



**A. Cover Page**

**NASCIO 2008 Award Submission**

**Title: Project Management Methodology:  
The New York State Project Management Guidebook, Release 2  
and  
Management's Guide to Project Success**

**Category: IT Project and Portfolio Management**

**New York**

## Executive Summary

**The New York State Project Management Guidebook** was developed to document a common methodology for managing projects in New York State government organizations and to provide guidance and advice to Project Managers throughout the life of a project. *The Guidebook* is the result of many months of collaborative effort on the part of the NYS Chief Information Officer/Office for Technology's (CIO/OFT) Enterprise Program Management Office (EPMO) and many New York State agencies' participants who shared their time and expertise to develop and enhance the Project Management Life Cycle and related topics. *Release 2* includes the development of a **System Development Life Cycle (SDLC)**, the addition of Section III.

Shortly after initial publication of *The Guidebook*, Project Managers throughout the state began asking for more – not for themselves, but for all of the other staff members and managers who play a role in the successful execution of projects. Project Managers familiar with good project management practices were feeling the burden of having to perform their own roles while also having to explain to other key Stakeholders the roles they would assume in the project. Thus, the **Management's Guide to Project Success (Management's Guide)** was born – to provide the management in the Performing Organization (the organization performing the work of the project) a guide to their roles in the project management process; to enable Project Sponsors to have a meaningful dialog with Project Managers regarding their respective contributions to a project.

Since its initial release in September of 2001, *The Guidebook* has received worldwide acclaim. There are registered users in more than 45 countries and more than 600 companies and governments in addition to the scores of New York State agencies. In the first quarter of 2008, more than six years following its first release, *The Guidebook* remains the top website hit on the New York State CIO/OFT's website, receiving more than eighty percent of the total downloads in the top twenty-five.

Since its release, requests for changes and additions have been collected via the CIO/OFT website. Plans are for *The Guidebook* to undergo periodic enhancement and maintenance to keep current with project management industry standards, and to incorporate changes based on NYS project managers' experiences. Some of the ideas for Version 3, in addition to modification and enhancements to the PM Lifecycle and the tool templates, are a topic area on Establishing a PMO, and a topic area on Project Portfolio Management. New Line of Business examples are also sought.

### **Project Description**

In January of 2001, in order to address growing concerns about escalating project costs, New York announced the creation of a statewide Project Management Office (PMO) within the Office for Technology (now known as the Enterprise Program Management Office with the Office of the Chief Information Office / Office for Technology : EPMO at CIO/OFT). The PMO mission: to create a Project Management “Center of Competence” which would increase project management capability and foster sustained success for projects carried out by New York State.

The top priority of the PMO was the development of a standard statewide project management methodology. **The New York State Project Management Guidebook** was developed to document this common methodology for managing projects in New York State government organizations and to provide guidance and advice to Project Managers throughout the life of a project.

A common methodology encourages individual Project Managers across the state to approach each project endeavor with the same discipline and tools. Roles and expectations are clearly defined for Project Team members, Project Sponsors, and Customers, regardless of the type of project (IT projects, software development projects, engineering projects, business process improvement projects, etc.). The New York State Project Management Methodology also provides a standard for agency staff to use when contracting with private vendors. The state can now provide the methodology for its contractors, rather than requiring New York State staff to adjust to the different performance standards of each firm with whom they contract. Again, utilizing one common framework within which all New York State projects can be carried out improves the state’s ability to complete the projects successfully.

The methodology developed for New York State is tightly aligned with the Project Management Institute’s (PMI®) Guide to the Project Management Body of Knowledge (PMBOK®), the recognized ANSI standard. When first published in September of 2001, *The Guidebook* was distributed to over 80 New York State government agencies, Boards, and Commissions. It continues to be downloaded from the agency’s website by interested project managers in both the public and private sectors, around the world, thousands of times each month. It has been an unqualified success, and has been actively implemented within dozens of agencies.

The methodology provides guidance, direction and support to NYS Project Managers. It presents a consistent framework, defining what needs to be done when, and how to do it and providing a vehicle for continuous improvement. Strategies are provided for dealing with common issues. Embracing the standard methodology also enables performance measurements by clearly defining roles, encouraging quality assurance at all levels, including a cost/benefit analysis at the start which is revisited throughout the lifecycle for validation. This standardization enables consistent metrics across projects.

We quickly realized that creating a methodology alone is not enough. *The Guidebook* itself can be a little overwhelming for someone who is not actually managing the project. Thus, we created some companion products including:

### C. Description

- **Management's Guide to Project Success:** Companion guide for management of the performing organization. What should executive management be expecting to see from the project manager? What should the project sponsor expect to actually do on the project? You need management's support to successfully implement project management.
- **Methodology Implementation Training:** A hands-on walk-through of the concepts, processes, and templates contained in **The NYS Project Management Guidebook**. The course helps students understand and apply the NYS Project Management methodology as outlined in the Guidebook. It's a full day class. We walk through the Guidebook so they know what's in it and where to find it.
- **Methodology Maintenance** includes an online registration so users can tell us who they are and where they are. When we release a new version of *The Guidebook* we'll notify them all via Email. We also have an online "change request" system, where users can submit ideas and suggestions for changes, and additions all of which we'll review for the next release.
- **Version 2** includes a section on how the PM lifecycle integrates with the Software Development Life Cycle to specifically address the management of software development projects. It also includes a section on how to measure a project's success.

The books are copyrighted, but we generously grant copyright permission to most requestors, requiring only that they acknowledge us as their source and send us a copy of any works they create. We have copies of the books that have been translated into French (by a Canadian firm) and in July 2006 hosted a representative of the Tokyo PMI chapter who was interested in learning more about NYS's methodology. Some of the entities that have been granted copyright permissions which you may be familiar with include Columbia University and Cornell University in addition to many government entities include the State of North Dakota, the Education Department of Hawaii, the Australian Government, the California National Guard, the U.S. Mint and the U.S. Department of Labor.

## Significance

With the publication of **The NYS Project Management Guidebook**, government agencies were provided a consistent, repeatable process that can be utilized across the state to approach each project with the same discipline and tools. By providing a standard set of processes, procedures and templates based on international standards and New York State agency best practices, agencies can now leverage and use those proven techniques without having to “re-invent” the wheel for each new project. Consistency of approach can save each project team from reinventing their management strategy from one project to the next, while allowing the organization to effectively compare and evaluate projects against a standard context and set of criteria. The methodology ensures that roles and expectations are clearly defined for all stakeholders. All stakeholders can now expect and benefit from consistent information about deliverables and project activities.

The development and publication of a NYS project management methodology saved other agencies from redundant development efforts. Since the publication of *The Guidebook*, many agencies have decided to adopt all or part of the Guidebook. Development of *The Guidebook* cost OFT approximately \$500,000. If using *The Guidebook* to develop their agency specific project management processes saved each of just ten agencies only half of its original development cost (\$250,000), this adds up to a saving of at least \$2.5 million, or 5 times the original cost of *The Guidebook*.

In the April 2002 issue of *PM Network* it was reported that a study by The Standish Group found 31% of all IT projects are canceled before completion, and that 88% of IT projects run over schedule, over budget or both. In addition, this study found that the average project cost overrun was 189% and the average time overrun was 222%. Further, this study concluded that these problems occurred as a result of companies' failure to utilize effective project management practices. New York State believes that implementing project management will reduce cost overruns significantly, and avoid cost increases for future projects. For every \$10M project, just a 10% reduction in cost overruns would yield a savings of \$890,000. In New York there are dozens of projects statewide in this cost category, so the potential savings by avoiding cost overruns is in the **millions of dollars**.

In another industry survey of more than 100 senior-level project management practitioners, conducted by the Center for Business Practices (the research division of the consulting and training organization, Project Management Solutions), it was concluded that information technology organizations could add significant value by implementing an effective project management program. In this survey organizations reported an average improvement on the order of 50% in project/process execution, and 54% in financial performance. Overall, this survey found that **effective project management programs yield an average of almost 28% return on investment**.

In addition to cost-related benefits, professional project management has been demonstrated to provide significant qualitative benefits – including improved project quality, greater customer satisfaction, improved morale of project team members, and improved relationships with customers.

### Benefits

The benefits of this documented project management methodology in a readable, useable format have far exceeded our greatest expectations. It is in use far and wide. There are registered users in more than 45 countries and more than 600 companies and governments in addition to the scores of New York State agencies. The books are copyrighted, but New York generously grants copyright permission to many requestors, requiring only that they acknowledge *The Guidebook* as their source and send NYS CIO/OFT a copy of any works they create. Some international interactions include the translation into French (by a Canadian firm) and a visit from a representative of the Tokyo, Japan chapter of Project Management Institute (PMI, [www.pmi.org](http://www.pmi.org)) to learn more about the methodology. In the Fall of 2007, the Tokyo chapter of PMI hosted representatives from the NYS EPMO at a conference in Japan designed to support their government in embracing professional project management disciplines.

In the first quarter of 2008, more than six years following its first release, *The Guidebook* remains the top website hit on the New York State CIO/OFT's website, receiving more than eighty percent of the total downloads in the top twenty-five most popular hits. The EPMO at CIO/OFT continues to offer classes periodically providing an overview of the methodology and they are always to a packed room. New York has shared its methodology through presentations at industry events such as Government Technology Conferences, Project Management Institute's Global Congress, and NASCIO's Project Management Forum. Perhaps the largest, often understated benefit, is that the entire methodology (including both *The Guidebook* and *Management's Guide*) is available in the public domain, and can be downloaded in its entirety free of charge from the NYS CIO/OFT website, for use by any and all interested parties.