Results Resume

Selected Results Achieved
for Clients and Employers

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A Project In Trouble

Problem: $5 Million Client/Server Project Behind Schedule, On Verge of Cancellation.

Solution: Ingram was retained to turn project around. Scope was reduced and aligned to business priorities. Realistic project schedule was developed and adhered to. Deadwood was eliminated. Performers were given bonuses and compensation was linked to performance. Mandatory training was imposed. Tight project disciplines were implemented and adhered to. Customer and Vendor politics were neutralized. Contractual accountability was enforced for both Customer and Vendor.

Results: In 3 ½ months the project was turned around and **completed on-time, on-budget, as promised**. Productivity for 500+ system users was substantially improved. Cost containment controls were successfully instituted, with the overall result being a delighted customer and a project that increased the sale value of the entire firm (the customer company was put up for sale during the project.)

Ingram also captured $230,000 in change orders for the Vendor, which paid for his fee by three-fold.

Big Projects, Big Problems, Big Payback

Problem: Two departments within the State of Texas undertook three large Client/Server Projects totaling over $8 Million in contracts. These large projects were intended to improve the administration of both the State's Welfare system and Insurance regulation, affecting billions of taxpayer dollars.

Midway through these project's, Ingram's employer defaulted due to Technical Problems and Bankruptcy.

Solution: Ingram was originally the lead sales consultant that sold these projects. The three contracts sold by Ingram were for servers, software, local and wide area networking, state-wide implementation and support services, network design, training, etc. Ingram assisted the State during the sales process by finding ways to provide high quality products and services within the State's budgeting and procurement rules (including designing one product himself.) The procurement officer for the State of Texas provided a letter of reference noting that Ingram acted

truthfully, complied with rigorous rules and kept the State posted on status (whether the news was good or bad.)

When Ingram's employers began defaulting due to technical problems and bankruptcy, Ingram took over the responsibility to resolve problems and complete the delivery over a two year period. Technical issues were resolved by Ingram and the technical team by imposing a structured, focused problem solving effort and holding the vendor accountable. During vendor bankruptcy, Ingram took over day-to-day project management and rebuilt customer confidence by solving several long standing problems within days. Ultimately, vendor bankruptcy forced subcontracting of approximately half of the remaining project to another service provider. Ingram found the subcontractor and conducted three months of negotiations to transfer fulfillment of the contract to the subcontractor.

Results: The overall effort for Texas' Dept. of Human Services (DHS) included approximately $40 million in procurements and ultimately yielded $240 Million in cost reductions. **Ingram was responsible for approximately $8 million (one fifth) of the original budget, resulting in a pro-rated payback from the efforts of Ingram's teams of $48 million.** (documentation available upon request.) Despite enormous problems, Ingram's teams completed their responsibilities substantially **on -time, on-budget, and as promised**.

Called the "Wellnet" project, this initiative **reduced DHS field manpower requirements by 800 people** and produced substantial additional savings by reducing fraud. Had Ingram and his teams failed in their efforts, the State would have had to cancel and re-bid two contracts, suffering 18 to 24 months of delay in the capture of these cost reductions.

Implementing Professional Project Management

Problem: A Dallas-based technology outsourcing firm was having trouble with estimating and delivering computer projects on time. The firm was also attempting to market it's services to the electricity and gas utility industries as those industries wrestled with deregulation. The firm found that it's staff and managers needed substantial new skills in order to rise to the challenge.

Solution: Ingram facilitated a detailed analysis of project management systems and processes, including estimating, planning, scope management, time reporting, third party accountability, customer accountability and inter-departmental accountability. The team designed a solution that incorporated both new planning and time tracking software and a managerial Peer-Review processes. The end solution included a customized checklist and quality assurance review for each step of the project process (rather than depending on cumbersome methodology templates.)

Ingram also developed a Workshop process to enable the department to rapidly and completely gather customer requirements, effectively plan projects and maintain accountability. This included training and mentoring of several managers and a handbook for conducting workshops.

Results: The analysis done by Ingram revealed that the apparent estimating problem was actually a problem of customer accountability, third party accountability and inter-departmental accountability. Instead of pounding on the project managers to "estimate better", the department's executive has directed his attention to better processes and accountability for these items outside of his department's immediate control.

Ingram facilitated the Peer Review process for nine months and trained internal personnel to take over his facilitation and Quality Assurance roles. Ingram instituted measures showing that this department **improved it's margins from an average loss of $12 per hour to a profit of nearly $20 per labor hour** over a two year period. This profit improvement took place shortly before Ingram arrived, and part of Ingram's charter was to measure, report on and extend this profitability trend. Unfortunately, due to circumstances beyond the department's control, comparable measures of the changes instituted by Ingram were not possible.

The workshop process developed by Ingram became the standard operating procedure for this department of 35 people as they execute new customer projects.

"Bleeding Edge" Technology Project Completed On Time, On Budget, As Promised

Project Accounting and Control System Keeps Things On Track

Problem: $2 Million Client/Server Project for Texas Instruments was dependent on new and unproven Imaging technologies and world-wide networking. The project runs behind schedule, but the project team is unaware. Vendor accountability issues present further challenges.

Solution: Ingram and technical team used the *Technology Breakdown Structure* developed by Ingram to contain technical risk. Ingram and Texas Instruments' project manager implemented the Earned Value method of project accounting and control. This control system alerted the project team and management that the project was significantly behind schedule, but raised the alert in time to take corrective action. Ingram, the Texas Instruments' project manager and strong contracts helped keep the vendor performing as promised. Details of project can be found in the December 1995 issue of PM Net Magazine published by the Project Management Institute.

Results: The project accounting and control system allowed corrective action to be taken early and kept vendor performing as promised. **Project was completed on time, on budget and as promised**. Project benefits included an estimated **$1.5 Million Reduction in Accounts Receivable** during the first year of operation. Technical risk management and an excellent project team allowed Texas Instruments to use "bleeding edge" technology with no adverse business consequences.

Project Drags on Due to Inattention, Untrained People

Problem: Nagging delays in implementation of Client/Server "Paperless Office" Project for MCI accounts payable department. Initial project should have been completed in two weeks but had drug out to six weeks. Project required implementation of new Imaging technology in multiple locations.
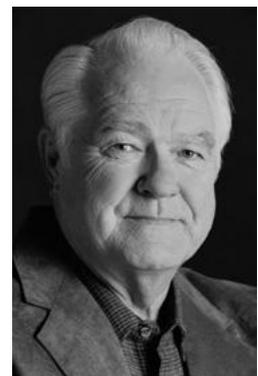
Solution: Ingram implemented his *Technology Breakdown Structure* to control risk and identify problem areas. Customer confidence was rebuilt quickly by providing immediate resolution of several outstanding problems. Vendor technical personnel were required to focus and perform as promised. Problems and solutions were documented which greatly improved deployment to the next site.

Results: Immediate problems were substantially resolved within two weeks. The next implementation, which was managed very tightly by Ingram, was **completed in four days.**

Reengineering Success: Save $450,000 per year AND Improve Customer Service

Situation: The Texas Instruments Accounts Payable department chose to implement a "paperless office" system that entailed both high technical risks and dependence on parties not under the department's control. As project manager, Ingram again used his *Technology Breakdown Structure* to control risk. He also personally wrote the programming specifications so that all parties received clear direction and could be held accountable.

Results: Project resulted in **a 400% Improvement In Customer Response Time and a $450,000 Annual Labor Cost Savings.** The Texas Instruments Accounts Payable team, including an excellent manager, created the business process improvements. Ingram's efforts gave them a stable technical environment and held other parties accountable. See Ingram's book *"How to Turn Computer Problems Into Competitive Advantage"* for a detailed case study.

Resolving a Horror Story

Situation: Ingram was assigned to turn around a $4 Million project which had been improperly sold by vendor and poorly managed by both vendor and customer.

Results: The vendor exerted heroic efforts to attempt to rectify the situation but it was too little and too late. Inept, self-serving customer management further complicated resolution. Litigation was threatened. Ingram presented both parties with a detailed accounting of their faults and mistakes, which ultimately led to a **negotiated settlement, avoiding litigation which neither party would win.**

Computer Department Can't Service It's Users

Situation: The computer department for a subsidiary of Johnson and Johnson was continually having trouble meeting the needs of it's business users.

Results: Through Ingram's help, the computer department found it was under-funded by more than 100%. Resolution included objective assessment of all user needs and **prioritization of projects by business value.**

Requiring Full Disclosure & Ethical Conduct

Situation: Unethical practices by consultants, vendors and customer managers.

Results: On multiple occasions Ingram has stood up to unethical practices, as defined by the Code Of Ethics of the Project Management Institute, and insisted on full disclosure of problems to customer executive management. In some cases, right prevailed and things were set back on course. In other cases, Ingram withdrew from the position or consulting contract because he was unwilling to participate in questionable activities. Details available on request.

Some Additional Results

⇒ **$262,000 Inventory Reduction, Improved Level of Service:** Provided system resulting in $262,000 reduction in inventory and simultaneous improvement in level of service for a Kansas City manufacturer.

⇒ **25% Reduction In Cost Per Invoice:** Implemented system for the accounts payable department of a Dallas manufacturer.

⇒ **Reduce Order Fulfillment Time by 70%, Reduce Error Rate by 50%:** Put in place processes, systems, training and controls to enable a computer system integrator to grow over 500%, reduce mistakes and substantially improve customer satisfaction.

⇒ **Reduced Testing Cycle by 50%:** Redefined testing process for a city government Year 2000 project.

⇒ **Controlled Growth of Services Business:** Put in place processes, systems, training and controls to enable a computer system integrator to grow over 500%, maintain 38% gross margins and produce over 100 successful installations.

⇒ **Reducing Product Development Time:** Delivered four working prototypes in three months for a Kansas City manufacturer. This was the first on-time product introduction for the firm in two years.

⇒ **New Product to Win Large Order:** Designed and delivered a custom computer product to win a $4 million order for a computer system integrator.

⇒ **Growing a Services Business:** Deployed systems to support 300% growth for a training provider.

* Due to confidentiality agreements and corporate policies, the people shown above are actors, not actual clients of Tom Ingram & Associates, Inc.

** The quantitative estimates described above are made in good faith to accurately summarize project benefits, and vary in their rigor and mathematical validation. Details, references and explanations available upon request.

Ten Principles for High-Payback Projects

The following principles have emerged from our practical experience, research and professional association.

1. Business-Driven Priorities and Decisions

2. Effective Objectives

3. Executive and Cross-Department Participation

4. Organization and Chain of Command

5. Authority / Responsibility Match for Managers

6. Goal Alignment And Accountability for All Parties

7. Right People, Motives and Actions

8. Full Disclosure - Good News or Bad

9. Focus on Special Problems (Business Process Change, Specific Industry Problems, etc.)

10. The 60 Day Sprint