

Chapter 37

Saskatchewan Liquor and Gaming Authority – Managing Projects with Significant IT Components

1.0 MAIN POINTS

Saskatchewan Liquor and Gaming Authority (SLGA) uses information technology (IT) extensively in carrying on its business, and regulating liquor and gaming. It is important that it successfully manage its projects that involve developing new IT systems.

This chapter reports that, for the 12-month period ended July 31, 2015, SLGA's project management processes for its IT-related projects were effective, except for the following.

SLGA needs to give its staff sufficient guidance on determining required skills for projects, and setting quality control requirements (e.g., tests required at each stage of the project). Such guidance would help staff better analyze skills that projects require and for how long; and understand what is expected, by whom, and when. This information, in turn, enables the development of more consistent and reliable estimates of project costs.

SLGA also needs to consistently prepare accurate and complete reports to track and monitor progress of projects, and require management to leave evidence of their review and approval of them. Management needs complete and accurate information to understand the status of projects, and make informed decisions about them.

We make five recommendations to improve SLGA's project management processes.

2.0 INTRODUCTION

Under *The Alcohol and Gaming Regulation Act, 1997*,¹ SLGA is responsible for the distribution, management, operation, and regulation of liquor and gaming in Saskatchewan.

At March 2015, SLGA operated a liquor distribution centre in Regina, and 75 liquor stores in 60 communities throughout the province.² In addition, it sold alcohol from its distribution centre to partners in the private sector (i.e., four full-line private retail stores, about 180 rural franchises and about 450 off-sale outlets). SLGA regulated all Saskatchewan liquor-permitted premises, issuing over 1,900 commercial liquor permits and 15,200 special occasion permits in 2014-15.³

SLGA registers all gaming employees in the province, as well as gaming industry suppliers as required by *The Alcohol and Gaming Regulation Act, 1997*. In 2014-15,

¹ *The Alcohol and Gaming Regulation Act, 1997*, s.12.

² Saskatchewan Liquor and Gaming Authority, *Annual Report 2014-15*, pp. 3, 5.

³ Commercial permits are for businesses such as restaurants, taverns, clubs, manufacturers, or make-your-own facilities (Saskatchewan Liquor and Gaming Authority, *Commercial Liquor Permittee Policy Manual*, p. 1-2; www.slga.gov.sk.ca/Prebuilt/Public/Liquor%20Permittee%20Manual.pdf) (19 May 2015). Special occasion permits are for events such as weddings, cabarets or fundraisers <https://www.slga.gov.sk.ca/x3547.xml> (19 May 2015).



SLGA registered about 3,300 gaming employees, and about 94 gaming suppliers⁴ and issued over 4,100 charitable gaming licenses.⁵ As part of its regulation of gaming in the province, SLGA manages the charitable gaming grant program.⁶ It also directly manages the majority of the province's 7,500 electronic gaming machines,⁷ including video lottery terminals (VLTs) and the slot machines located at First Nations casinos.

SLGA's IT systems impact the delivery of liquor throughout the province, tracking of liquor inventories, and the purchase and sale of liquor. SLGA's IT systems for key regulatory activities include systems related to VLTs and slot machines, and licenses and permits for liquor and gaming activities.

In 2014-15, SLGA spent \$7.3 million (capital expenditures) on projects that involved developing new IT systems and expects to spend \$8.3 million (capital expenditures) in 2015-16.⁸ SLGA is implementing various new IT systems as part of projects such as its regulatory services project and retail operations project. Its Performance Management Division is responsible for managing projects, including projects with significant IT components. As shown in **Figure 1**, these projects vary significantly in scope, complexity, and cost.

Since SLGA started some of these projects, it has revised various aspects of the processes that it uses to manage projects. For example:

- › In 2012, SLGA established an Enterprise Portfolio Management Office to lead and facilitate project management.
- › In 2013, SLGA established a Portfolio Management Committee as a steering committee over larger projects.
- › In 2014, SLGA began implementation of a portfolio lifecycle approach for project management (i.e., sets roles and responsibilities for project management through different stages of projects).
- › In January 2015, SLGA established a Project Planning Committee to assist with the development of project business cases.

⁴ Saskatchewan Liquor and Gaming Authority financial and operating records.

⁵ Charitable gaming licences are for charitable organizations' fundraising through activities such as bingos, breakopen tickets, or raffle lotteries www.slga.gov.sk.ca/x3551.xml (19 May 2015).

⁶ Saskatchewan Liquor and Gaming Authority, *Plan for 2014-15*, p. 3.

⁷ Saskatchewan Liquor and Gaming Authority financial and operating records.

⁸ Ibid.

Figure 1 – Projects with Significant IT Components^a

Project	General Description	Original Budget [Revised Budget]	Actual Costs Incurred to July 2015 (millions)	Forecast Total to Complete at July 2015 (millions)	Start Date	Detailed Planning Completed	Date of Implementation	
							Original Planned	Actual / Expected at July 2015
Regulatory Services Project	Replaces old software for licensing, inspection and monitoring of liquor, gaming, and horse racing activities	\$5.6 [7.5]	\$7.0	\$7.8	September 2012	December 2012	November 2013	Fall 2015
Retail Operations Project	Replaces old software for purchasing, transportation, warehousing, pricing, and marketing for beverage alcohol	6.2 [6.9]	7.1	7.1	2010-11	December 2012	February 2014	Stage 1 completed February 2015, Stage 2 – December 2015
Online Services Project	Combines slga.com and saskliquor.com into one website and provides a portal for customers and partners to apply for permits and order alcohol; integrates with regulatory services and retail operations projects	6.3	3.7	6.3	March 2014	March 2014	December 2015	December 2015
PeopleSoft Financials Project	Upgrades financial accounting and reporting system to a current version of software	3.0	--	3.0	NA – business case was draft at July 2015			
Common Entity Oasis Short-Term Action	Determines integration between legacy systems and new regulatory services and retail operations systems	1.5	1.5	1.5	October 2013	October 2013	January 2015	Completed in 2014-15
Total		\$22.6 [25.2]	\$19.3	\$25.7				

Source: SLGA project records.

^aShading indicates projects we focused on in our audit.



3.0 AUDIT OBJECTIVE, SCOPE, CRITERIA, AND CONCLUSION

The objective of this audit was to assess the effectiveness of Saskatchewan Liquor and Gaming Authority's project management processes, for the 12-month period ended July 31, 2015, for its projects with significant IT components.

For this audit, projects with significant IT components means projects that included new IT systems or involved substantial changes to existing IT systems and business processes. We did not examine the processes SLGA used to select new IT systems or determine the need for those new IT systems.

To conduct this audit, we followed the standards for assurance engagements published in the *CPA Canada Handbook – Assurance*. To evaluate SLGA's processes, we used criteria based on our related work, reviews of literature including reports of other auditors, and consultations with management. SLGA's management agreed with the criteria (see **Figure 2**).

In our audit, we interviewed SLGA staff and reviewed related documentation, including plans, reports, and financial records. We examined terms of reference for SLGA's key committees involved in the project management process, and reviewed minutes of their meetings to determine whether key processes operated as intended. We tested a sample of project change requests and project status reports to determine whether SLGA followed its processes.

Figure 2—Audit Criteria

- 1. Set framework**
 - 1.1 Set governance structure for projects (oversight, accountability)
 - 1.2 Establish reporting relationships
 - 1.3 Set systems and expectations for information gathering and recording
 - 1.4 Specify requirements for approving changes to projects
- 2. Plan projects**
 - 2.1 Plan key attributes for projects (cost, timeframe, human resources, quality)
 - 2.2 Identify resources (e.g., people, financial, physical) required for projects
 - 2.3 Plan to obtain required resources
 - 2.4 Identify, evaluate, and plan to manage project risks
- 3. Monitor progress**
 - 3.1 Regularly evaluate time and costs incurred and remaining
 - 3.2 Make adjustments to projects as required (e.g., scope, actions, timelines)
 - 3.3 Regularly report progress
 - 3.4 Report on achievement of objectives
- 4. Adjust framework and processes**
 - 4.1 Evaluate project processes and results
 - 4.2 Implement changes based on lessons learned

We concluded that, for the 12-month period ended July 31, 2015, Saskatchewan Liquor and Gaming had, other than for the following areas, effective project management processes for its projects with IT components. SLGA needs to:

- › **Give staff guidance to consistently determine required skills for projects and to set quality control requirements**
- › **Require documented review and approval of complete and accurate project status reports**
- › **Monitor and report on achievement of project objectives**

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Project Management Framework in Place

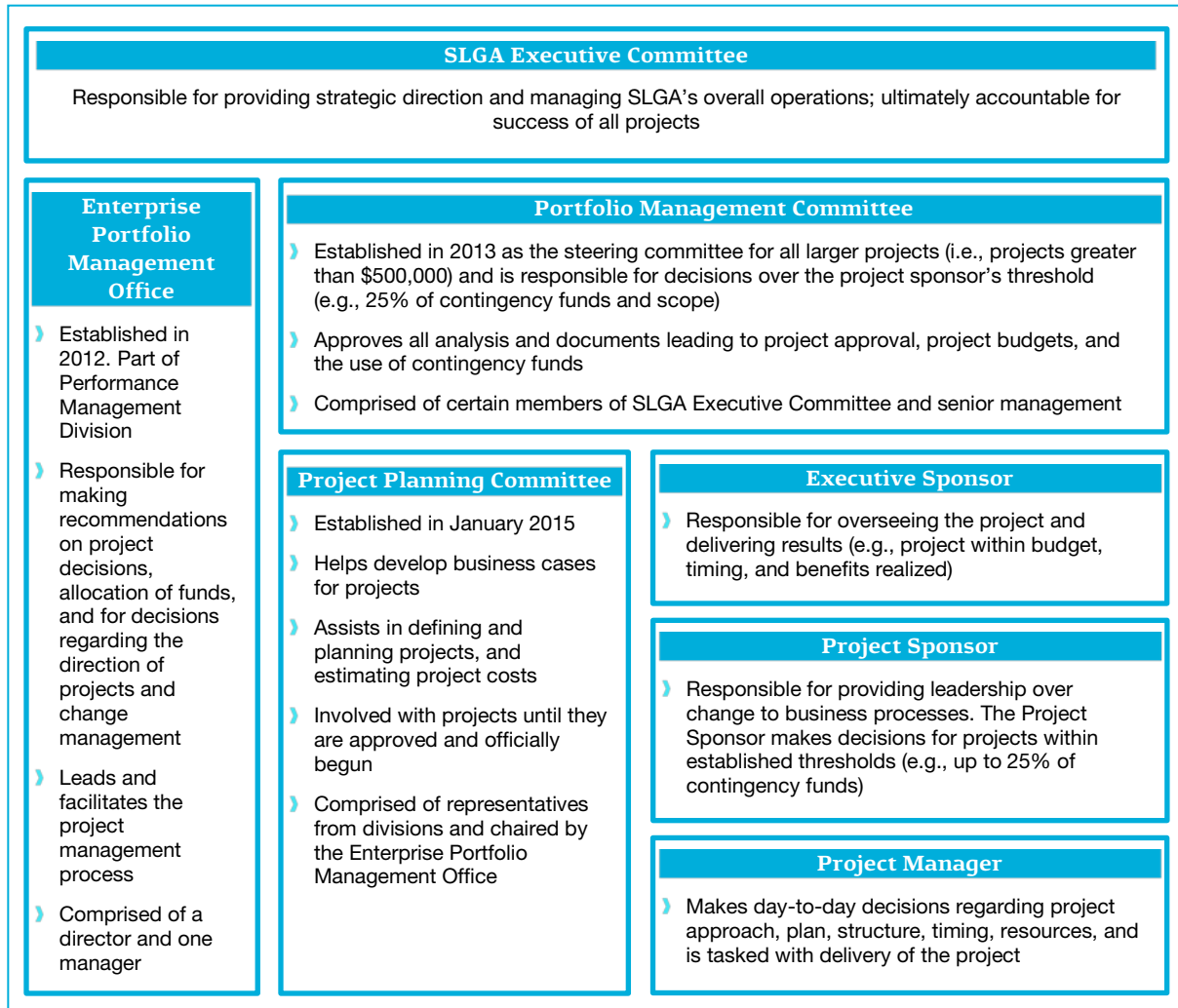
4.1.1 Clear Governance Structure and Reporting Relationships Established

We expected SLGA to have a governance structure for its projects that clearly set out roles and responsibilities for managing projects, including responsibility for carrying out projects as well as for overall results. We also expected SLGA would have established reporting relationships to keep key project members informed of project status. It would have established processes for gathering and recording project information.

SLGA's Enterprise Portfolio Management Office is part of its Performance Management Division; the Office is responsible for SLGA's project management approach. In June 2014, the Office implemented a portfolio lifecycle approach for project management.⁹ In implementing this approach, SLGA set out roles and responsibilities of various committees and positions within SLGA's project management processes as described in **Figure 3**.

We found SLGA clearly defined reporting relationships for managing projects. As shown in **Figure 3**, it had documented roles and responsibility for decisions. SLGA has set clear terms of reference for the Portfolio Management Committee and the Project Planning Committee. These terms of reference clearly set out the responsibilities for each of these committees.

⁹ A portfolio-lifecycle approach involves the centralized management of one or more groups of projects, or portfolios. Management of the portfolios includes identifying, prioritizing, authorizing, managing and controlling the projects as they progress through their stages www.pmi.org/Certification/~/media/PDF/Certifications/PfMP_FAQs_v3.ashx (15 September 2015).

**Figure 3—SLGA Committees and Positions Involved in Project Management**

Source: Provincial Auditor Saskatchewan from SLGA project management records.

SLGA used project charters as a key planning document for each project. **Figure 4** sets out the contents SLGA expects project charters to include. In addition, it used project charters to set out detailed reporting relationships for each project. For example, the regulatory operations project charter required the project manager to give other team members, in addition to the project sponsor, weekly updates on the status of the project, and hold team discussions.

Figure 4—Information Provided in Project Charters

- › Project objectives (i.e., what success looks like)
- › Project scope (i.e., what is and is not included in the project)
- › Who the stakeholders are
- › Project approach (e.g., high-level summary of activities to complete project)
- › Project structure (e.g., summary of who is responsible for making decisions for project)
- › Summary of approach for managing project risks and making changes to the project
- › Summary of planned communications amongst team members (e.g., weekly project team meetings)
- › Summary of project stages and due dates

Source: SLGA project management records.

In our discussions about reporting relationships and related requirements with the project managers for the regulatory services, retail operations, and online services projects, we determined that they each understood the governance structure for projects and the reporting requirements.

The Enterprise Portfolio Management Office set out a financial and status reporting schedule for project managers to follow. It requires project managers to give project sponsors status reports at the end of each four-week period (i.e., 13 reports each year). **Figure 5** sets out the contents SLGA expects project status reports to include.

Figure 5—Expected Content of Project Status Reports

- › Summary of project information (e.g., overview, deliverables, benefits)
- › Summary of issues and emerging risks
- › Summary of events that occurred during the reporting period and what is expected to occur in the next reporting period
- › Project schedule information by project stage: percentage of completion, expected completion date as compared to plan, reasons for variances between planned and updated expectations
- › Project financial summary including comparison of budget to total estimated costs, amount of contingency funds used, remaining budget
- › Summary and impact of approved change requests including costs of changes

Source: SLGA project management records.

To help identify and track project costs in its accounting records, SLGA assigned unique project codes to each project. SLGA recorded project costs in its accounting and reporting system using these codes. SLGA financial staff prepared financial information two weeks after each period end; use of a two-week window provided financial staff time to enter all information for that period.

4.1.2 Requirements for Approving Changes to Projects Set

We expected SLGA would set requirements (e.g., analysis required, criteria) to approve changes to projects.

Project managers used standard change request templates when requesting changes to projects. The template set out required information and analysis (**Figure 6**). The project sponsor reviews the change request and supporting analysis. The Portfolio Management Committee must approve change requests. The Executive Committee is required to approve change requests depending on the nature of the change (e.g., significant changes to scope, cost). For the three project change requests we examined, from separate projects, we found that the change requests were completed and approved as expected.

Figure 6—Required Information for Project Change Requests

- › A description of the change
- › Reason for the change (e.g., additional funding required due to technical issues, or to meet system functionality expectations of users)
- › The risk of proceeding or not proceeding with the change
- › Impacts to project schedule and final product (e.g., project benefits)
- › Changes to resources required (e.g., staff hours, costs)
- › Assumptions made during the analysis for the change request

Source: SLGA project management records.



4.2 Project Planning Processes Need Improvement

4.2.1 Plans Address Key Project Attributes

We expected SLGA to complete plans for projects after projects were approved. Plans would include planning key attributes of projects. This would include expected costs and labour, stages of projects, planned completion dates, and the requirements of the users of the new system or business process. Project plans would require approval.

SLGA divisions, responsible for business processes impacted by projects, completed business cases to support each project's approval (e.g., Regulatory Services Division for the regulatory services project). After the Portfolio Management Committee and the Executive Committee approved the projects, the responsible division began detailed project planning. As previously noted, the assigned project manager prepared a project charter for each project for the approval of the project sponsor and executive sponsor.

The Enterprise Portfolio Management Office required the use of a standard project charter template. See **Figure 4** for the information included in the project charter. The template requires descriptions of key attributes for projects (e.g., major deliverables, activities, and resources required).

We observed the use of the project charter. We found the regulatory services and retail operations project charters included the following, as expected:

- › Approved project budget
- › Labour requirements for staff assigned to manage or carry out the project (e.g., the Project Sponsor, Executive Sponsor, Project Manager and requirement for any subject matter experts)
- › Project approach (e.g., use of multiple stages), and description of project stages and expected completion dates of each (e.g., an outline of planned dates for the purchasing process, implementation, and transition to the new IT system)
- › Detailed user requirements

SLGA required assigned project staff to develop and document business and user requirements. SLGA's processes expect project teams to consult with project stakeholders to determine user requirements through a variety of methods (e.g., one-on-one interviews, surveys, brainstorming, focus groups).

We examined the regulatory services project requirements analysis. We found the analysis appropriately included business and user requirements such as the ability of SLGA to expand the system to manage more customers, and IT requirements (e.g., new system must work with SLGA's existing accounting and reporting system).

4.2.2 Better Guidance for Detailed Planning of Projects Required

We expected SLGA would identify the detailed resources required to complete projects, (e.g., the required skills, financial and physical resources). It would plan to train end users on the new system and related business processes.

SLGA project managers define projects using financial plans, project budgets, and project plans. In **Figure 7**, we describe the results of our examination of these plans for the regulatory services project.

Figure 7—Elements Included in Regulatory Services Project Detailed Project Plans

Financial Plan

- › Included a high-level summary of costs on a unit basis (such as staff cost per hour), on a total costs basis (such as software support for servers), and by stages
- › Reflected all key attributes of the project such as labour, equipment, licenses, training, suppliers, support and maintenance, and administration
- › Included labour costs by hour for both SLGA employees assigned to the project and contractors
- › Included cost assumptions (e.g., estimated cost per hour for contractors)
- › Included costs for support, maintenance, end user training, and testing

Project Budget

- › Provided detailed capital costs and expenses by project stage (e.g., initiation, implementation, and post-implementation support)
- › Included an assessment of the number of person days required for each type of resource at each stage of the project (e.g., 20 days would be required by the project owner in the initiation stage)
- › Included costs for disaster recovery and software maintenance

Project Plan

- › Divided the project into tasks and set out how long each task was expected to take (e.g., 36 days for the project initiation stage)

Source: Provincial Auditor Saskatchewan examination of SLGA project management records.

We found the plans were appropriate except for the following matters. In developing these plans, the project sponsor and manager are expected to assess whether the required skills exist and are available within SLGA. If not, they are to plan to procure external resources and estimate the costs of doing so.

We found that the Enterprise Portfolio Management Office did not give project teams sufficient guidance on consistently determining the skills required during detailed planning of projects. Consistent analysis of the skills that projects require, and for how long, is necessary to support budget decisions. Not having consistent analysis to support budget and hiring decisions increases the risk that project plans may not be accurate and comparable, and that projects may not have appropriate staff.

- 1. We recommend Saskatchewan Liquor and Gaming Authority give staff guidance on determining required skills for projects with significant IT components.**



The Enterprise Portfolio Management Office gave project managers guidance on determining which costs are capital in nature¹⁰ or non-capital,¹¹ and on developing project budgets (e.g., a project-costing checklist listed items for various stages of a project). Such guidance helps project managers consistently consider costs during planning.

Project teams are also to develop quality control requirements (e.g., test plans) for each stage of projects. We found that the Enterprise Portfolio Management Office did not give project teams sufficient guidance on consistently preparing quality control requirements or test plans.

We found the level of detail in the test plans of the retail operations and the regulatory services projects differed significantly between these projects. Each plan included a breakdown of testing at different stages. Each plan noted that for each stage, the project had to meet specified quality criteria (e.g., all outstanding issues resolved or an acceptable workaround found and deemed adequate). The retail operations test plan set out how to set up the tests, provided detail on the objective of the tests, and indicated who was responsible for the tests. The regulatory services test plan did not include this detailed information. Detailed plans clearly define what is expected, by whom, and when; detailed plans also facilitate more reliable estimates of time and cost, and enable better monitoring.

Not giving staff sufficient guidance on preparing quality control requirements such as test plans makes it more likely that significant differences in processes and methods may occur. This increases the risk of inconsistent quality, non-comparable results, and inconsistent estimation of related costs.

2. We recommend Saskatchewan Liquor and Gaming Authority give staff guidance on setting quality control requirements for projects with significant IT components.

SLGA required the project teams to develop training plans for users of the new or changed business processes. It provided staff with a training plan template. This template specified: who requires training, what type of training is needed, when the training will take place, and who will deliver the training.

For the regulatory services project's training plan we examined, the plan included the required information. It broke down internal and external users, their training requirements, and the training approach. It also documented the target timeframe for training, who would deliver the courses, and resource requirements (such as classroom space, and estimated costs).

4.2.3 Plans to Obtain Resources Exist

We expected SLGA would plan to obtain the detailed resources it requires (e.g., external expertise, physical resources).

¹⁰ Costs that are capital in nature are recorded as an asset as they provide benefits over a longer period.

¹¹ Costs that are non-capital in nature are expensed as incurred.

When approved project plans identified the need for external expertise, project managers are to complete requests for resources. The Enterprise Portfolio Management Office provided staff with a request template. We found this template appropriately required details about the work to be completed, timelines, and skills and experience required. However, as noted earlier, SLGA did not provide guidance to project managers on determining the skills and experience required to complete the project.

To obtain physical resources (such as new servers), SLGA uses its procurement policy. The policy indicated who was authorized to purchase goods, and outlined processes to follow (e.g., obtain quotes from three potential suppliers for purchases between \$5,000 and \$10,000). We found SLGA complied with its procurement policy.

4.2.4 Project Risks Effectively Identified

Risk management is an essential part of project management processes. We expected SLGA's planning processes would include identifying, evaluating, and managing risks of projects.

SLGA required project managers to complete risk management plans at the onset of projects. The risk management plan is to:

- › Provide guidance for how project managers are to identify, track, and analyze risks.
- › Guide the development of risk response strategies.
- › Document project managers' assignment of risks to a risk category (e.g., technical, external, organizational change), and describe the potential impact of risks. For each risk identified, the probability of occurrence and an impact of risk are assigned a value from 1 to 5, resulting in its overall risk level (maximum of 25).
- › Document a risk response (e.g., accept, avoid, mitigate) for each risk and log the status of the risk.

The project managers must identify risks throughout the project. Also, they are responsible for making project sponsors and the Enterprise Portfolio Management Office aware of emerging risks through inclusion in the project status report.

We examined the risk management plans for the regulatory services and retail operations projects. We found each of the risk plans identified and evaluated risks, and documented mitigation strategies consistent with SLGA policies. We also found the related project team regularly monitored and updated the risk plans.

4.3 Project Monitoring Processes Need Improvement

4.3.1 Sufficient Analysis Completed to Make Adjustments to Projects

We expected SLGA would have processes to adjust project plans as required (e.g., scope, actions, timelines) based on analysis and approval.



SLGA's change management processes require the project manager to prepare a change request for any changes to project scope, budget, or schedule. The project manager is to submit the request to the Enterprise Portfolio Management Office before it is presented to the Portfolio Management Committee for review and approval. Significant increases in costs (i.e., decisions exceeding approved budget) require Executive Committee approval after recommendation from the Portfolio Management Committee.

For change requests we tested related to retail operations, regulatory services, and online services projects, SLGA evaluated change requests using the change request template. Project managers analyzed the reasons for changes, their cost, scope, resource impact, and the risks of whether or not to proceed. This was appropriate analysis to support the requests. We also found SLGA sufficiently documented key assumptions (e.g., the availability of certain staff to achieve timelines). The requests appropriately went to Portfolio Management Committee and the Executive Committee for approval.

4.3.2 Consistent Completion and Review of Project Status and Progress Reports Needed

We expected SLGA to require regular evaluation of time and costs incurred and remaining. We also expected SLGA would regularly evaluate progress achieved, meeting of deadlines, risks, and approved changes to projects. We expected it would compare actual and expected costs to budgets. SLGA would use this analysis to regularly report progress of projects to key stakeholders, senior management, and others. We also expected SLGA would require project sponsors to document their review and approval of project status reports prior to submission to the Enterprise Portfolio Management Office.

Project managers are to track actual project costs against budget and include this cost information in project status reports (see **Figure 5**). Project managers receive financial information from SLGA financial staff to complete the cost analysis. SLGA financial staff provided project managers with financial information for their project status reports from SLGA's financial accounting and reporting system.

SLGA's processes required the project managers, project sponsors, and the Enterprise Portfolio Management Office to report progress to key stakeholders on performance, objectives, project risks, schedule, cost variances, and scope changes. Key stakeholders included the Board, Executive Committee, the Portfolio Management Committee, and the project sponsors.

For the project status reports we tested for the retail operations, regulatory services, and online services projects, we found the following:

- › Staff had not prepared two project status reports (periods for April 26 – May 23 and June 21 – July 18, 2015) for the regulatory services project.
- › Staff had not included key project dates for the regulatory services and retail operations projects. For example, the format of the project status report requires that staff record forecast end dates and actual end dates. Six out of the eleven project status reports we tested did not include these dates. As a result, these

project status reports did not communicate whether projects were expected to take longer than planned.

- › Staff did not consistently update the percentage of completion for project stages. For status reports for the retail operations project, we noted that the percentage of completion reported did not change over the 12-month period ended July 31, 2015, even though we noted progress had been made in the project (e.g., the percentage of completion for four stages remained at 100%, 100%, 85%, and 20% throughout the 12-month period).
- › Regulatory services and retail operations project status reports did not always summarize approved project change requests and their impact on the project.
- › Retail operations, regulatory services, and online services project status reports did not show evidence of the project sponsor's review or approval. We noted SLGA does not require project sponsors to leave evidence of review or approval. Management indicated that project sponsors would follow up with project managers if they did not receive project status reports or observed reports as insufficient or inaccurate.

The Enterprise Portfolio Management Office made changes to the expected format of project status reports (i.e., required use of a standard project status report template) in 2014. We observed some use of the new template. For the online services project status reports that we examined, we found the project managers prepared the project status reports as expected. However, we found project managers did not use the new template in all cases.

Incomplete project status reports increase the risk of management making inappropriate decisions about projects (e.g., not identifying need for corrective action). Not documenting review and approval of project status reports makes it difficult for committees (e.g., Portfolio Management Committee) or staff (e.g., Enterprise Portfolio Management Office) to determine whether project sponsors reviewed the project status reports as expected and approved the content of the reports. Lack of review and approval increases the risk that project status reports will not be complete and accurate, and increases the risk of management making inappropriate decisions.

3. We recommend Saskatchewan Liquor and Gaming Authority follow its processes for preparing complete and accurate project status reports for projects with significant IT components.

4. We recommend Saskatchewan Liquor and Gaming Authority require formal review and approval of project status reports for projects with significant IT components.

From our examination of Portfolio Management Committee and Project Planning Committee minutes, we found that each committee was appropriately involved with project governance and planning, and received regular updates on key projects (although these were subject to the issues noted earlier in this section).



SLGA's Executive Committee received updates periodically throughout the year. These updates were in addition to when the Executive Committee reviewed and approved project change requests. From our examination of Board minutes, we found SLGA gave its Board a high-level update on key projects at least annually.

4.3.3 Report on Achievement of Objectives Needed

We expected SLGA would measure the success of projects (including an assessment of whether it obtained expected benefits) and report on achievement of objectives to key stakeholders and, for large projects, the public.

We found project business cases set out planned objectives (e.g., improved remote and real-time access to data and reporting). However, we found SLGA did not have established processes to track and monitor the achievement of project objectives. Also, project teams did not report on achievement of objectives internally (e.g., to senior management, Executive Committee) or to the public. SLGA provided some information on its projects to the public in its annual report (e.g., on the development and testing of the regulatory services project and timing of final replacement).

Without effective processes for measuring and reporting on achievement of objectives, there is increased risk that SLGA may not obtain benefits that it expected from projects.

5. We recommend Saskatchewan Liquor and Gaming Authority monitor whether its projects with significant IT components achieved objectives set out in approved business cases and periodically report to its Board and senior management.

Management plans to develop a framework to enable SLGA to monitor and report on achievement of expected benefits of projects.

4.4 Project Management Processes Reviewed

Setting requirements for periodic review of project management processes and consistent evaluation of lessons learned from completed projects would help SLGA continuously improve its processes. We expected SLGA to periodically review its project management processes. It would evaluate lessons learned from completed projects. Based on lessons learned, it would update its project management framework and processes.

We found SLGA had clearly indicated who is responsible for ongoing evaluation of its project management process.

We found the Enterprise Portfolio Management Office completed “lessons-learned” sessions upon completion of the first stage of the retail operations project (i.e., in February 2015). It held four lessons-learned sessions. These sessions included over 40 participants from across SLGA. It summarized the results of these sessions. Results set out what went well, what needed improvement, and initial solutions to items needing improvement. We found the process to gather feedback was reasonable. The Enterprise

Portfolio Management Office presented these summarized findings to SLGA's Executive Committee in May 2015.

From our review of the lessons-learned report for the retail operations project, we noted it included the need for increased senior management involvement prior to the approval of projects, and better definition of the scope of projects prior to starting projects. The report also noted that clearly-defined projects are essential for developing reliable, quality estimates (e.g., cost, time) before projects begin. We observed management's plan to make changes resulting from these findings.

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