

IQA Message Received and Understood From the customers perspective

The Role and Importance of the Report

Internal Audit and Assurance – Change Assurance Team
Karen Fisher – Change Assurance Principal

16 June 2021

Who am I

I have had a rather eclectic career – but predominately centred on or in IT.

- Technology Services Manager, AoG Operations Manager, Programme Manager, **Business** Support Manager, IT Strategy, Policy & Planning Manager, Team Leader for BA's, Project Manager , Payroll Operations Specialist, , Chief Operator, Trainer, DBA , System Analyst, Analyst programmer, Trainee programmer in COBOL – then a change of gears in the previous decade
- 2013 – moved from operations/delivery roles to IQA & coaching: worked with a couple of dozen organisations
- 2018 – moved @ Ministry of Education providing assurance advice internally to SRO's and projects

What we are going to discuss

Recap on why assurance and a brief introduction to how

- How Assurance operates at the Ministry of Education then.....
- The CSO – part A and B
- The Report

From the Novopay Inquiry Report - Lessons Learned

The report identifies the following lessons that would have value for those embarking on future major projects.

- Clearly define the problem and identify and evaluate all options, including the opportunities to remove complexity and transform business processes, at the project conception stage.
- Once the project is approved, robustly consider critical competencies for successful execution and whether they are available internally or are better satisfied by the use of appropriately qualified advisers, consultants or contractors.
- Do not start projects until the required capabilities are in place or identified.
- Ensure that detailed due diligence is undertaken, and that vendors' competencies are fit for purpose.
- Have clearly defined contractual stage gates for project deliverables with effective off-ramps for use when performance falls short of expectations.
- Avoid entering into contracts with significant 'agree to agree' provisions, particularly those related to the definition of requirements.
- Ensure that executive accountabilities, roles and responsibilities are clear and carried out efficiently within the governance and management structures.
- Appoint a single Programme Director reporting to the Programme Sponsor, with responsibility for project delivery, to whom all delivery components report.
- Rigorously monitor and report project progress and finances.
- Involve relevant users of the service or system in the development of requirements, testing and implementation, in a meaningful way.
- Manage key vendors at strategic and operational levels, and enforce contract terms where performance indicates this is required.
- For critical systems, ensure that implementation strategies allow for pilots or staged rollouts.
- Fully complete an appropriate testing programme unless impact analysis suggests that the risks of not doing so are low and manageable.
- Ensure that project quality assurance is independent, covers the full scope of project activities and has a direct reporting line to the Chief Executive.
- Ensure there is a viable contingency plan that enables risks and possible delays to be managed appropriately.
- When assessing risks, always consider the implications of a combination of them arising and plan accordingly.
- Long-duration projects will rarely meet the expectations established at their inception.
- Have the courage to query or stop projects that are clearly in trouble or where their likelihood of success has been compromised. Do not delay in raising your voice.

Principles of good assurance

The Ministry's Change Assurance principles are based on the Digital Public Service branch (formally GCDO) principles for good assurance and these have been derived from analysis of lessons learned across government projects.

At the high level the foundation principles of good assurance are:

- P1 **Assurance by design:** Assurance is not a one-time activity. It's the way we do things here.
- P2 **Flexible:** Assurance is adaptable to meet changes in scope, approach, solution, or risk profile.
- P3 **Informs key decisions:** Assurance provides timely, credible information to inform key decisions.
- P4 **Risk and outcomes-based:** Assurance assesses the risks to successful delivery and their impact on outcomes.
- P5 **Independent and impartial:** Assurance is performed by competent people outside of the delivery team who are not unduly influenced by key stakeholders.
- P6 **Accountability:** Assurance roles and responsibilities at the governance level are understood.

Assurance Activities to address Key Ministry and Gateway Lessons Learned

Lesson Learned / Category	Lesson Learned	3 rd Line Assurance Activity to address this Lesson
Governance	Ensure right mix of skills and experience at governance level including people from other public sector agencies and external advisers. Progress reports to governance bodies should cover all key aspects of programme/project; progress against critical paths should be evident.	Programme / Project Health Checks
Programme and project planning	Have clearly defined contractual stage gates for project deliverables with effective off-ramps when performance falls short of expectations.	Programme / Project Health Checks Readiness Reviews Controls Assurance Reviews
Stakeholder engagement	Engage widely, including users of new system, sector representatives and other government agencies as necessary. Establish stakeholder engagement groups as appropriate.	Programme / Project Health Checks Readiness Reviews Controls Assurance Reviews
Management of change	Involve users of the new system in the development of requirements, testing and implementation.	Programme / Project Health Checks Readiness Reviews Controls Assurance Reviews
Risks and issues	Establish a separate risks and issues management plan with early identification of risks documented. Regularly revisit risks with the governance body to ensure they are managed to acceptable levels.	Programme / Project Health Checks Specialist / Technical Product Assurance
Resourcing	Ensure the programme and project teams is staffed with appropriately qualified and experienced personnel.	Programme / Project Health Checks
Development, testing and implementation	Involve relevant users of the new system in the development of requirements, testing and implementation, in a meaningful way.	Programme / Project Health Checks Specialist Technical Product Assurance
Business case	Ensure the business case adequately addresses technology and business risks.	N/A
Procurement	Ensure rigorous due diligence on prospective vendors.	N/A

Project Assurance Overview – Aligned to MDF



Consultancy Service Order (CSO)

Part A – what we write - briefly explaining why this review:

- Succinctly describe the project and where it currently is at
- Key Objectives of the Review including
 - Questions the Senior Responsible Owner wants answered, and
 - Guidance on insights required
- Review Scope
 - In Scope Components
 - Out of Scope Components
- Potential Interviewees
- Suggested Documentation to review
- Style of Report output expected

Consultancy Service Order (CSO)

Part B: Your response to our request in Part A:

Purpose is to confirm you understand what has been requested:

- Briefly describe the approach you propose to use
- Explain what is 'optional' / what choices are being offered
- Include a kick-off meeting
- Confirm your view on the proposed Interviewees – roles missing?
- Confirm what if any further documentation you would expect to review
- Confirm/proposed the style of Report output you want to deliver
- Be clear about assumptions, options and costs of options

Suggest not too much sales speak – OK to provide why the proposed reviewers with similar reviews etc but not pages of lists embedded in the response.

If you want to provide CV's include as an attachment.

	Project IQA	Gateway
Type of project reviewed	Mandatory for high-risk ICT-enabled change projects and programmes	Mandatory for high risk projects and programmes of all types (defence, construction, service delivery, ICT-enabled business change)
Primary purpose of review	To review processes, standards, guidance and practices used in the governance and management of the project, and of progress towards stated goals (eg time, cost, scope, quality).	To provide high value, confidential, peer-level advice to the project's owner (SRO) on the greater "system" – outcomes and risks, approach and culture, stakeholders, "NZ Inc", with the goal of improving the likelihood of success.
Reviewers	Usually a senior lead with strong Project/Programme experience supported by more junior staff.	All reviewers have SRO-peer-level experience in relevant areas, selected for the stage and domain of the project (defence, legal, due diligence, IT operations etc) from an international pool of qualified reviewers.
Audience	Intended for SRO and agency CE and shared with corporate centre.	Confidential to the SRO, although they are encouraged to share findings and recommendations within their agency. If the project is in serious difficulty an enhanced notification process is triggered.
Method Used	Usually based on a checklist of questions with expectations of evidence required to support findings. Structured (process- and standards-based), conducted against an agreed Terms of Reference. Usually backward-looking – seeking evidence that work to date has been completed according to expected standards and processes.	Experience- and judgement-based with review of key documents as evidence of findings. Loosely-structured evidence-based conversations (15-20 over 3 days) within a framework of key themes as documented in Gateway Workbooks Always forward-looking – seeking evidence of readiness to proceed to the next stage of the project.
Key outputs	Key output is a written report, often including a spider-diagram or written discussion and a list of recommendations. Report generally includes Management Comment, which may modify the findings. The report may be used as input to approval or performance processes.	Key output is a series of mentoring and coaching discussions with the SRO, and a headline capture of key findings and recommendations. Report does not include management comment; the SRO may correct errors of fact. The headline capture report is not designed (or able) to be used as input to performance or approval processes.
Review duration	Variable. Can take some weeks to finalise the report.	Fixed. Half-day planning workshop 2 weeks before review week; review completed including final delivery of report in a week.
Review frequency	At key project milestones and/or at regular intervals (eg quarterly). Should be timed so that the final report is available to Gateway.	Reviews are held before pre-defined decision points in the project life cycle, timed to complete 2-6 weeks before decisions are made. Timed so that decision-makers have assurance a Gateway has been completed before they make a decision.
Commercials	Contract is between agency and IQA provider. Some providers seek further work to address findings.	Contracts are between Treasury Gateway Unit and individual reviewers. Reviewers are prohibited from engaging further with the agency/project.

Who is the Report for

- Think about your audience – who are you writing this for?
 - SRO or Business Owner
 - Programme/Project Manager
 - Steering Committee – and other Boards
 - Workstream Leads
 - Project Management Office / Assurance Advisors

What should the Report do clearly

- Demonstrate how the reports is responding to the CSO – Part A
 - Key Objectives
 - Review Scope
 - Key Questions
- Context – ensure this can be read in +12 months time
- Less is more – sufficient to provide context for recommendations
- Style is flexible unless agreed upfront or outlined in the CSO

Report – Exec Summary

Executive Summary (must be able to stand alone)

- Context - pertinent to the review; brief outline of where the project is currently & why the review & findings are important – forward looking
- Linked to the Review Key Objectives – reason for the review (can be derived from the CSO, plus other conversations)
- Summary Insights into the Key Findings – matters you need to bring to their attention!
- Dashboard – Summary – recommendations at a glance
- Delivery Confidence Assessment and Dashboard Overview of Findings (Numbers)
- Opportunity to suggest timing etc of any future review and justification
- Review Sign-off – the owner must confirm they received the report and has the opportunity to add a Management comment

Report Detail

Detail Findings

- Step through the In Scope components – ensuring that Questions are answered
- Findings (balanced for the SRO & PM) by areas examined/question
- What is working well / strengths - brief summary
- Detail key opportunities for improvement, explain the reason and/or consequence if not addressed – linked to Findings - limit jargon & provide context to understand why
 - **Prioritised Recommendation(s) to address the findings & suggest dates for completion**
- Other observations (may not directly linked to In Scope but important enough to include in the report or consider providing separately (email, letter or verbal update)

Review attributes

- Interviewees, Documentation, Reference material (your methodology, standards used) all appendices etc

Tracking Progress of Recommendations

- If this is the first review
 - Recommendations should be tracked to complete
 - Only SRO should Close recommendations
- If this is a subsequent review
 - You may be asked to review progress against previous review recommendations
 - Important to gain 'evidence' and confirm if the action has had intended affect

GCDO – Delivery Confidence Rating

Delivery Confidence Rating	Description
Highly Likely	Successful delivery of the change appears highly likely and there are no major outstanding issues that significantly threaten achievement of the next key milestone.
Likely	Successful delivery of the change appears likely. Attention will be needed to ensure that risks do not materialise into issues threatening achievement of the next key milestone.
Possible	Successful delivery of the change appears possible. However, issues exist in key areas that require management attention in order to achieve the next key milestone. Issues appear to be resolvable at this stage if addressed promptly.
Unlikely	Successful delivery of the change appears unlikely with major risks or issues in key areas that require urgent management attention. Achievement of the next key milestone is in doubt.
Highly Unlikely	Successful delivery of the change appears to be highly unlikely due to significant issues which do not appear to be resolvable at this stage. The schedule may need to be re-baselined or overall viability of the investment re-assessed.

DBPb website says Independent assurance reports should provide an overall assessment of delivery confidence. This means readers of the report can quickly determine the level of confidence to successfully deliver the **next phase of the project or programme.**

Therefore you need to be very clear in you report what you have determined to be the **“next phase of the project or programme.”**

Do not assume readers know the date/ stage / phase you have used for your assessment.

Questions?