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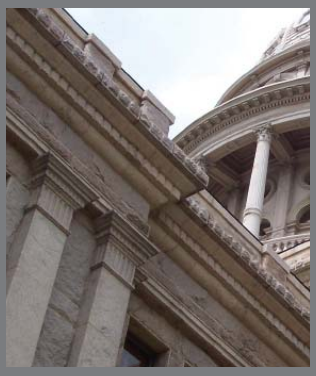
Public Sector Practice

Value Assurance 360° Project Assessment



The Value Assurance 360° Project Assessment (Value Assurance 360°) helps CIOs and senior leaders diagnose the challenges they face on their most critical IT-enabled projects

A joint study by McKinsey and the University of Oxford on IT project management showed that 87% of IT projects with an investment of more than $15 million fail. The study also showed that 23% of IT projects run more than 80% over budget.

Value Assurance 360° can help you understand …

… whether your large IT-enabled project is on track to deliver its stated objectives.

… how to improve the likelihood of success for the IT project, or save a struggling project from failure.

… how to expedite IT project delivery.

… how your IT project team can work together more effectively.

… the risks that will actually cause an IT project to fail and how to mitigate them.

… how to capture the full value of the IT project.

How Value Assurance 360° works

Value Assurance 360° is a turn-key solution to rapidly assess IT project effectiveness and help an organization maximize the yield in value of its IT investment.

Through structured interviews, a web-based survey across IT project team members and stakeholders, and a collaborative senior-team workshop, Value Assurance 360° identifies and delivers a clear articulation of the issues driving suboptimal performance in an IT project.

The assessment requires a week of light preparation and as little as 2 days of intensive project review (e.g., structured interviews, document reviews, survey analysis). The final step is a facilitated 1 day workshop to discuss results and advance remedies and next steps.

	Sample activities	Typical calendar time	Proposed participants
Preparation ▪ Schedule interviews ▪ Send out brief data request ▪ Launch web survey	▪ Interview project sponsor(s) to develop hypotheses on issues ▪ Launch web-based survey on project health to project team members and key stakeholders ▪ Send out initial data requests: description of project/objectives, budgets, milestones ▪ Schedule 4-6 key inerviewees (e.g., PM, business, and tech leads, vendor lead)	1 week (before official start)	Project sponsor(s) Suvey participants
Project review ▪ Analyze documents ▪ Conduct interviews	▪ Review project documentation in preparation for interviews ▪ Review preliminary web-survey results and refine hypotheses on key issues ▪ Conduct and document 4-6 interviews with pre-selected stakeholders ▪ Sit in cross-team meeting if feasbile	1-2 days for smaller projects; up to 2 weeks for larger projects	Project sponsor(s) and select interviewees
Workshop ▪ Facilitate discussion to review findings	▪ Consolidate interview and survey results to create "heat map" along project success factors – Managing strategy and stakeholders – Mastering technology and content – Building team and capabilities – Excelling at project management practices ▪ Facilitate a structured debrief with project sponsors and leadership to review findings ▪ Brainstorm possible remedies and next steps	1 day	Project sponsor(s) and top management

The distinctiveness of the Value Assurance 360° Project Assessment

Value Assurance 360° is the fastest and most comprehensive IT project diagnostic tool available. It is the outcome of years of research and real-world experience.

Deliver impact in days. The assessment involves 1 week of light preparation (e.g., scheduling of interviews) and – depending on project size and complexity – usually 2 days for the intensive review. It gets the facts to project leaders fast, allowing the project to proceed without delay.

Focus on what matters. In partnership with Oxford University, and drawing on our proprietary research and dozens of private and public sector engagements, McKinsey has identified the factors that determine IT project performance (e.g., a sustainable balance of internal and external resources, a standard and proven technical architecture). Value Assurance 360° employs this knowledge to help organizations focus on what really matters.

Connect business and technology. Value Assurance 360° integrates McKinsey's top-management consulting approach, in-depth technical expertise, and private- and public-sector insights to lead alignment of business and organization leaders with technology leaders.

Attain objectivity. Value Assurance 360° is a fact-based assessment, providing transparency into the causes of suboptimal IT project performance. Leaders achieve unbiased results because we have no conflicts of interest arising from vendor or project partnership, or interest in downstream system integration or implementation work.

What Value Assurance 360° delivers

The assessment output is a project report outlining key challenges and risk factors for the IT project, as well as areas of project strength. The report comprises a summary review and more detailed looks at the assessment components: document review, interview summary, and survey results.

"Project reviews using the assessment methodology are among the best services I have ever received – quick and comprehensive issue identification, deep insights in relevant topics, and actionable advice."

- CIO of a large government organization

Example project report

Low Risk | Medium Risk | High Risk

Categories	Project success drivers	Evaluation of risk	Current situation
Managing strategy and stakeholders	Clear objectives	Low	Clear objectives set; timeline of other projects should be synchornized
	Well-defined Business Case	Med	Business needs known, but no business case; change management short on content
	Alignment of major stakeholders	High	Stakeholders unable to describe expected outcome or benefits
	Minimized, stable project scope	Med	Scope reduced to most important needs but participation of affilates unclear
	Robust vendor contracts	Low	Contractual duties clearly defined
	Senior leadership support	Low	Strong support from senior leadership
Mastering technology and content	Standardized, proven technology	Low	Market leader in standard software
	User involvement	Med	High percentage of users involved, more regular communication needed
Building team and capabilities	Experienced project manager	Low	Project leaders on both sides very strong, yet interaction mode to be stabilized
	Qualified and motivated project team	Low	Strong motivation with entire team, all necessary qualifications gathered
	Sustainable mix of internal and external stakeholders	Med	Clear path for employees to take ownership
Excelling at project management practices	Reliable estimates and plans, appropriate transparency on status	High	Project schedule and risk/issue list needs to be finalized and tracked
	Appropriate methods and tools	Med	Proven process model, lack of well organized and regular project meetings

For more information contact McKinsey's Public Sector Practice at public_sector_practice@mckinsey.com.

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