

Independent Recommendations on Oversight of IT Projects

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Summary

In the 2019-21 Biennium Operating Budget, the Office of the Chief Information Officer (OCIO) was provided funding for four expert level project managers. These resources are to provide guidance exclusively to projects subject to the financial gating provisions of the operating and transportation budget as outlined in Section 710 of the Operating Budget (ESHB 1109) and Section 701 of the Transportation Budget (ESHB 1160).

The statutory requirements from Section 152 (1) (a) are for the positions to:

- (i) Provide master level project management guidance to agency IT stakeholders;
- (ii) Consider statewide best practices from the public and private sectors, independent review and analysis, vendor management, budget and timing quality assurance, and other support of current or past IT projects in at least Washington state and share these with agency IT stakeholders; and
- (iii) Beginning December 31, 2019, provide independent recommendations to legislative fiscal committees by December of each calendar year on oversight of IT projects.

This document is the first annual report required by Section 152 (1) (a) (iii) and includes the following:

- The full staffing and formation of a newly created role in the OCIO: **Expert Project Manager**
- A summary of the qualifications of the four selected resources.
- A clarification of the Expert Project Manager role compared with that of external QA and OCIO oversight.
- Independent observations of the oversight process with recommendations to legislators and OCIO consultants.
- A plan for 2020 that identifies short and long-term activities to build the capacity of the Expert Project Managers and the OCIO team.

Expert Project Management Team

The first of the four provisioned staff on-boarded with the OCIO in July 2019 through an Inter-Agency Agreement. Three additional staff were hired through an open RFP procurement and were on-boarded in November 2019 – at which point the Expert Project Manager team was fully staffed and operational. The selected consultants are:

Richelle Glascock was the first Expert Project Managers team member, hired July 2019. Richelle has been working with the state's smaller agencies to provide hands-on support to coach projects to set up a project management framework and navigate the gated funding process. She is a Project Management Institute (PMI) certified Project Management Professional (PMP) who brings to the team experience as both project manager and independent quality assurance on state IT projects.

Marcus Bailey is a seasoned executive with 34 years of large-scale project management experience in federal, state and city government. He is a Project Management Institute (PMI) certified Project Management Professional (PMP). A former CIO at the Department of Licensing, Marcus also enjoys teaching and is currently a project/program management instructor at South Puget Sound Community College. He is winding down an engagement at the Department of Health where he served as the Project Director for the WIC Cascades Project – a statewide client eligibility and check printing system with over 2,100 end users. Marcus delivered a \$22 M cloud-based solution for the WIC program.

Shelley McDermott is a master-level project manager with a BA in business from Evergreen State College and PMP certification from the PMI. Shelley's background includes assessment and implementation of complex business initiatives, program and project leadership and strategic planning. Shelley excels at managing high-risk, high-visibility projects and leading teams. She has successfully delivered results in both public and private sector organizations.

Stacy Steck is a PMP and holds an MBA. She has served the state on several successful, long-term projects (Healthier Washington and VoteWA) and brings more than 25 years of experience in the field of project and program management to this role. Stacy was a leader in the healthcare industry and had a major role in implementing electronic health records in over 30 hospitals and more than 500 clinics. Additionally, she has a certification in enterprise resource planning (ERP) solution configuration and has implemented ERP modules (HR and Budgeting) as part of her consulting career.

State investments to date have primarily supported the procurement and on-boarding of the Expert Project Managers team. While Ms. Glascock has made positive contributions (since July) to project strategy at many of the state's smaller agencies and has become familiar with OCIO policies and process, the remainder of the Expert Project Managers will be fully trained and oriented by year end. All consultants are local to the South Sound area and can be onsite with the OCIO and/or working with agencies Monday through Friday.

The table below provides a framework for distinguishing between the role of an Expert Level Project Manager, an OCIO Oversight Consultant, and external quality assurance contractors.

<p>Expert Project Manager role</p>	<p>Role summary: a <i>temporary</i> resource to provide expert project management guidance and expedite projects through the oversight process with support for high-quality deliverables. An Expert Project Manager is a coach, mentor, teacher and resource.</p> <p><i>Specific services provided are included in the next section.</i></p> <p>Reports to: OCIO Director (or Assistant Director TBD)</p> <p>Focus: Risk management and critical project support on gated funding projects.</p>
<p>Oversight Consultant (OC) role</p>	<p>Role summary: an OCIO-assigned resource to provide ongoing assessment of projects, including:</p> <ul style="list-style-type: none"> • Review, approve, reject, and propose modifications to proposed investments. • Escalate/intervene with agency leaders and/or agency CIOs as and when it may be necessary and evident through applied oversight processes. • Gated funding subject matter experts. • Identify and report risk / apply conditions. • Liaison with authorizing environment (Leg, OFM). <p>Reports to: OCIO Director (or Assistant Director TBD)</p> <p>Focus: Independent assessment of project health and progress.</p>
<p>External Quality Assurance (QA) role</p>	<p>Role summary: a resource contracted by the agency to provide ongoing, independent assessment of project management processes and activities on a specific project.</p> <p>Project QA services provide Executive Sponsor, project leadership, the Office of the Chief Information Officer (OCIO) and other oversight entities with valuable independent insight into how well project activities are going and where corrections might be needed.</p> <p>Services include:</p> <ul style="list-style-type: none"> • Support for the PM and project stakeholders. • Ensures deliverables meet specifications. • Helps manage risk to improve project success rates. <p>Reports to: Agency Project Sponsor</p> <p>Focus: Independent risk forecasting and evaluation of effective project management practices.</p>

2019 Expert Project Manager Activities

To accomplish the goals of the proviso, the Expert Project Managers will work closely with the OCIO Oversight Consultants to identify and support projects encountering challenges or at risk for encountering challenges. An Expert Project Manager can be assigned to assist a project with addressing risks/issues and to mature an agency's practices. Activities conducted by the Expert Project Manager team in 2019 include:

- Advising projects on the selection of project managers and other key project resources.
- Supporting the development of quality project management plans and strategies.
- Consulting and advice to project sponsors.
- Consulting and advice on building and sustaining effective governance.
- Consulting and advice on vendor management.
- Detailed reviews of project work plans/schedules, budgets, financial gating proposals and other critical project artifacts to ensure quality products.
- Reviewing procurement documents, including project quality assurance, technology solutions and vendors.
- Providing templates/best practices and real-life examples.

Additionally, Expert Project Managers team members support OCIO Oversight Consultants and agency IT stakeholders by:

- Making informal observations and recommendations to the Oversight Consultants to enhance the effectiveness of the OCIO oversight function on specific projects.
- Supporting the collection (currently in a spreadsheet) and analysis of lessons learned from projects to improve outcomes for future projects.
- Participating in the planned development of toolkits and other best practice repositories to improve project management practice and project outcomes.

Observations

One (1) Expert Project Manager FTE has been embedded with OCIO oversight staff since July 2019. (The remaining three (3) were on-boarded in November). The following independent observations are based on the Expert Project Managers' limited engagement with agencies and interaction with gated funding processes. The findings are categorized into the following domains:

- **Approval and Oversight Process and Practices** –Plante Moran delivered an assessment of the OCIO approval and oversight processes in the second quarter of 2019. The report included several recommendations to optimize the process and outcomes. An observation is this: projects are subjected to gated funding provisions where the application of OCIO policy and oversight, as currently exists, may result in the state spending more on contracted QA and OCIO labor than might be warranted.
 - Per the Plante Moran report, the OCIO should proceed with criteria for scalable (right-sized) standards for oversight based on risk level and project need. Seek to adapt oversight processes to fit the nature of the investment per the Plante Moran recommendation to establish risk-based oversight levels and scalable oversight requirements.
 - In 2020: the Expert Project Managers should explore and analyze the influence of financial holdbacks on project success.
 - In 2020: the OCIO should formulate recommendations on guidelines for feasibility studies; including timing of studies within the project lifecycle and how to scale content to suit investment needs.
- **Project Management Best Practices** – Washington's federated IT organization structure results in a variety of project management approaches, methodologies and processes. The Plante Moran report recommended a consistent, statewide framework.
 - The OCIO, as part of its workgroup structure to address the Plante Moran recommendations, should engage¹ the Expert Project Managers as well as the statewide project management community to:
 - Establish standard deliverables common to the project lifecycle for endorsed methodologies (e.g. waterfall, agile or hybrid)
 - Develop a repository of recommended templates for project deliverables based on the applied project management methodology
 - Implement a “lessons learned” methodology and a repository of knowledge that is accessible and usable to project communities.
 - Establish guidelines for Organizational Change Management to provide consistent guidance to agencies.

¹ Expert Project Managers are likely to be able to use availability between program support activities to work on strategic project “knowledge” accumulation and documentation.

Next Steps

2019 has largely been a procurement and training year. Now that the Expert Project Manager team is in place, our focus is on building our strategy for 2020. The team is absorbing and observing OCIO processes and becoming familiar with the gated funding projects, oversight consultants, agency leaders and project managers.

1. By January 30, 2020: Facilitate and document a working session with the OCs that elicits lessons learned to date (re: the technology budget approval and gate certification process).
2. By January 30, 2020: Create an Expert Project Managers skills matrix to facilitate the assignment of Expert Project Managers to at-risk projects.
3. By March 1, 2020: Develop 2020 performance measures with baseline data and outcomes that contribute to OCIO metrics and performance goals.
4. By March 1, 2020: Evaluate the lessons learned about technology budgets and the gated funding projects to date and develop recommendations for processes and policies.
5. By June 30, 2020: Prepare a mid-year report of lessons learned, recommendations for the biennial budget and key information for legislative awareness – to include 1) suggestions for feasibility study requirements and when/how to adjust based on project risk, 2) a planning calendar that improves agency capacity to plan across fiscal years, biennia, supplemental budget years – as well as across the software development or project life cycle, 3) a documented rubric for when an Expert Project Manager should be assigned and how they should function.
6. By September 30, 2020: Deliver a compendium of useful FAQs and “guidance” articles that serve as a resource for agency planning. Include: a repository of “real life” deliverable samples and collected best practices.
7. By November 30, 2020: Participate in the WaTech effort to address the approved and outstanding Plante Moran recommendations for improving oversight effectiveness. (This task owned by the OCIO).

The Expert Project Managers team respectfully submits this report to comply with the terms of the proviso. We welcome feedback from members of the legislature and staff.