
Exercise: Program Risks

Directions: Please read the scenario and answer the question that follows.

Program Overview

Company Z has 4,000 employees at 11 sites. For many years, each site has had its own information technology (IT) infrastructure and applications, with limited sharing of data and functions between sites. A new initiative sponsored by the CIO is rolling out a common IT infrastructure for all sites. In addition, several enterprise applications are being upgraded to take advantage of the capabilities provided by the new IT infrastructure. A new payroll application, called EveryPay, is scheduled to be the first new application deployed across the enterprise.

Key Program Aspects

The following describes key aspects of the EveryPay Program:

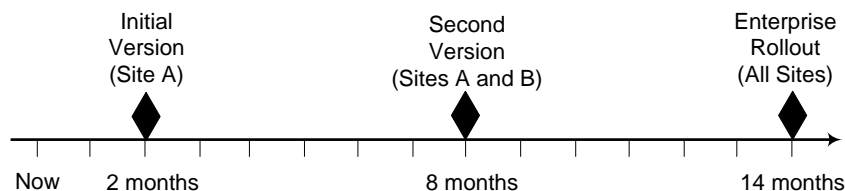
- **Complex Interfaces**

EveryPay relies heavily on the new infrastructure for messaging and other basic functions. EveryPay also requires accurate, up-to-date data from 18 other existing applications, most of which exist in one form or another at each site. None of these other applications is centrally managed, and none has the same degree of configuration control as EveryPay.

- **Deployment Plan for EveryPay**

The initial version of EveryPay will be deployed at Site A in two months. Six months later, the second version of EveryPay will be deployed at Sites A and B. The enterprise-wide rollout of the production version of EveryPay will begin six months after that. Company Z's program team has been working closely with the developers to ensure that (1) the application meets the needs of Site A and (2) there are no delays in issuing people's paychecks. EveryPay's program manager knows that the schedule is extremely tight and leaves little margin for error.

Deployment Timeline for EveryPay



- **Support Applications**

EveryPay's program manager has received all of the funding he needs to develop the application. He also has been quietly negotiating and funding upgrades to some of the applications that must interface with EveryPay at Sites A and B. These support applications need to be updated to ensure

that they integrate properly with EveryPay. However, the program manager does not have sufficient authority to ensure that all support applications are updated as required. Several other support applications are currently being upgraded, and the versions of those applications used in integration testing will be different than those deployed in production. Unfortunately, no one with sufficient management authority understands the importance of this integration issue, and no corporate funds have been provided to ensure that the integration occurs. In addition, EveryPay's program manager is having considerable difficulty coordinating his team's activities with those of the teams responsible for a few of the most critical support applications.

- **Training**

The training department is working with Site A to develop training for revised payroll work processes. This training is targeted at payroll administrators. Training is also being developed for system administrators who will be responsible for maintaining the EveryPay system. Just-in-time training will be provided to payroll administrators and system administrators at each site when EveryPay is deployed. The training department is also creating an on-line training module for all Company Z personnel, which will enable them to access their payroll information via an internal website. Training for the payroll administrators is significantly behind schedule because the training department had to wait for business analysts to update Site A's payroll work processes to accommodate EveryPay.

- **Company Z's Program Team**

Company Z's Program Team includes several highly experienced people. Many have worked together in the past, and they have a track record of getting the job done, even when schedules have been tight. The team includes some of the best people that Company Z has to offer.

- **Developer**

The developer of EveryPay, SWDesigns, Inc., has enjoyed the challenge of developing production grade software for the first time and expects to deliver the application to Site A on schedule. SWDesigns specializes in business process reengineering and requirements development for software-intensive systems. They have in-house developers who create custom applications for SWDesigns' internal use and, on occasion, have developed prototype applications for customers. Originally, SWDesigns was only contracted by Company Z to develop requirements for EveryPay. However, because a contract was already in place and staff from SWDesigns had developed good working relationships with staff from Company Z, the management at Company Z extended SWDesigns' contract to also include systems development and deployment. Traditionally, managers at EveryPay and SWDesigns have enjoyed a good working relationship. However, Company Z's EveryPay program manager is becoming increasingly concerned about his lack of insight into SWDesigns' development status. SWDesigns' development manager and technical leads assure him that everything is on track for success, but they have not provided any tangible data or evidence to support their claims.

- **Operational Users**

Payroll administrators at Site A really like their current payroll system and are not looking forward to using EveryPay. In particular, they believe that their needs have not been considered because

they had minimal input into EveryPay's requirements. Many payroll administrators are privately hoping that the EveryPay will not work as advertised and that they will be able to continue using their current system.

- **Rollback Plan**

Company Z has not completed development of a rollback plan for the EveryPay system. If EveryPay is installed and does not work, Company Z will not be able to easily roll back to the current payroll system. As a result, the payroll system could be unavailable to Company Z personnel for several days and important financial data could be lost or corrupted in the interim.

- **System Certification**

Company Z does not operate in a highly regulated business environment. The company does not have a formal certification and accreditation process for deploying systems in the field. The CIO and program manager jointly decide when a system is ready to be fielded.

- **High Profile**

The CIO promised the governing board of Company Z that EveryPay will reduce costs by 25% and will be deployed on schedule. She recently invited key board members to an official demonstration at Site A three weeks after the initial version of EveryPay is deployed.

What Happened

A month after the CIO made her promise to the board, the program team encountered several problems that put it several months behind schedule. Fearing repercussions if her promise were not kept, the CIO made it clear to the program manager that he better have something to show the board members when they visit Site A for their demonstration. To ensure the schedule will be met, the CIO and program manager agreed to descope the initial version and defer several key functions to the second version. In addition, the CIO and program manager also agreed to compress the testing schedule. A typical application at Company Z has historically required 8-10 builds during integration testing. This program, which is considerably more complex than average, only has time for 2 build/test iterations during integration testing.

Question

Answer the following question based on the information provided above.

What are the risks to the EveryPay Program?

(continued on next page)

What are the risks to the EveryPay Program? (cont.)