

Michigan's Project Management & Governance Model

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On tap

- ◆ MDIT's role in state government
- ◆ Overcoming a history of IT project management challenges
- ◆ The birth of a solution: Our Governance Model and Project Control Office
- ◆ Moving forward with SUITE



A little background

- ◆ In 2001, all IT services were consolidated into a single department - MDIT
- ◆ Support 19 state agencies
- ◆ \$378 million annual budget
- ◆ 1,700 employees
- ◆ Support and maintain the State's:
 - Over 800 critical business applications
 - Over 58,000 desktop computers
 - Over 1,305 telecommunications locations

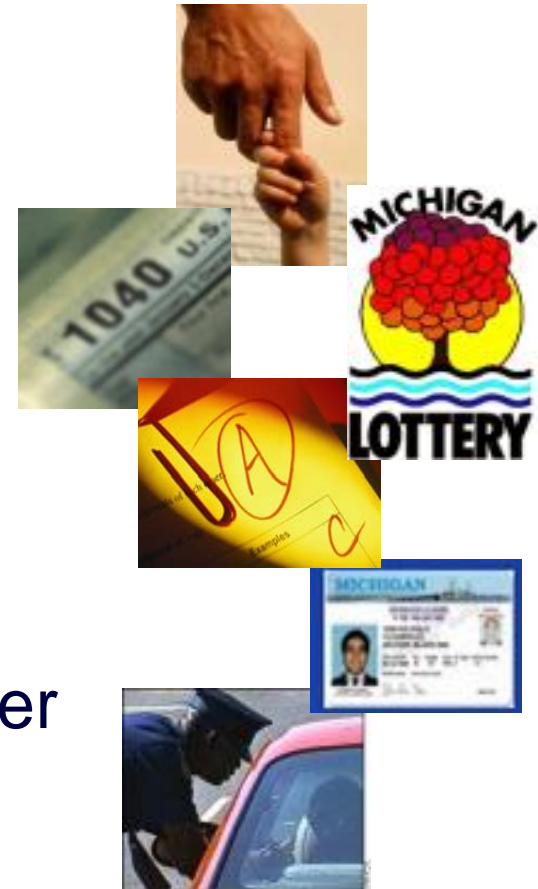


What specifically do we handle?

Our role in state government

Whenever a citizen...

- ◆ Files an income tax return
- ◆ Pays or receives child support
- ◆ Wins the Lottery
- ◆ Compares schools
- ◆ Applies for a drivers license...
or gets pulled over by a state trooper



MDIT provides the tools and expertise to make it happen.

In the beginning, there were challenges

When MDIT was formed we started with:

- ◆ 19 disparate agencies
- ◆ A history of struggling projects
- ◆ A lack of vendor management

In consolidating IT projects, we had to:

- ◆ Create buy-in for enterprise-wide IT
- ◆ Handle organizational transformation

One stalled project helped to form our approach...



Michigan Child Support Enforcement System (MiCSES)

A little bit about the program

- ◆ From 1990 to 2000, the State's automated child support system was implemented in only 73 of 83 counties
- ◆ Remaining 10 counties represented half of the statewide caseload and operated on a unique county-based system
- ◆ In October of 2000, the State had already missed one federal deadline triggering escalating federal penalties

Michigan Child Support Enforcement System (MiCSES)

Barriers to Success

- ◆ Lack of consistent and vested executive sponsorship
- ◆ Multiple changes in participating vendors equaled a lack of accountability for results
- ◆ Frequent changes in strategic direction
- ◆ Inadequate communication and inclusion of statewide system stakeholders

We had reached a critical juncture.....



Financial realities sparked a call to action

To avoid federal penalties, we needed to:

- ◆ Complete the roll out to remaining 10 counties
- ◆ Bring in a completely new system and deploy it statewide



A new strategy needed to be developed...

Intense project management structure was missing

- ◆ Our focus turned to:
 - Avoiding mistakes of the past by establishing well-coordinated project control teams
 - Implementing a responsive and accountable governance process
- ◆ And it paid off:
 - In 18 months, we earned the federal certification that had been sought after for nearly a decade
 - We averted nearly \$147 million in federal penalties
 - The turnaround was dubbed the “Michigan Miracle”



How does the project look today?

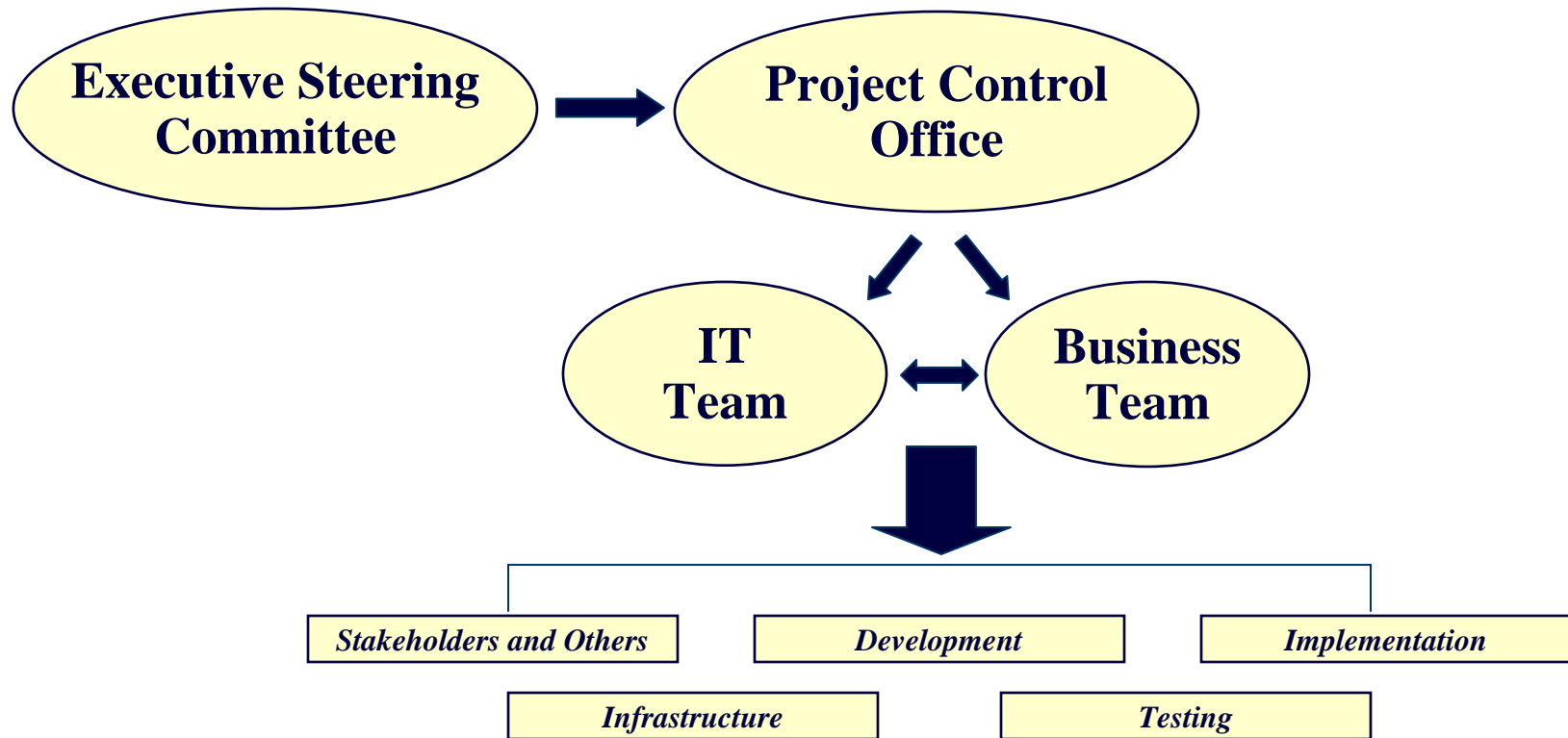
MiCSES continues to perform

- ◆ MiCSES attained CMMI Level 4 compliance in 2005
- ◆ 7 major software releases, 6 minor software releases, all implemented on time
- ◆ Success rate of 98.5% for code promoted to production
 - Only 1.5% of the more than 2,800 configurable items released to production have required re-work
- ◆ Increased statewide productivity valued at more than \$3.5 million over the last three years



So what exactly is making the difference?

Focus and accountability are key components of IT governance

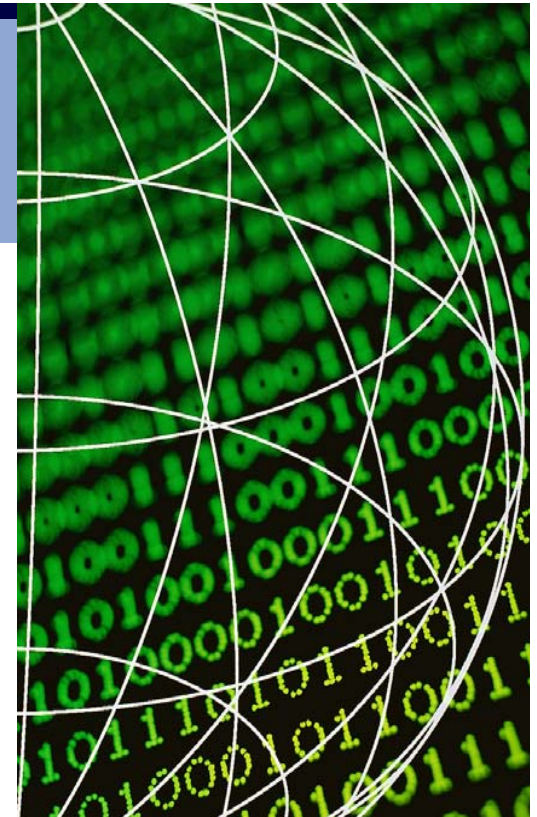


Now its our model, and for good reason....



It's a project management approach that works

- ◆ Gets everyone on-board, on-task, on-budget and on-time!
- ◆ Process-driven through standards, methodology and implementation
- ◆ Drives the focus and communication within the organization
- ◆ Produces cross-collaboration success stories that, in turn, are driving IT momentum



We are using this approach across the enterprise...

A new standard for IT projects

- ◆ This Project Control Office and Governance Model solution created a new standard for all IT projects
- ◆ It has not only supported individual projects, but has helped us in overall operational maturity
- ◆ Engaging state agencies and external stakeholders in IT strategy and governance are critical success factors

Of course, there is always room for improvement...

One step further

- ◆ While this new approach made dramatic improvements, we still found that some critical pieces needed refinement, including:
 - Standardized processes for everyone to follow
 - Tools for timely issue resolution and change control
 - Ownership for all aspects of the project
 - Clear business drivers and communication



We have a plan to get there...

Going the distance with SUITE

- ◆ State Unified IT Environment (SUITE) will provide benefits of project management
 - Governance tools and methodology will be the same across all projects, not vendor-specific
 - Across the enterprise, we will raise all projects to CMMI Level 3 with consistent:
 - Delivery standards
 - Process guidelines
 - Uniform procedures
 - Outcomes will be focused on business drivers



We know what success will look like...

The signs of success are clear

- ◆ Consistent, repeatable success
- ◆ Reduced development costs
- ◆ Faster time to market
- ◆ Reduced defects once the project is complete
- ◆ High customer satisfaction



Getting there means fostering the right mindset...

Project managers hold the key

- ◆ Everyone needs to be educated in project management, regardless of title
- ◆ Managers need to be trained on how to handle all projects with the same standards, process descriptions and procedures
- ◆ Accountability is essential



But project management must go beyond technology...

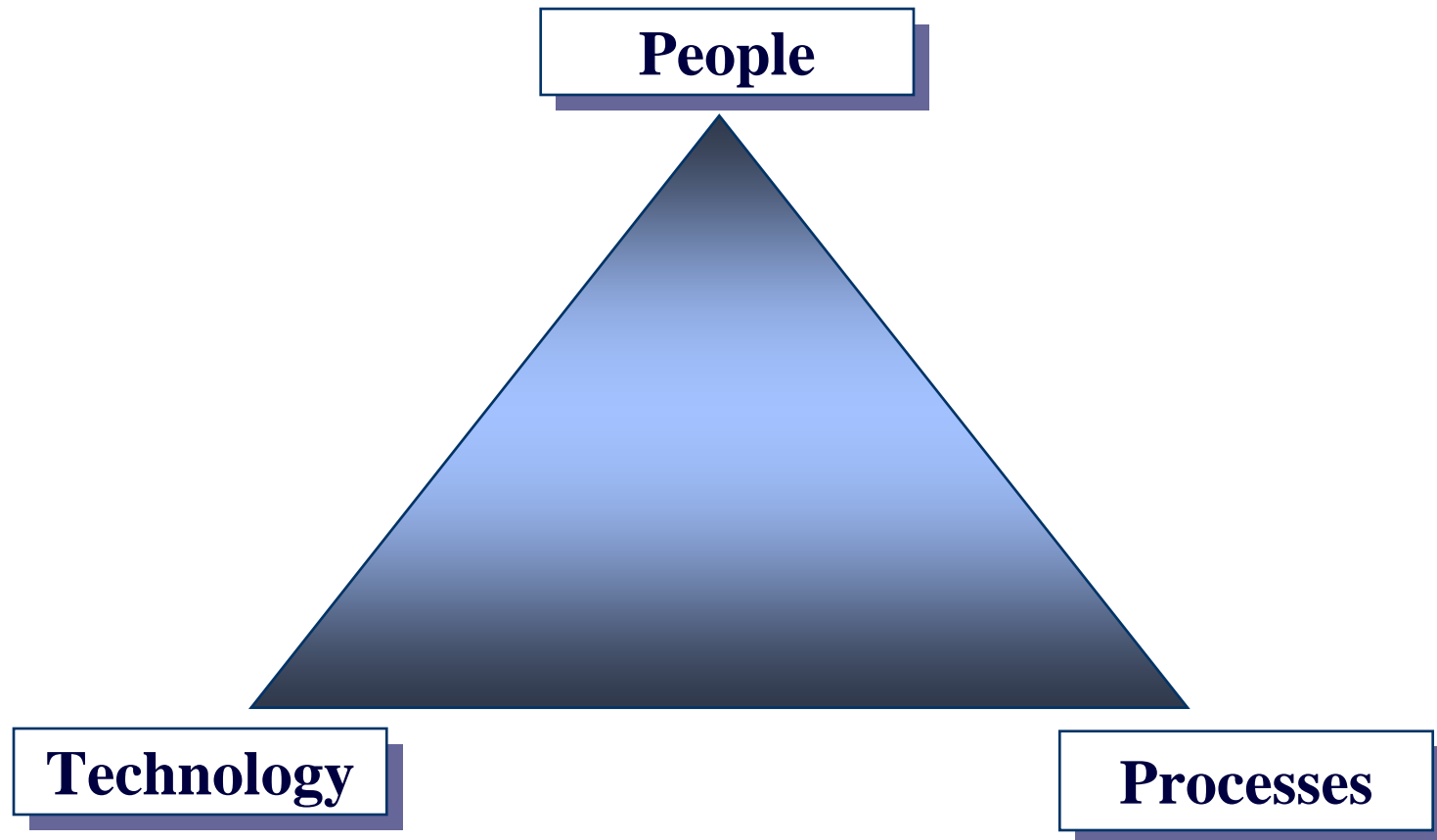
Think big...think business

- ◆ More important than the technical change that IT projects bring about is the business change that they enable
- ◆ Both types of change are difficult, but they are both necessary for true success



A technology project that does not meet customer needs is a failure

Making it work



Questions?

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