

Huge delays in customer projects can usually be tracked down to unrealistic scope and vague target images

Customer example project recovery

Customer situation

- Need to implement regulatory initiative that requires high degree of institution-specific interpretation
- Program was overloaded with expectations, requirements and competed with other programs for resources
- Utopian estimations of resource needs (~ 90,000 man days) and timeline (~ 5 years) for completion

Challenge

- Vague definition of scope and objectives across involved business and IT departments
- Decoupling of business and IT aggravates assessing feasibility and setting up implementation plan
- Lacking breakdown of target images in manageable pieces along predefined timeline with clear milestones

Approach

- Based on peer group benchmarking, scope was narrowed to actual business requirements by reducing “nice-to-have” wish list
- Alignment between business and IT by combining perspectives for outside-in deduction and inside-out alignment
- Collaborative development of target images set the basis for effort estimation, prioritization and road mapping

Business/IT alignment

Business needs
Efforts
Priorities
DWH

Outside-in deduction Inside-out alignment

Effort (in k man days)		Time (in years)	
Initial	90	Initial	5
Revised	60	Revised	3
	-33%		-40%

Value added by zeb

- Entire program was brought back on track based on common understanding of scope & objectives
- Focus on creating a “smart solution” instead of “unrealistic monster” resulted in realistic effort estimation—reduction by ~ 33%
- Consensus on least common denominator reduced timeline by ~ 40% for achieving compliance and opened up extension levels

There is a significant risk of failure when highly complex business requirements meet technical over-engineering

Customer example IT architecture

Customer situation

- Data warehouse work stream of large program for renewing IT landscape significantly ran out of budget and schedule
- Responsible board member had to resign from IT duties
- zeb was mandated for a sustainability review of existing processes and solution

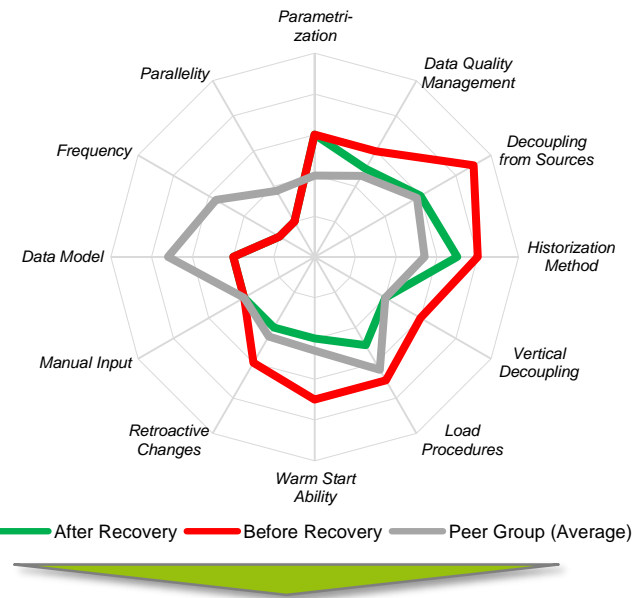
Challenge

- Over-engineered technical solution and missing skills for handling resulting complexity
- Functional deficits caused by missing feedback due to strict separation of business documents and technical specifications
- Incompatibility of applied toolsets (vendor standard vs. customer standard) turned out to be a cost driver

Approach

- Identification of IT architecture and implementation quality as key drivers for sustainability through management level interviews
- Market benchmark proved that overall complexity of architecture and technical processes were significantly above average
- Review of complexity drivers with regard to their impact on sustainability and deduction of measures for reducing complexity

Complexity profile before/ after recovery



Value added by zeb

- Transparency about overall sustainability status of data warehouse program (with a total investment volume of 45k man days)
- Recovery by deriving a tailored set of measures for reducing technical complexity and enhancing flexibility
- Implicit reduction of future cost of operation

For obtaining a high degree of data quality, top management support and stakeholder buy-in are essential

Customer example data governance

Customer situation

- Threat of reputational risk due to lacking quality of regulatory/ legislative reporting and sanctions imposed by supervisors
- Decentralized and heterogeneous data management on group and local (subsidiaries) level
- Group-wide low degree of data quality (~ 60%) and high number of manual corrections (~ 120,000) just for risk-relevant reports

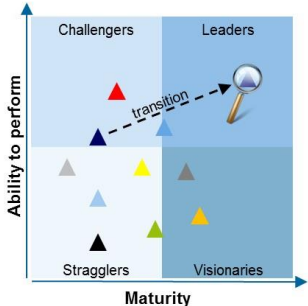
Challenge

- “Stuck in the middle”—poor performance and maturity of existing data quality “solution” not clearly recognized as such
- Lacking support of top management and buy-in of key stakeholders for progress, i.e. movement towards leading edge
- Inadequate communication and missing transparency about actual problems and potential ways of improvement

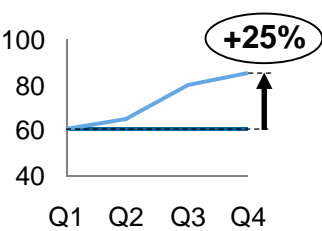
Approach

- Benchmark revealed positioning within peer group—strong improvements with regard to performance and maturity required
- Use of main levers in the area of centralization and standardization (ability to perform) as well as processes and tools (maturity)
- Ensure top management support and stakeholder buy-in through clear communication concept and emphasizing value-added

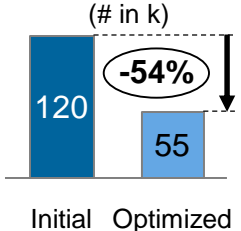
Peer group benchmarking



Data quality



Manual corrections



Value added by zeb

- CEO announced data quality as top 3 topic on bank’s management agenda and published video messages to highlight importance
- Data quality as part of variable remuneration to set incentive for board members and B-1
- Significant increase of data quality (~ 25%) and reduction of manual corrections (~ 54%)

Targeted planning and execution in combination with a fitting skills mix of the team can significantly reduce risks and costs

Customer example planning & execution

Customer situation

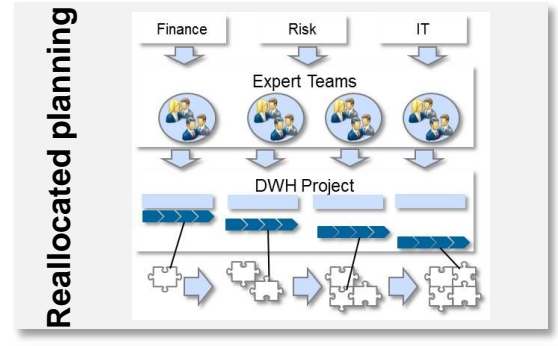
- Project failed to deliver planned deliverables so that milestones were not achieved and overall project was not able to progress
- Huge number of resources (> 180) from various business and IT departments were involved
- High number of defined project results (> 100), which were loosely connected

Challenge

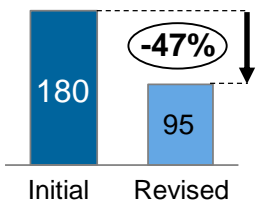
- Low and uncoordinated engagement of key experts in planning and execution
- Poor valuation of business value targets and weak linkage on scope
- Too optimistic resource planning, which was based on too ambitious estimations

Approach

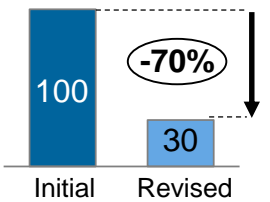
- Top-down definition of target images to make scope and objectives tangible and business value transparent
- Based on target images, rigorous deduction of work packages, tasks and resource requirements
- Skill-based resource allocation and minimization of fragmented resource allocation



of resources



of deliverables



Value added by zeb

- Project has a clear assignment and project members know their job orders
- Significant decrease in required resources (~ 47%) due to skill mix and less fragmentation, i.e. > 50% work time assigned to project
- 70% reduction of project deliverables. Revised deliverables are interrelated and have direct contributions to the target images

Actual costs and realized benefits of projects often remain vague as basic assumptions and conditions get blurred or shifted

Customer example for improvements of “business value”

Customer situation

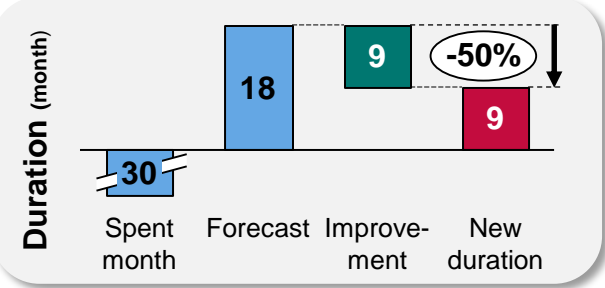
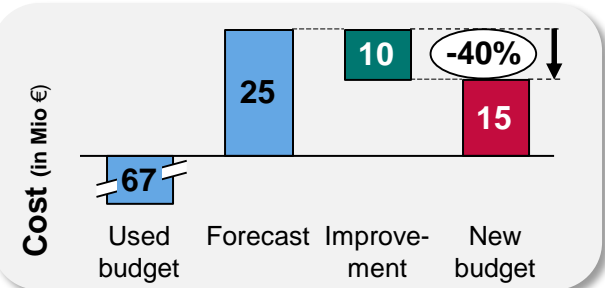
- Project had already 30-months life time (6 months delay) and used € 67 m budget (€ 12 m overrun)
- Unclear situation concerning actually delivered scope, addition budget was estimated to € 25 m and remaining project time of 18 months

Challenge

- No clear change processes implemented and as a result no clear picture of scope and budget
- Stakeholders not close enough engaged in the project
- Cost based vendor selection resulted in high amount of freelance staff in the implementation team

Approach

- Analysis of project documentation and interviews shows a mismatch of 30% regarding scope coverage in relation to used budget; however, 10% of not planned scope implemented
- Implementation team interviews identified missing responsibilities and low quality. Reasons were significant amount of part time resources and high degree of freelance staff (70 people)



Value added by zeb

- Reduction of budget overrun by 40% and project maturity until finalization by 50%
- Reduction of external vendors and reshaped approach to set clear scope and responsibilities
- Change organization for managing externals and handling change requests
- Involvement of key stakeholders (CEO, CFO, CIO) on regular basis for improved decision-making



Soft factors like communications and motivation help project teams to realize highest performance and target orientation

Customer example for improvements of alignment & engagement

Customer situation

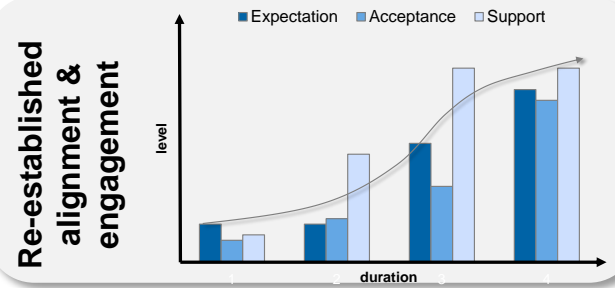
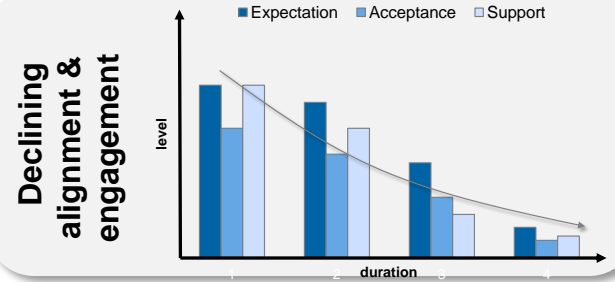
- Project with a multi € 100 m budget after 3 years of reported success crashed due to internal conflicts and unclear governance
- Interviews proved massive misunderstandings and cultural differences between participating teams and units
- Shutdown of project was already on the board's agenda

Challenge

- Missing alignment of teams from different resorts to shared targets
- Line management lacked skills for project and change management
- Neither communications, dialog or networks were deployed
- Stakeholders were actively pushed away from project panels

Approach

- Interviews to uncover problems, systemic analysis of impact levers
- Jointly developed guidelines and leadership rules
- Training and coaching for project managers in relevant skills
- Professional communications and dialog platforms for teams, partners and stakeholders
- Establish permanent support by skilled change managers



Value added by zeb

- Overcoming project crash in less than 6 months
- Risen internal and stakeholders acceptance for project efforts
- Internal turn-around to best practice model for project management
- Established and accepted guidelines and procedures for future projects
- Trained leadership for ongoing major projects