

TELCO – IT Infrastructure Project Restructuring and Management to Completion

Si2 Client

Large Multinational IT Vendor

Project

Design, development and roll out of a new IT Infrastructure for a large Telecommunication company with 54 geographically distributed sites across Australia

Migration of 4,000 users to the new stem

Follow on provision of a 3 year managed services contract for the installed system

Complex business and technical environment with difficult customer relationship

\$50m Fixed price contract

Situation

End Customer very unhappy threatening litigation, issue escalated to CEO levels

Project in serious difficulty with cost and schedule overruns

Project managed on an ad hoc basis with no effective project planning and control

Large team of contractors distributed across Australia with few management controls

Customer refusing to accept the installed system but using it for day to day operations

Customer refusing to pay over \$20m in outstanding payments

Assignment Brief

Avoid litigation for breach of contract, resolve issues and disputes

Restructure the project to regain control of customer and project

Reduce financial losses

Achieve customer sign off for the installed system so that the managed services contract could become effective

Ensure that the managed services contract is not jeopardised

Action taken

New project plan developed and agreed with Si2 client and end customer executives

Instituted rigorous project planning, control and contract management to meet obligations and prevent scope creep

Concentrated the project planning and control function in a central location

Project team restructured and significantly reduced in size

Developed and implemented a site remedial plan

Developed and agreed an Acceptance Test Plan with the end customer

Implemented the Acceptance Test Plan and progressively achieved acceptance of all sites and overall system

Regular meetings with end customer Project Sponsor to monitor performance against the agreed plan and metrics

Managed commercial issues and disputes as a separate activity to prevent the project progress being impaired

Tightly managed finances to control cost and ensured that payments due were paid

Outcome

All issues and disputes resolved

End customer accepted installed system and initiated managed service contract

Scope reduction negotiated with end customer to resolve some disputed items and prevent further cost/schedule overruns

Deed of mutual release signed off formally bringing the project to an end

Collected \$30m in payments

Si2's brief successfully completed with all performance goals achieved or exceeded

About Si2

System Integration Services International (Si2) is an Australian owned company which has been providing specialised services for the management of large and complex ICT projects since 1993.

Si2's experienced team of management professionals specialises in creating predictable outcomes from strategic decisions focussing on tangible business benefits for its clients, not technology. Si2 has successfully managed ICT projects in industries as diverse as aerospace, biomedical, defence, banking, finance, and manufacturing in Australia, New Zealand, Asia Pacific and North America. Si2 is an accredited organisation to ISO 9001:2000 for the management of large and complex IT projects..

Services Provided by the Si2

- Personalised Executive Coaching
- Project Benefits/ Cost/ Risk Evaluation
- Project Definition and Risk Minimisation
- Project Assurance through Audits and Reviews
- Project Planning and Control Services
- Project Risk Analysis and Management