

Part

V

End-User Information Systems Project Management

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roject management is a critical skill in today's marketplace—especially

for IS professionals. Although many basic principles apply, methods for effective project management vary considerably from operational to general management. In a fast-paced digital economy where change has become a way of life, the ability to bring together a project team to accomplish a specific task on time, within budget is critical.

Part V discusses concepts, methodologies, and tools a project manager can employ in assessing business needs, designing new systems to improve business processes, implementing new systems, determining if the systems are operating as intended, and institutionalizing change. Part V begins with a chapter on strategic planning for EUIS systems. To be truly successful, EUIS projects must be tied to organizational directions and goals. The three subsequent chapters describe EUIS project management, its foundations, and specific stages.

Chapter 13, “Innovation and Strategic Planning,” explains why strategic planning is important to achieving effective use of desktop computing and end-user information systems. Technology is viewed as a catalyst, or enabler, for productivity improvement

and business process redesign. Consideration is given to how organizations foster innovative use of technology—and most importantly, how it can enhance people’s performance. Characteristics of innovations, innovative people, and innovative organizations are discussed. The chapter includes guidelines for developing strategic plans for end-user information systems.

Chapter 14, “EUIS Project Management: Foundations and Overview,” begins with a discussion of theory and frameworks relative to EUIS project management. This theory and framework serves as the basis for the EUIS project methodology. The chapter concludes with an overview of the eight-step project management

method, which is explained in more detail in chapters 15 and 16. This project management model provides a unique framework for marrying information systems development with business process redesign.

Chapter 15, “EUIS Project Management: Assessment and Design,” explains the first five steps of the EUIS project methodology. It describes techniques for defining the project scope, planning a project, assessing requirements, describing the proposed solution in detail, and selecting or developing the EUIS solution. It defines the specific deliverables—or results—that would be produced from each project step. Attention is paid throughout in aligning these steps with business process and change management activities.

Chapter 16, “EUIS Project Management: Implementation, Monitoring, and Aligning Business Process” discusses specific strategies for the last three steps of the EUIS project methodology, implementing the solution, evaluating results, and realigning business processes to institutionalize results. Implementation must be a carefully managed process that addresses all aspects of putting a system into operation: site preparation, equipment installation, business restructuring, conversion of procedures, training, technical support, and problem resolution. Evaluation is defined as measuring results against specified business objectives. Techniques appropriate for evaluating the effectiveness of new systems are discussed. Institutionalizing results is the final, and often neglected, step in systems implementation. To truly capture the benefits of new technology, this final step must do more than simply correct problems; it must realign business processes and incorporate the insights from new learning. Strategies are discussed for institutionalizing the linkages between technology and business restructuring.

Case Study Restructuring for Growth and Excellence

As part of its long-term strategy for excellence, Insurance and Financial Management (IFM), MassMutual Life Insurance Company’s largest strategic business unit (SBU), examined its position in the financial industry with the objective of strengthening its general agency distribution system. The comprehensive strategic planning process, facilitated by outside consultants, examined the company’s core competencies, product/market matrix, basis of competing, performance measures, mission, values, and operating principles. As a result, IFM senior management decided to implement a broad series of changes in its distribution system, involving major business restructuring, technology, and cultural change. This case describes how the implementation of one of these projects was managed.

The MassMutual IFM sales distribution system is comprised of 90 sales offices, called agencies. The managers, called General Agents, who head up these sales offices (agencies), are essentially sole proprietors under contract with the MassMutual. Thus they enjoy a fair degree of autonomy in their operations. In the past, the company had taken a fairly hands-off approach to managing these sales agencies. While this approach encouraged individual entrepreneurship, it essentially left each sales agency on its own reinventing the wheel. In an increasingly complex financial services industry, this approach limited the ability of these sales agencies to grow and achieve higher levels of success. The restructuring program was designed to provide a more standardized 'MassMutual' way to doing business that provided a better foundation for agency growth and success while allowing the home office to focus resources on improving its operations in key support areas.

Described here are the steps the company took to create conditions conducive to change and implement their 'Agency Models for Success' project.

Models for success: shared visions/mutual decisions. The 'Agency Models for Success' are based on a shared vision for excellence and growth of the MassMutual sales agency distribution system. Based on the best practices of successful general agencies throughout the insurance industry~ 10 models, addressing key areas of agency operations, were shaped through a two-year strategic review process involving agency and home office staff working together in the spirit of interdependence and partnership. The models focused on three strategic areas of agency operations: getting, keeping, and building field force; getting, keeping, and building clients; and agency management. The resulting models were:

- Business enterprise
- Frontline management
- Recruiting and selection
- Agency marketing
- Building and retaining agents
- Technology
- Strategic business planning
- New business
- Investment services

The models addressed 5 basic questions. What is recommended? Why is it important to me? How will it achieve better results than the way in which I am now doing it? How do I implement it? And what resources are available to help me implement it?

In addition, the program defined a vision for the sales agency of the future. Three different size agencies were detailed, looking at factors such as organizational structure, management and support staff, services, operating costs, budgeting, and marketing, among others. This shared vision was communicated through various events and media, including major sales conferences, special brochures, manuals, letters, executive summaries, and company newspapers, to name a few. Various strategies were used to re-inforce the vision constantly and consistently.

The consulting process a mirror. The models incorporated significant management, operational, and cultural changes for both the field and the home office. Implementation of the models required first obtaining the buy-in of the General Agent (sales agency

manager) to the program. The home office then worked with each sales agency in analyzing current operations, identifying high leverage opportunities for growth, establishing goals, developing action plans, executing these programs, and monitoring results.

Implementing this program required working closely with representatives of the General Agents Association to create a five-step consulting process. After piloting the program in four sales agencies, the company organized four Agency Model Consulting Teams. Each team was headed by a regional second vice president plus three other knowledgeable consultants. One member of that team was a technology specialist.

General Agents interested in using the best practices to grow their agencies to new levels of success could request a visit from an Agency Models Consulting Team. The four member teams spent two and a half days with the General Agent and his or her staff to help assess how the sales agency was doing and how current operations compared with the 'Agency Models for Success'.

The consultants conduct a day or more of intense interviewing with a minimum of 16 people in each sales agency. These include both agency staff and agents. The results are compiled and 'mirrored' back to the agency staff as a snapshot of reality as seen by the consulting team.

Impacting the future. The 'mirroring' process, because it is non-judgmental, is a powerful technique in helping the agency management staff identify opportunities for improving their performance. Following the 'mirror' presentation, the consultants work with the management team to identify high leverage opportunities for growth and what the agency wants to do about them. The consulting team works with the agency management team to help clarify needed actions to achieve the objectives they set. The outcome of this session is a 'win/win' partnership agreement with formal action plans and a commitment to work together to achieve results.

Some of the critical success factors of this approach are: vision and strategic alignment; managing the process; business/technical partnership; training and supporting innovative procedures; and sustaining long-term commitment.

Vision and strategic alignment. In order to support the changes being implemented in the distribution system, the company needed to realign internal operations. Five teams were assigned to formulate plans for reengineering IFM home office operations in the following key areas: marketing, building and retaining field force, recruiting and selection, agency management, and client building.

The six-month effort was guided by outside consultants. Each team included a mix of business and systems people, headed by a vice president as team captain. The entire project was managed by a senior vice president with oversight provided by a senior management steering committee. The reengineering recommendations of the five teams were integrated into a single proposal that was presented to the IFM committee for approval. Implementation was closely coordinated with the implementation of the Agency Models in the field.

Managing the process—roles and responsibilities. Implementation of Agency Models is essentially a bottom-up process working directly with each sales agency and involving staff and agents in implementing changes. The key roles and responsibilities for managing the implementation process are:

- The project sponsor, who is the senior vice president in charge of the Field and Sales Development division.
- Home office line managers. Responsibility for results resides with operational areas, reporting to the sponsor.
- General Agents and their management teams.
- Two change agents who coordinate the project and report directly to the project sponsor. Responsibilities of the change agents include: managing the process (change management), 'inventing' and piloting the implementation process, working with all stakeholders, sustaining long-term commitment, administering the program, planning intervention and implementation strategies, working to incorporate changes into standard home office operating procedures.

Business/technical partnership. Both the Agency Models and the home office reengineering efforts were driven by business requirements; technology is viewed as the enabler. Technology specialists were actively involved throughout the strategic planning process. They played a key role by helping business managers understand the opportunities that technologies provided to improve business operations. Many of the reengineering recommendations were also supported by technology recommendations. A separate technology model was developed expressly to support the other nine models. Thus, the business requirements were the driver for the technology strategy.

Train and support innovative procedures. To support implementation, the company published Agency Models manuals, offered workshops and seminars, and provided other resources to encourage sales agencies to adopt those best practices that could help them improve performance levels. In addition to their regional field offices and other home office resources, the company contracted with a former General Agent and field development vice president as coaches to assist agencies.

Sustaining long-term commitment. Some of the main strategies used to sustain long-term commitment include: intervention strategies, keeping the vision alive, reinforcing behaviors, strengthening the buy-in of stakeholders, communication with key stakeholders, publishing success stories, coaching, and institutionalizing results. An important focus was on working with the senior field development vice presidents and other important stakeholders to align home office operations with all the changes being implemented in the field. The Agency Models program is an ongoing effort for the long term.

Results and Progress

This program is viewed as a long-term investment in building production capability. Examples of early progress in

agencies included implementation of new programs such as marketing, improved recruiting systems, restructuring and strengthening of frontline management staff, clarification of roles, and improved accountability for results. General Agents have been particularly enthusiastic about the consulting process, which is the backbone of the implementation approach. The cooperation and frankness during interviews and the level of commitment and follow-through on action plans are indicative of the success of this approach.

Summary

Implementing restructuring projects (major organizational change) is a constant challenge. When the going gets rough, as it inevitably does, there are always skeptics waiting in the wings to insist that new processes are not working and the solution is to go back to the old tried and true.

Critical to success was keeping people focused on the vision and creating successes along the way that reinforce needed behavior changes. Managing the implementation of this restructuring project was a constant balancing act:

balancing the interests of all major stakeholders, change activities and operations, training and production time, orderly change versus chaos.

Implementation of Agency Models is viewed by the company more as a process than a destination. Ultimately, one of the goals is to create a learning organization that will continue to evolve and reach higher levels of success. Implementation is not viewed simply as a finite set of tasks to be completed by a certain date. The objective was to create a framework for continuous improvement. For example, consulting teams bring back ideas and success stories that can improve upon the original models. General Agents have initiated networking to support each other in implementing the Models. General Agents were encouraged to take a broader view of the general agency distribution system, seeing their success as ultimately linked to the success of the entire system.

‘Learning organizations,’ writes Peter Senge in *The Fifth Discipline* (Doubleday Currency New York, 1990), ‘are organizations where people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning how to grow together.’

CASE STUDY QUESTIONS

1. What was the business strategy for this project? How did the business strategy shape the approach to implementation?
2. The project used a best practices approach to implementing change. Do you think this was an appropriate strategy? Why or why not?
3. Why did the company select a consulting model rather than a training model to implement technology and business changes? How important was the buy-in and involvement of all key stake-holders in the implementation process? How important was creating a shared vision for change? Why?
4. What were the major roles and responsibilities involved in managing the project and the implementation process? Who had ultimate responsibility for project results in the home office? In the field?
5. The case does not tell us a lot about the specific technology solutions that were involved in this reengineering effort. It does stress however, that technology was viewed as the enabler for change rather than a driver for change. Based on the information you learned in Chapter 3 about sales force automation, why do you think the company took this approach? What are some technology tools that might have been implemented as part of this project?