

NASCIO Recognition Award Nomination
IT Project and Portfolio Management



Commonwealth of Pennsylvania

Enterprise Program Management Office

A Focus on Project Management Commitment

Pennsylvania Enterprise Program Management Office
Nomination for 2008 NASCIO Award

Executive Summary

The Governor's Office of Administration, Office for Information Technology (OA/OIT) is the Commonwealth's leader for the identification, prioritization and management of all state government technology initiatives and investments. In 2004 OA/OIT established an Enterprise Project Management Methodology (EPMM), which has proved to be a successful approach for managing projects and remains effective through continual assessment and enhancements in order to align with today's project challenges. Through recurring, structured support as well as open communications and training, effective project management will become a routine component of all IT projects. The evolution of enhanced project management programs has taken Pennsylvania to a new level in its commitment to project management. This submission will detail Pennsylvania's enterprise project management framework that focuses on establishing effective structure and processes and in identifying and investing in the people to achieve project success. The three key components include: **Process Establishment, People Investment and Technology Deployment.**

Establishing a process to institutionalize Project Management in the Commonwealth required the highest level of executive sponsorship so as to provide the foundation for the creation of the required people, programs and organizational structure to address the need for project alignment, governance and management. The solution began in 2004 through Executive Order 2004-08 signed by the governor and was revised in 2007.

Investing in people required the formation of an Enterprise Program Management Office (EPMO). The EPMO develops and institutionalizes enterprise project standards, tools and methodologies. Additionally, the creation of new job classifications and job descriptions for the new executive level Project Manager (PM) positions makes our jobs attractive to experienced, proven project management professionals because we have become competitive with private industry, but also offer stability and job security.

Deploying a technology through a project and portfolio management tool to support effective oversight and planning required the EPMO to act as a consultant to all Pennsylvania government agencies and offer specialized, hands-on set up and support as well as just-in-time training.

The driving force behind this commitment is similar to public sector and private industry initiatives. The years of late and over-budget projects, weak and inconsistently used tools, and reacting to project change rather than driving it had become all too common. The ultimate goals of this enterprise initiative are to:

- Institutionalize Pennsylvania's commitment to enterprise project management
- Establish consistent project management standards
- Invest in existing Commonwealth staff
- Develop PMP aligned training and ongoing education
- Create a collaborating project management community to establish/share best practices

The steps that Pennsylvania has taken will make the entire organization, both structurally and functionally, a model for efficient and effective project management.

Business Problem and Solution

Business Problem

The Commonwealth of Pennsylvania invests nearly \$1 billion annually in the development and support of information technology. Technology supports nearly every aspect of government operations ensuring efficient and effective services are delivered to the citizens of Pennsylvania. It is the responsibility of the technology leadership to ensure that the investment in technology projects be effectively managed and that the IT systems are developed and delivered to the satisfaction of the business and program areas throughout state government.

A typical technology project is anything but typical. Over the past ten years the IT industry, both public and private, has witnessed an expedited and staggering change in the complexity, size, and cost of IT projects. Historically, IT project management is seen as an afterthought or unnecessary burden and is often left to the solution provider without agency oversight and ownership. Unfortunately, the failure of IT projects has not only cost millions of dollars but interrupted or disabled service to our citizens. It has called into question the lack of process and oversight and adversely affected the trust in government. Management of today's and tomorrow's IT projects will require planning, designing and deploying business driven strategies. Simply put, the demand on the human element of technology projects is greater than ever and is only likely to increase. The Commonwealth was structurally and functionally ill-suited to address the project management deficiencies facing the IT enterprise. There was no formalized structure for technology oversight and alignment, no standard processes to avoid project delays or failures, and no staff fully engaged in project management. The Commonwealth took this as an opportunity to establish governance and project methodologies to better manage the 40 Commonwealth agencies with vastly disparate project management knowledge and maturity.

The Solution

Process Establishment

Executive Order → Community of Practice → Project Management

In 2004 Governor Edward G. Rendell signed an Executive Order that established enterprise IT Governance and set a course for effective project management and oversight. Executive Order 2004-8 specifically outlined the following:

- Placed each agency into a "line of business" community. The four Communities of Practice (CoP) (Health and Human Services, Environmental, Public Safety and General Government Operations) are lead by Deputy Chief Information Officers (DCIO) that report to the Deputy Secretary of the OIT – the Chief Information Officer for the Commonwealth.
- Established through a rigorous review process a Commonwealth-wide IT strategic plan, IT strategic plans for each CoP and individual agency IT strategic plans that ensure IT projects funded in the governor's budget are the most critical, are aligned with enterprise goals, and are delivered in a collaborative, non-redundant manner.
- Expanded the use and implementation of project management methodologies and principles on all technology projects.
- Provided Project Management resources to manage agency IT projects, monitor project delivery and quality and implement corrective measures to ensure success.

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Executive Order 2004-8 established the required processes and organizational structure to address the need for IT project alignment, governance, and management.

People Investment

Goal #1: Enterprise Project Management Office – Created an office specifically dedicated to further develop, design, and institutionalize enterprise project standards, tools and methodologies. This new organization, led by the Executive Deputy Chief Information Officer (EDCIO), is comprised of six Commonwealth employees who are responsible for all project management (PM) activities, related PM tools, standards, staff and training. Working with subject matter experts, the EPMO standardized an enterprise project management methodology and established foundational and in-depth PM training for all Commonwealth PMs. The EPMO also manages the recruitment of IT professionals including agency CIOs and PMs and is responsible for the coordination and deployment of enterprise PMs to specific large scale, big-budget Commonwealth projects. The primary goal of the EPMO is to ensure Commonwealth agencies have the necessary staff, skills, training, and tools to effectively manage large-scale IT projects. The EPMO is called on by agencies, project offices and individual PMs to provide consultation and support when and where it is needed.

Goal #2: Commonwealth Project Managers' Positions - Created position descriptions that describe required skills, experience, and training essential for managing diverse and complex technology projects. This posed two separate challenges. First, introduction of an entirely new position for classification would be difficult and time consuming. However, formally establishing the project management position would enable the identification, recruitment and hiring of experienced PMs. Three PM positions (PM 1, PM 2, PM 3) were created and classified based on project experience required and complexity of projects. The PM 1 and PM 2 positions can be employed by any governmental agency with project management needs within their organization. The PM 3 positions are only assigned to the OA/OIT EPMO for deployment to the largest, most complex projects throughout the Commonwealth. The second challenge was providing comparable job levels and equivalent compensation in order to be competitive with private industry and to attract experienced, proven project management professionals.

Goal #3: Enterprise Project Manager Complement – The EPMO recruits, assigns, and manages a pool of highly skilled and experienced PMs, many of whom are PMP certified. This project management engagement is perhaps the most unique and innovative aspect of the organizational structure. There are eleven enterprise PMs that are under the EPMO umbrella. These enterprise PMs (the highest project management classification the Commonwealth created) are assigned to different government agencies for large scale complex projects. The process begins when a high level project, defined either by size, scope, complexity, cost or risk, requires executive level project management support. The project owner formally requests a PM when the project meets one or more of the criteria and does not have the level of PM expertise necessary within its organization or available staff to manage the project. The request requires documentation to demonstrate project sponsorship, project commitment, and project funding. If approved, the EPMO recruits and recommends potential candidates through a comprehensive resume and skills assessment that may include specific areas of expertise based on the details of the request. EPMO staff may also

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interview the executive sponsor from the requesting agency to gain a more thorough understanding of their PM need. The EPMO participates in the interview process and, along with the corresponding agency executive, approves final candidate selection.

The enterprise PM resides with the agency for a duration agreed upon between the agency and OIT and formalized through a Memorandum of Understanding. As a project nears completion, the EPMO assesses new or pending PM requests to determine the most suitable next assignment for the enterprise PM. All enterprise PMs meet with the EPMO regularly to provide project status. More formal engagement management referred to as “wellness checks” occur quarterly with the EDCIO, EPMO lead, the enterprise PM and the agency executive(s) who sponsor the project. These meetings provide direct feedback to measure not just project progress, but also program evaluation. Ultimately, the EPMO is responsible for the performance evaluation of the PM and does so with information provided at wellness checks as well as through a formalized written performance document provided by the agency’s executive who oversees the PM.

Goal #4: PM Community - Identified and engaged existing PMs to foster cross agency collaboration and maturation of project management skills and people as well as establish best practices – essentially building a project management community. The community consists of individual Commonwealth staff that by job title, description or function has been identified as a PM. Communications were sent to this group in July 2007 explaining the foundation of the EPMO and its focus on enterprise coordination of program/project management revolving around people, process and technology fundamentals.

Bi-monthly forums have been in place since August 2007. The forums offer a collaborative environment for trainings, presentations, and best practices from both internal and external resources including the following:

- Critical Components, Needs and Objectives to PM and PMO Success
- Project Tools, Resources and Best Practices
- Project Management Training
- Project Spotlights (presentations about current large scale projects)

Goal #5: Training and Mentoring - The PM community requires project management training. As the PM community was brought together, it became evident that there exists a vast inconsistency in agencies’ project management knowledge, experience and commitment. Training for EPMM, requirements, and various other PM-related classes are offered at both the Commonwealth and agency level. Lacking was an established program to centralize PM training coordination and align training opportunities and standards with the appropriate Commonwealth staff.

Technology Deployment

The EPMO is also the business owner of the Commonwealth’s recognized project and portfolio tool – Clarity. The EPMO not only offers general Clarity overviews and training, but in late 2007 added a component by providing customized consultations for agencies interested in Clarity. The EPMO staff delivers on-site, agency-specific training specific and provides hands-on support as agencies implement use of Clarity to manage their projects.

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After initial implementation in Clarity, the EPMO will also customize views and reports at an agency's request. After deployment, ongoing training and business support is readily available through the EPMO.

Significance of the Effort

Process significance began with the initial change in process that allowed for alignment and involvement between all agencies and OIT through the Executive Order. To further strengthen this alignment, the Executive Order was revised in 2007 and required all agency CIOs to actually report to their respective CoP DCIO. It built upon the initial alignment and involvement and added oversight and responsibility. The DCIO/CIO relationship has become one of several methods used to institutionalize project methodologies.

People significance is evident through the establishment of the EPMO and its Enterprise PMs. The EPMO has been in place for approximately one year. Feedback from agencies and project offices (the EPMO customer) has been positive. Service indexing for IT recruitment and placement scored 4.48 out of five. Agency executives and CIOs have provided positive feedback and view this as one of the most valuable efforts in state government.

The change in recruitment philosophy alone has allowed for a larger pool of qualified candidates. One reason is that these positions are advertised beyond traditional government job postings. Outreach to technical institutions and associations and advertisements through established IT recruitment companies have leveled the playing field for recruitment against private industry. These enterprise PMs (currently eight on EPMO complement) bring a combined 104 years of project management experience. Their knowledge is used in the review and vetting process when the EPMO develops new or revises current enterprise project tools, templates, and resources. Once implemented, not only are the enterprise PMs required to apply these tools to their projects, they must share and promote their use with the agency to which they are assigned – another of several methods to institutionalize project practices and methodologies.

The project management community is an important piece to the success of the EPMO. From this group, committees are formed based on need or initiative. For example, many different versions of project progress documents exist in the form of dashboards, scorecards, reports, updates, and statuses. A committee is in the final stages of introducing a new project tool to provide periodic summaries of a project's wellness. Once presented, OIT will require its use for certain projects and offer it for others. Because the tool is being created and vetted through a variety of agency representatives, its goal is to become a best practice reporting tool.

There are currently four other project tools/templates that have just been introduced. While the Commonwealth has had templates available for several years for project components such as charter, scope, and plan, they were not created with an enterprise vision in mind. The newly developed tools are created with three main objectives:

- Applicable to all projects regardless of PM maturity
- An enterprise view that can be customized to the agency
- Inclusion of industry standards that align with Commonwealth needs

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As stated earlier, the input from seasoned project professionals combined with the direction and management of the EPMO are resulting in applicable, useful, and most importantly, beneficial tools. The PM Training Program allows for consistency in educating all Commonwealth PMs with the same principles, tools, and methodologies. The training offerings, as they are aligned with teachings of the Project Management Institute (PMI) can provide both individual career path benefits as well as what they will bring to the Commonwealth; PMs trained on industry best practices to increase both the financial and functional efficiency of projects.

Technology significance is the alignment and consistency through deployment of Clarity. All agencies must use Clarity for certain projects. As more agencies begin to use this project and portfolio management tool for all projects, it aligns with the efforts to institutionalize certain project standards. Due to the efforts of EPMO to promote Clarity for other projects, use of Clarity is growing as both large and small agencies are beginning to see its benefits.

Benefit of the Project

Any process or program improvement provides value to the Commonwealth as an organization and to the service it provides its citizenry. Commitment to project management and project governance ultimately results in more efficiently managed projects which meet the business needs of our customers, the citizens of Pennsylvania. While it will take several years to compile enough hard data to show reduction in outside project management costs, the initial impact on projects and their progress is quite evident. For example, in 2007 a high visibility education project was lagging, losing sponsorship and ownership, and in jeopardy of failure. An enterprise PM was assigned, brought the project back to schedule, won back sponsorship, took ownership, and the project is back on a successful track. Obvious is the impact to any shortfalls regarding education, which shapes the foundation of our children's future.

Another example deals with systems and business processes in the Commonwealth's revenue and taxing agency. The agency's executives recognized the importance of a long-term effort to re-engineer their processes to meet the needs of today's citizens. This multi-faceted effort has many resources within the agency, but the agency also requested an enterprise PM to ensure the project is managed to success. Yet another large agency is currently facing a major project that is in jeopardy both in schedule and in funding. The project did not have a PM with the experience and institutional knowledge of today's project management professionals. At the agency's request, the EPMO is currently recruiting a PM for this project. These are real situations where the commitment, need and focus on efficient project management are a necessity to provide benefit and to meet customer needs.

These efforts, some independent of others but holistically reliant on their sum, have created a sound, logical, and applicable approach to the betterment of not just Commonwealth IT, but Pennsylvania state government in its entirety. The very bottom line is value to taxpayers – this indeed adds value.