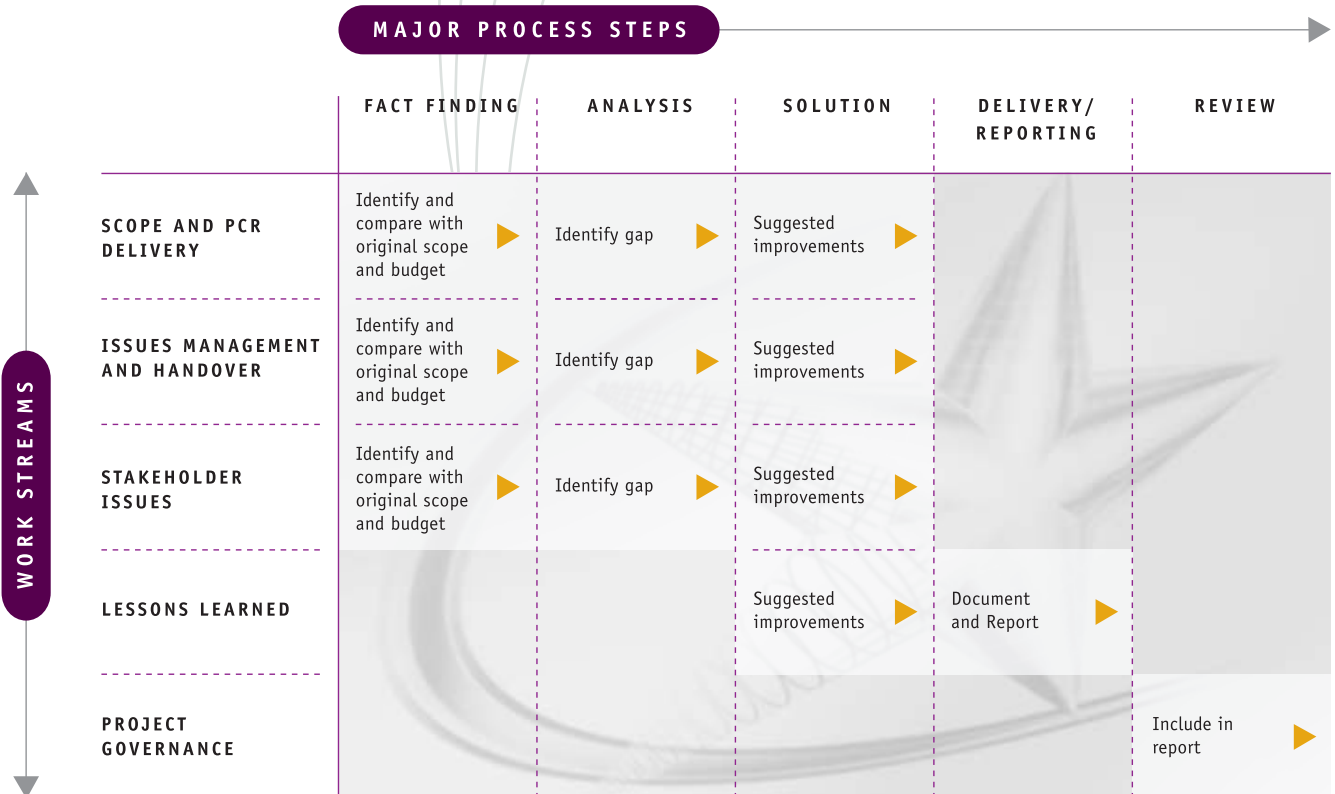
Ensuring benefits for future projects

When an organisation undertakes a post-implementation review, it reaps a number of benefits, including:

- taking knowledge forward to future projects
- the ability to capitalise on lessons learned and prevent re-occurrence in future projects
- make future projects cost-effective through improved processes

The Caravel methodology
- *maximises the learning experience*

Caravel's Post-Implementation Review methodologies are customised to a client's particular needs to ensure maximum benefits are derived from the process. Caravel's project professionals are able to secure the inherent knowledge within a project organisation and harness it for the client's ongoing benefit.

MAJOR PROCESS STEPS

WORK STREAMS	FACT FINDING	ANALYSIS	SOLUTION	DELIVERY/ REPORTING	REVIEW
SCOPE AND PCR DELIVERY	Identify and compare with original scope and budget ▶	Identify gap ▶	Suggested improvements ▶		
ISSUES MANAGEMENT AND HANDOVER	Identify and compare with original scope and budget ▶	Identify gap ▶	Suggested improvements ▶		
STAKEHOLDER ISSUES	Identify and compare with original scope and budget ▶	Identify gap ▶	Suggested improvements ▶		
LESSONS LEARNED			Suggested improvements ▶	Document and Report ▶	
PROJECT GOVERNANCE					Include in report ▶

Caravel will tailor this methodology to suit your specific needs

Project Mentoring
& Training

The most effective way to improve performance

It is a reality of modern corporate life that from time to time enthusiastic, but less experienced managers and subject matter experts are appointed to manage projects that require a background of experience in project management they may not possess. To compound the issue, they may not even realise that they are lacking the project management skills or how to go about increasing their knowledge of project management. In particular they may not have the luxury of time.

While project management methodologies, corporate rules and good governance can go some way towards mitigating the risks associated with inexperience, one-on-one mentoring is often far more effective at satisfying the needs of a particular circumstance, and bringing individual project personnel up to speed. Ultimately, Caravel's training and mentoring solution effectively addresses the business risks associated with key appointments that do not have the necessary skills, knowledge or experience.

Customised up-skilling without disruption

Mentoring focuses on the skill gaps of individuals. It provides detailed advice and feedback and proves especially useful where an individual is given a critical task for which their background and experience is less than ideal.

As a cost effective way of reducing risks and developing staff, Mentoring ensures effective up-skilling without time investment from senior management or the interruption of a formal training session.

While customised to fit the needs of the circumstance, Mentoring usually involves:

- working one-on-one with individuals
- identifying opportunities for improvement and facilitating improvements and solutions.
- providing examples of best practice techniques and assisting in the uptake of such practices
- reviewing and providing assistance with key documents

Although Mentoring implies one-on-one training, there are efficiency gains if one mentor is able to assist a number of team members as advice can be imparted as circumstances dictate.

Enhancing the process through training

Training courses or workshops can be used to deliver the benefit of experience to a greater number of individuals.

Active participation and involvement in a workshop significantly enhances the learning process as participants are able to learn from each other as well as from the facilitator. Lively and thought-provoking discussions are beneficial for the development of individuals and help ensure that the learning is effective.

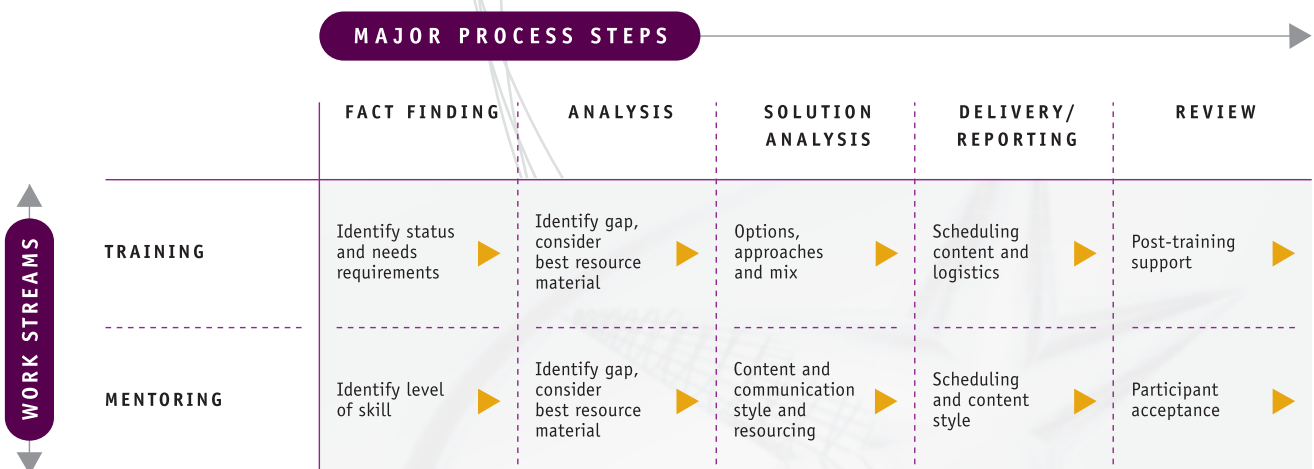## Improved learning and motivation with fewer risks

Mentoring and training has immediate benefits for an organisation and can result in:

- highly motivated and competent staff
- ability to use less experienced internal staff for larger projects - mentoring covers skill gaps and reduces risk
- accelerated learning for key internal staff
- reduced risks by using the knowledge learned from past experiences

The Caravel methodology
- identifying and delivering an optimised mentoring and training solution

Caravel's approach is based on a customised training and mentoring solution. It improves project certainty by dealing with the risks of project personnel that do not have all the skills or knowledge required of their position and role.

MAJOR PROCESS STEPS

WORK STREAMS

	FACT FINDING	ANALYSIS	SOLUTION ANALYSIS	DELIVERY/ REPORTING	REVIEW
TRAINING	Identify status and needs requirements ▶	Identify gap, consider best resource material ▶	Options, approaches and mix ▶	Scheduling content and logistics ▶	Post-training support ▶
MENTORING	Identify level of skill ▶	Identify gap, consider best resource material ▶	Content and communication style and resourcing ▶	Scheduling and content style ▶	Participant acceptance ▶

Caravel will tailor this methodology to suit your specific needs

Caravel

LEADING THE WAY IN PROJECTS

Caravel's range of project services

As a leader in projects, Caravel offers a range of specialised consultative and implementation services that span the entire life cycle of a project from inception, through implementation to final hand-over. Caravel adds value at every point along the way through project management services for:

Strategic Management of Projects

Core services include:
- Multi-project Management
- Organisational Resource Management
- Value Management
- Project Feasibility Studies
- Critical Chain Modelling
- Organisational Project Management Maturity Assessment

Project Assurance

Core services include:
- Project Governance
- Project Audits
- Project Health Checks
- Project Performance Management
- Recovering Troubled Projects
- Project Risk Assessments
- Post-implementation Review
- Mentoring and Training

Project Planning and Execution
Change Implementation
Business Process Innovation
Business Partnering
Enterprise Management Solutions

Operational Management Centres

Core services include:
- Customer Contact Centres
- Service Management Centres
- Operational Control Centres
- Mission Critical Moves

Safety Critical Projects
Dealing Rooms
Bid and Tender Management
Project Management Office (PMO)
Security Management Projects

Caravel can tailor a range of industry-specific services to suit the exact needs of your organisation.

Please refer to our website for your nearest Caravel office: **www.caravelgroup.com**