

Managing Projects from the Future, not from the Past

William Gradante, Global Project Office, Citibank, N.A.
Donald Gardner, Senior Project Manager, Citibank, N.A.

Executive Overview

Global Project Office (GPO) has become the preferred way of managing projects for Citibank's Global Corporate Bank (GCB, Operations and Technology), by following our mission statement:

To establish project execution as a core competency throughout the organization, to drive the achievement of organizational revenue and expense goals. This will be accomplished by:

- *Channeling projects through a defined, beginning to end process, which integrates GCB partners with project management for on-time, on-budget delivery, with quality;*
- *managing and executing strategic projects/programs;*
- *and the on-going development of a professional team which operates with integrity and commitment.*

With this mission, the Global Project Office has become a center of excellence and, in so doing, changed the way the GCB tackles large scale, strategic projects. We focused on where the pain was greatest and where we could have the most impact, and on building an executable project management methodology. Now, some twenty-four

months after this grassroots effort began, GPO has fundamentally changed the landscape of project management at the Corporate Bank.

The environment that led to this mission was no different from any large corporation—a status quo where projects were managed from individual silos, with little or no cross-functional integration, poor communication and project plans that were limited to loosely-formed Microsoft project schedules, or that were nonexistent. Projects were typically late, with ill-defined requirements; the end products often did not match the original request; budgets were overrun; project managers were expected to manage heavily funded, 12–18 month initiatives without the aid of any kind of project management disciplines; management-level reporting was often accomplished via e-mail from several team members at once, without consensus and with no consistent format. All this is clearly represented in the oft-quoted Standish survey of 1994, which illustrated the problem across all industries, as noted in Exhibit 1.

Clearly, something had to be done.

We started our development plans with our stated mission—project management as a core competency, a basic

Exhibit 1. Standish Findings

Based on Standish Group International (1996)...

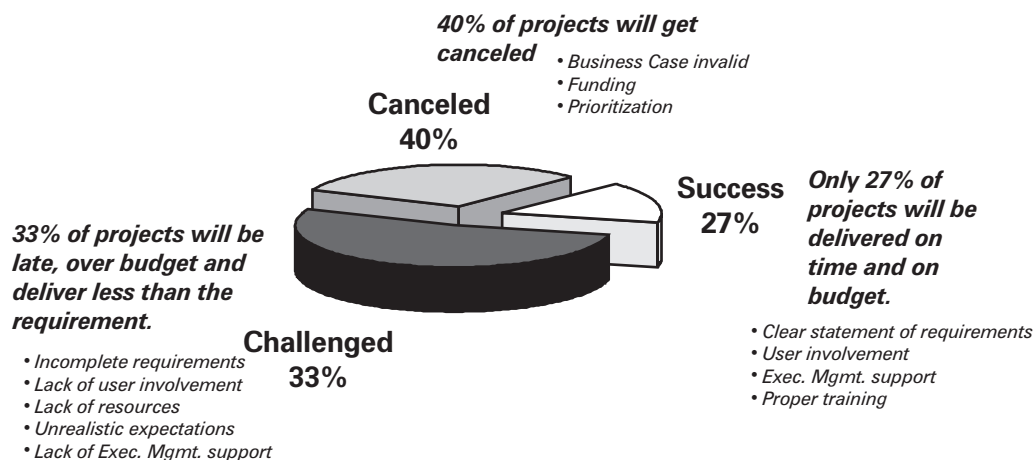
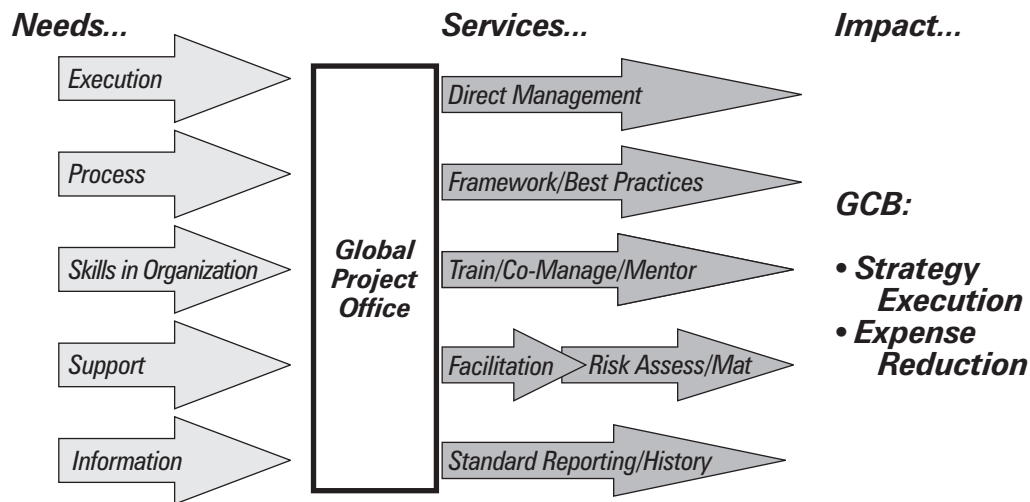


Exhibit 2. Global Project Office



project management framework and standardized reporting tools ... *and our vision—GPO is recognized as the organization of choice where projects are managed, co-managed or mentored by a team of professionals, skilled in project disciplines that have been adopted as standard across the business.*

From this foundation, the GPO has developed into a mature operation, focused on:

And it really works...

- Strategic projects of the Corporate Bank are now managed under the GPO Framework and the portfolio of projects (managed, co-managed or reported) has grown by more than 400 percent.
- More than 150 project managers have been trained in this methodology; we have repackaged the program into smaller modules and present them to managers across the globe; programs are customized around individual project teams and presented onsite.
- Project managers inside and outside GPO now follow an established project methodology framework that brings structure, common language, and flexibility to large- and medium-scale projects.
- Start-up Planning is the standard practice for project initiation.
- Comprehensive Risk Management and Organizational Readiness are integral to all projects, where project managers assess risk regularly throughout the project lifecycle and address the "readiness" of target sites to receive the new systems, processes, and products.
- Steering Committee Reports have become the norm for senior management level project reporting—providing

the essential functions of status reporting and early warning notice, project change control, risk management, and financial tracking.

- Project Libraries have been built, consisting of critical documents such as Project Plans (not just schedules), Requirements, Funding papers, Specifications, Test Plans, and Implementation Strategies, providing a valuable database to the Corporation.
- As a result, a greater percentage of GCB projects are now completed on time, in budget, and with quality.

The nature of project relationships has also dramatically changed. In a significant behavioral shift, Project Managers now expect more direct involvement from their Sponsors, and get it. Project Sponsors play a large role in this emerging project structure. To augment this relationship, roundtable discussions are conducted to help define the evolving sponsor/project manager partnership. In return, Sponsors have come to demand (and get) more experienced project managers, significantly raising the bar of expectations. Facilitative leadership enables project teams to better define roles and responsibilities and create actionable outcomes.

And we did all this in less than two years. GPO sensed the "tides of change" in the pending organizational shift in our industry and created a grassroots initiative to effectively address that shift. This is the basis for the GPO story of managing projects "from the future," for inside that story is woven the fabric not just of projects and working today but of how we will view both in the next century.

You will see in these next pages how we did it ... our early Start-up stage, our redefinition into an operating business and, finally our Corporate Reach, where we brought Project Management to the entire Corporate Bank. You will see that project management can be created as a core competency in a large organization; that where there is a need, a mission, and a dedicated team to achieve that mission, there is a way to create this kind of excellence.

Our success to date is owed to the diligence of our team and the rapid organizational shifts that resulted in our reporting to ever-higher levels of the Bank's management chain. The GPO story has evolved over the past twenty-four months in three stages. We define these stages as (1) Start-Up, (2) Business Definition, and (3) Corporate Reach.

Start-Up (Early 1996—Early 1997)

GPO began to operate in early 1996, created as a means to better manage projects in the relatively small world of Operations & Technology for Global Cash Management. At that time, many projects were managed by Technology groups, strictly enforced by System Development Life Cycle, with some help from the Business (developing Requirements) and the Operations areas (testing the software once it had been written) but no beginning-to-end ownership. In nontechnology/product management areas, projects were exercises in "task list" management with no project management disciplines at all. Typical of organizations in all industries, there was little or no integration of these efforts, no structured management process and certainly, no group dedicated to managing projects across the organization.

Against this background, we created a methodology to help bring order to a fairly chaotic environment.

We started with our Framework—six unique Project Phases:

- Start-up Planning
- Requirements Definition
- Design
- Build/Buy (Development, Test, Verification)
- Implementation
- Post-Implementation.

... and key process steps and deliverables for each phase. Our approach supports the PMBOK Knowledge Areas by integrating key components, such as Integration and Project Scope, Cost and Quality, HR, Communications and Risk Management across the methodology.

It was all designed to create a logical flow that had a real beginning-to-end feel to it and provide ownership to the Project Manager. Projects were structured to enable

cross-functional involvement. Inside this methodology, we designed a status reporting structure that enabled Project Managers to produce consistent reports on a monthly status. This allowed senior management to view projects in summary or detailed version, as required. Concurrently, and in order to train our people in this new methodology, we created a five-day Training Program, built around the six-phase structure, and imbued with management skills awareness, such as risk, communication, team building, change management. The Program is particularly adept at integrating these disciplines with the basic project management elements of scheduling, process and reporting.

We accomplished this in our first six months. The chart below provides a high level view of our Framework.

We introduced all this by assigning our Project Managers to critical projects and by enforcing our consistent reporting format. As a new organization, we had senior sponsorship in these early days. However, it was non-sustaining and limited in scope. So, we continued to pursue our agenda. If we erred at this point, it was by aggressively pushing status reports, and we became known as a "reports factory" and "bureaucratic." Although the reports were seen as a breakthrough, providing critical information to senior managers, this perception would prove difficult to break later on. Lack of an organizational mandate for our existence necessitated finding advocates where we could and simply pushing forward with our mission. The methodology and its proponents faced resistance and apathy from numerous areas within the organization. This adversity was addressed head on and each issue was either resolved or there was agreement to disagree.

We persisted and by the end of the first year, we had instituted the framework in some fifteen strategic corporate, large-scale projects, expanded our training program to address key PMBOK elements and interestingly, witnessed the reporting structure become the standard for the Global Bank. In so doing, we acquired a "best practices" acknowledgment from our Audit Department.

Business Definition (Mid 1997—Late 1997)

We knew early on that this was not about managing every project in the Bank. So, we created ourselves out of a vision from the future ... one that called us to create Project Management as a core competency throughout the Bank. With that vision, we created an end state where projects were managed with integrity, where Project Managers operated in full partnership with their Sponsors and where projects were delivered on time, on budget, and with quality.

Exhibit 3. Principle Activities

The Principle Activities of Each Phase

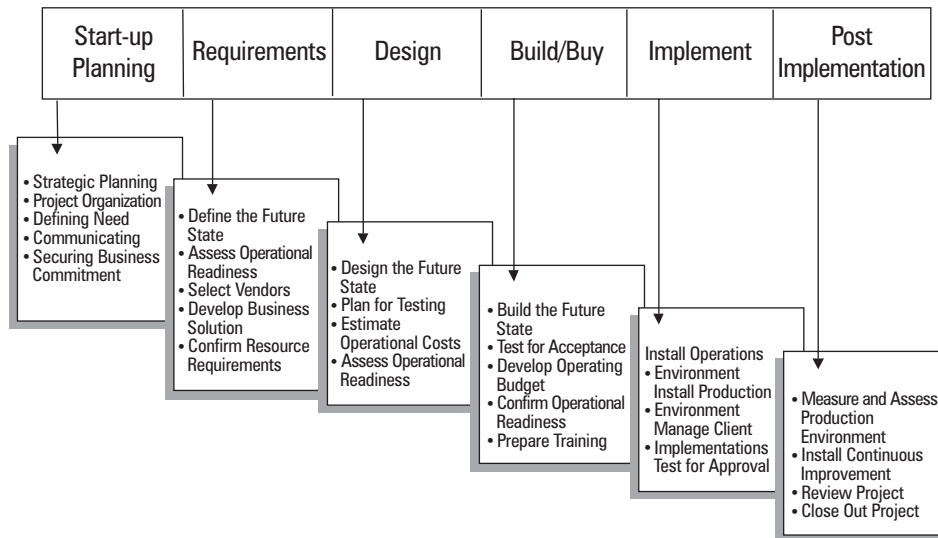
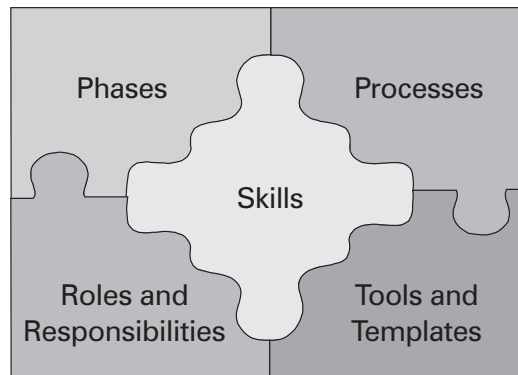


Exhibit 4. Principles of Project Management

The Project Management Framework is the structure that guides the project team through a series of tasks and phases in an orderly manner designed to create a successful result.

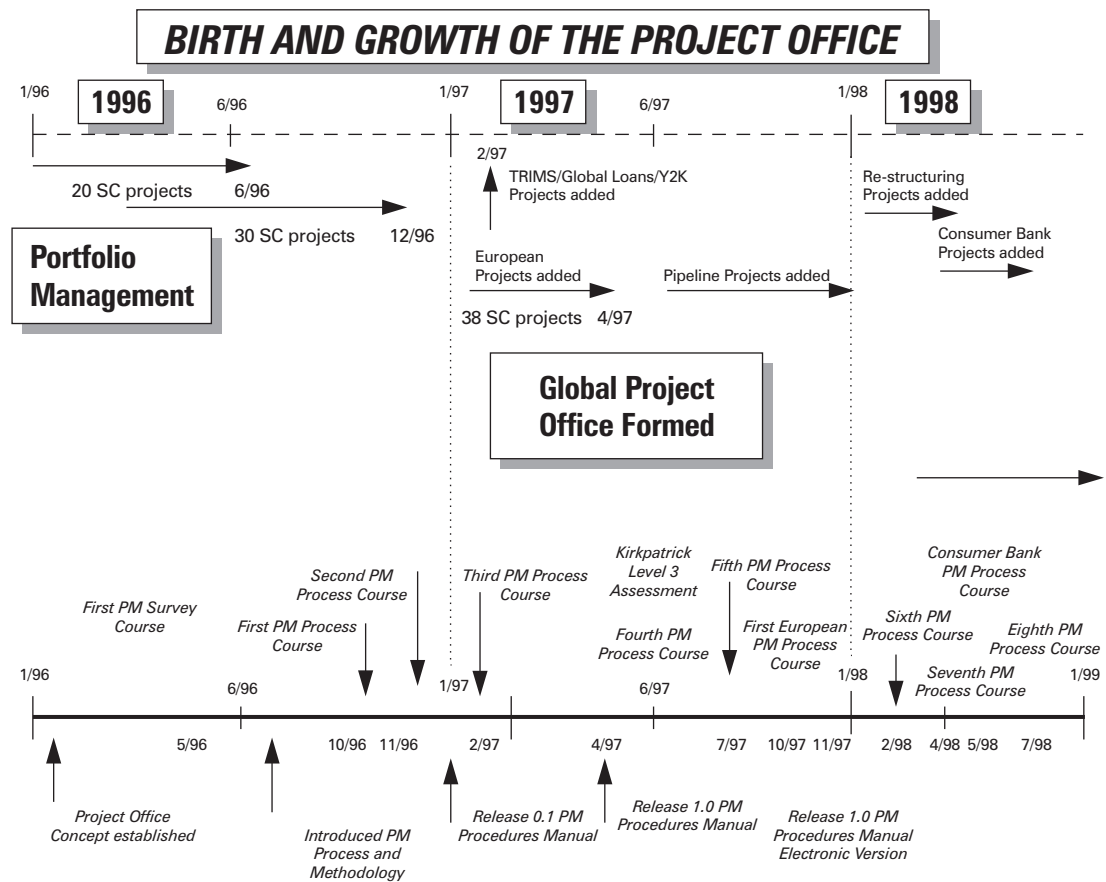


We geared ourselves to operating in a marketplace whose needs would be satisfied with products built from integrity, professionalism, and commitment. To better understand their requirements for project management, we interviewed our stakeholder community and gained a better perspective of how we should function within that

community. We learned a great deal about our customers and from what we learned, created the first version of our Project Management Procedures Manual.

As we grew, we continued to define ourselves, not as a project shop, but as a center of excellence with business-like

Exhibit 5. Growth of the Global Project Office



strategies to create an environment that supports the professional Project Manager.

We knew we were paving the way for a future where Project Management would be distinguished as a professional career choice. Our approach has broadened to address not just the basic tenants of project management, but the environment in which projects must be managed. By viewing projects and their environment as a whole, project managers are better able to address issues of management as adroitly as issues of milestones. Exhibit 4 illustrates how this framework is integrated with principles of project management.

In this expanded vision, it was clear that standards were necessary to create a skills base from which the Project Management cadre would grow. GPO reviewed the PMI Skills standards and consulted with our own Human Resources Department to design the job descriptions and necessary skill levels that would cover the full range from entry level to senior project manager.

Word spread rapidly in the Corporate Bank, as successive GPO projects began to achieve their goals. A growing number of senior managers began to approach GPO with requests for service. We fine-tuned our process and methodology, expanded the Framework Procedures Manual and opened our training program to all Corporate Bank Project Managers. All the time, our project base was growing.

Our methodology enabled GCB Project Managers to expand their vision from the old view, limited to milestones and status reporting, to include a new world of risk and change management, teambuilding and communication, negotiation and stakeholder management. And it has incited these managers to learn how these skills and behaviors enhance their role. In this way, GPO continued to push out the envelope of “competency” in the GCB.

Corporate Reach (1998 and Beyond)

We have expanded from our original Cash O&T world to embrace the entire Global Corporate Bank and we have introduced the concept of “co-management.” Operating much more efficiently as internal consultants, we are now impacting more projects and reaching more project managers than if we were managing every project we could find. The earlier perceptions that we focused exclusively on reports or were too “bureaucratic” are now gone as we regularly bring project management expertise to reset troubled projects and use strategic insight to start-up critical initiatives.

The Procedures Manual is now available as a hyperlink, online document and gets inside the phases in much greater “drill-down” detail. We have created a web site to broaden the access for project managers throughout the organization. GPO now works with Corporate Quality initiatives to ensure our methodology is properly integrated with other initiatives inside the Bank, such as the Software Engineering Process Group (SEPG) and Global Quality Network (GQN). We are active PMI members and have begun to contribute to the ongoing dialogue through the Financial Institutions Special Interest Group.

GPO is playing a major role to support the Corporate Restructuring Initiatives by providing comprehensive co-management and data collection services. As part of this role, we have expanded the Project Risk Management component by invoking a comprehensive assessment program that “risks” projects and creates action plans to mitigate that risk. Risk Management is now an intranet online function, accessed by all Project Managers, producing a comprehensive “roll-up” for the Senior Management team.

Additionally, our expansion has enabled us to present GPO as franchise operation; capable of being instituted in any location, globally. We are presently planning our European operation deployment later this year.

GPO has changed the conversation of Project management at Citibank. Our co-management and mentoring approach has taken us to all corners of the Global Corporate Bank. In two short years, GPO has developed a suite of products and services that range from sourcing Project Managers and supplying project-related MIS to management reporting and Risk Assessment. We now manage or co-manage major strategic projects in the Corporate Bank and we now provide Start-Up Planning service and Project Management training to Citibank’s Consumer Bank. With the advent of our methodology, projects are viewed as the prime vehicle for bringing operational changes to the corporation, new products to market and visions to reality. And inside this methodology, the Project Manager is viewed in a very different light—as a professional.

Armed with our start-up pains/gains and our vision and mission statements, the GPO had set out to change the way Citibank managed its projects. Along the way we changed the way the Bank views how work gets done and will be done in the twenty-first century.