

## **Funding and planning new VS initiatives with ‘Stage-Gate’**

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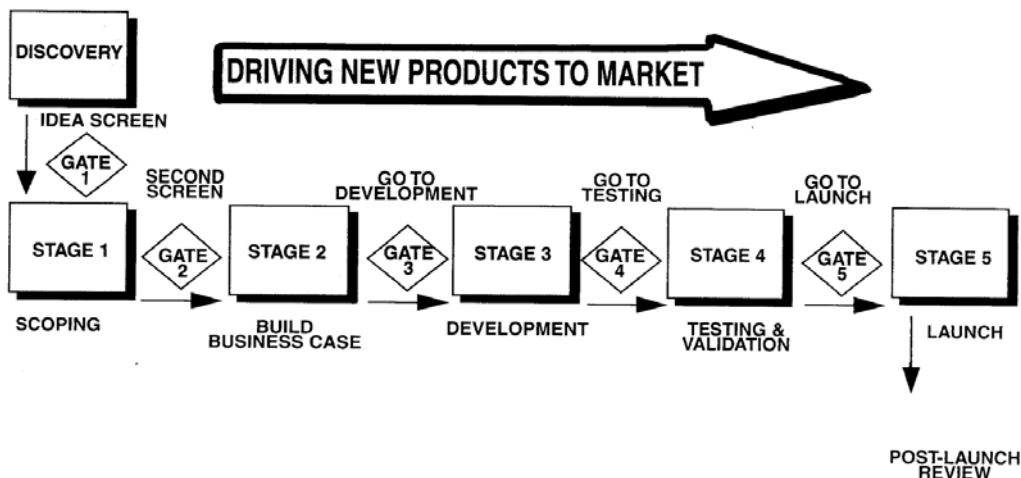
Picture this: You are charged with overseeing a national organization of 1,800 employees, a budget of over \$200 million, and major offices and laboratories in four cities with branch offices in 43 States—all answering to the shifting scientific, political, and economic needs of numerous animal-related industries, Congress, and the U.S. public. Your work force is charged with delivering innovative approaches, projects, and programs to meet those evolving needs. When your people announce that a new initiative (for example, a surveillance program, a regulation, or an inspection procedure) is now in effect, an array of stakeholders, media, legislators, and taxpayers need it to work. These stakeholders expect that your organization completed the necessary groundwork to roll it out successfully.

How would you do it?

**Enter Stage-Gate** – If you are Veterinary Services (VS), since 2007 you have turned to “Stage-Gate.” Stage-Gate is a process for overseeing VS’ portfolio of new initiatives as projects move from the idea stage toward successful implementation. VS uses Stage-Gate to critique projects, allocate resources, and plan the launch. Our methods are adapted from private industry’s use of Stage-Gate, in which companies identify their best, most viable new products and services and then methodically prepare them for release to the public.

Stage-Gate consists of

- A series of **stages** – during which a project team manages and accomplishes its work, followed by
- **Gates** – where Go/Stop/Modify/Hold decisions determine if a project or new initiative moves to the next stage, ending in
- **Launch** – when new initiatives are implemented.



Stage-Gate® is a trademark of Product Development Institute.

Stage-Gate merely captures and documents what normally happens (or should happen) as a project advances in stages from an initial idea toward a polished and tested set of plans. When an idea is first discovered or proposed, colleagues and supervisors informally screen it and advise whether to dismiss it or to request more information. Scoping will generally indicate if the idea is feasible and right for the mission. If an idea or proposal survives these early screens and still looks promising, then a project team may be organized to prepare a business case or some form of justification.

With justification in hand, this is often the logical time to approach the VS Management Team (VSMT) for endorsement and/or resources. The VSMT acts as “gate keeper” whenever feasible at Gates 3 and 5, and, when needed, at Gate 2. At a gate meeting, the project team brings prescribed deliverables—for example, the written business case—and the VSMT uses explicit, transparent criteria to evaluate the project. The main outcome of each gate meeting is a Go/Stop/Modify/Hold decision on whether the project should move to the next stage of work. Project teams also receive written feedback from the VSMT and, if the decision is Go, a specific resource commitment whenever possible. Projects generally do not receive significant financial resource commitments until at least Gate 3, the “Go-to-Development” gate.

If the concept passes Gate 3, the project team will proceed to develop and fine-tune its implementation plans and test them as needed. The Gate 4 decision—whether to begin pilot testing or some form of validating plans—is best left to the project team. At Gate 5,

before going public, the project team and VSMT ensure that managers, participants, and stakeholders are organized and prepared for successful launch. Several months after launch, it helps immensely to revisit what went well and what can be improved in future similar launches.

**VS Pipeline** – So how does VS know which projects are in which stages, and which projects will soon need to be discussed in a gate meeting with VSMT? The VS Pipeline is a Lotus Notes database that gives VS leaders an overview of all major VS projects and their status. VS Planning and Strategy Staff maintains the Pipeline, periodically summarizes its content for VSMT, and communicates regularly with project teams. Keep in mind that the Pipeline is not a tool to manage projects. Instead, project teams manage and accomplish their own work and the VS Pipeline helps leaders and the Planning and Strategy Staff understand projects' status. When a project is approaching Gate 2, 3, or 5, this signals the project's readiness for a gate meeting.

**Benefits of Stage-Gate** – Gate meetings give projects greater visibility with the VSMT and a solid endorsement when VSMT supports moving a project to its next stage. Project teams generally leave a Gate 3 meeting with a clear decision on available funding and resources. Teams' preparations for a Gate 5 meeting include a Launch Readiness checklist that helps everyone verify that all bases have been covered before implementation. For its part, the VSMT can ensure that new initiatives align with strategy. Management becomes much more aware of the universe of projects under development, and the status of those projects. Individual VSMT members can better understand and influence what is happening across the breadth of VS, including initiatives that will involve their own units and people.

Overall, VS benefits by directing resources and support to high-priority, well-managed projects that are both strategically and operationally sound. As various projects advance through the requisite stages and gates, VS can be certain that—before new initiatives go public—we have done the groundwork necessary for a successful launch.