![specializ™ LINK TOGETHER.]

Specializ™ for project management

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Agenda

This presentation will take 40 minutes during which we will illustrate how Specializ can help your organisation save considerable time and money in project management operations, specifically requirements gathering, stakeholder management,

The case study used describes the use Specializ for project management at a mining company.

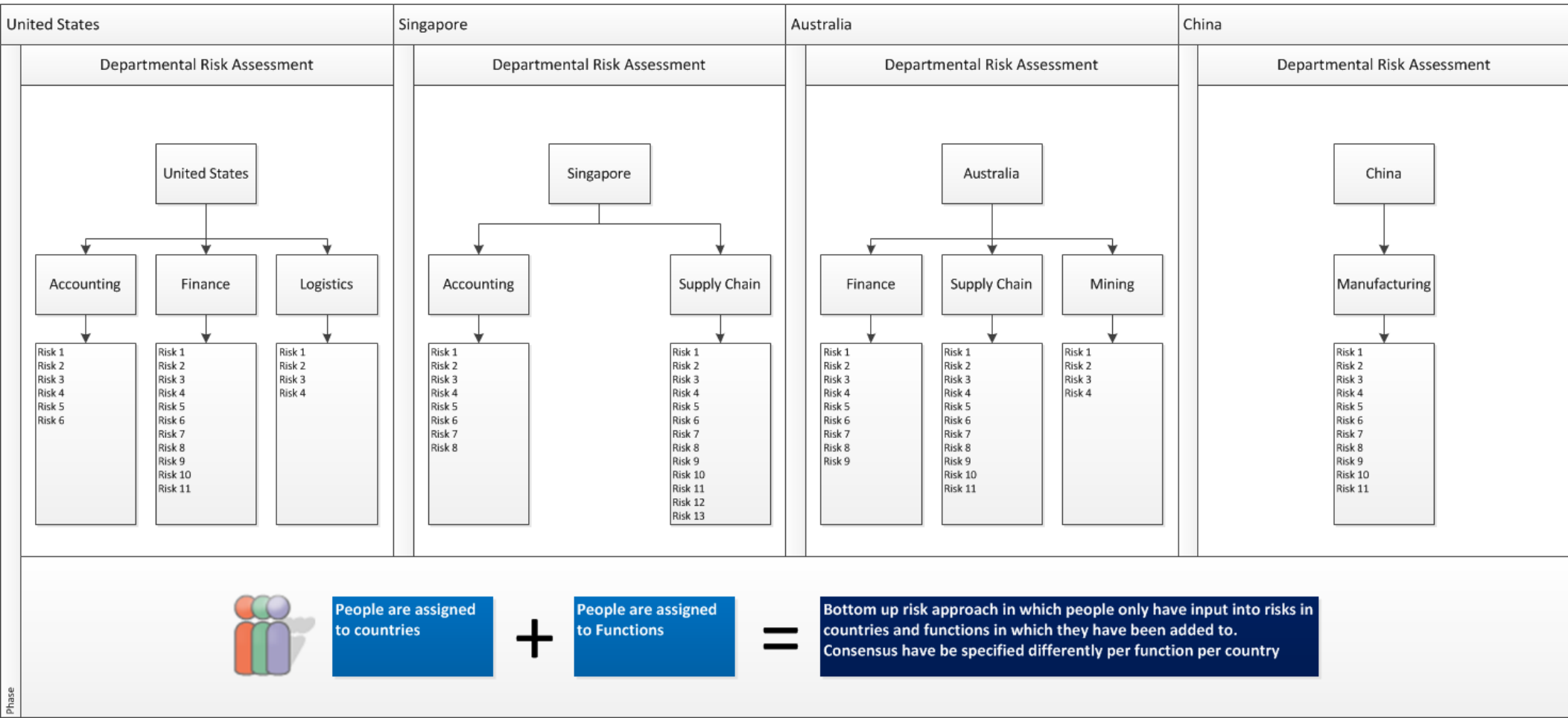| Item |
| --- |
| Case study (BNH Bank) |
| Overview of the solution |
| Specializ in action |
| Solution benefits |
| Demonstration/Business Case |
| Conclusion |

Specializ overview

- Specializ is a powerful information generation tool. It is possible to gain consensus among thousands of people and slice and dice the information in virtually anyway imaginable.

- For example, you could assess project risks, per area and per geography of your project. You can also gain consensus on risk impact, likelihood, mitigation and treatment. We can also gain different levels of consensus for each area of project risk.

- To increase the accuracy of results Specializ utilises populations instead of samples and guarantees consensus amongst participants.

- Specializ implements a standard social science research method called the Delphi Technique which was designed to generate rich contextual information among participants and gain consensus on that information.

Automating Project Assessments in Specializ

- Specializ allows organisations to build any number of *libraries*. For example organisations can quickly build project risk assessments, project health checks, project assurance validation and post implementation reviews unique to each project.

- Specializ assessments not only give organisations accurate assessments at specific intervals but it also collects the data needed to develop the accurate KRIs for key project risks.

- Specializ can just as easily assess any facet of a project from 10,000 people as easily as it can from 10 people.

Specializ routing tree

United States	Singapore	Australia	China
Departmental Risk Assessment	Departmental Risk Assessment	Departmental Risk Assessment	Departmental Risk Assessment

United States
- Accounting
  - Risk 1
  - Risk 2
  - Risk 3
  - Risk 4
  - Risk 5
  - Risk 6
- Finance
  - Risk 1
  - Risk 2
  - Risk 3
  - Risk 4
  - Risk 5
  - Risk 6
  - Risk 7
  - Risk 8
  - Risk 9
  - Risk 10
  - Risk 11
- Logistics
  - Risk 1
  - Risk 2
  - Risk 3
  - Risk 4

Singapore
- Accounting
  - Risk 1
  - Risk 2
  - Risk 3
  - Risk 4
  - Risk 5
  - Risk 6
  - Risk 7
  - Risk 8
- Supply Chain
  - Risk 1
  - Risk 2
  - Risk 3
  - Risk 4
  - Risk 5
  - Risk 6
  - Risk 7
  - Risk 8
  - Risk 9
  - Risk 10
  - Risk 11
  - Risk 12
  - Risk 13

Australia
- Finance
  - Risk 1
  - Risk 2
  - Risk 3
  - Risk 4
  - Risk 5
  - Risk 6
  - Risk 7
  - Risk 8
  - Risk 9
- Supply Chain
  - Risk 1
  - Risk 2
  - Risk 3
  - Risk 4
  - Risk 5
  - Risk 6
  - Risk 7
  - Risk 8
  - Risk 9
  - Risk 10
  - Risk 11
- Mining
  - Risk 1
  - Risk 2
  - Risk 3
  - Risk 4

China
- Manufacturing
  - Risk 1
  - Risk 2
  - Risk 3
  - Risk 4
  - Risk 5
  - Risk 6
  - Risk 7
  - Risk 8
  - Risk 9
  - Risk 10
  - Risk 11

People are assigned to countries + **People are assigned to Functions** = **Bottom up risk approach in which people only have input into risks in countries and functions in which they have been added to. Consensus have be specified differently per function per country**

Phase

Specializ technology

Specializ operates in one of three ways:

• SaaS in the Amazon EC2 environment (over SSL)

• Deployed to your environment as a VMWare Linux instance

• Deployed to Amazon EC2 or Rackspace Australia and only you can access it – *NOT EVEN WE CAN GET TO IT*

✓ There is *no complicated technical implementation* with Specializ, either go directly to your website with SaaS or drop the VMWare instance into your environment – *It is that easy*
✓ There is *no functional implementation* associated with Specializ, simply build your organisational hierarchy and content and you are done – *It is that easy*
✓ Pass through authentication to active directory so even user management is easy
✓ There are **no hidden configurations** to manage, we do all the hard work for you

Specializ Libraries accelerate your organisation

Specializ is not limited to any particular field or industry. Just a few of its applications across industries and functions are listed below. The solutions below already exist in Specializ as built-in libraries. If you do not see the content you need we will build it for you and *FAST* (less than three days).

Industry	Application
Project Management	• Requirements gathering • Project risk • Project assurance • Post implementation reviews
Environmental, Health and Safety	• ISO 14000 environmental management systems • Environmental metrics • WHS, OH&S, OSHA assessment and metrics
Risk Management	• COSO enterprise risk management • IRM assessment and testing • ISO 27001 assessment and testing • NIST/DIACAP/DITSCAP assessment and testing • FISMA and A-123 compliance testing, certification and accreditation • IT maturity assessments based on COBIT
Process Improvement	• Lean management • Process improvement and business process redesign • Six Sigma re-engineering

Case Study: Project Management

In this presentation we will compare two methodologies for Project Assessment:

- **The Workshop and Interview approaches to Project Assessment**
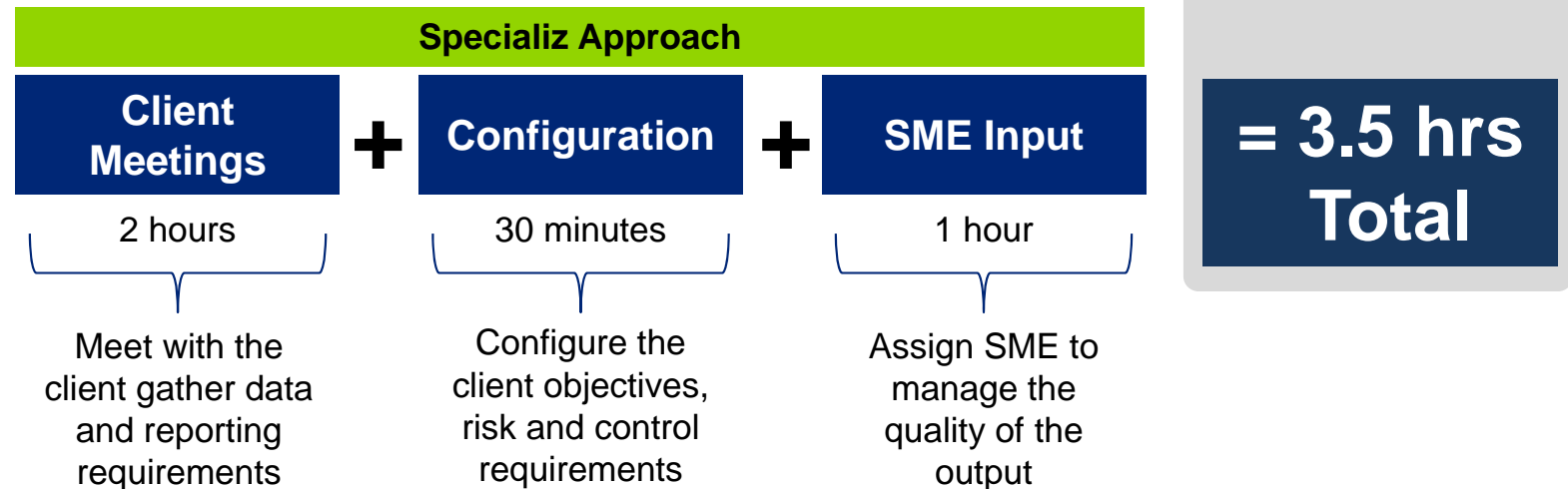- **The Specializ approach**

Using each methodology across 7 BNH lines of business, we will highlight the differences in attaining:

- **Requirements gathering**
- **Project risk**
- **Project assurance**
- **Post implementation review**

Interviews and workshops introduce inefficiencies to Project Assessment

- **Interviews and workshops are a common vehicle used to conduct Project Assessments of all types.**

- **When used to collect project information, interviews and workshops suffer from a number of problems including:**

    1. Considerable stakeholder time and commitment required

    2. Results are neither consistent nor directly comparable across workshops

    3. Sample sizes are too small to base important decisions on

    4. High costs associated with sampling more stakeholders due to travel, facilitation, analysis and reporting fees

    5. Failure to collect information accurate enough to support decision-making or to justify the cost of data collection

    6. There is an inherent "expiration date" of the collected information, requiring duplication in effort and expenditure to assure ongoing accuracy and relevance
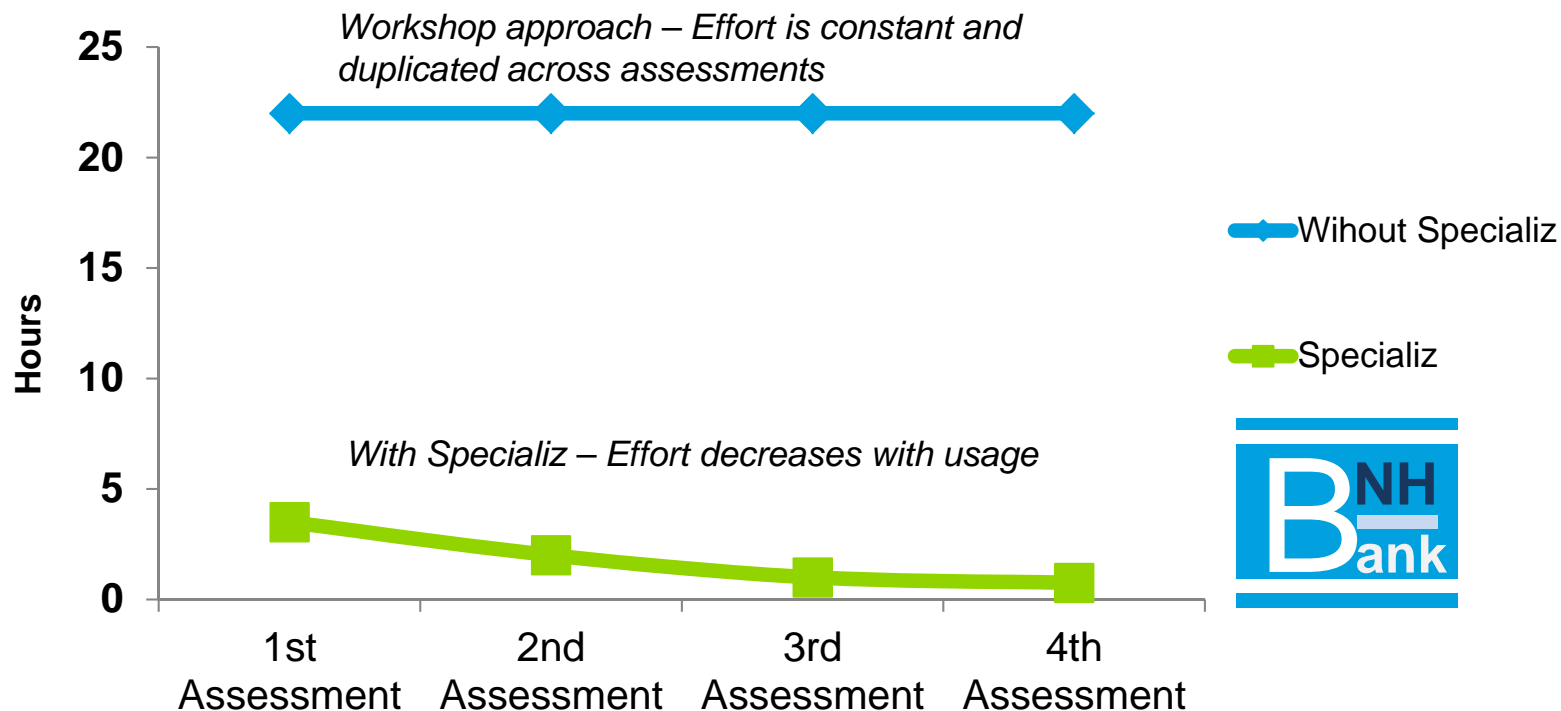
Project Information gathering from the perspective of the Project Manager

Interview/Workshop Approach

Client Interviews + **Workshop Setup** + **Workshop** + **Analysis of Findings**

Client Interviews	Workshop Setup	Workshop	Analysis of Findings
10 hours	5 hours	3 hours	4 hours
Meet with up to 10 individuals to understand their input	Preparatory and setup work to conduct a workshop	Conduct the workshop with up to 10 individuals	Analyse the findings from the workshop and gain consensus

= 22 hrs x 7 LOBs

= 154 hrs Total

Specializ Approach

BNH Bank

Client Meetings + **Configuration** + **SME Input**

Client Meetings	Configuration	SME Input
2 hours	30 minutes	1 hour
Meet with the client gather data and reporting requirements	Configure the client objectives, risk and control requirements	Assign SME to manage the quality of the output

= 3.5 hrs Total

- ✓ **Using Specializ requires 3.5 hours regardless of quantity of project stakeholders**
- ✓ **This enabled information collection 44x times faster at BNH Bank than the workshop approach**

Specializ Time-to-Assess decreases with each Assessment

- Each issue across all project dimensions will require ~ 154 hours per incident using the interview/workshop approach

- Specializ requires only 3.5 hours for the initial assessment and a fraction of that for each subsequent assessment, regardless of the topic of interest

- If required, one-off assessments can be accomplished in minutes

Scheduling and performing Project Risk Assessments

Workshop Approach

❌ Can be easily scheduled and coordinated with participants' schedules

❌ Robust against biases such as groupthink

❌ Robust against socially desirable responses, especially if one's boss is in the room

❌ Anonymity of participant responses

❌ Quantifiable safety data that has reached group consensus

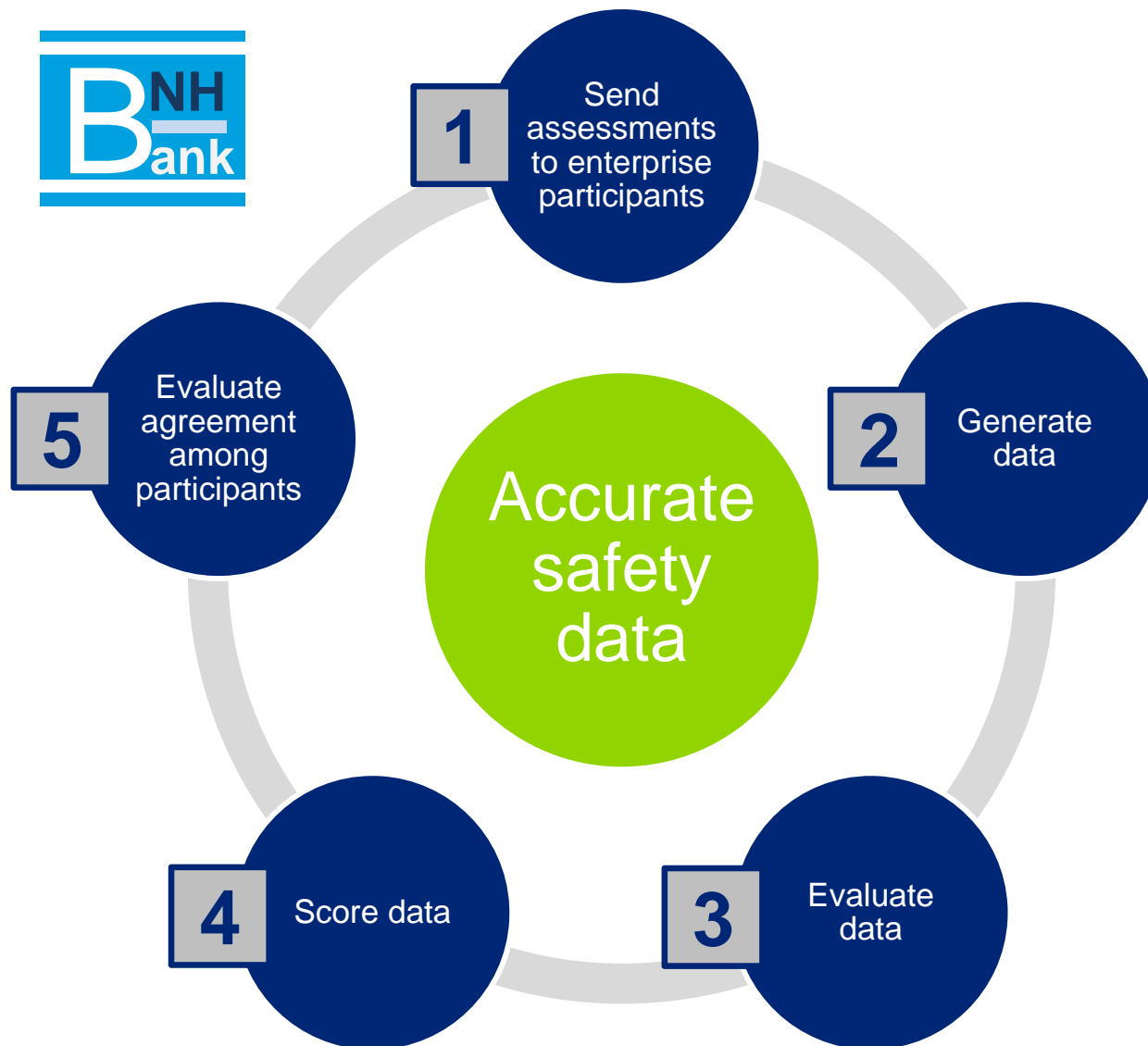❌ Standardised participant risk output from workshop to workshop

Specializ Approach

✅ Participants complete Health Check and Safety assessments online and on their own time

✅ Specializ is anonymous allowing participants to freely state their beliefs

✅ Specializ iterates until consensus is reached

✅ Specializ can produce comparable risk assessments across the entire organisation

✅ Specializ allows participants to feed off of each other's ideas and vote on them

✅ Specializ is fast taking less than 10 minutes to complete one iteration

Project Assessment statistics

Consideration	Data Collection Method	
	Workshop	Specializ
Project Manager's time	22 x 7 x $100 = **$15,400**	3.5 x $100 = **$350**
Participants' time	70 x 4 x $100 = **$28,000**	70 x .75 x $100 = $**5,250**
Mitigation Inaccuracy (Actual risk mitigation spending should be $250,000)	**The fewer participants, the greater the degree of inaccuracy.** Example: An organization has 15,000 employees and only 70 are sampled (0.05%) Result: Due to the extremely limited data collected from this small sample, accuracy could be off by as much as 1,000%, resulting in over/under assessment of risk funding requirements	Specializ can include all 15,000 employees as easily as 70, dramatically increasing the accuracy of the results. This brings mitigation spending estimates much closer to their true values
Number of yearly health assessments	Limited to about 12 workshops per year per project manager	Can perform up to 900 Project Assessment with one project manager

*In the above example, Specializ cost savings over one workshop is **$37,800**, considering only participants' and risk manager's time*

Specializ process of developing Project Assessments

Accurate safety data

1. Send assessments to enterprise participants
2. Generate data
3. Evaluate data
4. Score data
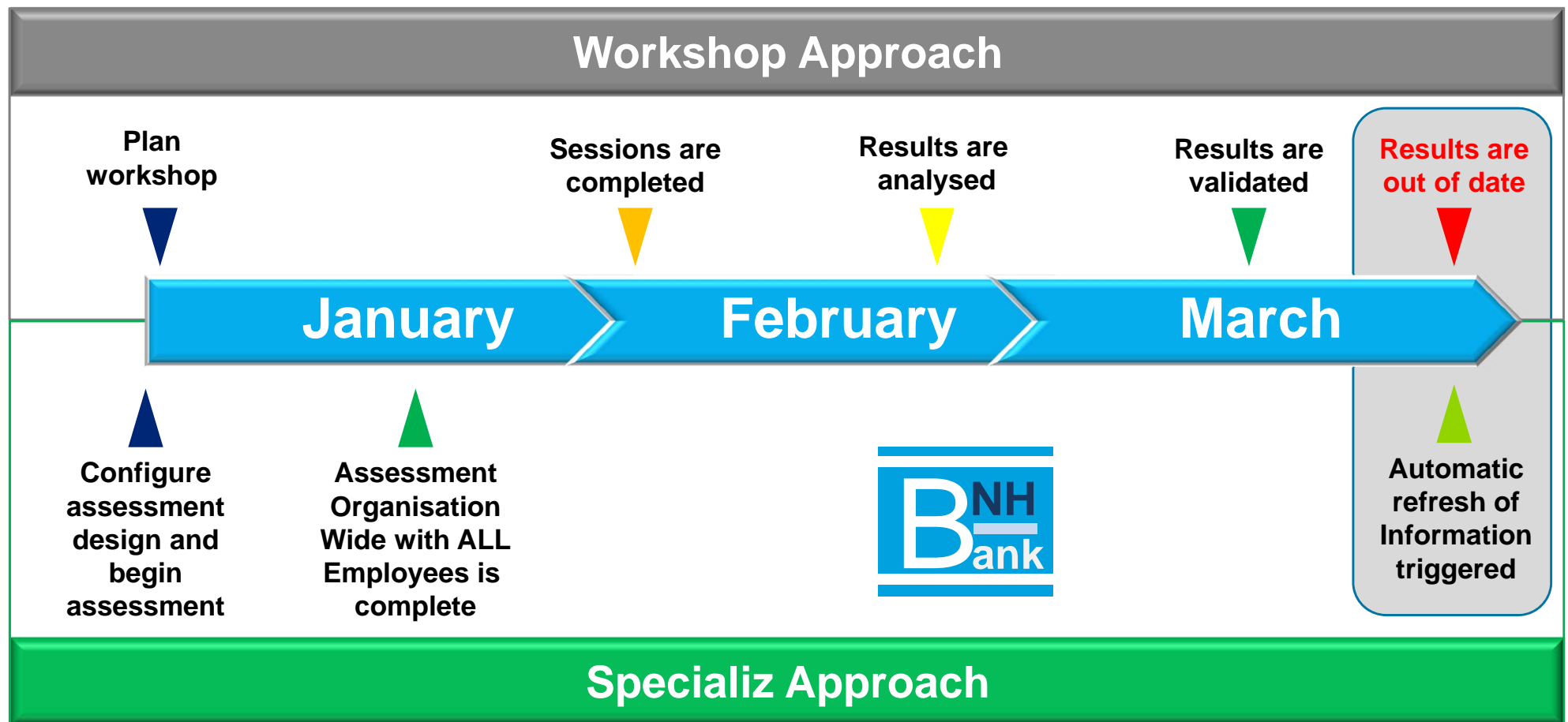5. Evaluate agreement among participants

Specializ scoring and agreement

1. The more individuals that contribute data in their areas of expertise, the higher the quality of the results

2. Participants can edit and delete safety issues/risks created by others, in addition to adding their own, greatly enhancing the overall information set

3. Each stream has a manager that provides quality control, helping to ensure that results are consistent and that the iterations move towards consensus

4. The consensus algorithm not only scores the existence of safety issues but also their applicability to the stream of users to ensure high quality results

5. Each participant submits his/her list to be scored and the system calculates agreement and either completes the assessment or initiates another iteration

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Maintaining accurate project data

Utilising workshops/interviews to collect and manage Project Assessments from stakeholders has timing problems that undermine the value of the information they generate.

Summary of Workshop and Specializ approaches

Activity	Specializ	Workshop
Assessment company wide	✔	✘
Quick and easy to complete	✔	✘
Anonymous technique that avoids groupthink	✔	✘
Quantifiable results	✔	✘
Guaranteed consensus	✔	✘
Scheduling participants	✔	✘
Uses populations of employees	✔	✘
Common framework for responses	✔	✘
Allows users to respond to each other's input iteratively	✔	✘
Participant buy in and sign off	✔	✘

Specializ Benefits

Specializ Benefits
Is a structured quantitative solution to enterprise risk assessment
Provides rich, contextual health and safety attribute data quicker and with less effort
Uses populations of users, not samples, to give your organisation the most accurate picture of your risk landscape
Quantifies consensus per stream of risk
Takes a bottom up approach allowing theoretically infinite number of risk registers to be created and maintained

- ✓ **Specializ is based on a consensus building algorithm to ensure that the minimum required levels of consensus are met efficiently, effectively and with as little disruption to participants as possible.**
- ✓ **Organisations have saved thousands of dollars using Specializ to determine risk mitigation budgets.**
- ✓ **Stakeholder buy-in and agreement is reached before any assessment is closed**

Requirements gathering in Specializ

Requirements gathering and validation are typically two distinct tasks that are both very difficult to get right the first time. Even the top consulting firms in the world have line item contingencies up to 500% when requirements definition and validation are involved.

The process is difficult for one main reason, it is cost prohibitive to include all employees with stakeholders with pertinent information – at least it was until Specializ came along.

Specializ combines the requirements definition and validation phases into one process that elicits requirements, per area, from a population of interested stakeholders. Specializ uses an information elicitation process that allows participants to see and respond to each other anonymously in an iterative process until consensus is reached.

Project risk

Project risk may be assessed at the requirement and project levels by the stakeholders with the most knowledge pertaining to the risks underlying the project. Just like the requirements definition process, risk assessment arrives at consensus for each risk as well as any number of associated attributes such as impact and likelihood.

Specializ gives stakeholders the ability to iteratively rate the risks in one or more areas in which they have expertise to gain a complete picture of risk from all appropriate stakeholders and gain consensus on those risks.

Project assurance on requirements

Specializ assists in project assurance by validating that the requirements have been met and are signed off by the appropriate stakeholders. This process may be initiated at specific intervals automatically by Specializ.

Specializ can periodically obtain project assurance to the exact group of stakeholders that previously developed and agreed upon the requirements by evaluating the current's project solution's adherence to the requirements.

Ad-hoc project assurance

Additionally, using Specializ, other types of project assurance may be obtained quickly and efficiently. The difference between using Specializ for project assurance and other solutions is that Specializ can gain consensus on the results of the assurance initiative from all stakeholders impacted, in fact, if a such assurance involved gaining acceptance from a group of 10,000 users that would be fast and efficient using Specializ. For example, you obtain the following types of information from stakeholders:

- What were the outcomes achieved by the project?

- How do those outcomes compare to the planned objectives, in terms of timing, budget and required scope?

- Have the planned organisational benefits been achieved?

- Was the project managed, governed and delivered appropriately?

- What were the root causes of issues experienced on the project?

- What changes need to be made to delivered systems and processes?

- What lessons should the organisation learn in order to deliver projects more successfully in the future?

Business Case for Specializ Software Adoption

Cost Benefit Analysis
OH&S Example

COSTS	Year 0 ($'000)	Year 1 ($'000)	Year 2 ($'000)	Year 3 ($'000)
Capital Costs				
Licensing	$25,000	$25,000	$25,000	$25,000
Hosting	$2,000	$2,000	$2,000	$2,000
Total Capital Costs	**$27,000**	**$27,000**	**$27,000**	**$27,000**
Operating Costs				
Hosting Administration	$2,600	$2,600	$2,600	$2,600
Specializ Administration	$2,600	$2,600	$2,600	$2,600
Total Operating Costs	**$5,200**	**$5,200**	**$5,200**	**$5,200**
TOTAL COSTS	**$32,200**	**$32,200**	**$32,200**	**$32,200**

Assumes probability of realising benefits increases over time

BENEFITS	Year 0 ($'000)	Year 1 ($'000)	Year 2 ($'000)	Year 3 ($'000)
Probability Assumptions	%	%	%	%
(see notes below)	60%	70%	80%	90%
Revenue Streams				
Savings from Risk Treatment	$100,000	$100,000	$100,000	$100,000
Savings from Time Reduction	$149,600	$149,600	$149,600	$149,600
Total Revenue Streams	**$149,760**	**$174,720**	**$199,680**	**$224,640**
Positive Externalities				
Reduced Costs (Loss Events)	$10,000	$10,000	$10,000	$10,000
Reduction in Human Resources	$60,000	$60,000	$60,000	$60,000
Increased User Satisfaction	$7,000	$7,000	$7,000	$7,000
Total Positive Externalities	**$77,000**	**$77,000**	**$77,000**	**$77,000**
TOTAL BENEFITS	**$ 226,760**	**$ 251,720**	**$ 276,680**	**$ 301,640**

Savings through better matching spending to real risks

Fewer loss expenses due to better risk mitigation and control

Fewer internal/external resources are required to generate better results

	Year 0 ($'000)	Year 1 ($'000)	Year 2 ($'000)	Year 3 ($'000)
NET BENEFITS	**$ 194,560**	**$ 219,520**	**$ 244,480**	**$ 269,440**

(Total Benefits minus Total Costs)

Employees own the data, fewer questions regarding its validity and less risk management effort

Undiscounted Net Benefits ($'000)		$928,000.00
Net Present Value @	6%	$797,611.03
Net Present Value @	8%	$760,473.72
Net Present Value @	10%	$726,006.80
Internal Rate of Return	67%	© 2012 Peoplenetz

Next Steps

- See the benefits for yourself. Try the software for free for 30 days.

- Identify one or two assessments in which we can use the tool.

- Identify dimensions of product evaluation.
  - Cost savings
  - Accuracy
  - Time savings
  - Other dimensions?

Questions and Answers

What questions may I answer?

Presentation Feedback?

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