

## Gate 0 Initial Review assurance review report for the Replacement of the Customer Management System (CMS) program

Accountable Officer George Parsons, Executive Director

Review Lead Mary Jones, CAAWG

### Review details

Review type Gate 0 Initial review

The purpose of a Gate 0 Strategic Assessment review is to investigate the direction and planned outcomes of the program, together with the progress of its constituent projects.

This report is a snapshot of the initiative at the time of the review. It reflects the views of the independent review team based on information provided and evaluated. The content of this report will not ensure success. Gated assurance reviews will identify factors that are, or are likely to be, putting the initiative's success at risk.

This review does not replace the need to conduct risk identification, analysis, other review or audit activities.

Date of review 25/7/2018 to 28/7/2018

Initiative assurance level Two

Report issued 5/8/2018

Version 1.0

### Review team members

Role	Name
Review team lead	Mary Jones
Review team member	Hans Gregg
Review team member	Jo Bloom
Assisting	Chris Brown

### Project background

The aim of this initiative is to replace the current Customer Management System which will be at end of life in 2020. There is an opportunity to develop and implement a modern, customer centred and integrated system which will improve outcomes for and enable the seamless delivery of critical services to Queenslanders. The RCMS Program Brief states the benefits are:

- Improved decision making.
- More value for money in achieving business objectives.
- System is response to change.

### RAG assessment

RAG based on Queensland Treasury Gateway Review Guidebook, page 10.

The review report is given an overall status of red, amber or green (RAG) for the initiative. Each recommendation also has a RAG status to indicate its relative urgency.

### Overall RAG assessment **Green**

*The RAG status applied is non-negotiable beyond the Review Team.*

**Red** To achieve success, the program or project should take action immediately. It means fix the key problems fast, not stop the project.

**Amber** The program or project should go forward with actions on recommendations to be carried out before the next Gateway review.

**Green** **The program or project is on target to succeed but may benefit from the uptake of the recommendations.**

### Review conclusion

The program is well placed to proceed to its next tranche, although it faces a number of challenges.

1. Funding, given the estimated cost of the program is stated at \$10-\$15 million (+- 50%).
2. Information sharing which will require cultural change across the department.
3. The risk associated with the size and complexity of the program, and the associated business change, all delivered within the context of a high risk environment.
4. Management of the diverse expectations of internal and external stakeholders.

Irrespective of the outcome of the funding decision, the Department will need to make critical decisions in respect of the program and its future direction. The program governance is not presently sufficiently well established at this point, to enable this.

The Review Team heard from many interviewees that the lead agency within the department is held in high regard. Further, approaches such as the use of investment logic mapping and seeking to leverage the lessons learned and collateral from a similar initiative in New South Wales are evidence of good practice within the program.

### List of interviewees

Name	Role
Barbara Nunn	Executive Support Officer
Carol Freeland	Operations Officer
George Parsons	Executive Director
Greg Sheridan	Service Manager
Kathy Frederick	Chief Information Officer
Matthew Tesch	Program Manager
Murray Muller	Executive Director, Operations
Rod Harrington	Enterprise Architect
Shaun Frier	Director, Regional Services
Sue Carter	Executive Director, Corporate Solutions

### Documents reviewed

Document name	Version
Appendix D Stakeholders	V 1.2
Business Needs and Value Assessment	V 1.0
CMS Architecture	V 3.6
Desired State and Gaps Summary	V 1.0
RCMS Program Log	2016_03_30
Stakeholder Engagement Plan	V 0.12
Strategic Assessment	V 2.5
Strategic Business Case	V 1.23
Strategic Plan 2016-2020	V 1.0

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### Review findings

**Red**

Take action immediately

**Amber**

Take action within an agreed timeline

**Green**

Take action as required

#### Policy and business context

A number of stakeholders indicated the program is fundamental to the department's future service model. Additionally, the current system is proving increasingly difficult and costly to modify/enhance.

Various answers were given by interviewees as to who the SRO of the program is. On this basis, an SRO should be clearly identified. The SRO should be available and able to commit time to ensure ongoing effective and efficient program decision making.

##### No. Recommendation

- |          |  |              |
|----------|--|--------------|
| <b>1</b> | <b>The SRO should be formally appointed and this appointment communicated to stakeholders.</b>   | <b>Amber</b> |
| <b>2</b> | <b>The SRO should establish a Program Board and any further key program decision making, including future program direction irrespective of the funding decision, should take place in that environment.</b> | <b>Amber</b> |

#### Business case and stakeholders

The Strategic Business Case indicates the aim of the initiative is to replace the current solution, with the opportunity to develop a "modern, customer centred and integrated system". The Strategic Assessment places increased emphasis on the business drivers and service outcomes. In interviewing stakeholders, most (although, not all) said the primary driver was the business necessity of enhancing the service model.

##### No. Recommendation

- |          |  |              |
|----------|--|--------------|
| <b>3</b> | <b>If the program receives funding and proceeds, the SRO and Program Board should quickly document an agreed view of the vision, objectives and drivers for the program.</b> | <b>Green</b> |
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Generally, there is broad support for the program, noting some internal scepticism and the limited visibility and involvement of some external stakeholders. Support by external stakeholders is likely to be conditional on the program not impacting their ability to achieve their performance targets.

The full benefits of the program will only be realised if information sharing can be achieved. The review team heard that there are some impediments to this occurring including the need for culture change. There is a willingness at the senior level among stakeholders for these changes but managing these interdependencies will be a significant program challenge.

##### No. Recommendation

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|----------|---|--------------|
| <b>4</b> | <b>The program needs to fully understand the opportunities and challenges associated with information sharing as this will influence program scope.</b> | <b>Green</b> |
|----------|---|--------------|

The program is currently seeking funding approval from CBRC. Support for this funding within Government is uncertain particularly in respect of the "end of useful life" argument. The Strategic Business Case indicates that ongoing operational costs are likely to be higher than the current system. In the current fiscally constrained environment, this estimate may prove challenging for Government.

A tranche of modular based implementation, with regular delivery of benefits and services, may provide greater certainty in respect of funding horizons and commitments.

##### No. Recommendation

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| <b>5</b> | <b>The Program Board should consider contingency planning to address the department's approach in the absence of funding approval.</b> | <b>Green</b> |
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#### Management of intended outcomes

The NSW government is currently implementing a similar CMS solution and is two years ahead of the program in its planning. The program has met with, and is collaborating with, the NSW program and has stated it will be borrowing heavily from that program's lessons learned and accessing some of its collateral.

Additionally, the review team heard that government is considering the concept of a whole-of-government information brokerage. This could have significant interfaces with, and impacts on, the program and its scope, approach, budget and governance.

##### No. Recommendation

- |          |   |              |
|----------|---|--------------|
| <b>6</b> | <b>In the next program stage the program should conduct a full definition of the interdependencies with other departmental and whole-of-government initiatives and their impact on the program.</b> | <b>Green</b> |
|----------|---|--------------|

#### Risk management

The Strategic Business Case identifies a number of headline risks. Discussions with interviewees indicate there is good understanding of the major risks facing the program however, not all these risks have been identified within the Strategic Business Case (e.g. change management challenge) and there is no management measures or treatments identified.

##### No. Recommendation

- |          |  |              |
|----------|--|--------------|
| <b>7</b> | <b>When formed, the Program Board should jointly consider the risk profile level of the program and assess, and subsequently manage, the major risks facing the program.</b> | <b>Green</b> |
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#### Review of current outcomes

The program conducted an Investment Logic Mapping process with the involvement of a number of key stakeholders. The process was effective in defining the problems that the proposed investment was intended to address and in beginning to identify the benefits that the investment could realise.

#### Readiness for next phase – delivery of outcomes

A number of interviewees indicated a lack of contemporary departmental experience in programs of this complexity. These risks will need to be monitored and assessed by the Program Board on an ongoing basis to ensure the program is adequately resourced from both capacity and capability perspectives. The Review Team heard from many interviewees that the Information Management team within the department is held in high regard.

##### No. Recommendation

- |          |  |              |
|----------|--|--------------|
| <b>8</b> | <b>The Program Board should assess the risks associated with departmental downsizing and corporate capability and capacity on the program.</b> | <b>Green</b> |
|----------|--|--------------|

It is expected that an appropriate Stage Plan will be developed as a precursor to commencing work in the next tranche.

The next gated assurance review is expected to be held towards completion of the Preliminary Business Case around late 2017.