- Undertake long term resource planning to identify demand; secure SMEs and identify resourcing conflicts early. This includes line management commitment of resources for the planned effort and duration of the initiative.
- Ensure that third party assurance providers have the experience to effectively assure an investment of your scale and complexity.

Go live readiness
If there is insufficient rigour in the preparations for transition to service including a clear and agreed set of go-live criteria and post implementation support plan **then** post deployment issues may impact critical business operations, organisational reputation and the ability to deliver anticipated investment outcomes and benefits.

Lessons learned
"Ensure there is rigour and transparency in the go-live decision process. The go-live readiness decision must be evidence-based with clear and agreed decision rights[6]."

Assurance principles – Informs key decisions; Risk and outcomes-based; Accountability
- Assurance provides an independent assessment of delivery confidence to support key decisions such as stage gates and Go/No-Go decisions.
- Assurance covers business readiness to accept the change as well as technical implementation readiness.
- Implementation risk is reduced for critical systems by the use of strategies such as pilots, dress rehearsals or staggered rollouts providing opportunities for refinement and early identification of issues.
- The governance body receives copies of all assurance reports in full and the status of issues raised in assurance reports is tracked and reported to the governance body.

Vendor and commercial management
If commercial agreements are not aligned to delivery milestones/outputs/outcomes (i.e. a realistic measure of progress) **then** this may lead to challenges in managing vendor performance and negative impacts on timeframes and costs.

Lessons learned
"Have clearly defined contractual stage gates for project deliverables with effective off-ramps for use when performance falls short of expectations[7]."

Assurance principles – Risk and outcomes-based; Accountability
- Due diligence is undertaken on vendors to identify risks to delivery such as capacity, capability, overreliance on key people, location of vendor (offshore, onshore), track record, etc.
- Commercial arrangements include outcomes-based milestones against which to measure real vendor progress.
- For high risk/multi-vendor investments consider a specialist contract management resource to manage vendor performance.
- The primary vendor is represented on the governance body (non-voting rights) to report, build and maintain relationships to support honest and open communication and escalation of critical issues.

Contact us
The System Assurance team can be contacted for queries, advice and guidance at **systemassurance@dia.govt.nz.**

Additional guidance and templates can also be found on the GCDO's website: **https://www.digital.govt.nz/standards-and-guidance/governance/system-assurance/all-of-government-portfolio-programme-and-project-assurance-framework/guidance-and-templates.**

Risks that have the greatest impact on delivery success

The System Assurance team has developed a view of the most common risks to successful delivery of digital investment outcomes based on the lessons learned from our engagement with agencies across government.

These risks may not apply to all investments but are a useful prompt for early assurance thinking and planning.

Governance
If governance and decision-making arrangements are not clear and/or governance bodies are not provided with high quality, timely information **then** decisions may be delayed or poorly informed, impacting timeframes, costs, quality and the ability to achieve anticipated investment outcomes and benefits.

Lessons learned
"Establish a fit for purpose governance structure, ensure accountabilities and decision rights are explicit and ensure transparency. Ensure governance is effective based on high quality information and reporting for decision-making[1]."

"Plan how a programme's governance and oversight needs to change during the programme lifecycle[2]."

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6   https://www.digital.govt.nz/showcase/phoenix-payroll-project-lessons-learned/

7   https://www.customs.govt.nz/globalassets/documents/tsw/jbms-lessons-learned.pdf

1   https://www.digital.govt.nz/showcase/phoenix-payroll-project-lessons-learned
2   https://www.customs.govt.nz/globalassets/documents/tsw/jbms-lessons-learned.pdf

Assurance principles – Accountability; Informs key decisions; Risk and outcomes-based

- Take the time to set up effective governance. Governance structures, roles and responsibilities are clearly documented in the governance body terms of reference, including appropriate accountabilities for assurance.
- The composition of the governance body is regularly reviewed to ensure that it has the necessary skills, expertise and experience to support the current phase of work.
- Assurance artefacts (e.g. assurance plans, terms of reference for independent assurance reviews and assurance reports) are endorsed by the governance body and approved by the Senior Responsible Owner.
- The governance body regularly reviews risks to ensure they are being managed in accordance with the agency's risk tolerance level.

Optimism bias

If planning is not informed by a comprehensive understanding of the risks to delivery (schedule, dependencies and assumptions, costs and resources, etc.) **then** agreed tolerances may be exceeded leading to reduced quality, cost and time overruns and the inability to achieve anticipated investment outcomes and benefits.

Lessons learned
"It is easy to get caught up in the day-to-day activity of delivery. We are managing issues every day and have them under control. So why do we need assurance? The reality is that we often cannot see the 'wood for the trees' and underestimate the likelihood of risks impacting on us[3]."

Assurance principles – Assurance by design; Risk and outcomes-based; Flexible

- The programme/project needs to be set up appropriately. This includes a full understanding of the outcomes you are trying to achieve, the delivery approach, and how progress will be measured, controlled and assured using an integrated assurance approach.
- Assurance activity focuses on the key risks to achieving the expected outcomes and encompasses the full scope of the investment.
- Actively track delivery progress against baseline to get early warning of potential risks and issues and enable timely interventions.
- Significant changes to scope, approach, solution, or risk profile of an initiative trigger a review of the assurance plan by the governance body.

Note – All high risk investments need to complete a Quantitative Risk Analysis as part of the detailed business case process to help reduce the risk of optimism bias: https://treasury.govt.nz/information-and-services/state-sector-leadership/investment-management/better-business-cases-bbc/bbc-methods-and-tools/techniques-quantify-risk-and-uncertainty

Change management

If key stakeholders are not identified and effectively engaged throughout the investment lifecycle **then** the solution may not meet user needs, or users may be unprepared for the change impacting on the ability of the organisation to achieve anticipated investment outcomes and benefits.

Lessons learned
"Do not leave your stakeholders guessing. Establish open, honest and transparent engagement and communication and understand and respond effectively to their needs[4]."

Assurance principles – Assurance by design; Informs key decisions; Flexible

- Users of the service or system are included in the development of requirements, testing and implementation in a meaningful way with established open and transparent communication.
- Assurance is integrated taking into account the assurance needs of all stakeholders.
- Impacts to end users have been identified and adequately planned for with training and support post go-live and resources have been secured to support issue resolution in a timely manner.
- Assurance covers inter-agency, sector and All-of-Government impacts, including stakeholder engagement activities, where a change initiative goes beyond the boundaries of the lead agency.

The right people with the right skills

If the programme or project cannot recruit and retain the right people with the right skills **then** the team may not be able to deliver within agreed timeframes or to the expected quality negatively impacting on anticipated investment outcomes and benefits.

Lessons learned
"Complex business transformation programmes need highly skilled and experienced individuals through all phases[5]."

Assurance principles – Assurance by design; Risk and outcomes-based; Independent and impartial

- Get the right team. Complex change can require specialist/limited resources. Planning needs to reflect resourcing constraints, including an accurate reflection of internal capacity to deliver not just availability of external Subject Matter Experts (SMEs).
- Have the right internal capability across delivery disciplines (architecture, solution design, programme management, etc.) to enable effective oversight across vendor delivery.

3   https://www.digital.govt.nz/dmsdocument/96-all-of-government-portfolio-programme-and-project-assurance-framework

4   https://www.digital.govt.nz/showcase/phoenix-payroll-project-lessons-learned/

5   https://www.customs.govt.nz/globalassets/documents/tsw/jbms-lessons-learned.pdf