



Intelligent Governance : Smart Gateways and Sharp Communications



pm³

Project Portfolio Management

pm³
change

Business Change Management

pm³time

Complete Time Management



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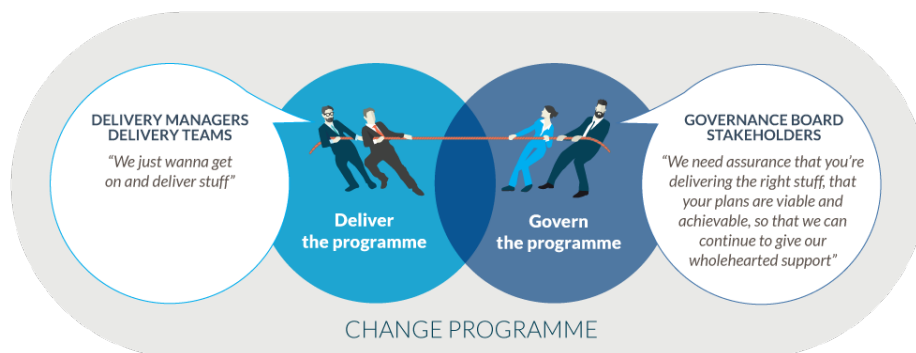


Introduction

The need for programme governance has never been greater, yet it is so often seen as unnecessary red tape : Programme Managers just want to get on delivering stuff, they don't want to get bogged down in administration.

Yet every programme has a number of key decision and review points, where the continued viability of the programme needs to be confirmed by the Sponsor and key stakeholders. The old "I've started so I'll finish" argument just isn't good enough anymore (not that it ever was actually).

This creates a tension between the delivery organisation and the governance bodies.



And as we all know, the consequences of not doing good, intelligent governance can be extreme : loss of reputation, loss of jobs or even the entire business.

Smart Gateways

A Gateway (or Stage Gate, Quality Gate, Checkpoint etc) is a scheduled, formal review of the programme. These key decision/review points need to be effective, smart, appropriate to the risk profile of the programme, and must have teeth : "do not pass this Gateway" *must* be a permissible outcome. Good Gateways look backwards and forwards :



- ✓ Have we done what we said we were going to do, to the agreed level of quality, cost and time ?
- ✓ Now we know what we know, can we move ahead with a viable, sensible and achievable plan ?

Programme Gateways – an example

Here is an example from a change programme that decided to hold six Gateways during its life. Actually, that's not quite right – the programme lasted four years and it held Gate 3 meetings at the end of every tranche and/or every six months during the Deliver tranche of the programme. This programme followed the Managing Successful Programmes (MSP®) approach.





This is how the programme defined each Gateway :

| ID | Purpose of Gateway | Typical questions asked at Gateway |
|----|---|---|
| 0 | Should we do this programme of work or not ? | <ul style="list-style-type: none"> ✓ Will it help us achieve our strategic outcomes ? ✓ Is it justified and a worthwhile use of resource ? ✓ Is it aligned with our strategic architecture ? ✓ Do we have the (risk) appetite ? |
| 1 | Are we actually capable of doing it ? | <ul style="list-style-type: none"> ✓ Do we have the bandwidth ? ✓ Do we have enough funds ? ✓ Do we have the technical skills ? ✓ Do we have the necessary kit ? |
| 2 | Is it still a valid thing to do, in light of what we have learned ? | <ul style="list-style-type: none"> ✓ Is the scope understood and agreed ? ✓ Is the delivery plan sensible and achievable ? ✓ Is it still a justified and a worthwhile use of resource ? ✓ Shall we release funds for the next tranche ? |
| 3 | Now we're doing it, is it still viable ? | <ul style="list-style-type: none"> ✓ Is the programme still viable : <ul style="list-style-type: none"> o does the business case still stack up ? o are we still capable of delivering it ? ✓ Is the quality acceptable ? ✓ Is everyone committed and ready to continue ? |
| 4 | Is everybody ready to put this new service live ? | <ul style="list-style-type: none"> ✓ Is the organisation ready for the change ? ✓ Are our people ready for the change ? ✓ Are our new processes ready to be implemented ? ✓ Is any new technology ready to be implemented ? |
| 5 | How was it for you ? | <ul style="list-style-type: none"> ✓ Are we able / ready to close ? ✓ Have the desired outcomes been achieved ? ✓ Is on-going responsibility for benefits realization assigned ? ✓ Have all outstanding risks been transferred to the business ? |

Our project portfolio management tool [PM3](#) makes Gateway reviews easy. Here is a Gate 1 submission.

Window

Notifications(0) Admin PMS Admin1 pr3time

Open Save Refresh Print/Export Last Updated Clear Send for Review

Active Published Project Birmingham-1017-CRM Division 2 (DW) ID 755 Gateways

Definition Governance Resources Finances Delivery Plan Risks Issues Actions Value Exposure Impact Information Benefits Reports

Gateway: 01 - INITIATION APPROVAL Due Date: 12/02/2015

| Category | Assessment Criteria | Mandatory? | Criterion Met? | Evidence |
|----------|---|-------------------------------------|----------------|---|
| COSTS | Any variance between the originally budgeted project costs and the final actual costs ... | <input checked="" type="checkbox"/> | R | Costs are over budget but just outside acceptable limits. |
| COSTS | Preliminary costs are defined, reasonable and acceptable | <input checked="" type="checkbox"/> | A | Notes why I've passed this gateway |
| COSTS | Sufficient funds are available to progress the project to Gateway 2 | <input type="checkbox"/> | R | Budget has been approved by the sponsor |
| PROGRESS | Any variance between the original scheduled project delivery date and the final actual... | <input checked="" type="checkbox"/> | G | Satisfied by the following reason |
| SCOPE | Any variance between the original functionality agreed in the Project Scope Document... | <input type="checkbox"/> | G | Comment re this criteria |
| VALUE | If marked non-discretionary, the project is genuinely non-discretionary | <input checked="" type="checkbox"/> | G | Project is non-discretionary |
| VALUE | Preliminary financial benefits are defined and reasonable | <input checked="" type="checkbox"/> | G | See attached PID |
| SCOPE | The objectives of the project are anticipated to be realized | <input type="checkbox"/> | G | passed gateway |
| SCOPE | The final extent of scope variation on the project is acceptable | <input checked="" type="checkbox"/> | G | is there a business case |
| VALUE | The organisational value of the project is defined and compelling | <input checked="" type="checkbox"/> | G | This is why this is ok |
| VALUE | The adverse organisational impact of not performing the project is defined and comp... | <input checked="" type="checkbox"/> | R | This criteria hasn't been passed |
| VALUE | The sought business outcomes of the project are anticipated to be realized | <input checked="" type="checkbox"/> | G | Why I think is passed |
| VALUE | The success criteria of the project have been acceptably met | <input checked="" type="checkbox"/> | G | This has now passed |

Commentary/conditions/reasons

Review Status: Awaiting Response Sent on: 18/06/2015 10:38

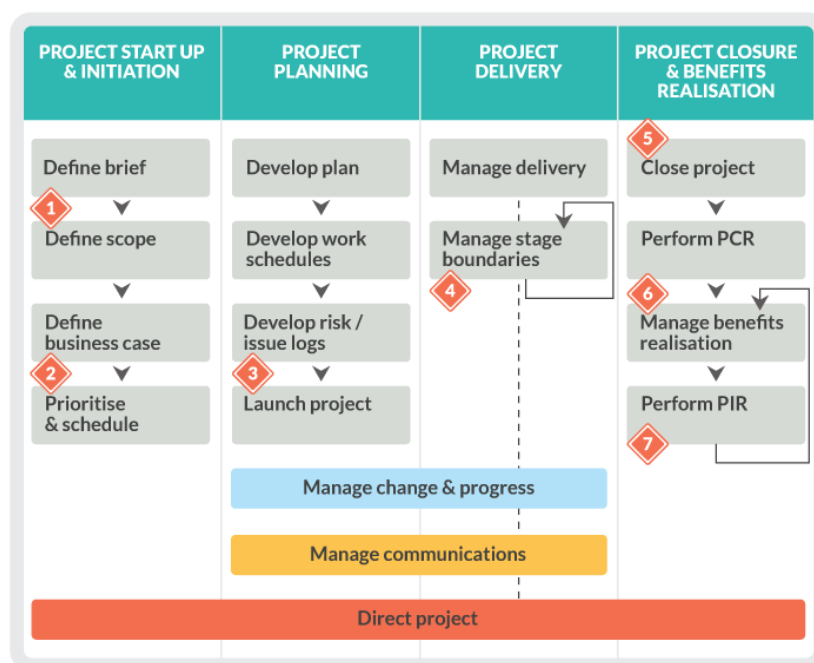


Project Gateways – an example

Here is an example from the change projects that were completed during the Deliver phase of the overall change programme.

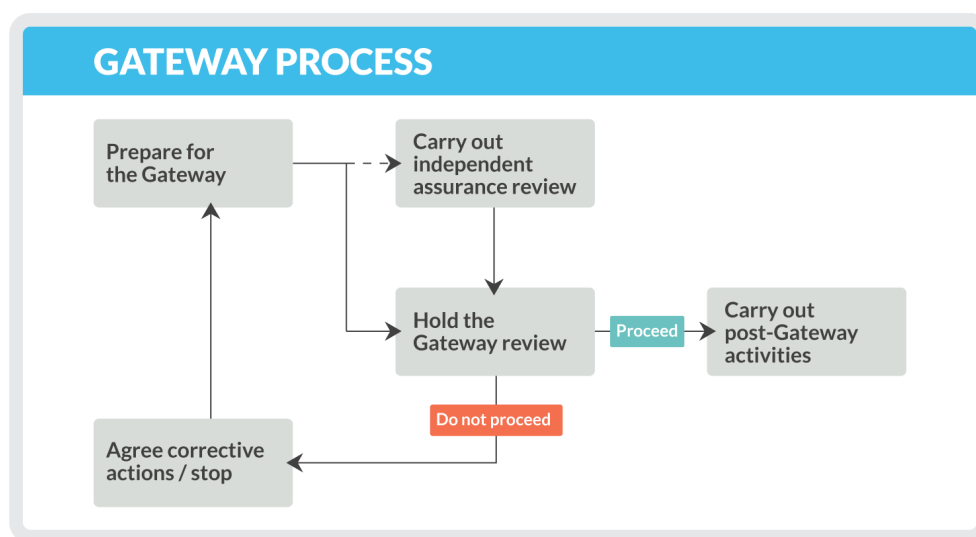
The Gateway questions at project level are similar to those asked at programme level (e.g. is the project still viable) but with an additional check to ensure that the project continues to support the overall programme Blueprint.

Participation in these project Gateways was mostly from within the project delivery team but did include the Programme Manager and often the Business Change Manager too.



The Gateway process itself

Gateways don't just happen by magic (even when they are scheduled into the plan). Like any other process, Gateways need pre-work and post work, as illustrated in this high-level process model.



Gateways with teeth – permissible outcomes

The outcome of a Gateway should be one of :

- ✓ Proceed to next Gateway with caveats : some corrective actions required
- ✓ Proceed to next Gateway : no corrective actions required
- ✓ Do not proceed – Fix : some corrective actions required and the Gateway must be repeated
- ✓ Do not proceed - Terminate : programme should be stopped (or re-scoped)

Do not proceed **must** be a permissible outcome – if it is not permissible and the programme is going to proceed regardless of what is discovered then there is probably no point in holding the Gateway at all.



Who participates in the Gateway?

In order to ensure the right people participate in the Gateways the generic RACI chart (Responsible, Accountable, Consulted, Informed) for the Gateway process is tailored to meet the characteristics of the programme itself, showing the actual person who is fulfilling each role and their accountability Gateway by Gateway throughout the life of the programme.

| Process | Programme Sponsor | Programme Manager | Business Change Manager | Design Authority | Programme Stakeholders | External Reviewer |
|---|-------------------|-------------------|-------------------------|------------------|------------------------|-------------------|
| Prepare for the Gateway | A | R | C | C | C | I |
| Carry out independent assurance review (optional) | A | C | C | C | I | R |
| Hold the Gateway review | A, R | R | C | C | I | C |
| Carry out post-review activities | A, R | R | R | I | I | I |
| Agree corrective actions / stop | A, R | R | R | I | I | I |

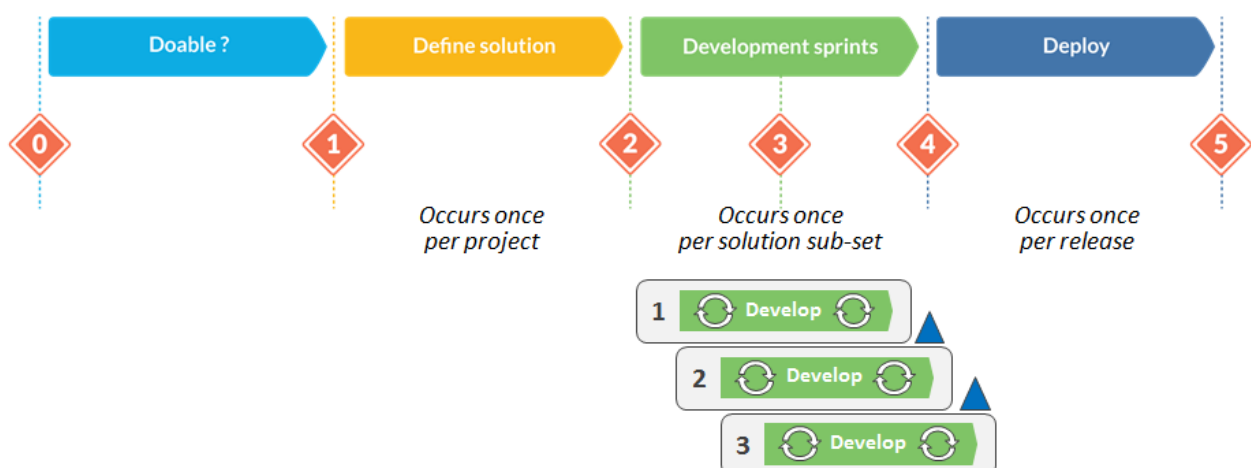
Come on – this is completely un-Agile !!

A common objection to using a Gateways approach is that it goes against the Agile tenets of flexibility, responsiveness and focus on delivering desired business outcomes. But our experience is that this objection just does not hold up in practice :

- ✓ Agile programmes and projects still require governance, still require oversight, and are still asked “are you still doing the right stuff, in the right way, to the agreed level of quality and, by the way, are you spending my money wisely ?”
- ✓ The culture of Gateways is actually entirely aligned with Agile which makes extensive use of Retrospectives to improve future outcomes. Agile emphasises the option of not proceeding or proceeding in a different way (in Agile any requirement can be varied or added before the start of a sprint/iteration) and it emphasises a business based decision in the next iteration by the Product Owner who is committed to future success of the product.

The programme’s Governance Approach defines how to apply necessary and sufficient governance controls to satisfy the Governance Board and Key Stakeholders, irrespective of whether it uses Agile techniques or not.

Smart Gateways have been proven to work for all types of change programme. The diagram below illustrates how one organisation applied Gateways to a programme that actively used Agile development approaches within a Scaled Agile Framework.





One size does not fit all – Governance Approach

Does every programme and every project need to pass through every Gateway? No. Although there are a few organisations who insist on this, normally the Gateways are chosen according to the characteristics of the piece of work. For example, high risk/cost work would require more Gateways than low risk/cost work.

The main key to running smart, nimble, effective, impactful and successful Gateways is to define a **Governance Approach** for the programme, which answers the following questions:

- ✓ How many Gateways do we need / want (and what's the minimum we can get away with)?
- ✓ What's the purpose of each Gateway?
- ✓ Who participates in each Gateway?
- ✓ Who makes the pass / do not pass decision?
- ✓ What questions need to be asked in order to make decision?
- ✓ How much prep is needed for each Gateway (and what's the minimum we can get away with)?

Tool support for Gateways

Our project portfolio management tool [PM3](#) allows you to define any number of Gateway sets, and the Sponsor decides which set to apply to each programme.

Admin > Gateway Settings

Gateways Configuration

Gateways Names

Plural Name: Gateways

Singular Name: Gateway

Code: GW

First Suffix: 01

Reviewer Email: support@bestoutcome.com

Gateways Control

Enable Gateways? ☐ Yes ☒ No

Admin only can select Gateway Set? ☐ Yes ☒ No

Admin only can Close Gateways? ☐ Yes ☒ No

Gateway Statuses

Do Not Proceed

| Gateway Name | Gateway Milestone Name | Empty Set | Small Project | Medium Project | Large/Complex Project |
|--------------|------------------------------|--------------------------|-------------------------------------|-------------------------------------|-------------------------------------|
| Gateway1 | INITIATION APPROVAL | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Gateway2 | PLANNING APPROVAL | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Gateway3 | LAUNCH APPROVAL | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Gateway4 | CONTINUATION APPROVAL | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| Gateway5 | GO LIVE APPROVAL | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Gateway6 | COMPLETION APPROVAL | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Gateway7 | POST-IMPLEMENTATION APPROVAL | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Default Set used on Plan creation

Our free mobile App, [Project Gateways Assessor](#), allows you to check if you are ready to pass the Gates.

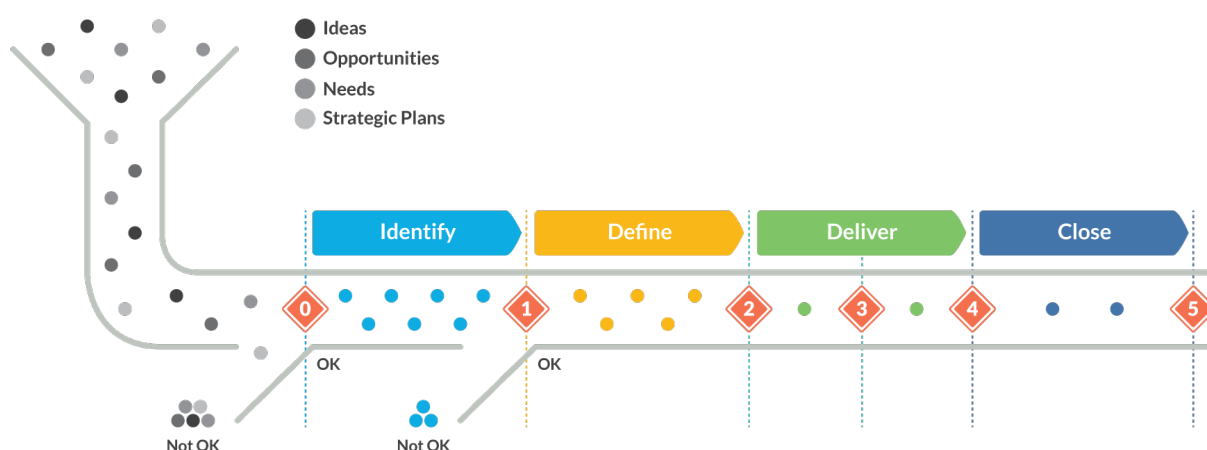




The Portfolio Perspective

New ideas, opportunities, and even regulatory requirements can crop up at any time. One of the key aspects of Governance is to be able to react to these in a measured and responsive way, to decide if and how to progress them, and to evaluate the impact they would have on the existing portfolio of work.

The diagram below illustrates how smart gateways underpin this assessment process : Gate 0 is the filtering mechanism which decides if the Idea will be progressed or not. This includes comparing the Idea against the existing portfolio to see if any priorities should be changed. The Idea may then become a project, a programme, a feasibility study, or just a work package. But in every case further Gateways will assess its continued viability and, importantly, ensure that the portfolio remains balanced and deliverable.



Sharp Communications

Intelligent Governance includes ensuring that your stakeholders are informed (and consulted) about the status of the programme, that they are involved (as required) in the Gateways and that they are always informed about the Gateway decisions and the progress towards achieving the desired outcomes.



The golden rules for sharp, effective communications are :

- ✓ Don't assume people know what's happening, inform them
- ✓ Just because you have done something it doesn't mean anybody else is interested, so only provide information when it is useful to the recipient
- ✓ Always focus on the outcomes, not (just) the outputs
- ✓ Don't just talk at them, listen to their feedback
- ✓ Set up a communications drumbeat so that people become accustomed to receiving information

Conclusion

The need for good governance of programmes isn't going away, so we have to find intelligent ways to do it. Smart Gateways are a proven powerful, flexible and sustainable technique that forms part of many modern organisation's ways-of-working. As well as providing insights into the viability and the quality of the programme, they support focussed and sharp communications with your key stakeholders.

For further information on smart Gateways and supporting tools, please contact: info@bestoutcome.com

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