



## Aligning the definition of terms across an organisation ensured the success of a major transformation project

A state government treasury department avoided failure of a major systems upgrade project by recognising that stakeholders contributing to the large requirements document had not used language consistently. By aligning language across the separate stakeholder groups, the creation of a concept data model was swift and ensured the solution team could deliver a successful project.

A large Australian state treasury department, "Treasury", had committed to a reform program which aimed to improve financial governance across the state public sector. The reform program had several pillars, one of which was to implement a new financial management system that would enable end-to-end management of the state budget – from program planning, through allocation of funding and expenditure tracking, to the benchmarking of results. The project was given approximately 3 years to be implemented and able to deliver the State's budget across 8 government departments and approximately 220 government agencies.

### The initial approach of Treasury

A major IT project management consultancy firm was hired to undertake the implementation of the new financial management system, which began with the writing of a requirements document. The consultants spent 12 months gathering requirements from across this large organisation by establishing six independent streams, each focusing on a particular business function, e.g. agency planning, budgeting, performance monitoring, etc., under which they would gather information and present requirements back to the business stakeholders for

approval. The requirements document submitted at the end of this process was close to three inches thick.

Treasury had purchased an off-the-shelf system with the expectation that it would require minimal configuration, but the scope of the requirements document presented some major problems for the delivery team. They were struggling to understand the requirements due to the size and complexity of the document and the different language and writing styles used in each section.

The program manager decided that a data model would help to explain requirements. A new “data modelling” team was assembled, which included an Intraversed finance industry expert. The team was instructed to create a data model from the requirements document.

At this point, the project was running significantly behind schedule and was 18 months out from the target delivery date. It was clear that the project was in trouble.

## The Data Model and the Intraversed Approach

Many of the subject matter experts (SMEs) had previously been involved in multiple workshops to create the requirements document, some several times for different streams. Their frustration at yet another set of workshops had to be overcome.

The re-engagement process needed to show the SMEs how disparately terms were used throughout the organisation and the potential for a disastrously failed project. For example, “financial calendar” had multiple contexts with different names and different definitions, referring to any one of the following: calendar year, financial year, budget year, forecast year, fiscal year, or projection year.

Despite their initial objections, they quickly realised the underlying issue and the benefit of addressing this, in order to get numbers they could rely on. As is often the case, staff actually working with the data and using current outputs more easily understand the need for an overarching approach to the management of data and information. Within 4 months, the language definition work was complete, and a conceptual data model was constructed from the output of this work and provided to the solutions team.

While the project did not meet its original deadline, in fact running over 18 months late, the final solution delivered was successful. This would not and could not have been the case, had the language alignment work not taken place and the conceptual model not been delivered.

# Learning from Treasury's Mistakes

Had the consultancy firm hired by Treasury begun their creation of the requirements document after performing language alignment and created a central, quality, business glossary, their requirements gathering would have been more effective, and would possibly have avoided the need for a data model.

If Treasury hadn't hired a modelling team that was committed to ensuring language was aligned, it may have found its project running much later than it did, and riddled with problems relating to misunderstandings between functional areas, data managers and IT staff.

Defining language first (and creating a permanent business term glossary that is used in all projects and business activity) is the best way to reduce risk of project failure, timeline blowout and spiralling costs and endless efforts to fix issues once the project has been delivered and found faulty.



If you're interested in knowing how Intraversed can help you establish an effective business term glossary to underpin the success of future system migrations, we'd be happy to discuss this with you.

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## An unexpected extra benefit from Treasury's language alignment

As the data modelling team reviewed the requirements document and aligned the language across functional areas, problems came to light with the language and definitions used in the organisation's Chart of Accounts (CoA).

By examining the CoA in the definition process, it became clear that additional accounts were constantly being created in order to capture more detailed information, such as agency or program, that could not be stored in the legacy systems. As this information could now be captured separately, the CoA could be refined and consolidated from over 8,000 account to under 2,000. This significantly reduced the risk of mis-allocating transactions to an incorrect account.

A well-structured CoA is critical in financial management for classifying, recording and reporting information on an organisation's financial plan (budget), and subsequent transactions and events (actuals) in a systematic and consistent manner to support decision making.

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