DECISION FOCUS

Overview

Business challenge

Bank DnB NORD was embarking on a strategic replacement of its core banking systems – a major programme comprising sub-programmes and projects across the company's three main subsidiaries. With project data stored in numerous documents, spreadsheets and systems, and project teams working at sites across several countries, managing all these projects effectively was a major challenge.

Solution

Decision Focus, an IBM Business Partner, helped Bank DnB NORD implement IBM Rational Focal Point to handle project management, portfolio management, vendor management and resource management, as well as to provide detailed management information for decision support across the whole core banking replacement programme.

Bank DnB NORD boosts efficiency with real-time project and portfolio management

Decision Focus helps to build a solution with IBM Rational Focal Point technology

Based in Copenhagen, Denmark, Bank DnB NORD is a well-known and respected brand across Poland and the Baltic regions. Founded in 2006 as a joint venture between the Norwegian DnB NOR and German NORD/LB Norddeutsche Landesbank groups, the bank offers retail and corporate banking services in Estonia, Latvia, Lithuania and Poland. It employs 3,100 people at 158 offices, serves more than 950,000 customers, and manages assets totalling €10.9 billion.

To boost efficiency across its international organisation, Bank DnB NORD wanted to rationalise and standardise its core banking systems – a large-scale initiative that would require the coordination of sub-programmes and projects across several different countries.

Project management on a massive scale

"The bank quickly realised that managing all the individual IT projects effectively would be extremely difficult with its existing approach, which involved a variety of documents, spreadsheets and applications such as Microsoft Project," explains Torben Bøllingtoft Cruse, Head of Operations and Portfolio Management in Bank DnB NORD.

"The scale of the core banking replacement programme was simply too large. When we wanted to give senior management an overview of status across all projects, it took up to 70 hours just to collect the relevant data from all these different sources. As a result, status reports generally arrived too late to provide adequate support for decision-making, and there were also concerns about the completeness and consistency of data. The project office increasingly becoming a place where, although a lot of information went in, it was almost impossible to get anything out – and certainly not in a timely manner."

Cruse and his team were given responsibility for re-engineering the bank's project management processes to address these issues.

Business Benefits

- Improves visibility of real-time project data, enhancing management control and assisting with accurate decision-making

- Enables greater accuracy in forecasting budgets and human resources, improving scheduling for future projects.

- Cuts the time taken to create a full status report on projects from 70 hours to just 1.5 hours

- Reduces administrative effort in the project management office, freeing up two full-time employees for more productive work

- Delivers value quickly, with no need for a long and complex 'big bang' implementation.

Avoiding a 'big bang' implementation

"We wanted to implement a system that would help us formalise and standardise the bank's approach to project management – but we couldn't afford to spend a long time developing and implementing a solution," says Cruse. "We needed something that was simple enough to be deployed quickly, but sophisticated enough to be extended and customised to meet our needs. Since I had a lot of experience of working with different project management systems in my career, I was asked to recommend a solution – and IBM Rational Focal Point seemed to me to offer exactly the capabilities we needed to meet our requirements."

Finding a partner

To help with both the initial implementation and the subsequent phases of the transition to Rational Focal Point, the DnB NORD team needed a technology partner.

"Because Rational Focal Point is so highly flexible and configurable, it's important to work with experts to set it up correctly and align it with your business processes," says Cruse. "We chose to work with Decision Focus because they have a long track record of successful Rational Focal Point projects, and they have built up an extensive library of tools and templates that would give us a head start on our implementation".

"Thanks to the expertise of the Decision Focus team, we were able to deploy the solution's project and portfolio management capabilities within just three months – and we have been working with them ever since to introduce new processes into our organisation through the tool."

Creating a single source of truth

The solution collects data from various sources, including imports from the bank's ERP system as well as manual inputs from members of the individual project teams. Different types of users are given different levels of access via a role-based web portal: for example, operational staff and external consultants can see the projects that they are working on and can update their timesheets to log the hours they have worked. Project managers can check on progress and report the achievement of key milestones. Meanwhile, more senior managers can get an overview of the whole portfolio of projects.

Data can also easily be exported to Microsoft Excel, making it easy to create a wide range of reports that are aligned to business priorities. For example, status reports that track the hours worked and progress made on each project and map them against the budget enable managers to accurately forecast project costs and provide an early warning if there are problems. If the budget needs to be adjusted, or other corrective measures applied, Rational Focal Point provides a structured change management process that ensures the appropriate actions are taken.

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> — Jan Kühnel, CIO, Bank DnB NORD

Moving to a more predictive model

"One other element that we have really expanded recently is resource management," adds Cruse. "Employees and consultants are allocated to specific projects in the system, and the hours that they spend on both project-related and non-project-related work are logged. This gives us an accurate picture of resource usage and availability – so if we have a new project that is due to start in three months, we can see if enough resources are available to work on it, or if they will still be occupied with their current projects. This helps us decide whether to go ahead with the new project, or postpone it until the resources become available – so it's helping us move from a reactive approach to a more predictive, forward-looking project management model."

Saving time and enhancing quality

In terms of tangible benefits, the project office can now produce a full status report in less than an hour and a half – a task that used to take up to 70 hours. This, combined with other efficiency improvements, has enabled the bank to reassign two full-time employees from the project office administration team to other, more productive duties.

"Rational Focal Point saves us so much time on project control and management reporting, it's hard to imagine how we could do without it," says Cruse. "But time-savings in the project office are not the main point: what's really important is that we can now provide accurate, comprehensive project data to the business in a timely manner – helping to support decision-making and keep all DnB NORD's projects on track. We are now seen as an asset to the business – so much so that the bank has started using Rational Focal Point to manage all its projects – not only the ones related to the core banking replacement programme."

Jan Kühnel, CIO of Bank DnB NORD, concludes: "IBM Rational Focal Point raises the level of management information and control within our organisation, and this has already made a significant contribution to the successful management of our core banking replacement programme. As we continue to work with Decision Focus to extend the solution, we hope to increase our ability to predict, counteract and resolve problems before they occur – managing our projects as efficiently as possible, and minimising business risk."

For more information

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To learn more about products, services and solutions from Decision Focus, visit: **decisionfocus.dk**

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