

ISM

IT Solutions Management for Human Services

an affiliate of the American Public Human Services Association

Colorado Department of Human Services

Office of Information Technology Services

What Impacts the Success of IT Projects?



Agenda

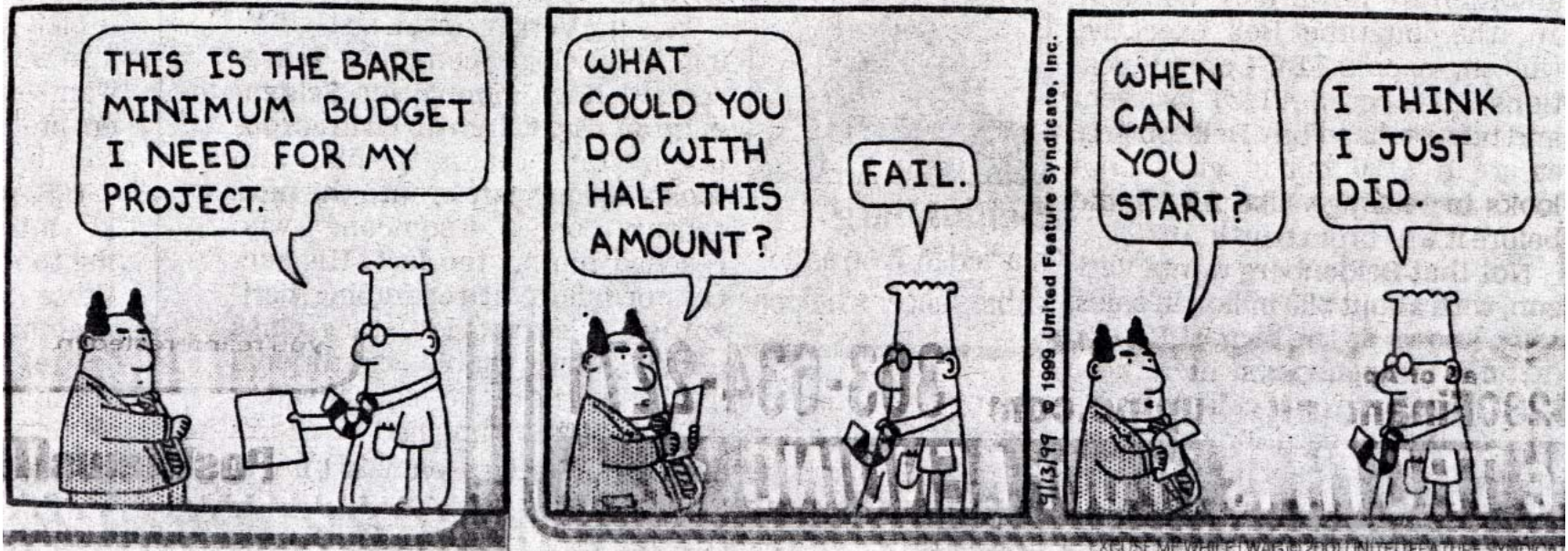
- ◆ Who is CDHS?
- ◆ Project Management Study
- ◆ What is Success?
- ◆ What impacts Success?
- ◆ What Best Practice's are in use?

Who Is CDHS?

- ◆ The Colorado Department of Human Services oversees the state's 64 county departments of social/human services who provide services such as Food Stamps, Cash Assistance, Employment Assistance, the state's public mental health system, Colorado's system of services for people with developmental disabilities, the state's juvenile corrections system, and all state and veterans' nursing homes.

What is a Successful Project?

THE DILBERT ZONE BY SCOTT ADAMS



Project Study Commissioned

- ◆ What Impacts the Success of Information Technology Projects in the state Colorado?
 - Multiple Failed Projects
 - Multiple challenged Project

What is a Successful Project?

- ◆ What is your definition of a Successful Project?

The Definition of a Successful Project

- ◆ **Project success is generally in the eye of the beholder, but an industry definition for project success exists.**
 - A **successful project** is a project which is completed on or ahead of schedule, at or under budget, and without reduced scope (or features).
 - A **challenged project** is a project which meets some of the above criteria, but not all (e.g. the project was delivered on budget, but with less features than originally specified).
 - A **failed project** is a project that is not implemented, usually having been canceled as a result of egregious project performance.

What is Realistic?

- ◆ In thinking about your projects in the last 5 years, how many were:
 - Successful?
 - Challenged?
 - Failures?

Project Performance in the Industry

- ◆ Project performance has been improving but still is not good.
- ◆ Recent CHAOS* report found that of the 13,522 projects reviewed:
 - 34% of projects were completed successfully
 - 51% of projects were challenged
 - 15% of projects were failures (cancelled)
 - The average project was +82% over schedule
 - The average project was +43% over budget

* Standish Group, 2003

Common Project Issues

- ◆ What are the problems you typically encounter with a project?

Common Project Issues

◆ Resources

- Lack of
- Other priorities
- Wrong skills
- Turnover

◆ Cost

- Insufficient funding
- Underestimating the cost
- No contingency funding

◆ Schedule

- Inadequate planning
- Unrealistic Schedule

Best Practices

- ◆ What steps do you take to insure Success?
 - Requirements Development
 - RFP Development
 - Contracting
 - Skill Assessment
 - Scope Control
 - Schedule Adherence
 - Budget
 - Critical Path Control
 - Change Management
 - Communications

Best Practices

◆ Project Life Cycle

- Utilize a phased, project life cycle that is executed as a routine part of the project management discipline
- Use information gathered in one phase to plan a subsequent phase
- Ensure that requirements and scope are well documented and agreed to before undertaking any project purchases or development
- Ensure that vendors engaged have a formal project life cycle and that the individuals working on the project have experience with the life cycle

Best Practices

◆ **Formalized project management discipline**

- Define formal project processes, standards, and artifacts to be used during project execution
- Utilize a program management office or other compliance position to ensure adherence to the standards of the project management discipline
- Adjust the formal project processes, standards, and artifacts based on a project post mortem
- Develop and measure projects against, a common set of project metrics so that progress or recession from goals can be measured

Best Practices

◆ **Schedule**

- Have team members set their own schedules and estimates for project tasks.
- Hold team members, once the schedule has been created by them, accountable to their schedule.
- Factor in key unproductive times such as vacation, sickness, training, and potentially removal of resources from a project.
- Consider the skill levels of key resources assigned to tasks extending estimates through negotiation as necessary.
- Account for the political climate or culture.

Best Practices

◆ Resources

- Fully allocate resources to a project whenever possible.
- If resources are allocated across multiple work activities, develop a resource map, keeping track of planned versus actual expenditures of time against project tasks.
- Ensure that project information is documented and not only in the minds of project resources but also as a part of project documentation.
- Ensure a skills analysis is completed and those skills acquired.

Best Practices

◆ Costs

- Based on risk level of the project establish:
 - Accessible contingency fund
- Do not approve the project if funds are not available.
- Hold formal planning meetings to determine costs for the project.
- Consider the potential for funds needed to cover more esoteric items such as consultants, additional software, etc.
- Ensure the requirements review process is thorough and that expectations are set with stakeholders that all additional functionality will have additional costs associated with it.

Best Practices

◆ Scope

- Expansion and retraction of scope will have an impact. Understand that impact.
- Set expectations and establish accountability for the functionality design.
- Understand the business before designing the features and processes.
- Document, document, document

Best Practices

◆ Contracting

- Ensure the will exists to enforce a contract.
- Ensure all verbal commitments have corresponding contract clauses.
- Utilize individuals experienced in contract development – higher the risk, expand the process and skills experience.
- Be prepared to walk away from a vendor contract if necessary terms and conditions can not be reached.
- Develop prescribed remedies within the contract for envisioned issues which may develop.
- Use financial incentives, disincentives as appropriate to guide vendor performance .

Best Practices

◆ Change Management

- Understand who is impacted by the project
- Develop a plan for assessing the impact
- Remember there is a human element

Best Practices

◆ **Communication**

- Acknowledge and then compensate for the fact the IT staff and Business staff communicate differently.
- Develop a communication plan
- Higher the project risk leads to more structured processes such as:
 - Establish a Communications Office
 - Retain a Public Relations Firm

Best Practices

◆ Conduct Post Mortems

- Review what went right and what went wrong.
- Implement changes to improve processes, accountability, artifacts and responsibilities.

Summary

- ◆ **Project performance in the industry is improving, but is still abysmal.**
- ◆ **Understand the Risk of the project.**
- ◆ **In order to improve project performance, engender formality in project disciplines, adapting the formal processes to organizational strengths and weaknesses.**
 - **Don't seek a silver bullet**
- ◆ **Understand the environment to be impacted by the project.**



Presenter Biography



- Ron has over 30 years of experience in managing complex diverse organizations, requiring an entrepreneurial spirit, change agent, team builder, facilitator, strategist, and communicator in the Private and Public sectors. He is currently the Enterprise Architect for the State of Colorado and the Chief Information Officer (CIO) for the Colorado Department of Human Services (CDHS). As the Enterprise Architect he is implementing a new way of conducting business in Colorado by leveraging the state's technologies to better support the state as a whole. In his capacity as the CIO for the CDHS he is responsible for the technology used throughout the State of Colorado to deliver the Department's services. CDHS is the second largest agency in Colorado State Government with a \$1.9 billion budget for state fiscal year 2007. The Department oversees the state's 64 county departments of social/human services, the state's public mental health system, Colorado's system of services for people with developmental disabilities, the state's juvenile corrections systems and all state and veteran's nursing homes, through more than 5,300 employees and thousands of community-based service providers.