



# Management Review

Driving Change  
through  
Improvement  
10/09/2012

# DMI Management System

ISO 9001:2008 is a standard that provides guidance on how to implement a management system related to the **quality** of work provided by an organization.

**management system** (*n*) a proven framework for managing and continually improving an organization's policies, procedures and processes



# Importance of ISO 9001:2008

It provides a holistic and consistent management structure around areas that all stakeholders value:

1. Customer focus
2. Leadership
3. Involvement of people
4. Process approach
5. Systematic approach to management
6. Continual improvement
7. Factual approach to decision making
8. Mutually beneficial supplier relationships



# Benefits of ISO 9001:2008

## **Improved market position and competitive edge:**

- Increased recognition as a quality organization-  
“organizational excellence”
- Meet customer requirements
- Federal Bid requirements – allowed a seat at the table

## **Improved management effectiveness:**

- Repeatable processes
- Objective defect identification/prevention
- Change occurs through active communication
- Funding is allocated to needed technology/resources
- Transparent continual improvement

# DMI Management Review

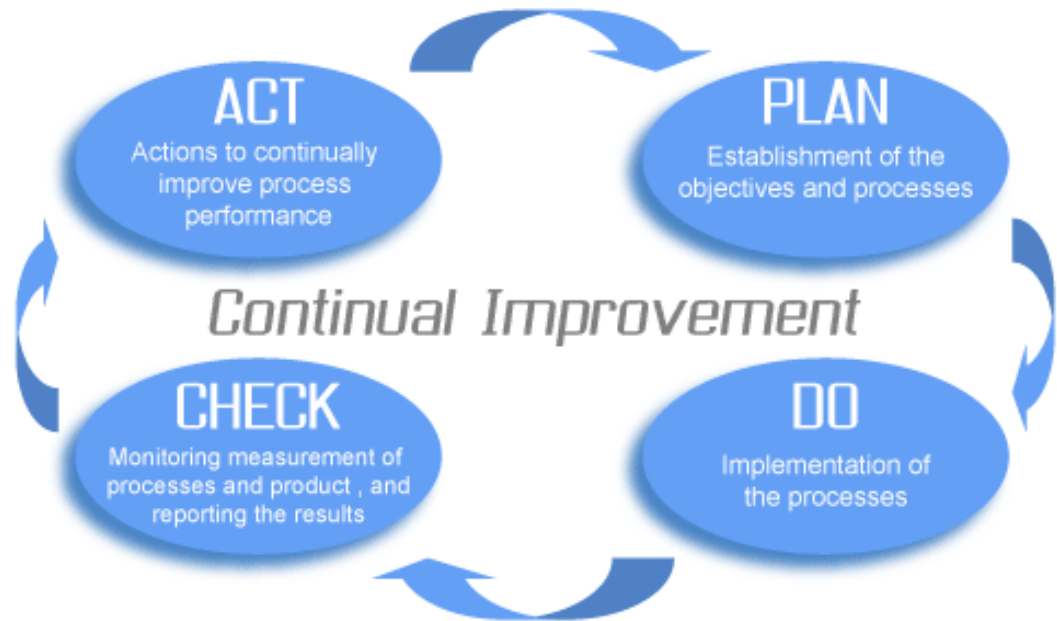
The ISO suite of Management System standards all emphasize the importance of Management Review, which is used to review the organization's quality management system for continued suitability, adequacy, and effectiveness. Areas of focus include:

- Audit Results
- Customer Feedback
- Process and Product Performance
- Status of Changes (Preventive, Corrective, Action Items)
- Continual Improvement
- Follow up from previous reviews
- **Planned Intervals\***

# DMI Continual Improvement

In order to accurately assess performance and emphasize improvement, organizations need to understand their current state and desired path forward.

As such, a key component used during management review is continual improvement. Continual improvement is derived, in part, from establishing objectives.





# Establishing Objectives

Objectives should be aligned to business goals.

Objectives are typically SMART:

- **Specific:** “What do I want to accomplish? Increase customer experience. Why? Who is involved?”
- **Measurable:** “How much? What should customer satisfaction be?”
- **Attainable:** “How can I achieve this goal?”
- **Relevant:** “Is this important to the organization? Is this a good time?”
- **Timely:** “When?”



# Establishing Metrics – Use Tools

DMI Candidate Measure Form  
Version 1.0

The purpose of this worksheet is to assist you in deciding whether a recommended measure could be a measure for your program or project. If you answer "No" to several of the questions below you may want to re-evaluate using this candidate measure for your project.

<b>Candidate Measure:</b>		
<b>Recommendation By:</b>		
<b>Date Recommended:</b>		
<b>Approved? Y/N:</b>	<b>Date of Disposition:</b>	
<b>Reasons for Disapproval:</b>		
Question	Y/N	Additional Information
1. → Does the measure relate to a program/project Goal or Objective?		<Insert corresponding goal or objective>
2. → Is it possible to collect accurate and reliable data for this measure (data is available)?		<Insert any clarifying information>
3. → Is it possible to collect data cost effectively for the measure?		<Insert any clarifying information>
4. → Is the measure simple to calculate?		<Insert any clarifying information>
5. → Can reports easily be created for this measure?		<Insert any clarifying information>

- Tools can help evaluate objectives and corresponding metrics
- Gain consensus
- Document Evidence
- Save for future consideration



Often, organizations may check the box on their management review program. A good indicator of this:

- annual management reviews
- lack of an association of objectives and business goals
- no real change
- major focus is the previous audit results.





# Management Reviews – Real Life Implementation

Approximately a year ago, DMI transformed their management review process.

Why? It wasn't effective. It met the requirements of ISO 9001, the system was in conformance...but there was a lack of engagement or change. Management wouldn't listen.

Prior to the revamping of DMI's Quality Program, let's discuss the previous state:

- Tools were purchased and unused
- Solutions were implemented without understanding impacts; money spent unnecessarily
- Servers were running at 97% capacity
- IT didn't really have a documented process for responding to requests, leaving users frustrated
- Lack of communication – process was reactive
- IT resources were inadequate

## What kinds of problems occurred?

- **Customer complaints** – proposals were won, but operations was left fixing what sales promised
- **Internal defects** – quick move to email within Cloud caused issues (short term), and incorrect solution (long term)
- **Process inefficiencies** – multiple management processes; conflicts with one another
- **Employee ideas and feedback** – no channel for communication
- **Service delays** – tickets not being closed in a timely manner, services going down with untimely resolutions



A plan for success was established:

- Integrate and streamline quality management processes
- Establish a Management Review Board (MRB)
- Identify and give authority to Management Representative
- Identify and monitor realistic objectives and associated measurements
- Establish **monthly** sessions; don't just check a box
- Implement a formal process for reviewing change
- Involve the right stakeholders



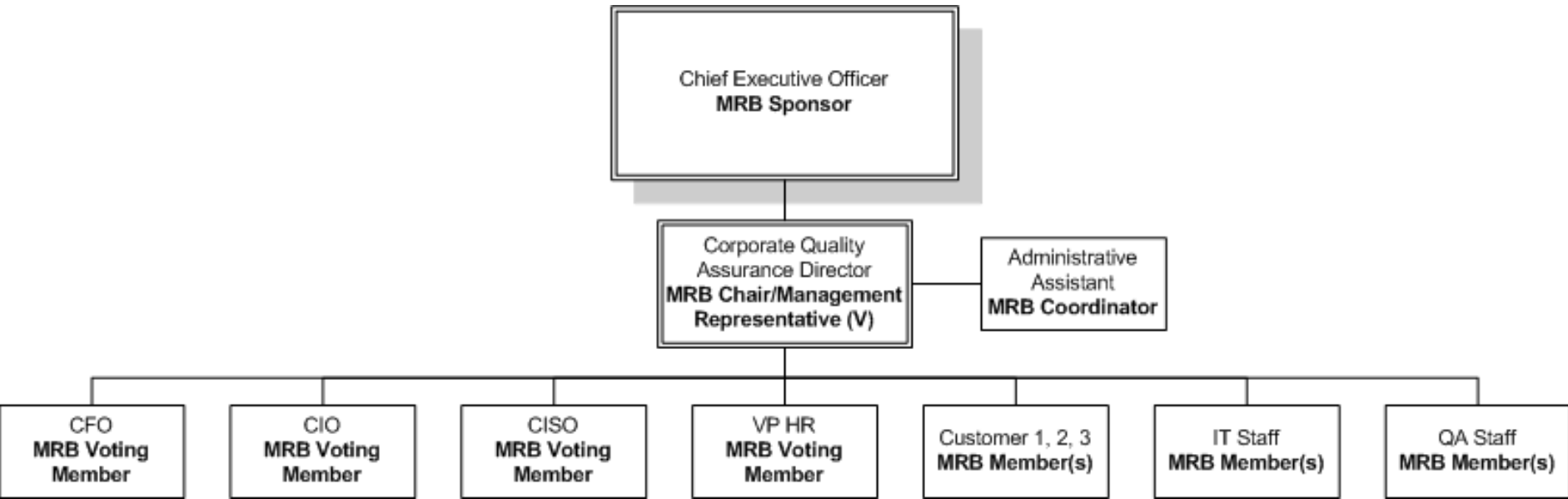
## Started to focus on active and more frequent sessions...

- Sessions always have a clear agenda
- Focus is on specific areas of importance, reflecting both short and long term goals
- Maintain minutes for records
- Define action items with **due dates**; follow through
- Stakeholders should always be represented; everyone has a voice
- Integrated all ISO standard systems

**...Assigning responsibility is an integral part of success!**



# Management Reviews – Structure





# Management Reviews – Responsibility and Authority

The responsibilities of the DMI MRB team are as follows:

- Manage the goals of the MRB
- Ensure funding for process improvement initiatives
- Ensure communication with DMI departments/divisions
- Approve and develop agendas, meeting minutes, risks and issues, and action items
- Identify and/or fill vacancies for open DMI MRB roles
- Identify and appoint/disband working groups for action items
- Periodically review and/or update the DMI quality policies and MRB Charter





# Driving Change – Example Resulting Improvements - CHECK



## Example Report: Previous State

- Verbal reports only
- Management didn't **SEE** the problem
- No data to back up verbal reports

Service Name	Server / Appliance Name	Measurement	Current Usage	Maximum Capacity	2011 Q4 Utilization %	2012 Q1 Utilization %	2012 Q2 Utilization %
Deltek DB Server	DMI-ORADB01	Disk Usage	21GB	45GB	78%	80%	48%
			6 GB	200GB	94%	96%	1%
			37 GB	100GB	68%	65%	37%
Deltek T&E	BETDTK02	Disk Usage	16 GB	60 GB	97%	82%	27%
			10 GB	60 GB	56%	52%	18%
Deltek DPM	BETDTK05	Disk Usage	14.7GB	60 GB	17%	16%	22%
			9GB	25 GB	4%	1%	31%
SharePoint	BETSP01	Disk Usage	37.5 GB	60GB	56%	76%	57%
			230 GB	350GB	46%	50%	67%
AD	BETDC02	Disk Usage	22 GB	100 GB	16%	16%	22%
			AD	BETDC01	Disk Usage	22 GB	100 GB

## Example Report: Now

- Visually impacting
- Data to support claims
- Trending capability
- Allows for better planning

# Driving Change – Example Resulting Improvements



## Example Tool: Previous State

- Open Source/Freeware
- Limited capabilities
- Reporting difficult
- Manual manipulations
- Band-Aid Fix



## Example Tool: Now

- Funding supported
- More robust
- Better and auto reporting
- Supports all IT processes (ISO 20K compliant processes)
- Syncs with identified metrics
- Self Service capability



# Management Reviews – Improvements to Date - ACT



The DMI MRB has made significant improvements as a result of the re-engineered Management Review approach:

- New servers purchased and implemented to prevent lost data
- New Service Desk Tool purchased to streamline and minimize manual activities
- New labor resources; data from reports indicated additional resources were required
- Changes to services made by IT are implemented via a plan; minimal disruptions to users
- Processes documented, streamlined, and improved
- Customers have a clear understanding of what services IT does and does not provide



# Improvements Made – The Numbers

Below are just a few measurements to date:

- Servers went from 97% capacity to 25%
- MRB reviewed and approved 100% of all changes implemented
- The organization has decreased time for issue resolution by at least 50% (est.)
- Customer satisfaction went from 2.5 to 4.7 on scale of 1-5; Very Satisfied
- SLA attainment 98%; one year ago monthly critical outages occurred; today one in the last 6 months (due to DC Metro storm)
- DMI employee growth: 250 one year ago – 1050 today; 500 tickets per month are managed to closure
- 2008: 65 employees; \$9.6M Revenue
- 2011: 280 (October) 518 (December) employees; \$103M Revenue
- 2012: 1050 employees to date; revenue continues to grow...



# In Summary - Lessons Learned

- Infrequent Management Reviews don't drive change
  - Trending analysis is not available
  - People forget what was previously discussed
  - Organization / customer's needs change frequently
  - Does not allow for responsive action
- Ensure financial decision makers are included; money allocated
- New board / meeting is needed – Technical Review Board
- Develop Charter; assign responsibilities
- Ensure Management Representative represents highest possible authority – is the tie breaker
- Plan for changes, implement accordingly, perform root cause analysis for unexpected events