Banking on Project Management : Understand the Core

➤ **Deployment Process**
➤**Value Proposition in Financial Process**

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- ➢ ***Project Management (PM) Basics***
- ➢ ***Elements of PM***
- ➢ ***PM Space and Universe***
- ➢ ***Leavers of PM***
- ➢ ***Banking Value Chain***
- ➢ ***Project Management Tool Kit***
- ➢ ***Discussion***

Desire a Number

x 2

_____

_____
+ 10

_____

_____
÷ 2

_____

_____
- 5

_____

Desired Number !!

_____

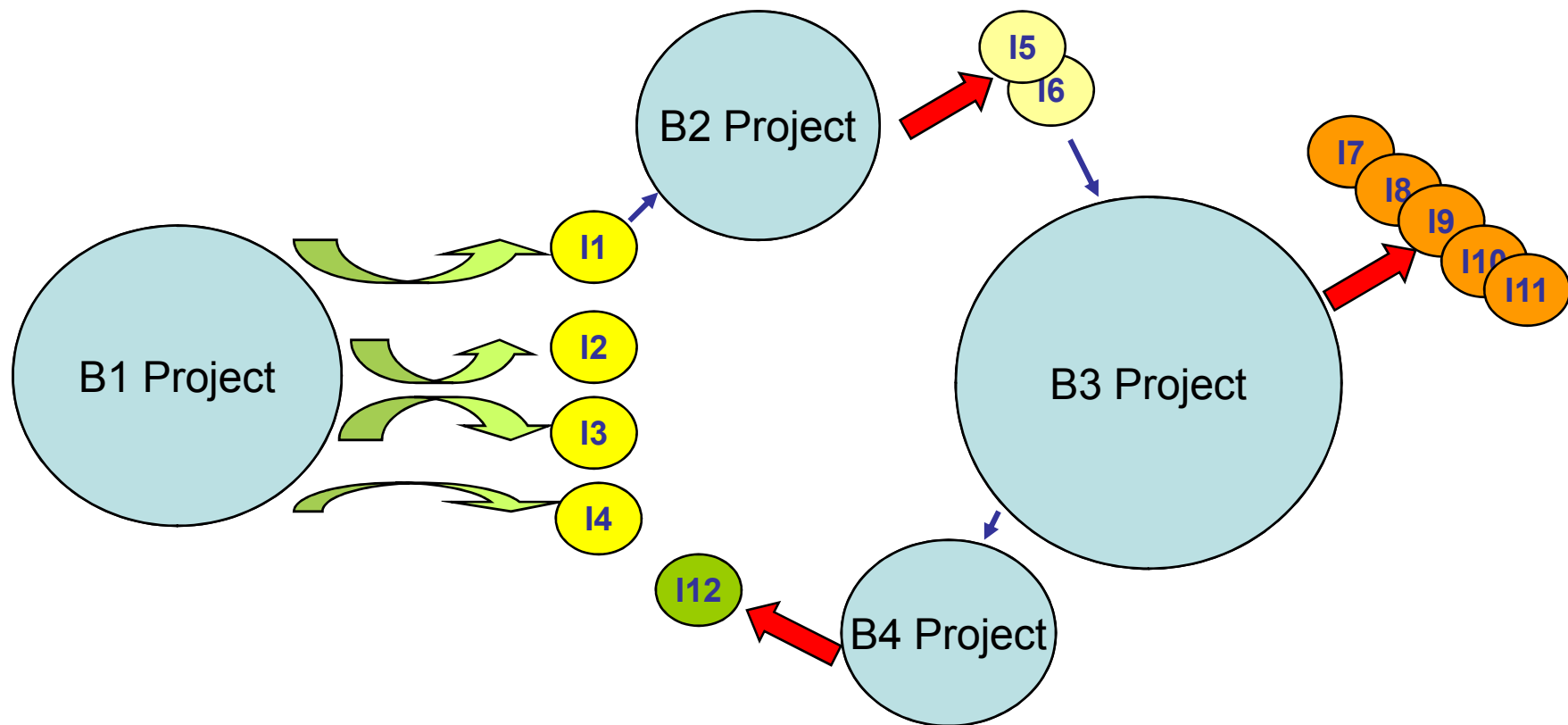➤ **Project Management is science**

➤ **Sequencing of Tasks and quantum of Effort would create desired result**

➤ **"Desire" is the starting point for achieving any worthy result**

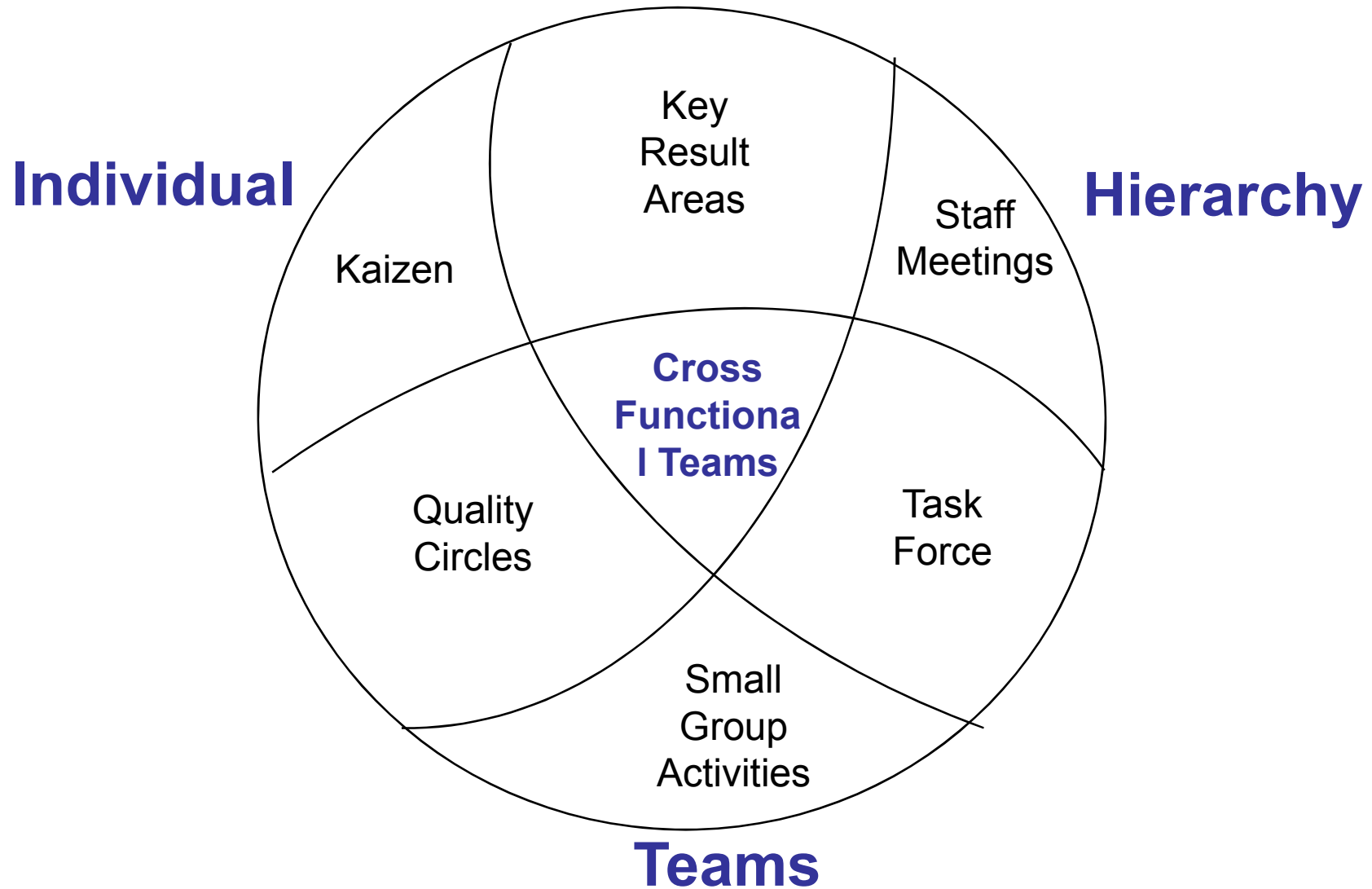➤ **There is no substitute to team involvement and domain experience**

Target
Baseline
Benchmark
Operational Definition
Action Plan
Specification
Cross function
Improved
Revision
Data Error
Bias
Performer
Status quo
Reports
Acceptance Grid
Control Limits
KPI
Deviation
PIP
Effectiveness
Coaching
Communication
Gaps
Risk
Feedback
Best Practices
Incremental
Changes
Improvements
Customer Req.
Integration
Scope
Float
Cost
Project Management
(IEEE 1490:2003)
Motivation
Leader
Coach
HR
Strategy
Instant Feedback
Quality
Procurement
Timeline
Handholding
Alignment
Spot
Competition
Winner
R&R
Nurture
Dashboard
Vendor
Learning
Training
Deadline
Sharing
Accept Failure
Critical Path
Upward spiral
Appreciation
Challenge
Reviews
Mentor
Listen
Involvement
Signoff
CAPA

Elements of Project Management – Tips of the Iceberg

Institutionalizing **Breakthrough (B)** and **Incremental (I)** problem solving is a must for building a <u>improvement</u> fabric

$$\Sigma I > B$$

Individual

Hierarchy

Key
Result
Areas

Staff
Meetings

Kaizen

**Cross
Functiona
l Teams**

Quality
Circles

Task
Force

Small
Group
Activities

Teams

Project is All around……impacting our Performance

Leavers of Project

TWE
(Lean, Six Sigma, ACS, PMP)

Process

People

Improved Daily Management
=
Business Results

TQC
(Qualitative, Quantitative Tools)

TEI
(Teamwork SHARE, FAIR, CARE)

Customer
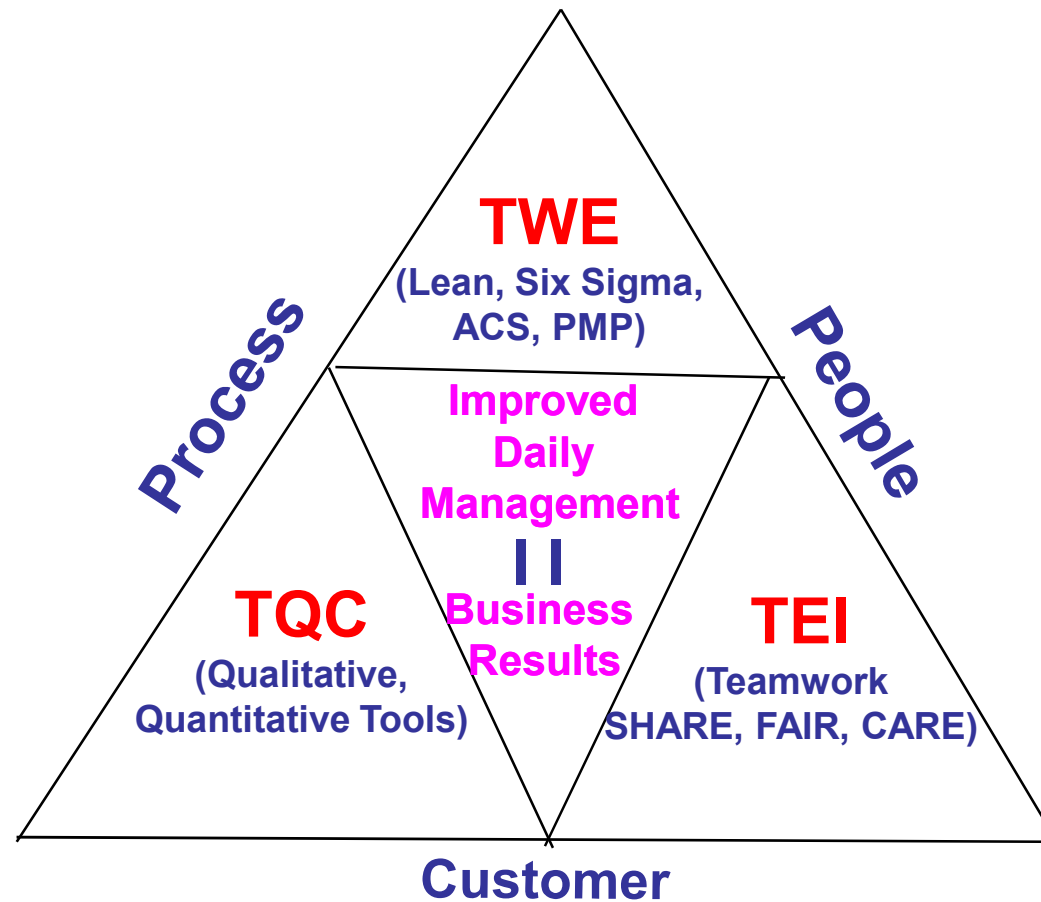
A Project is "application" of structured tools with Teamwork for Continuous Improvement to create value in Daily

Banking Value Chain

RETAIL & BRANCH BANKING OPS.

RETAIL LIABILITY OPERATIONS	RETAIL ASSETS & CREDIT CARDS	VENDOR MANAGEMENT
•Account Life-cycle maintenance •KYC & AML implementation & monitoring •Up-sell & cross sell 1st party & 3rd party Products & Service •Direct Banking Channel service management •Query resolution and escalation mgt •Product & System support help desk	•Origination Processing •Valuations and Underwriting •Collateral and Security management •Disbursement & life-cycle mgt. including closures •Dispute resolution, Payment structuring and write-off mgt. •Fraud identification & preventing calling •Collection through Dialer mgt. & FOS	•Custody mgt. of Plastics, PINs & Cheque Books •SLA mgt. For Card, PIN, Cheque Book printing & dispatch and Statement rendition. •Contact Point Verification and Credit Process Agency Mgt. •Document storage and retrieval. •Cheque Pickup & Lock Box processing

COMMERCIAL BANKING & MARKETS

PAYMENTS PROCESSING	CASH MANAGEMENT	TRADE & MARKETS OPS
•Underlying document validation •Mandate & Data preparation (SWIFT, ACH, ECS, etc) •Payment repair •Funds Control •NOSTRO / VOSTRO Account reconciliation •FX contract booking & utilizing •Corr Bank query resolution	•Account setup •Proof of Deposit •Lockbox processing •Correspondent Bank funding •Interest, Charges & Fees processing •Collections & Disbursement scheduling •Reconciliation and liquidations	•Opening and Amendments to LCs; Bill Payments •Issuance & management of Bonds, Indemnities & Guarantees •LC Negotiations & Loan processing •Deals booking & settlement •Risk monitoring & Compliance reporting

Ref: Extract from Intelenet sales pitch

Financial Process – Project Management Space

PM is applied across project categories
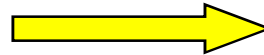
Infrastructure Projects – viz. Setup for new branch

New Product/Market Development – viz. TV Banking

Technology Projects – viz. Automation of applications

Financial Project – viz. Merger/Acquisition

Process Improvement – viz. Cycle time,Defect,Cost,Risk…

Project Opportunities – Opening of Saving A/c

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                                    Start

           Time for Sorting      Receipt of forms          Inadequacy               Waste
               Error             at Branch/Sales       Defect Prevention         Wait / Travel
                                                         Inconsistency          Retrieval System

                                                          E Forms                 Follow-up
                                                          (Scan)

                                   Input to
                                  Back office             Vendor processing                End

                                                              TAT Reduction
           Duplication
           Data in Excel
           Error in Entry        Data Verification
           Cost Redn             Checks                   Activation
                                                                          TAT
                                                                    Customer Service
                                                                        Quality

           Risk Sampling                                 Delivery
           Productivity Imp      Risk Assessment                          TAT
                                                                          Fraud
                                                                          Cost
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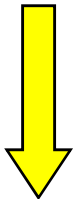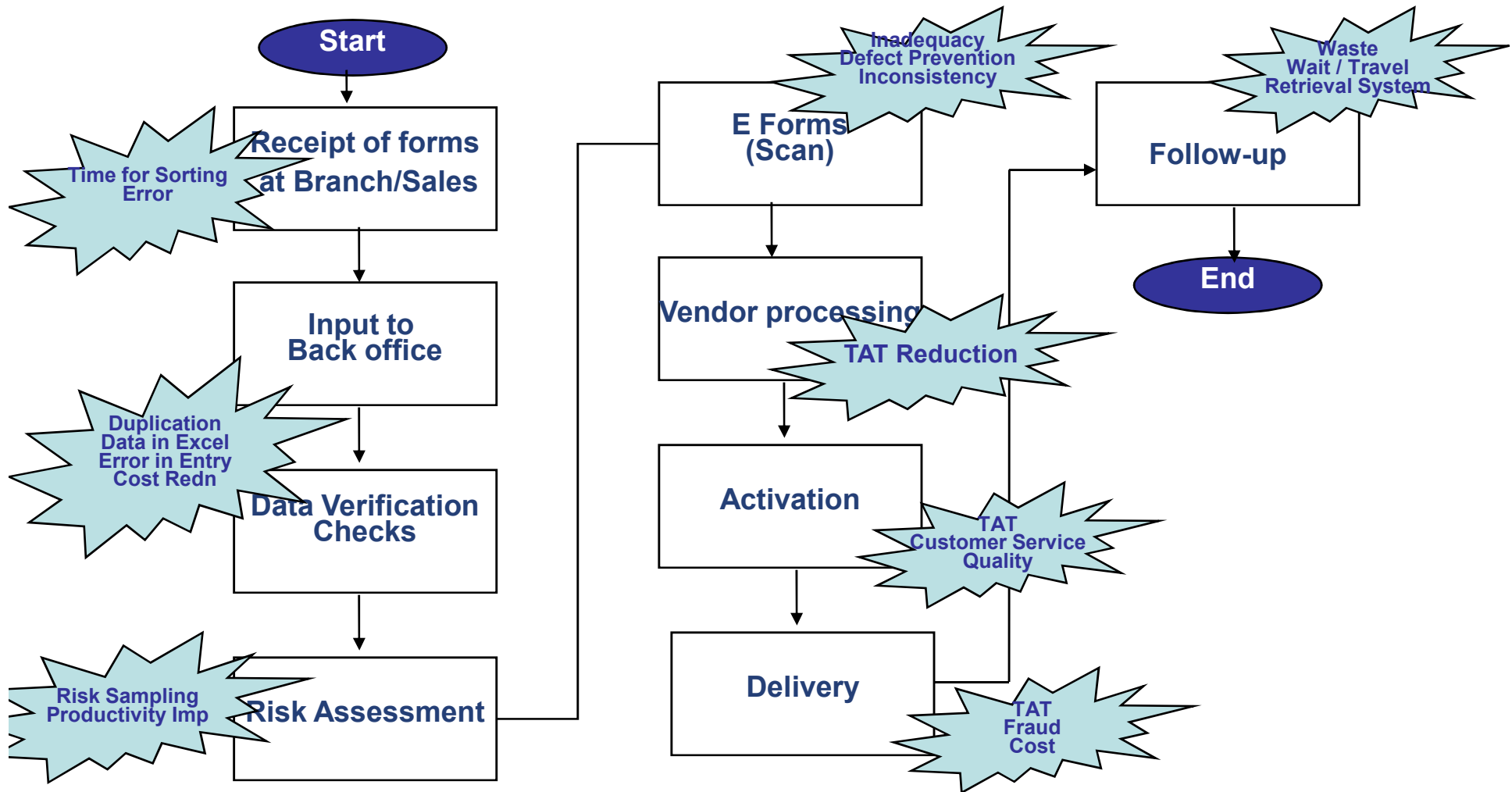
Opportunity Unlimited – Replicate

Financial Process – Your banking experience
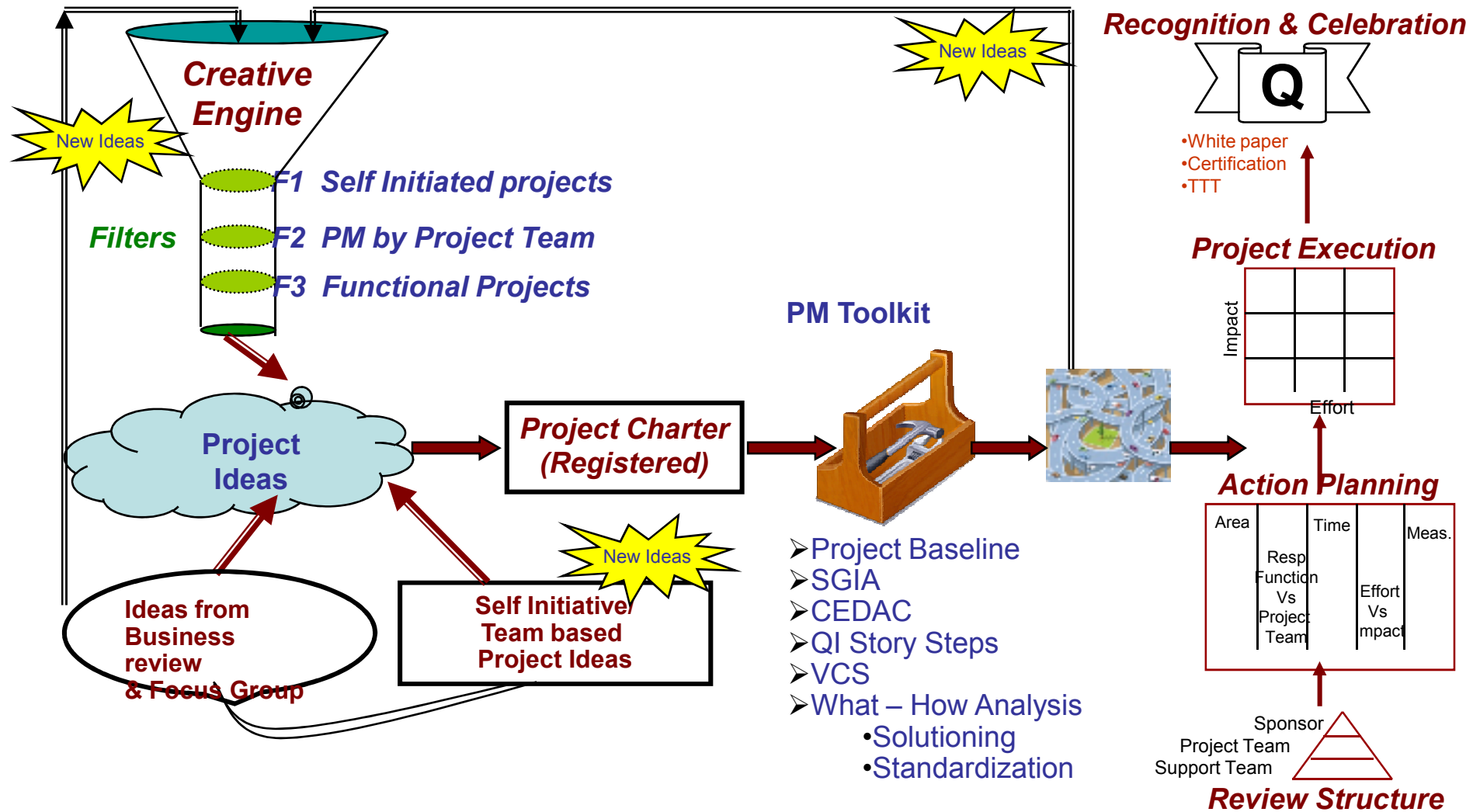
Projects which Customers can relate……

- ✓ Rejection of Saving, Current Account
- ✓ Upgrade Account
- ✓ Loan disbursement cycle time
- ✓ Wrongful dishonour of cheques
- ✓ Timeliness and accuracy of Salary processing
- ✓ Letter of Credit - Bill lodgement
- ✓ Branch – Waiting time
- ✓ Customer Experience on Calls

Only differentiator with competition – service oriented process

How does it work - Summary

Creative Engine

New Ideas

New Ideas

Filters

F1 Self Initiated projects

F2 PM by Project Team

F3 Functional Projects

Project Ideas

Ideas from Business review & Focus Group

Self Initiative/ Team based Project Ideas

New Ideas

Project Charter (Registered)

PM Toolkit

➢Project Baseline
➢SGIA
➢CEDAC
➢QI Story Steps
➢VCS
➢What – How Analysis
  •Solutioning
  •Standardization

Recognition & Celebration

Q

•White paper
•Certification
•TTT

Project Execution

Impact

Effort

Action Planning

Area		Time		Meas.
	Resp Function Vs Project Team		Effort Vs Impact	

Sponsor
Project Team
Support Team

Review Structure

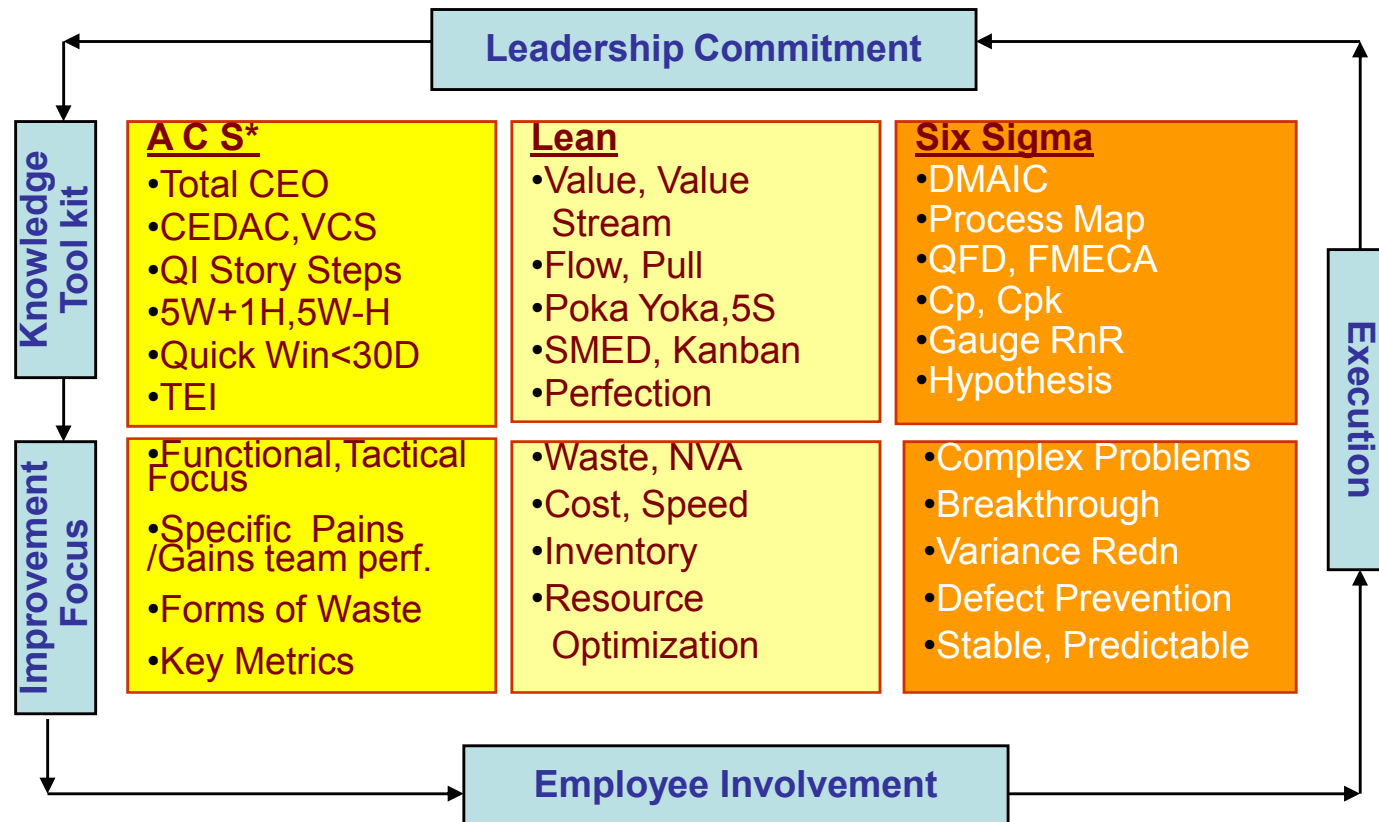# *Attack one problem – first thing first*

Question status quo ??

- Next process is customer
- Check Voice – Choice – Noise
- Pending items on "to-do" list
- Red flag in dashboard
- Recurring SR, CR
- Repeated review items
- Focus group Input
- Eureka wave !
- Potential to create differentiator!!

Project Types

COST
SAFETY
PREVENTING DEFECT RECURRENCE
INADEQUACY
QUALITY
CUSTOMER SERVICE
WASTE
RISK
INCONSISTENCY
REVENUE ENHANCEMENT
PRODUCTIVITY
ENERGY CONSERVATION
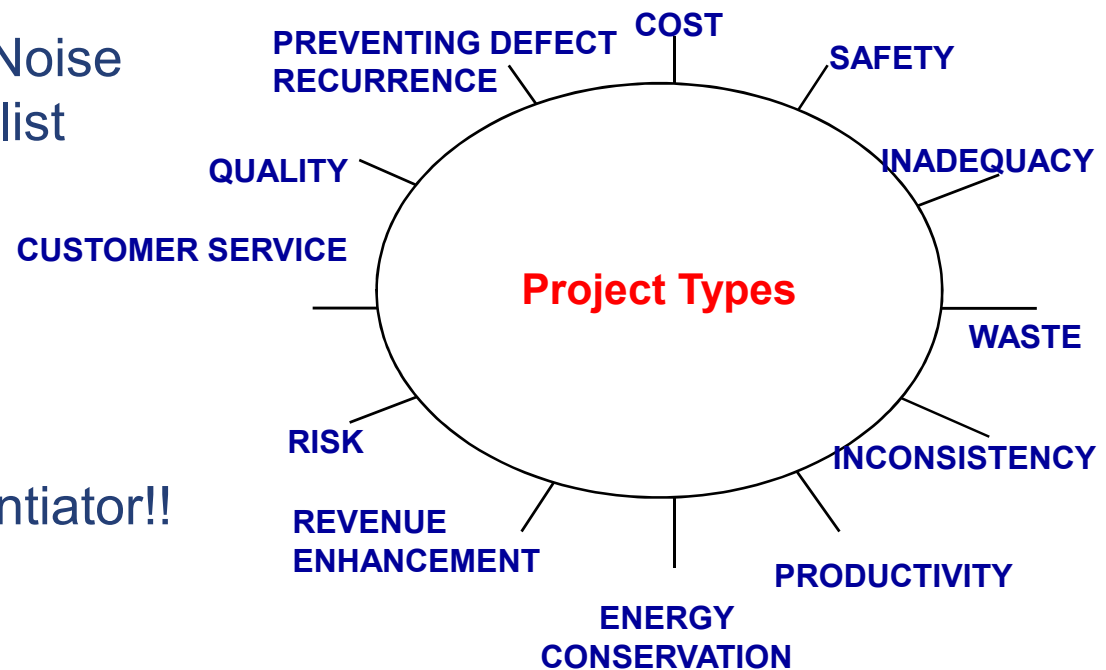
Chronic areas impacting routine should be in project definition

Project Management Tool Kit

Leadership Commitment

Knowledge Tool kit

A C S*
- Total CEO
- CEDAC,VCS
- QI Story Steps
- 5W+1H,5W-H
- Quick Win<30D
- TEI

Lean
- Value, Value Stream
- Flow, Pull
- Poka Yoka,5S
- SMED, Kanban
- Perfection

Six Sigma
- DMAIC
- Process Map
- QFD, FMECA
- Cp, Cpk
- Gauge RnR
- Hypothesis

Improvement Focus

- Functional,Tactical Focus
- Specific Pains /Gains team perf.
- Forms of Waste
- Key Metrics

- Waste, NVA
- Cost, Speed
- Inventory
- Resource Optimization

- Complex Problems
- Breakthrough
- Variance Redn
- Defect Prevention
- Stable, Predictable

Execution

Employee Involvement

* ACS : Applied Common Sense

*There is a **choice** to -*

Select the appropriate tool for the situation – Mix n Match

*There is a **no choice** to -*

Leadership Commitment, Employee Involvement n Execution for – Successful PM

An Experience

Project is unforgettable experience...

Expect, Explore, Execute, Experience…

Create new possibilities…….only weapon to survive!!