ADS Progress Response & Project Review

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Presentation Topics

- **Introduction & Opening Statement**

- **Why Asking Questions is Important**

- **Important Topics:**

  - **Data Repositories: Speaking the Same Language**

  - **"Financial Data Architecture," Transforming Financial Accounting & Reporting**

  - **Criteria for ADS Oversight**

  - **Performance Metrics & Transparency**

  - **Data Sharing Agreements**

The ADS Transition is Essentially a Large Change Management Project in Its Early Stages

Managing Change …

- **Make it real:** What will change mean for daily job?
- Don't avoid **scary** conversations; be **honest**
- **Frequent & repeated** communication
- **Show need** for change
- **Listen, empathize, absorb** concerns**;** address need to be **heard**
- **Leverage** people who are already around the change cycle
- Provide support and **encouragement**
- Provide **objectivity**

Organizational Life-Cycle

Transforming

Mature

Declining

Sustaining

Early

Start-up
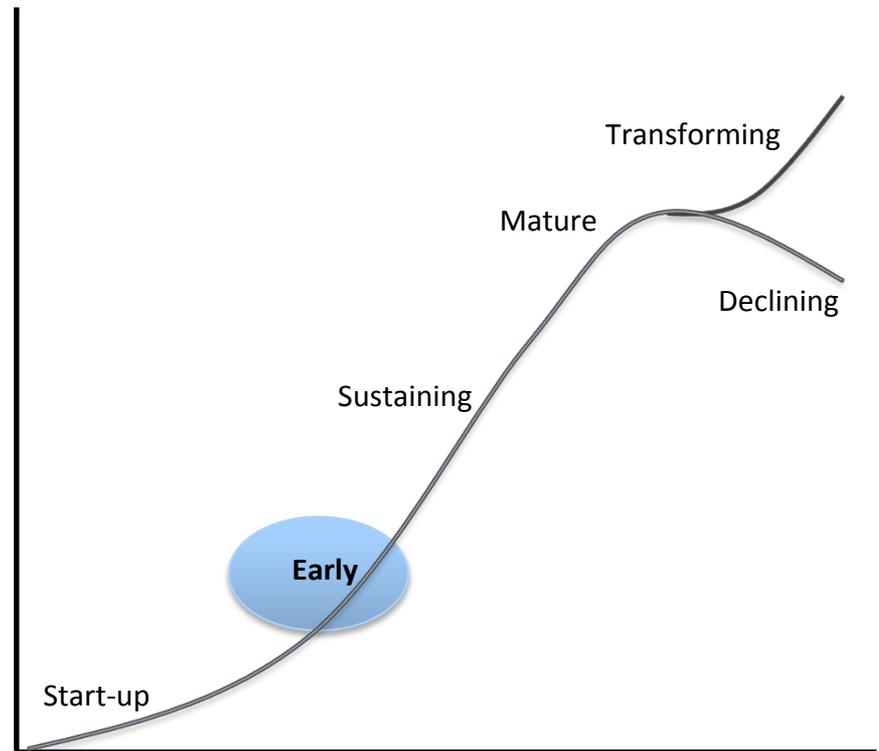
Speaking the Same Language

Speaking the Same Language is Central to Building a Sustainable Organization with Repeatable Processes

Fortune: 100 Best Companies to Work For
Fortune: World's Most Admired Companies
Computerworld: Best Places to Work in IT

"USAA has stuck with me through thick and thin. Truly grateful. The only bank I'll use, personally. . . . All other banks should model themselves after them. Dedicated to serving their members."

1. What and how many data repositories are being used to define and manage ADS' core data?
   – Service Catalog (same descriptions for services)
   – Project Portfolio (single "source of truth" for project tracking)
   – Application Portfolio (single "source of truth" for system definitions)
2. Is everyone using the same language and terminology, not just within ADS, but also across state government?
3. Are the service parameters clear to both service providers and consumers?
4. Are all services, not just shared services, managed in a systematic and consistent way?

Enterprise Resource Planning

A Solid ERP Strategy is Central to Achieving Efficiencies & Improved Outcomes in State Government

Driving Forces

Support from the top

Tide of change nationally

Elevation of IT to cabinet

Growing momentum w/in SOV

Institution of PIVOT

Financial Management systems & practices that lead to greater efficiencies & improved alignment of government services
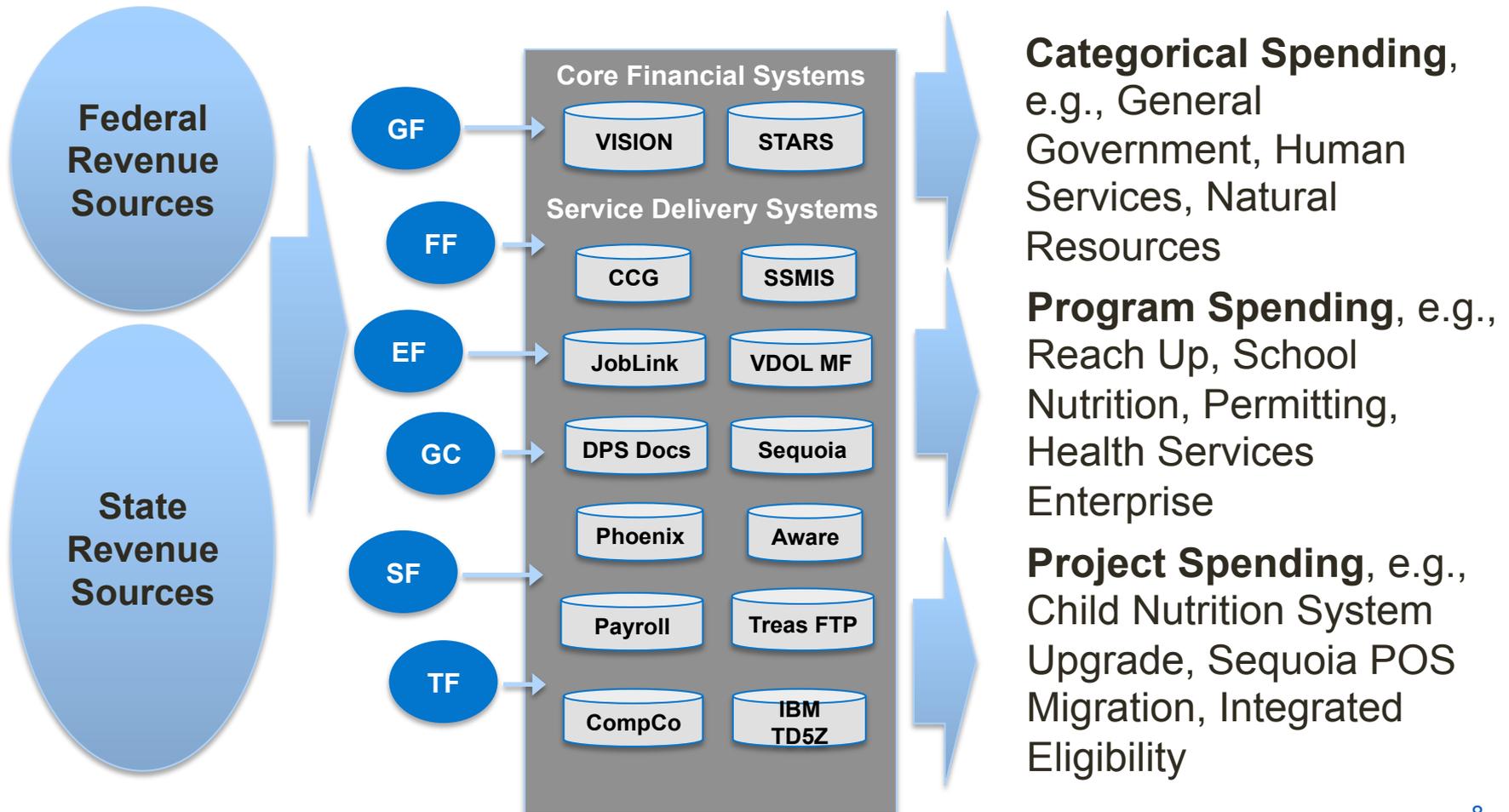
Restraining Forces

Outdated systems approach

Lack of unified vision

Mashing of ledger & subledger

Heavy reporting burden

Multiple versions of the truth

"Chasing the $" syndrome

Organizational resistance

No Change

Change

The Landscape of Financial Reporting Systems within the State of Vermont

Financial Transparency

Money Coming In

Universe of Systems

Money Going Out

Federal Revenue Sources

State Revenue Sources

GF
FF
EF
GC
SF
TF

Core Financial Systems

VISION | STARS

Service Delivery Systems

CCG | SSMIS
JobLink | VDOL MF
DPS Docs | Sequoia
Phoenix | Aware
Payroll | Treas FTP
CompCo | IBM TD5Z

Categorical Spending, e.g., General Government, Human Services, Natural Resources

Program Spending, e.g., Reach Up, School Nutrition, Permitting, Health Services Enterprise

Project Spending, e.g., Child Nutrition System Upgrade, Sequoia POS Migration, Integrated Eligibility

Establishing More Effective Oversight Criteria

Moving From the Rough Proxy of Money Will Help the SOV Focus on the Right Projects Requiring Oversight

- Current ADS statutes are both under and over-inclusive; dollar amounts are a crude proxy for determining oversight

- The State of Washington has an effective tool for determining oversight which could be easily replicated

- Current levels of project oversight are appropriate; requires cultural shift from being pure project auditors to enablers of business value and guardians of process discipline

IT Project Assessment Questions

1. What is the anticipated duration of the project? *
- Project initiation through closure is more than 24 months.
- Project initiation through closure is between 12 and 24 months.
- Project initiation through closure is more than 6 months but less than 12 months.
- Project initiation through closure is less than 6 months.

Question 1 Comments

2. Are there constraints on the project schedule? *
- The project schedule is fixed / mandated and has no slack or contingency.
- The project schedule is mandated (e.g. replacing out of support or end of life tool, legislative deadline, etc.), but the tasks are well defined and can be accomplished within the timeline.
- The project schedule does not have contingency or slack, but the end date is self imposed.
- The project schedule has contingency or slack and/or is flexible.

Question 2 Comments

3. What is the anticipated project budget from initiation through implementation, transition to operations and close-out. Include all Business and IT costs such as staff and professional services, hardware, software, and any other incurred internal costs associated with the project? *
- Over $2
- $1M to $2M
- $500K to $999K
- Under $500K

Question 3 Comments

4. Is adequate project funding, including maintenance & operations, secured? *
- Funding sources are unknown or no funding has been confirmed.
- Not all funds are confirmed. Internal agency dollars, grants, or federal funds will need to be identified and committed OR a funding request will need to be submitted to OFM in an upcoming budget cycle.
- Not all funding is confirmed, but is expected to be confirmed before needed.
- Yes, funding is completely internal and confirmed.

Question 4 Comments

5. Does the project require changes to, or implementation of, a system that impacts citizens, other state or local organizations, or service providers? *
- The system is directly used by citizens, other state or local organizations, or service providers (e.g. Medicaid payment systems, online driver's license renewals, reservation systems such as parks and ferries).

Question 5 Comments

https://stofwadeptofenterpriseservices.formstack.com/forms/ agency_preliminary_assessment_tool

Performance Metrics & Transparency

Establishing and Regularly Publishing Key Performance Indicators Demonstrates Commitment to Progress

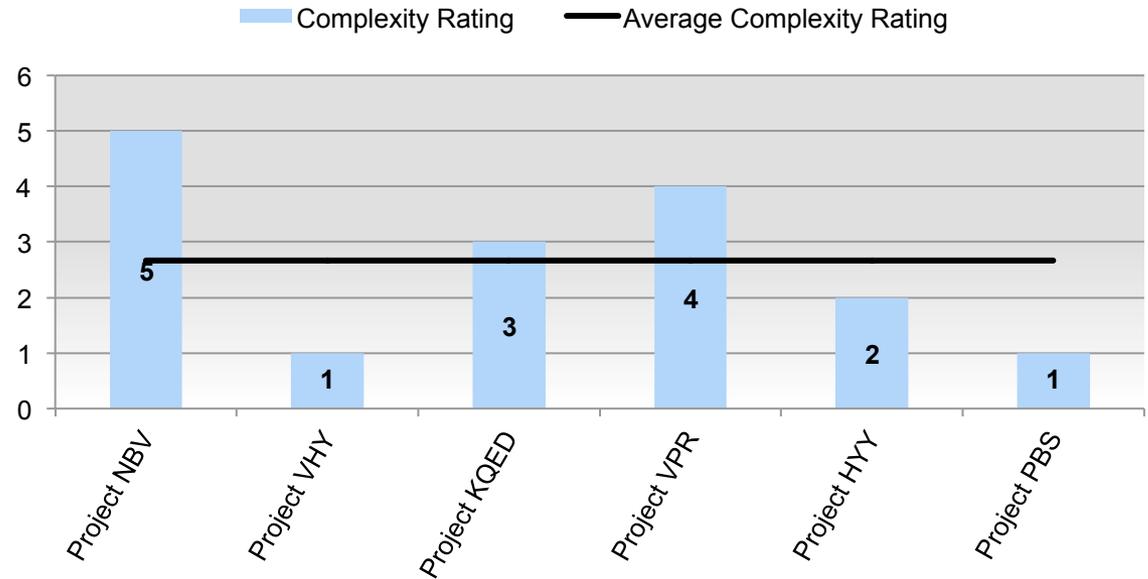- **Key Performance Indicators (KPI's)**

  - Both internal and externally facing; meant for executive, as well as public consumption

  - Predictive of future performance

  - Should have a single specific target (e.g., improving service quality, tying performance to cost, etc.)

  - Tied directly to strategic objectives; measures broad trends

Example: Complexity of Projects vs. Avg. Complexity

What does this KPI measure?

- Attempts to measure ability of the group to execute more complex projects

- Impliedly measures effectiveness of methodology employed, e.g., CobiT, Agile, etc.

- Presumes some kind of complexity rating scale and criteria would be developed to rate each project, here a scale of 1-5

Complexity of Projects (Apr 2017)

Legend: Complexity Rating, Average Complexity Rating

Project NBV: 5
Project VHY: 1
Project KQED: 3
Project VPR: 4
Project HYY: 2
Project PBS: 1

Measuring KPI's for Purposes of Operational Efficiency & Resource Allocation

Percent of Effort

	Original	Change
Core	30%	40%
Enabling	50%	30%
Enhancing	20%	40%

Legend: Enhancing, Enabling, Core

Total Cost

	Original	Change
Core	$9,000,000	$12,000,000
Enabling	$15,000,000	$9,000,000
Enhancing	$6,000,000	$12,000,000

Legend: Enhancing, Enabling, Core
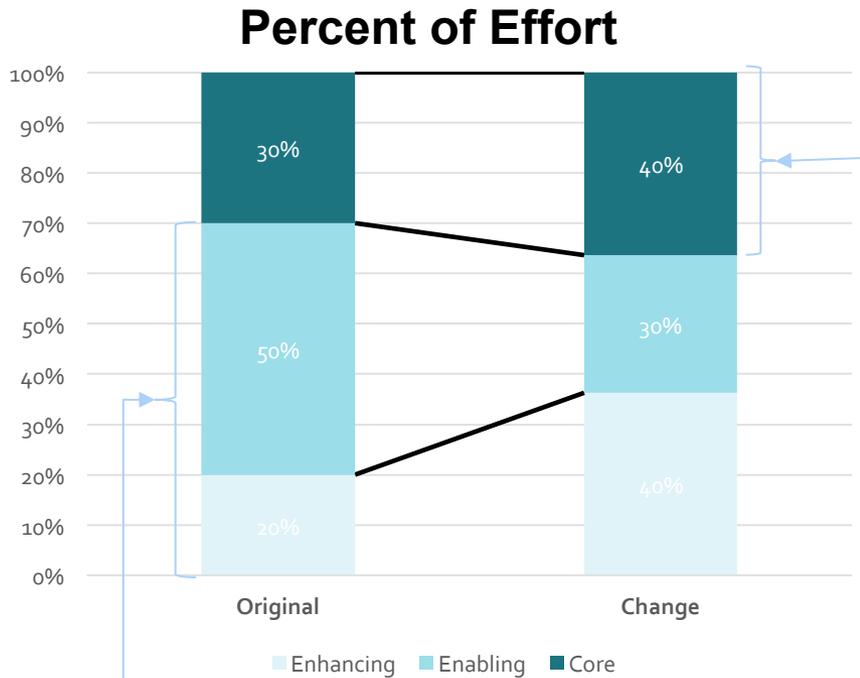
Do less of these two

Do more of this
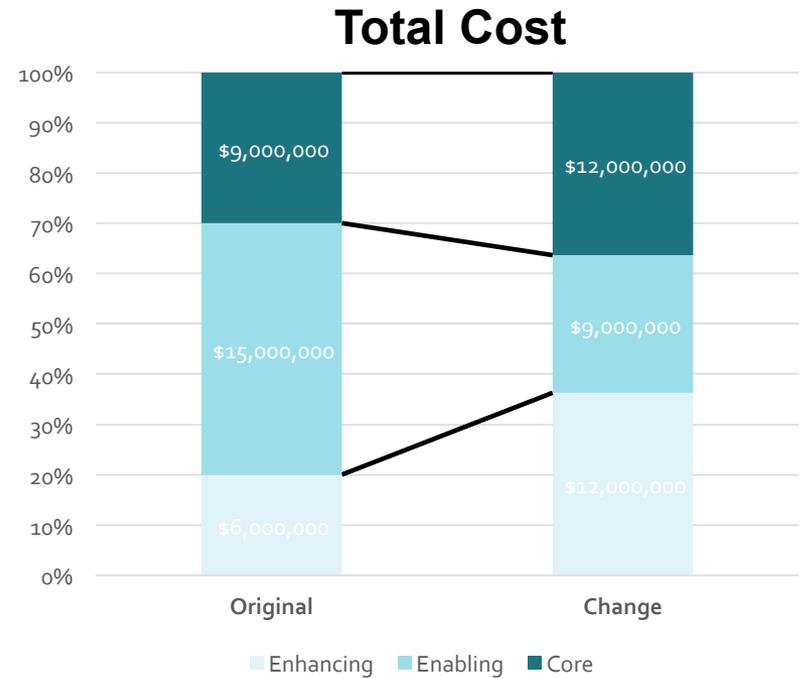
Establishing a publicly facing Project Dashboard Facilitates Transparency & Project Discipline

"The office of the chief information officer shall improve the transparency of agency technology planning and development activities by implementing a publicly facing web-based reporting tool for centralized reporting and posting of these documents."

State of Washington Statute, 3ESSB 5034; Section 944 (2013)

https://waocio.secure.force.com

Data Sharing Agreements