

Department of **Treasury & Finance**

Try standing in the shoes of business...

ACOSM 2007 - 15 November 2007 - Sydney

Terry Wright, Principle Analyst, Department of Treasury and Finance, Victorian Government

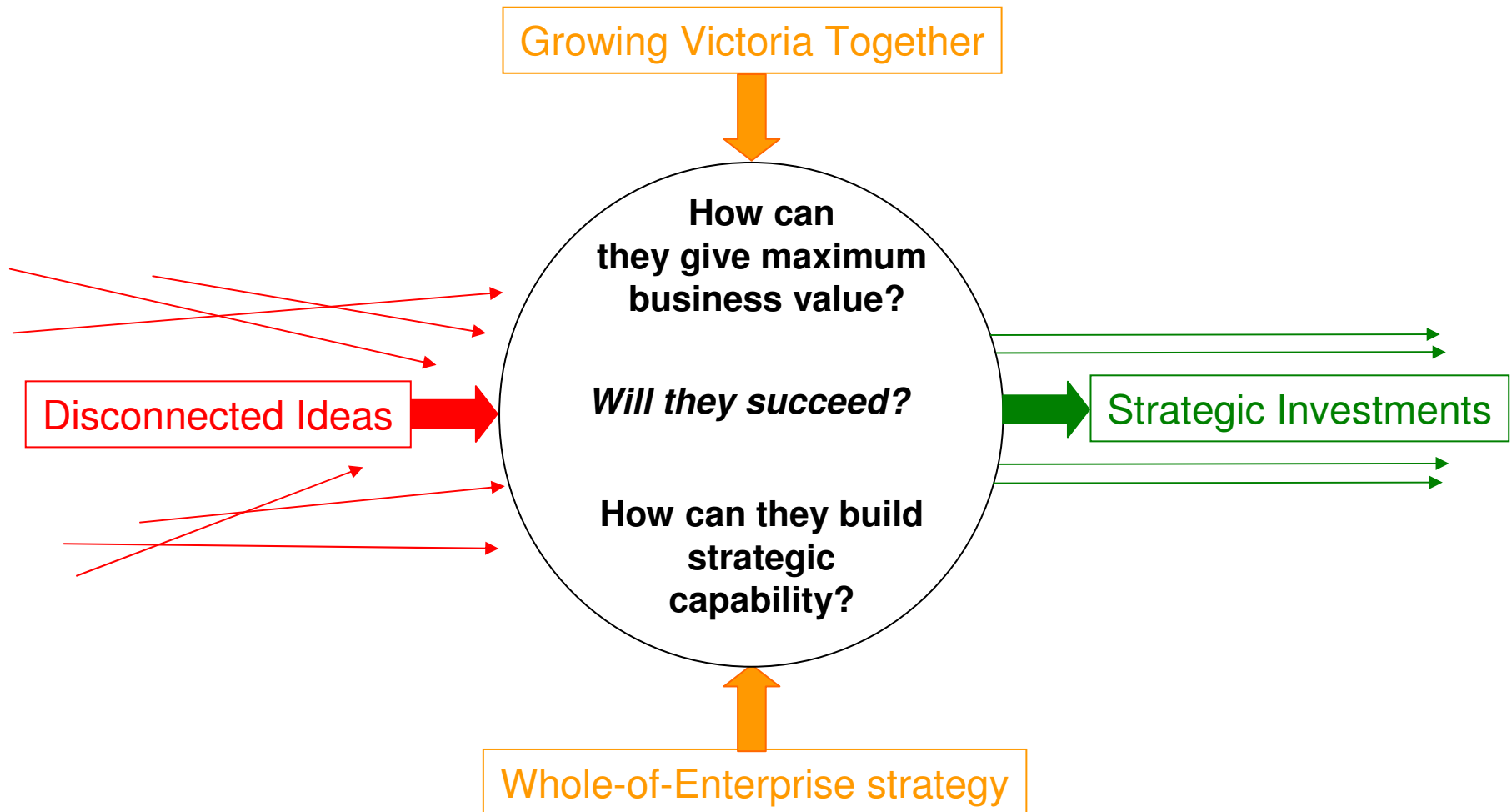


© Department of Treasury and Finance 2007

Wandering the wilderness

- | | |
|-----------|--|
| 1980 - 86 | Business Project Manager |
| 1986 - 88 | Systems Analyst |
| 1988 - 95 | Software Development Project Manager |
| 1995 - 03 | Enterprise IT strategist
<i>“how can IT be exploited to do better government”</i> |
| 2003 - 06 | Enterprise IT investment advisor
<i>“what IT-dependent investments should Government fund”</i> |
| 2007 | Enterprise investment advisor (all investment types)
<i>“what investments should Government fund”</i> |

AT THE CENTRE OF THE BUDGET PROCESS





The CEO

Investment Management v. Project Management

INVESTMENT management



Is the logic for the planned investment clear?

Is there a sound business case to proceed?

Were the expected benefits achieved?

PROJECT management

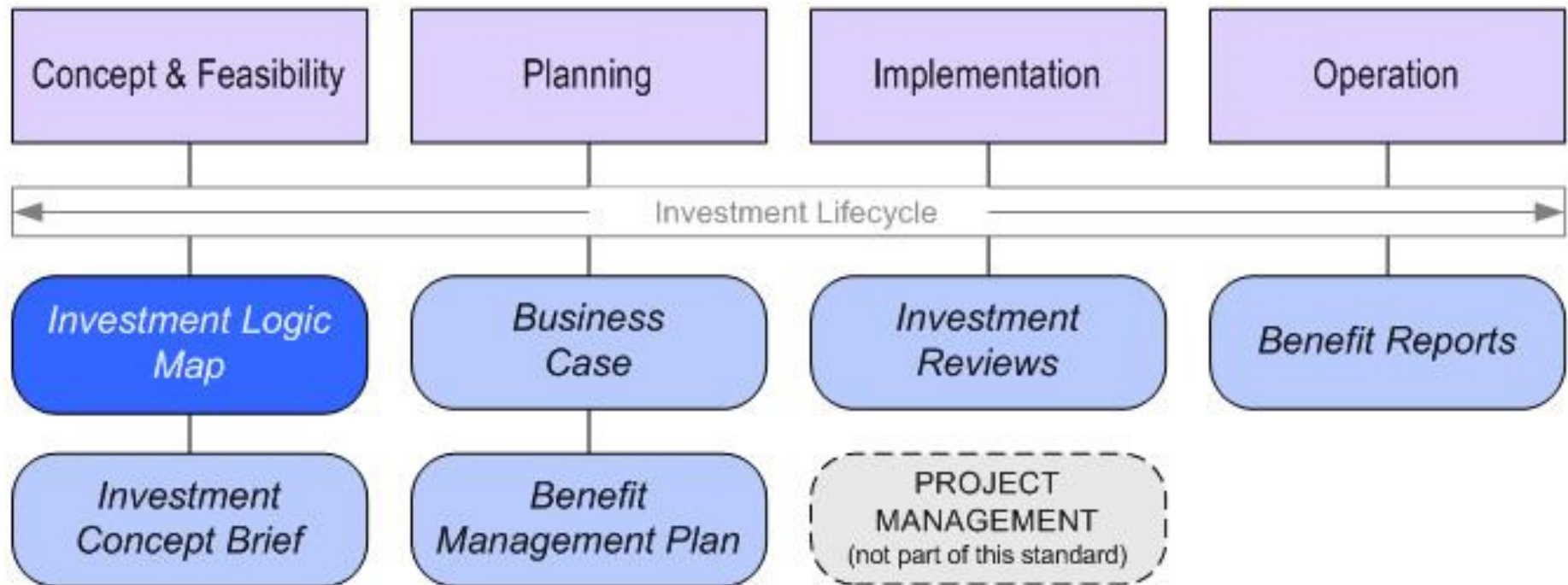


Will the project complete within budget?

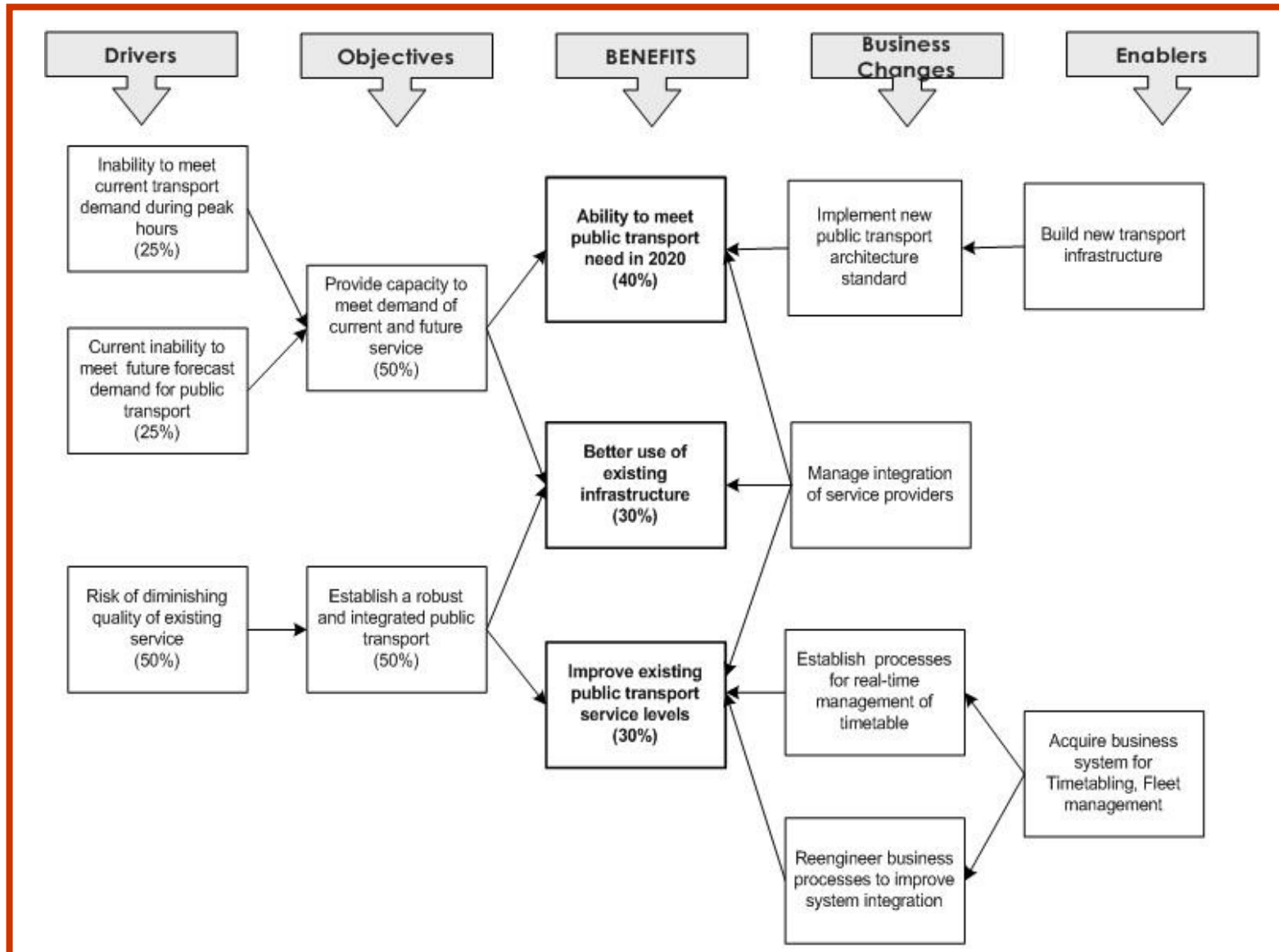
Will it deliver to its planned schedule?

Were the expected products delivered?

INVESTMENT LOGIC MAP



Investment Logic Map (fictional)



Investment Concept Brief

Investment Concept Brief <NAME OF INITIATIVE>

Front
Page

CONTEXT

Why this investment should be considered

--

POLICY ALIGNMENT

The primary policy or organisational outcome to which this investment would contribute

1.	
2.	

BENEFITS

The benefits it will provide (Refer to the attached Investment Logic Map)

TIMEFRAME

The time intervals for each key deliverable

Description of deliverable / milestone	Time from funding (Months)
1.	
2.	

RISKS

The primary risks to the success of this investment

Risk	Criticality (H/M/L)	Likelihood (H/M/L)
1.		
2.		

CRITICAL DEPENDENCIES

Critical dependencies associated with this investment (dates etc)

1.	
2.	

COSTS

Likely costs of the investment

Item (business change or enabler)	Cost	Likely funding source
Total		

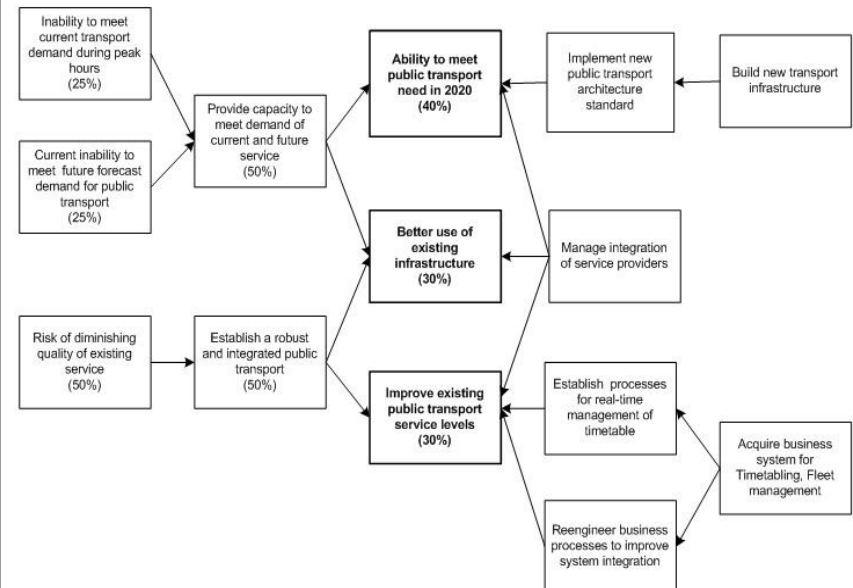
INITIATOR

The senior person who would ultimately be responsible for delivering the identified benefits

Name	Position	Date	Signature

Investment Logic Map

Reverse
Page





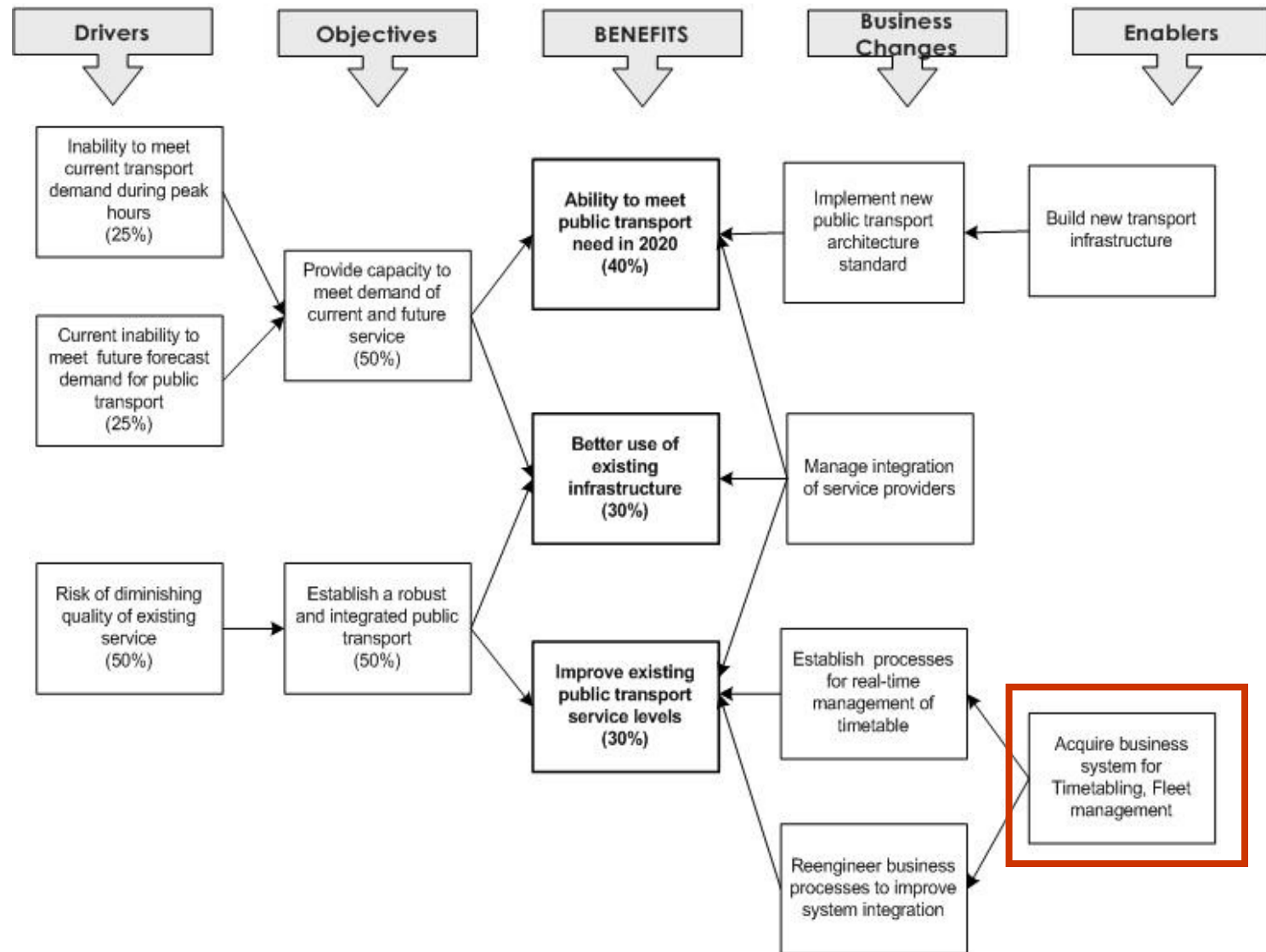
The CIO

... some 'duck moments' (moments of great wisdom)



- + Government's main investors have no concept of the value that ICT investment offers
- + If we want to taken seriously...chase the hard targets
- + If we want real funding...we had better change our language
- + An 'ICT budget'?that's just nonsense

Investment Logic Map (fictional)

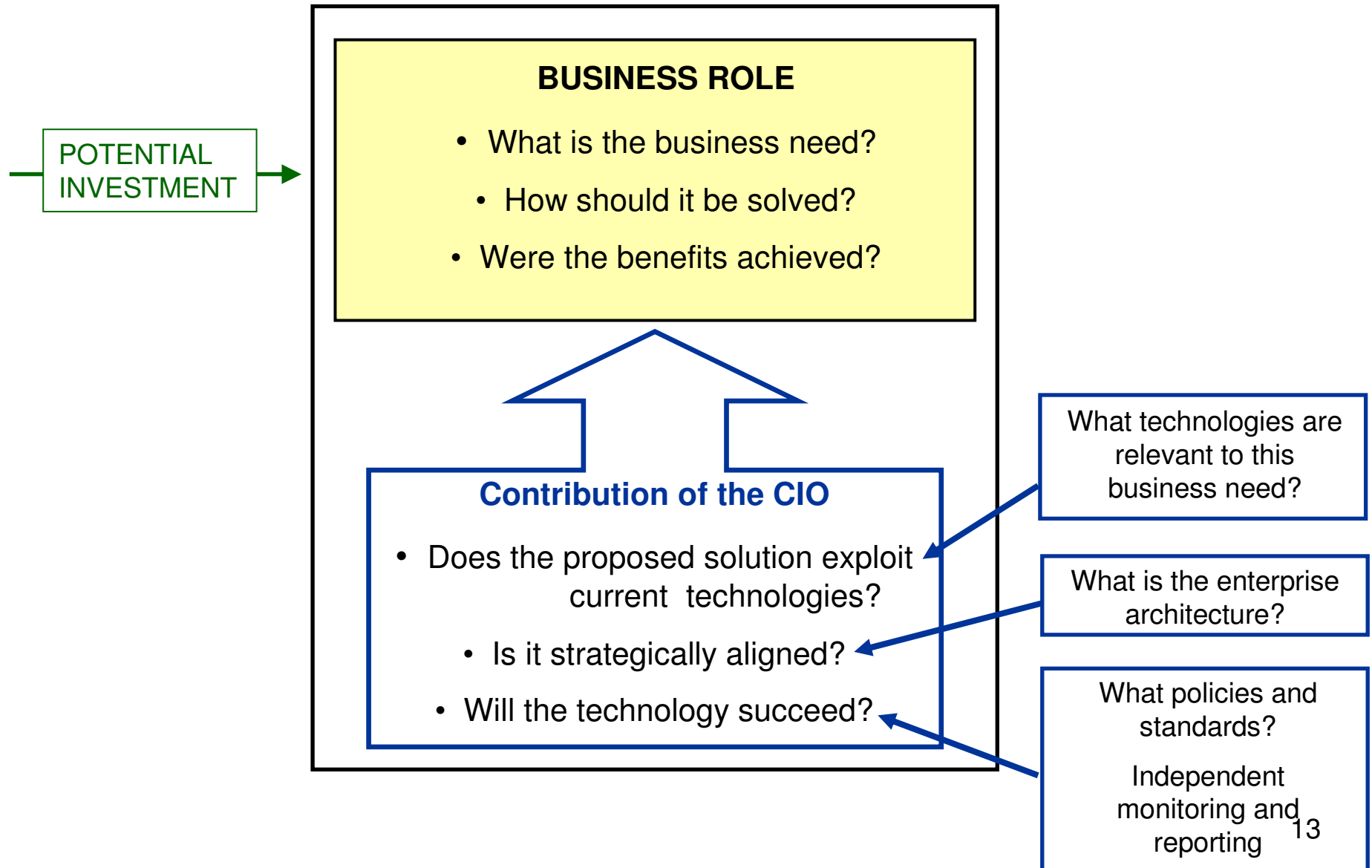




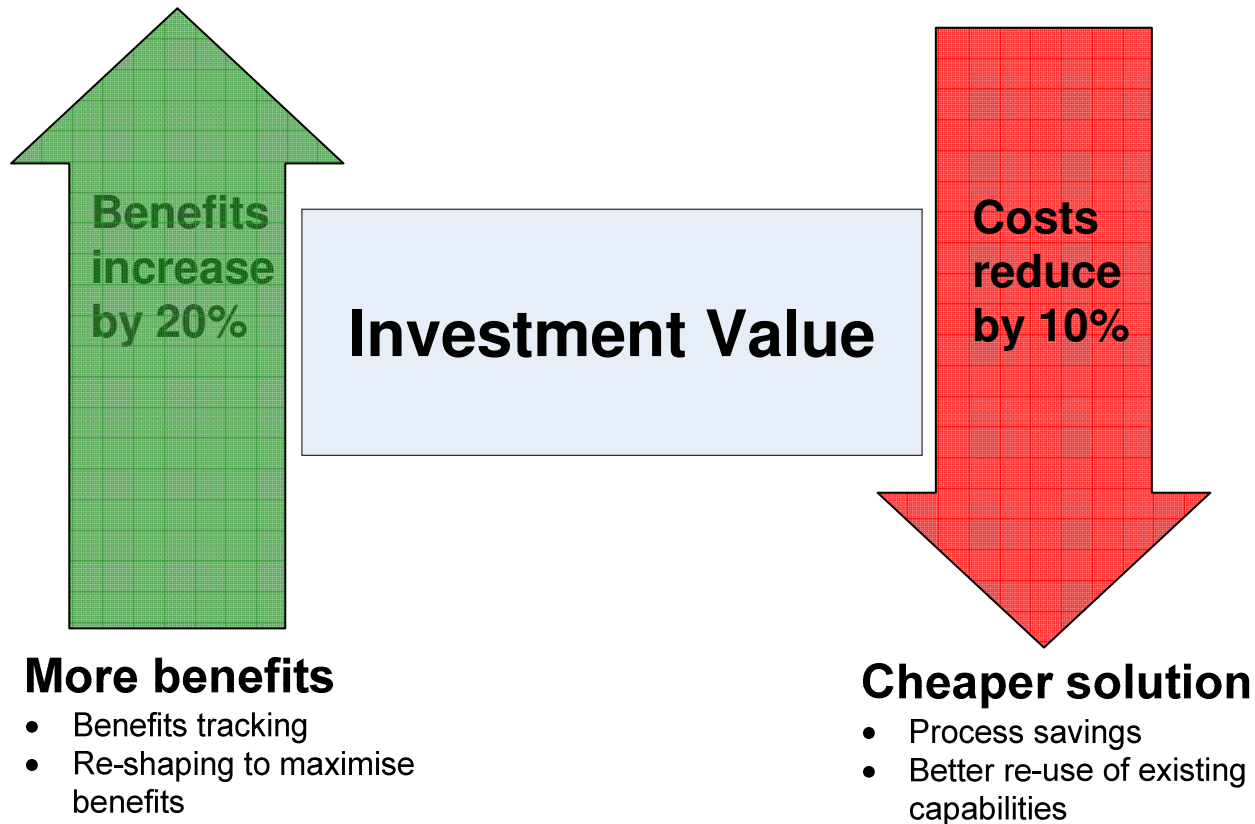
My challenges are:

1. We can't get senior executives to engage?
2. How can we align IT with business?
3. Obtaining funding for IT investments is too hard?
4. IT isn't seen to be delivering benefits to business

...the CIO contribution



Packaging ICT simply as good business investments

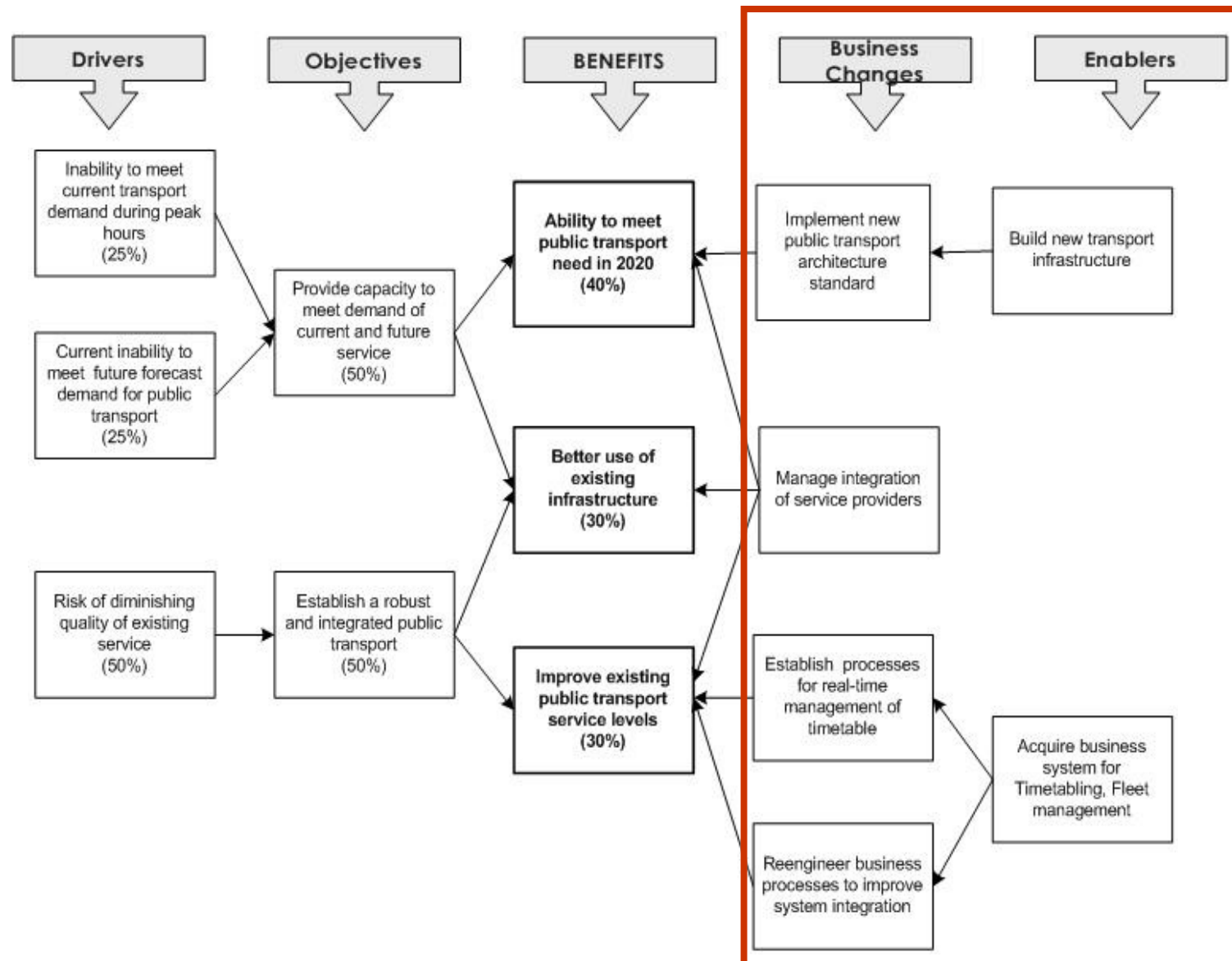


In the 2006/07 budget this equated to an \$80M impact for 18 investments totalling \$420M to which it was applied



The Business Project Manager

Investment Logic Map (fictional)





My challenges are:

1. What changes do I need to make?
2. Which are projects and how can I best manage them?....risks?



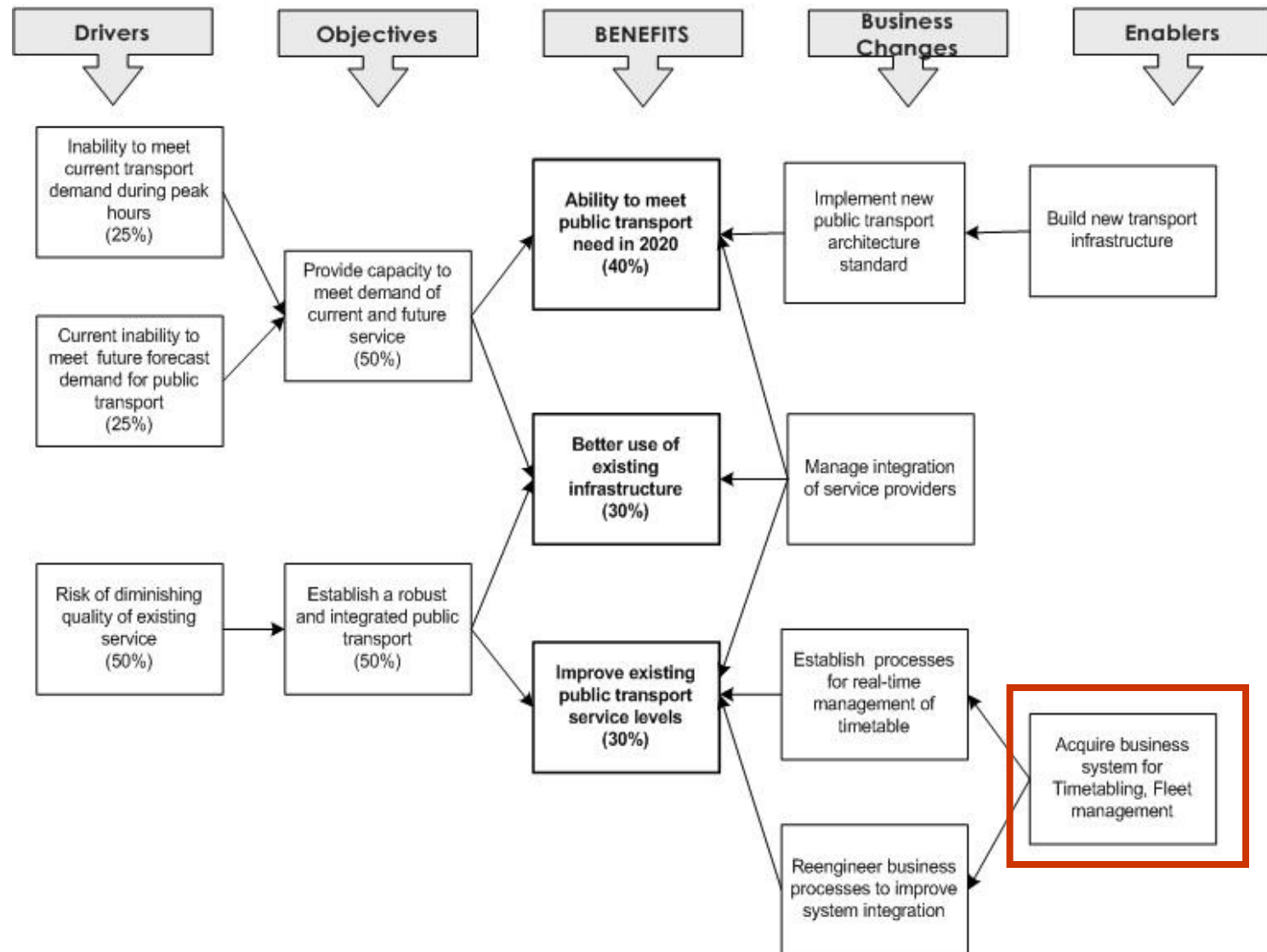
The IT Project Manager



My challenges are:

1. What are the deliverables?
2. What are the time and cost expectations?
3. What are the risks?
4. How can I manage it?

Investment Logic Map (fictional)





The need to sell software metrics as commodities

File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites History Print Research

Address <http://www.cpaaustralia.com.au/cps/rde/xchg/cpa/hs.xsl/index.html> Go Links

Google [accountant australia](#) Go Bookmarks 17 blocked Check AutoLink AutoFill Send to Settings

Member Services	Admission & Education	Training & Events	Technical Resources	Industry Sectors	News & Advocacy	About CPA Australia
-----------------	-----------------------	-------------------	---------------------	------------------	-----------------	---------------------

Information for:

- [Public Practitioners](#)
- [Overseas Members](#)
- [Students](#)
- [Employers](#)
- [Media](#)

Member Login

Member no.

Password

[Lost password?](#) [Register now](#)

E-newsletter

Subscribe for weekly news from CPA Australia:

For today's finance, accounting and business professional.

Quick Links

- [Renew your membership](#)
- [Find a CPA](#)
- [Find a financial planner](#)
- [Member discipline & complaints](#)
- [Update your profile](#)
- [Members' Handbook](#)
- 🔖 [Customise these links](#)

Latest News

- [Resources and tools for good practice in business](#)
- [Outcomes of October AUASB meeting](#)
- [CPA Australia updates its policy positions](#)
- [Updated MBA and specialist Masters CD-ROM](#)

Topical Issues

- [Simplified superannuation](#)
- [Australian Auditing Standards](#)
- [Tax Agents Reform Legislation](#)
- [More topical issues](#)

My Online Learning

Subscribe now and save

CPA Congress

Job of the day

VIC - Asset Consulting Analyst, salary \$80K.

→ [Browse 9000+ jobs for CPAs](#)

Office

File Edit View Favorites Tools Help

Back Forward Stop Refresh Home Search Favorites History Print Research

Address <http://www.aiqs.com.au/> Go Links

Google Go 17 blocked Check AutoLink AutoFill Send to aiqs Settings

[Events Calendar >](#)
[Current News >](#)
[Contact Us >](#)
[Young QS >](#)

The Australian Institute of Quantity Surveyors

AIQS NEWS

- >>[AIQS Lobbying for Federal Election - Skills Shortage, Higher Education funding and combating unqualified people as QS](#)
- >>[Raising the QS Profile campaign](#)
- >>[AIQS Expert Witness Training - October 2007](#)
- >>[Members Benevolent Fund established](#)
- >>[AIQS gives members free initial legal advice](#)

▶ What is AIQS?
Strategic Plan, Articles of Association, Code of Conduct, Annual Report, Benefits, What makes a Member?, Scholarship Information, Privacy Policy

▶ Find a Member, QS Firms, Best Practice Charter, Expert Witness Register
Contact details of members and firms

▶ Membership Enquiries...
Membership Information, Application Form, Tertiary Course Guide

▶ What is a Quantity Surveyor?
General Information about Quantity Surveying, History, Job Description, Quantity Surveying Services

▶ Member's Only Area
News, Chapters, CPD, Downloads, Forms, Online Discussion forum, Research Grants

▶ Publications and Resources
Purchase online, Quick Downloads

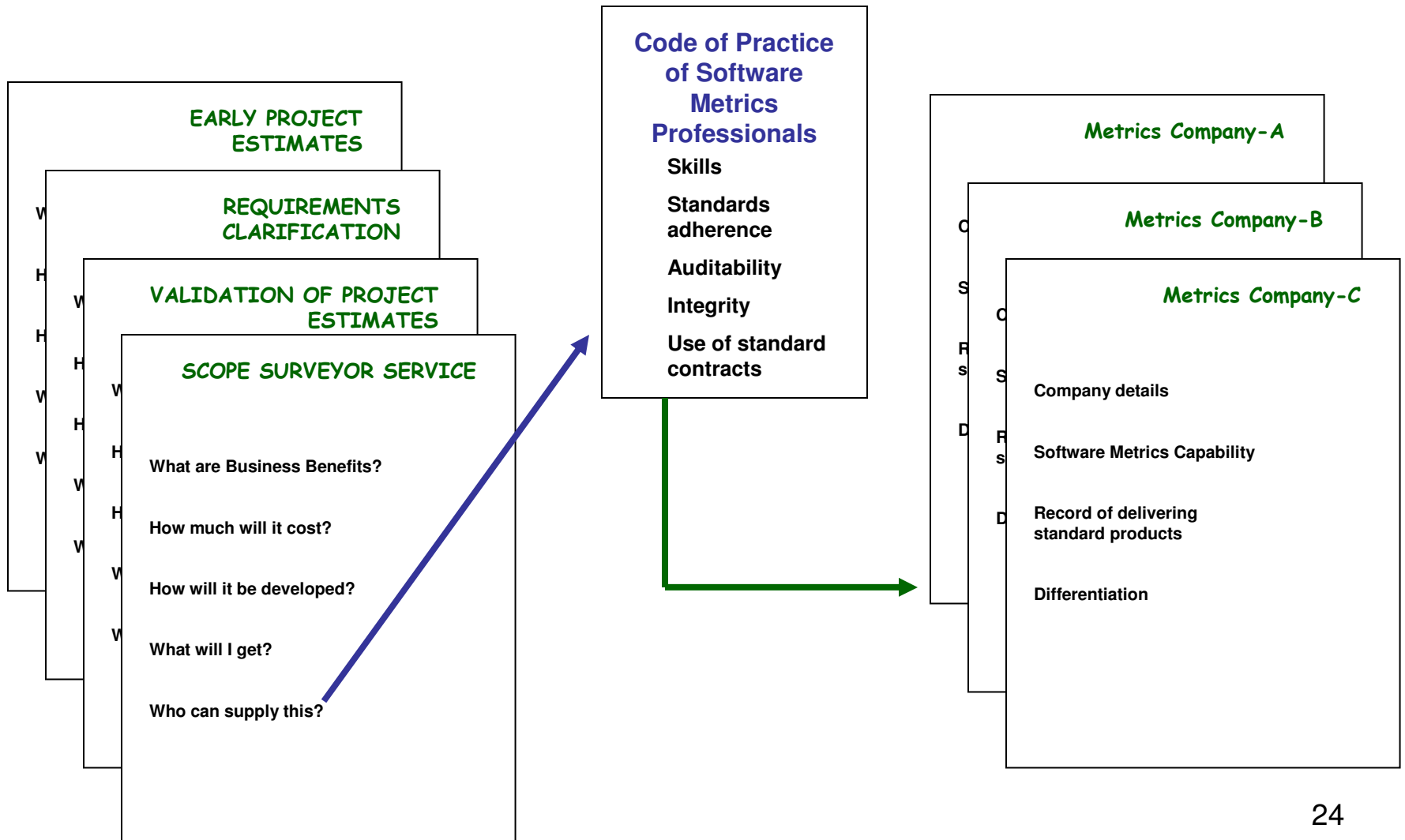
▶ Useful Links
Links to our Members Firms, Links of Interest

▶ Migration and Employment
Positions Vacant, Post Job Vacancies, members Seeking Work, Salaries Information, Skilled Migration Assessment ASCO 2122-11

Preferred Suppliers:

Slide 8 of 45 2007_DTF_POWERPOINT_TEMPLATE

Software metrics as a commodity



Standard products for business

Project Success


- Product-1: Early estimate of project cost and duration**
- Product-2: Validation of project estimates**
- Product-3: Requirements clarification**
- Product-4: Scope surveyor service**

Strategy

- Product-1: Industry performance comparison**
- Product-2: Technology productivity advice**
- Product-3: Package selection advice**
- Product-4: Outsourcing advice**



A few observations

- 
- + Systems architects establish a culture of discontent by taking a 'blue sky' approach to system specification
 - + Let's introduce post-functional specification chop....reducing all functional specs by 30%
 - + The application of software metrics is a specialist discipline...don't pretend that anyone can do it
 - + An ICT budget is a silly notion...its about getting the best business outcome at the best price
 - + Estimating isn't about providing the right answer....its about providing realistic targets

Department of **Treasury & Finance**

Try standing in the shoes of business...

ACOSM 2007 - 15 November 2007 - Sydney

Terry Wright, Principle Analyst, Department of Treasury and Finance, Victorian Government



© Department of Treasury and Finance 2007