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Overview

As a financial sector supervisor, you continually face a wide range of challenges, both large and small. For all but the smallest challenges, an important first step in taking them on is to develop a plan of action. This note provides an overview of issues related to the implementation of an action plan.

This note assumes that you have completed the planning process and have a clearly documented action plan that you want to implement. The implementation process can vary significantly from one action plan to another, depending on such things as the complexity of the plan, the number of people involved in its implementation, their location within (or outside of) your organization, and so forth. You should adapt the implementation activities described in this course to suit the characteristics of your plan and the context in which you will be implementing it. For example, a relatively small project that is being carried out entirely within one department can often be implemented with a much less formal governance structure than a large, long-term project that involves people from across the organization.

This note covers the following aspects of plan implementation:

- Action Planning
- Selling the Plan
- Establishing the Governance Structure
- Creating the Working Plan
- Managing the Project Team
- Providing Accountability
- Common Implementation Problems.

Action Planning

Assessment

As a financial sector supervisor, you continually face a wide range of challenges, both large and small. For all but the smallest challenges, an important first step in taking them on is to develop a plan of action.

The action planning process begins with an assessment of the problem. This assessment involves analyzing the situation, identifying the causes of the problem, evaluating the benefits of solving it and the risks that may come from not doing so, and stating the challenge precisely in a problem statement. Armed with a clear understanding of the challenge, you will be in an excellent position to develop a solution.

Preferred Outcome

To arrive at a solution, you must define the preferred outcome—where you want to go. With that target in mind, you can outline the main steps of a plan to get there—what you want to do. As you develop your plan, it is important to analyze the needs and interests of key stakeholders—those who have power to influence the plan—and assess its effects on them. Informed by this analysis, you can develop a more detailed plan—how you will get there.

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1 This note was prepared by Michael Hafeman on behalf of Toronto Centre.
2 Please see the Action Planning note in this series.
Action Plan

The detailed plan should include the activities to be undertaken within each of the main steps, the resources needed for each activity, the timing, duration, and preconditions for each action, and the critical path for the activities (the shortest time in which the project can be completed). Before finalizing the plan, you should evaluate whether it will get you to where you want to go, in time, with the available resources. The implementation risks must be considered and a contingency plan prepared—what if things do not go as planned. You rightly expect financial institutions to recognize and manage the risks they face, and you should do likewise!

Selling the Plan

Key Stakeholders

Sometimes you can develop an action plan and proceed directly to implementing it, without having to convince others of its merits. This might be the case, for example, if the need for action has been identified in your organization’s annual plan and the resources required to implement it are entirely within your control. More often, however, key stakeholders must be sold on the need for action and the plan you have devised.

The analysis of stakeholder needs and interests that you made during the planning process can also be very useful as you seek support for your plan. In order to implement the action plan, your work priorities and those of your staff, your peers in other parts of the organization, their staff, and even those at higher levels in the organization might need to change. Human, financial, and physical resources might need to be obtained or reassigned.

Some action plans will also require support from outside your organization. For example, if you intend to revise capital adequacy requirements, industry input on the design of the requirements and participation in testing the effects of proposed changes will be essential. Having a solid understanding of the needs and interests of both internal and external stakeholders will enable you to devise a strategy to communicate with them.

Four-Box Persuasion Tool

The four-box persuasion tool, shown graphically below, can help you formulate your message. As you use it, consider each key stakeholder in turn.
In box 1, you should consider what is wrong with the current situation and identify at least one compelling reason that can be used to convince the stakeholder of the need to take action.

In box 2, you should identify the anticipated outcomes and benefits of implementing your plan, focusing on those that relate directly to the stakeholder.

In box 3, you should consider what the stakeholder’s concerns about the change might be and identify how you could alleviate those concerns.

In box 4, you should identify things valued by the stakeholder that will be preserved even if your plan is implemented.

**Approaches**

The approach you need to take to communicating with the key stakeholders will depend on the situation. In most cases, you will need to apply some persuasion. Negotiation of various aspects of the action plan, such as timing and resource requirements, will often be required. You should listen carefully and consider the input of all key stakeholders on the plan. Of course, this does not mean that you will always be able to alleviate all of their concerns before proceeding with implementation. For example, an action plan designed to correct a market conduct problem is unlikely to have the support of those engaged in questionable conduct, but you should be prepared to explain how possible adverse effects of the plan on others will be minimized.

**Communication Techniques**

A variety of communication techniques can be used to sell your plan. Formal presentations can be useful in explaining the action plan to groups such as your staff, senior managers, and industry participants and soliciting their input. One-on-one meetings are often essential in securing the support of individuals with particularly important roles to play, such as the senior manager who must formally approve the action plan and the project leader, if you will not be playing that role.
Supporting materials may be required; they could include a plan summary, staff and financial budgets, graphs, charts, a draft project charter, and so forth. If you are seeking external funding to support implementation, for example from an international development bank, you will probably need to communicate the information according to a specified process and proposal format.

**Outcome**

The outcome of this process of communication and selling should be an action plan that reflects the input of stakeholders and is approved for implementation by those whose approval is required. For larger projects, in particular, approval should be evidenced by the adoption of a formal, written charter. The project charter describes the goals of the plan, provides evidence of the organization’s commitment to proceed with its implementation, and helps to ensure accountability for the results.

**Establishing the Governance Structure**

**The Need for Accountability**

Financial sector supervisors are established to protect the public interest and are held accountable for doing so through mechanisms such as reporting on their activities and results to a government ministry, a legislative body, the industry they supervise, and the public. If the effects of your plan will be large, its progress and outcome may well be reported through such mechanisms. However, it is important that those involved in any project, regardless of its size, be accountable for its success. In the absence of accountability, resources can be wasted, deadlines can be missed, and it is unlikely that the desired outcome will be achieved. Establishing a clear governance structure and processes will help to keep the implementation of a plan on track.

**A Common Governance Structure**

The governance structure should be appropriate to the nature of the action plan. For example, if a plan is being implemented by three staff within a single department, one of them could be designated as project leader and be required to submit a one-page progress report to the head of the department each month. If the implementation of an action plan calls for significant resources or involves people from different departments, a more formal governance structure is usually appropriate. A governance structure that often works well for larger projects involves a project team, a steering committee, and senior management. Each is discussed in the following sections.
**Project Leader**

An action plan typically has many steps and requires the involvement of many people along the way. It is essential that someone be designated to lead the implementation, with responsibility for organizing the work and managing it from day-to-day to ensure that it is successfully carried out. This person, often referred to as the project leader or project manager, should:

- Be knowledgeable about the subject matter of the action plan
- Be capable of organizing work and managing people
- Have the respect of both those who will be involved in carrying out the work and those at higher levels in the organization.

The project leader must also have adequate time available to devote to the implementation. For larger projects, it is often desirable—and sometimes essential—that the role of project leader be a full-time position. This will allow the project leader to focus on implementation of the plan, without having to attend to competing priorities.

**Project Team**

The implementation of an action plan will often require the significant involvement of more people than just the project leader. Although the need for such people will have been identified during the action planning process, the individuals who will be involved must be selected before implementation can proceed.

- As a group, they should have the knowledge and skills needed to carry out the various steps in the action plan, or at least be capable of learning what they need to know during the course of the project.
- Individually, they should have adequate time to devote to the implementation, be able to work cooperatively with others, and be committed to the success of the implementation project.
• Finally, it is useful if they have skill sets that partially overlap, so that one person can cover for another as needed.

Although you might not be able to meet all of these conditions, they provide a useful benchmark to aim for.

Often, these individuals will come from different departments, so it is essential that their respective managers agree to their involvement and accord the implementation high enough priority that progress will not be unduly compromised by competing demands for their time. It is almost inevitable that participants will face such competing demands, particularly if they are not assigned to the implementation on a full-time basis, but senior-level advance commitment can help to keep conflicts within manageable levels.

In some cases, persons from outside the supervisory authority will need to be actively involved in the implementation. For example, industry representatives might work together with supervisory staff to develop risk assessment criteria, or information technology consultants might be involved in the development of a new supervisory information system.

The project leader and those with significant involvement can be formally designated as a project team. The development of written terms of reference for both the project leader and the project team can help to clarify their responsibilities and establish their accountability for the success of the implementation. For example, the project leader should be able to hold members of the project team accountable for giving the project sufficient time and priority to complete their respective implementation tasks properly and on time.

**Steering Committee**

The implementation of a large and complex action plan often raises issues that cannot be dealt with solely by the project team. For example, there may be points during the implementation where significant decisions must be made about the subsequent course of the implementation, or the project leader might find that additional resources are needed to carry out the work. Also, proper governance requires that the project leader be accountable to someone for the progress of the implementation. A steering committee can provide a mechanism for dealing with such issues.

A steering committee, as its name implies, should be responsible for ensuring that the plan implementation is headed in the proper direction and moving at a reasonable speed. It can:

- Monitor the progress of the project team
- Assist the project leader in resolving resource problems and conflicting priorities
- Take key decisions on the direction of the implementation.

The steering committee provides a connection between the project team and senior management, and might also play an active role in dealing with key external stakeholders.

Members of the steering committee must be senior enough to have the authority needed to deal with its responsibilities. Although they must be capable of understanding the issues that will arise and making informed decisions, they need not be technical experts in the subject matter of the action plan. For example, a steering committee for the implementation of a new information technology system might need to be able to understand the expected costs, benefits, and risks of several alternatives, but would not necessarily have to understand the technical aspects of the system design that underlies each.
The steering committee should include representatives of each department with a significant interest in the implementation of the action plan. This will ordinarily include the departments represented on the project team, but might well include others. For example, although there might not be a representative of the onsite supervision department on a project team to develop new capital adequacy requirements, the need for that department to subsequently monitor compliance with the requirements makes it appropriate that it be represented on the steering committee.

**Senior Management**

If the approval of one or more members of senior management was required before proceeding with the implementation of an action plan, then senior management should also be involved in the governance of the implementation. Senior management can play an important role in monitoring the progress of the implementation and ensuring that it receives adequate priority and resources.

Some decisions may be of such importance to the organization that they need to be made by senior management, rather than at the steering committee level. For example, an action plan to establish an independent mechanism to deal with consumer complaints could alter the supervisor’s mandate, require new legislation, and affect industry participants—all issues that would require decisions by senior management.

Depending on the nature of the action plan, senior management oversight might require the involvement of the entire senior management team or only a subset of it. Also, in a smaller organization, senior management might also perform the role of the steering committee.

**Creating the Working Plan**

**The Need for a Working Plan**

A detailed working plan is needed to guide the day-to-day implementation and measure its progress. Depending on the level of detail contained in the action plan and the complexity of the implementation, little or no additional effort might be needed to prepare the working plan. However, particularly for larger and more complex implementation projects, the action plan might not be sufficiently detailed to serve as the working plan.

For example, an action plan to improve the supervisory information database might provide that the project team will have three months to identify alternatives and recommend a solution, without specifying the detailed steps that must be carried out to accomplish this, the time available to complete each step, and the responsibilities of the various project team members with respect to each step. In order to manage the work during the three-month period, such details are essential.

**Preparing the Working Plan**

The project leader and team will be largely responsible for carrying out the working plan and should be held accountable for doing so. They should agree that the working plan is appropriate, in other words, that the steps it contains are necessary, that no important steps are missing, and that the timeframes provided for are attainable with available resources. Accordingly, the project leader and team should have primary responsibility for—or at least actively participate in—the development of the working plan. Their participation helps to build commitment to implementation of the plan.

Of course, compromises might be required to meet the overall objectives of the action plan. For example, the time provided for various steps of the working plan might need to be shortened from what the project team considers ideal in order to complete the implementation by a fixed deadline. However, all involved
in the governance must take care to ensure that the working plan does not cross the boundary from challenging to unattainable! If this boundary is not observed, the implementation is almost certain to fail—with missed deadlines, poor quality, or both.

The working plan should be agreed to by the project team, the project leader, and the steering committee. If it differs materially from the original action plan, the agreement of senior management is also essential.

**Contents of the Working Plan**

The working plan should include the project charter, which documents the goal of the project, its structure, and the timeframe within which it should be completed. If there is any doubt as to the roles of the various members of the project team, this information should be included.

The working plan should set out the detailed action steps to be performed. For each step, it should identify the individuals responsible, the timeline for starting and finishing the work, and the other resources needed. It should include a detailed budget of the resources needed for implementation, including human, physical, and financial resources.

The level of detail should be adequate to ensure that all involved have a clear picture of what is involved. For example, it might show the number of hours expected to be required of each member of the project team, week-by-week, to complete the assigned tasks.

The decision points at which issues must be taken to the steering committee or senior management should also be noted.

One tool that is often used to organize this information and make it easier to use is a Gantt chart. An example of a Gantt chart for the initial stages of a hypothetical project with the goal of updating legislation is provided below.
Updating the Working Plan

The progress of implementation will be measured against the working plan, but rarely will implementation go precisely according to the initial working plan. Therefore, the working plan will need to evolve to reflect the reality of what has been accomplished and any changes in the outlook on the steps that lie ahead.

For large projects, the effort involved in keeping the working plan up to date can be substantial. It can be reduced by using project management software tools and by updating the working plan less frequently, for example, monthly or quarterly, rather than daily or weekly. Any changes to the working plan that would have a material effect on the achievement of the goal should be agreed to by the steering committee and, if appropriate, senior management.

Managing the Project Team

Challenges of Project Management

The project leader has day-to-day responsibility for implementation of the plan and must manage the project team to achieve successful implementation. The role of the project leader is similar to that of a department manager, but differs in some important respects. Just like a department manager, the project leader must ensure that team members understand their responsibilities, monitor their progress in carrying out those responsibilities, and take action to deal with shortcomings in their performance. However, unlike a department manager, the project leader often has limited authority over the team members.

For example, it is not unusual for members of the team to come from different departments than the project leader, with the managers of those departments retaining the responsibility to conduct performance appraisals, determine salary levels, and impose disciplinary measures. Also, unless individuals are assigned to the project team on a full-time basis, the department managers would continue to assign other work to them. This other work might be accorded a higher priority than project responsibilities—either at the explicit direction of the department manager or implicitly, as the individual seeks to please the person who controls his or her compensation. Such differences can make project leadership both a challenging and a rewarding responsibility.

The Importance of Communication

To be successful, the project leader needs to be an active communicator and an effective negotiator. This includes communicating with the project team members, both individually and collectively, to achieve progress on plan implementation. It includes communicating with department managers to secure appropriate representation on the project team and assistance in dealing with performance problems.

The steering committee can also be useful to the project leader in dealing with implementation challenges, for example, by providing advice on alternative approaches and helping to obtain additional resources. As part of the governance process, the project leader plays a key role in communicating progress to the steering committee and senior management—and often to others both within and outside the organization.

Monitoring Individuals

The project leader will need to deal with team members both individually and collectively. Individual team members will have tasks to carry out, as set out in the working plan. Ideally, all team members could be counted on to complete their assigned tasks properly and according to schedule, and to voluntarily inform the project leader of any problems that arise and seek assistance in resolving those problems. Although some or even most might do so, it certainly cannot be taken for granted that all will do so.
Therefore, the project leader will need to monitor progress and take corrective action, if necessary. Just as with financial institutions, some individuals will need close monitoring and others not.

**Taking Corrective Action**

If an individual is not performing as required, the project leader will need to determine the reasons for the problem in order to deal with it appropriately. For example, if the department manager is assigning too much other work and leaving insufficient time for project work, the solution might be for the project leader to remind the manager of the commitment of resources that had been made to the project. Perhaps, a different person or an additional person might need to be assigned to the project team. In some cases, for example, if the other work actually is of more immediate importance to the organization and no one else can take on the project work, the working plan will need to be revised.

If the performance problem has arisen because the individual is not fully capable of carrying out the assigned tasks, the project leader might need to provide technical or operational guidance to the individual, or ensure that the individual obtains such guidance from someone else. In some cases, unfortunately, team members might be incapable of meeting their responsibilities, even with guidance. Perhaps they lack the necessary knowledge and experience, take insufficient care in their work, are distracted by personal problems, or are simply lazy. The project leader will need to discuss remedial measures with the person’s department manager, which might include seeking a replacement for the individual on the project team.

**Promoting Teamwork**

Successful plan implementation often requires that individuals work cooperatively with other members of the project team to carry out particular tasks. Of course, this is often the case within a department, also. However, a project team is more likely to involve individuals with different professional training, types of experience, and even personalities than might be found within a particular department.

Team members might also be working with each other for the first time, and lack the mutual trust and respect that can come from longer association. Therefore, the project leader cannot assume that team members will work cooperatively just because the working plan calls for them to do so. The project leader must be attentive to potential problems in this area and work with the individuals involved to encourage good teamwork.

In addition to working with team members individually, the project leader can also promote teamwork by providing opportunities for the team to communicate actively with the leader and one another. Team meetings can provide a formal opportunity for such communication. In some organizations, informal social events, such as team luncheons, are also considered appropriate means for enabling team members to become better acquainted and thus more comfortable in dealing with one another.

**Purposes of Team Meetings**

Although a project leader can monitor progress through written reports from and personal interaction with individual team members, it is also useful to meet periodically with the team as a whole. Team meetings can serve several purposes, including the following:

- Facilitate the sharing of information by team members on the progress of their respective plan implementation activities
- Provide a forum for discussing issues of general interest that have arisen during the implementation, for example, exploring potential solutions to a technical issue
• Assist the project leader to communicate the outcome of discussions with the steering committee and senior management
• Enable all team members to report on issues from their respective areas that might be of interest to others. For example, a team working on the revision of customer due diligence requirements would be interested in hearing from a member representing the onsite inspection department about a new practice recently identified through an inspection
• Discuss the need to make adjustments to the working plan.

**Frequency of Team Meetings**

To be most useful, team meetings should be held frequently enough to contribute to good communication and keeping the implementation on track, but not so frequently as to add little value—or even detract from value by using up too much valuable working time. The right frequency will vary from one situation to another, depending on the characteristics of the implementation project, the size of the project team, the level of activity at the particular point in the implementation, and so forth.

In general terms, it is seldom necessary to hold team meetings more frequently than weekly for the purposes of communication and progress reporting, but if there is more than one month between meetings communication might be inadequate. Team meetings might also be needed to solve specific implementation problems, and such problem-solving meetings could be held as the need arises, rather than on a regular schedule.

**Conduct of Team Meetings**

Team meetings need not be lengthy. It is good practice to define an agenda at the beginning of the meeting, if not in advance, along with a time limit for the meeting. There should be adequate time for all important matters to be communicated, and the project leader should encourage active participation, for example, by asking each person to report in turn on the status of their work.

The project leader should keep the discussion focused on appropriate aspects of the implementation project, ensuring that the meeting does not become a forum for discussing individual performance problems—which are generally better handled one-on-one—or strays into topics that might well be interesting but are not directly relevant to the implementation.

Furthermore, the project leader should keep in mind that not all problems raised by team members at a meeting need to be resolved during that meeting. In many cases, a particular issue might be of direct relevance to only a few of the team members, and a separate meeting can be organized in which they can deal with it.

**Providing Accountability**

**Levels of Accountability**

As mentioned previously, an important reason for establishing the governance structure is to allow for the effective oversight of plan implementation, including accountability for its success. However, merely putting the structure in place does not ensure that accountability will exist. The project leader must manage the project team effectively to hold its members accountable for their work-seeking the support of department managers, if necessary.

The project leader is usually directly accountable to the steering committee, and indirectly accountable to senior management, for the implementation of the approved working plan. In turn, the steering committee
is accountable to senior management for its decisions that affect the direction of the implementation and for providing adequate support for and oversight of the project leader. Ultimately, senior management is accountable to external stakeholders, such as its board of directors, a minister, a legislative body, industry, and the general public for the effective operation of the supervisory authority—to which the plan being implemented should contribute.

**Measuring Progress**

In order for the steering committee and senior management to exercise their responsibilities, they must have useful information about the plan implementation. To be useful, the information must be timely and comprehensive, yet concise. The steering committee and senior management usually do not need or want as much detail as is necessary for the day-to-day management of the project team.

The focus should be on progress against significant targets and resource budgets, major problems that have arisen, and key issues to be decided upon. Progress might be measured by estimating the percentage of the total work that has been completed by the reporting date—for each task individually, for a relevant grouping of tasks, or for the entire implementation—and indicating how such percentages compare to those anticipated in the working plan. At the same time, updated estimates of the completion dates would be provided. Similar information might be provided with respect to the use of staff time, for example, person-days or person-weeks, and financial resources.

**Other Information Needs**

In many cases, the project leader has the primary responsibility for providing such information. For example, the project leader might routinely prepare written progress reports for the steering committee each month and meet with it quarterly. Special issues papers might be prepared and presentations made to inform the steering committee at key decision points.

Of course, if unanticipated issues arise that could have a significant, adverse effect on the course of the plan implementation, the project leader should promptly inform the steering committee, rather than waiting until the next regular report. Conversely, senior management should ensure that the steering committee and project leader are informed of any changes in strategic direction and priorities that would affect the implementation.

Generally, the steering committee and senior management appreciate—or even require—that those reporting issues and problems to them accompany their reports with recommendations on how the concerns might be resolved.

**Common Implementation Problems**

**Why Problems Can Arise**

So far, this course has focused mostly on things that might be done to achieve the successful implementation of an action plan. Of course, problems can arise even if all of these things are done. If they are done improperly—or not at all—the likelihood of problems can increase significantly. The types of problems that you are most likely to encounter will depend on the nature of the action plan, the decision making processes and culture within your organization, the individuals involved in the implementation, and so forth. This lesson highlights a few common implementation problems, which you might seek to avoid in your own plan implementation. They include:

- Shifting priorities
• Scope creep
• Unrealistic timelines
• Unsuitable project team members
• Insufficient attention to people issues
• Inadequate testing.

Shifting Priorities
The plan implementation may be progressing well, when the project is terminated, suspended, or significantly slowed because of the explicit or implicit decision to shift attention and resources to other issues considered to be higher priority. Of course, sometimes this is entirely appropriate and unavoidable. For example, if the financial sector is experiencing significant stress, it may be necessary to pull staff off of projects so that the institutions can be more closely supervised. However, this problem can also arise if the need to implement the plan has not been fully accepted by key stakeholders. Comprehensive stakeholder analysis, effective selling of the action plan, and a clear project charter that has been signed off by senior management can help to avoid this problem.

Scope Creep
During the implementation ideas arise for improving on the preferred outcome of the action plan and are implicitly or explicitly incorporated into the working plan. If such changes are numerous or significant in nature, the objectives of the implementation can become a moving target—which might never be reached! Having a clear project charter at the outset of the implementation, requiring that the cost and time implications of any material changes that are being considered be assessed, and requiring the written agreement of the steering committee and senior management to such changes can help to avoid this problem.

Unrealistic Timelines
The length of time available to complete one or more action steps is simply too short, deadlines are missed, and the entire implementation falls behind schedule. Sometimes an action plan must be implemented within a fixed timeframe, for reasons over which you have no control. In other cases, an unrealistic timeline might be adopted because the amount of work to be done was underestimated.

The development of a detailed working plan can help to avoid this problem. If it shows the proposed timeline to be unrealistic, steps that might be taken include securing additional resources, revising the scope of the action plan, considering alternative approaches to implementation—for example, purchasing a software package rather than developing a system inhouse, or convincing senior management to extend the timeline.

One area in which unrealistic timelines are all too common is the time allotted for input by external stakeholders. For example, if the project team needs six months to develop a draft of a new risk management guideline, it is probably unrealistic to expect industry participants to review the draft and provide written comments within a week or two.

Unsuitable Project Team Members
Individuals assigned to the project team are unable to carry out their assigned tasks, resulting in a delayed or poor quality implementation or the shifting of their work to other members of the team. Most supervisory authorities are quite busy and short of resources, which can make it difficult to find qualified individuals who have enough time to participate on a project team.
Sometimes, managers respond to this pressure by assigning their best staff to the team—but these same individuals might already be assigned to other teams or have a heavy load of other work. In spite of their qualifications and commitment, they are simply too busy to do a proper job. In other cases, unfortunately, managers might assign individuals to a team who are performing poorly at their regular jobs—particularly if the implementation offers relatively little direct benefit to the manager’s own department—in effect, transferring a problem elsewhere.

Steps that can be taken to help avoid such problems include:

- Carefully estimating the nature and amount of work required of each team member
- Requiring that the project leader agree to the proposed team members
- Encouraging managers to spread the implementation work among all qualified staff
- Requiring the project leader to provide input on—or even agree to—the performance appraisals of project team members.

**Insufficient Attention to People Issues**

The need for change is obvious to senior management and the project team does a good job in carrying out the working plan, but the implementation is unsuccessful because of resistance to change by those affected or inadequate training of staff on new processes. Although financial sector supervision can be very technical in nature, it is nevertheless carried out by people—and the supervised entities are run by people, also. It is sometimes easy to get caught up in the enthusiasm and technicalities of implementing an action plan that is designed to improve things, and neglect the communication and training that might be needed to prepare people for the changes.

Building communication, training, and change management activities into the working plan as explicit steps can help to avoid such problems. Pilot testing of new systems and procedures can also help, by enabling you to identify issues where additional communication and training might be needed and to correct the deficiencies before full implementation is attempted.

**Inadequate Testing**

The implementation of an action plan results in the development of new or revised systems, policies, procedures, or regulatory requirements, which are put in place—and soon reveal significant shortcomings. This outcome is often the result of providing insufficient time or devoting inadequate attention to testing before adopting the changes. Incorporating ample time for testing—by both project team members and others—and for correcting any significant problems revealed by the testing in the working plan can help avoid unpleasant surprises at the time of final implementation.

**Summary**

This note provided an overview of issues related to the implementation of an action plan.

**Action Planning**

- An important first step in taking on a challenge is to develop a plan of action. The implementation process can vary significantly from one action plan to another. You should adapt the implementation approach to suit the characteristics of your plan and the context in which you will be implementing it.
Selling the Plan

• Before implementation, key stakeholders often must be sold on the need for action and the plan you have devised. The four-box persuasion tool can help you formulate your message to the key stakeholders.
• You might need to use persuasion or negotiate various aspects of the action plan, and communicate using a range of techniques. You will not always be able to alleviate all stakeholder concerns before proceeding with implementation.
• Your action plan should reflect the input of stakeholders and be approved for implementation, which should generally be evidenced by the adoption of a formal, written charter.

Establishing the Governance Structure

• Each plan implementation should be subject to a clear governance structure and processes, to help keep it on track and establish accountability for the results. The governance structure should be appropriate to the nature of the action plan.
• A structure often used for larger projects involves a project team, a steering committee, and senior management. A project leader heads the project team, with responsibility for organizing the work and managing it from day-to-day to ensure that it is successfully carried out.
• The project team must have the knowledge and skills needed to carry out the various steps in the action plan, and its members should have adequate time to devote to the implementation, be able to work cooperatively with others, and be committed to the success of the implementation project.
• The steering committee is responsible for ensuring that the plan implementation is headed in the proper direction and moving at a reasonable speed. It should monitor the progress of the project team, assist the project leader in resolving resource problems and conflicting priorities, take decisions on the direction of the implementation, and provide a connection between the project team and senior management. It might also play an active role in dealing with key external stakeholders.
• Senior management might need to make some important decisions, and their involvement can ensure that an implementation receives appropriate priority and adequate resources.

Creating the Working Plan

• A detailed working plan is needed to guide the day-to-day implementation and measure its progress. The project leader and team should have primary responsibility for—or at least actively participate in—the development of the working plan.
• The working plan should include the project charter, the roles of the various members of the project team, and the detailed action steps to be performed. For each step, it should identify the individuals responsible, the timeline for starting and finishing the work, and the other resources needed. It should include a detailed budget of the human, physical, and financial resources needed for implementation, and identify the decision points.
• The working plan should evolve to reflect the reality of what has been accomplished and any changes in the outlook on the steps that lie ahead. Any changes to the working plan that would have a material effect on the achievement of the goal should be agreed to by the steering committee and, if appropriate, senior management.

Managing the Project Team

• The role of the project leader is similar to that of a department manager, but differs in some important respects. To be successful, the project leader needs to be an active communicator and an effective negotiator.
• If an individual is not performing as required, the project leader will need to determine the reasons for the problem in order to deal with it appropriately, for example, by providing technical or operational guidance, discussing remedial measures with the person’s department manager, or seeking a replacement.

• The project leader must promote teamwork, both through interaction with individual team members and by providing opportunities for the team to communicate actively with the leader and one another.

• Team meetings can facilitate the sharing of information by team members on the progress of their respective plan implementation activities and the discussion of issues of general interest that have arisen during the implementation. They should be held frequently enough to contribute to good communication and keeping the implementation on track, but not so frequently as to add little value. Special problem-solving meetings could be held as the need arises.

Providing Accountability

• The project leader must manage the project team effectively to hold its members accountable for their work. In order for the steering committee and senior management to exercise their governance responsibilities, they need information that is timely and comprehensive, yet concise. It should focus on progress against significant targets and resource budgets, major problems that have arisen, and key issues to be decided upon.

Common Implementation Problems

• If good plan implementation practices are done improperly—or not at all—the likelihood of problems is high. Common implementation problems include: shifting priorities; scope creep; unrealistic timelines; unsuitable project team members; insufficient attention to people issues; and inadequate testing.
Review Questions

True or False

Indicate whether each of the following statements is True or False. And answer key is provided on page X.

1. The action planning process begins with defining the preferred outcome.

2. An action plan should include only the best estimate of the timing of each of the main activities, rather than confusing matters by mentioning problems that might arise and the effects that they might have on the timing.

3. The implementation process should be adapted to the characteristics of the action plan.

4. If senior management agrees to your action plan, it is not necessary to sell others on the merits of implementing the plan.

5. The four-box persuasion tool is designed to help you determine the communication technique that will work best with each stakeholder.

6. The communication and selling process should result in an action plan that reflects the input of stakeholders and is approved for implementation by those whose approval is required.

7. A governance structure should be established for every plan implementation, regardless of size or complexity.

8. A governance structure often used for large projects consists of a project team, a project leader, and a steering committee.

9. All members of the project team should be expected to work full time on the plan implementation.

10. Members of the steering committee should have the authority to make necessary decisions about the implementation, but need not be experts in the subject matter of the action plan.

11. Senior management oversight is important only if external stakeholders have an interest in the plan implementation.

12. The project leader should have ultimate responsibility for determining the working plan, because its purpose is to provide a basis for managing the day-to-day work of the implementation.

13. The working plan should include the project charter, detailed action steps, responsibilities of project team members, resource budgets, and decision points.

14. It is relatively easy to keep a working plan up to date, as long as this is done on a daily basis.

15. The project leader has an easier job than a department manager, because the project leader does not have the burden of conducting performance appraisals, determining salary levels, and imposing disciplinary measures with respect to the members of the project team.
16. The project leader should speak to each project team member at least once every day to monitor their progress, so that prompt corrective action can be taken to deal with any problems that arise.

17. The project leader can encourage teamwork by counselling individual team members, holding team meetings, and organizing informal social events.

18. To be most effective, team meetings should be held no less often than weekly.

19. The project leader should report directly to both the steering committee and senior management on the progress of implementation of the approved working plan.

20. Progress might be measured by estimating the percentage of the total work that has been completed by the reporting date for each task in the working plan and indicating how such percentages compare to those anticipated in the working plan.

21. Priorities are established by senior management, so there is little that a project leader or steering committee can do to avoid shifting priorities that might affect the implementation of an action plan.

22. Preparing a detailed working plan can help avoid the problem of unrealistic timelines.

23. A person can be a good teamworker, knowledgeable in the subject matter of an action plan, committed to its success, and still be unsuitable as a member of the implementation project team.

24. Pilot testing is an essential element of a working plan to implement new computer systems, but is generally unnecessary in other types of implementations.
Answer Key

True or False

1. The action planning process begins with defining the preferred outcome.

**False.** The action planning process begins with an assessment of the problem. A clear understanding of the situation enables you to define a preferred outcome that solves the actual problem, which might differ from your initial estimation of the problem.

2. An action plan should include only the best estimate of the timing of each of the main activities, rather than confusing matters by mentioning problems that might arise and the effects that they might have on the timing.

**False.** As you prepare an action plan, implementation risks should be considered and a contingency plan prepared. Many risks, if realized, can significantly delay implementation, and the contingency plan should deal with such possibilities.

3. The implementation process should be adapted to the characteristics of the action plan.

**True.** The implementation process can vary significantly from one action plan to another, depending on such things as the complexity of the plan, the number of people involved in its implementation, their location within (or outside of) your organization, and so forth.

4. If senior management agrees to your action plan, it is not necessary to sell others on the merits of implementing the plan.

**False.** The agreement of senior management might be necessary, but there are many situations in which this alone is not sufficient to establish a successful starting point for the implementation. For example, if your peers or subordinates are not convinced of the need for change, their lack of support could impede the progress of implementation or cause it to fail.

5. The four-box persuasion tool is designed to help you determine the communication technique that will work best with each stakeholder.

**False.** The four-box persuasion tool can help you formulate your message, but you will then need to determine which communication technique will work best with each stakeholder. For example, you might use one-on-one discussions with peers, provide written materials to a funding agency, or make a formal presentation to senior management.

6. The communication and selling process should result in an action plan that reflects the input of stakeholders and is approved for implementation by those whose approval is required.

**True.** For larger projects, in particular, approval should be evidenced by the adoption of a formal, written charter.

7. A governance structure should be established for every plan implementation, regardless of size or complexity.
True. Establishing a clear governance structure and processes will help to keep the implementation of a plan on track and provide accountability. The governance structure should be appropriate to the nature of the action plan.

8. A governance structure often used for large projects consists of a project team, a project leader, and a steering committee.

False. In addition to these elements, the governance of large projects also typically involves senior management oversight of the steering committee.

9. All members of the project team should be expected to work full time on the plan implementation.

False. It is easier for both the project leader and the individual members to manage their work if the members are working full time on the implementation. However, because of the need to get other work done at the same time, it is often impossible to assign all (or any) team members on a full-time basis.

10. Members of the steering committee should have the authority to make necessary decisions about the implementation, but need not be experts in the subject matter of the action plan.

True. Although members of the steering committee must be capable of understanding the issues that will arise and making informed decisions, they need not be technical experts in the subject matter of the action plan.

11. Senior management oversight is important only if external stakeholders have an interest in the plan implementation.

False. Senior management oversight can help to ensure that a plan implementation receives adequate priority and resources, and that important issues are decided appropriately, which are important regardless of the level of external interest in the plan implementation.

12. The project leader should have ultimate responsibility for determining the working plan, because its purpose is to provide a basis for managing the day-to-day work of the implementation.

False. The project leader and team will be largely responsible for carrying out the working plan and should therefore have primary responsibility for—or at least actively participate in—its development. However, the working plan not only provides a basis for managing the day-to-day work but also serves other purposes, such as providing a basis for measuring progress. The steering committee and senior management must be able to require changes to the working plan.

13. The working plan should include the project charter, detailed action steps, responsibilities of project team members, resource budgets, and decision points.

True. All of these are essential elements of the working plan.

14. It is relatively easy to keep a working plan up to date, as long as this is done on a daily basis.

False. The effort involved in keeping a working plan up to date can be substantial, even if project management software is being used. The effort can be kept to a manageable level by updating the working plan less frequently. A reasonable balance needs to be achieved between the value of having an up-to-date working plan and time and effort required to make the updates.
15. The project leader has an easier job than a department manager, because the project leader does not have the burden of conducting performance appraisals, determining salary levels, and imposing disciplinary measures with respect to the members of the project team.

False. Although it is often true that the project leader does not have such personnel administration responsibilities, this also means that the project leader lacks the ability to directly apply some useful performance management tools. The project leader needs to lead through persuasion of both team members and others, which can sometimes be much more difficult than managing a department.

16. The project leader should speak to each project team member at least once every day to monitor their progress, so that prompt corrective action can be taken to deal with any problems that arise.

False. It is good for the project leader to maintain regular, informal contact with the individual team members, to encourage open and timely communication. However, most project team members can usually be relied on to carry out their tasks without daily monitoring. Daily monitoring might best be reserved for those who are having difficulties.

17. The project leader can encourage teamwork by counselling individual team members, holding team meetings, and organizing informal social events.

True. The project leader should promote teamwork by providing formal and informal opportunities for the team to communicate actively with the leader and one another. The project leader might need to counsel individual team members who are not working cooperatively.

18. To be most effective, team meetings should be held no less often than weekly.

False. The right frequency for team meetings will vary from one situation to another, depending on the nature of the implementation project, the size of the project team, the level of activity at the particular point in the implementation, and so forth. In some situations, less frequent team meetings would be adequate and weekly meetings would be an unnecessary use of time that would be better spent in carrying out implementation tasks.

19. The project leader should report directly to both the steering committee and senior management on the progress of implementation of the approved working plan.

False. The project leader is usually directly accountable to the steering committee and indirectly accountable to senior management. Decisions of the steering committee will affect the working plan and the ability of the project team and project leader to implement it, so usually only the steering committee is directly accountable to senior management. However, the project leader might sometimes be required to meet with senior management to discuss the plan implementation.

20. Progress might be measured by estimating the percentage of the total work that has been completed by the reporting date for each task in the working plan and indicating how such percentages compare to those anticipated in the working plan.

True. Updated estimates of the completion dates should also be provided.

21. Priorities are established by senior management, so there is little that a project leader or steering committee can do to avoid shifting priorities that might affect the implementation of an action plan.
False. Changes in priorities are sometimes appropriate and unavoidable. However, the problem can often be avoided by carrying out a comprehensive stakeholder analysis, effectively selling the action plan, and establishing a clear project charter that has been signed off by senior management.

22. Preparing a detailed working plan can help avoid the problem of unrealistic timelines.

True. Unrealistic timelines are sometimes adopted because the amount of work to be done was underestimated. Breaking the plan implementation into detailed steps makes it easier to estimate the time and resource requirements, and thus to arrive at a realistic timeline.

23. A person can be a good teamworker, knowledgeable in the subject matter of an action plan, committed to its success, and still be unsuitable as a member of the implementation project team.

True. Sometimes, the best workers are assigned to more than one implementation team at the same time or have a heavy load of other work. In spite of their qualifications and commitment, they might simply be too busy to do a proper job.

24. Pilot testing is an essential element of a working plan to implement new computer systems, but is generally unnecessary in other types of implementations.

False. Pilot testing of new procedures can help to identify issues where additional communication and training might be needed and to correct the deficiencies before full implementation is attempted.