

Implementing Goal-Driven Measurement (IGDM) - a case study

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Agenda

Implementing Goal-Driven Measurement (IGDM) - a case study

- > Motivation
- > Case - IGDM with balanced scorecard
- > Lessons learned

Prosource overview

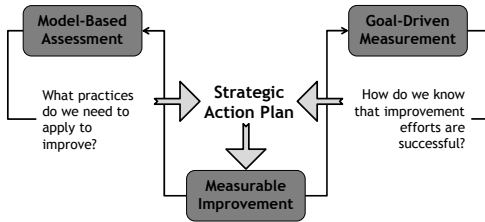


✓ Our vision:
"Organisations with waste-free projects and services"

✓ Our mission:
"To eliminate waste in projects and services so to improve the efficiency, quality and agility of your organisation."

↗ The improvement approach

Measurable improvement goals through model-based assessment and IGDM



↗ What are reasons for improvement?

Identifying measurable goals can be tough!

Better allocate resources

Simplicity

Better manage user's expectations

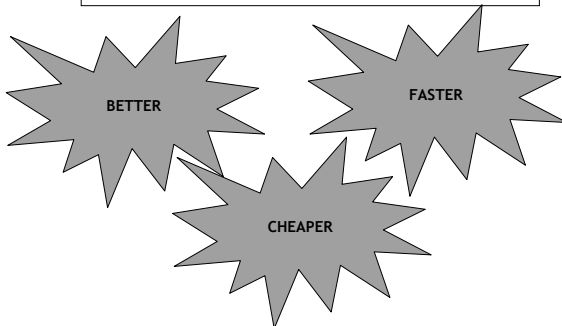
Have better quality of deliverables

Get better management involvement

Improve communication among development teams

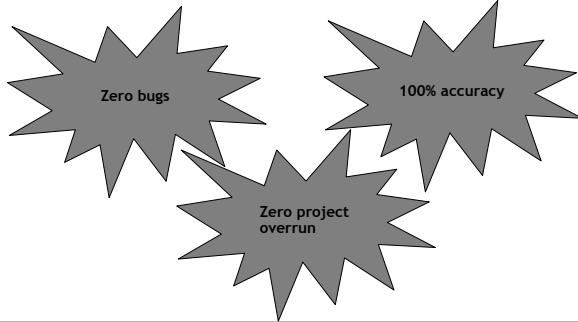
↗ Motherhood and apple pie statements

Goals should not be motherhood and apple pie statements...



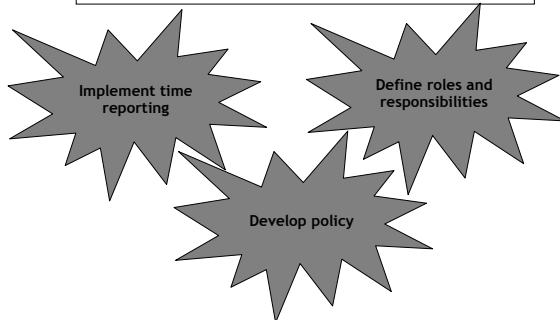
↗ Slogans

Goals should not be slogans...



↗ Instrumental goals

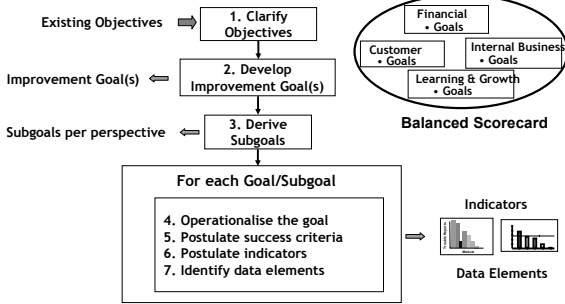
Goals should not be too instrumental...



↗ Case study - background

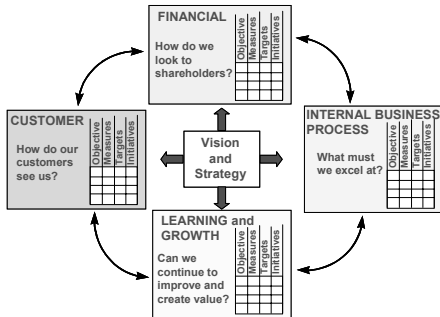
- > Large system integrator
- > Government contract for tax automation
- > CMMI Maturity Level 2 ambition
- > Outsourcing to nearshore partners for functional analysis; and offshore partners for development
- > Pilot process improvement activities

IGDM workshop - 7 steps



Balanced scorecard

Using the balanced scorecard to help elicit measurable improvement goals



Step 1 - Clarify objectives

Use clarifying questions and balanced scorecard perspectives to clarify the objectives

- Existing Objectives: (some examples)
- > Enhance the (control on) quality of products
 - > Enhance the efficiency of the delivery process (onshore / offshore)



Helpful questions

Too general
(Motherhood and apple pie statements)

- > Make money
- > Gain market share

HOW?

WHY?

Too specific
(Request)

- > Use web 2.0
- > Feature XYZ



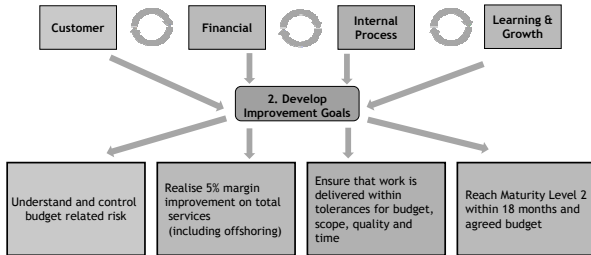
Too many (not all are essential)

- > Clients in top 500
- > Thought leader in the market

IF THIS FACTOR IS NOT A VALUE DRIVER, WOULD ANY OF THE OTHER FACTORS STILL BE A VALUE DRIVER?

Step 2 - Develop improvement goals

Questions, Resolutions & Comments



Step 3 - Derive sub-goals

Determine who can contribute to achieving the improvement goals

> Determine what perspectives to consider

> Perspectives identified:

- Program manager
- Factory manager
- Program sponsor
- Functional team leader
- Offshore project manager
- Test coordinator
- Engineering process group
- Offshore manager

Understand and control budget related risk	Realise 5% margin improvement on total services
Ensure that work is delivered within tolerances	Reach Maturity Level 2 within 18 months

Step 3 - Derive sub-goals for program manager

Understand and control budget related risk	Realise 5% margin improvement on total services
Ensure that work is delivered within tolerances	Reach Maturity Level 2 within 18 months

- Internal Process** > All work that is performed has an agreed upon scope and budget (both with customer and with commitment from offshore party)
- Growth & Learning** > Ensure that improvements are put into practice, observations are addressed (from existing reference frameworks, e.g. PRINCE2)
- Financial** > Further negotiate with offshore partner on cost of work packages and contract type
- Customer** > Reassess budget related risks on weekly basis and monitor risk mitigation actions

Step 4 - Goal operationalisation

Understand and control budget related risk

"Reassess budget related risks on weekly basis and monitor risk mitigation actions"

GOAL OPERATIONALISATION

- > **Object of interest:** <Budget related risks>
- > **Purpose:** <To understand and control> the <potential impact> in order to <mitigate, confine, transfer> it
- > **Quality focus & Perspective:** Examine the <budget impact> from the point of view of (the) <program manager>
- > **Environment & Constraints:** <fixed price project, closed envelope, public sector, politics, partnerships, off shoring>

Other related examples to operationalisation:

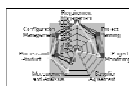
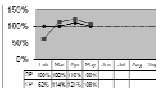
- > **Risk description:**
"Because of CAUSE, it might be that RISK, which will lead to IMPACT"
- > **Requirements story:**
"As a ROLE, I want to REQUIREMENT, so that REASON"

Step 5/6 - Success criteria & indicators

Define success criteria and indicators for goals and sub-goals

Understand and control budget related risk	Realise 5% margin improvement on total services	Ensure that work is delivered within tolerances	Reach Maturity Level 2 within 18 months
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- > Estimated impact of budget related risks versus actual impact (+ efficiency of mitigation)
- > Duration of major budget related risks remaining in the risk log
- > Amount of rework / estimated rework
- > Work in progress (amount of inventory in the project)
- > Ratio estimated versus actual effort
- > Schedule slip (%), SPI
- > Availability of people with improvement experience (CMMI)
- > Intermediate assessment results



↗ Good practices

Start measurement early in the improvement program

Start with essential measurements

Implement a few measurements well

Plan for review and evolution

↗ Good practices

Good goal statements are somewhere between slogans and instrumental goals

Complex goal

The approach for achieving the goal requires exploration. It is possible to determine whether the goal is achieved when it is achieved.

Complicated goal

Expert help is needed to determine how to achieve the goal. Achieving the goal means dealing with risks and options.

Slogans and motherhood statements

It is impossible to determine whether the goal is achieved.

Instrumental goal

The approach to achieve the goal is clear to all. It is easy to check goal achievement.

Presentation

THANK YOU FOR YOUR ATTENTION

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