



Case Study: Global Financial & Technology Re-Engineering

The Convergence of Finance, Technology and Enterprise Architectures for the purposes of Global Collaboration, Enterprise Integration, Value Extraction and Knowledge Transfer

Client & Industry

- Fortune 5 Automaker with annual revenues exceeding \$150B globally

Function/Operational Areas

- Global Finance & Accounting, Information Technology, Enterprise Program Office

Specific Components

- IT Governance, Strategy Development & Alignment, Systems Implementation & Integration, Enterprise Data Architecture, Enterprise Data Warehousing and Business Intelligence Systems

Challenge

- Establish a governance framework to ensure the timely, quality delivery of Information Technology solutions to support a global financial re-engineering effort spanning organizations, regions, functions, processes and technologies (both application and infrastructure).
- Ensure the \$200M+, 5 year investment is managed appropriately and delivers the value, ROI, information opportunities and process efficiencies developed in the business case
- Create a new environment and working model with proven processes and frameworks for the long-term delivery and management of fully integrated program teams aimed at the delivery of business functions and technology solutions.

Opportunity

- Align IT and Finance under a global program to effectively deliver a new financial management environment in a timely, cost effective way that enables optimal operational analytics and financial controls while creating a technology environment that is scalable and extensible in meeting the demanding/growing needs of the business.



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Purpose

- Reengage program team and sponsors with clear objectives
- Develop feasible plans to deliver both the technology and business functionality
- Introduce a fully functioning program management office to manage the engagement
- Implement program management best practices to ensure quality and consistency
- Understand roles and responsibilities within and across organizations
- Manage risks, issues and scope effectively
- Monitor and report on program performance
- Communicate effectively to all interested parties
- Deliver the new functional and technology environments

Approach

- Perform 'health assessment' on functional processes, organizational structures and technology environments
- Interview team members (developers - executive management) regarding issues and challenges
- Create an assessment findings deliverable with supporting recommendations and strategies
- Develop an actionable strategy plan with critical path and multi-year milestone targets
- Complete a full organizational restructure and alignment activity to re-engage effort
- Complete a top-down architectural analysis from conceptual business design to detailed code review
- Execute plan, manage all resources (budget, timeline, scope and finances) and monitor overall progress
- Develop and execute knowledge transfers and competency building within components of the program team



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Key Findings

-- Cultural

- The business regularly imposes unrealistic schedule constraints that IT cannot always meet, either through wanting delivery earlier than can be supported or by too many efforts occurring simultaneously.
- Program team members are reluctant to share bad news with both business and IT upper management.

-- Governance Framework

- There is a lack of clear responsibility and accountability among the roles in the program; some responsibilities are missing, some are duplicated.
- Business management lacks the authority to make or effectively manage their decisions
- The level of engagement of some IT management is insufficient to support the team, given its size and complexity; the business team has more committed resources at the management level than does IT.
- The PMO is not functioning at a program level; their focus is primarily at the project level.
- IT and business organizational structures are not sufficiently aligned; although matched pairs do exist (in most cases); there are differences in grade levels that contribute to the lack of clarity between the roles and their respective responsibilities.

-- Program Management Processes

- There are too many regular meetings where the audience and purpose are not clear. Communication is not balanced with respect to the level of detail and the intended audience.
- Scope is not managed from the conceptual level to the work stream level; true scope management does not occur until the project build phase.
- Processes are performed out of order, resulting in poor quality.

-- Other

- The current technology solutions environment is unable to support or adapt to meet the needs of the business.
- The IT strategy has not alleviated confusion regarding roles and responsibilities; the business is still unclear about who they should work with, particularly at the management levels.
- The roles of the Application group versus the Process organizations within technology are still unclear.
- Formal methodology processes are not fully understood and therefore, not followed consistently.



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Key Recommendations

- Establish a new program structure and framework, re-charter and realign program, releases and projects accordingly.
- Establish enhanced roles and responsibilities by matching skill sets and placing team members appropriately.
- Review and realign sponsor and program management roles to enhanced roles and responsibilities.
- Clarify the numerous roles and responsibilities that remain unclear
- Reengineer the current Program Management Office (PMO).
- Appoint an IT Solutions Architect
- Commit and adhere to standard program, release and project best practices (methodologies)
- Implement a complete scope management process.
- Establish and follow a quality management process.
- Establish a formal and controlled performance monitoring process.
- Deliver a technology platform and solution to support the re-engineered processes.

Results

- The Financial Re-Engineering effort has successfully completed several phases and is tracking to plan
- Program team, its members and support organizations are fully aligned and executing a mutually developed and agreed strategy
- Internal competencies and centers of excellence are resulting as a result of the disciplined processes, frameworks and methodologies being introduced, adopted and maintained
- Strategic objectives and targets with respect to schedule, budget, delivery, functionality and investment metrics are being managed, monitored and met