The Problem Defined
Technology professionals are a hard working bunch who often act as the back-stop for their credit union. Much of their work goes unnoticed and underappreciated—and the primary reasons have nothing to do with technology or the hard work of the IT team.

The problem is lack of effective project prioritization, transparency, and communication to the business.

Rarely does a CIO roundtable not include the pain of project prioritization and project management.

How often is IT described as a black hole?

Like most other credit unions, BCU struggled with the same challenges of project prioritization, project management, transparency, and communication. Then we assigned the “A” team to address this from end-to-end and make IT a strategic enabler.

The Problem Solved
To solve the IT dilemma required a complete overhaul and included the following base elements:

- Assigning the “A” Team
- Strategic Planning and IT/Business Alignment
- Capacity Management
- Demand Management
- Prioritization
- Financial Management
- Project Execution
- Consistent Communication
- Training, Education, and Staff Development
- Project Close-out and Lessons Learned

Each of these are detailed below:

The “A” Team
One of the first moves was identifying two of our strongest performers to drive the transformation. Those two are Jordan Mueller and Brian Kaminski. Jordan was assigned Delivery Lead with the goal of being an advocate for the business into IT. He works directly with the VP’s, understands at a detailed level their project requests and pain points, can articulate the scope, requirements, and benefits of their project requests.

Brian was assigned PMO Lead with the goal of building a world-class PMO which includes all the required disciplines to deliver on-time, on-budget and with high quality. Below is what they have accomplished in the first six months of 2016:

Strategic Planning and IT/Business Alignment
A strategic planning process was created that brought together IT and the business with the goal of creating a roadmap of upcoming projects. This planning process proved to be extremely valuable at identifying the projects that deliver the most value to BCU. In addition, IT and the business partnered well together and were aligned with projects noted on the roadmap. See Exhibit A.

Capacity Management
Understanding staff capacity is essential because IT staff availability continues to be the biggest project constraint. Without knowing the available hours for future work, committing to projects and the related prioritization is almost impossible. Understanding exactly the time available enables the team to make and keep commitments.
All IT staff are required to log their time and then Jordan and Brian allocate current and future time optimally across all projects. Exhibit’s B, C & D show how staff inputs the time and how Jordan and Brian use reports.

Benefits:

- Understanding what skills are available at what times (essential for project prioritization)
- Improved staff accountability
- Understanding skills gaps and choke points in projects
- Actionable data for future hires
- Ability to measure and change the ratio of KTLO vs business projects
- Optimal use of resources
- Ability to add ‘lite-projects’ during the regular downtime of staff during larger projects
- Improved communication back to the business on how IT resources are allocated

Demand Management

Instead of all levels of the organization requesting projects to all layers of IT staff, all requests—big and small—are reviewed and approved for consideration by the area VPs. Jordan then works with the area-VP and identifies the most impactful large and small projects; a formal justification is written and includes a Business Case, Benefits, Alternatives, ROI Calculation, and Timing. See Exhibit E.

Benefits:

- Project requests are well thought-out and documented
- Before prioritization, we know that the capacity exists to complete the request
- Common and consistent request format for management to review
- IT is no longer bouncing around like a pin-ball—rather there is clarity and focus

Prioritization

Projects requests from the VP’s are presented to a recently created Investment Council for approval. The investment council includes EVP, CIO, CFO, CLO, CRO, SVP HR, and VP/Controller.

To provide maximum transparency, the project pipeline, budget status, roadmap, lite project update, and new project requests are presented and the discussed. The voting members of the Investment Council then either approve, deny, or send back for more information all project requests. See Exhibits F, G, and H.

Benefits:

- Complete Transparency on Projects
- Consensus among leadership on project priorities
- Clarity and focus for the business and IT staff
- Ensuring the projects that deliver the highest value are being worked on

Financial Management

There are three broad areas of financial management: cost of project execution, ROI/NPV calculation that aids in prioritization, and ensuring that the incremental income is added to future income streams as part of the budget process. We have implemented the first two and are working towards the third.

The ROI/NPV calculation is vetted by Finance prior to presentation to the Investment Council and is a key input into the decision and prioritization process.

The Project Managers report weekly on project burn vs plan, and projected forecast.
In Q 3-4 of 2016, we will be focusing on getting the incremental income streams into the 2017 budget.

Exhibit I shows the ROI/NPV calculations as viewed by the Investment Council.

Exhibit J shows how the Project Managers track project budget.

Benefits:

- Accountability in meeting both project budget and timeline targets
- Heightened awareness of the value of technology projects
- Improved project prioritization

**Project Execution**

To deliver a consistent experience across all IT projects, standard processes and project methodologies were implemented. All projects now follow the same process utilizing industry standard best practices. A common status reporting template is also used to communicate project status. This status report is updated weekly and is shared with all business and IT stakeholders.

**Consistent Communication**

In addition to the monthly Investment Council Meetings, a weekly update is sent to all the VP’s with an easy to consume project dashboard that highlights project status. For those wanting more detail, the dashboard offers links to detailed views of each project in the portfolio. Exhibits K, L, M and N provide the detail.

Benefits:

- Complete transparency into all Projects
- Improved satisfaction with IT
- Goals are easy to measure and track
- Greater accountability in the business and IT for hitting project goals on-time and on-budget

**Training, Education, and Staff Development**

Extensive training was provided by Brian and Jordan to the IT staff on the new processes, methodologies, and templates. This training was tailored to each area/person based on skill level and need. Weekly follow up and checkpoint meetings are in place to ensure understanding of training materials.

**Project Close-out and Lessons Learned**

At the close of every project, a review is performed by the business and IT which aids in judging business satisfaction with the project process and aids in iterative improvement of project processes. Exhibit O provides the details.

**Big Wins**

- Projects are done on time, on budget, with high-quality
- The productivity and throughput of IT has improved tremendously
- There is organizational consistency in project prioritization, execution, and communication
- Replaced existing project planning software at $50k annually to something completely built on SharePoint and no additional cost
- Shift from 65%-35% KTLO vs project work to 50%-50% in 2016 towards 35%-65% KTLO vs project work in 2017
- Best-ever faith in IT as a strategic partner
- ROI from projects used in future budget cycles which demonstrates the value of projects