Leveraging Consultants for GPR engagements
Engagement Models of Consultants

- Consultants typically work on three kinds of engagement Models
  - **Time & Money**
    - Consultant charges a fixed fee per person per time period (hour / week / day)
    - In these projects, the project is typically driven and managed by the client
    - The consultants are used as resources to support the client
  - **Flat Fee**
    - Consultant charges a fixed fee for the engagement
    - The payments are typically milestone based
  - **Variable / Contingency fee based**
    - This model is typically used as a hybrid model as follows
      - Fixed Fee on engagement, along with
      - Variable fee based on benefits achieved as per benchmarks set)
While choosing to work with a consultant for GPR, the expectations from the project must be clearly defined

- A GPR / BPR project can provide benefits along three key dimensions
  - **Service Delivery**
    - Typical metrics like Turn-around-Time, Processing Time etc.
    - Other elements to be optimized include Throughput, efficiency etc.
  - **Service Quality**
    - This focuses on issues like Internal Error Rate, External Discrepancy handling etc.
  - **Cost**
    - This focus on reduction of per-transaction costs and overall costs
    - Significant focus is on ‘Waste’ elimination and optimal resource utilization

- To derive maximum benefits from working with a consultant, one must
  - Have a clear vision on what kinds of benefits are expected
  - Clearly specify the benefits expected and the associated deliverables (documentation etc) at the time of engaging with the consultant
Selecting a Consultant to support you on the GPR journey

- In the case of GPR, typically a tender will need to be issued
- At the time of selecting a consultant from the responses, one must focus on
  - **Cost (Financial Bid)**
    - Suggested weightage 30%
  - **Technical capabilities (Technical Bid)**
    - Suggested weightage 70%
- The selection mechanism should be based on a weighted score of the above parameters and sub-parameters
  - Significant focus must be on the technical capabilities since that is what will drive the benefits to be gained
Reviewing Financial Bids

- Cost (Financial bid) : There are multiple options that can be used (depending on the type of engagement costing specified)
- L1 (lowest bidder) criteria can be used for weighting the score
- Another option is to use a reverse auction method wherein the lowest bidder pays the amount specified by the next highest bidder
  - This tends to drive bids lower as even the lowest bidder knows that he will get paid more than his bid price
- This can be specified as part of the tender documents
While focusing on technical capabilities, the following elements can be considered (1/2)

- Prior experience in type of engagement
  - In a government / public sector undertaking in India
    - It is relevant but should be given minimal weights
    - Focusing on this element exclusively creates a risk that we will end up with a consultant who may try to force-fit/replicate what has worked in another department rather than building an optimized solution
  - In the private sector / International experience
    - This is relevant as it will allow best practices from other industries / other geographies to be leveraged

- Experience of Team Members who will be part of the project
  - In a similar role
  - In the domain
  - In using the chosen methodology
  - Time spent in consulting and in the firm
While focusing on technical capabilities, the following elements can be considered (2/2)

- Involvement of Subject Matter experts / Senior partners
  - Extent of senior management (Partner) time and effort that will be available for the engagement
  - Extent of support that will be provided by Subject Matter Experts from within and from other geographies

- Methodology & Case Studies
  - The comprehensiveness of the methodology
  - The quality of work done previously
  - The citations / client reference being shared

- Implementation experience
  - Does the firm only recommend or does it have experience in also implementing its recommendations successfully
  - Implementation experience should be weighted significantly since this is what will make a difference between success & failure
Define responsibilities & project management structure (1 of 2)

**Steering Committee**

Members: Decision-makers

Responsibilities: Charter process; approve frame, alternatives; provide resources and information; make decision and trade-offs

Selection criterion: Collective choice by this group unlikely to be overturned

**Core Team**

Members: Analysts and subject-matter experts

Responsibilities: Develop frame and alternatives, collect data, assess information, evaluate alternatives, plan implementation, implement solutions

Selection criterion: Recognized by Steering Committee as credible experts and analysts
## Define responsibilities & project management structure (2 of 2)

| Steering Committee | 
|---------------------|--------------------------|
|                     | ➢ Provide Vision, leadership & direction |
|                     | ➢ Define & establish project goals and objectives |
|                     | ➢ Minimize & Mitigate Organizational Risk |
|                     | ➢ Authorize Initiation & Closure of project |
|                     | ➢ Meet at predefined milestones / fortnightly to review, guide, set targets and take critical To Be process decisions |

| Project Champion | ➢ Review Project Plans, Resource Plans, exception Plans |
|                 | ➢ Conduct Project Assessments & mitigate Project risk due to escalations. Ensure Process adherence by users |
|                 | ➢ Provide ideas and suggestions to project teams |

| Full Time Resource | ➢ Work hands-on with the consultants at every phase of the project |
|                   |  ➢ ‘As Is’ Process mapping & capturing of PIE’s |
|                   |  ➢ Data collection |
|                   |  ➢ Develop ‘To Be’ alternatives & validate hypothesis |
|                   |  ➢ Communication of ‘To Be’ & Pilot implementation |
|                   | ➢ Invite for meetings and ensure attendance of participants in all meetings |
E-Governance Project Lifecycle (EGLC)

1. E-Governance Strategy Development
2. Current State Assessment
3. Future State Definition
4. Implementation approach and sourcing
5. Develop and implement IT system
6. Operate and sustain

Project Management Office/Unit
Change Management and Communications
E-Governance Project Lifecycle (EGLC)

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Project Management Office/Unit
Change Management and Communications
Phase 1: E-Governance Strategy Development

**Key Activities**
- Needs Assessment
- Define clear vision & objectives
- Prioritization of services and projects
- Incorporate domestic and global learnings
- Identify institutional structures & capacities for implementation
- Define funding requirements
- Define monitoring and evaluation approach...
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Project Management Office/Unit
Change Management and Communications
To perform an in-depth assessment of business functions and services identified for coverage under e-Governance project to understand:

- current approach for performing the business functions and service delivery
- the key challenges and to identify improvement areas
- stakeholder needs and expectations
- good practices and learnings from similar implementations in similar domains
- current systems (IT) implemented in the department, coverage and gaps
- organization structures and people capacities etc
Phase 2: Current State (As-Is) Assessment (2 of 6)

- As-Is Assessment is carried out along the following dimensions:

  - Business Processes
  - People
  - IT Systems

As-Is Assessment
Phase 2: Current State (As-Is) Assessment (3 of 6)

**Business Processes Assessment**

- Study and map the existing business processes for identified functions and services
- Study and evaluate the existing workflows and interdependencies
- Stakeholder (customer and owner) survey to understand strengths, weaknesses and areas of improvement
- Current process measures and analyze key performance metrics
- Assess the current level of automation (if any) for the process/service
- Review Relevant policy, law & regulatory information guiding the service delivery
Phase 2: Current State Assessment (4 of 6)

**Institutional Structures**

- The current organization structure including the reporting structures, current roles, responsibilities, redundancies etc;
- Review the interdependencies, linkages, overlapping functions across the organization units
- People readiness to change and identification of change barriers
- Assessment of current skills sets and capacities w.r.t. IT.
- Review the current training policy, procedures, facilities, learning & education systems in place
Phase 2: Current State Assessment (5 of 6)

**As-Is IT Systems Assessment**

- Inventory of the IT Infrastructure (Applications, Databases, Security & other tools) used by department/agency
- Current level of automation for identified functions and services
- Benefits from automation and gaps
- IT procurement initiatives in the pipeline / proposed and plans for usage of IT
- Key bottlenecks in the current IT systems and management information systems in use
As-Is IT Systems Assessment

Key Outputs/Deliverables

As-Is Processes
- Process maps
- Pain points
- Initial improvement areas
- Stakeholder needs

As-Is IT Environment
- IT Systems
  - Scope and functionality
  - Strengths and gaps
  - IT Infrastructure (network, security, data center)

As-Is People Environment
- Organizational structures
- Roles and responsibilities
- Capacities and skill sets
- Change barriers
E-Governance Project Lifecycle (EGLC)

1. Vision & Strategy Development
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Project Management Office/Unit
Change Management and Communications
Phase 3: Define Future State (To-be definition) (1 of 6)

- To define how the identified business functions and services shall be performed going forward
- To define the new business processes
- To define IT solutions and services for automation of new business processes
- To define people change management, capacity building and communication requirements for project implementation
Phase 3: Define Future State (To-be definition) (2 of 6)

- To-be definition is performed along the following dimensions:
Phase 3: Define Future State (To-be definition) (3 of 6)

To-be business process definition

- Analysis of pain points and process performance metrics
- Analyze processes against defined vision and objectives
- Assessment of good practices and learnings from similar business process environments in India and global
- Stakeholder consultations on improvement opportunities
- Finalise process improvement opportunities and process reengineering
- Identification of IT enablement opportunities
- Definition of to-be business processes
- Stakeholder validation of to-be business processes and finalisation
- Assess the impact on regulatory and policy environment and identify changes based on new processes
- Identify data digitization requirements
- Define new processes KPIs...
Phase 3: Define Future State (To-be definition) (4 of 6)

- **IT Systems/Architecture Definition**

- Identification of IT systems and applications for implementation of new business processes/identify improvement opportunities to current systems
- Definition of Functional Requirements Specifications (FRS) for the identified systems
- Definition of service delivery channel assessment
- Definition of enterprise architecture for implementation of proposed services/systems including:
  - Application architecture
  - Data architecture
  - Security architecture
  - Network Architecture
  - Data center architecture
  - Assessment of IT infrastructure requirements and specifications
  - Definition of IT systems performance, scalability, availability requirements
  - Data digitization and migration strategy development
Phase 3: Define Future State (To-be definition) (5 of 6)

**Definition of People Measures**

- Training Needs Assessment in light of proposed systems identified for implementation
- Development of Training and Capacity building plan
- Development of People change management to address the change barriers identified during as-is assessment
- Development of communications management plan
- Assessment of institutional structures needed for implementation of proposed initiatives
Phase 3: Define Future State (To-be definition) (6 of 6)

Key Outputs/Deliverables

To-be Processes
- To-be business processes
- New process KPIs/metrics
- Changes to the legal and policy environment

To-be IT Environment
- Functional Architecture and Requirements specifications
- Enterprise Architecture covering Application, data, network, security, data center architecture
- Data digitization and migration strategy
- SLAs

To-be People Environment
- Institutional structures needed for project implementation
- Training and Capacity building plan
- Change Management Plan
- Communication Management Plan
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Project Management Office/Unit
Change Management and Communications
Change Management and Communications (1 of 2)

- Generally is driven by Project Management Office/Unit
- Objective is to address and manage the ‘people’ related aspects in the project implementation including:
  - Managing the people change in terms of addressing the resistance
  - Managing people resistance to change
  - Communicating the project vision, objectives and benefits to all the stakeholders
  - To build skill sets and capacities across various levels in the organization to adopt new processes and systems
Change Management and Communications (2 of 2)

**Change Management**
- Understand the changes lead by the project (policy, processes, systems..)
- Identify the impacted stakeholders
- Assess the readiness of stakeholders to adopt change
- Identity key risks surrounding resistance to change
- Devise measures to address the identified risks
- Develop change management strategy
- Implement strategy
- Monitoring and corrective actions

**Project Communications**
- Understand the project scope and coverage
- Identify the objectives, benefits
- Identify the stakeholder groups impacted by the project
- Identify the communication needs for each stakeholder group
- Identify the communication channels
- Development communications mgmt strategy
- Implement strategy
- Monitoring and corrective actions

**Capacity Building**
- Understand the changes lead by the project (policy, processes, systems..)
- Identify the impacted stakeholders
- Understand the skill sets needed to adopt the new systems and processes
- Assess the current skill sets and capacities in the organization
- Identify the training needs to bridge the gaps in the skill set...
- Identify the training courses and approach for training
- Implement Training Plan