

Financial and Cash Management Task Force

**Recommended Enterprise Project
Governance**

12/1/08



1.1 Recommended Enterprise Project Governance

It is important to address the proper structure for governing projects that will be implementing enterprise business functions of the State, referred hereafter as Enterprise Projects, and the relationship of the enterprise project's governance to the State's enterprise governance.

1.1.1 Project Sponsor

The Project Sponsor is an executive in the agency that owns the business functions that are to be implemented in the enterprise application. The Project Sponsor has the ability to influence key stakeholders and can assist state agencies in overcoming resistance to the project. The Project Sponsor is not involved in managing the day to day activities of the project. Their role is to:

- Champion the project
- Obtain the budget for the project
- Accept responsibility for problems escalated from the Project Director
- Approve documents supporting the need and vision for the project (i.e. business case, project charter)
- Ensure the expected benefits are being realized after implementation

It is important to note that in accordance with the recommended enterprise governance structure, the Project Sponsor would have provided a business case to the Enterprise Financial Committee from review prior to the start of the project. The Enterprise Financial Committee would ensure the project's scope that is outlined in the Business Case supports the State's Strategic Enterprise Business Plan.

During the project's life cycle, the Project Sponsor will be expected to address issues raised by either the Project Director or the Project's Steering Committee. If the project raises issues on changes to scope or funding, the Enterprise Financial Business Operations Officer (EFBOO) will have to address the issue. The Project Sponsor is expected to be the representative for the project and work with the EFBOO on the issue that needs to be addressed.

1.1.2 Project's Steering Committee

The primary role of the Project's Steering Committee is to provide oversight on the project and provide direction when needed. The Steering Committee should be comprised of key stakeholders associated with the business processes that are to be implemented in the enterprise application. It is also recommend that representatives from the state agencies with the highest risk associated with implementing the business processes be included on the Steering Committee. Their appointment to the Steering Committee will help mitigate the risk and identify issues that the key stakeholders may not be aware of. The responsibilities of the Steering Committee are to:

- Ensure there is a clear scope for the project
- Address issues raised by the Project Director

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- Provide options on mitigating risks to the project
- Ensure the project is achieving its objectives
- Ensure project targets and/or milestones are being met
- Promote acceptance of the project
- Make Go/No-Go decisions

The Steering Committee is expected to provide continual support to the project during its life cycle and address issues in a timely manner. It is recommended that the Steering Committee sign a Memorandum of Understanding Agreement to codify their responsibilities and commitment to the project. The Steering Committee is expected to escalate issues to the Project Sponsor if the issue has an impact to the project's funding or scope.

1.1.3 Project Director

The Project Director's primary role is to ensure that the project stays within the defined scope, on the expected timeline, and performs within available resources (i.e., funding, staff). The Project Director is responsible for:

- Addressing issues raised by the Project Manager
- Informing the Steering Committee of project issues
- Informing the Steering Committee of project risks
- Managing the project's scope
- Managing the project's timeline
- Monitor the project's use of available resources
- Supporting internal and external oversight of the project

The Project Director is expected to raise issues to the Steering Committee when the project is not adhering to its established scope, timeline or is exceeding available resources.

1.1.4 Project Manager

The Project Manager's primary role is to manage the project staff and tasks they are assigned. The Project Manager is responsible for managing the project's plan and ensuring the staff levels are adequate for the tasks that are to be performed. Project staff will work with the Project Manager to identify issues with the project's scope and areas where there are inadequate resources to perform the tasks within the given timeframes.

The Project Manager is expected to raise issues related to changes in the project's timeline and scope to the Project Director. The Project Director and Project Manager can be the same individual on smaller projects. However, an enterprise project could have several hundred project staff and many stakeholders that are external to the project, thus requiring separate individuals to perform the duties.



1.1.5 Relationship with Enterprise Governance

The enterprise project governance must collaborate with the enterprise governance for certain decisions during the life of the project.

Prior to Start of Project

The Project Sponsor will prepare a business case and seek approval from the Enterprise Financial Committee. The business case will outline the scope of the project and funding that is needed. The project's scope must be in alignment with the State's Strategic Enterprise Business Plan. The EFBOO will be required to approve the business case prior to the Project Sponsor requesting funding from the Legislature.

During Project's Life Cycle

The Steering Committee is required to escalate issues that are related to the project's scope and funding to the EFBOO for review and approval. The Project Sponsor is required to work with the EFBOO on the issue being addressed. Members of the Enterprise Financial Committee should be appointed to the Steering Committee if the scope of the project has an impact to their business process.

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Enterprise Governance Structure

