Project Governance Framework

Version	Date	Revision Details	Author	Endorsed	Approved
0.1	13th Nov. 2015	Draft for Peer Review	S.Willis		
0.2	13th Jan 2015	Peer Review Feedback Edits – all sections	S.Willis		
0.3	16th June 2016	Updated to reflect revised Council Sub-Committee Terms of Reference	S.Willis		
0.4	12th July 2016	Updated reporting requirements to VCAG and CDC	S.Willis		
0.5.1	2nd August 2016	Inclusion of Executive Summary	S.Willis	VCAG 8/8/16	
0.5.2	25th October 2016	Inclusion of student engagement requirements and amended figures.	S.Willis		
1.0	8th Nov. 2016	Figure 18.2 updated to reflect requirement to escalate safety issues to Council, directly from the Ethics and Safety Compliance Committee	S.Willis	CDC 27/10/16	Council 8/11/16
2.0		Major revision to restructure of Operations to incorporate new roles including Director of Risk, Campus Development, and UOPMO.	THS		
2.1		Revisions requested by VCAG 11 December 2017	THS		
3.0	8th May 2020	Major revision to incorporate changes to project processes and practices as well as suitability to IT projects. Achieving Compliance section added	Sara Kidd / Andy Jenkins		
3.1	22nd May 2020	Peer Review Feedback Edits – all sections	Andy Jenkins		
3.2	18th June 2020	VCAG Review Feedback Edits – all sections	Andy Jenkins	VCAG 29/06/20	
3.3	12th Aug 2020	CDC Review Feedback Edits – all sections	Andy Jenkins	CDC 6/10/20	
3.4	24th Nov 2020	Risk Framework Changes	Andy Jenkins		

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Summary

This document has been prepared by the University of Otago (The University) and outlines the Governance framework and structures for project governance at the University. The intended audiences for this document are: members of governance committees, Project Sponsors, Project or Programme Managers, and those who are involved in University project work.

The purpose of this framework is to: provide coherence between corporate governance and project governance, provide a guide for those involved in projects, and to ensure that project roles and responsibilities are well understood.

This is a reference text, designed to be consulted when appropriate. It is not meant to be read in a linear fashion. It is one of five project related frameworks that support quality project management across the University.

The University of Otago Project Management Office (UOPMO) is always available to assist you in using this Governance Framework. The UOPMO OURDrive site supplements this document with the most up-to-date version of any tools and templates as well as helpful tools.

Scope

This document focuses on the Governance of University's **Projects**, **Programmes** and **Portfolios**.

Project	- A temporary organisation that is created for the purpose of delivering one or more outputs according to a specified business case. - A **Project** is temporary; in that it has a defined beginning and end in time, and therefore defined scope and resources. - A **Project** is unique; in that it is not a routine operation, but a specific set of operations designed to accomplish a singular goal. - A **Project Team** often includes people who don't usually work together.
Programme	- A temporary flexible organisation structure created to coordinate, direct and oversee the implementation of a set of related projects and activities in order to deliver outcomes and benefits related to an organisation's strategic objectives. - A programme is likely to have a life that spans several years, and is managed in a coordinated way, to obtain benefits and control not otherwise available from managing projects individually.
Portfolio	The totality of an organisation's investment (or segment thereof) in the changes required to achieve its strategic objectives.

The framework applies to all types of projects, including but not limited to construction, technology, or other business change. This document will clearly note where elements of the framework are specific to one type of project, e.g. construction or ICT. Where there is no specific exclusion, the framework applies to all types of projects.

All University ICT and construction projects are required to adhere to this framework.

Scope Exclusions

Academic research projects are excluded from the scope of the Project Governance Framework, although many of these tools will be useful to researchers undertaking projects.

University staff often conduct 'project-like work', e.g., a periodic review process that is conducted on a regular basis, or regularly updating a system each month with a standard release package. In these instances, while project management tools and techniques may well be helpful to this work, full compliance with the framework is not mandatory, and the work will not be monitored by the UOPMO.

This Governance Framework:

- is not a detailed project management methodology.
- does not seek to duplicate or replace existing standards of corporate governance.
- does not provide guidance for non-project (operational) areas of business.

Compliance

Project Sponsors, Project Managers and members of Project Steering Committees hold primary responsibility for compliance to this framework.

Directors within the University are responsible for ensuring that their Division's projects comply with this framework.

The general principle is for staff involved with projects to be self-auditors of their compliance with the framework. Projects are always however, subject to internal or external audits as part of the University audit process.

Strategic Intervention and Termination

Often, when a project is under stress, early and decisive intervention will result in the best outcome for the University.

Alongside UOPMO, the Project Steering Committee (PSC) is responsible for identifying the need for remedial actions and/or strategic intervention, and for termination where appropriate. The PSC is responsible for escalating the need to the IT Governance Board, Capital Development Committee (CDC) or University Council as appropriate, and on a timely basis.

Individuals or groups who have issues/concerns about a project should raise these concerns with the Project Manager or to the Project Sponsor. It is expected that most project issues will be resolved by the Project Managers and the PSC. However, where necessary, issues can be escalated through Executive Leadership paths e.g. COO, VCAG, and/or to Portfolio Governance for resolution.

The University of Otago Project Management Office (UOPMO) provides a point of escalation for any individuals or groups who have a project-related concern which they would like to discuss, and are not sure of the appropriate escalation path.

Review of the Framework

Administrative amendments to the Framework will be managed via UOPMO with the Vice-Chancellor approving substantive amendments that do not alter the overall intent of the Framework, with any such amendments to be noted to CDC and the IT Governance Board. Council will approve major amendments that alter the overall approach of the Framework.

PART A: GOVERNANCE AT THE UNIVERSITY OF OTAGO

Our Vision

A research-led University with an international reputation for excellence.

He Whare Wānanga aronui ana ki te rangahau, e rongonui ana i ngā tōpito o te ao i āna tutukinga ikeike.

Our Mission

The University of Otago will create, advance, preserve, promote and apply knowledge, critical thinking and intellectual independence to enhance the understanding, development and well-being of individuals, society and the environment. It will achieve these goals by building on foundations of broad research and teaching capabilities, unique campus learning environments, its nationwide presence and mana, and international links.

Ko tā Te Whare Wānanga o Otāgo he whakawhanake, he pupuri, he whakatairanga hoki i te mātauranga, i te ihomatua tātari kaupapa, i te whakaaroaro motuhake o te tangata, kia hāpai ai te mōhio, te mārama, te hiatotanga, otirā, te oranga o te tangata, o te iwi hoki. Mā te rangahau me te tika mārika o te whakaako, mā te whai wānanga ahurei, mā te whakaū ki tōna mana, me ōna toronga puta noa i te motu, i te ao hoki ēnei whāinga e tutuki.

Strategic Documents

The University's main strategic guiding documents that relate to projects are:

- Strategic Direction to 2020.
- Capital Expenditure Plan.

Organisational (University) Governance

Effective governance of project management ensures that the organisation's Project Portfolio remains aligned to organisational objectives, and is delivered efficiently and effectively, in a sustainable manner.

- **Corporate Governance** is the system of rules and practices which dictates how organisations are directed and controlled.
- **Project Governance** focuses more specifically on project activities.

Organisational or Corporate Governance is the 'ongoing activity of maintaining a sound system of internal control by which the directors and officers of an organisation ensure that effective management systems, including financial monitoring and control systems, have been put in place to protect assets, earning capacity and the reputation of the organisation' (TSO, 2009).

The boundary between governance and management is not always hard and fast, however organisational management primarily concerns the day-to-day operations of the organisation within the context of the strategies, policies, processes and procedures that have been established by the governing body.
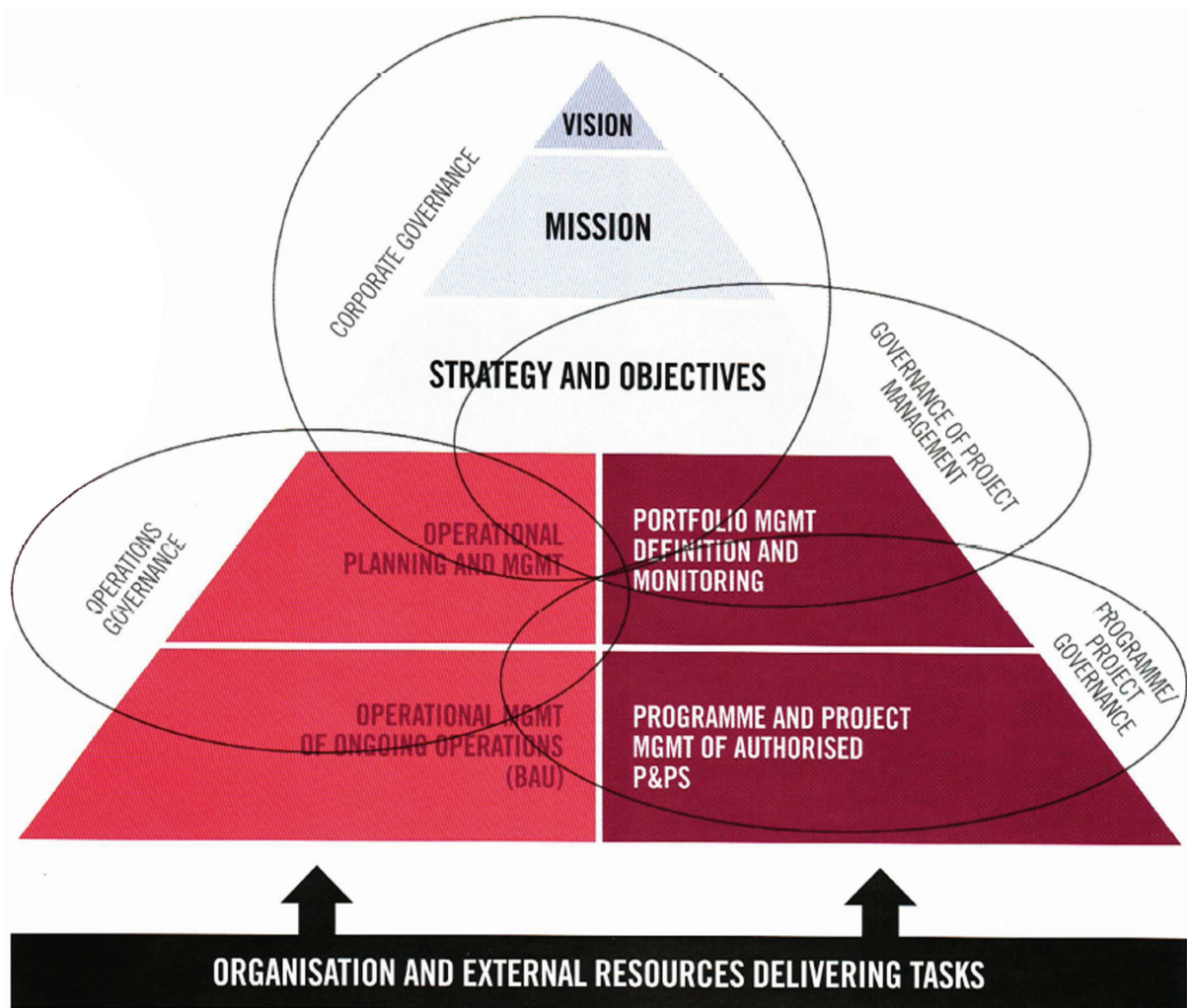
Otago's Governance Structure
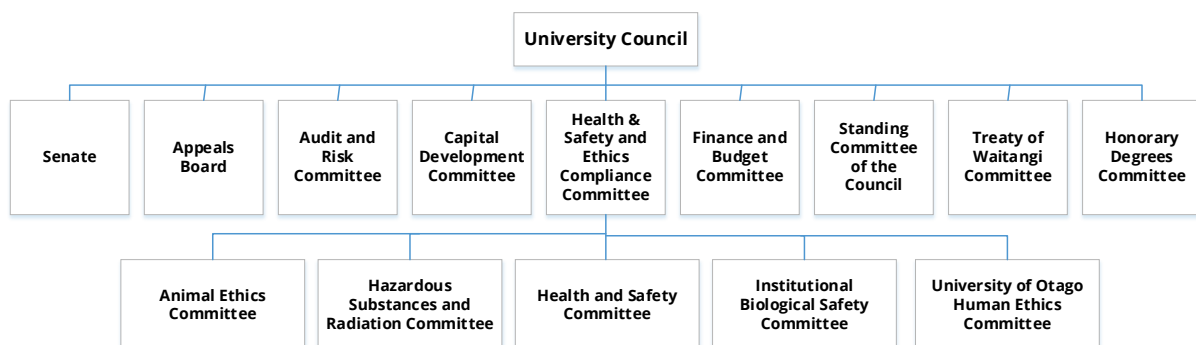
The University Council

The University Council is the governing body of the University. The University Council is chaired by the Chancellor, and comprises elected, appointed and co-opted members representing key Stakeholders, including students and staff.

The functions, duties and powers of the Council are prescribed in the Education Act 1989, sections 180, 181 and 193. The functions which have the strongest implications for project governance include:

- To prepare and submit a proposed plan and to ensure that the institution is managed in accordance with that plan.
- To determine the policies of the institution in relation to the management of its affairs.
- To undertake planning relating to the institution's long-term strategic direction.
- To ensure that the University operates in a financially responsible manner that ensures the efficient use of resources and maintains the University's long-term viability.

Specific committees report directly to Council on matters including financial management and performance, audit and risk, capital development, ethics and safety compliance.

The University Council has a Treaty of Waitangi committee with equal membership from Ngāi Tahu, and the University may from time to time establish special working parties to examine particular issues.

The following Council Committees undertake key roles in the project governance framework:

Capital Development Committee (CDC)

The Capital Development Committee (CDC) advises Council and Vice-Chancellor's Advisory Group on the delivery of capital building projects, IT projects and the acquisition or disposal of any property over $1.5 million. It receives progress reports on approved projects that are above this financial threshold. It considers and provides recommendations to Council on all capital expenditure proposals over $1.5 million. It advises Council on town planning issues related to its campuses.

Health and Safety and Ethics Compliance Committee

The Health and Safety and Ethics Compliance Committee reviews and makes recommendations to the University Council on all matters relating to Health and Safety and ethical approvals. They ensure the Council is kept up-to-date with Health and Safety matters, understand operational hazards and risks, and are satisfied that there are appropriate resources and processes to manage Health and Safety risks, and to comply with its duties and obligations.

Health and Safety must be a key focus in all project activities.
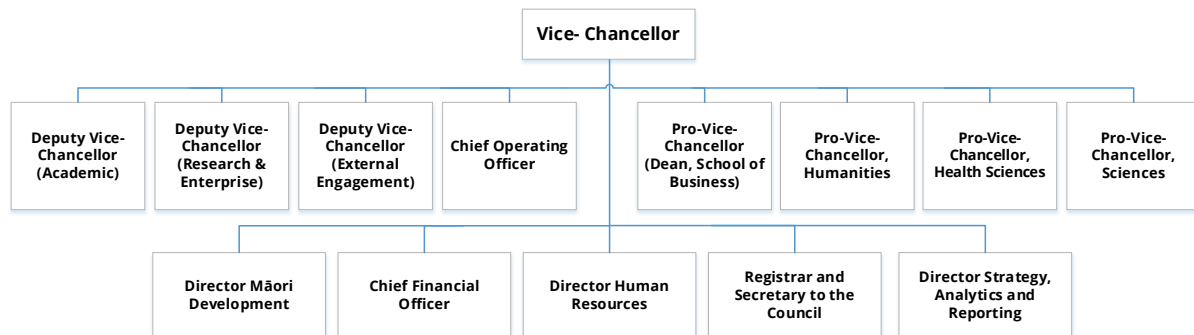
Audit and Risk Committee

The Audit and Risk Committee monitors the University's internal control systems and risk management processes. The Audit and Risk Committee steward the University's Risk Management Framework. It reviews policies related to audit and risk management, monitors compliance with the University's Fraud Policy and promotes a culture of compliance.

Finance and Budget Committee

The Finance and Budget Committee monitors the financial position and performance of the University and makes recommendations to the Council on the University's financial policy, strategy and planning. It considers projects' financial sustainability in the context of the University's annual and projected budgets.

Otago's Organisational Structure

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                              Vice- Chancellor
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| Deputy Vice-Chancellor (Academic) | Deputy Vice-Chancellor (Research & Enterprise) | Deputy Vice-Chancellor (External Engagement) | Chief Operating Officer | Pro-Vice-Chancellor (Dean, School of Business) | Pro-Vice-Chancellor, Humanities | Pro-Vice-Chancellor, Health Sciences | Pro-Vice-Chancellor, Sciences |

| Director Māori Development | Chief Financial Officer | Director Human Resources | Registrar and Secretary to the Council | Director Strategy, Analytics and Reporting |

Vice-Chancellor (VC) and Vice-Chancellor's Advisory Group (VCAG)

The Vice-Chancellor is appointed by the University Council and is the Chief Executive and employer of all other staff. The Vice-Chancellor is the academic and administrative head of the University.

The Vice-Chancellor chairs the Vice-Chancellor's Advisory Group (VCAG) which comprises the University's Senior Management Team. VCAG meets twice monthly to consider strategy, policy, current projects and issues.

VCAG review and approve all project Business Cases valued $250k to $1.5M, and review and endorse for the consideration of CDC and Council all project Business Cases valued >$1.5M.

Chief Operating Officer (COO)

The Chief Operating Officer (COO) reports directly to the Vice-Chancellor. The COO provides strategic leadership, and planning and management across the University's operational functions and capital developments.

The COO leads a team of senior managers responsible for sustainability, risk management, compliance and assurance, project management, campus development, property services, information technology, health and safety compliance, shared services, campus and collegiate life, and student services.

The majority of projects within the Operations Division will be managed by the Divisions of Campus Development, Information Technology Services (ITS) and Property Services.

The COO, in conjunction with the CFO, review all Business Cases >$250k before submission to higher governance bodies. The role has authority to approve all Business Cases valued <$250k.

Chief Financial Officer (CFO)

Reporting to the Vice-Chancellor, the Chief Financial Officer (CFO) is responsible for the Financial Services Division for the University. This division includes Finance Advisory, Strategic Finance, Financial Control and Procurement.

With respect to governance and management of projects, the Financial Services Division provides assistance and guidance with respect to financial matters associated with budgeting, project accounting, and financial review of project proposals.

Advisory Committees to the VC
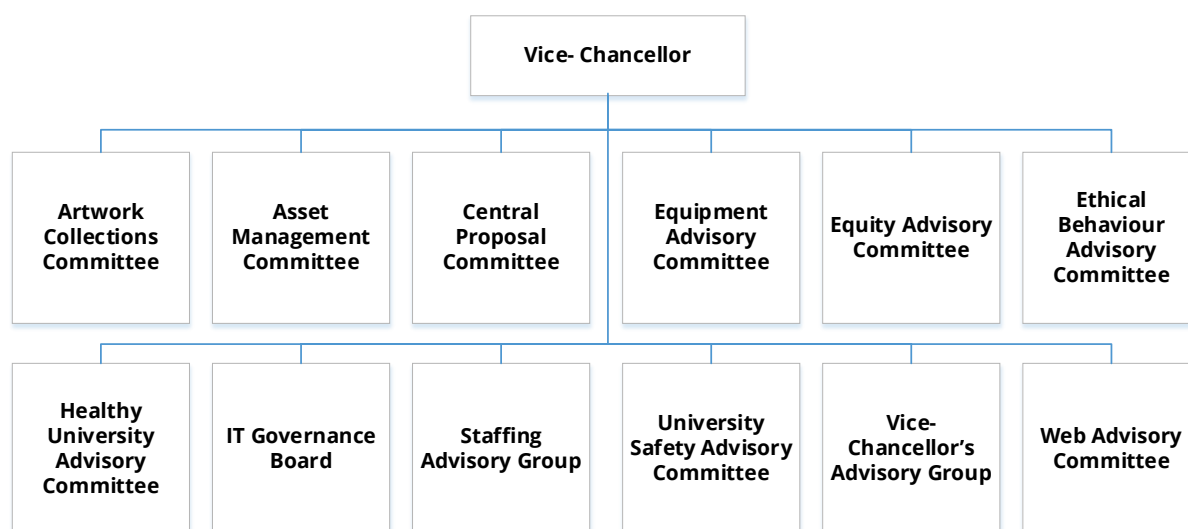
IT Governance Board

The IT Governance Board provides high-level governance and oversight of IT activities at the University with the aim of ensuring that IT activities are successful in supporting the strategy and goals of the University. It formally approves the process used to prioritise IT projects, including the process for fast tracking IT projects where necessary as well as formally reviewing and approving the prioritised IT projects list. It can agree amendments to the prioritised IT projects list to reflect changing strategic priorities. The IT Governance Board will also have oversight of the benefits realisation associated with IT investment. The IT Governance Board reports to the Vice-Chancellor through the Vice-Chancellor's Advisory Group (VCAG).

Asset Management Committee

The scope of the Asset Management Committee extends to all asset classes at all University campuses, as well as all space owned or leased by the University. It provides corporate oversight of management of University's assets to ensure the capability and financial sustainability of the University through stewardship of its assets. This includes management of risks relating to asset management as well as advising on the initiation and briefing of major capital projects. The Asset Management Committee reports to the Vice-Chancellor through the Vice-Chancellor's Advisory Group (VCAG).

University Policies

The full University Policy Library can be accessed [here](#). The following University policies are relevant in the context of this Framework:

Financial Delegations Policy and Procedures

The University's Financial Delegations Policy and Procedures outlines who in the University has appropriate financial authority to expend approved budgets. Please view the Financial Delegations Policy on the University website [here](#).

The executive approval process through VCAG, CDC and University Council (detailed in the Project Approvals Procedure [here](#)) provides a standing process for strategic assessment, business case and financial change request approval. For initiatives falling within the scope of this Procedure:

- all capital projects / programmes likely to have a whole of life cost over $2.5m will require the Vice-Chancellor's and Capital Development Committee's endorsement and Council's approval; otherwise,
- all projects / programmes likely to have a whole of life cost between $250k and $2.5m will require the Vice-Chancellor's approval;
- all projects / programmes likely to have a whole of life cost over $2.5m will require the Vice-Chancellor's endorsement and Council's approval.

Procurement Policy

The University's Procurement Policy (available [here](#)) ensures the University obtains, where possible, the best value for its expenditure in a sustainable, fair and transparent manner. For direction on procurement procedures, please review the University's Procurement Procedure [here](#). Of particular note for projects is:

Purchase of goods and services: A procurement plan is required for all planned procurement over $75,000 (light plan for $75k-$100k and a full plan >$100). Any purchase with a value of $75,000 or more for which only one quote is available, or where a formal tender process is considered inappropriate, must be supported by a relevant documentation which provides a justification as to the purchase method requested. This alternative purchase process *must* be endorsed by the Financial Services Division (Finance Advisory) and approved by the relevant purchasing authority (as per the Financial Delegations Policy) prior to purchase. Higher-value purchases (in excess of $1million) should be notified to FSD for the purposes of cash flow planning. This advice should include the contracted payments schedule and anticipated invoice payment dates. All University tenders should be coordinated through the University Procurement Office.

Procurement conflicts of interest: conflict of interest is where someone is compromised when their personal interests or obligations conflict with the responsibilities of their job or position. It means that their independence, objectivity or impartiality can be called into question. University staff members must recognise, avoid, disclose and manage any procurement conflict of interest they may have. All procurement conflicts of interest shall be to the University Procurement Manager for recording. Significant conflicts of interest will be referred to the CFO and COO.

Risk Management Policy

In pursuing its vision, mission and strategic objectives the University will accept a level of risk proportionate to the expected benefits to be gained from a project and its impact or likelihood of damage. The University's approach to risk management, the risk management process, and risk reporting procedures are detailed further in its Risk Management Framework here.

Risks raised throughout the project are recorded in project registers within Sentient – the University's Portfolio Management software. Risks considered High or Very High, as per the below schedule, must be escalated to Project Steering Committees. UOPMO coordinates risk reporting at the portfolio level, escalating risks to Senior Suppliers, Portfolio Governance and Executive leadership, where applicable.

Overall Risk	Scoring	Explanation
Very High	15-25	Very high risk means that manifestation of the risk could be expected to have multiple severe or even catastrophic adverse effects on the project and its outcomes, organisational operations, assets, individuals, or contractual partners. This level of (non-mitigated) risk is not acceptable. Further analysis should be performed to give a better estimate of the risk and the mitigation. If analysis still shows unacceptable risk, redesign or other changes should be introduced to reduce the criticality. Reported to the Audit & Risk Committee.
High	10-14	High risk means that manifestation of the risk could be expected to have a severe effect on the project and its outcomes, organisational operations, assets, individuals, or contractual partners. Reported to the Audit & Risk Committee.
Medium	5-9	Medium risk means that manifestation of the risk could be expected to have a limited effect on the project and its outcomes, organisational operations, assets, individuals, or contractual partners.
Low	1-4	Low risk means that manifestation of the risk could be expected to have a negligible effect on the project and its outcomes, organisational operations, assets, individuals, or contractual partners.

Likelihood	Explanation
(5) Almost Certain	>80% likely to happen
(4) Probably	50-79% likely to happen
(3) Likely	20-49% likely to happen
(2) Unlikely	5-19% likely to happen
(1) Rare	<5% likely to happen

Impact	Explanation
(5) Severe	Very serious detrimental impact on operations or major projects: ▪ Major change in any of the critical requirements ▪ Project cost impact >10% of original approved project budget ▪ Operating / recurrent cost impact >$1m in any 12 month period ▪ >90 day schedule slippage ▪ Severe impacts on project objectives, identified benefits or deliverables ▪ Life threatening injuries
(4) Major	Serious impact on operations or major projects: ▪ Change in any of the critical requirements ▪ Project cost impact 5% - 9.9% of original approved project budget ▪ Operating / recurrent cost impact $500k - $1m in any 12 month period ▪ 60 - 90 day schedule slippage ▪ Major impacts on project objectives, identified benefits or deliverables ▪ Extensive injuries
(3) Moderate	Reasonable impact on operations or major projects: ▪ Major change in multiple ancillary requirements ▪ Project cost impact 2% - 4.9% of original approved project budget ▪ Operating / recurrent cost impact $200k - $499k in any 12 month period ▪ 30 - 60 day schedule slippage ▪ Moderate impact on project objectives, identified benefits or deliverables ▪ Minor injuries
(2) Minor	Low impact on operations or major projects: ▪ Change in ancillary requirements ▪ Project cost impact 1% - 1.9% of original approved project budget ▪ Operating / recurrent cost impact $100k - $199k in any 12 month period ▪ 14 – 30 day schedule slippage ▪ Minor impact on project objectives, identified benefits or deliverables ▪ Potential for injury
(1) Negligible	Virtually no impact on operations or major projects: ▪ Minor change in ancillary requirements ▪ Project cost impact <1% of original approved project budget ▪ Operating / recurrent cost impact <$100k in any 12 month period ▪ <14 day schedule slippage

Mitigation Assuredness	Explanation
(5) No controls or totally ineffective	▪ Virtually no credible control. ▪ Management has no confidence that any degree of control is being achieved. ▪ Very limited operational effectiveness.
(4) Largely ineffective	▪ Significant control gaps. ▪ Controls exist but do not treat root causes.
(3) Partially effective	▪ Controls treat most of the root causes of the risk but they are not completely effective.
(2) Substantially effective	▪ Most controls are designed correctly and are in place and effective. ▪ Some more work to be done to improve operating effectiveness or management has doubts about operational effectiveness and reliability.
(1) Fully effective	▪ Nothing more to be done except review and monitor the existing controls. ▪ Controls are well designed for the risk, and address the root causes. ▪ Management believes they are effective and reliable at all times.

Health, Safety and Compliance Policy

The University's position is that the health and safety of staff and students is of prime importance. It's the University's intention to not only meet its legislative requirements, but to strive for excellence in health and safety management and to be a national leader within the tertiary sector. Any project risks that threaten the health and safety of staff, students or visitors must be reported to the Health, Safety and Compliance Committee. Please review the Health and Safety Policy here and the University's Health and Safety Framework here.

Records Management Policy

The Records Management policy establishes a framework for the implementation of the University's records management programme and ensures that full and accurate records of the University's activities are created, captured, maintained, made accessible, stored and legally disposed of in accordance with legislative requirements. The Records Management policy also outlines the responsibilities of staff in support of these requirements. The Records Management Policy should be considered in all projects dealing with information, including IT projects and construction projects which impact on record storage, retention and access. Please review the Records Management Policy here.

Access to, and use of, Personal Information Policy

The Policy on Access to, and use of, Personal Information ensures staff understand the circumstances in which it is appropriate to access personal student and staff information on University systems. It ensures staff understand the need to observe the requirements of the Privacy Act 1993 in the use of that information and any other personal student and staff information they work with, or become aware of, as they undertake their roles. The Policy on Access to, and use of, Personal Information, and related privacy matters, should be considered in relation to any project which deals with personal information. Please review the Policy here.

Space Management Policy

The Space Management Policy ensures the efficient, effective, and transparent use of space as a means of facilitating University activities in a manner that is consistent with University strategy. The Space Management Policy should be considered in all construction projects. Please review the Policy here.

Conflicts of Interest Policy

The Conflicts of Interest Policy ensures staff members recognise, avoid, disclose, and manage any conflict of interest they may have, and act in a manner consistent with their responsibilities with the University. Please review the Policy here. Further information in relation to projects can be found under the Project Documentation and Reporting section of this framework (see page 31 below).

PART B: GOVERNANCE OF PROJECT MANAGEMENT

Project Governance is how the organisation directs and controls its Projects. A key objective of project governance is to efficiently, effectively and transparently, make decisions. Project Governance includes but is not limited to, those areas of Corporate Governance that are specifically related to project activities.

A **Project Governance Framework** (i.e. this document), sets a firm framework which guides project success, creates transparency and confidence in decision making and clarity on roles and responsibility.

Why is Project Governance Important?

Project governance provides projects and the project management staff with sufficient structure, processes, decision-making activities, and tools so that projects are managed with the right level of control. In its essence, project governance is all about creating efficient and effective decision-making processes. An effective project governance process sits behind most successful projects.

A summary of the causes and consequences of project governance failure can be found in Appendix A.

Governance with "Teeth"

The challenge facing executive leadership seeking to implement change within an organisation is to manage that change outside of the existing procedures and norms of business as usual. Projects and project management help organisations to do precisely that. Projects, programmes and portfolios are a vehicle for driving change. As such project governance is the structured system of rules and processes that you use to administer change, and provides the organisation with a decision-making framework to ensure accountability and alignment between the project teams, executives, and the rest of the organisation.

In order for any 3PM (project, programme and portfolio management) practice, process and methodology to be effectively adopted across an organisation, executive leadership needs to be driving this change and regard 3PM as the vehicle for executing their strategy. They ultimately set the actual and expected standards (irrespective of assurance standards applied by a Portfolio, Programme and Project Office) around investment approval, effective programme and project delivery and accountability for benefits realisation. This then translates into governance "with teeth", i.e. real and objective decision making at the organisational governance level, evidenced by (for example):

- (robust) business cases not being approved;
- a high degree of objectivity around project prioritisation and minimal number of "forced" projects in the portfolio;
- business cases being reviewed for viability and validity across the entire life-cycle of the projects with associated appropriate decision making;
- underperforming projects receiving effective interventions and / or being stopped;
- individuals and teams being held accountable for benefits realisation.

Otago's Project Governance Principles

There are six principles of project governance that apply to all projects at the University of Otago.

1. The project is aligned with OU's Organisational Governance;
2. The project is justified;
3. The project has clear roles, responsibilities and relationships among project stakeholders;
4. The project adheres to OU's 3PM methodology;
5. The project disseminates information and communicates transparently with its stakeholders;
6. The project proactively identifies and resolves issues.

The University of Otago aims to align its project governance activities with the Association of Project Management's (APM) Governance of Project Management (GoPM) Principles. These are taken from Directing Change: A Guide to Governance of Project Management, APM Governance SIG, Association of Project Management (2004).

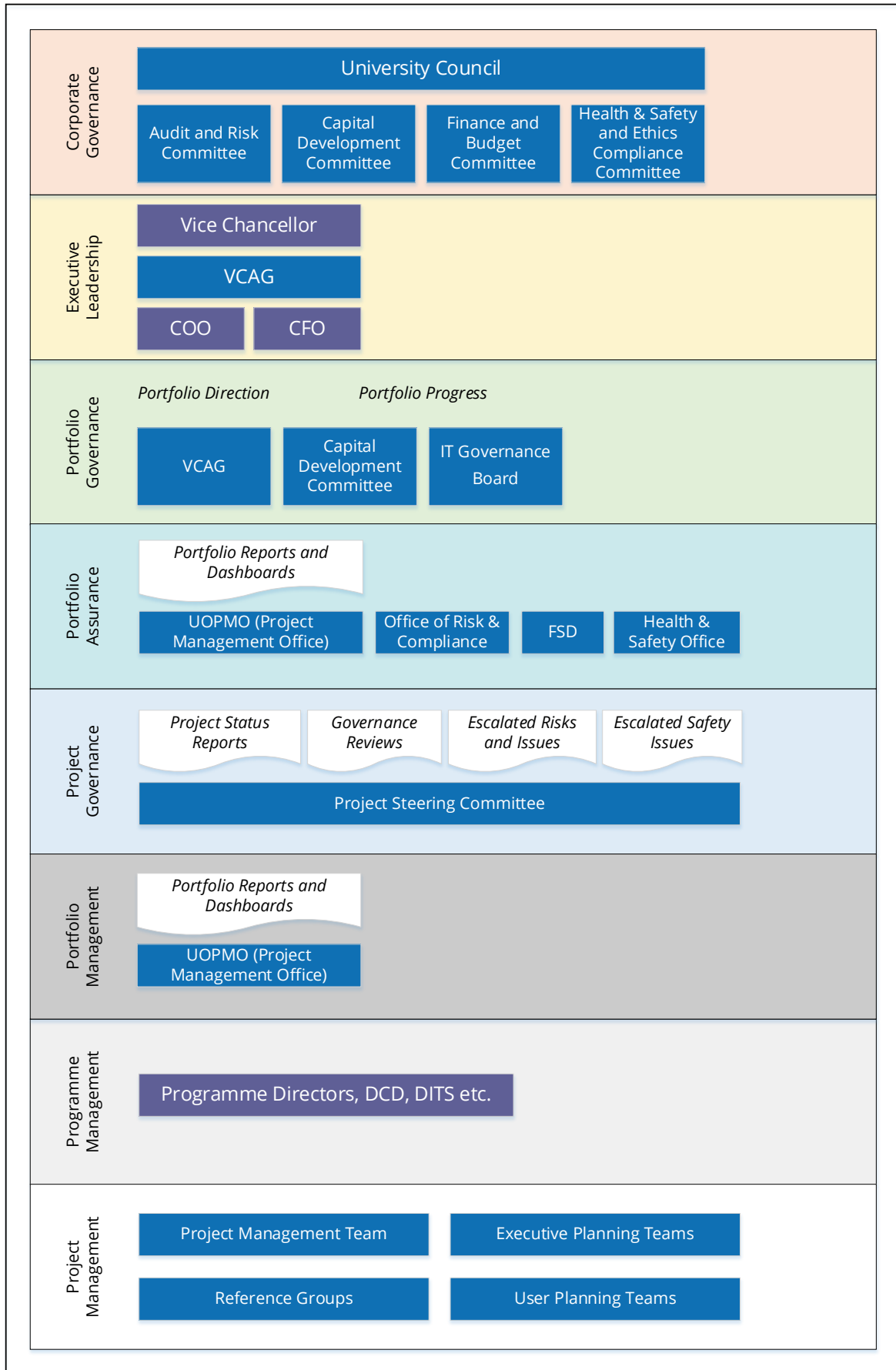| APM's (GoPM) Principle	How this Project Governance Framework addresses this principle
The Board has overall responsibility for governance of project management.	▪ The Vice Chancellor Advisory Group (VCAG) have overall responsibility for the governance of project management at Otago University. ▪ The COO is responsible for ensuring University stakeholders comply with this framework.
Roles, responsibilities, and performance criteria for the governance of project management are clearly defined.	▪ Compliance with this project governance framework is the responsibility of the COO. ▪ The UOPMO is responsible for measuring and delivering approaches to encourage project governance compliance across the University.
Disciplined governance arrangements, supported by appropriate methods and controls, are applied throughout the project lifecycle. Every project has a Sponsor.	▪ The University applies a stage gated 3PM Methodology to all University projects. ▪ Project standards and controls (scaled as appropriate) are consistently applied across all projects. ▪ A Project Sponsor is appointed to every project. The Sponsor or Executive Sponsor must be a member of VCAG.
A coherent and supportive relationship is demonstrated between the overall business strategy and the University's project portfolio.	▪ Portfolio management and governance functions, through robust portfolio definition and delivery cycling, ensure the prioritisation of the collection of projects which will deliver the greatest contribution to strategic objectives, subject to consideration of risk, achievability and resource constraints (including cost / affordability). ▪ The UOPMO Benefits Realisation Management Framework guides the identifying, planning, measuring and tracking of benefits to ensure alignment to the overall University strategy.
All projects have an approved plan containing key points at which the Business Case is reviewed and approved. Decisions made at these points are recorded and communicated.	▪ The project's Business Case is formally reviewed and approved at the end of the Evaluate Stage. These are approvals are communicated to Key Stakeholders and recorded in Sentient – the University's portfolio management tool. ▪ The University applies a stage gated 3PM Methodology to all University projects. Alignment to and progress against the business case is (part of) the focus of all stage gates post Evaluate Stage.

APM's (GoPM) Principle	How this Project Governance Framework addresses this principle
Members of project decision-making bodies have sufficient representation, competence, authority and resources to enable them to make appropriate decisions.	▪ The University provides guidance on appropriate appointments of the Executive Sponsor, Project Sponsor, Project Owner(s) and the membership of the Project Steering Committee. ▪ UOPMO provides professional support for University's staff who are engaged in Project Governance, Business Case Development and Project Management activities.
The project's Business Case is supported by relevant and realistic information that provides a reliable basis for making decisions.	▪ The University uses the New Zealand Treasury's Better Business Case (BBC) Framework to guide development of its project business cases. ▪ Business Cases valued >$250k (and others at the discretion of UOPMO), are developed by a UOPMO Business Case Lead who is certified in the BBC methodology, or is supervised by an accredited individual. ▪ Business Cases valued >$500k are quality assured by either the University's Head of UOPMO or Portfolio Manager before submission to the COO, CFO and governance bodies.
The Board, or its nominated delegates, decide when independent scrutiny of projects and project management systems are required, and implement such scrutiny accordingly.	▪ The Executive Sponsor, as per their financial delegation, decides whether to use independent bodies for the assurance of projects under their executive direction. ▪ The Sponsor or Executive Sponsor must be a member of VCAG. ▪ As per the Project Quality Assurance Procedure, UOPMO has the authority to apply independent scrutiny of projects and project management systems as required.
There are clearly defined criteria for reporting project status, and for the escalation of risks and issues to the levels required by the organisation.	▪ Risks raised throughout the project are recorded in project registers within Sentient – the University's Portfolio Management software. All projects produce status reports fortnightly in Sentient. ▪ Risks considered High or Very High, must be escalated to Project Steering Committees. ▪ UOPMO coordinates risk reporting at the portfolio level, escalating risks to Senior Suppliers, Portfolio Governance and Executive leadership, where applicable. ▪ Project issues and risks assessed as High or Very High are escalated to Portfolio Governance via dashboard reporting. ▪ Any project risks that threaten the health and safety of staff, students or visitors must be reported to the Health, Safety and Compliance Committee.
Project stakeholders are engaged at a level that is commensurate with their level of importance to the organisation, and in a manner that fosters trust.	▪ The UOPMO Stakeholder Engagement Framework guides the identification, analysis and engagement of the University's project stakeholders. The framework is based on the International Association of Public Participation (IAP2). ▪ Engaging Otago's students is guided by UO's Student Engagement Framework. This document outlines the key communication methods and tools to appropriately engage the wider UO student body.
The organisation fosters a culture of improvement and of frank, internal disclosure of project information.	▪ UOPMO's 3 Year Plan and associated KPIs are set against P3M3 maturity improvements. ▪ The UOPMO Project Management Competency Framework fosters a culture of professional improvement.

University governance interacts with project roles, responsibilities, accountabilities and controls in the following way:

Legend:
- Groups
- Individuals
- *Documents*

Corporate Governance
- University Council
  - Audit and Risk Committee
  - Capital Development Committee
  - Finance and Budget Committee
  - Health & Safety and Ethics Compliance Committee

Executive Leadership
- Vice Chancellor
- VCAG
- COO
- CFO

Portfolio Governance
- *Portfolio Direction*
- *Portfolio Progress*
  - VCAG
  - Capital Development Committee
  - IT Governance Board

Portfolio Assurance
- *Portfolio Reports and Dashboards*
  - UOPMO (Project Management Office)
  - Office of Risk & Compliance
  - FSD
  - Health & Safety Office

Project Governance
- *Project Status Reports*
- *Governance Reviews*
- *Escalated Risks and Issues*
- *Escalated Safety Issues*
  - Project Steering Committee

Portfolio Management
- *Portfolio Reports and Dashboards*
  - UOPMO (Project Management Office)

Programme Management
- Programme Directors, DCD, DITS etc.

Project Management
- Project Management Team
- Executive Planning Teams
- Reference Groups
- User Planning Teams

PART C: PORTFOLIO GOVERNANCE

Portfolio Management is a coordinated collection of strategic processes and decisions that together enable a more effective balance of organizational change and business as usual. Portfolio Management concerns the twin issues of how to do the 'right' projects and programmes in the context of the organization's strategic objectives, and how to do them correctly in terms of achieving delivery and benefits at a collective level. The Association for Project Management defines portfolio governance as:

"the selection, prioritization, and control of an organisation's projects and programmes in line with its strategic objectives and capacity to deliver. The goal is to balance change initiatives and business-as-usual while optimizing return on investment."
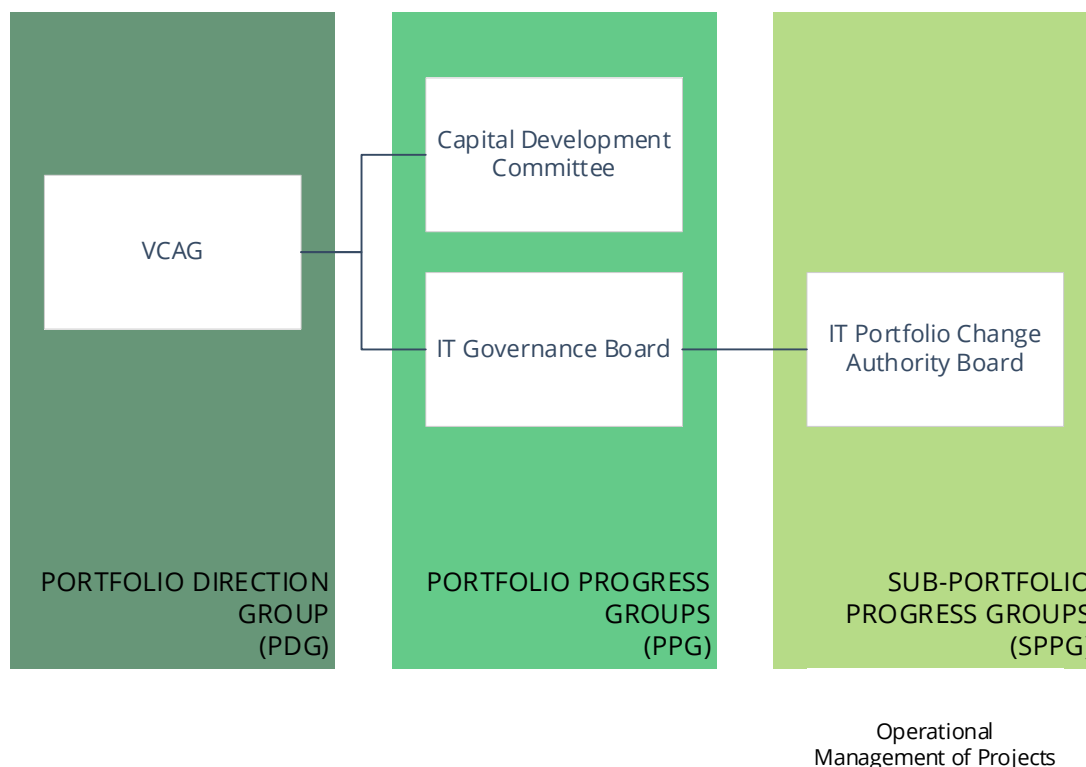
Research and practical experience indicate that a key factor behind successful portfolio management is effective governance of the portfolio, i.e. clarity about what decisions are made, where and by whom, and what criteria are used in reaching those decisions. Effective portfolio governance also means that the governance of the portfolio needs to reflect, and be consistent with, the wider organisational governance model. Portfolio decision-making should therefore be aligned with, and reflect, the wider organisational governance structure. Keys to success include:

Key	Explanation
Active engagement	The management board (or sub-board if portfolio functions are delegated) must make decisions regarding prioritisation of initiatives within the portfolio, and subsequently decide what action is required in response to shifts in business priorities and slippage on initiatives. This in turn requires that they are actively engaged in the process.
A senior management champion	An executive leader must champion portfolio management. Also known as Portfolio Director, they must actually do what they say in demonstrating personal commitment to the portfolio approach.
A shared vision for the portfolio	The management board should agree a compelling vision for the portfolio. This vision, along with strategic value drivers, should be widely disseminated (so managers can see how it relates to the organisation's strategic objectives) and should be in included in portfolio delivery planning as well as the portfolio dashboard report to keep the ultimate objective at the forefront of people's attention.
Clarity about governance	Ensure the governance structures, processes, escalation routes, tolerance/control limits and roles descriptions are clearly defined and included in applicable frameworks and service delivery models.
Regular reviews of business cases and progress	Ensure that the business change lifecycle incorporates regular reviews of continued business justification and strategic alignment – both at the individual initiative level (stage gates) and for the portfolio as a whole.
Shared understanding of the governance structure and processes	Ensure that all key stakeholders have a clear and shared understanding of the governance processes and structure.

Otago's Portfolio Governance Structure

Best practice portfolio management states that decisions about inclusion in the portfolio and the responsibility for oversight of portfolio progress lie respectively with a portfolio direction group (PDG) and a portfolio progress group (PPG), with potentially separate committees for each portfolio segment reporting to the main board. Generic descriptions of each are included in Appendix B.

In the University of Otago's context portfolio governance is setup as follows:

PORTFOLIO DIRECTION GROUP (PDG)	PORTFOLIO PROGRESS GROUPS (PPG)	SUB-PORTFOLIO PROGRESS GROUPS (SPPG)
VCAG	Capital Development Committee / IT Governance Board	IT Portfolio Change Authority Board

Operational
Management of Projects

Portfolio Monitoring and Reporting

UOPMO has a responsibility for continuous improvement of the University's ability to successfully implement projects. In order to measure progress, the UOPMO will monitor, review and report on the projects within the Portfolio.

- A register and accompanying dashboards will include information on all projects.
- A regular reporting cycle will monitor progress against objectives.
- Audits, reviews, and health checks will provide in-depth information about specific projects or Programmes.

Portfolio Monitoring

UOPMO has a responsibility for continuous improvement of the University's ability to successfully implement projects, including quality assurance reviews. Quality assurance is a planned and systematic process that provides confidence that project outputs will match their defined quality criteria. It is carried out independently of the project team.

The Project Quality Assurance Procedure outlines the mechanisms through which the quality of project outputs, performance of project management processes and the ongoing viability of initiatives are monitored. Please review the Project Quality Assurance Procedure here.

A risk-based approach will be undertaken with more reviews occurring on higher-risk projects. Quality assurance review types include:

Audits

A project audit is a formal review of a project, intended to assess the extent to which project management standards are being upheld. They are a management tool used to verify compliance and enable senior management to evaluate an initiative against pre-agreed criteria.

UOPMO has the authority to initiate audits at both the initiative and the portfolio level. UOPMO will undertake regular audits by way of a sampling review (e.g. 10% random sampling per annum). Audits resulting from the need for an intervention can be undertaken in conjunction with the Office of Risk, Assurance and Compliance and/or a third party at the discretion of UOPMO.

Health Checks

A health check is different to an audit in that it does not check compliance against a standard. The aim of a health check is to understand what is going well, what is not working, and where there are opportunities for improvement. The Health Check should also determine why something is not working, to ensure that root causes are appropriately addressed.

A Health Check will consider:

- How is the project performing against its objectives?
- Is the project under control?
- Is there an acceptable level of risk?
- Do the project status reports reflect a true and accurate picture?
- What are the perceptions of the stakeholders?
- Is the project on track to realise the benefits as articulated in the business case?

Stage Gate Reviews

The 3PM uses a stage gated methodology and comprises 5 stages (as shown in blue below). Details on the 3PM Methodology can be found here.
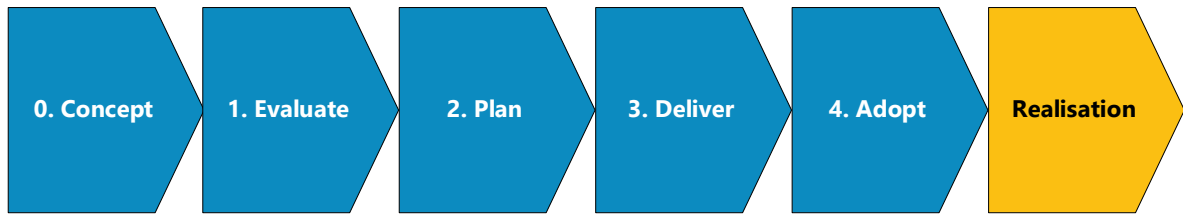
The stage gate methodology divides the project into distinct stages separated by decision gates. Each stage in the 3PM Methodology ends with a Stage Gate Review, the purpose of which is to ensure the project has successfully achieved all the objectives intended and relevant in the current stage, and is still on track to deliver its planned benefits, before proceeding to the next stage. Each stage has different entry criteria and exit criteria. On exiting the stage, the project then moves to the gate where reviews are completed.

The IT Portfolio Change Authority Board (for IT projects) or UOPMO (for construction projects) and the Steering Committee function (for all projects) are the authorised gate keepers to either approve or decline the project moving to the next stage.
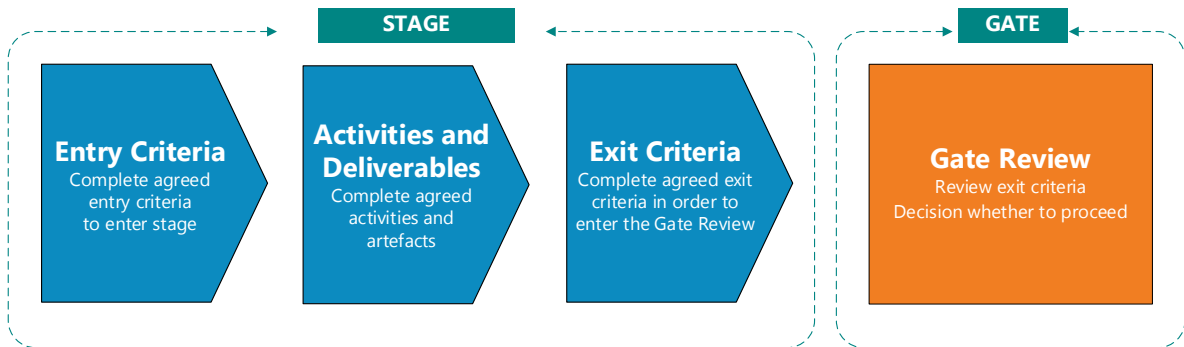
Post-Implementation Reviews and Lessons Learned

Whilst the University of Otago is committed to undertaking a form of post project review on all registered projects, the University's Post Implementation Review (PIR) Procedure applies to all University of Otago capital projects greater in value than $500k, and others selected at the discretion of the Vice-Chancellor and/or Chief Operating Officer. The scope of the PIR will vary based on project value, scope, scale and criticality. Please review the Post Implementation Review (PIR) Procedure here.

A lessons learned library will be maintained which allows the organisation to avoid making the same mistakes.

Portfolio Reporting

UOPMO will maintain a project register. This register is a database of project-related information and data for active and closed projects, which will be kept for all projects. It provides a 'whole of portfolio view' of projects, and filters will be applied to create different reports regarding the University Project Portfolio. The register and accompanying dashboards will derive information from the University's enterprise portfolio management system, Sentient.

Sentient, which is owned and maintained by the UOPMO, is the single source of truth for project information and status. Project status reports are created fortnightly, whilst a portfolio dashboard is available through Sentient – specifically designed to give an overview of the University's portfolio with real-time data available at any given time. Sentient is kept updated regularly by UOPMO staff, Project Managers and members of project teams. As such, the quality of the information in the project register and accompanying dashboards will be determined by the quality of the information maintained by the Project Team.

Portfolio Reporting Requirements for Portfolio Governance

Reporting for all forms of portfolio governance takes three forms:

1. A projects register report which include projects 'above the line' i.e. projects that are in flight and being worked on, as well as projects 'below the line' i.e. projects that are queued awaiting start and/or assessment. This report lists key information on fund source, current 3PM stage, high level commentary, key milestones and key financials.
2. A portfolio dashboard which contains graphical information on portfolio forecasts and budgets, projects per 3PM stage and portfolio health assessments.
3. A library of (executive summary) project status reports extracted from Sentient for all projects over a certain budget threshold and/or deemed high risk, in in-flight 3PM stages (i.e. Plan, Deliver and Adopt). It contains information on: project details, indicators (status flags), a management summary and achievements since last report, decisions required by the PSC and next steps (for next fortnight), a financial summary, benefits, key issues, key risks, progress against key milestones, change requests.

In addition to the above reporting, an interactive portfolio dashboard is available through Sentient specifically designed to give an overview of the University's portfolio with real-time data, available at any given time.

PART D: PROJECT AND PROGRAMME GOVERNANCE

Categorising a Project

University Projects will vary in size and complexity, impacting their overall risk profile. Project management disciplines, project governance, and reporting requirements will vary according to the size, complexity and risk profile of the project. The risk profile of the project should be determined by the Project Sponsor in conjunction with UOPMO and the relevant Operations Division Director (re project delivery). The project risk profile should be determined as early as possible after project initiation. Tools are available to assist with categorising both Campus Development and IT projects:

- For Campus Development projects the Campus Development Business Case Scoping Tool is available here.
- For IT projects the IT Business Case Scoping Tool is available here.

Each of the aforementioned tools provides an Overall Project Risk Rating. UOPMO is available to assist staff with applying the framework to projects, however, depending on the project risk profile, the following applies:

Requirement	Low	Medium	High
Project Sponsor	Mandatory	Mandatory	Mandatory
VCAG member as Project Sponsor			Mandatory
Project Steering Committee (PSC)	Recommended	Mandatory	Mandatory
Status reports submitted to VCAG and CDC		Mandatory	Mandatory
Executive Planning Team (EPT)			Recommended
Project Control Group (PCG)		Mandatory	Mandatory
Project Manager (dedicated / qualified)		Mandatory	Mandatory
Change Manager			Mandatory
Business Case	Mandatory	Mandatory	Mandatory
Project Management Plan	Recommended	Mandatory	Mandatory
Benefits Realisation Plan		Mandatory	Mandatory
Completion Report	Recommended	Mandatory	Mandatory
Post Implementation Review		Mandatory	Mandatory
Committee Minute Taking	*	*	Mandatory

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* Whilst full minute taking is not mandatory, Decision Logs and Action Lists must be produced and circulated by the Project Manager. This is to be agreed with the Project Sponsor. Committee's can also agree to audio recording of the meetings, which can then be saved on the Project's OURDrive site.

Project Initiation

For new initiatives, even those where an estimated level of funding has been identified and ringfenced within the overall portfolio budget, business cases must be prepared and approved prior to funds being released. Approval through portfolio definition is not a substitute for a robust and compelling business case, which is the key project approval artefact.

UOPMO provides a step by step guide to developing a project business case. The process is aligned to NZ Treasury's Better Business Cases (BBC), which is based on the UK Treasury Five Case Model. The five cases are: Strategic, Economic, Commercial, Financial and Management. Each 'case' covers a distinct, yet interrelated, aspect of a robust investment appraisal. When combined the cases tell a story of the proposed investment to make the business case. Please review the Business Case Framework here.

Project Stakeholders

A Stakeholder is any individual, group, or party that has an interest in the project and its outcomes. Stakeholders can influence the success of a project, and should be engaged at the right time, in the right way to ensure their relationship with the project remains constructive – ideally supportive.

The University has identified the following groups as Key Stakeholders to its operations:

- Alumni
- Business, Industry and Commercial Enterprise
- Central Government and its Agencies
- Employer and Professional Groups
- Higher Education and Research Organisations
- Local Government and Community
- Ngāi Tahu and other Iwi Partners
- Pacific Peoples
- Staff
- Students
- Other Strategic and Collaborative Partners

Projects must ensure that relevant Key Stakeholder interests are represented in project decision making, be that through internal or external representation on decision making bodies or advisory groups. The University's approach to stakeholder engagement on projects, the six key principles that should always be applied when engaging with stakeholders, and approach to categorising stakeholder levels of engagement are detailed further in its Project Stakeholder Engagement Framework here.

Committee Roles and Responsibilities

Details on project committee roles and responsibilities are linked below:

- Project Steering Committee (PSC)
- Project Control Group (PCG)
- Executive Planning Team (EPT)
- User Planning Teams (UPT)
- Reference Group

Individual Roles and Responsibilities

Details on individual project roles and responsibilities are linked below:

- Project Sponsor
- Project Owner
- PSC Chair
- Project Manager
- Project Team
- Change Manager
- Business Case Lead
- Senior Supplier
- Senior Users

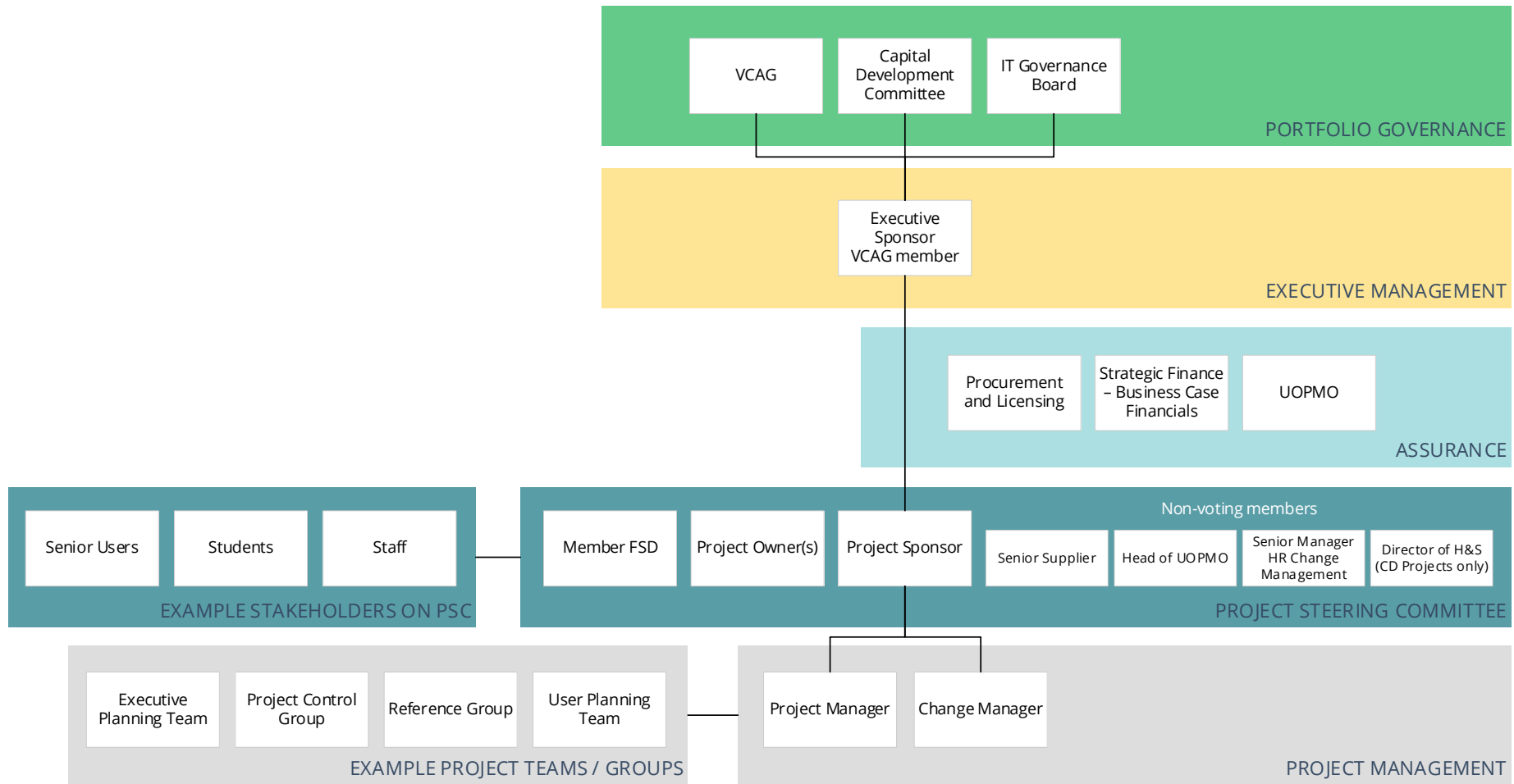## Project Governance Role Caps

The following caps apply to all staff involved in the delivery of projects:

- One individual may not Sponsor more than 5 projects/programmes concurrently;
- One individual may not act as the Project Owner on more than 5 projects/programmes concurrently;
- One individual may not sit as a voting member of a Project Steering Committee on more than 10 projects/programmes concurrently.

Project Governance Structures

All University projects and programmes will have a standard underlying structure which provides strong governance according to this framework. UOPMO can assist the Project/Programme Sponsor and the Project/Programme Manager to tailor this structure to their initiative.

The following project structure can be used as a guide to inform University project organisations. A bespoke structure may be required for projects >$2.5m, or that involve multiple-agencies. Project/Programme Sponsors and Project/Programme Managers should contact the UOPMO for support in this instance.

PORTFOLIO GOVERNANCE
- VCAG
- Capital Development Committee
- IT Governance Board

EXECUTIVE MANAGEMENT
- Executive Sponsor VCAG member

ASSURANCE
- Procurement and Licensing
- Strategic Finance – Business Case Financials
- UOPMO

EXAMPLE STAKEHOLDERS ON PSC
- Senior Users
- Students
- Staff

PROJECT STEERING COMMITTEE
- Member FSD
- Project Owner(s)
- Project Sponsor

Non-voting members
- Senior Supplier
- Head of UOPMO
- Senior Manager HR Change Management
- Director of H&S (CD Projects only)

EXAMPLE PROJECT TEAMS / GROUPS
- Executive Planning Team
- Project Control Group
- Reference Group
- User Planning Team

PROJECT MANAGEMENT
- Project Manager
- Change Manager

Campus Development Specific Project Governance Structures

The below diagram outlines a standard governance structure which can be tailored to suit Campus Development projects of all sizes and risk profiles. For some projects a more complex structure is required, although the standard structure is still apparent. An example of a more complex structure is outlined in the second diagram.

Points to note about this structure:

- For larger projects which have many User Planning Teams (UPTs) or reference groups, an Executive Planning Team (EPT) an Organisational Change Manager is required. Each of these roles is explained more fully in the following sections.
- The responsibility for Health and Safety is written into specific role descriptions. However, it is stated here for the sake of clarity, Health and Safety is the responsibility of each committee and individual outlined in the framework.

Standard CD Governance Structure
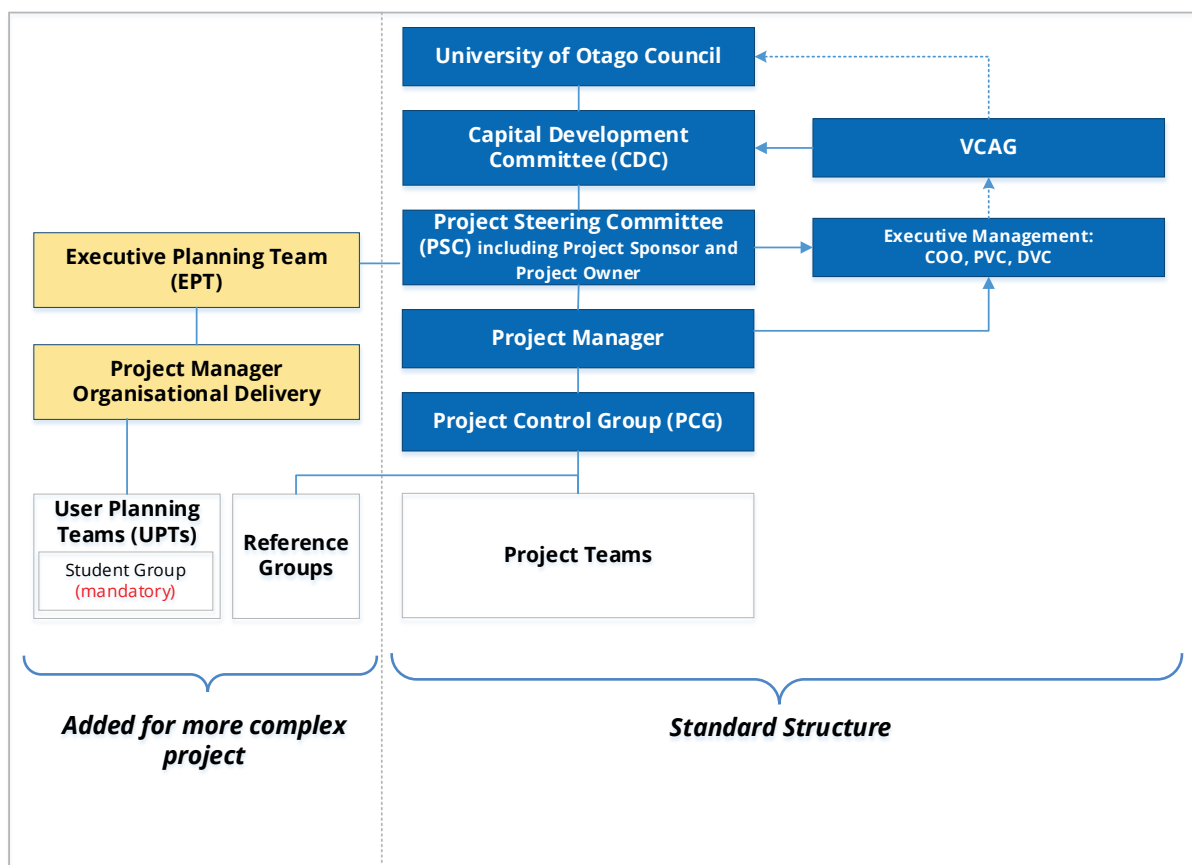
Complex CD Governance Structure
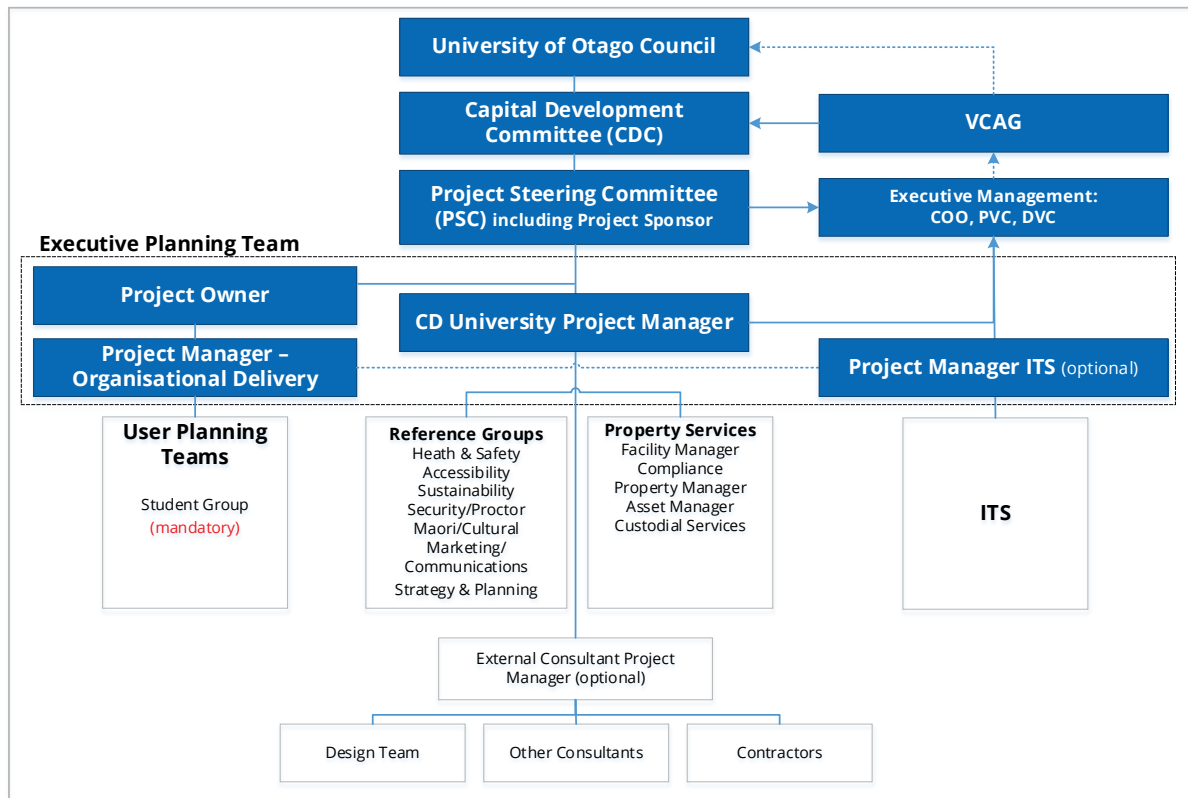
Project Documentation and Reporting

Effective project governance relies on timely and accurate monitoring and reporting of project progress and performance. This section is designed to be a reference guide for projects when establishing a reporting structure. It should also be useful to existing projects as a check of the robustness of their reporting.

Project Management Tools / Systems

Project Managers will naturally use a range of tools to manage different aspects of their projects. This framework recognises that Project Managers must be able to be able to use the tools which are fit-for-purpose and appropriate to their specific situation. However, the use of certain tools and systems for specific activities is mandated under this framework and the University's 3PM Methodology. These are detailed below.

Sentient

Sentient is the University's project portfolio management (PPM) system that helps track and report on projects within its wider portfolio. Sentient is owned and maintained by the UOPMO.

Sentient is the single source of truth for project information and status. Sentient must be kept up to date by Project Managers. Project status reports are submitted fortnightly and are the basis

for reporting to project level governance (i.e. project steering committees). Project status reports contain information on: project details, indicators (status flags), a management summary and achievements since last report, decisions required by the PSC and next steps (for next fortnight), a financial summary, risks, issues, milestones, benefits and change requests.

Sentient is also used as a document repository for key project audit information such as:

- Strategic Assessment approvals;
- Feasibility Funding approvals;
- Business Case approvals;
- Change requests to approved budget or benefits;
- Project Completion Reports;
- Post Implementation Reviews;
- Post Occupancy Evaluations;
- Benefits Realisation Reviews;
- Relevant memos from Portfolio Governance bodies.

3PM Artefacts / Deliverables

The 3PM Methodology is a framework of actions and deliverables based on principles and concepts drawn from industry best practice. It provides a standard approach to University of Otago project management for project professionals. It has been tailored / designed to cater for all University projects, providing a list of "must complete" artefacts to help set the project up for successful outcomes and benefits realisation.

Other Tools / Systems

Any additional project management tool which is adopted must be compliant with the aspects of project management governance which are outlined in this document. Any systems should also comply with other University policies such as privacy and information security. Project Managers are responsible for ensuring that there is a direct correlation between systems adopted by the Project Team and other reporting systems (for example, Sentient, Finance 1, Aconex, Jira, MS Teams) and the information in the project's OURDrive site. This will ensure that data sets used for reporting at all levels are consistent and accurate.

Required Project Record Keeping

A complete set of project-related information and data must be kept for all projects (project proposals, active projects, and closed projects).

- Project documents are maintained by the Project Manager in the project OURDrive site.
- A full set of project documents is required to support audits, health checks, reviews and post-implementation reviews.
- Certain documents must be saved in their original form to ensure a clear and accurate history of the project.
- When a project is closed, this site will be archived as 'read only' for long term retention.

The University recognises information as a key strategic asset that underpins all University activities. Compliant digitisation of University records can represent a significant cost. If existing paper source information will be digitally converted (and the paper subsequently destroyed) as part of a project, then consideration should be given to how this will be funded as part of the project budget. For further information refer to the [Digitisation of Records Procedures](#).

Project OURDrive Site

Projects create a large quantity of information (documents and other project records). The University OURDrive system provides a secure location for all project information. Each project will have an OURDrive site where current project documents and other project records will be kept. The OURDrive project site must provide a full historical record of the project and will form the basis of audits, health checks, reviews, and post-implementation reviews. The Project Manager is responsible for ensuring the relevant OURDrive project site is kept up to date for their active projects. The OURDrive project site must also be updated on achievement of significant project milestones and where final version project artefacts / deliverables are approved (including those are facts mentioned above under the Sentient section).

In some circumstances, a project may need to store draft records or documents in an alternative site for convenience or efficiencies (for example Aconex or Microsoft Teams). It is important that this arrangement is agreed with the UOPMO to ensure that critical documents have a long-term archival strategy, and that other parties have access to the information they need. Regardless, final versions of key 3PM deliverables must be stored on OURDrive as well as any contracts.

Conflict of Interest Reporting

Projects are required to comply with the University's conflict of interest policies and procedures. Advice and support in this compliance can be sought from the Head of Risk, Assurance and Compliance. The Office of Risk, Assurance and Compliance maintains a formal register which declares all such interests, particularly pecuniary interests. The University's Conflicts of Interest Policy can be reviewed [here](#).

In addition to the above, a memorandum on the Conflict of Interest Procedure relating to Project Steering Committees can be found [here](#). Of relevance is the confirmation that approving authorities must identify if a conflict exists when signing their approval. Therefore, when the Evaluation Panel Recommendation document is presented to the Project Steering Committee, it is the responsibility of the Chairperson to ask the committee members if they have a conflict of interest to declare and this question and their collective response should be recorded in the minutes.

Health and Safety Reporting

Given the serious nature of Health and Safety, escalated safety issues can be escalated through both operational management, project and organisational governance paths. The reporting will be through two mediums:

- PSC Reports
- The University's Health and Safety management system.
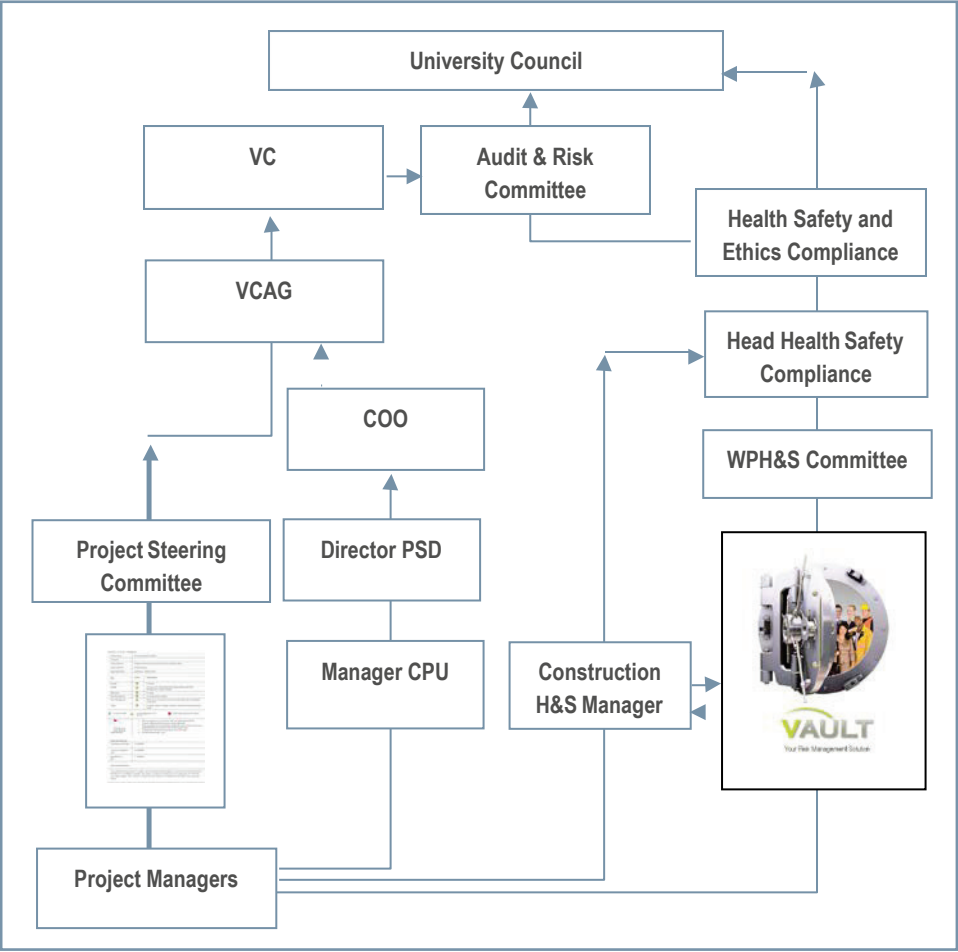
PART E: ACHIEVING COMPLIANCE

P3M3 Maturity Assessment

P3M3 (also known as the Portfolio, Programme and Project Management Maturity Model) is an industry standard maturity model looking across an organisation at how it delivers its projects, programmes and portfolio(s). P3M3 is unique in that it looks at the whole system and not just at the processes.

In August 2017 Pricewaterhouse Coopers were engaged to undertake a P3M3 maturity assessment of the University. Overall, the majority of practices were classified at Level 2, which represents a basic or 'Repeatable' process.

Globally, 80% of PMOs operate below Level 3. The University's goal is to Achieve Level 4 Project Management Maturity. According to Gartner, bridging the gap from level 2 to 3 and beyond will require a focus on value (benefits) and better Portfolio Management.

The University's Project Governance Framework will support the University achieve this goal, although this is dependent on the capability and cooperation of its project staff.

Supporting Staff to Comply

The University assumes that most staff want to comply with its internal project governance framework - staff want to do the right thing, at the right time, in the right way. The University's approach to compliance is therefore less about policing and punishment, and more about creating an environment where project staff have clear instruction, support and incentives to encourage voluntary compliance at all times.

However, where project staff have clearly side-stepped University or project policies and procedures, the University will act quickly to reprimand this behaviour in a manner proportionate to the concern.

The COO is accountable for the University's compliance with its project governance framework.

UOPMO is responsible for delivering a range of approaches to encourage compliance with the framework. The key principles the UOPMO follow are:

1. Make it Easy

Ensure UO's project governance information is timely, easy to understand, easy to find

Incoming or new project staff should be provided with a comprehensive induction to the University and its project environment. This should be supported with appropriate materials provided in their first week that fully orient them to the governance framework and what they need to know and do to be compliant in our project operating environment.

Templates and additional guidance that is available on OurDrive will be regularly reviewed to ensure it is clear, consistent and easy to navigate. Materials or guidance that become obsolete overtime will be removed.

Inaugural Project Steering Committee Meetings will be supported by UOPMO educational sessions that provide guidance on the roles and responsibilities of PSC members and will cover relevant content of the Project Governance Framework.

UO project processes, e.g. Business Case development, will be communicated to all Project Managers to ensure consistency across project practice.

Ensure all project governance templates default to a fully compliant model

As a general rule, project management should be tailored so that it is proportionate to the project's size and risk. However project templates can be automatically populated with content that proposes from the outset, a fully compliant project governance approach. This reduces the likelihood that Project Managers will deviate from compliant practice by accident, assuming the psychology of norms.

Projects that require less project governance based on their size or significance will need to be intentionally tailored by the Project Manager. This will encourage project governance to be more robust than less, as deviation will be built in as exception.

2. Project Management Support

Create Project Management checklists

Ensure Project Managers have access to a comprehensive checklist of activities and artefacts to be delivered at the end of each stage, and make these checklists available as early as possible to ensure their delivery is anticipated and planned.

Share best practice regularly

Use the UOPMO's Community of Practice to promote and encourage Project Governance compliance, using real case studies from UO projects to demonstrate governance in practice.

Ensure that staff engaged in compliant projects are sufficiently recognised.

Provide continuing professional development opportunities

Ensure that timely and appropriate learning and development opportunities are available for project staff that is relevant to their professional area, or in areas that require further support.

Ensure that project staff who are struggling, receive appropriate attention as quickly as possible.

3. Accountable staff

Non-compliance with the University's Project Governance framework will always be a risk, especially when there are financial incentives to do so. Ensure that staff who are wilfully non-compliant with the University's Project Governance framework are proportionately reprimanded.

Doing so, not only moves to correct that individual or group's behaviour but encourages and justifies continued compliance by project staff who already are.

4. Routine monitoring

Routine project audits will be scheduled to ensure projects are sufficiently compliant with this framework. This encourages staff to comply with the University's project governance framework as a way to avoid negative attention, but it also provides opportunities for the UOPMO to provide support and direction to project staff who are unintentionally non-compliant. It also ensures that UOPMO is sufficiently aware of structural or systemic reasons for non-compliance and have opportunities to address this proactively.

Staff Capability

Approach to Building Capability

UOPMO has developed an approach to Learning and Support to build knowledge and skills across three project knowledge areas: Project Governance, Business Case Development and Project Management.

The framework is based on Modern Learning Ecosystem (MLE)™ which deliberately moves away from using individual, siloed 'one-off' training solutions to an 'ecosystem' which comprises of many learning and development options that support the ways project staff work and learn. It emphasises the importance of integrating learning into the day-to-day project work, encouraging staff to pull these resources as and when required.

The framework consist of six levels of support;

- **Shared Knowledge:** Ensures that staff have quick, simple access to critical documentation and information about relevant University project management processes.
- **Performance Support:** Project staff have an easy way to ask for assistance when they cannot solve a problem themselves, e.g. internal advice, internal social media
- **Reinforcement:** Providing focus on specific topics within the larger shared knowledge base that they need to use immediate action, e.g. emails, newsletters, ezines, training bursts etc.
- **Coaching:** Supporting project staff through observation of behaviour and targeted coaching.
- **'Pull' training:** Structured learning experiences for employees who **want** to enhance their skills but cannot do so without additional guidance e.g. eLearning, classroom based training.
- **'Push' training:** Last resort training, reserved for complex topics, inexperienced employees or regulatory requirements e.g. eLearning, courses .

Building internal capability to deliver projects

UOPMO's model for supporting and developing Otago University's project staff in 2020

LEARNING SOLUTION*	PROJECT GOVERNANCE	BUSINESS CASE DEVELOPMENT	PROJECT MANAGEMENT
Push training (external delivery)	• Governance Masterclasses		
Pull training	• APMG PPS eLearning (ILX)	• Business Case Framework Intro Workshop • Better Business Cases (BBC)	• OU Introduction to Project Frameworks • PRINCE2 • PROSCI Change Management
Coaching			
Reinforcement	• Steering Committee Orientation Sessions		• 2020 Project Management CoP Sessions
Performance Support	• HR Change Management Services • Technical Literacy	• Business Case Development Support	
Shared Knowledge (OUR Drive)	• Project Governance Framework • Guidance for Project Sponsors • Conflict of Interest Policies and Procedures • University Risk Management Framework • Financial Controls	• Business Case Framework • Business Case Process Videos	• Project Governance Framework • Business Case Framework • PM Competency Framework • Project Stakeholder Engagement Framework • Benefits Realisation Management Framework • 3PM Project Methodology and Reference Guide All Stages • 3PM Programme Methodology and Reference Guide All Stages • Sentient Help Files
KNOWLEDGE AREAS	PROJECT GOVERNANCE	BUSINESS CASE DEVELOPMENT	PROJECT MANAGEMENT

*Based on Modern Learning Ecosystem Framework™ (2014)

GLOSSARY OF TERMS

Approve/Approval	The act of formally confirming, sanctioning, ratifying or agreeing to something.
Benefits Leakage	The percentage of total benefits promised in a project's Approved Business Case which the project fails to deliver at completion.
Business Owner	Another term for Project Owner.
CAWSEP	Previous term for Business Case.
Consultant Project Manager	An external Project Manager appointed by the University.
Executive Planning Team (EPT)	A group formed for complex projects to deal with operational and design-related issues.
FF&E	Furniture, Fittings and Equipment.
Governance	The framework by which an organisation is directed and controlled (also refer to project governance).
ISO21500	International Standard on Guidance on project management.
Issue	An event that has happened that may impede the achievement of the project objectives if not resolved.
IT Assets	Software, hardware and network infrastructure fixed assets.
ITS	Acronym for the Information Technology Services Division.
Methodology	A system of practices, techniques, procedures and rules used by those who work in a discipline.
Organisational Delivery Project Manager	A senior person who is well-positioned to maintain a service outcome focus for the project, and acts as the agent of the Project Owner on a day-to-day basis. Also known as the Project Champion.
OURDrive	University of Otago's SharePoint-based document and records management system.
Portfolio	A Portfolio may include any number of Projects, Programmes, Sub-Portfolios and Operations, from the same or different business units of the organisation, managed as a group to achieve strategic objectives.
Programme	A temporary, flexible organisation created to co-ordinate, direct and oversee the implementation of a set of related projects and activities in order to obtain befits and control not otherwise available from managing them individually. Programmes may include elements or related work outside of the scope of the discrete projects in the programme. Also can refer to the time schedule of a project.
Project	A temporary work effort undertaken to create a unique product, service or result.
Project Champion	See Project Owner.

Project Control Group (PCG)	The primary working group which coordinates the management of the project on a day-to-day basis from start to completion.
Project Director	The Project Director provides the Project Manager with the specialist resources and skills necessary to develop and/or deliver a project to an agreed Scope, quality, schedule and budget.
Project Governance	Governance is the framework by which the organisation directs and controls its projects. Project governance includes, but is not limited to, those areas of organisational governance that are specifically related to project activities.
Project Life Cycle	A collection of generally sequential Project Phases whose name and number are determined by the control needs of the organisation involved in the project.
Project Management	The application of knowledge, skills, tools and techniques to project activities to meet the project requirements. This term is often used in a context which includes the management of not only Projects but also Programmes and Portfolios.
Project Management System	An information system that contains the tools and techniques used to gather, integrate and disseminate the outputs of project management processes. Can also refer to the aggregation of the processes, tools, techniques, methodologies, resources and procedures to manage a project.
Project Management Plan	A formal, approved document that defines how the project is executed, monitored and controlled. It may be summary or detailed and may be composed of one or more subsidiary management plans and other planning documents.
Project Manager (PM)	The person assigned by the performing organisation to achieve the project objectives.
Project Owner	A senior person representing the body for whom the project is being undertaken (typically an operational manager) who will manage the operational (BAU) aspects of the project solution and who is best positioned to achieve the benefits of the project.
Project Phase	A collection of logically related project activities, usually culminating in the completion of major deliverables.
Project Register	A database of project-related information and data which is kept for all active and closed projects.
Project Sponsor	The Project Sponsor has accountability and responsibility for a project, and acts as the link between the management of a project and the organisation's senior executive (Vice Chancellor), senior executive body (VCAG) and University Council sub-committees.
Project Steering Committee (PSC)	The key body within the Project Governance structure which is responsible for the business issues associated with the project that are essential to ensuring the delivery of the project outputs and the attainment of project outcomes.

Project Team	All the Project Team Members, including the Project Management Team, the Project Manager and the Project Sponsor.
Project Team Members	The persons who are responsible for performing project work as a regular part of their assigned duties.
Project Working Party (PWP)	A previous term for Project Steering Committee (PSC).
Risk	An uncertain event or condition that, if it occurs, will have a positive or negative effect on the project's objectives. Risks are potential events that could lead to issues.
Risk Register	A document containing the results of the qualitative risk analysis, quantitative risk analysis, and risk response planning. The Register details identified risks including description, category, cause, probability of occurring, impact on project, proposed responses, owners and current status.
Scope	The sum of the products, services and results to be provided as a project.
SharePoint	SharePoint is a web application platform in this instance used to implement OURDrive.
Stakeholder	Person or organisation that is actively involved in the project or whose interests may be positively or negatively affected by execution or completion of the project. For ease of management, stakeholders can be grouped into (i) high influence / high importance, (ii) high influence / low importance, (iii) low influence / high importance and (iv) low influence / low importance.
User group	See User Planning Team.
User Planning Team (UPT)	A group including faculty, students or other occupants of the proposed building / users of the proposed system. Also known as user groups.

APPENDIX A - CAUSES AND CONSEQUENCES OF PROJECT GOVERNANCE FAILURE

A good governance framework and structure does not guarantee good outcomes, however, the lack of a framework, or a bad structure, is known to diminish the likelihood of project success. Reviews and case studies into the major causes of project failure place governance related failures into two categories:

- Inadequate project governance structure.
- Unclear or poorly defined roles, responsibilities and accountabilities.

More specific causes of governance failure are:

- Insufficient executive support.
- Excessive, or inappropriate committee membership.
- Weak leadership or lack of governance skills.
- Poor project team cohesion leading to confusion, team turn-over and low morale.
- Lack of understanding of the project governance role by the project team. This results in inadequate or inappropriate support for effective project governance (e.g. lack of transparency, poor communication, withholding of 'bad news').
- Lack of considerations of whole-of-life impacts on project decisions (e.g. decisions made to reduce initial project costs by compromising sustainability, or increasing future operational costs).
- Confusion between the project and organisational decision-making structures.
- Not heading lessons that have already been learned.
- Assuming all is well unless told otherwise.
- Committees can be overly risk-averse, insisting on consensus in decision making, which can in turn:
    - Result in delays.
    - Compromise outcomes through unnecessary input from peripheral interests.
    - Distract from the best value result by reducing the impact of the essential facts.
    - Confuse accountability for the decision.
    - Failure to communicate fully and appropriately on a timely basis.
    - Failure to specify or accept decision-making authority and responsibilities.
    - Indecision (and slow decision making), lack of project direction and control.

If Governance issues are left unchecked, projects risk the following outcomes:

- Non-alignment of key stakeholders.
- Cost and time over-runs.
- Inappropriate probity practices.
- Over emphasis on rote reporting, reducing meetings to status updates rather than appropriate decision-making.
- Poor contract management.
- Failure to deliver benefits to the organisation.

APPENDIX B - PORTFOLIO GOVERNANCE BOARD DESCRIPTIONS

PORTFOLIO DIRECTION GROUP (PDG)

aka Investment Committee

Role purpose

This is the governance body where decisions about the inclusion of initiatives in the portfolio are made. No initiative should be included within the portfolio or funded without its approval.

Responsibilities

- Agree the portfolio management framework.
- Agree the processes contained within the portfolio definition cycle and ensure that they operate effectively.
- Approve changes to the practices within the portfolio definition cycle.
- Approve changes to the practices within the portfolio delivery cycle.
- Approve the portfolio strategy and delivery plan.
- Receive investment appraisal and portfolio prioritisation reports and decide on the scope and content of the portfolio.
- Ensure the portfolio is suitably balanced.
- Ensure that resources are allocated appropriately and that that limited resources are managed effectively and efficiently.
- Ensure that the portfolio development pipeline contains sufficient pre-flight initiatives (concept and evaluate stages) and that initiatives progress through the pipeline at adequate speed.
- Undertake regular portfolio level reviews to assess progress and confirm that the portfolio remains on course to deliver the desired strategic benefits and outcomes.
- Review recommendations from the PPG and make decisions accordingly.
- Ensure that any conflicts between portfolio delivery and BAU that cannot be resolved by the PPG are addressed effectively.
- Promote collaborative working across the organisation.
- Undertake periodic review of the effectiveness of portfolio management within the organisation and take appropriate action where required.

PORTFOLIO PROGRESS GROUP (PPG)

aka Change Delivery Committee

Role purpose

This is the governance body responsible for the monitoring of respective portfolio progress and resolving issues that may compromise delivery and benefits realisation.

Responsibilities

- Agree the processes contained within the portfolio delivery cycle and ensure that they work effectively.
- Ensure that all programmes and projects comply with agreed portfolio delivery standards.
- Monitor delivery of the portfolio delivery plan (via the portfolio dashboard) including:
  - Monitor spend against profiled budget.
  - Review underspend / unallocated funding and approve reallocation and/or return.[2]
  - Ensure effective action is taken to address budgetary overspends where the overspend impacts on the wider portfolio.
  - Where underspend occurs take prompt action to recommend reallocating funds to other initiatives in the development pipeline.
  - Review and resolve key portfolio level issues.
  - Ensure portfolio risks and dependencies are effectively managed.
- Where justified, make recommendations to the PDG for initiatives to be included in the portfolio, put on hold, or terminated.
- Refer issues that can't be adequately resolved to the PDG.
- Undertake periodic review of the effectiveness of portfolio delivery within the organisation and take appropriate action where required.
- Raise, discuss and where appropriate resolve concerns with the pipeline of business cases that are in development, or awaiting approval.

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[2] As a standard, unused funding allocated to projects is always returned to the portfolio. These funds may be re-allocated later, but that is a separate independent step.

APPENDIX C - STUDENTS' ASSOCIATIONS

Muslim Students' Association	otagomusa.org
Otago Cook Islands Students' Association	fitth496@student.otago.ac.nz
Otago Filipino Student Association	facebook.com/OtagoOFSA
Otago Iranian Students	otago.isa@gmail.com
Otago Korean Students' Association	josephyoseob@gmail.com
Otago Malaysian Students	omsa.org.nz
Otago Samoan Students' Association	facebook.com/officialOSSA
Otago Students Geological Society	facebook.com/groups/osgeolsoc
Otago University Chinese Students' Association	facebook.com/groups/oucsa2015
Otago University Commerce Students (COMSA)	comsa.org.nz
Otago University Medical Students' Association (OUMSA)	oumsa.org
Otago University Postgraduates' Society	otagopostgrads.wordpress.com
Otago University Sri Lankan Students Association	ouslsa.org.nz
Otago University Students' Union (OUSA)	ousa.org.nz
Pakistan Student Association	zainjavaid0@gmail.com
Science Community of Otago (ATOM)	atom.otago@gmail.com
Science Students' Pacific Island Association	sspiaexec@outlook.com
Society of Otago University Law Students (SOULS)	soulsotago.com
College of Education Students' Association	facebook.com/UOCESA