

OARBIC Project Audit

The right people, in the right place,
at the right time.

What is a Project Audit. A Project Audit is a short term (1 to 3 month) independent and unbiased review of any IT project that is currently being executed within a Client Company. The audit compares and contrasts the management of the project to industry 'best practices'.

The Audit process is a three step review:

Step 1. Interview the people involved in the project. This includes executive, managers and staff on both the business and the technical sides of the project.

Step 2. Review all the project documentation. This includes Project Direction documents such as project plans and design plans, Project Control documents such as Gantt charts, Change Management documentation and, just as importantly, Project Communication documents such as monthly reports, communication plans and so on.

Step 3. Create a series of documents and presentations that outline the findings of the audit and make recommendations on areas that require adjustment (if any) to ensure the project is managed according to industry best practices.

Why you should audit The majority of projects fail, it's as simple as that. Failure can be classified as outright failure (the project was cancelled) or a delivery that is challenged in some way (over budget, late in delivery or compromised functionality).

Although the project success rate is improving across IT generally, the rate of failure is still staggering. The Standish Group (which publishes the industry standard Chaos Reports) states that in 2006 19% of all projects (across all industries) failed outright and that 46% were challenged in some way. This leaves only 35% of all projects that succeeded in delivering the original goal, on time, at the original cost.

From a 'big picture' view however there are surprisingly few reasons why projects fail and they can be classified into four very broad categories:

- Lack of executive support
- Unrealistic expectations
- Poor understanding of requirements
- Insufficient Project Management discipline

Each of these four broad categories has many facets and nuances imbedded within them, however, ultimately, almost all project challenges relate back to one or more of the four foundational issues.

An Audit will demonstrate if there are challenges in any of the four areas and will provide recommended solutions on how to remediate the problems.

How we execute the audit. Execution of the audit is a three step process:

Step 1. We will conduct formal interviews with three groups of people.

The executives responsible for the areas of the company that will be effected by the project. Questions asked are based around the following topics:

- The project's value to the company's strategic goals.
- The support for the project by the company executive.
- The ramifications of project failure to the company's strategies.

The managers of the areas of the company that will be effected by the project. Questions asked are based around the following topics:

- The operational impact of the project to the various areas, both inside and outside the company.
- The general feelings towards the project.
- The impact of non-delivery on the various areas within the company.

The staff assigned to the project. This includes both Company staff and software vendor staff (if any). The questions asked are based around the management of different areas of project management discipline:

- Business requirement gathering and documentation.
- The technical design process.
- Cost, time and effort measurement.
- The measurement of actual performance against plan.
- The management of Change and Risk.
- Communication plans.

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Step 2. We review all of the documentation that has been produced by the project. We look to ensure that the documentation confirms the items the interviewees have described and, equally critically, that the documentation is kept up to date and reflects the current and true position of the project.

Step 3. We document our findings and make recommendations for change, as and if required. This is where the value of independence comes in; we have no axe to grind, we have no politics to manage and we are completely vendor agnostic. In other words, we tell it like it is.

Our presentations are made to the Steering Committee or senior executive, to the project teams and if required, to the vendor. Our presentations are worded appropriately for each audience but basically all send the same message.

Summary: An audit by one of OARBIC's senior project managers can save literally millions of dollars in both hard costs and lost opportunity costs.

Most companies know how to manage a project properly yet every year 65% of all projects fail in some way, ranging from outright cancellation to small cost overruns. If most companies know how to manage projects then why does this happen, year after year?

We think the answer is relatively simple: projects are complex, multifaceted endeavors that are subject to time and budgetary pressures, politics, ongoing business change and a requirement to manage so much detail that sometimes its difficult to keep the overall objective in sharp focus.

An independent audit by OARBIC can bring that objective back into focus and ensure that the day to day challenges are not overwhelming the need for project management discipline. Discipline that is zealously applied day in and day out, no matter what.

Projects never become 12 months late over night, objectives are not missed through one action, and budgets are typically not exceeded with one decision. Challenges of all types occur through a slow, day by day drift away from the intended plan and the original objective.

An external review is an excellent way to refocus on the original objective.

OARBIC Project Audit

- An independent and unbiased project audit can save literally millions of dollars in project expense.
- Compares your project against industry standard best practices.
- All our project audit staff are very senior project and program managers with years of experience in the Property & Casualty industry.
- We 'tell it like it is'. Because we're independent we can be very direct in our findings.
- We provide a formal, detailed recommendation on changes that should be considered.
- We refocus your original objectives.



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