



CMC Strategic “Quality Gating” Process

Combined Management Consultants (CMC) is a quality independent ERP, Project Management, Business and IT Consulting organisation.

CMC has over 29 years experience in providing Strategic ERP Consulting and Project Management Services to over 100 organisations across a range of industries including Distribution, Manufacturing, Warehouse Management, Supply Chain, Retail, Telecommunications, Finance and Government.

Having helped determine the needs of our clients, the goal of each and every member of our team of strategic consultants, project managers and systems professionals, is to deliver results and complete projects on time and on budget. The consistent achievement of this objective has made us a valued partner to our clients as well as many leading IT and Professional Services organisations.

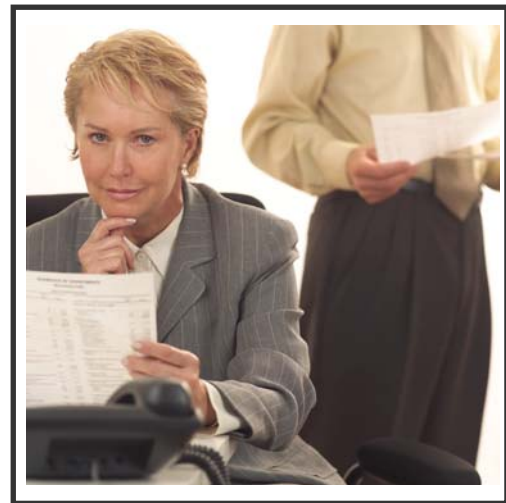
CMC utilises an internal QA and Review process for all our client engagements from Project Feasibility Assessment through to Post Implementation Review. In addition, a number of CMC directors and consultants have experience in ITIL Service Delivery framework implementation and have provided consulting services in this area to both private and public sector organisations.

High Value Professional Services

The foundation of our portfolio of skills is Strategic ERP Consulting and Project Management expertise.

We specialise in:

- **Strategic ERP Planning and Advice**
- **Vendor and System Evaluation and Selection**
- **Business Process Analysis and Requirements Definition**
- **Program and Project Management**
- **Tender and Vendor Management**
- **Preparation of RFP Documents**
- **Change Management, Transition and Training**
- **Test Management and Testing Methodology**
- **Quality Assurance Reviews**
- **Independent Steering Committee Representation**
- **Business Case Development**
- **Supply Chain and Distribution Consulting**
- **Networks and Infrastructure**



Introduction

This document broadly describes an engagement model for the focused delivery of independent Quality Assurance (QA) services for organisations responsible for the delivery of programs of work.

The model covers the lifecycle from Bid Management through to Post Implementation Review.

Combined Management Consultants (CMC) has worked with many organisations over the last 29 years to improve the quality of their projects and to assist them in gaining a better level of control over their engagement lifecycles. This process is called “Quality Gating” and focuses on supplier / client engagement from Pre-Sales through to Project Delivery stages.



Quality Gating Process

The concept of a Quality Gate is a brief QA review point conducted at specific intervals during the project lifecycle.

It is a focused activity looking at the decision points and criteria that need to be substantiated by an organisation's Sales and Consulting Services personnel prior to them being allowed to progress to the next stage in the prospecting, sales or implementation process. The review team usually includes an experienced CMC resource, together with skilled personnel from the organisation, depending on the Gate and the client's preferences.

"Our company engaged a Senior Project Manager from CMC for our HR and Payroll Upgrade Project. Our project was perceived to be quite challenging, however, CMC's consultant was very capable with the relevant industry and technical skills that made a difference.

All of CMC's consultants are backed up by senior professionals who QA all deliverables and ensure that the project is delivered on time and to budget.

We will continue to utilise CMC's professional services for future phases of the project".

John Forbes
Financial Systems Manager
Pacific National

The deliverables of the project may include recommendations to:

- ✓ Halt the Program / Project pending satisfaction of specific criteria;
- ✓ Restructure the Program / Project to address responsibility for issues identified;
- ✓ Provide mentoring and support to the Program / Project Management Team; or
- ✓ Other remedial suggestions.

The premise on which our offering is based is that CMC is a team of highly experienced resources that provide a qualified and independent perspective. The process will be beneficial to your senior management team, your staff and your clients for the following reasons:

- ✓ The involvement of a CMC resource will assure that an objective and independent view is available for all stakeholders;
- ✓ Sales and Consulting Services teams will be motivated to constantly focus on effective project delivery knowing that an external QA process is in place; and
- ✓ Both you and your clients will have early warning of potential project pitfalls and may provide early detection of a sales campaign or project that should be re-oriented or even closed.

CMC is ideally suited as a business partner for the following reasons:

- ✓ CMC has the expertise, industry experience and depth of knowledge to be able to provide high value targeted assistance when conducting the QA Reviews. It would be expected that involvement by us at any of the identified Quality Gating points would include recommendations for correction of any inconsistencies detected by the audit process.
- ✓ Utilising CMC is a cost effective solution as there is no overhead for non productive time. We recommend that the costs associated with the Quality Gating process be reviewed with the Sales and Consulting Services teams so that they understand the value provided by CMC and the "actual" costs of winning business.
- ✓ Our team has considerable commercial experience at senior executive levels. This means that CMC can assist you, confident in the knowledge that they have "equal business stature" with your client's senior management and Steering Committees etc.
- ✓ CMC team members have no preconceptions and are completely objective.



The Quality Gates identified below are potential decision points at which an external QA review point can favourably reduce the risk and create greater visibility of project governance for all stakeholders; while introducing minimal cost to the overall project.

Pre-Sales Process

Quality Gate 1 - Prospect Qualification

This is an external QA of the SWOT of any potentially significant prospect. This is usually managed as a facilitated, focused workshop, requiring the sales team to adequately justify the prospect strategy. The objective of this Quality Gate is for the sales representative to fully understand and become familiar with rigorous prospect qualification – thereby saving your organisation considerable time and money in pre-sales activities.

This Quality Gate occurs after the prospect has been qualified to the point where your pre-sales resources are about to be allocated to refine your organisations understanding of the requirement and to enable the building of a proposal. This Gate is not necessary if pre sales analysis is being delivered on a funded basis.

Quality Gate 2 – Solution Qualification

This is a slightly more resource intensive Quality Gate where the Pre-Sales team are required to present the technical and business solutions for the prospect. Included in this should be the foundation elements necessary to derive the anticipated pricing for the prospect.

The objective of this Gate is to ensure that the appropriate steps have been conducted to ensure that the assessment team can review the solution or application modules being proposed and to verify the fit to the client's business requirements. The technical infrastructure that will be necessary to deploy the proposed solution should also be assessed.

Risk mitigation at this point may result in your organisation optimising license revenues while reducing considerable costs for resources that may be required to rectify product or services mismatches that were subsequently detected.



Quality Gate 3 – Gap Analysis Review

CMC's industry specialists provide reasonability checks on areas identified within the Gap Analysis Quality Gate to ensure that the gaps are properly understood by your organisation in the context of the industry to which your Client belongs.

The concept of introducing an industry specialist into the QA process makes considerable sense to both the Client organisation and to your own organisation, as it mitigates risk for both. An external review of Gap Analysis documents by an industry experienced resource may identify areas of the proposed solution that have been underestimated in terms of complexity and thereby creates potential for conflict and cost overrun later in the project.

Quality Gate 4 - Second Phase Prospect Qualification

This Quality Gate is focused on assessing team readiness to commence preparation of the proposal. Gate 4 is focused on the final qualification prior to committing resources to create the documentation necessary to support the delivery of a final proposal. At this point, the technical resources in Pre-Sales have applied their assessment skills to the prospects environment and are poised to be committed to the proposal development process. At this point the team should know all there is to know in regard to the prospect and the solution design.



It is often at the end of the proposal creation phase that it becomes apparent that the solution has limitations that will not be appropriate for either your organisation or your Client (or both). The intent of this short Gating stage is for the Pre-Sales team to present to the Gating team, the justification for why a proposal should be built and delivered.

Quality Gate 5 - Proposal QA Review

This is the last Gate in the Pre-Sales process and is focussed specifically on reviewing the accuracy, consistency and content of the final proposal to the Client. The outcome of this Gate is a proposal that has been independently reviewed and checked by an experienced and objective resource. The “fresh pair of eyes” approach usually detects proposal elements that require improvement.

Engagement Process

Quality Gate 6 - Sales to Implementation Team Handover

This Quality Gate involves a review of the level of understanding of your organisation’s Consulting Services team of the proposal and the responsibilities encompassed within it. It would be of value for the same external consultant who reviewed the proposal prior to presentation to the Client to ensure that the salient features are well understood by the Project Implementation team, particularly in the areas of functional scope, risk and gap analysis.

It has been CMC’s observation that this is an area that most organisations are looking to improve.

Quality Gate 7 - Client Engagement

This Quality Gate ensures that the project team structure within your organisation and the structure within the Client organisation are appropriately resourced to deliver the project. Often simple matters such as gaining a clear understanding of the need for and responsibilities of the Project Sponsor and Steering Committee can make a significant difference to the ownership of the project within the Client’s business. As an external QA point, this can be a brief check list activity, requiring minimal investment.

Representation on a well structured Steering Committee obviously offers an opportunity for your organisation to assume and retain greater visibility of the outcome of complex projects.

Quality Gate 8 - Project Commercial Review

This is a Quality Gate that would apply at regular intervals throughout the project (Eg. Quarterly). The focus of this Gate is to ensure that Project Managers are adhering to commercial requirements of the project, the implementation methodology and the project governance that is expected by your organisation and your Client.

This QA review would also ensure that appropriate risk management processes are in place, issue management and escalation processes are working and that change control review is focused on maximum delivery with minimal deviation from the “vanilla” package where appropriate.

Quality Gate 9 - Post Implementation Review

This Quality Gate is focused on ensuring that the project has been appropriately delivered to the Client, the ownership of the project has been transferred to the business, and an ongoing support strategy is in place. It also ensures that management of the application on an ongoing basis in terms of planning for new upgrades and releases etc. is clearly understood.

The Gate suggested here is a short QA Review of the post implementation process, not to conduct the Post Implementation Review. Obviously, if a resource is required to conduct the Post Implementation Review, CMC would be very happy to assist.

Other Professional Services

CMC offers a number of other services to our clients that have unique value resulting from the experience available in conjunction with the independent QA perspective. These are not related to specific ‘Quality Gates’ as described above, but are utilised on an “as required” basis and justified as a reasonable cost in the Pre or Post-Sales processes.



These services include:

Bid Management

CMC has deep expertise in Bid Management. Although it is undeniably the case that Bid Management is a strategic and crucial role for most organisations, the bringing together of the various elements and silos necessary for a positive sales outcome can often be obscured through the subjective nature of the sales person involved in the campaign. The Bid Management QA role would involve an external QA of the sales cycle on a non invasive basis.

Industry Experienced Consultants

CMC have a number of very experienced business and IT resources that can be brought in by your organisation as industry specialists advising on the direction on projects from an industry perspective. In many cases, the Client organisation will feel assured by the involvement of an industry specialist who can offer relevant perspectives on the project with all the associated benefits of their knowledge and previous history.

This type of service can be utilised in specific situations where being able to converse knowledgeably in the language (jargon) of the prospect's organisation can be the final determinant of success.

Sales Cycle Improvement Capability Review

This is a process where the sales cycle from Suspect/Prospect to Client for each successful Client and unsuccessful Prospect is reviewed to see whether:

- ✓ Costs could have been saved by more efficient delivery of resources to the Pre-Sales process;
- ✓ Customer qualification was sufficiently robust; or
- ✓ The sales team member controlling the sale adopted the most effective sales strategy for the Client.

In some organisations there are a number of conflicting reward systems in place. These can be easily alleviated by looking at the remuneration strategies for your project and organisational staff

and the KPI's on which they are being assessed. For example, it may be of some value to remunerate sales executives on the profitability of a Client's project, rather than the gross licensing costs.

CMC would be pleased to work with your organisation to recommend some possible improvement in areas that might increase the accountability of various groups in delivering the most effective result for you and your Clients.

Summary

All of the above illustrate a process of instituting an external independent QA philosophy into what is traditionally a closely guarded internal environment. We recognise that this poses a number of risks and that there could be some resistance from people who may feel imposed upon by these suggested levels of accountability.

We believe that we can assist your organisation by crystallising the GO / NO GO Quality Gates throughout the entire project life cycle from Pre-Sales to Post Implementation Review in a way that delivers greater value and more streamlined processes, whilst focusing on staff skills transfer and development where possible.

CMC would be pleased to work with you to identify a specific opportunity where your organisation could benefit from the application of the Quality Gating process.

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