Delphi Lessons Learned Project Management and PM Office

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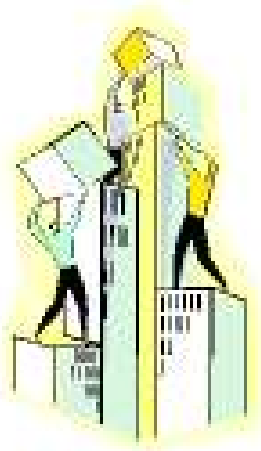

Introducing Equant

- **Equant's business:**

  Telecommunications, Data/IP and Integration Services

- **Market:**

  World's top 5,000 enterprises

- **Geographic reach:**

  Operations in over 100 countries, points of presence in 220 countries

- **Annual Revenue:**

  $3 billion USD

- **Headcount:**

  10,500 employees worldwide

Industry Recognition

Best Global Carrier

Best In Class for IP Services

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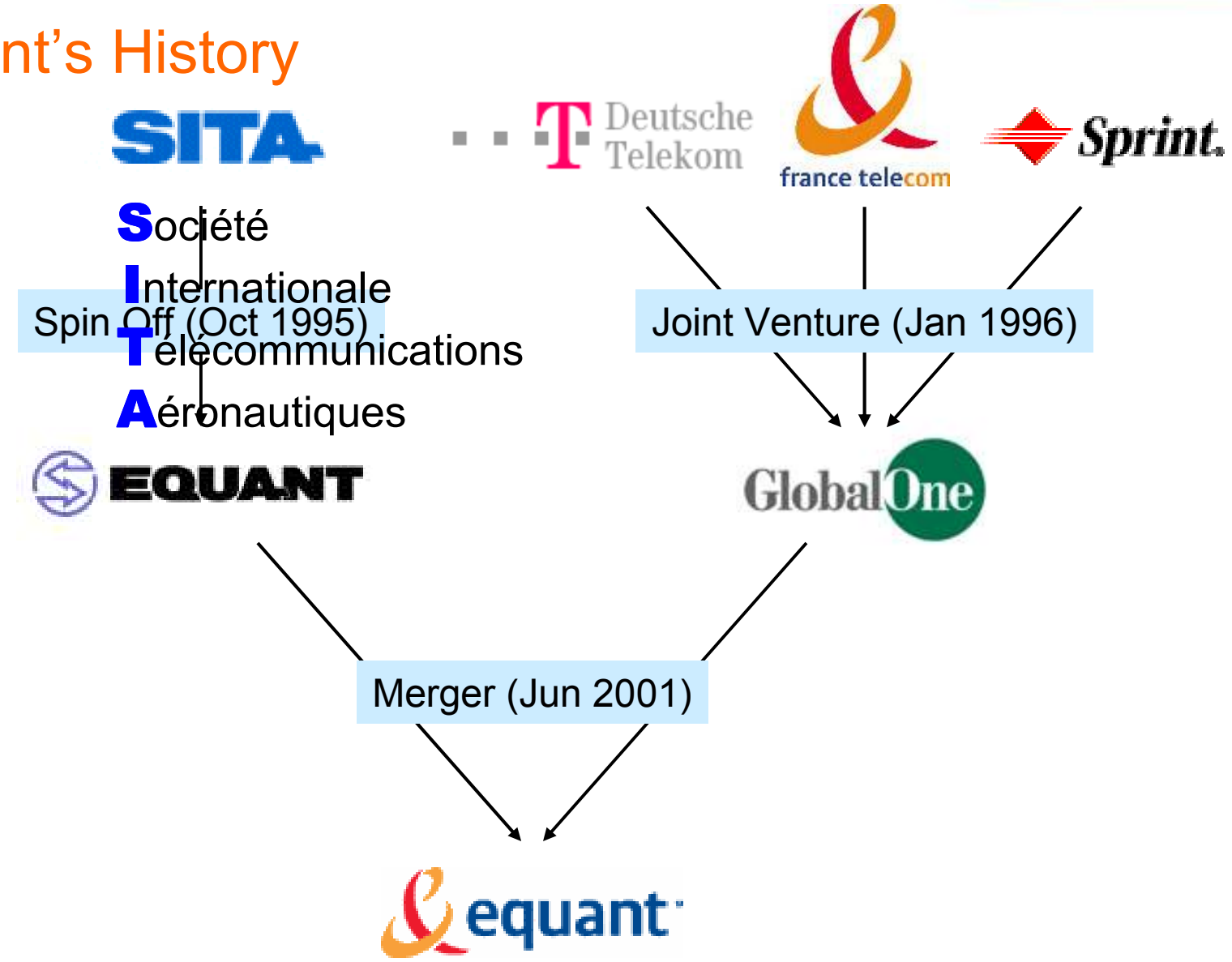
Most Financially Stable and Viable Global Carrier

Leading Visionary Global Network Service Provider

Equant's History



Life before the Project

Multiple Legal Entities (600)

Multiple Charts of Accounts

Multiple Currencies (170)

Multiple Business Processes

Effort intensive Financial Consolidation

Multiple heterogeneous and distributed Information Systems

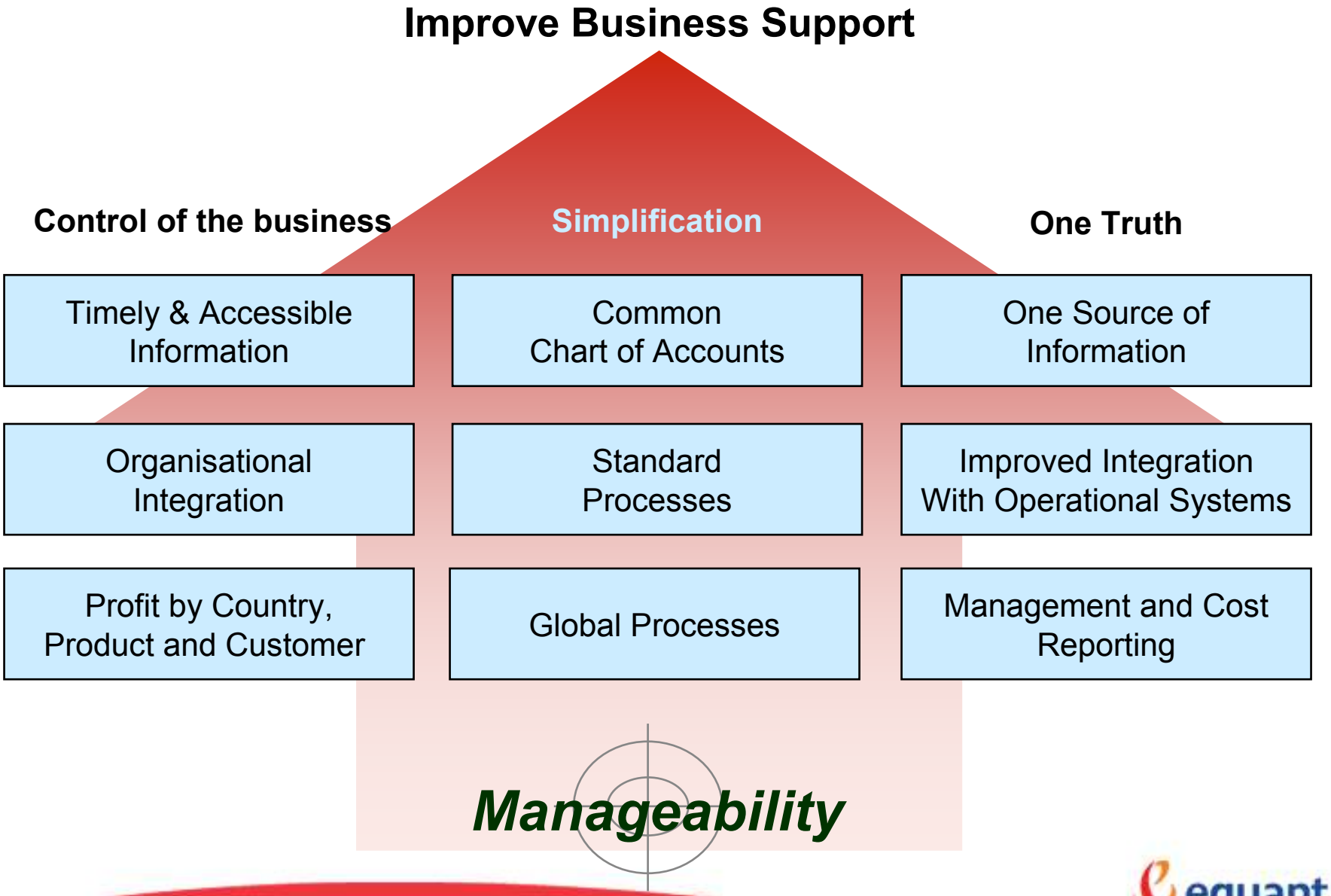
Large number of Suppliers (10,000)

Assets tracked across multiple systems

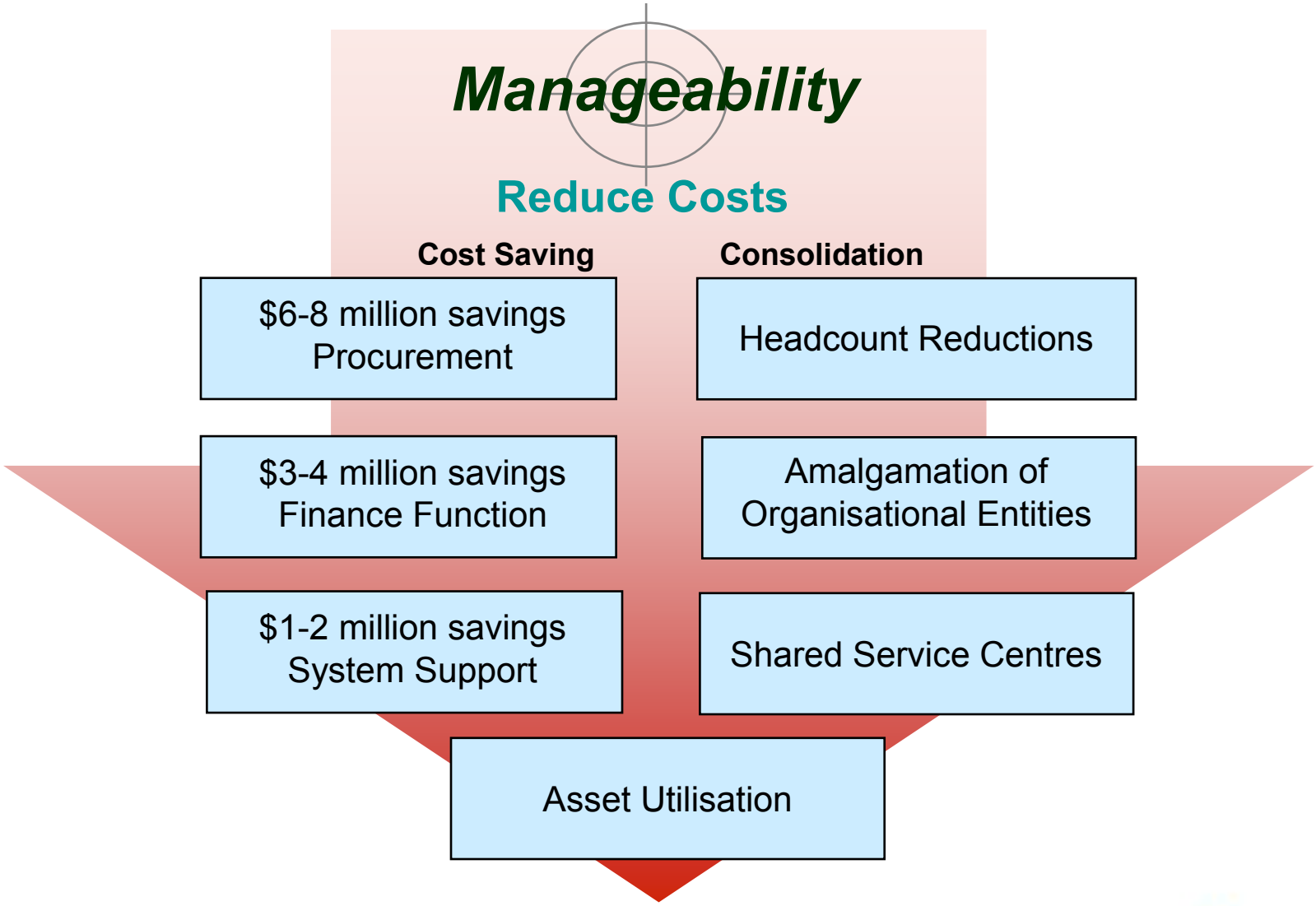
Key Business Issues

1. **Management reporting**
2. **Redundant activity and roles**
3. **Procurement control**
4. **Supplier management**
5. **Asset management**
6. **Information Technology Costs**

Business Case Drivers



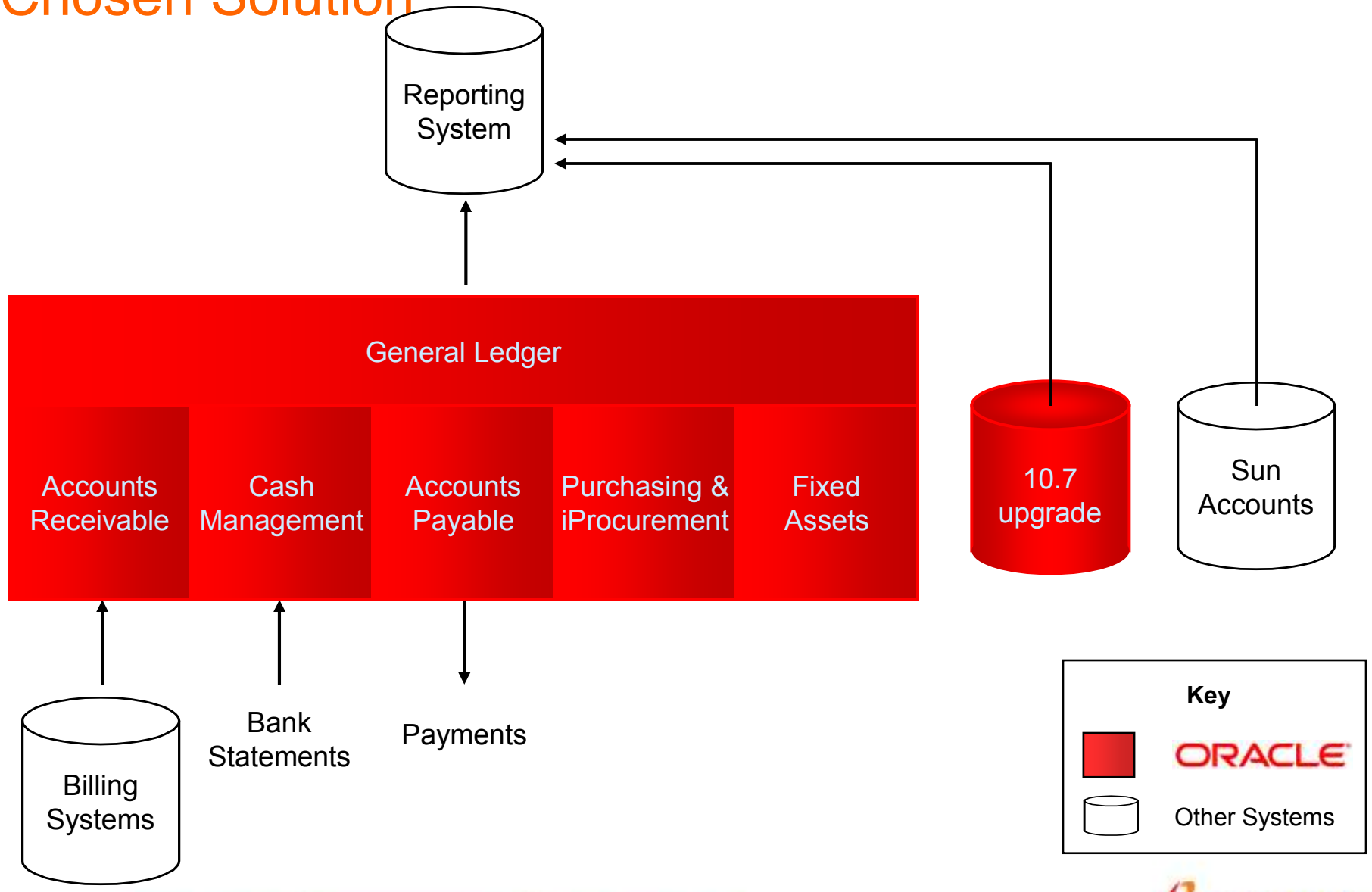
Business Case – Key Benefits



Objectives for the Project

- Common global processes
- Single Chart of Accounts
- Oracle 11i
- Shared Service Centres
- Single instance
- Global Procurement

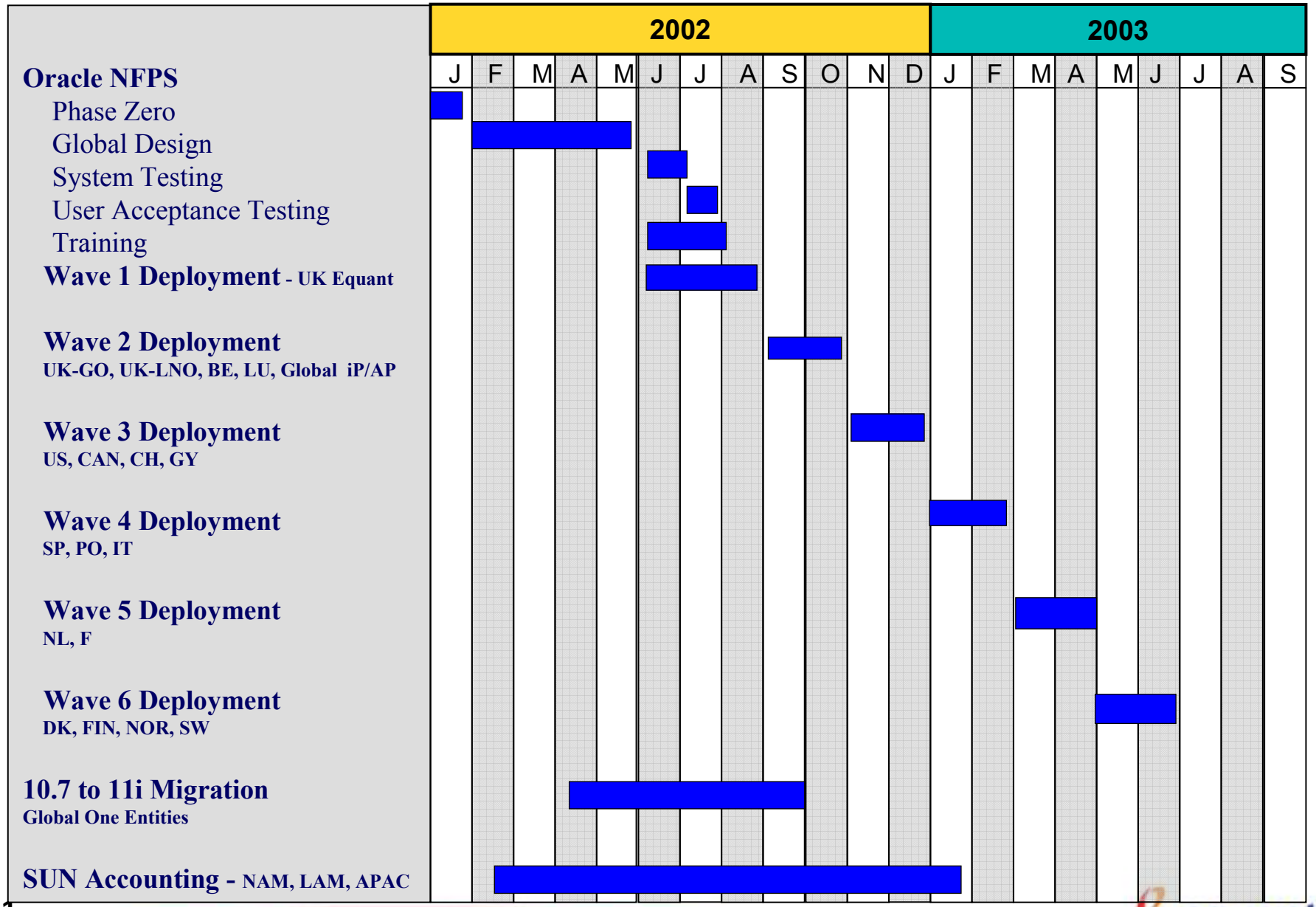
Chosen Solution



Project Highlights

- Oracle Financials and Procurement deployment in top 17 countries (>80% business)
- $25M Budget
- 16 months end to end
- 16,440 man days of effort

Delphi Programme Overview



Highlights

- Programme completed on time, below budget and delivering significantly more functionality that initially planned (Reporting, Consolidation Solutions).
- No major issues for the Steering Committee to have to worry about
- Good empowerment of the team
- Lots of management support
- Very focused team to get things done and deliver a quality solution
- Good planning and cost tracking

Agenda – The Project Management areas

- Integration / Planning
- Scope
- Time
- Cost
- Quality
- Resources
- Communications
- Risks
- Procurement

Integration / Planning Plans

- Very clear with the level(S) of planning we required
  - For our sponsors a summary task level (+1 or +2) was enough
  - For us and our team a detailed task plan was mandatory for each track/project
  - All customer committed milestones highly visible in the plan:
    - Deliverables
    - Waves
    - Deployment dates
    - Go live
    - Data conversions
    - Training…

Integration / Planning Guidelines and Principles

- What's a task?
  1. A task should create a single deliverable
  2. A task should permit a time estimate to be made with a great level of confidence
  3. A task should be named with a single active verb (Design and Code are two separate tasks)
  4. A task should be the responsibility of a single person and that person should be clearly identified

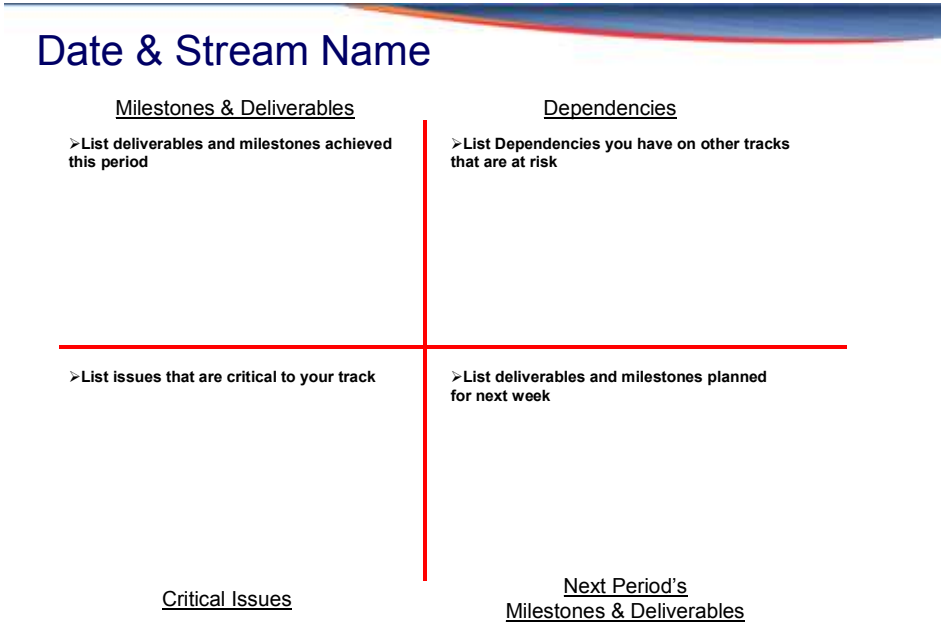
- Plans are to be kept up to date
- All deliverables easily identifiable in the plan
- Weekly detailed reviews
- Daily reviews when required

Integration / Planning
Established clear principles

- Taught our team leads and project managers how to build our plans (progressively) so that they would be coherent (10+ parallel plans):
  1. Identified all tasks based on the agreed criteria
  2. Estimated and linked the tasks amongst themselves
  3. Reviewed the plan with the team leads: Completeness, Durations, Dependencies, Resources (peaks), Calendar
  4. Helped identify critical path and potential issues
  5. Set the baseline for the plan: Achievements reviewed weekly against baseline.
  6. Kept the plan updated (weekly) with a clear due date (every Tuesday close of business): % completion, Forecast dates, Additions (no removals), Explanations for variances from baseline
  7. Plan reviews
     - Completeness, coherence and deviation from baseline:
       - No tasks < 100% complete with scheduled completion in the past
       - Tasks starting before their predecessors are complete
       - Variances: Durations extending, Additional resources being consumed…
       - Helped identify corrective actions
       - Escalated items that need to be flagged up to project management team

Integration / Planning
Weekly Meetings

- Established standard agenda, picked day and time that fit our attendees
- Established a simple standard format for each team lead to provide updates the day before the meeting
  - Minimized the level of effort required to fill these in
  - Collected, assembled and distributed at the start of the meeting
  - Example:



Integration / Planning
Issues Tracking

- Established a simple and visible mechanism to track issues
  - Issues database (Delphi Issues Database in Notes)

    - Number, Name, Date when it was raised, Who raised it, Who it's assigned to / Who has the next action, Main category/functionality/domain (ex: Development, data migration, General Ledger, Fixed Assets…)
    - Priorities clearly defined: Critical, High, medium, Low
    - Target closure date (and for critical issues Drop Dead Date)
    - Description, Steps taken to resolve, Discussion area, Next Action required
- "If it's not in the database it's not issue" approach to enforce discipline
- Established a forum to review critical issues daily (all on the same page)
  - Same time every day, same core attendees from the programme management team + relevant invitees based on issues
  - Attendance is not optional ! + Start on time.
  - Reviewed critical issues and only critical issues with a "what we can do to get it closed/resolved very rapidly" mindset?

- Paid high level of attention to aging of issues, overdue issues, number of issues by specific areas, number of high/medium/low issues
- Ensuring that issues were kept up to date in a very busy programme required constant surveillance from the PMO

Integration / Planning
Go Live Daily Meetings

- Attended by the functional leads, the country organization, the Shared Service Center representatives

- Lead by the Deployment manager
  - Started 2-3 weeks prior to go live (9:30AM UK).
  - Continued 1-2 week post go live to resolve potential getting started issues

- Focus was clearly on getting roadblocks out of the way with a set agenda:
  1. Scope (entities, modules) and dates (These were the focus of attention for the initial sessions)
  2. Critical Issues: Show Stoppers
  3. High Issues
  4. Data conversion status
  5. Action items

Integration / Planning
PMO Processes

- Document Repository
  - Structured document repository established upfront by the Oracle team
  - Complex but efficient directory structure
  - Naming conventions
  - Critical files are password protected (plan, tracking documents, financials)
  - Lotus share drive not easily accessible by remote team members
- Physical Storage
  - All key documents signed by approvers and stored:
    Processes, test results, specs…
- Administrative
  - Gathering timesheets and travel expenses
  - Raising Purchase Orders
  - Vacations schedule
  - Contacts lists
  - Meeting planning/organizing

Scope

- The scope of the programme was clearly spelled out in the Business Case and this is exactly what was built and deployed by the team

- Reporting was outside the scope (separate business case). Nevertheless, it was required to get a fully effective solution. Delays in getting this fully approved caused the overall deliverable to be initially perceived as incomplete.

- Delays in other projects like Project Blue, IC01 cleansing and DoA simplification had impact on the level of effort required to deploy and the overall quality of the product as perceived by the end user. May be that some of these should have been brought into the scope of the programme.

Time

- Programme completed in due time: 16 month start to end
- The aggressive time schedule focused all energies
- All committed dates were met with a quality product
- Forcefulness and direct involvement of our sponsor was key to make this happen and keep every one focused.
- When it made business sense, changes to committed dates that would not impact the overall timeline of the programme were considered by the Steering Committee :
  - Wave 3 initial go live date was December but this would have caused a lot of unnecessary work for both global and local teams due to project blue collapsing US entities. Wave 3 go live date was moved to January but all preparatory work was still completed per the plan by end of November in order to keep the wave 4 date of February intact and not consume additional resources.
- Black out dates for vacations were published upfront to establish clear expectations/rules for everyone on the programme

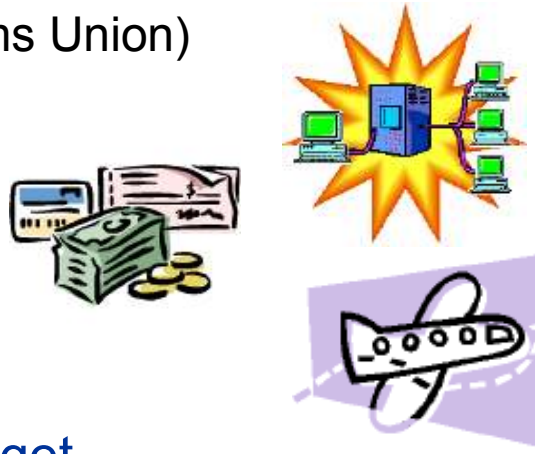
Cost

- $1M below budget overall on a $25M Programme
- Tracked Time for all resources business and technical (except consultants Oracle and Systems Union) in PTS providing a central repository
  - Detailed time tracking for contractors in spreadsheets
    - Proved to be key in our negotiations with Oracle where we significantly reduced our spend

- Tracked all POs and Invoices against PO across cost centers / entities
- Tracked Travel and Expenses for all resources
- Reviewed and updated resource forecast every month
- Reviewed resource requirements constantly to ensure that we were using the most efficient and cost effective resources at all times:
  - Resource peaks were levelled to avoid huge learning curve costs
  - Training and Data Conversion tasks were moved out of scope for Oracle as we could do it cheaper with external contractors and internal resources
  - Oracle resources were all gone after 11 months into the 16 months duration of the programme (5 months earlier than initially planned for some of them)
  - Contract with Oracle reviewed to reduce their involvement

Cost – Monthly review

- Cost Categories
  - OPEX/CAPEX Split
  - Consultants spend (Oracle, Systems Union)
  - Licenses
  - Hardware/Software
  - Miscellaneous POs
  - PTS – Staff Cost
  - Travel and Expenses



- Current Month Actuals against Budget
- Year to Date Actuals against Budget
- Total Programme Actuals against Budget
- Cumulative variance analysis (trend analysis)

- Forecast: Detailed review down to number of days per month per resource, POs, planned trips…
- Actuals and Forecast against overall budget
- Initial Hardware/Software budget underestimated

Quality

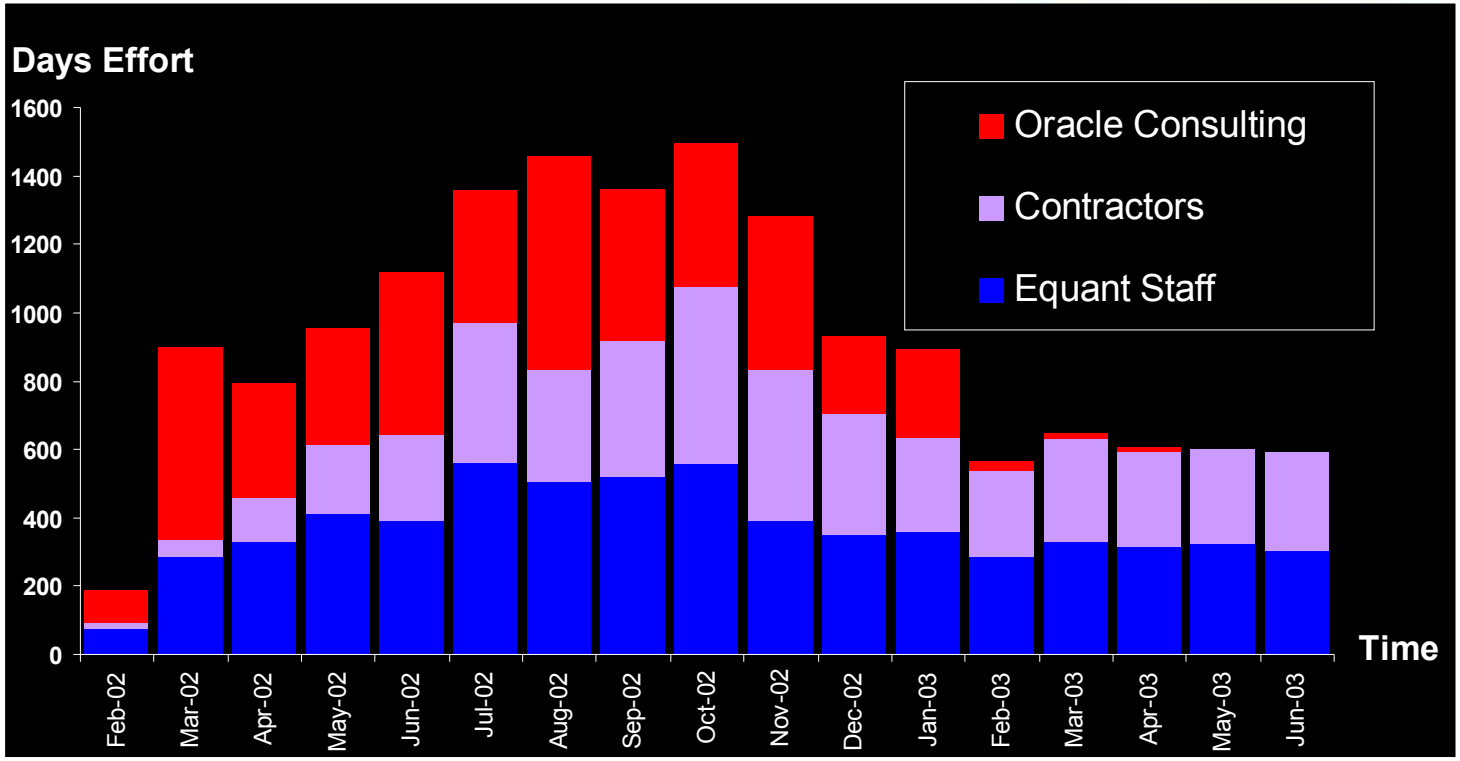
- We went through extensive structured tests for the product build in wave 1 and 2 when the major integration efforts took place:
  - Dedicated Test Manager and Testers
  - Structured test scripts, Test plans, thoroughly documented test results, customer sign off
  - Daily reviews…

- For subsequent waves, the focus was voluntarily limited to testing incremental functionality: New Gaps, Interfaces…

- Quality was everyone's issue. Example: The development lead spent an entire week-end cleansing customer address data that was imperfect.
- Training was a specific area of attention

- Higher efforts than initially planned were invested in the Oracle Consolidation Solution for reporting as this piece is key to Equant's ability to report to its stakeholders

Resources



- The build up of knowledge within Equant was done progressively with the recruitment of new resources fully qualified on the Oracle products mixed with the existing Equant resources familiar with Equant's business needs.
- Last 3 waves completed with no Oracle assistance.
- Consultants and Contractors were used to accommodate the resource peaks.

Resources

- **Internal placement and new external hires:** Only people satisfying stringent predetermined criteria were chosen for the team.
- **Consultants**: Kept to the minimum
- **Contractors**: Good recruiter relationship established and high success rate with tapping good talent
- **Performance**: Low performance not tolerated. Contractors, employees & consultants rolled off if not delivering.

- **Retention**: Best candidates retained for permanent slots; others assisted into good positions elsewhere in the organization

- **Recognition**: Although perhaps more could have been done, we had employees recognized in successive quarters in IT&S for Delphi and one of the Finance employees of the year came from Delphi. Planning a celebration event for project conclusion in June.

Communications

- A communications' manager was recruited to streamline and coordinate our communications' activities.
- Newsletter were published monthly
- Lotus Notes discussions database put in place

- In addition, a change management team was recruited to assess the organizational impact and establish with our sponsor the best possible customer engagement approaches.
- A customer readiness programme was put in place
- A Stakeholders' map was established

Risks

- Ran an initial risk identification exercise
- Spent time quantifying the risks and then developing responses: Avoidance where possible or putting in place actions to mitigate the risk (probability of happening and impact should it happen).

- Ranked the risks based on their probability and impact
- Reviewed risks and response actions monthly.
- 28 risks were identified, 7 are still active. None impacted our timeline or budget significantly.
- Critical risks were shared with the Steering Committee during our monthly meetings.

Procurement

- A very limited number of persons (2) were allowed to raise requisitions for the programme:
  - It enhanced our control ability and reduced the review and approval cycles.
- Contract Price Cap
  - Our sponsor protected the programme from negative exchange rate fluctuations by adding a price cap in Dollars to our contract.

  - We also used this clause to reduce our overall consulting spend when we estimated that we could save close to 2000 days of consulting using cheaper contractors and internal resources.
- Ensured that our consultants would never spend more days than agreed upfront without formal written approval of the Programme Director

- Thanks to our procurement department, we saved significant money on the license through negotiations with France Telecom rather than buying direct from Oracle