



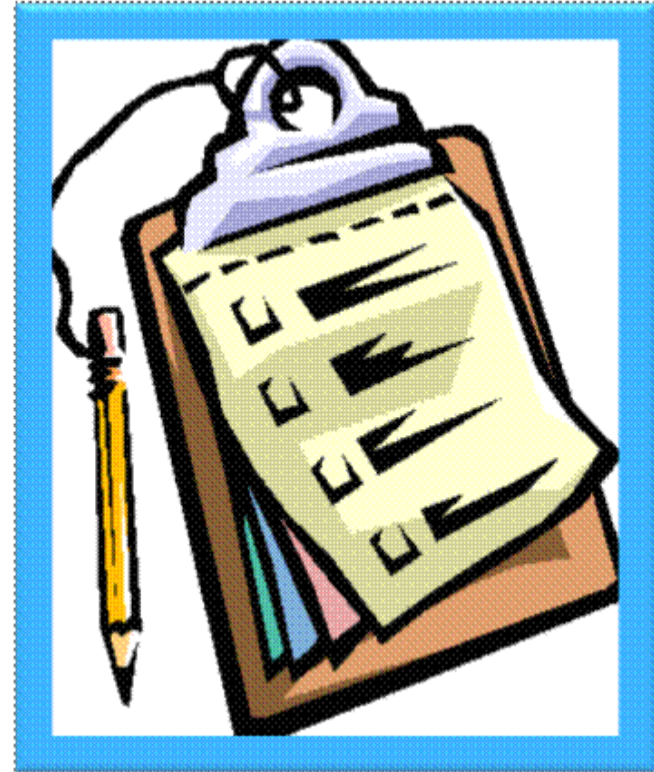
# Implementation Strategy And Governance Structures



## Detailed Project Report

# Agenda

- ❖ By the end of the session, you will be able to:
- ❖ Explain the relevance of implementation strategy for DPR
- ❖ Identify the advantages and disadvantages of going with a single vendor vs. multiple vendors
- ❖ Differentiate between different kinds of Project implementation approach
- ❖ Describe the Implementation Challenges in an e-Governance Project
- ❖ Discuss Governance Mechanism in an e-Governance Project



# Relevance of Implementation Strategy for DPR

- ❖ The pace of software implementation is a key determinant of project costing
  - Cost of implementation would vary if the project is to be implemented in 3 years as against 5 years
- ❖ Team size taken into consideration for costing will directly impact the project costing
- ❖ Business model adopted influences the cost items to be budgeted
  - (e.g.) In case of PPP model, transaction revenues earned from the project will pay for many expense categories
- ❖ Decision makers are keen to know the duration by which the project will get implemented
  - Timeline section in DPR should indicate the duration by which usage of the envisaged system will be effected

# Some Illustrations

- ❖ Software developed in-house
- ❖ Bulk of the software development will be completed in 18 months
  - This explains reduction in the development team from the 4th Semester and onwards
- ❖ PMU established in-house
- ❖ User departments to be brought into the system in a phased manner over a period of 3 years
  - This explains gradual increase in size of PMU team
- ❖ System will be used by district administration from the 3rd semester and onwards
  - Hand-holding support increases from 2 to 9 members from then

# An Illustration: Sample Sizing

## Software Development Unit Requirements

S.no.	Designation	Staffing Requirements Semester-Wise				
		First	Second	Third	Fourth	Fifth
1	Architect	1	0	0	0	0
2	Team Lead	1	1	1	1	1
3	Module Lead / Senior Developer	2	2	2	1	1
4	Developer	8	10	10	8	5
5	Testing leads	1	1	1	0	0
6	Testers	2	2	2	1	1
7	Document writers	1	1	1	1	1
8	Application and OS administrators	1	1	1	1	1
9	Database administrators	0	0	0	1	1
<b>Total</b>		<b>17</b>	<b>18</b>	<b>18</b>	<b>14</b>	<b>11</b>

## PMU Costing

S.no.	Designation	Staffing Requirements Semester-Wise				
		First	Second	Third	Fourth	Fifth
1	Head of PMU	1	1	1	1	1
2	Technical & Operations Director	1	1	1	1	1
3	Business Analysts	2	2	2	2	1
4	User Administrator	1	1	1	1	1
5	Training Specialist	1	1	1	1	1
6	Trainer	1	2	2	2	2
7	Hand-holding Specialist	2	2	9	9	9
8	Help desk staff	1	1	2	2	2
9	Accounts and admin Specialist	1	1	1	1	1
10	Accountant	0	0	1	2	2
11	Grievance Handling Specialist	0	0	1	1	1
12	Bonus to Govt. staff	0	0	0	0	0
<b>Total</b>		<b>11</b>	<b>12</b>	<b>22</b>	<b>23</b>	<b>22</b>

# Single Vendor Vs Multiple Vendors

**Decision on whether to go for a single vendor or multiple vendors is impacted by:**

- ❖ Pressure on the government agency to show results within short time span
- ❖ Availability of capable bidders in the market to address varied set of requirements (e.g. software development, training, call center, data center management etc.)
- ❖ In-house capabilities of the government agency
- ❖ Amenability of the requirements to be consolidated into the work of a single vendor
  - e.g. whether or not to combine the selection of 3<sup>rd</sup> party audit agency within the broader scope of a single vendor selected

# Advantages of Going With A Single Vendor

- ❖ Acts as a single point of contact for the Government
- ❖ One single agency responsible for meeting the prescribed service levels
- ❖ Procurement of multiple cost items required for service delivery will be done by the single vendor selected
- ❖ Contract administration is simpler
  - Consolidated bill submission and bill processing
- ❖ Government need not get into the workings of service delivery (e.g.)
  - Vendor has to enhance the hardware in case of performance problems
- ❖ Coordination amongst the different service providers is the vendors responsibility (e.g.)
  - Making the help desk and software development team work together
  - Coordination between the software development team and database service provider.

# Dis-advantages Of Going With A Single Vendor

- ❖ It takes significant time and effort to detail the entire project's requirements
- ❖ Selecting one single vendor is tantamount to putting all eggs in one basket
  - The entire project will be at risk when an unqualified System Integrator (SI) or if the SI quotes low rates and is found incapable of project delivery
- ❖ The single vendor will tend to take time to set-up and operationalize the project
- ❖ RFP preparation, vendor selection and project implementation tends to happen sequentially causing the project delivery to get delayed
- ❖ It will take some time before usage of the system beings (i.e.) to see fruits of the envisaged project
- ❖ Project owners need to have patience and should do as much due diligence as possible upfront



# Advantages Of Going With Multiple Vendors

- ❖ Requirements for a part of the project can be drafted relatively fast and vendor for that part of the project can be selected on priority
  - Thus, Government can show results relatively faster when compared with going with a single vendor
- ❖ Direct engagement of specialist agencies
- ❖ Government has direct contract with agencies delivering the services
- ❖ Risk of project implementation diversified amongst multiple vendors
- ❖ Government can express its preferences for the many works, goods and services procured
  - In case of a single vendor, it is for the vendor to decide the best combination required to meet the service levels

# Dis-advantages Of Going With Multiple Vendors

- ❖ Government needs to have strong in-house capabilities to liaison and coordinate the work undertaken by many different vendors
- ❖ Lack of coordination amongst vendors may increase the overall cost of the project
- ❖ “It is not my mistake” is a difficult response to resolve
  - Sub-standard service delivery may result due to this
- ❖ Government agency may have to issue multiple change orders to make the vendors work together in an optimized manner
  - Reasoning the issuance of change orders is a challenge
- ❖ Transitioned in and transitioned out of multiple vendors will be a major challenge
- ❖ Administration of multiple contracts (i.e.) SLA’s, payments will increase the administrative burden on Government

# Examples of Single Vendor vs. Multiple Vendors

- Single Vendor
  - Typical System Integration deals such as MCA 21, e-Passport and e-Procurement implementation, GoK
  
- Multiple vendor
  - Initial implementation by UIDAI is a classical example. Separate tenders were issued for:
    - Software development
    - Call center
    - Data center
    - Servers and storage
    - Training etc.
  - Now, the Managed Service Provider (MSP) has to transition from all the different vendors

# Typical Implementation Challenges -1

- Contract signing tends to be long drawn process
- Implementation agency tends to take time to identify and deploy people on-site to start the project implementation
- PMU structure often tends to be weak and in formative stages early in the project
- Getting the teams in place and to get going on the actual work takes time
- Consultancy documents tend to be at a high level
  - Implementation requires much more detailed documentation

# Typical Implementation Challenges - 2

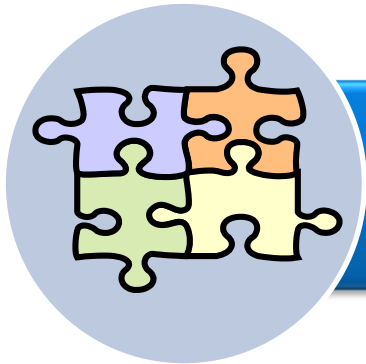
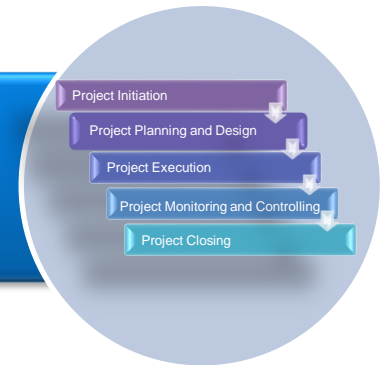
- Resistance from end users is to be expected
- Requirements tend to flow in thick and fast post go-live of the system
  - Based on implementation experiences
- System will invariably throw errors in early stages of the project
  - Especially so in case of custom developed software
- Decision making by the various committees constituted by the Government
  - Project implementation will be governed by these decisions taken

# Project Implementation Approach: Various Options



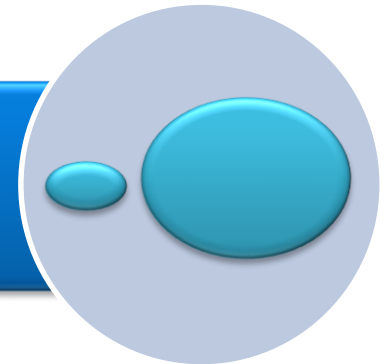
Big Bang

Phased



Parallel

Pilot



# Project Implementation Approach

- ❖ Big Bang – The e-Governance project is launched across the locations for all the functions at the same time. All users move to the new system on a given date.
- ❖ Phased rollout - Changeover occurs in phases over an extended period of time. Users move onto new system in a phased manner.
- ❖ Parallel adoption - Both the legacy and new system run at the same time. Users learn the new system while working on the old.
- ❖ Pilot and rollout – A small (sample) part of the project is implemented for testing purposes before the complete project rollout is done.

# Big Bang Vs Phased Implementation

## ❖ Big Bang

- Rolling out the system amongst all users at once
- Not the most suited method to handle initial teething problems
- May be adopted for small scale implementation
- Not recommended for large scale implementations

## ❖ Phased Implementation

- Better to go for a pilot implementation with a limited set of users
- Make necessary corrections based on Go-live experiences
- Gradually roll out the system across the entire spectrum
- Conduct training and conduct change management activities through out the project



# Governance Mechanisms

## Section 2

---

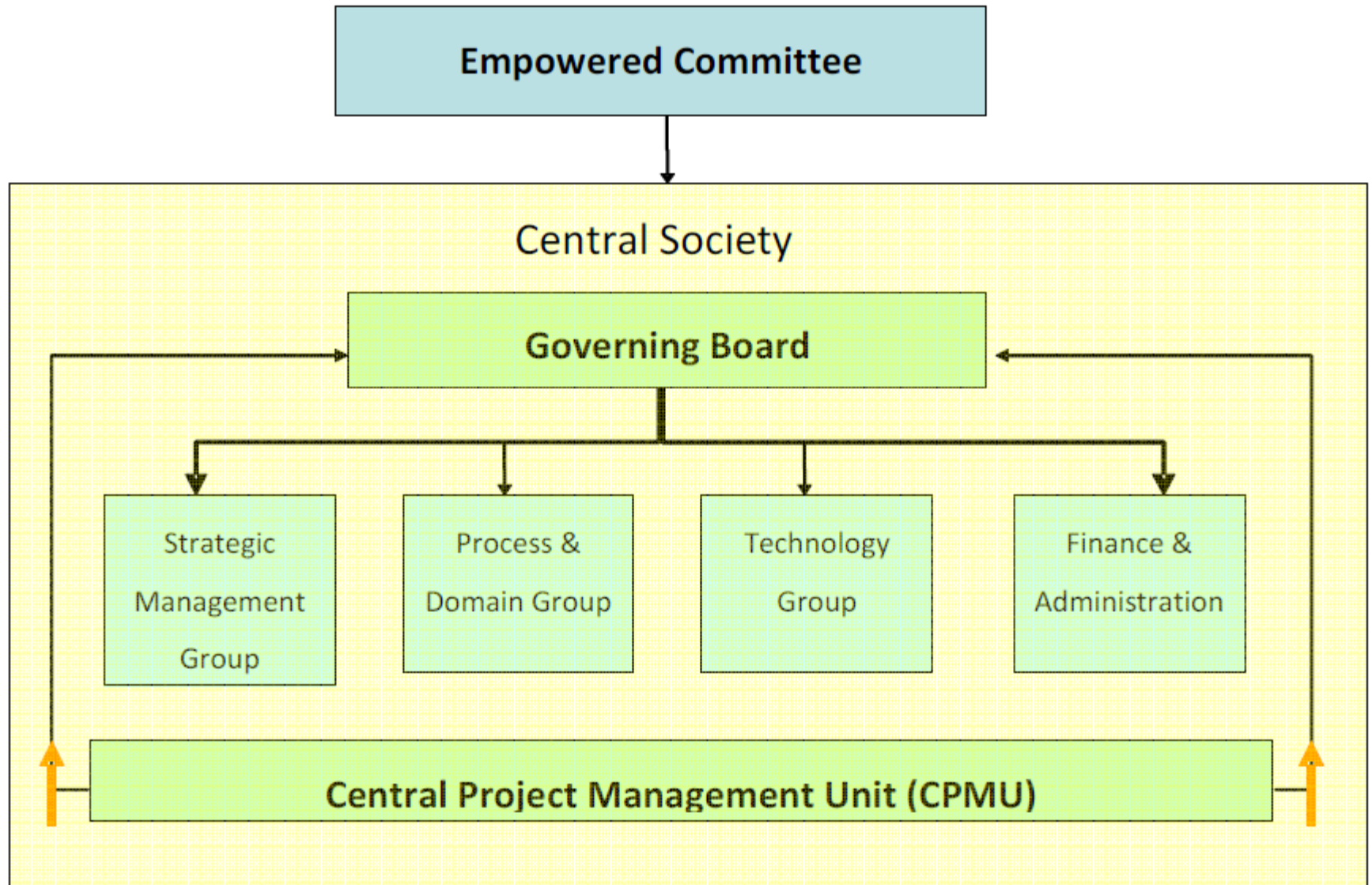
# General Governance Mechanisms

- ❖ Key stakeholders in the project are engaged in decision making through a committee
- ❖ Large projects tend to have multiple committees
- ❖ Roles and responsibilities of the committees have to be drafted early during project conceptualization
- ❖ Typically, there is one over-arching committee such as the Steering Committee / Empowered Committee / High powered committee
  - For taking strategic decisions
  - Such committees typically have Secretaries and Principal Secretaries as members
- ❖ There could be one or more committees beneath the Steering Committee such as Project Implementation Committee, Working Group etc.
  - For taking tactical and operational decisions
  - Such committees typically have domain experts as its members

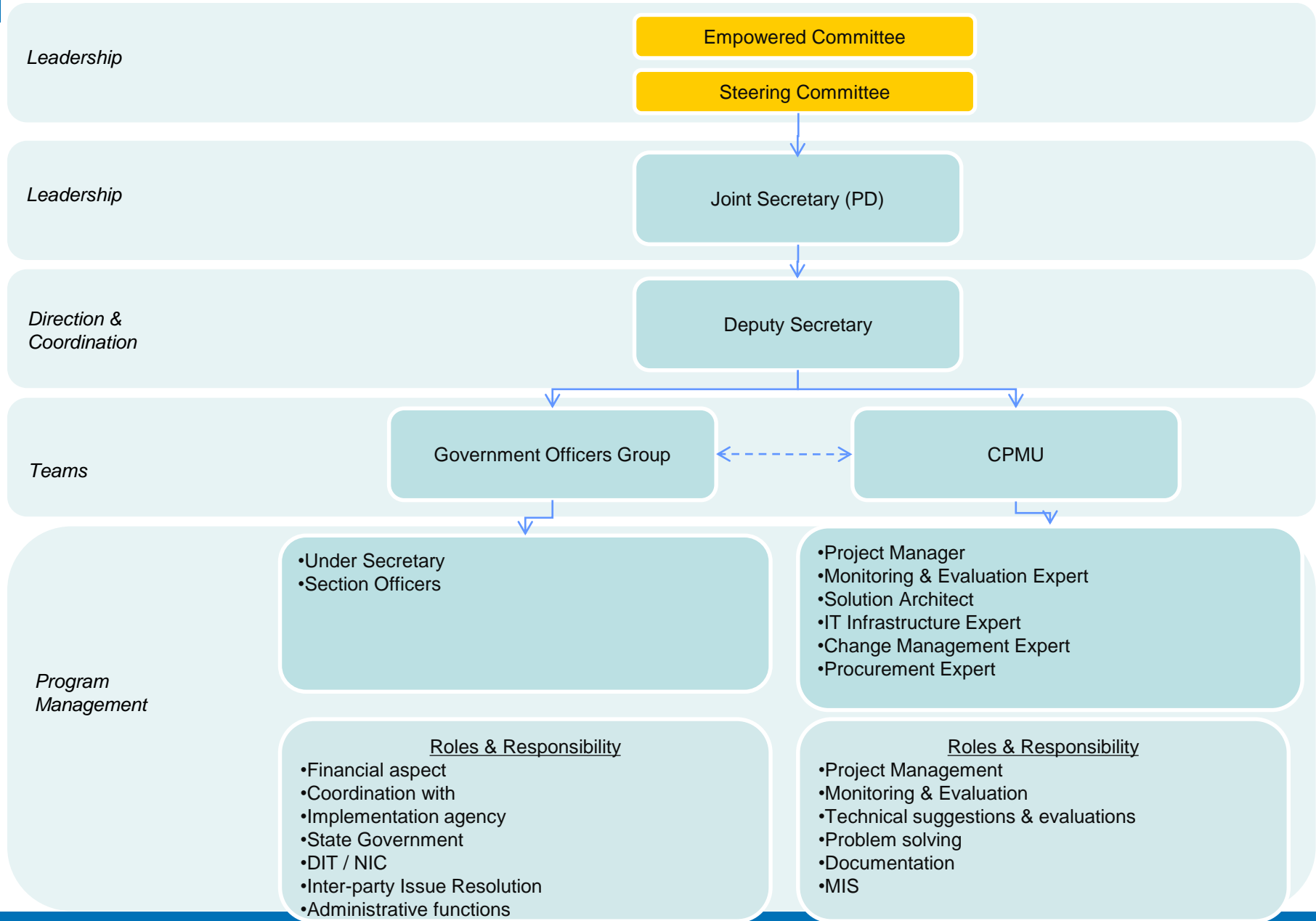
# Project Management Unit (PMU)

- ❖ A Project Management Unit (PMU) is typically constituted to manage the project on a day to day basis
- ❖ The PMU identifies the decision areas, prepares agenda notes, explains the subjects in detail, documents the decisions taken
- ❖ PMU does (among other things)
  - Preparation of Request for Proposal (RFP) for vendor selection
  - Processes payments due to the vendors and
  - SLA administration and other aspects of contract management
  - Organizes training of end users
  - Publicity and awareness creation

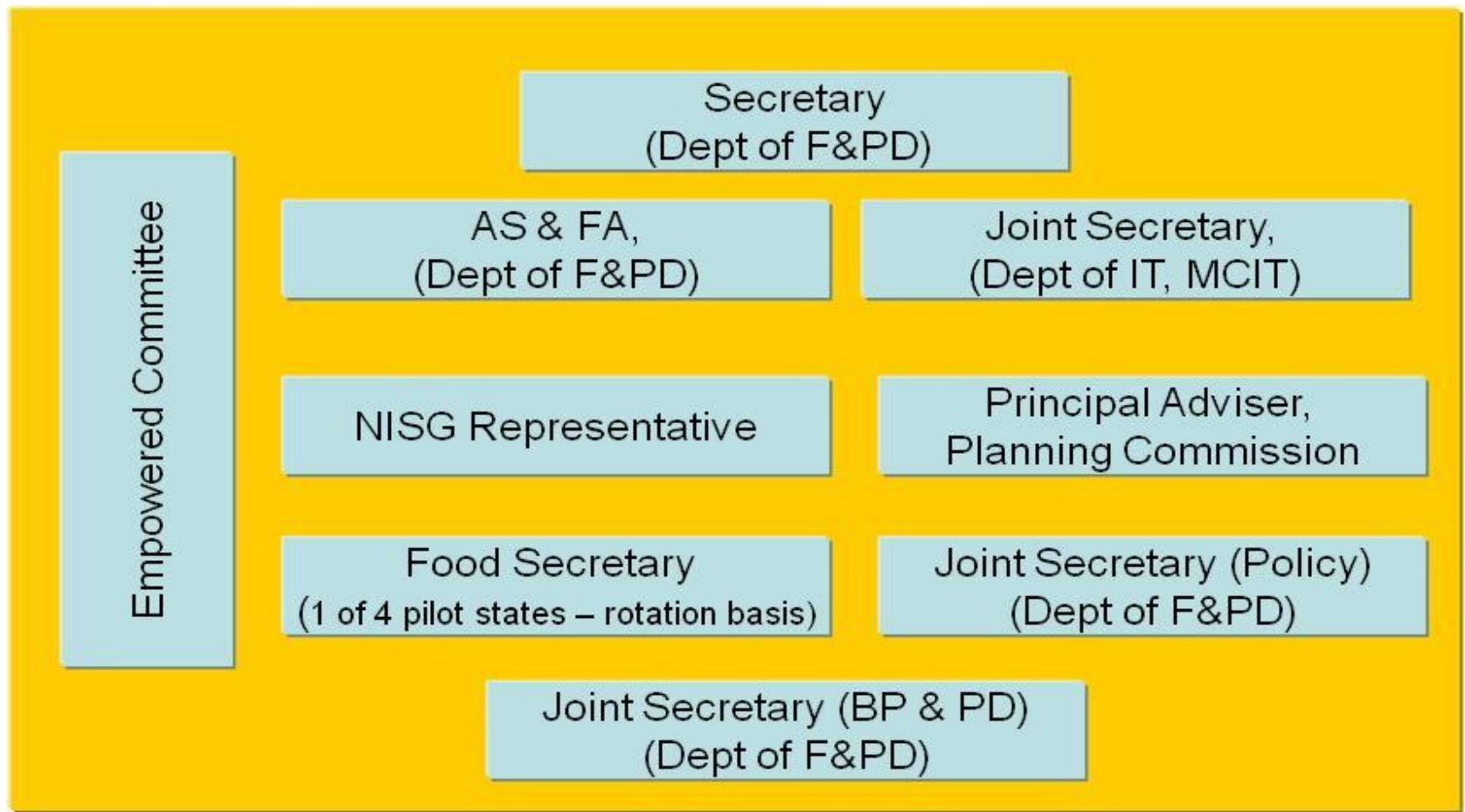
# Illustrative Governance Mechanism



# Governance Structure



# Illustrative Empowered Committee



# Illustrative Steering Committee

