Highways England Company Limited

Operational Excellence Governance Framework

Annex 17

highways england

Operational Excellence

Highways England Governance

Operational Excellence Governance Scope

Benefits and metrics	Business Readiness	Stakeholder engagement & comms	Financial management
RAID	Schedule management	Document management	Lessons learnt
Ideas management	Roles & responsibilities	Resourcing	Approvals
	Meetings	Change control	

OE Governance Framework

Purpose of document – this document describes the governance approach that Highways England currently use for the Operational Excellence programme. This document is a living document and therefore is subject to change

Version – Final v1.0 – 21/10/19

How to use this document

This document includes the approaches and details of the different elements of OE governance. The Diagram below explains the content of the slides

Each element includes a description and an outcome

Who worked on developing the governance element.

Phil and Vicki

Resourcing

A defined and dynamic approach to how we plan and manage our programme resourcing needs

Outcome:

Across the programme we understand our current and future resource requirements in a planned and controlled way, and are able to allocate and manage resources effectively to meet these requirements in a way that achieves a balance between business and individual needs

The Process is outlined (apart from Roles and Responsibilities which includes a list of documentation available

Process Map

Resources identified as being needed from PMs or Programme – need to know FTE, duration, capability and other considerations such as location*

Resourcing needs sent to Phil and Vicki – discussion (for example at project review) or email is fine

Phil and Vicki meet at least monthly (and by exception if needed) to discuss resourcing position (today and future) and requests

Monthly meeting Discuss project resource needs, people needing work and/or other resourcing changes (such as leaving business) and proposes list of changes to be made**

Depending on changes, discussion with Diane/Duncan may be held***

Individuals affected by change are met with to outline change and discuss their thoughts and what will happen next

If a resourcing need cannot be addressed, a plan will be put in place to manage

Change implemented and advised to relevant people. Significant changes will be updated through TMO and/or team meetings

* All projects are to capture a resource risk to maintain awareness of project resourcing needs, today and in the future

** At this point, individual capabilities and/or development paths are considered to inform decision, with decision made based on business and individual need. If an individual is identified to be moving off the programme, a knowledge transfer assessment (using HR templates) will be undertaken to understand what action plan needs to be put in place to transfer the knowledge

*** as a minimum a resourcing update is provided to Duncan and Diane monthly via Transformation Review

Tools and templates

Org/workload structure *Living document*

RAID log

Supporting documents including templates and guidance. *These can be found in the SHARE Governance File, where all elements has corresponding guidance and template folders*

Interdependencies

- RAID
- Comms & engagement

Interdependencies with other governance elements

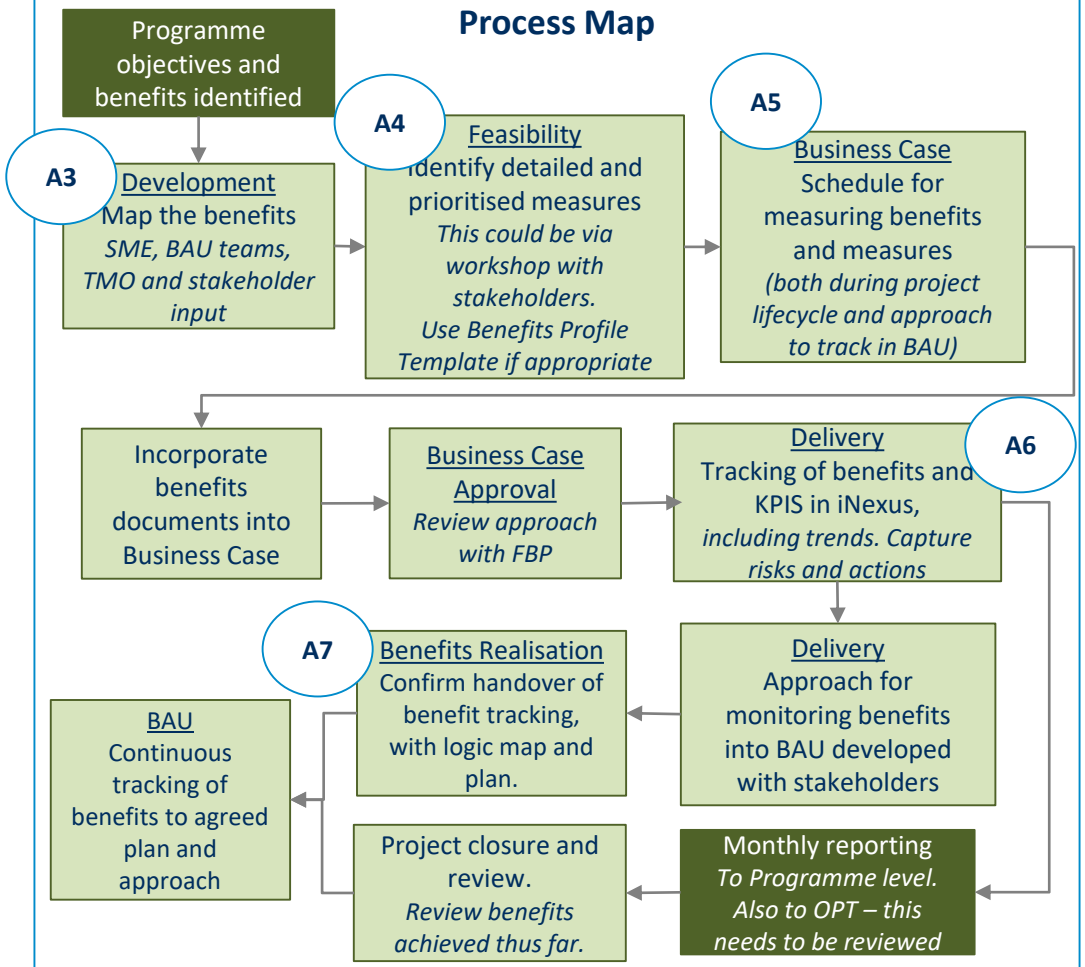
Benefits and metrics

KPIs identify what we are trying to achieve, and map back to benefits, outputs and outcomes.

Outcome:

We are able to analyse, track and quantify benefits and leading and lagging metrics in a proportionate way, linking initiatives and ideas back to business goals from the start. KPIs focus on delivery and post completion and can be captured, with trends, at project and programme level, to allow the initiative to take action.

Process Map



Tools and templates

- Guidance
- Benefit Profile and Realisation Plan template, including Logic Map example
- Benefits Logic Map template
- iNexus tracking of benefits
- Reporting dashboards
- Programme objectives logic map

Interdependencies

- Meetings
- iNexus
- Document Location
- Business Readiness (BAU tracking)
- Risk Management
- Schedule Management

As discussed at Sept Away Day, do remember to setup working groups/team discussions to identify and plan for benefits on your projects. Don't feel like you need to do benefits on your own

And do refer to similar projects to get inspiration on benefits

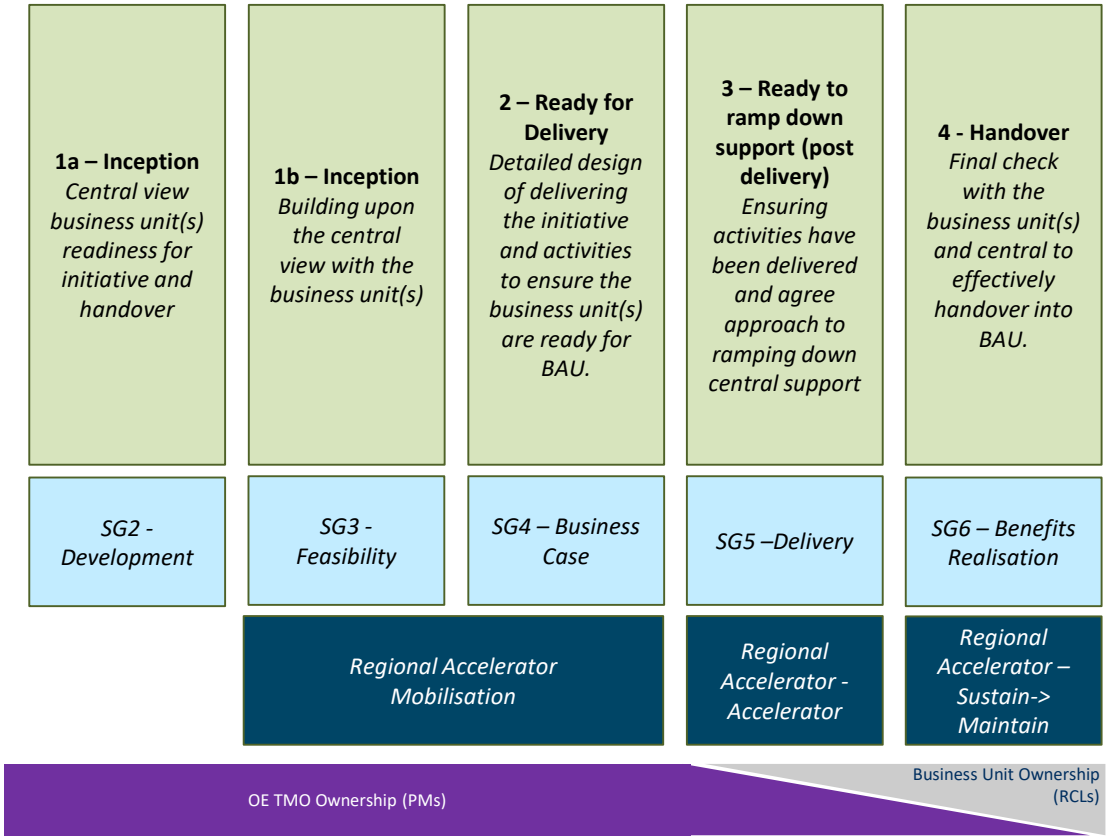
Business Readiness

Getting people ready and equipping them with the right tools, processes and capabilities to ensure the business is in a better position and can sustain the change. The impacted team are well informed about the change, and they are bought in and engaged.

Governance Outcome:

A common process that works and is proportionate for all initiatives, with a series of stage gates **from inception to BAU**.

Process Map



Tools and templates:

- Business Readiness Checklist
- Business Unit(s) heatmap

Interdependencies

- Meetings
- Benefits and measures
- Stakeholder Management and Comms
- Risk Management
- Schedule Management
- Document Management

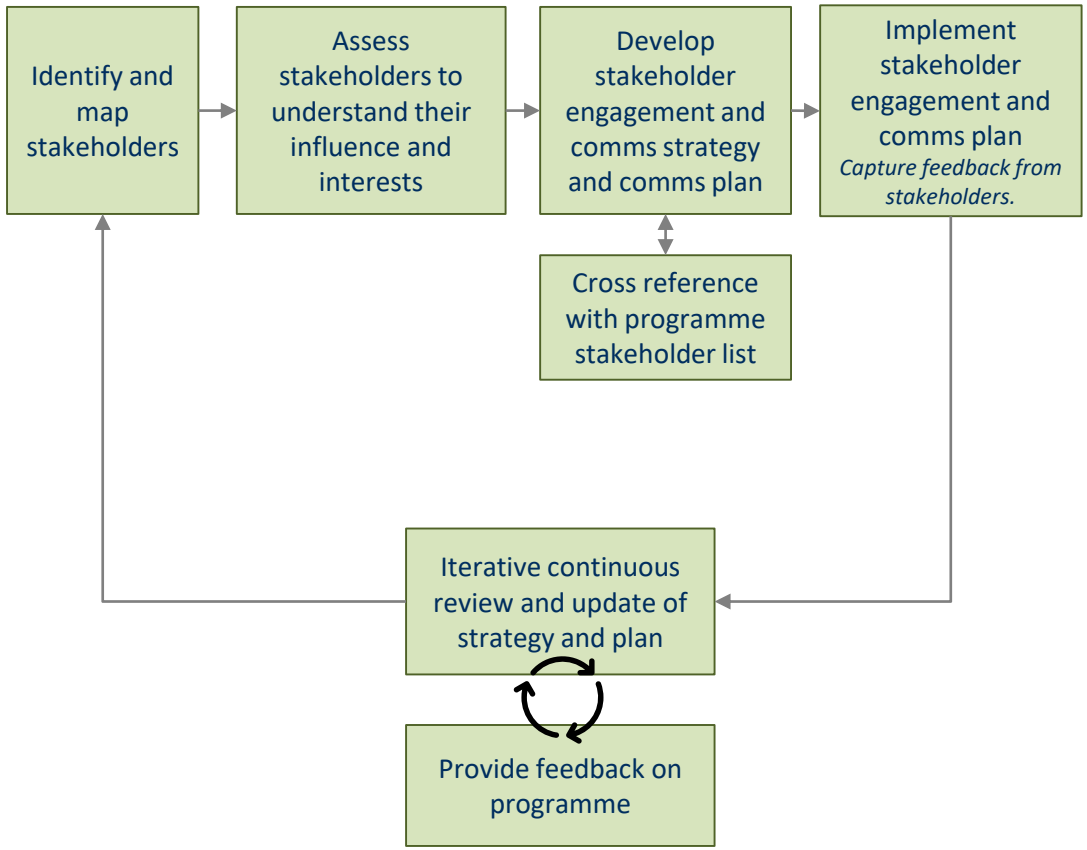
Stakeholder engagement and communications

An approach to understanding your stakeholders and how you can influence them most effectively to secure their buy in.

Outcome:

We, as a team, have an understanding of who all the different stakeholders are both internally and externally to the programme and their needs/interests/concerns. We have an engagement & comms strategy and plan linking programme to project on common stakeholders across the change landscape.

Process Map



Tools and templates

- OE Stakeholder and communications strategy template
- Project Communications Tactical Plan template
- Stakeholder Engagement Map
- Central programme stakeholder list
- Comms Business Partner Guidance
- Comms channel guidance
- Stakeholder Message Hints and Tips

Interdependencies

- Lessons learned
- Roles and responsibilities
- Document Management
- RAID
- Schedule Management
- Business Readiness
- Benefits and Metrics

Financial Management (FM)

Project Managers can manage and spend the initiative budget, and the programme level has the information to reallocate funding and understand spend profiles

Outcome:

Project Managers are fully aware of what they need to do to manage their own project finances, with accurate forecasts. This will enable them to flag risks to budget and request changes to spend or reallocate funds at the programme level.

Process Map

Programme Level

- **Estimate of Project Pipeline** — *Best guess of budget we might need to complete, using information from Projects*
- **Bid for financial year budget allocation** — *Approval of the bid at directorate level*
- **Business Profile Decision** — *How budget is allocated to projects*

Task Order

- **Profile budget for task order** — *Task order needs to be broken down*
- **Task Order Sign off by Programme Manager**

Business Case

- **Project Manager informed of budget allocated**
- **Project Manager identifies profile for budget and request PIN approval**
- **PIN approved or rejected**
- **PM adds forecast and to PFP against PIN**

Payment of Supplier invoice

- **Project Manager creates requisition against PIN and submit to CPT**
- **Once requisition approved, receipt project**
- **Provide supplier with receipt number to invoice too.**

PM tracks finances. — *Reporting on estimates and actuals (receipt or accrual) and forecast updates monthly with reasoning to finance team and Programme level.*

→ **Programme level :** Monthly review over/under budget spend of project working day reports. Programme Tracker is updated. Reallocation of spend identified and signed off at business unit level

Tools and templates

- Business Case spend templates
- Finance guidance
- Project Finance Tracking template
- PFP
- Programme FM record
- FY budget allocation spreadsheet

Interdependencies

- Change Control
- Document Management
- Idea generation and tracking
- Meetings
- RAID log
- Roles and Responsibilities

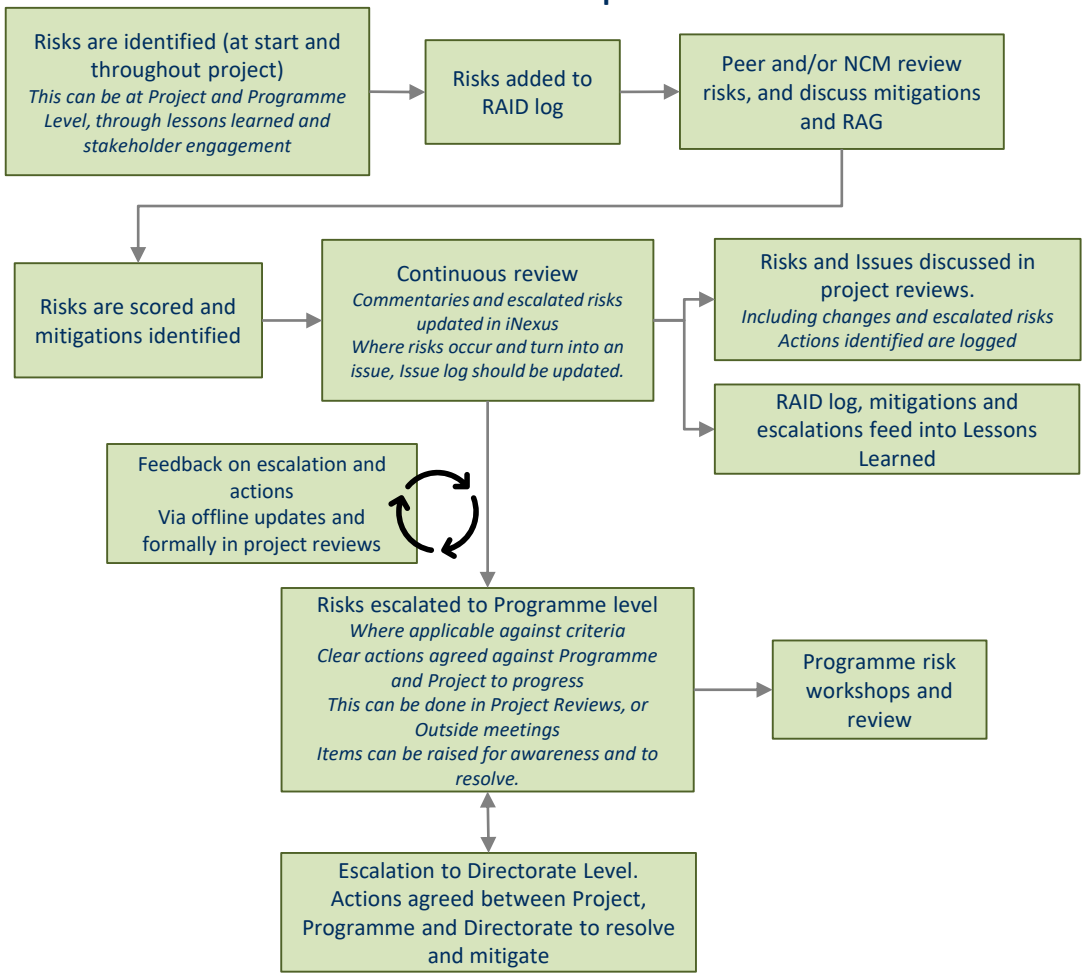
Risk, Action, Issues and Decisions (RAID) Management

We are able to effectively log and manage risks, actions, issues and decisions. We have visibility of risks, mitigations and an overview at programme level, to enable us to effectively manage projects.

Outcome

RAID aspects are identified and tracked, with clear expectations and approaches of how to capture and escalate. People feel supported and are able to escalate risks openly. There is clarity on roles, methods and tools to use to manage project and programme risks

Process Map



Tools and templates

- OE RAID log
- Principles of escalating risks to programme and BTP level
- iNexus for project to programme escalations
- Grid and scoring guidance
- Project Review Action Log

Interdependencies

- Roles and Responsibilities
- Lessons Learned
- Stakeholder engagement and comms
- Change control
- Meetings

Schedule Management

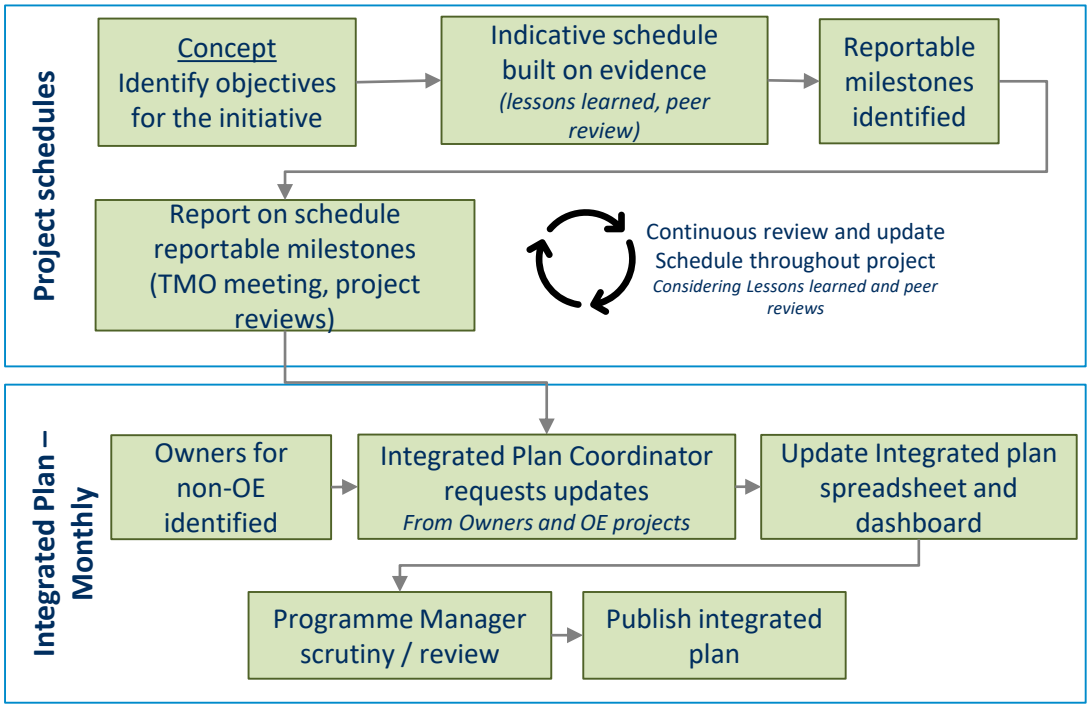
We have a clear proactive forward plan, with realistic timelines of how long things will take to complete. To enable OE to anticipate the unexpected risks and deviations to the plan.

Outcome:

There is a 'single version of the truth' schedule for all initiatives that is visible to all. And there is a consistent approach to identifying programme level 'reportable milestones' and project level steps/actions.

Process Map

A schedule to complete the next stage, should be compiled for stage gate approval



Tools and templates

- iNexus *Tool for planning*
- Examples of 'reportable milestones'
- Integrated plan and detailed slides
- 'Reportable milestone' definitions
- OE Governance Stage Gates

Interdependencies

- Meetings
- RAID
- Lessons Learned
- Stakeholder engagement

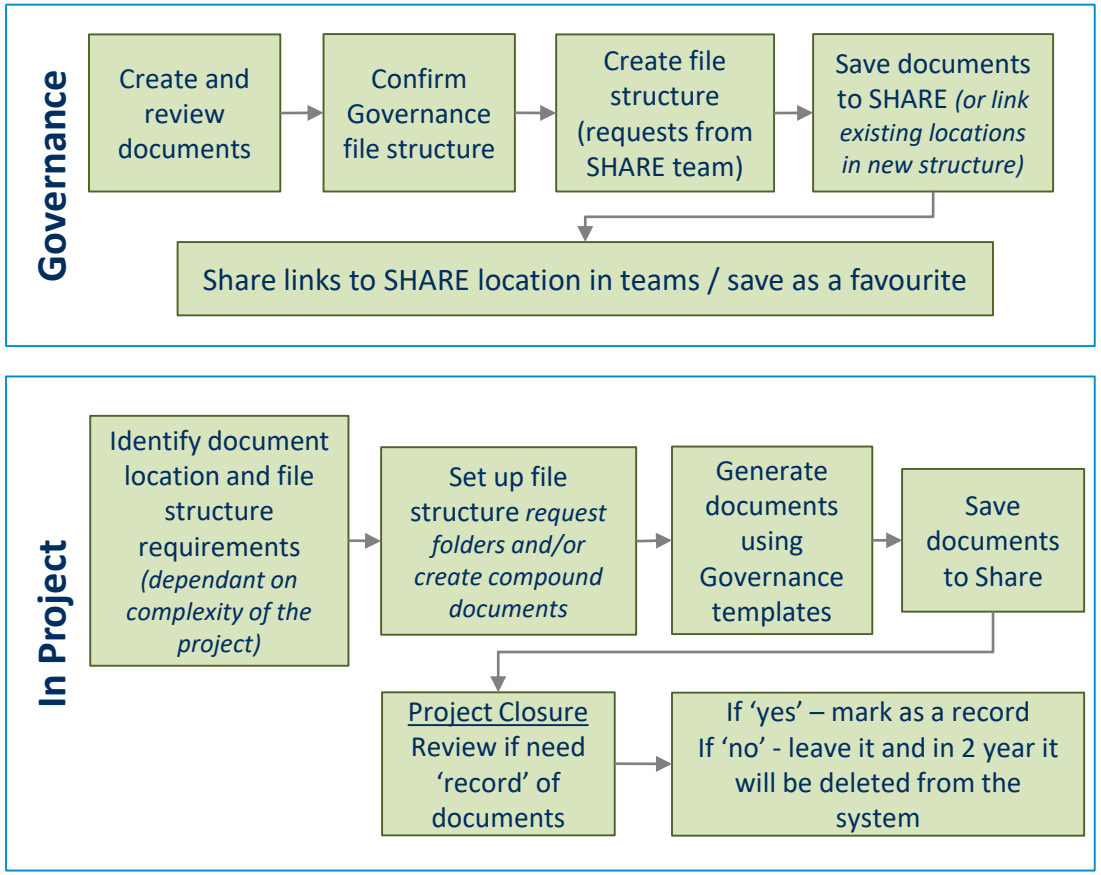
Document Management

Appropriate storage and management of HE and OE project and governance documents.

Outcome:

We use SHARE – the place we legally have to store documentation. Everyone can access the information they need from a central location. Permanent record of OE project and governance documentation

Process Map



Tools and templates

- File structure guidance
- 'What If' FAQs

Interdependencies

- All governance areas

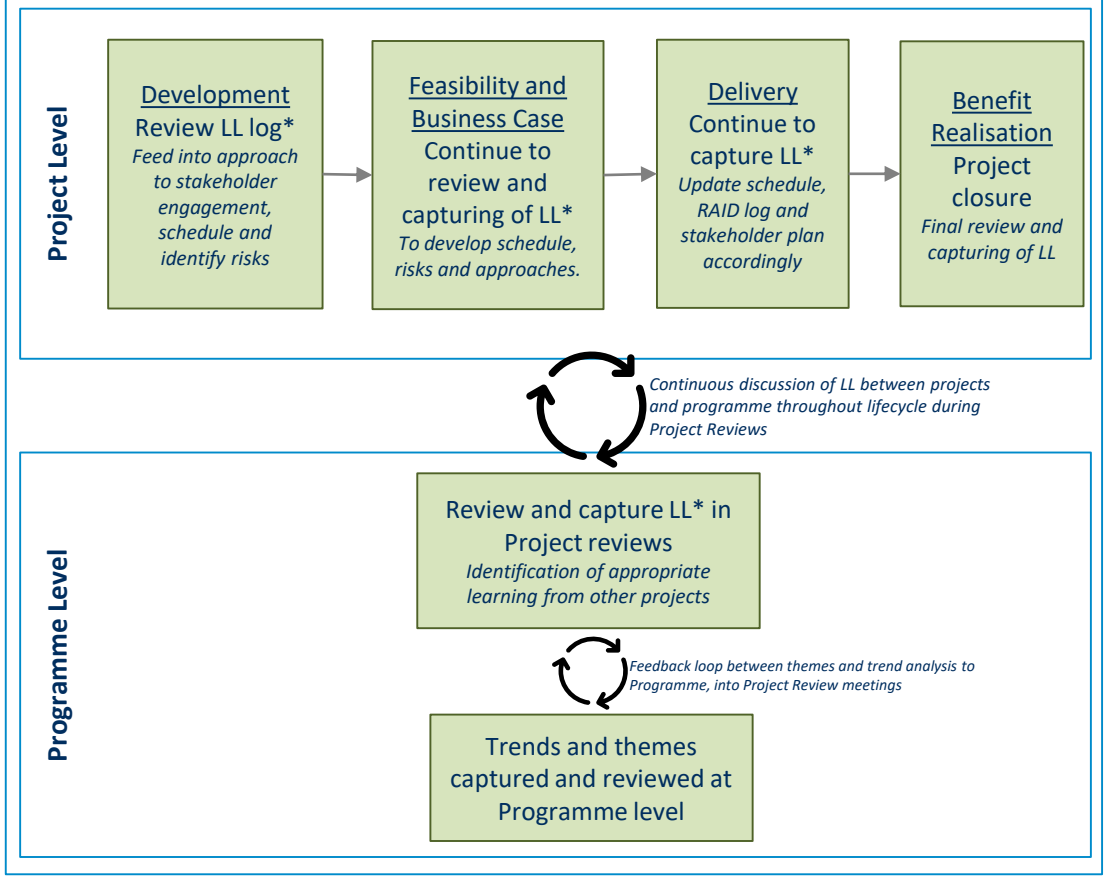
Lessons Learned

A process which encourages recognition of best practice to build on further, and identifying issues and areas of improvement. Lessons are identified and captured for the purpose of acting upon them in current and future projects.

Outcome:

Learning is shared across the team (not just in the project environment), through tracking and documenting lessons at a programme level. Learning should be captured from the very beginning of projects, not just at the end.

Process Map



Tools and templates

- Central Lessons learned log with themes*
- Prompts in iNexus
- Session guidance and table
- 'Teams'

Interdependencies

- RAID
- iNexus
- Meetings (project reviews etc.)
- Document Management
- Change Control
- Schedule Management
- Roles and responsibilities

*** Please note there is a single lessons learnt for all projects and the programme. It's saved here (and is part of the programme RAIDL file)**

Idea Management and OE Programme Change

Offers a chance for people in the business to raise problems they are seeing in their areas of work. For priority areas (ideas that will contribute most to strategic business goals), we have a process for developing and implementing solutions to effectively mitigate against these problems. An idea could be a problem and a solution, or just a problem to solve.

Outcome:

We are able to identify, prioritise to do the 'right things', monitor and track ideas, and have a feedback loop in place with those that have inputted to the process. We have only 1 template that is reviewed at different stages.

Idea Management during *Operational Excellence Programme 1.0*

During *Operational Excellence Programme 1.0*, which will handover to *OE 2025* in 2020, idea management will continue in a similar way to how it has worked in the past. This includes the continued utilisation of Dragons Den, to propose ideas and enable challenge by the OE TMO leadership, and the Design Authority to achieve sign off at senior Operations leadership level.

Between the launch of the governance process (August 2019) and *OE 2025* programme launch (early 2020), ideas raised will be managed by an exception basis.

The process and approach, including the meetings and ensuring the Design Authority operates effectively, will be revisited ahead of *OE 2025* launch. This will make sure, it is fit for purpose and aligns with *OE to 2025*.

Approach and requirements to be reviewed as part of Mobilisation for OE 2025.

Tools and templates

Programme Change Request form and process (DRAFT)

Interdependencies

- Resourcing
- Lessons learned
- Roles and responsibilities
- RAID
- Benefits/metrics

Roles and Responsibilities

Clearly describing roles and responsibilities needed to deliver OE Programme

Process Map

Include list of roles and responsibilities with links to role documents

- Summary Table – *includes all roles and interactions*
- Head of Transformation
- TMO Programme Manager
- PMs and APMs
- National Change Manager (NCM)
- OE Comms and RA Mobilisation engagement lead

- PMO

- Operations Sponsor
- Regional Change Lead (RCL)
- OE Business Support
- Strategic Delivery Partner (SDP)

- Ops and IT Strategy Lead
- CHARM and NTIS business readiness lead

- Business Partner (BP) role – *expectations of a BP from other supporting directorates*

Tools and templates

Role profile information

Interdependencies

- All governance topics

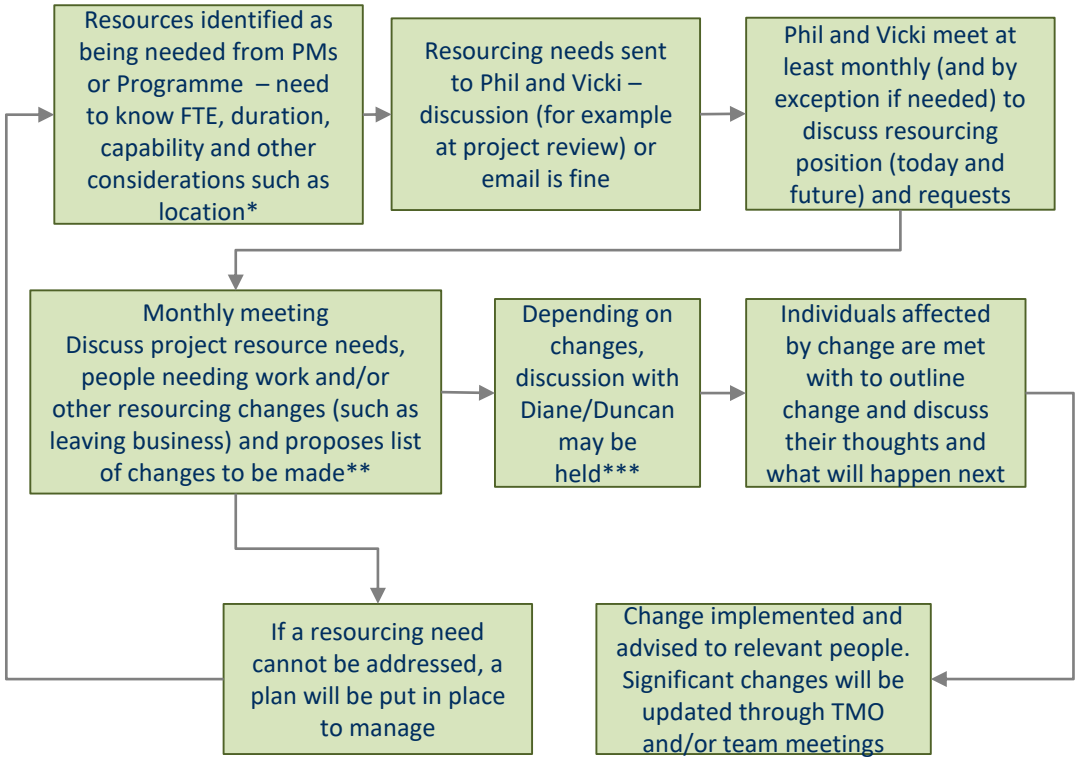
Resourcing

A defined and dynamic approach to how we plan and manage our programme resourcing needs

Outcome:

Across the programme we understand our current and future resource requirements in a planned and controlled way, and are able to allocate and manage resources effectively to meet these requirements in a way that achieves a balance between business and individual needs

Process Map



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*** as a minimum a resourcing update is provided to Duncan and Diane monthly via Transformation Review

Tools and templates

- Org/workload structure *Living document*
- RAID log

Interdependencies

- RAID
- Comms & engagement

Approvals

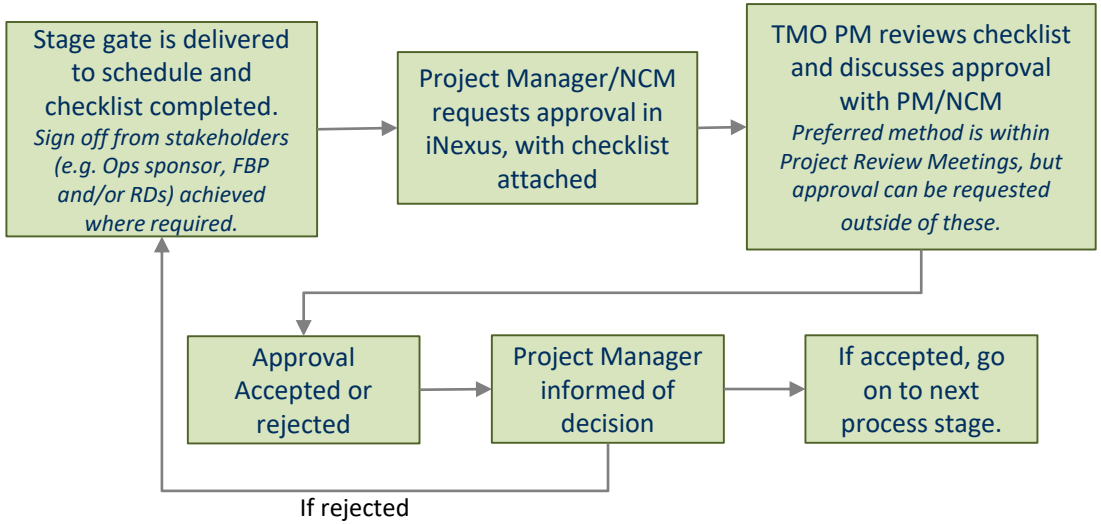
Requesting approvals for moving to the next stage gate in the governance process.

Outcome:

To enable OE to manage and deliver initiatives successfully by ensuring PMs, APMs, and NCMs are is clear on what is required to progress to the next stage gate and ensure sign off from key stakeholders in the initiative lifecycle

Process Map

Approval process commences once all actions required within each stage gate is completed or where it is not required with detailed reasoning explaining this decision.



Tools and templates

- Checklists for each stage gate
- Governance process
- Schedule
- Meetings (TMO, Project reviews etc.)
- iNexus

Interdependencies

- Roles and Responsibilities
- Schedule Management
- Meetings
- Stakeholder engagement and comms

Meetings

Time spent discussing OE Projects and Programmes

Outcome:

OE team spend a minimal time in meetings, considering the existing 'drum beat' . Overall meetings across OE are documented and with clear reporting timeframes, pre-meetings and requirements (what, when, who).

Meeting Flow and structure included in separate slide deck

Tools and templates

- RACI
- Programme output/updates
- Project Review 'aid memoir'

Interdependencies

- All Governance Areas

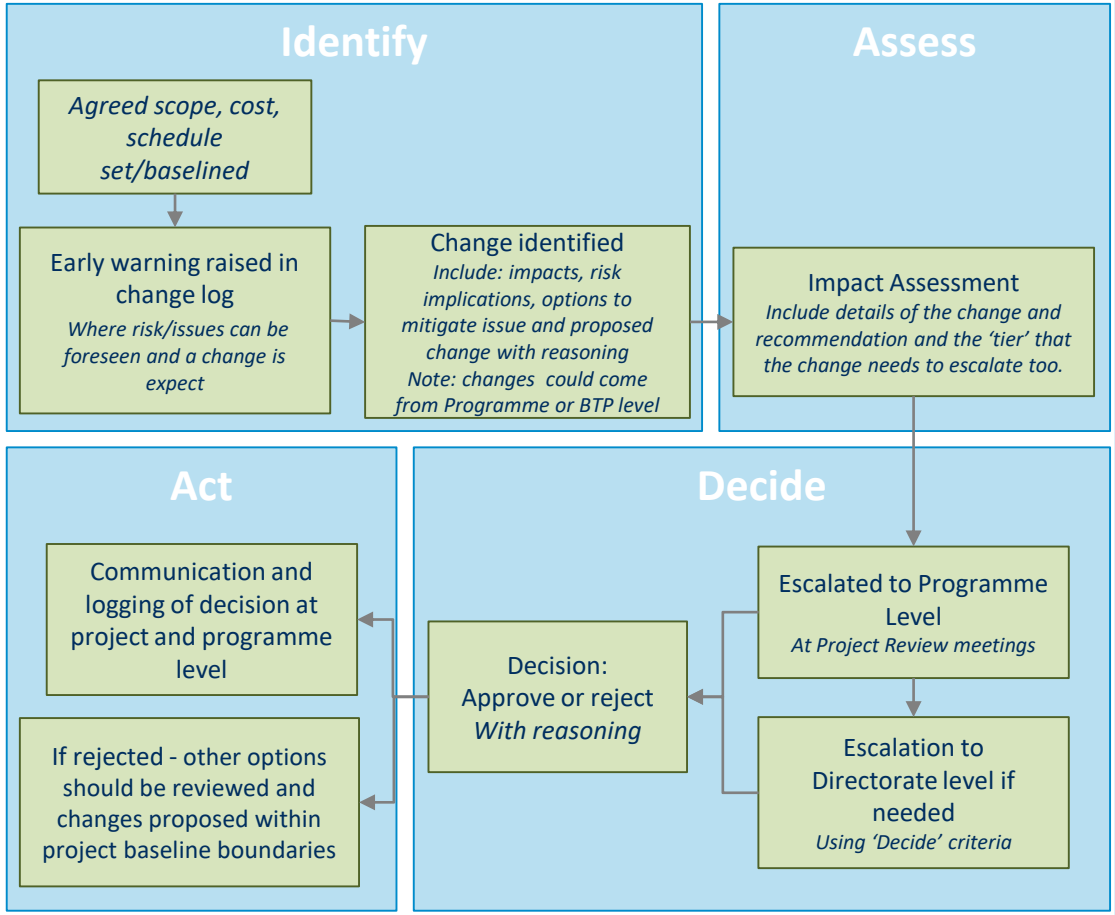
Change Control

A process to enable changes/deviations of scope, time, cost, quality of an initiative to be raised, discussed and agreed or rejected, with clear boundaries for what changes need to be 'formally' reviewed at programme level.

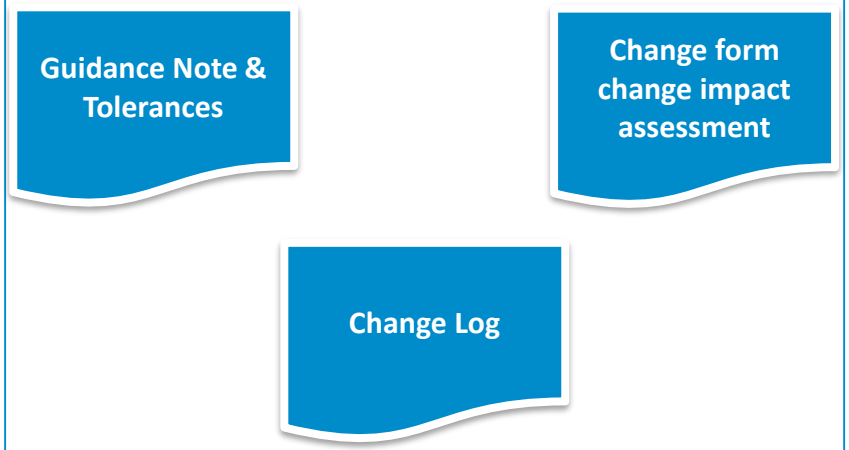
Outcome:

Initiatives can adapt to changes and opportunities that occur and don't 'plough on regardless', to ensure OE programme delivers its aims and objectives. Its also important that initiatives aren't micromanaged through the change control process.

Process Map

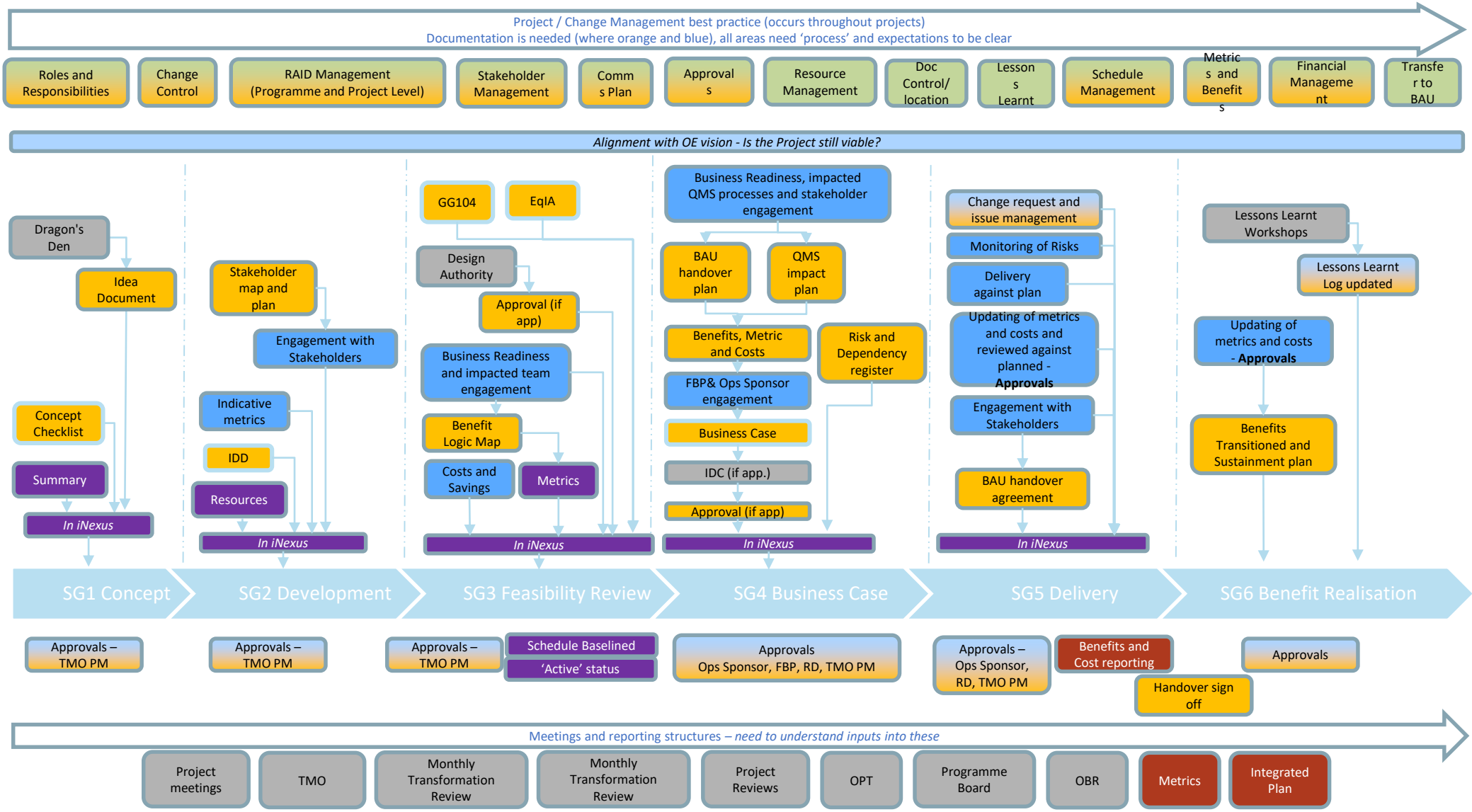


Tools and templates



Interdependencies

- Meetings
- Schedule Management
- Financial Management
- Lessons Learned
- RAID log


Project / Change Management best practice (occurs throughout projects)
Documentation is needed (where orange and blue), all areas need 'process' and expectations to be clear
Roles and Responsibilities
Change Control
RAID Management (Programme and Project Level)
Stakeholder Management
Comm s Plan
Approval s
Resource Management
Doc Control/ location
Lesson s Learnt
Schedule Management
Metric s and Benefit s
Financial Manageme nt
Transfe r to BAU
Alignment with OE vision - Is the Project still viable?
Dragon's Den
Idea Document
Concept Checklist
Summary
In iNexus
Stakeholder map and plan
Engagement with Stakeholders
Indicative metrics
IDD
Resources
In iNexus
GG104
EqIA
Design Authority
Approval (if app)
Business Readiness and impacted team engagement
Benefit Logic Map
Costs and Savings
Metrics
In iNexus
Business Readiness, impacted QMS processes and stakeholder engagement
BAU handover plan
QMS impact plan
Benefits, Metric and Costs
Risk and Dependency register
FBP& Ops Sponsor engagement
Business Case
IDC (if app.)
Approval (if app)
In iNexus
Change request and issue management
Monitoring of Risks
Delivery against plan
Updating of metrics and costs and reviewed against planned - Approvals
Engagement with Stakeholders
BAU handover agreement
In iNexus
Lessons Learnt Workshops
Lessons Learnt Log updated
Updating of metrics and costs - Approvals
Benefits Transitioned and Sustainment plan
SG1 Concept
SG2 Development
SG3 Feasibility Review
SG4 Business Case
SG5 Delivery
SG6 Benefit Realisation
Approvals – TMO PM
Approvals – TMO PM
Approvals – TMO PM
Schedule Baselined
'Active' status
Approvals Ops Sponsor, FBP, RD, TMO PM
Approvals – Ops Sponsor, RD, TMO PM
Benefits and Cost reporting
Handover sign off
Approvals
Meetings and reporting structures – need to understand inputs into these
Project meetings
TMO
Monthly Transformation Review
Monthly Transformation Review
Project Reviews
OPT
Programme Board
OBR
Metrics
Integrated Plan

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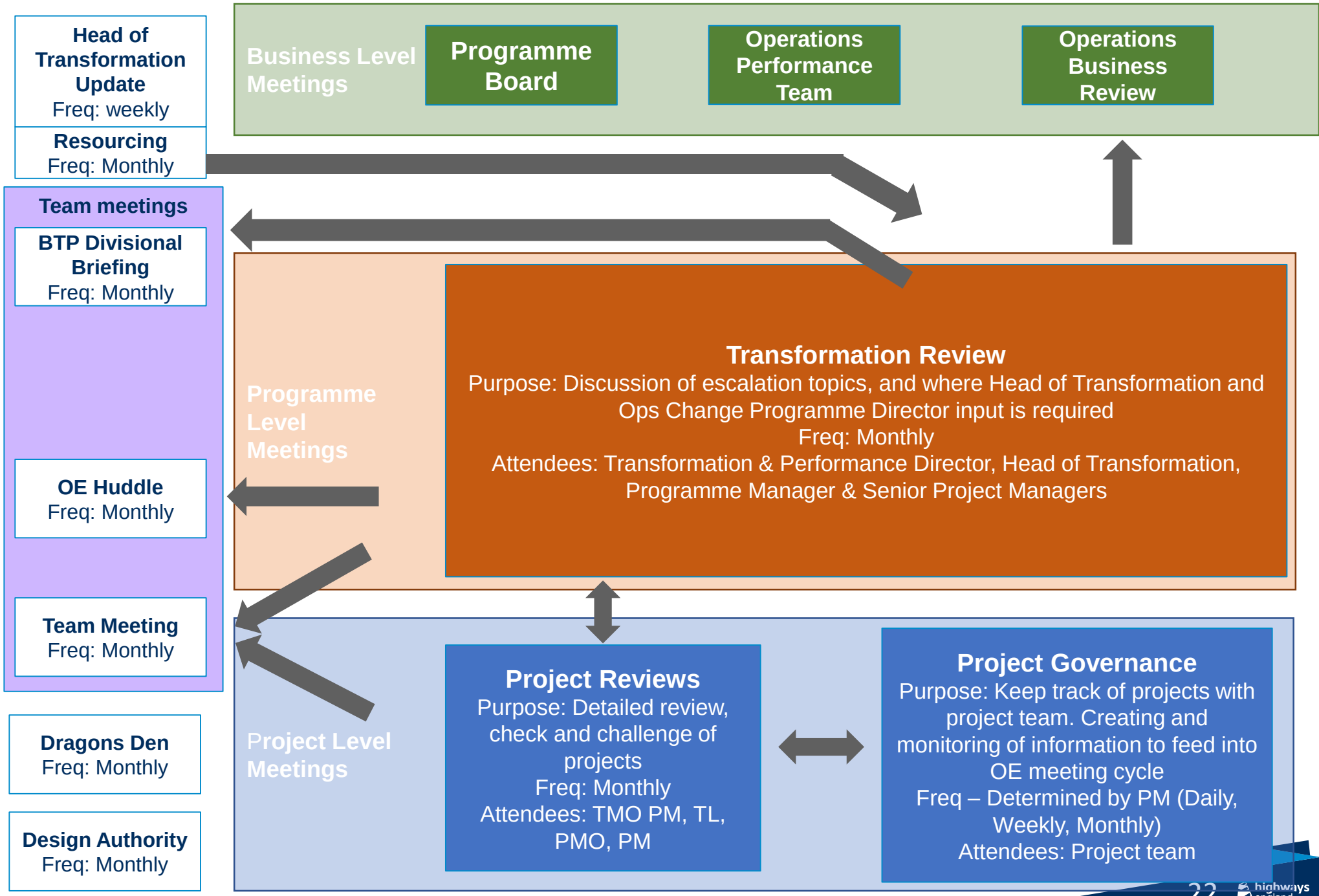
Operational Excellence

Highways England meetings


Head of Transformation Update
Freq: weekly
Resourcing
Freq: Monthly
Business Level Meetings
Programme Board
Operations Performance Team
Operations Business Review
Team meetings
BTP Divisional Briefing
Freq: Monthly
Programme Level Meetings
Transformation Review
Purpose: Discussion of escalation topics, and where Head of Transformation and Ops Change Programme Director input is required
Freq: Monthly
Attendees: Transformation & Performance Director, Head of Transformation, Programme Manager & Senior Project Managers
OE Huddle
Freq: Monthly
Team Meeting
Freq: Monthly
Project Level Meetings
Project Reviews
Purpose: Detailed review, check and challenge of projects
Freq: Monthly
Attendees: TMO PM, TL, PMO, PM
Project Governance
Purpose: Keep track of projects with project team. Creating and monitoring of information to feed into OE meeting cycle
Freq – Determined by PM (Daily, Weekly, Monthly)
Attendees: Project team
Dragons Den
Freq: Monthly
Design Authority
Freq: Monthly