

Insights From the C-Suite: 10 Ways to Accelerate Time-to-Value

June 9, 2010 Chicago, IL

Produced by



In partnership with sister organization



CIO Executive Council Leaders Shaping the Future of Business



Your CEO comes to you with the following request –

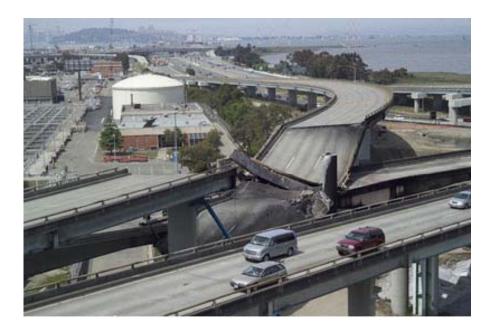
"You need to develop and deploy IT-enabled business solutions in half the time you do today!"

What do you do?





A real-world example



On April 29, 2007, a gasoline tanker truck crashed and exploded into flames under the heavily travelled I-80/I-580 interchange in San Francisco. The resulting heat from the fire severely damaged one of the bridge segments to the point where it collapsed and took a major overpass out of operation. The local media predicted traffic gridlock for months as they anticipated it would take that long to make the necessary repairs. Yet, the overpass was rebuilt and back in operation a short 25 days later. How did they do it?







Pursue a worthwhile goal

- Is the project goal compelling?
- Will it motivate beyond the initial project launch?
- Has the project's business value been articulated and owner/s identified?
- Do all parties have a stake in the outcome?

Since nearly 80,000 vehicles travelled over the interchange each day, there was no question that the interchange would need to be repaired and placed back into operation as quickly as possible. The livelihoods of the citizens in San Francisco, Oakland and surrounding communities was dependent upon this critical section of the highway system operating at full capacity. Commerce in the State would also be severely impacted if the overpass could not be repaired in an expeditious manner.





Minimize bureaucracy



- Have unnecessary hurdles been eliminated?
- Are processes/controls still a means to an end?
- Is project risk balanced with speed-todeliver?
- Are there cultural, organization or geographic roadblocks?

Within hours of the accident, Governor Arnold Schwarzenegger signed a proclamation allowing Caltrans to award emergency contracts without following the State's normal procurement and contract management process. There were no public hearings, legislative debates, environmental impact reviews or feasibility studies. The normal bureaucratic barriers were sidelined as everyone understood the gravity of the situation..





Use the "A" team



- Is your best talent spread too thin?
- Do you have enough "A" talent to support the project load?
- Are you plugging skill gaps with "C" players?
- Do key project resources have a track record of accomplishment?

The reconstruction contract was awarded to a firm that Caltrans had used previously to repair transportation infrastructure damaged by earthquakes, a frequent occurrence in California. The firm wasn't the lowest bidder, but speed to deliver a solution was more important than costs. This same firm had experience working in urgent situations when the outcome really mattered and had a track record of successful reconstruction projects in stressful situations. It was an easy decision for Caltrans.





Set aggressive goals



- Have aggressive project goals (\$, duration) been set to drive out-of-the-box thinking?
- Have you parsed projects into 4-6 month releases with value mapped to each release?
- What have you done to avoid scope creep which lengthens project duration?

The Caltrans contract called for a milestone of opening the roadway in 50 days. Given the importance of this section of the interstate highway system, there was no other choice than to return it to operation in the shortest possible time. The 50 day goal was set to focus the efforts of all parties on only the most critical tasks, to encourage innovative thinking and to force decisions to be made quickly.







Go with the 80% solution

- Do business leaders pile on requirements hoping for the perfect solution?
- Is it possible to pursue a good-better-best approach from a functional perspective?
- Are new requirements justified with a business case?
- Does that extra 20% ever get used?

Once the debris was cleared, steel and concrete samples were taken from the I-580 connector ramp for testing and evaluation. The tests showed that while the fire had warped and twisted the I-580 girders, the structural integrity had not been compromised and the girders could be straightened. The concrete deck was also repairable. Rather than order new girders and rebuild the concrete deck, a "good enough" solution was pursued that still met Caltrans safety and performance specifications.





Provide meaningful incentives⁵

- Are incentives (financial/non-financial) tied to project performance?
- Are incentives the same for business and IT resources?
- Are incentives/rewards provided on a timely basis not just at the end of the project?

While the contract was bid at just \$867,075, for every day the project finished earlier than 50 days, the contractor would earn a bonus of \$200,000, with a cap of \$5 million. A \$200,000 daily penalty would also be assessed if the milestone was not met. If there was any question whether these incentives would motivate performance, less than an hour after the contract was signed, the contractor's staff was onsite and ready to work.





Plan the work



- Is project rigor appropriate to the size, scope and risk (vs. a "one size fits all" SDLC)?
- Are project activities adequately documented (duration, resources, roles, task linkages)?
- Do you have enough info to determine
 when the project is booding "off the rolls"?

According to the general contractor, the success of the project was based on "minute by minute, hour by hour planning." A construction project of this sort involves many trades, inspectors and the coordination of material deliveries just-in-time given the physical limitations of storage space onsite. Surprises are the norm on reconstruction projects and only by understanding the dependencies, timing and sequencing of the hundreds of project activities can there be any hope of completing a project like this on time.





Address issues quickly



- Are project issues identified early and addressed at appropriate level of mgmt?
- Are project failures reviewed (RCA) and learnings captured/applied?
- Is there clear accountability/ownership for issues?

As the general contractor and subcontractors demolished the damaged overpass, they discovered unexpected issues and problems, things that couldn't be foreseen until the damaged bridge components were removed. Decisions had to be made onthe-spot with all stakeholders involved in a candid review of the issues and potential solutions. One thing was certain, delaying the discussion wouldn't make the problem go away. The reality of the situation forced quick decisions and necessary compromises.







Communicate frequently



- Are communication protocols in place (formal status updates, daily stand-up meetings)?
- Are the frequency of communications adequate to identify issues in a timely manner?
- Does the culture allow bad news to surface?
- Does true project status get communicated to

Project status updates were held every day and many informal checkpoints occurred during the day. Critical stakeholders were required to attend and represent their function or area of expertise. Issues were raised and dealt with immediately. No PowerPoint charts with the typical red-yellow-green "traffic lights" were allowed. Those are too easily manipulated based on what someone wants to convey. As with any construction project, it is pretty easy to get a sense of where things stand, literally – just look up.



It's not about who gets credit

- Few worthwhile endeavors are accomplished by a single individual or a team of prima donnas
- Engage specialist, but create teaming mechanisms to coordinate problem solving
- Place competent people on the project and incent them as a team

In a rare display of common sense, instead of holding the cliché ribbon cutting ceremony, everyone from the Governor on down agreed that the road would reopen as soon as it was ready, without causing any further delay to commuters. In the end, it was not about who received public acclimation for this remarkable accomplishment. Instead, everyone involved knew that returning the overpass to service was a worthy and meaningful goal. Achieving the goal was reward enough for their efforts.







A successful ending!



The bridge was repaired in an astonishingly short 25 vs. 50 days and the contractor received the full \$5 million early finish bonus.





Unsuccessful endings – enough



Poorly Spec'd



Not Useable



Poorly Planned





Poor Quality

15





Not User Friendly Poorly Designed Local Connections on Global Issues