

Implementing Program and Staff Office TechStat Reviews



Transformation
through Partnerships

A face-to-face, evidence-based accountability tool

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April 16, 2012

- TechStat Overview
- TechStat Drivers – OMB's 25 Point Implementation Plan
- TechStat Outcomes
- Steps to Implement a Successful TechStat Process

- The Office of Management and Budget (OMB) developed a short video to outline its vision for implementing government-wide TechStat reviews.



The screenshot shows the CIO.GOV website's TechStat Toolkit page. At the top, the CIO.GOV logo is on the left, and navigation links for 'About', 'What We're Working On', 'News', 'Resources', and 'CIO Council' are on the right. The main heading is 'TECHSTAT Toolkit'. Below this, a paragraph states: 'As outlined in the 25-Point Implementation Plan to Reform Federal IT Management, agency leaders must stand up the TechStat model at the departmental level to turn around or terminate at least one-third of underperforming projects in their IT portfolio within the next 18 months, by June 2012. To assist agencies in reforming Investment Review Boards (IRBs), we have developed this TechStat Toolkit.' Two paragraphs follow, describing the toolkit's purpose and the benefits of effective implementation. A 'View Full-Length Training Video >' button is prominent. To the right, a laptop displays a video titled 'TechStat Overview' with a 'View Video >' button. At the bottom, three action buttons are shown: 'TechStat Training' (Learn how to successfully implement), 'Browse Toolkit' (Explore the Toolkit and download), and 'Download TechStat Toolkit Now' (Get all of the tools you need to launch).

The video can be viewed at:

<http://www.cio.gov/techstat/>

- A face-to-face, evidence-based accountability review of an IT investment
- Results in concrete actions to address weaknesses
- Reduces wasteful spending by turning around troubled programs and terminating failed programs sooner.

| TECHSTAT IS: | TECHSTAT IS NOT: |
|--|---|
| Actionable: participants should leave the session armed with next steps to improve outcomes | Routine: sessions should not be used for routine, small impact change requests |
| A Spotlight: sessions should highlight problem areas and focus deeply on pain points | Comprehensive: not an IV&V, IBR, PIR (though could be inputs/requested actions of a TechStat) |
| Prescriptive: sessions should be limited to 60 minutes and result in clear actions, with owners and deadlines | One-Size-Fits-All: the roles and responsibilities of the CIO, Investment Review Board, and TechStat Team will vary by agency |
| A Tool: sessions should be used when executive level influence is needed | A Review: sessions should not be used for cyclical control reviews (“business as usual”) |

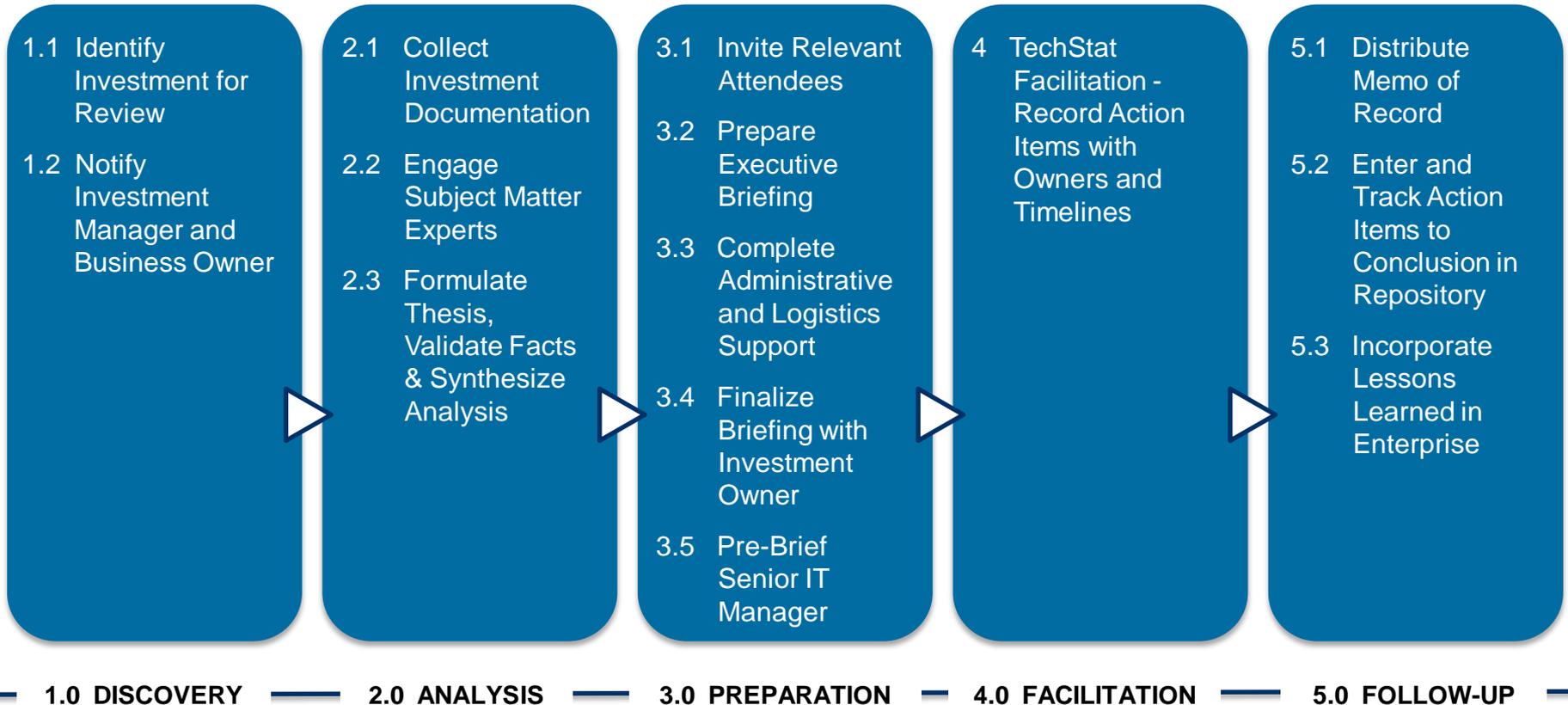
- OMB developed guidance documents and templates for a consistent roll-out of the TechStat process. The Toolkit documents can be tailored to meet Program and Staff Offices' (PSO) investment oversight needs.

| ID# | Title |
|-----|------------------------------------|
| A | TechStat Toolkit Table of Contents |
| B | TechStat Guide |
| C | One Page Summary |
| D | Questions List |
| E | Agency Training Deck |
| F | Briefing Deck |
| G | Follow Up Briefing Deck |
| H | Corrective Action Plan |
| I | Notifications |
| J | Agenda |
| K | Sign In Sheet |
| L | Meeting Logistics |
| M | Meeting Minutes |
| N | Follow Up Memo |
| O | Outcomes Briefing Deck |
| P | Project Management Documents |

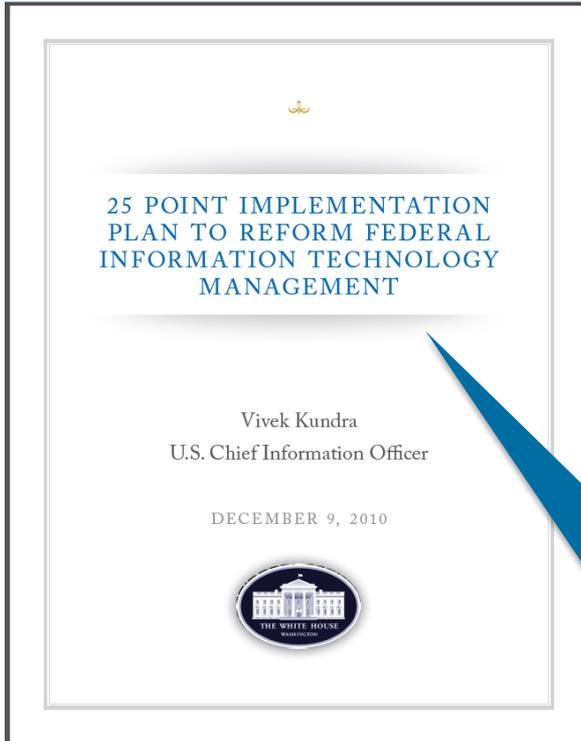


The TechStat Toolkit at <http://CIO.gov/TechStat> will enable you to quickly implement this accountability tool within your PSO.

- There are five key phases for implementing a successful TechStat



- December 9, 2010: OMB launched the *25 Point Implementation Plan to Reform Federal Information Technology Management*, requiring Federal Agencies to conduct TechStat reviews on troubled investments

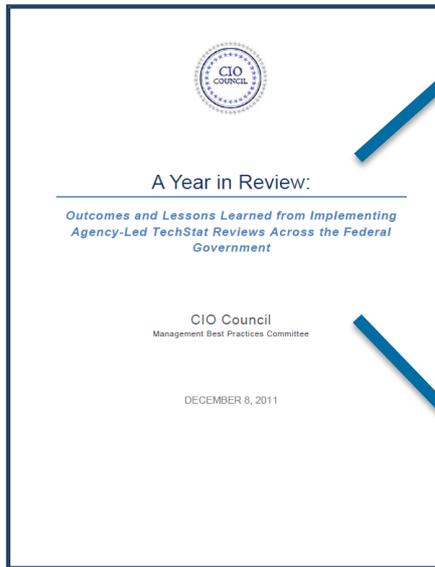


PHASED IMPLEMENTATION APPROACH

- **Phase 1:** January 2011: Federal CIO initiates OMB-led TechStat reviews
- **Phase 2:** March 2011: CIOs stand up TechStats at the *departmental* level
- **Phase 3:** June 2012: CIOs stand up TechStats at the *bureau/program/staff office* level

OMB's TECHSTAT GOAL: Turnaround/terminate at least one-third of poorly performing projects in an agency's portfolio by June 2012

- TechStats have identified \$4 billion in cost implications and performance improvement opportunities across the Federal Government



Phase 1: OMB-led TechStats

- 60 TechStats conducted
- \$3 billion in cost implications**
- Average acceleration of project deliverables from over 24 to 8 months

Phase 2: Department-led TechStats

- 294 TechStats conducted
- \$932 million in cost implications**
(i.e., halted, terminated, reduced scope, eliminated duplication, etc.)

GOVERNMENT-WIDE LESSONS LEARNED ON IMPLEMENTING EFFECTIVE TECHSTAT REVIEWS

- Collaborate with Investment Managers to Develop Agreed-Upon Action Items
- Shift Broad Project Reviews to Focused Strategic Assessments
- Engage Senior Management in Investment Reviews
- Integrate TechStat Reviews into the Agency's Broader IT Management Framework
- Customize TechStat Process based on Size and Level of Agency Federation

Visit

<http://www.cio.gov/techstatreport.pdf>
for OMB's TechStat Outcome report.

Legend

- = OMB-led TechStat
- = DOE CIO-led TechStat
- = PSO-led TechStat

ICAM/HSPD-12

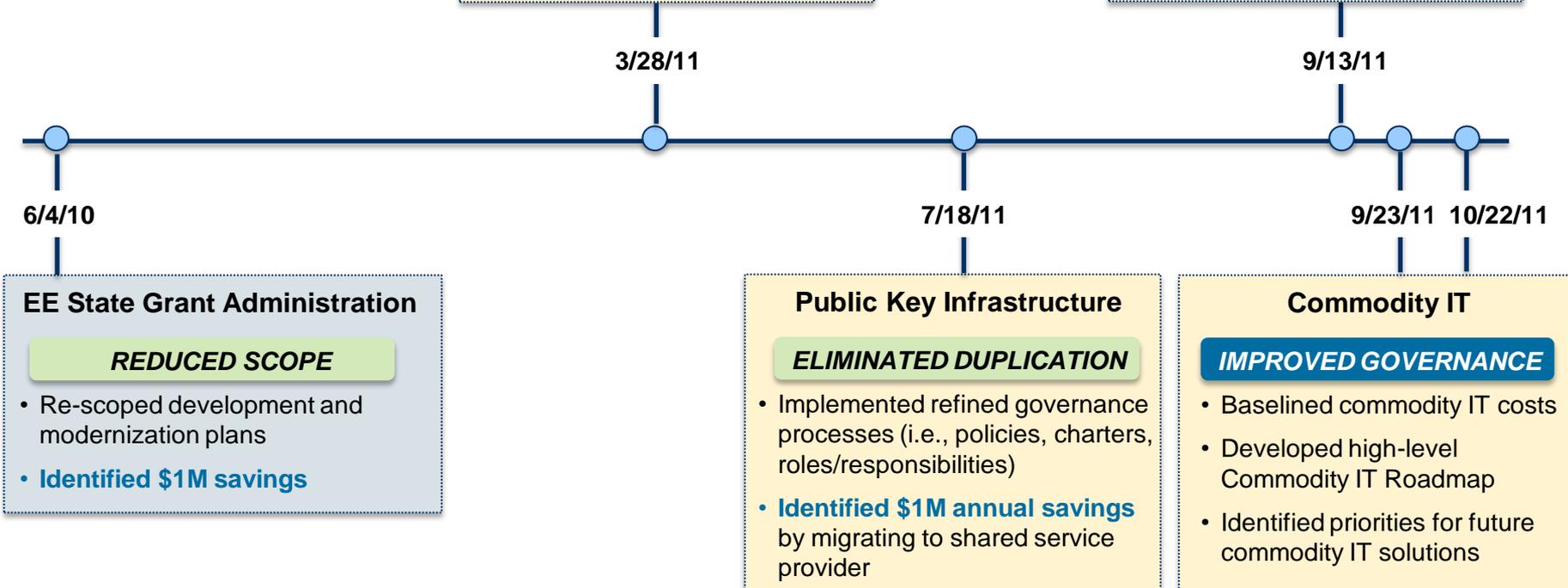
IMPROVED GOVERNANCE

- Identified agreed upon deliverables/due dates
- Established DOE-wide IPT
- Identified dedicated project manager to define project strategy/oversee performance

**Environmental Management
Richland – Records
Management**

IMPROVED GOVERNANCE

- Revised WBS to provide additional insight into project-level cost and schedule activities



EE State Grant Administration

REDUCED SCOPE

- Re-scoped development and modernization plans
- **Identified \$1M savings**

Public Key Infrastructure

ELIMINATED DUPLICATION

- Implemented refined governance processes (i.e., policies, charters, roles/responsibilities)
- **Identified \$1M annual savings** by migrating to shared service provider

Commodity IT

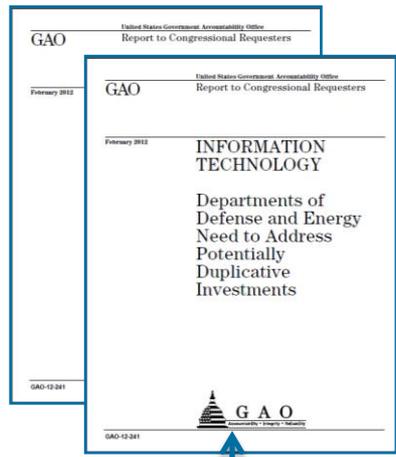
IMPROVED GOVERNANCE

- Baselined commodity IT costs
- Developed high-level Commodity IT Roadmap
- Identified priorities for future commodity IT solutions

Implementing a TechStat Process

Identify Investment for Review

| STEP 1.1 | DISCOVERY: Identify Investment for Review |
|-------------------------|---|
| Input | <ul style="list-style-type: none"> IT Dashboard (Investment Cost, Schedule and Performance Data) and DOE Quarterly Control Review External Sources – GAO, OIG, News |
| TechStat Toolkit | TechStat Guide (B), Questions List (D) |
| Activities | <ul style="list-style-type: none"> TechStat Team conducts regular meetings to prioritize reviews Senior IT management reviews documentation to determine prioritization of investments for review Investment Review Board (IRB) may contribute to prioritization |
| Output | List of Investment TechStat Reviews (including justification for review) |
| Duration | Meetings are conducted regularly |



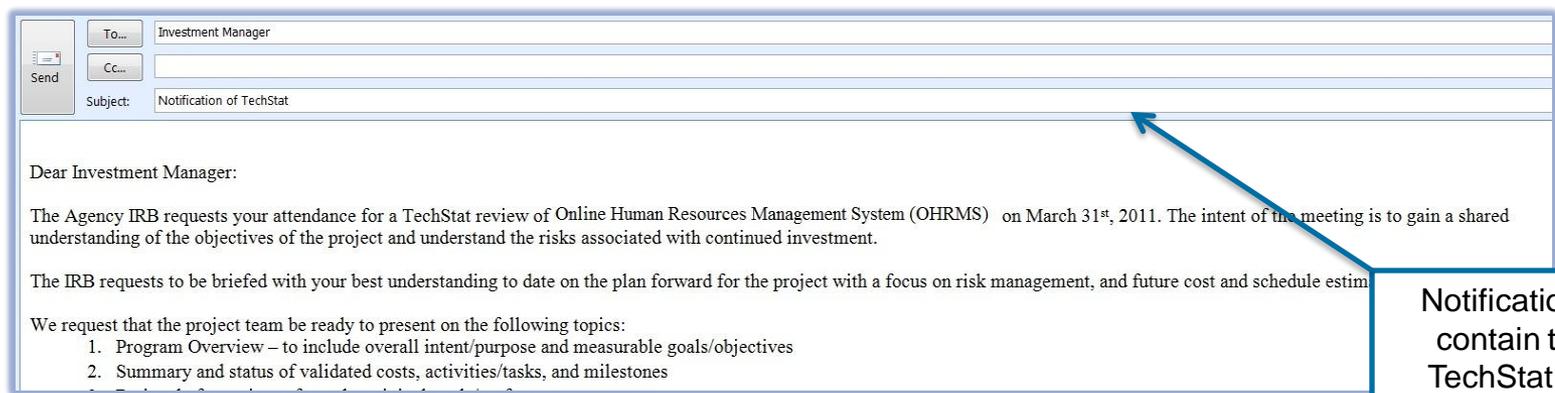
Investment identified in GAO/IG audits



Implementing a TechStat Process

Notify Investment Manager and Business Owner

| | |
|-------------------------|---|
| STEP 1.2 | DISCOVERY: Notify Investment Manager and Business Owner |
| Input | TechStat Review List Document |
| TechStat Toolkit | Questions List (D), Notifications (I), One Page Summary (C), Agency Training Deck (E) |
| Activities | <p>TechStat Team provides notification to the Investment Manager and Business Owner that the investment has been selected for a TechStat</p> <ul style="list-style-type: none"> • Notification should include what a TechStat is and why the investment has been chosen for a review • Notification is provided through email with the date and time of the TechStat Meeting (to be no more than 1 month away from notifications) and the deadline for submitting relevant documentation and artifacts (to be no more than 1 week away from notification) |
| Output | Official Notification (email or memorandum) and list of relevant documentation and artifacts |
| Duration | 1 business day |



Notification email should contain the date of the TechStat and clear next steps for data submission



Implementing a TechStat Process

Collect Investment Documentation

| STEP 2.1 | ANALYSIS: Collect Investment Documentation |
|-------------------------|---|
| Input | Official Notification (email or memorandum) with checklist of appropriate documentation, |
| TechStat Toolkit | TechStat Guide (B), Project Management Documents (P) |
| Activities | <ul style="list-style-type: none"> Investment Owner reviews list of relevant documentation and artifacts Investment Owner confirms currency of documentation and submits artifacts to TechStat Team |
| Output | Submission of current investment artifacts |
| Duration | 5 business days |



Internal Documents:

- Mission Need Statement
- Functional Requirements
- Alternatives Analysis
- System Design/Test Plan
- Work Breakdown Structure
- EVM reports
- Performance reviews
- Risk Register

External Data:

- GAO reports
- OIG reports
- OMB IT Dashboard
- News
- Human intelligence

Implementing a TechStat Process

Engage Subject Matter Experts (SMEs)

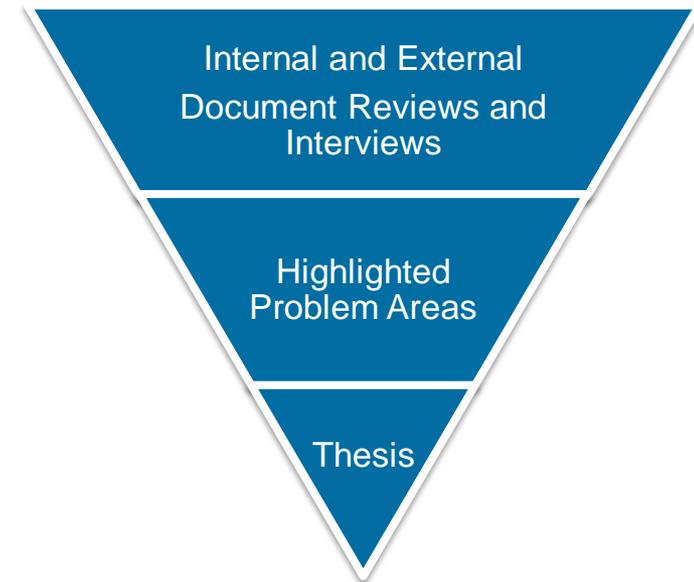
| STEP 2.2 ANALYSIS: Engage Subject Matter Experts | |
|--|--|
| Input | Relevant documentation and artifacts (both internal and external) |
| TechStat Toolkit | TechStat Guide (B), Project Management Documents (P) |
| Activities | <ul style="list-style-type: none"> • TechStat Team compiles questions, concerns, and documentation that require subject matter expertise for review. • Subject Matter Experts may include individuals with the following background/skills: <ul style="list-style-type: none"> – Security/Privacy – Budget/Financial Analysis – EVM/Performance Management/Project Management – Procurement – Technology – Records Management |
| Output | Compilation of issues, concerns, and questions for subject matter expert review |
| Duration | 4 business days |



Implementing a TechStat Process

Synthesize Analysis

| | |
|-------------------------|--|
| STEP 2.3 | ANALYSIS: Validate Facts, Synthesize Analysis, and Formulate Thesis |
| Input | Relevant documentation and artifacts |
| TechStat Toolkit | Briefing Deck (F), Questions List (D), Corrective Action Plan (H) |
| Activities | <ul style="list-style-type: none"> Investment Owner answers follow-up questions and resolves any disputes of data, facts and assumptions TechStat Team categorizes issues to determine those that rise to the level of needing executive intervention Corrective action plan should be used to organize ideas about next steps; the degree to which this is completed prior to the session is investment dependent TechStat Team develops thesis that concisely describes the reason for the TechStat review |
| Output | Pre-Meeting Findings Compilation |
| Duration | 5-10 business days |



Discovery Analysis Preparation TechStat Facilitation Follow-up

Implementing a TechStat Process

Synthesize Analysis

News Items

- Faltering performance
- Data integrity issues

Project Earned Value Analysis

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct |
|----------------------------|---------|------------|---------|---------|---------|---------|---------|---------|---------|---------|
| Budget at Completion (BAC) | \$1,230 | \$1,230 | \$1,230 | \$1,400 | \$1,400 | \$1,400 | \$1,400 | \$1,400 | \$1,400 | \$1,400 |
| Earned Value (EV) | \$800 | \$200 | \$300 | \$450 | \$750 | \$800 | \$1,025 | \$1,200 | \$1,400 | \$1,400 |
| Actual Cost (AC) | \$300 | \$200 | \$315 | \$500 | \$600 | \$900 | \$1,000 | \$1,200 | \$1,250 | \$1,525 |
| | \$125 | \$50 | \$15 | \$50 | \$25 | \$100 | \$175 | \$175 | \$150 | \$125 |
| | (\$20) | (\$50) | (\$15) | (\$20) | (\$25) | (\$200) | (\$75) | (\$75) | (\$75) | (\$20) |
| | (\$25) | (\$50) | (\$15) | (\$25) | (\$50) | (\$200) | (\$75) | (\$75) | (\$75) | (\$20) |
| | 0.65 | 0.75 | 0.94 | 0.80 | 0.94 | 0.94 | 0.93 | 0.96 | 0.96 | 0.92 |
| | 0.92 | 0.82 | 1.03 | 0.86 | 0.96 | 0.96 | 0.94 | 0.97 | 0.97 | 0.93 |
| | \$377 | \$1,040 | \$690 | \$750 | \$200 | \$225 | \$0 | \$0 | \$0 | \$0 |
| | (\$2) | \$1,640 | \$1,490 | \$1,700 | \$1,490 | \$1,490 | \$1,575 | \$1,475 | \$1,475 | \$1,525 |
| | (\$2) | (\$43) | (\$95) | (\$250) | (\$250) | (\$250) | (\$175) | (\$175) | (\$175) | (\$25) |
| OV | RED | YELLOW | RED | YELLOW |
| | | Rebaseline | | | | | | | | |
| | | ret | | | | | | | | |

EVM Reports

- EVM errors
- Cost overruns

GAO Reports

- Processes could be improved
- Lack of timely reporting
- Late delivery to customers

Agency IT Program Assessments

- Contractor performance issues
- Rebaselines delay delivery

IT Program Assessment
Online Management of Human Resources System (OMHRs)

Thesis: \$35 million over budget with no customer-facing deliverables



Implementing a TechStat Process

Invite Relevant Attendees

| | |
|-------------------------|---|
| STEP 3.1 | PREPARATION: Send Updated Meeting Invite and Meeting Materials to Relevant Attendees |
| Input | Pre-Meeting Findings |
| TechStat Toolkit | Notifications (I) |
| Activities | <ul style="list-style-type: none"> • Ensure Investment Manager and Business Owner will be in attendance • Ensure SMEs will be in attendance should the review board have questions requiring their input • As a general rule, contractors are not present at TechStats to ensure open communication about vendor performance and decisions that may impact the acquisition strategy. TechStat Team should obtain prior approval from the Sr. IT Manager to have contractor staff at the meeting. |
| Output | <ul style="list-style-type: none"> • Meeting Invitations • Guest List / Sign-In Sheet |
| Duration | 2 days |

Subject: OHRMS TechStat

Location: WHCC, Lincoln Room

Start time: Thu 3/31/2011 2:00 PM All day event

End time: Thu 3/31/2011 3:00 PM

The Investment Review Board requests your attendance (as well as relevant project management staff) for a TechStat project review of the Online Human Resources Management System (OHRMS) program on March 31st 2011 in the Lincoln Room, White House Conference Center.

The intent of this meeting is to gain a shared understanding of the objectives of the project and understand the risks associated with continued investment. The IRB requests to be briefed with your best understanding to date on the plan forward for the project with a focus on risk management, and future cost and schedule estimates.

Since this meeting will be held in WHCC, no security information is needed for entry, but please note that only government employees will be allowed in the meeting (no contract staff will be permitted).

Government employees only

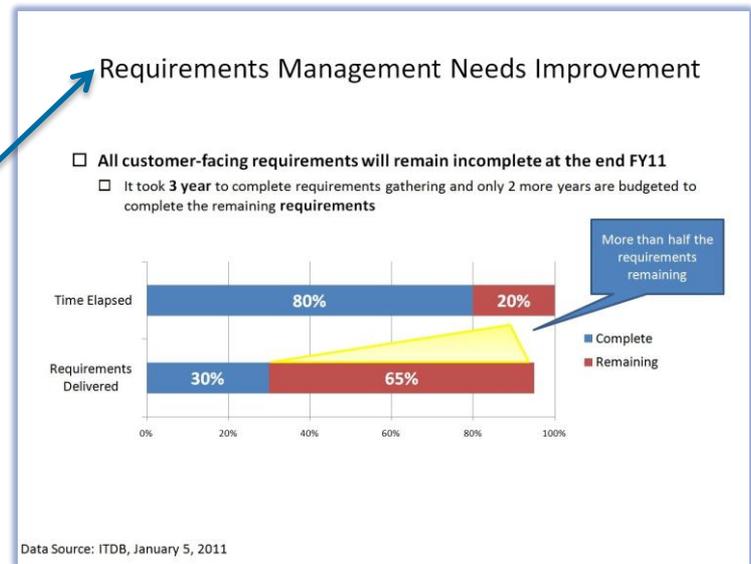
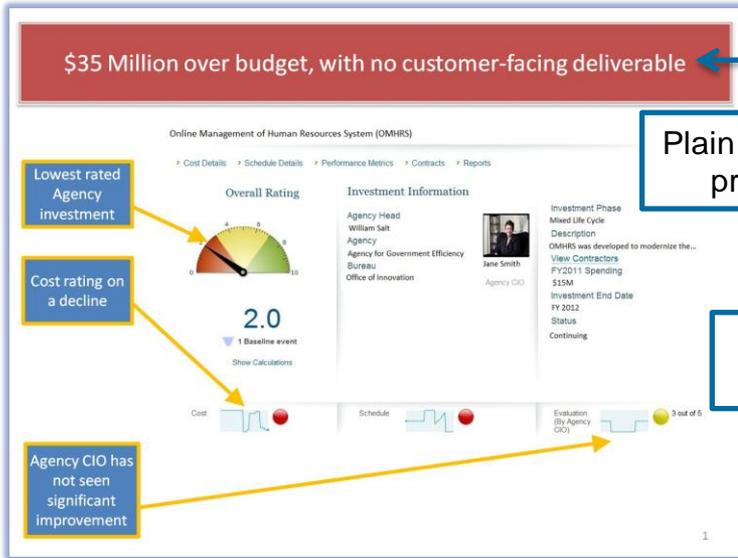
Discovery Analysis Preparation TechStat Facilitation Follow-up



Implementing a TechStat Process

Prepare Executive Briefing

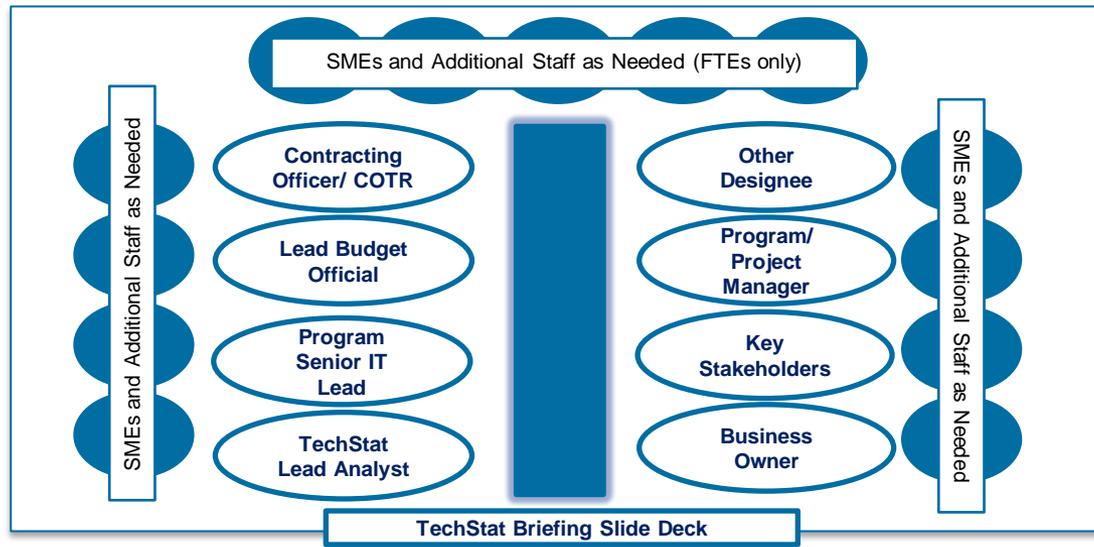
| | |
|-------------------------|---|
| STEP 3.2 | PREPARATION: Prepare Executive Briefing |
| Input | <ul style="list-style-type: none"> • Relevant Investment Documentation • Pre-Meeting Findings |
| TechStat Toolkit | Briefing Deck (F) or Follow Up Briefing Deck (G) |
| Activities | TechStat Team prepares slides that are heavy on data and explain why investment was reviewed Slides should have an easily communicated thesis statement describing the interest of the review. |
| Output | Draft Executive Briefing |
| Duration | 1-3 business days |



Implementing a TechStat Process

Complete Meeting Logistics

| | |
|-------------------------|--|
| STEP 3.3 | PREPARATION: Complete Administrative and Logistics Support |
| Input | Guest List |
| TechStat Toolkit | Notifications (I), Agenda (J – optional), Sign In Sheet (K), Meeting Logistics (L), Meeting Minutes (M) |
| Activities | <ul style="list-style-type: none"> • Confirm room and audio-visual reservations • Prepare name cards and determine seating arrangement • Make copies of the briefing material and ensure electronic version is available for projection |
| Output | Sign In Sheet |
| Duration | 1-3 business days |



Discovery

Analysis

Preparation

TechStat
Facilitation

Follow-up



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Implementing a TechStat Process

Finalize Briefing with Investment Owner

| | |
|-------------------------|--|
| STEP 3.4 | PREPARATION: Finalize Briefing with Investment Owner |
| Input | Draft Executive Briefing |
| TechStat Toolkit | Briefing Deck (F) or Follow Up Briefing Deck (G) |
| Activities | <ul style="list-style-type: none"> • TechStat Team meets with Investment Owner to finalize thesis and major issues of the investment • Investment Owner provides feedback to improve the briefing and may request additional analysis or material be included to supplement the brief • TechStat Team coordinates response to Investment Owner feedback and adjusts brief as required |
| Output | Revised Draft Executive Briefing |
| Duration | 1 business day |



Session strategy discussion between
TechStat Facilitator and Investment Owner



Discovery → Analysis → Preparation → TechStat Facilitation → Follow-up



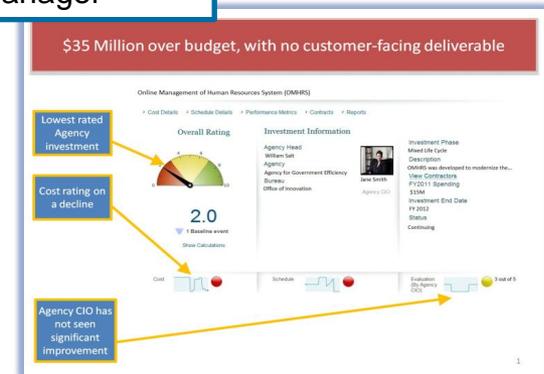
Implementing a TechStat Process

Pre-Brief Senior IT Manager

| | |
|-------------------------|--|
| STEP 3.5 | PREPARATION: Pre-Brief Senior IT Manager |
| Input | Draft Executive Briefing |
| TechStat Toolkit | Briefing Deck (F) or Follow Up Briefing Deck (G) |
| Activities | <ul style="list-style-type: none"> TechStat Team schedules pre-brief with Senior IT Manager to outline the thesis and major issues of the investment to be presented to the IRB (pre-brief should occur at least three business days prior to the TechStat Review) Senior IT Manager provides feedback to improve the briefing and may request additional analysis to supplement the brief TechStat Team coordinates response to Senior IT Manager feedback and adjusts brief as required |
| Output | Final Investment Review Board Briefing |
| Duration | 1 business day |



Session strategy discussion between TechStat Facilitator and Senior IT Manager



Discovery → Analysis → Preparation → TechStat Facilitation → Follow-up



Implementing a TechStat Process

Facilitate TechStat Meeting

| STEP 4. | TechStat FACILITATION |
|-------------------------|---|
| Input | Final Senior IT Manager and IRB Briefing |
| TechStat Toolkit | Notifications (I), Agenda (J – optional), Sign In Sheet (K), Meeting Logistics (L), Meeting Minutes (M) |
| Activities | <ul style="list-style-type: none"> • TechStat Team, with Investment Owner, brief Senior IT Manager and IRB on findings • TechStat Team facilitates the meeting ensuring that the 1 hour meeting timeframe is managed, probing questions are asked, and conversation drives towards action items • TechStat Team recounts and records action items including action owner and deadlines |
| Output | <ul style="list-style-type: none"> • Sign-In Sheet • Meeting Minutes/ Action Items |
| Duration | 1 business day |



TechStat Meeting Agenda

- 2 minutes: Introductions
- 10-15 minutes: Briefing of findings
- 30-35 minutes: CIO and IRB discussion of potential corrective actions
- 5-15 minutes: Decisions on corrective action items, owners and reasonable deadlines

Discovery

Analysis

Preparation

TechStat
Facilitation

Follow-up



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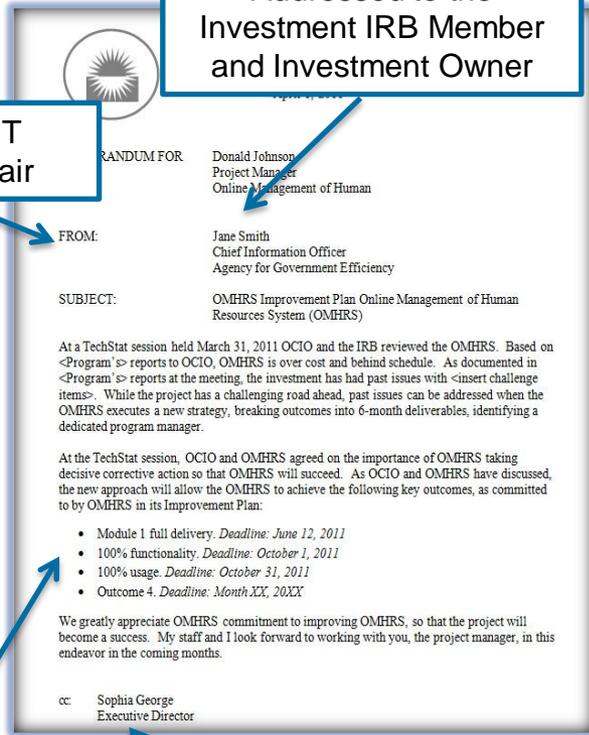
Implementing a TechStat Process

Distribute Memo of Record

| | |
|-------------------------|---|
| STEP 5.1 | FOLLOW-UP: Distribute Memo of Record |
| Input | <ul style="list-style-type: none"> Action Items Draft Follow Up Memo |
| TechStat Toolkit | Follow Up Memo (N) |
| Activities | <ul style="list-style-type: none"> TechStat Team drafts memo of record and distributes draft to Senior IT Manager, IRB Members, and Investment Owner TechStat Team finalizes memo and distributes to IRB Members, Investment Owner, and all others identified as necessary to copy on the distribution TechStat Team finalizes meeting minutes |
| Output | <ul style="list-style-type: none"> Final Follow Up Memo Meeting Minutes |
| Duration | 2 business days |

Sent from the Senior IT Manager or IRB co-Chair

Addressed to the Investment IRB Member and Investment Owner



Action items with deadlines

cc: Program/Project Manager, COTR



Implementing a TechStat Process

Track Action Items to Closure

| | |
|-------------------------|--|
| STEP 5.2 | FOLLOW-UP: Enter and Track Action Items to Conclusion in TechStat Repository |
| Input | Follow Up Memo |
| TechStat Toolkit | TechStat Guide (B), Corrective Action Plan (H), Follow Up Briefing Deck (O) |
| Activities | <ul style="list-style-type: none"> TechStat Team enters action items, action owners and deadlines into repository for transparent monitoring TechStat Team follows-up with Investment Owner to ensure action items are completed, reviews documentation as evidence that intent of corrective action item was achieved and resulted in improved performance TechStat Team serves as conduit between Investment Owner and Senior IT Manager to resolve issues where an action item may need to be revised, deadline extended, or eliminated because it is no longer applicable |
| Output | Updated Repository |
| Duration | 2 hours – end of action plan |

Agency: Agency for Government Efficiency
Investment: Online Management of Human Resources System (OMHRS)
Date: 2010-09-14
Time: 14:30:00

| Title | Start Date | Due Date | Completion Date | Assigned To | Status | Edit Action Item | Delete Action Item | Att |
|--|------------|------------|-----------------|-------------|-------------|------------------|--------------------|-----|
| Deliver Module 1 | 2010-09-14 | 2010-11-30 | 2010-11-30 | DOI | Completed | | | - |
| Deliver 100% customer-facing functionality | 2010-09-14 | 2010-12-31 | | DOI | Completed | | | - |
| 100% usage | 2010-09-14 | 2012-12-31 | | DOI | In Progress | | | - |

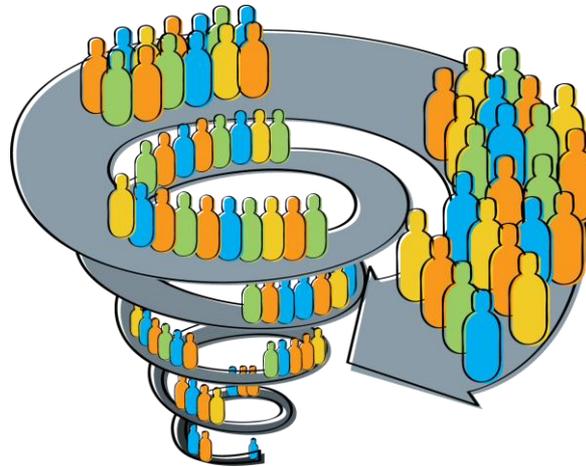
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Status should be visible to all stakeholders

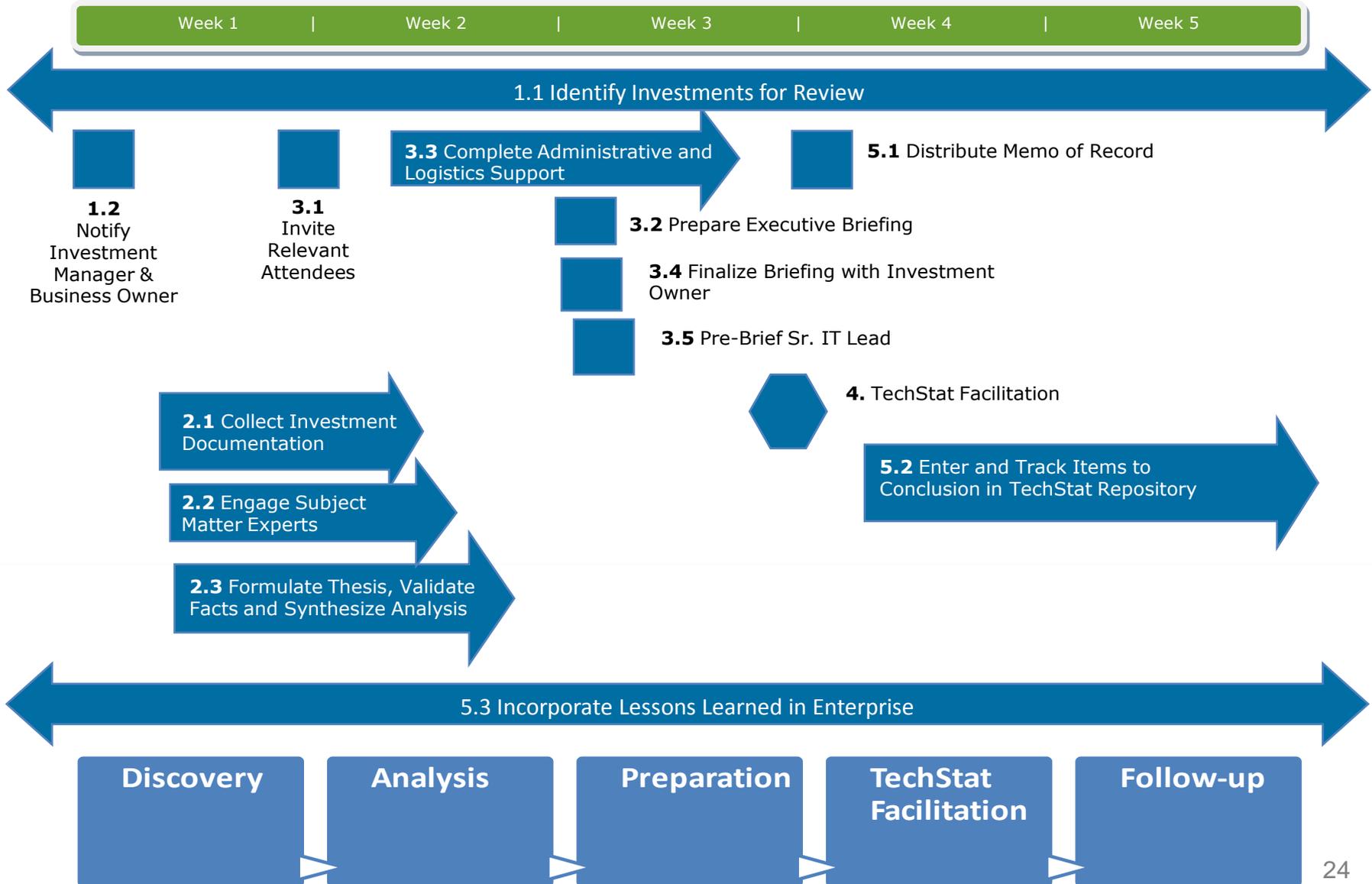


Implementing a TechStat Process

Incorporate Lessons Learned

| | |
|-------------------------|--|
| STEP 5.3 | FOLLOW-UP: Incorporate Lessons Learned in Enterprise |
| Input | Investment Action Plans, Responses, and Outcomes |
| TechStat Toolkit | TechStat Guide (B), Corrective Action Plan (H), Outcomes Briefing Deck (O) |
| Activities | Meticulous tracking of follow-up action items through completion |
| Output | Detailed lessons learned shared within agency; high-level best practices shared with CIO; outcomes shared with OMB |
| Duration | Continuous |

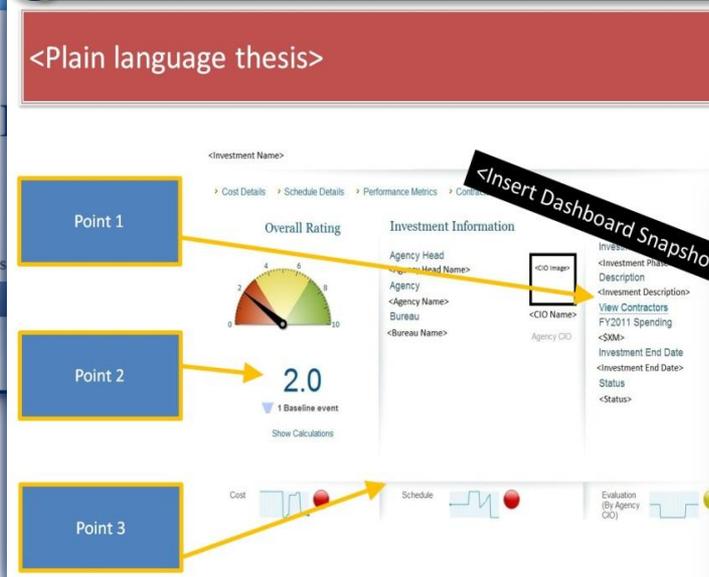




1 Identify Troubled Projects



2 Conduct TechStat Accountability Sessions



3 Continuous Follow-up

Agency Seal

<Month, XX, 20XX>

MEMORANDUM FOR <INSERT PM NAME>
Project Manager
<Insert Program>

FROM: <INSERT NAME>
Chief Information Officer
<Insert Agency>

SUBJECT: <Insert Program Acronym> Improvement Plan for <Insert Full Name of Investment (Acronym)>

At a TechStat session held <Insert Date>, OCIO and <Program> reviewed the < Investment (Acronym)>. Based on <Program's> reports to OCIO, <Acronym> is <Insert thesis>. As documented in <Program's> reports at the meeting, the investment has had past issues with <insert challenge items>. While the project has a challenging road ahead, past issues can be addressed when the <Program> executes a new strategy, including <insert new approach items such as "breaking outcomes into 6-month deliverables, identifying a dedicated program manager, etc.">.

At the TechStat session, OCIO and <Program> agreed on the importance of <Program> taking decisive corrective action so that < Investment > will succeed. As OCIO and <Program> have discussed, the new approach will allow the < Investment > to achieve the following key outcomes, as committed to by <Program> in its Improvement Plan:

- Outcome 1. *Deadline:* Month XX 20XX
- Outcome 2. *Deadline:* Month XX 20XX
- Outcome 3. *Deadline:* Month XX 20XX
- Outcome 4. *Deadline:* Month XX 20XX
- <Program (Acronym)> will reduce life cycle costs by \$XXM (if applicable.)

We greatly appreciate < Program's > commitment to improving <Investment>, so that the project will become a success. My staff and I look forward to working with you, the project manager, <insert name>, and your < Program> colleagues in this endeavor in the coming months.

In my office, the lead for <Investment> oversight is <OCIO Analyst Name>, who can be reached at <202-395-xxxx>, <email>.

cc: Other Senior Management in Attendance
<Name> <Title>
<Office>