City of Stamford project Governance Structure

The City of Stamford is embarking on a complex and far reaching Enterprise Resource Planning (ERP) project that will change the way business is conducted and how the results of operations are reported. This project is intended to affect all business areas within the City and as such, requires a robust project governance structure to ensure our success. This document describes the City of Stamford ERP Project Governance Structure and the relationships among the various member groups of the structure.

Objectives

The project governance process is intended to:

♦ Outline the relationships between the Executive Sponsors, the Governance Committee. the Steering Committee, Business Team Leads, and extended project stakeholders

♦ Enable timely decision-making and issue resolution at the lowest appropriate level

♦ Provide a vehicle to escalate concerns if requirements of the Executive Sponsors and other City agencies are not being properly addressed by the new system

♦ Foster an effective working relationship among the Executive Sponsors, the Steering Committee, the Governance Committee, the Project Manager and Business Team Leads

Structure

The project governance structure identifies how the project will be governed and organized, including executive management, sponsors, project management and project team personnel. The structure also provides direction for project management, timely decision-making, and ultimately, project success.

The project governance structure will be composed of the following groups:

♦ **Executive Sponsors**

Executive Sponsors for the project will include the Mayor or a designee and the Director of Administration.

♦ **Governance Committee**

The Governance Committee will act in an advisory capacity advising the project team on policy and business process issues. The Governance Committee will consist of City legislative and business leaders as well as outside professional advisors.

♦ **Steering Committee**

The Steering Committee is responsible for providing guidance on overall strategic direction, busines process changes and system configuration, controls, and options. The Steering Committee will also act as a change control board for analyzing and approving/rejecting recommended changes to the project scope as presented by project management. Changes on which the Steering Committee cannot reach agreement or which by their nature should be decided by the Executive Sponsors will follow the formal escalation process as identified in this document. The Steering Committee will be composed of City department representatives from the City's administrative and

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operational management team (e.g., Budget, Financial Management, Procurement, Information Technology) and one to three large or key City agencies (Operations, Public Safety) and Executive Sponsors

♦ **Business Team Leads**

Business Team Leads are stakeholders that will be responsible for specific business processes within the ERP system. Business Team Leads will be responsible for the design and configuration of specific business processes to which they are assigned and the delegation of project activities and tasks to members of their respective teams..

♦ **Project Stakeholders**

Stakeholders have a vested interest in specific business processes that will support the Citywide ERP system. They are typically customers of the ERP system.

♦ **ERP Evaluation Committee**

The ERP Evaluation Committee will be approved by the Executive Sponsors and should include representatives from across City government. The ERP Evaluation Committee will actively participate in all phases of the ERP software and integration services procurement evaluation process, including the scoring of vendor responses and software product demonstrations and integrator oral presentations. It should be noted that, the ERP Evaluation Committee, will function in a key role prior to commencing the ERP implementation effort. Upon completion of the evaluation process, the Evaluation Committee will issue a recommendation for the award of an ERP software and services contract to the successful vendor for approval by the Executive Sponsors.

♦ **Project Manager**

The Project Manager will facilitate project governance and manage day-to-day project activities, the Issues Log, the Risk Register and requested Changes. In addition, the Project Manager will manage the contract(s) with the ERP software provider and the implementation services provider.

The chart that follows provides a visual representation of the governance structure for the Citywide ERP project:
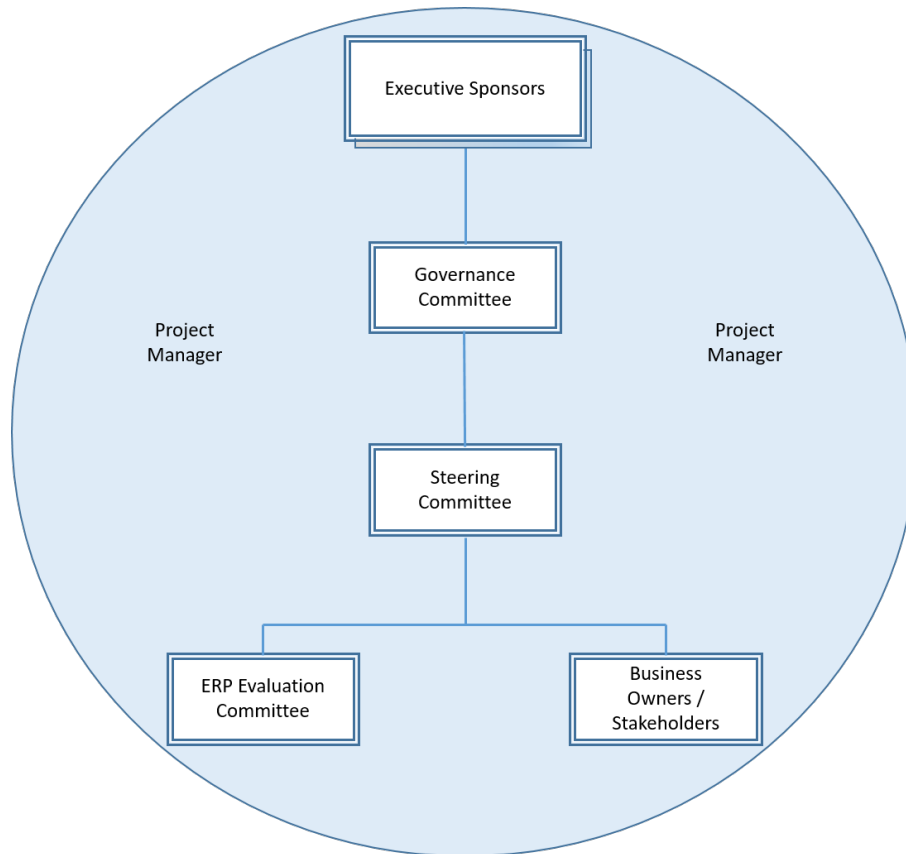
Roles & Responsibilities

This section describes the composition of each major group within the governance structure, their roles and responsibilities to the project, and their estimated time commitments to the project.

Executive Sponsors

The role of the Executive Sponsor requires the highest levels of influence to ensure that the project has sufficient priority to enable success. The Executive Sponsors are responsible for securing the funding and City resources to complete the project successfully.

The Executive Sponsors are City Executives that will bear ultimate responsibility for the success of the project and should be strong advocates for the Project.

The Executive Sponsors may find it advantageous to designate an individual on their staff to serve as the primary point of contact and facilitate communications between the Executive Sponsors and the project. This point of contact would be responsible for escalating issues perceived to have a potentially adverse impact on the project to the Executive Sponsor committee.

Executive Sponsor Composition

- Michael Pollard – Mayor's Chief of Staff
- Sandy Dennies – Director of Administration

Time Commitment

- 2 to 3 hours per month*

Roles and Responsibilities

- Support Project Manager and assist in staffing of other critical positions on project team
- Actively champion the project
- Establish and cultivate legislative sponsors
- Articulate executive requirements
- Provide guidance to the Steering Committee and Project Management
- Empower the Steering Committee, the Project Manager and the Project Team
- Approve changes to project work plan that include an increase in project cost
- Ensure / approve funding necessary to achieve project objectives
- Ensure staffing necessary to achieve project objectives
- Assist with issue resolution in accordance with issue escalation procedure (defined in this document)
- Assist in removing obstacles to success

Governance Committee

The Governance Committee will provide advice to the Executive Sponsors and the Steering Committee. The Governance Committee is comprised of Elected Officials or their designees, City executives and outside professional advisors.

Governance Committee Composition

The Governance Committee is comprised of the following members unless other appointments are made by the Executive Sponsors:

- Michael Pollard – Mayor's Chief of Staff
- Sandy Dennies – Director of Administration
- David Watkins – Board of Representatives
- Geoff Alswanger – Board of Finance
- Andy George – Board of Education
- Mike Pensiero – Technology Director
- Chuck Williams – ISG Project Manager
- Joe Centofanti – Partner, PKFOD (outside professional advisor)
- Sally Jackson – Organization Change Management (outside professional advisor)

Time Commitment

- 4 hours per month*

Roles and Responsibilities

- ♦ Actively participate in Governance Committee meetings
- ♦ Actively champion the project
- ♦ Set strategic direction for the ERP project through definition of project scope, vision, and goals
- ♦ Advise the Steering Committee and Executive Sponsors on future state business processes and organizational impacts required to successfully implement the ERP system
- ♦ Advocate for the project and the business process and system changes within their areas of influence
- ♦ Review project status and remove obstacles to project success
- ♦ Approve project scope, schedule, and budget
- ♦ Provide insights to assist in successful completion of the project
- ♦ Monitor project status
- ♦ Support project goals and objectives

Steering Committee

The Steering Committee is a group of high-level stakeholders who are responsible for providing guidance and overall strategic direction for the project. The Steering Committee is usually made up of organizational peers.

Steering Committee Composition and Participation

The Steering Committee will be comprised of Permanent Members, Participating Members and Subject Matter Experts. Permanent Members are full voting members that form the core Steering Committee. Permanent Members are expected to vote on any decisions made during the meetings. Ideally, all Permanent Members will attend every meeting. Participating Members are full participating members but represent a diverse set of City business processes that will be the focus of various meetings. The Participating Members may optionally attend any Steering Committee meeting but are expected to attend whenever discussions relevant to their respective business areas are on the agenda to provide perspectives and insights on options under consideration by the Steering Committee. Subject Matter Experts (SMEs) are members that will be invited to Steering Committee meetings when their expertise is needed to discuss specific issues and make related decisions.

The Steering Committee will meet monthly or more frequently as needed and will deal with issues and risk mitigation that cannot be resolved by the project team. However, the frequency with which Steering Committee members will be involved in the project will vary. All of the Steering Committee members are involved in managing and providing services performed by the City. The expertise they possess will be valuable to the project and in many cases, they will be involved in day-to-day project activities. As questions or issues arise, project team members will include Steering Committee members in discussions to clarify and resolve the questions and issues. Questions or issues resolved by the project team, may be reported to the Steering Committee for information.

The appointed Permanent, Participating and Subject Matter Expert members listed below will make up the Steering Committee unless other appointments are made by the Executive Sponsors:

Permanent Members

♦ Michael Pollard – Mayor's Chief of Staff

♦ Sandy Dennies – Director of Administration

♦ Jay Fountain – Director, Office of Policy Management

♦ David Yanik – City Controller

♦ Chuck Williams – ISG Project Manager

Participating Members

♦ Bill Napolitano – Revenue Service Manager

♦ Ryan Fealey – Director of Finance, Board of Education

♦ Mike Pensiero – Technology Director

♦ Erik Larson – Purchasing Manager

♦ Karen Vitale – Assistant Controller

♦ Mark McGrath – Director of Operations

♦ Timothy Shaw - Police Chief

♦ Trevor Roach - Fire Chief

Subject Matter Experts

♦ Bharat Gami – Chief Building Official

♦ Dan Colleluori – Supervisor of Solid Waste

♦ Laura Berwick – Special Assistant to the Mayor

♦ Josephine Carpanzano – Special Assistant to the Mayor

♦ Julie Giglio – Special Assistant to the Mayor

♦ Lee Berta – Assistant Director, Office of Policy Management (Operating)

♦ Anthony Romano – Management Analyst, Office of Policy Management (Capital)

Time Commitment

♦ 4 hours per month*

Roles and Responsibilities

♦ Actively participate in Steering Committee meetings

♦ Remove obstacles to project success

♦ Actively champion the project

♦ Ensure that the ERP initiative is aligned with the City's strategic goals and objectives

♦ Communicate project status within respective agencies

♦ Maintain a thorough understanding of what the project involves

♦ Monitor project progress

♦ Provide guidance to the project team

♦ Contribute resources to the project team

♦ Make strategic-level decisions and resolve issues in a timely manner in accordance with the issue escalation procedure

- Review risk mitigation plans and act on or reject Project Manager recommendations
- Participate in post-implementation reviews and meetings regarding lessons learned
- Review all change requests that impact project scope
- Analyze the various alternatives associated with each change request
- Make recommendations to Executive sponsors to approve or reject change requests

Business Team Leads

Business Team Leads are City staff that will be responsible for specific business processes within the ERP system. Business Team Leads are *project team members* responsible for the design and configuration of specific business processes to which they are assigned and will participate in and be responsible for completion of the day-to-day activities of the project. The Business Team Leads are managers and supervisors of teams to whom project activities and tasks can be delegated. The members of City staff that participate on the project team are referred to as *Project Teams*.

Time Commitment (of underline each business team)

- 20 – 30 hours per week*

Roles and Responsibilities

- Actively participate in the ERP selection process
- Actively participate in analyzing current business processes and systems
- Actively participate in defining the business requirements for the ERP system RFP
- Actively champion the project
- Actively participate in risk, issues, and scope management processes outlined under Project Manager below
- Contribute business process expertise to the project as a whole and to assigned areas
- Ensure progress in accordance with the project work plan and assigned tasks and activities
- Communicate work status to the PM on a weekly basis
- Maintain a thorough understanding of what the project involves
- Participate in post-implementation reviews and meetings regarding lessons learned
- Make recommendations to Executive sponsors to approve or reject change requests

Project Stakeholders

Stakeholders have a vested interest in specific business processes that will support the Citywide ERP system. They are typically customers of the ERP system and may be internal to the City or external. Internal stakeholders may include the Mayor and employees that are not on the project team. External stakeholders include anyone outside of City staff that has an interest in how the system is to be implemented. The most notable external stakeholders are vendors with whom the City does business.

Time Commitment

- Minimal / as needed

Roles and Responsibilities

♦ Provide insights into related business processes as appropriate

♦ Participate in training and testing of the new system as appropriate

ERP Evaluation Committee

The Evaluation Committee will actively participate in all phases of the ERP software and integration services procurement evaluation process, including the scoring of vendor responses, software product demonstrations and integrator oral presentations.

Time Commitment

♦ 10 – 20 hours per week during ERP selection process*

Roles and Responsibilities

♦ Understand the City's goals and objective for the ERP system

♦ Understand the City's Approach to the ERP selection process

♦ Understand the City's business requirements

♦ Actively participate in vendor software and services presentations

♦ Evaluate the software and services demonstrated during vendor presentations

♦ Actively participate in defining the business requirements for the ERP system RFP

Project Manager

The Project Manager (PM) has primary responsibility for the quality of a project's deliverables and its successful completion. To succeed, the PM must work closely with the Executive Sponsors, the Governance Committee, the Steering Committee and Business Team leads and the Project teams to ensure that adequate resources are applied. The PM also has responsibility for planning and ensuring that the project is successfully completed on time and within budget.

Project Manager

♦ Chuck Williams – ISG Project Manager

Time Commitment

♦ Full-Time

Roles and Responsibilities

♦ Communications:

  • Communicate direction to the project team

  • Report to the Executive Sponsors, the Governance Committee and the Steering Committee regarding management of the implementation, including progress, budget, risk assessment, and issues

  • Facilitate the Executive Sponsor, Governance and Steering Committee meetings

  • Conduct all formal communications with vendors, and manage vendor contracts and relationship

  • Ensure that management, users, affected City organizations, and contractors commit to the project

♦ Daily Management:

- Ensure progress in accordance with the project work plan
- Approve changes to project scope, timing, and project work plan
- Solicit advice and support from consultants, and provide direction regarding scope and content of consultant support
- Direct project Business Team Leads in the day-to-day management of the project
- Review and approve project status
- Provide direction and guidance on change management
- Make timely decisions and set priorities
- Implement project policies and procedures
- Maintain staff technical proficiency and productivity, and recommend training where required
- Establish and maintain quality of the project
- Review and approve project baseline plan
- Ensure that the project plan is updated and approved as needed
- Assign resources to the project and assign work packages
- Regularly review project status, comparing budgeted to actuals
- Participate in change the control process to approve system changes
- Develop an action plan for any deliverable that does not receive expected user sign-off
- Obtain user and management approval of tested system and final deliverables
- Facilitate post-implementation reviews and meetings regarding lessons learned
- Assist Division of Purchasing in contract close-out
- Celebrate success.

♦ Reporting and Logistics:

- Provide project status reporting to the Executive Sponsors, the Governance Committee. the Steering Committee
- Provide Board of Representatives and Board of Finance members of the Governance Committee with updated status reports that they can share with their respective boards
- Acquire resources through the Project Sponsors and Steering Committee
- Identify and procure tools to be used on the project
- Allocate and reallocate project resources as required
- Approve and monitor project budget and expenditures
- Establish the facilities, access, and logistics for the Project Team
- Conduct reviews of work completed, deliverables, and plans to ensure the project outputs meet required levels of quality
- Develop Post Implementation Evaluation Report (PIER)

♦ Issue and Risk Management:

- Resolve implementation issues and escalate issues that cannot be resolved to the Steering Committee for resolution

- Update project risks and establish prevention and mitigation procedures, as required.
- Analyze risks on an ongoing basis and manage risk mitigation activities.

Issue Resolution Process

Issue resolution is an ongoing process managed by the Project Manager. The project will have many types of issues with varying degrees of complexity that will impact project success, business processes and the City's ability to perform business processes. The issue resolution process is a method for identifying and managing resolution for issues that arise during the project.

The diagram below provides an overview of the Project's Issue Resolution process:
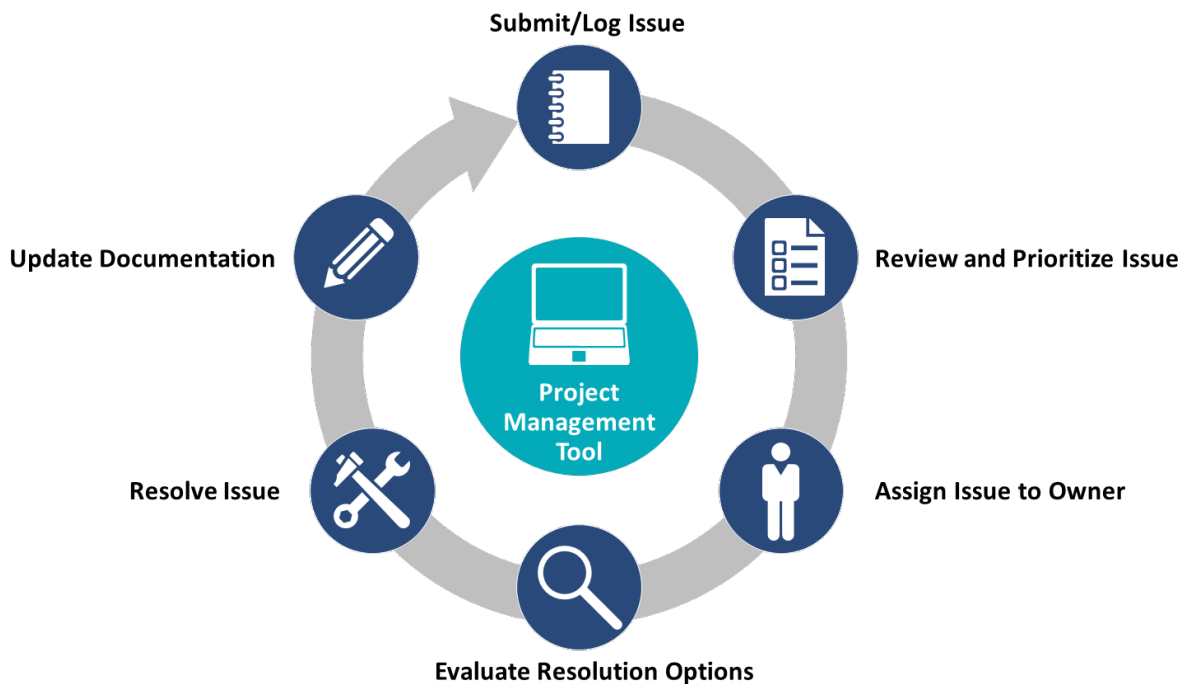
The steps for reporting and resolving a project issue are:

- **Submit Issue.** All identified issues will be entered into an Issues Log by the Project Manager based on identification of an issue by members of the project team. The default issue status will be 'Submitted'. The Project Manager will update the log as the project team continues to work the issues to an acceptable conclusion through the process. The Project Manager will closely monitor the Issues Log as certain unresolved issues could materially impede the progress of the project.

- **Review and Prioritize Issue**. The Steering Committee will review the issue and determine whether to accept/assign, reject, or defer the issue. Assigned issues will be prioritized based on the impact the issues have, or will have, on the project's progress, and the issues are assigned a target resolution date.

- **Assign Issue to an Owner**. An accepted issue will be assigned to an owner who, with assistance from the Project Manager, will be responsible for driving the issue to resolution.

- **Evaluate Resolution Options**. The issue owner, with assistance from the Project Manager, will determine viable resolution options, and then manage the evaluation of the options, considering the pros and cons of each option.

- **Resolve Issue**. The owner, with assistance from the Project Manager, will work to resolve the issue by the target resolution date. If the issue is not resolved by the target date, a new target date will be set, and the owner of the issue will confer with the Project Manager to determine the appropriate management escalation action to take. This escalation process will continue until the issue is resolved.

- **Close Issue**. Once an issue has been resolved (accept/assign, reject, or defer), the Project Manager will assign a Closed status in the Issues Log.

Scope Management Process

The ERP Project will be subject to changes throughout its lifecycle due to its size and complexity. Allowing a certain amount of change to take place can be an important factor in the success of the overall project. For the project to be successful within its defined budget and timeframe, however, it is essential that project scope at all phases be closely monitored and controlled for the following reasons:

- Changes can adversely impact project costs, schedule, and performance

- Changes can disrupt schedules, delay target milestone dates, and unbalance project resources

- Changes, if too numerous, can impede the project team's progress

There are two primary aspects to controlling scope:

- Preventing "scope creep" – The Project Manager must clearly communicate work assignments and ensure that activities beyond the approved scope of the project are not being performed.

- Ensuring proposed changes in scope are business-justified – All proposed changes to the scope of the project must be evaluated to determine their impact on the project's business case. *It is the Project Manager's responsibility to see that only changes that are properly authorized are undertaken*.

Principles

The following principles have been defined regarding scope change management:

- The project scope and any significant changes thereto will be reviewed with and approved by the Steering Committee

- Commitment and adherence to project scope will be maintained by all project team members

- Changes to project scope include additions and deletions of any scope element with respect to geographic, organizational, functional, technical, and all other considerations that impact scope

- All scope change requests submitted by the project team will be documented by the Project Manager who will maintain the scope change management process as outlined in this section

Approach

As with project issues, proposed scope changes will be reviewed, prioritized, assigned, and resolved. Scope change resolution differs from issue resolution in that there is an impact on project resources, timeline, and/or budget. Therefore, justification including development of a cost analysis must be documented by the Project Manager. Change requests that affect the business processes/system functionality or technical architecture and/or occur after the deliverable/product has been accepted will be researched by the Project Manager to determine the impact on the project. These are issues that can only be resolved by a change in the project scope.

The scope management process is depicted as follows.
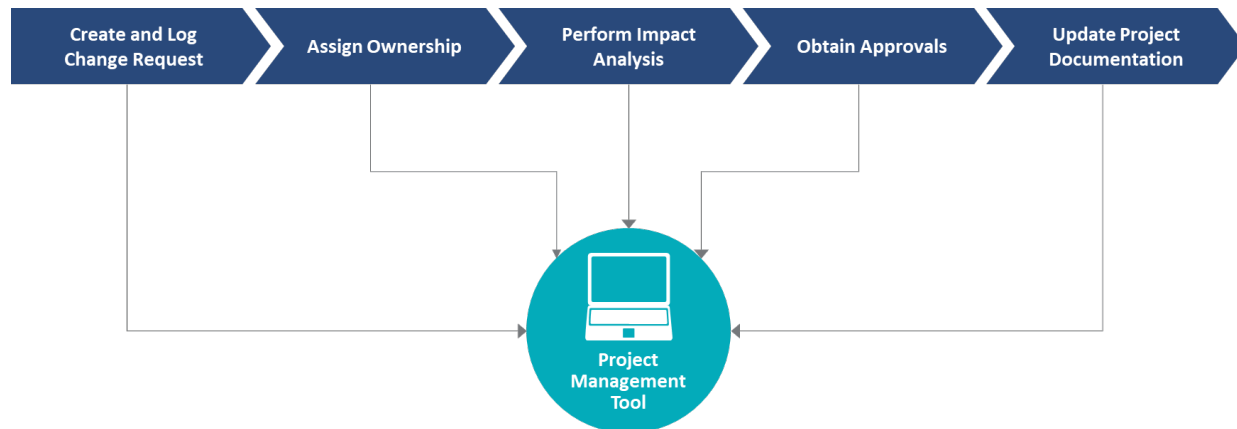
Following is a description of each step in the Scope Change Request process:

- **Create & Log Change Request** – A project team member (or a stakeholder through a team member) initiates the process by contacting the Project Manager for assistance in completing a change request form. The requestor must specify the nature of the change and the business justification for the change (the justification may be preliminary – a further evaluation will be performed as part of the process).

- **Assign Ownership** – Each change request is assigned an owner who, with assistance from the Project Manager, will perform an evaluation of the impact of the change on the project's budget.

- **Perform Impact Analysis**
  - o **Impact Analysis** – Each request is analyzed by the Project Manager to determine its potential impact on the project's budget.
  - o **Cost / Benefit Analysis –** Costs, benefits, and the associated timing of each are evaluated and an analysis is prepared for presentation to the necessary decision-makers.

- **Obtain Approvals** – The budget evaluation that is performed during the "Perform Impact Evaluation" step in this process is presented by the Project Manager to the Steering Committee who will approve or reject requested change and report up to the Governance Committee.

- **Update Project Documentation** – If the change request is accepted/approved, the

Project Manager moves forward with implementing the change. All necessary project documentation is updated accordingly (i.e., project plan, risk assessment, etc.).
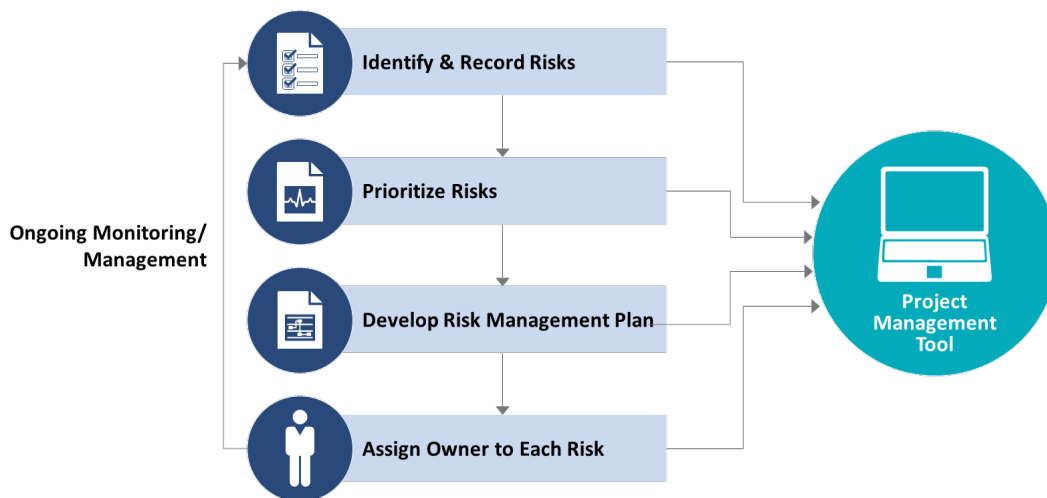
Risk Management Process

Risk Management is an important activity on a large, complex project such as the City's ERP Project because of the breadth, depth, and strategic focus of the initiative. Risks are defined as events or actions that have a reasonable chance of happening and that would have a negative impact on the project. The likelihood of success of the project can be increased significantly through formal and proactive risk management. This involves:

- Encouraging proactive management rather than reactive management

- Implementing steps to reduce or control risks

- Planning contingencies to mitigate the consequences of risks

The Project Manager and the Steering Committee must be vigilant in identifying risks and quick to address the risks as they arise. The project will use an enterprise-wide approach (i.e., address risks to the project's success as well as risks to dependent projects and to the organization as a whole) that incorporates participation not only from the project team but also from all relevant stakeholders.

The diagram below depicts the Risk Management process :

Following is a description of each step in the Risk Management process:

- **Identify & Record Risks** – At the outset of the project, the Project manager will develop a risk register into which all risks will be recorded by the Project Manager. The project team will perform a Risk Assessment to identify and document potential risks to the project's success (i.e., conditions or events that could prevent achieving the expected project benefits, at or below the planned cost/budget, within the planned timeframe). For each risk item, the potential negative impact will be scored and documented, and the likelihood/probability the negative impact will occur is assigned (0% to 100%). In performing this assessment, the Project Manager will survey key stakeholders to get their input on project risks. The risk surveys are conducted at specified points during the project, and the Project Manager will update the Risk Assessment accordingly.

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- **Prioritize Risks** – Once the risks are identified and documented by the Project Manager, they are prioritized according to a risk rating that is a function of the potential impact and the likelihood/probability the negative impact will occur (i.e., rating equals impact rating X probability impact will occur).

- **Develop Risk Management Plan** – Early identification of potential problems/risks and corrective action is critical to a project's success. The Project Manager's Risk Management Plan results in an action plan to communicate both preventive actions, or risk avoidance, and corrective action, or risk mitigation, for each of the risk factors. Specifically, the plan documents the major risks identified in the risk assessment, the nature and/or cause of the risk, potential impact to the project, and recommended actions for averting said risk.

- **Assign Owner to Manage / Monitor Risk** – The Project Manager will assign an owner to each risk, and the owner, with assistance from the Project Manager, will be responsible for monitoring the risk's impact and ensuring the risk-mitigating strategy is executed.

- **Perform Ongoing Risk Monitoring/Management** – Risk management review sessions will be conducted by the Project Manager with the Project Team during weekly Project Team meetings to monitor previously identified risks and to manage new risks as they emerge. Risks will also be reported to the Steering Committee and the Governance Committee.

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* Estimated Time may change as project progresses