

BAS *Success Story* Rescuing Failed Technology Projects

Engagement Snapshot

- ▶ Provided hands-on support to user-acceptance process. Client lacked a defined process to address defects, ensure desired outcomes and validate original business requirements
- ▶ Redefined fix resolution for defects identified in user testing. Created thorough documentation to support the resolution process
- ▶ Identified and documented business requirements for future enhancements and management reports. Defined and documented enhancements' governance and administrative processes

Primary Client Goals

- ▶ Defect remediation, user acceptance testing ensuring desired outcomes including validation of original business requirements with the auditors
- ▶ Improve communications between vendor and business unit
- ▶ Facilitate problem-tracking through resolution
- ▶ Create a process for the escalation and documentation of concerns, issues, risks, and mitigating strategies
- ▶ Optimize the working relationship between IT and the vendor supporting this application

Accomplishments

- ▶ Created a framework for the company to effectively interact with the vendor to resolve support issues, improve the company's understanding of the application and improve the overall application stability and usability
- ▶ Successfully managed the defect correction process which included two major defect remediation implementations covering a total of 50 defects that were fixed, moved to production and met stated implementation dates
- ▶ Documented, analyzed and reported the next version upgrade, additional enhancements and management records
- ▶ Defined and documented enhancements' governance and administrative processes
- ▶ Established a communications platform for IT, business, and vendor facilitating ongoing discussion and collaboration on future system requirements

Leading Financial Services provider calls on Board Advisory Services to resolve issues and gain user acceptance of its newly engineered audit process.

About the Client

This client is leading provider of savings and retirement products and services for individuals, small business, and large institutions. The company serves 88 of the Fortune 100 largest companies and does business in over a dozen countries in Latin America, Europe and Asia Pacific regions. Through its domestic and international subsidiaries and affiliates, the company reaches more than 70 million customers around the world.

The Challenge

In 2007, the company re-engineered its auditing process to address federal regulatory commentary, improve the performance of its internal auditing staff, and decrease the overall cost of auditing the entire enterprise.

The project entailed a complete upgrade of the operating environment, standardizing auditing procedures to ensure consistency across the organization, and providing a single system platform to support all auditing functions. While these changes were critically

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– Vice President, Audit

important to the company's executive committee as a whole, an executive sponsor who would advocate on behalf of the project was never assigned.

The company's audit committee set an aggressive timeline for the implementation of the new system, which led to significant issues in usability. For example, the business requirements documented by the committee were too narrow in scope, and failed to incorporate all of the key workflow elements of the audit process. Additionally, the committee didn't identify and develop the appropriate reporting requirements within the timeframe of the implementation, which meant that critical reports had to be generated manually. Finally, the committee underestimated the resources that would be required to thoroughly test and implement the newly engineered system. The IT depart-

ment retro-fitted a software solution into the company's processes without giving full consideration to the overall stability and maximizing productivity of the new audit system.

Moreover, in the rush to spec, build and implement the new audit process, insufficient time and attention was spent in building consensus and support from the people who would use the system: the internal audit staff. As a result, the implementation, led by IT staff rather than audit domain experts, met with a great deal of resistance and criticism from the end-user community. The company's global audit staff, a multi-cultural and geographically disbursed group of professionals, saw little incentive for changing the way they did business. And because the resources that were deployed to fix the problems lacked executive sponsorship,

little progress could be made towards making the system more acceptable to the global audit staff. This led to a great deal of frustration for all involved.

In 2007, the Vice President for Internal Audit called Board Advisory Services (BAS) for help in developing a solution to address the multi-faceted set of user acceptance problems. As an outside resource, BAS offered a fresh perspective on the process, one that wasn't mired in the transactional issues that had bogged down progress to date. And unlike the internal managers representing each department, BAS could also take a company-wide view of the entire audit process.

Developing a Strategy for Progress

BAS' extensive experience in implementing automation solutions for numerous department-wide applications had prepped them well for designing a solution for this company. Their proven methodology of thoroughly researching and documenting the concerns and constraints of all parties involved was the right approach for the company's Audit organization.

BAS began by conducting extensive interviews with the users, audit staff and executives. They examined all aspects of the newly engineered processes.

This included problem reports, rudimentary management reports to better understand reporting requirements, as well as gaps in reporting and desired levels of information.

BAS determined that for the company to take full advantage of its newly implemented audit system

BAS also identified the vendor relationship as a significant contributor to the company's issues and lack of progress. BAS facilitated a legal review of the relationship which ultimately led to a contract and service level renegotiation between the company and their vendor.

new audit process, and identified the specific areas where additional resources were necessary in order to swiftly and accurately resolve the problems that were preventing successful adoption of the audit processes.

Most importantly, BAS developed an effective communications that addressed the end users' key issues and complaints regarding the system, and ensured them that their concerns would be resolved.

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Implementing an Effective Strategy

BAS helped the company implement centralized issue tracking and reporting platforms, as well as a much-needed communications plan directed at the audit community. As a result of their recommendations, the company assigned additional resources to ensure the program's success.

they would need to launch a communications strategy featuring:

- ▶ An effective communications plan targeted at the audit staff
- ▶ Enhanced and expanded reports that better reflected the demands of the executive team who had initiated the re-engineering project; and
- ▶ A help desk function that would acknowledge, track and resolve the very real issues being raised by the system's end user community.

Proposed Solution

BAS recommended immediate development and implementation of a customer care program for system issues reported by the user community. This program would be centralized, and include a methodology for an effective communications process between the technology providers, the company's IT department, and the business users.

BAS also reassessed the resources assigned to support the

Communications Strategy

BAS recognized that the company needed a two-pronged communications strategy for its auditing program. The first prong needed to address the end user community, the second called for a methodology to ensure effective communications between the IT department, its vendors and its business community. The methodology implemented by BAS helped to facilitate remediation of issues, and determine and

prioritize next steps for moving forward.

Enhanced Reporting

To help the company's executive committee receive the kind of data they need to ensure compliance and meet its operational goals, BAS facilitated the re-establishment of a Reporting Committee Task Force. The committee was charged with overhauling the existing reports with an eye towards fixing the report formats and context to better meet the needs of the executive committee, as well as coding additional reports newly identified as a result of the re-engineered audit system. The company, with the guidance of BAS, acquired and assigned the resources needed to address, analyze and re-engineer the reporting process on a system platform.

Help Desk

Because the user community's initial experiences with the new audit system were less than ideal, BAS strongly recommended a centralized Help Desk process that would provide absolute assurance of issue reporting, tracking and resolution. BAS

developed a communication plan to heighten awareness and use of the organization's Help Desk process, and emphasized the company's commitment to timely resolution. The IT department configured the Help Desk process to address all user concerns, foster enhanced communications with audit business partners, and to provide business partners with weekly reports tracking progress of issues and recommended resolutions.

Tangible Results

As a result of the company's implementation of BAS' recommendations and strategies, adoption of the system by its global audit staff is now complete. Moreover the system supports all critical audit processes ensuring completeness, accuracy and timely reporting of issues to the board and the executive group.

The company has effectively eliminated the chaos that marked the initial roll-out of its new audit process, enabling a significant increase in productivity and resolution of implementation issues of the new system. The system is now aligned to

support the audit process and enhance productivity.

"Working with BAS has broadened our insight for planning future projects and processes. They helped us to create an effective communications platform that is easy to build upon and to use. And by clearly defining roles and responsibilities the company has a better view of resources required to move forward," said the VP of Audit.

About Board Advisory Services

Board Advisory Services (BAS) offers the right level of expertise that executives need to gain insight and evaluate business operations, and to grow the knowledge base of team members so that they may step up to the continuing demands of the enterprise. Clients leverage BAS expertise stemming from decades of experience in business management and professional consulting to determine what their next steps should be, and then execute them. BAS offers solutions for governance, business planning, and executive business coaching and compliance programs.

BAS

BOARD ADVISORY SERVICES, INC.