# TechStat Training

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Office of Management and Budget

# IT Reform #21.2 – TechStat Rollout

## AGENDA

- TechStat Overview

- TechStat Toolkit Materials

- TechStat Process Overview

- TechStat Process Deep Dive

# TechStat Overview

## What is TechStat?

- TechStat is a face-to-face, evidence-based accountability review of an IT investment

- TechStat results in concrete actions to address weaknesses

- TechStat reduces wasteful spending by turning around troubled programs and terminating failed programs sooner

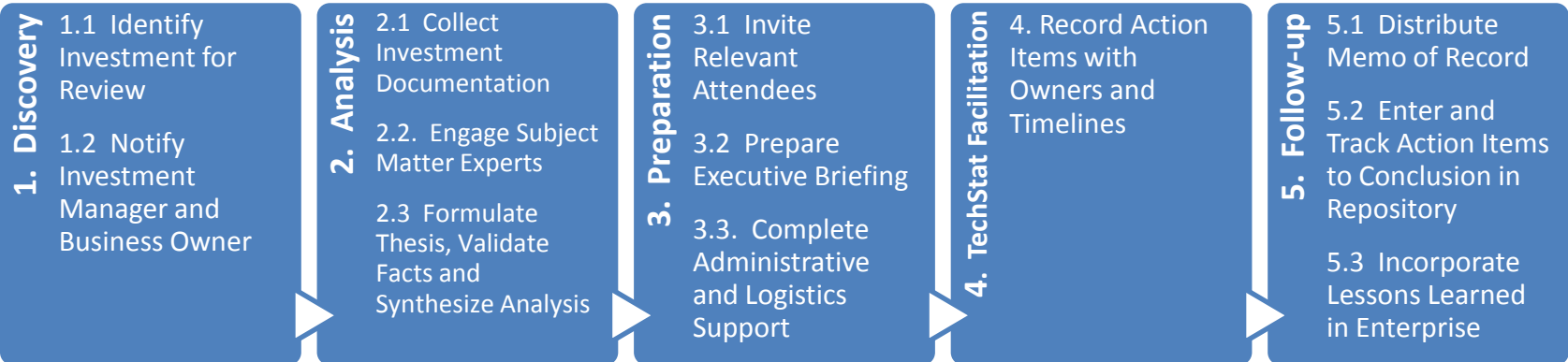| TechStat Is: | TechStat Is Not: |
|---|---|
| **Actionable:** participants should leave the session armed with next steps to improve outcomes | **Routine:** sessions should not be used for routine, small impact change requests |
| **A Spotlight:** sessions should highlight problems areas and focus deeply on pain points | **Comprehensive**: not an IV&V, IBR, PIR (though these could be inputs or 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, IRB, and TechStat 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") |

# TechStat Toolkit Materials

| ID# | Title |
|-----|-------|
|     | Introduction |
| TOC | TechStat Toolkit Table of Contents |
| A | E-Gov TechStat TrainingDeck (this PPT) |
| 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 |

# TechStat Process

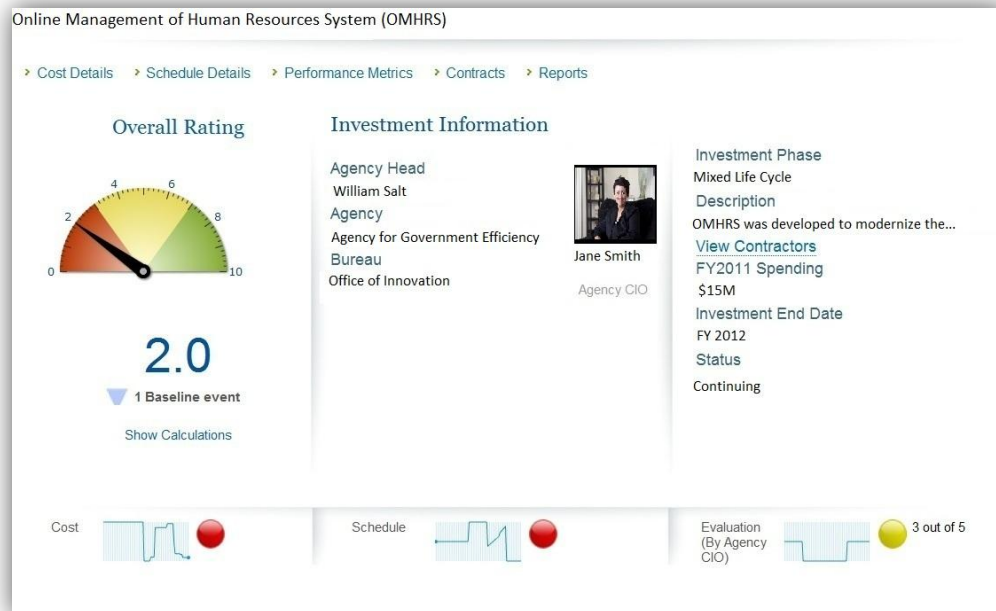| 1. Discovery | 2. Analysis | 3. Preparation | 4. TechStat Facilitation | 5. Follow-up |
|---|---|---|---|---|
| 1.1 Identify Investment for Review<br><br>1.2 Notify Investment Manager and Business Owner | 2.1 Collect Investment Documentation<br><br>2.2. Engage Subject Matter Experts<br><br>2.3 Formulate Thesis, Validate Facts and Synthesize Analysis | 3.1 Invite Relevant Attendees<br><br>3.2 Prepare Executive Briefing<br><br>3.3. Complete Administrative and Logistics Support | 4. Record Action Items with Owners and Timelines | 5.1 Distribute Memo of Record<br><br>5.2 Enter and Track Action Items to Conclusion in Repository<br><br>5.3 Incorporate Lessons Learned in Enterprise |

# Identify Investment for Review

| STEP 1.1 | DISCOVERY: Identify Investment for Review |
|---|---|
| Input | IT Dashboard, Investment Scoring, Cost, Schedule and Performance Data External sources – GAO, OIG, News, Human Intelligence |
| TechStat Toolkit | TechStat Guide (B), Questions List (D) |
| Activities | • TechStat Team members conduct regular meetings to prioritize reviews <br> • CIO reviews input documentation to determine prioritization of investments for review; IRB may contribute to prioritization |
| Output | TechStat Review List Document (including justification for review) |
| Duration | Meetings are conducted regularly |

Investment flagged as red in IT Dashboard

# 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 | • TechStat Team provides notification to the investment manager and business owner that the investment has been selected for a TechStat<br>• Notification should include what a TechStat is and why the investment has been chosen for a review<br>• 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 |

To... Investment Manager

Cc...

Subject: Notification of TechStat

Dear Investment Manager:

The Agency IRB requests your attendance for a TechStat review of Online Human Resources Management System (OHRMS) on March 31st, 2011. The intent of the 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.

We request that the project team be ready to present on the following topics:
1. Program Overview – to include overall intent/purpose and measurable goals/objectives
2. Summary and status of validated costs, activities/tasks, and milestones
3. Rationale for variance from the original goals/performance measures
   a. Describe any additional scope that may have been added including cost and schedule impact
   b. Describe stakeholder impact to delayed implementation
4. Previous corrective action plans and outcomes and forward thinking plans to prevent subsequent variances
5. Presentation of significant risks with mitigation strategies and assignment of risk owners

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

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

# Collect Investment Documentation

| STEP 2.1 | ANALYSIS: Collect Investment Documentation |
|---|---|
| Input | Official Notification (email or memorandum) with Checklist of appropriate documentation, GAO Reports, OIG Reports, News, and Human Intelligence |
| TechStat Toolkit | TechStat Guide (B) |
| Activities | Investment Manager reviews list of relevant documentation and artifacts, confirms currency of documentation to TechStat Team, and submits artifacts to TechStat Team |
| Output | Submission of current investment artifacts |
| Duration | 5 business days |

**Internal Evidence:**
- EVM reports
- Performance reviews
- Performance management system
- IT Dashboard

**External Evidence:**
- GAO reports
- OIG reports
- News
- Human intelligence

Discovery   Analysis   Preparation   TechStat Facilitation   Follow-up

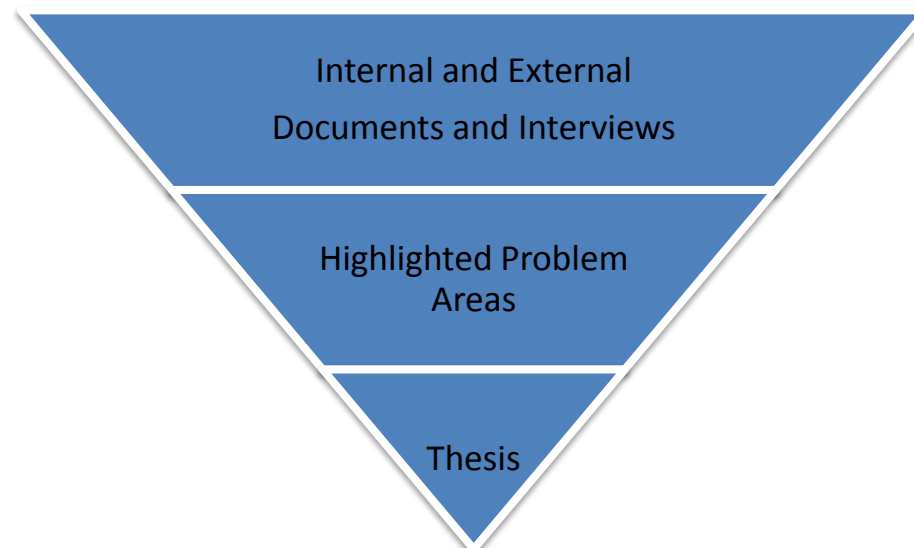# Engage Subject Matter Experts

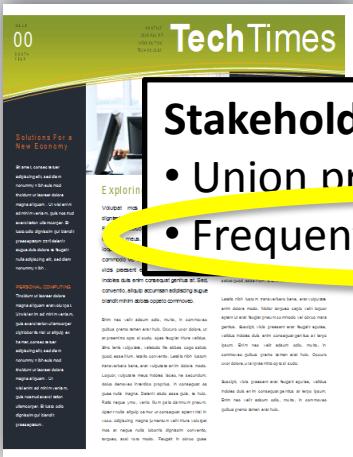| STEP 2.2 | ANALYSIS: Engage Subject Matter Experts |
|---|---|
| Input | Relevant documentation and artifacts (both internal and external) |
| TechStat Toolkit | TechStat Guide (B) |
| Activities | • TechStat Team compiles questions, concerns, issues and documentation that require subject matter expertise for review<br>• TechStat team engages subject matter experts in analysis and processes their input |
| Output | Subject matter expert review |
| Duration | 4 business days |

# Synthesize Analysis

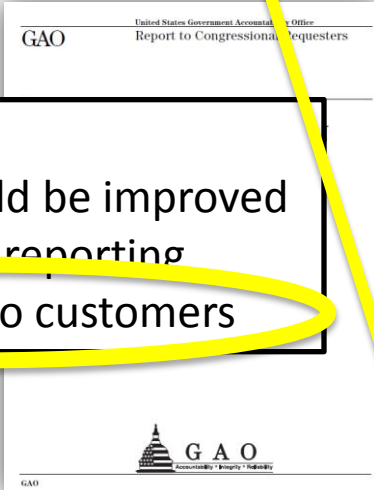| STEP 2.3 | ANALYSIS: Validate Facts, Synthesize Analysis, and Formulate Thesis |
|---|---|
| Input | Relevant documentation and artifacts |
| TechStat Toolkit | Briefing Deck (F), Questions List (D), Corrective Action Plan (H) |
| Activities | • TechStat Team engages Investment Manager to answer any follow-up questions and resolve any disputes of data, facts and assumptions<br>• TechStat Team categorizes issues and root causes to determine those that rise to the level of needing executive intervention<br>• 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<br>• TechStat Team develops thesis that concisely describes the reason why the investment was chosen for a TechStat |
| Output | Pre-Meeting Findings Compilation |
| Duration | 5-10 business days |

Internal and External Documents and Interviews

Highlighted Problem Areas

Thesis

Discovery   Analysis   Preparation   TechStat Facilitation   Follow-up

# Synthesize Analysis

**Stakeholder Communications**
- Union problems
- Frequent changes in strategy

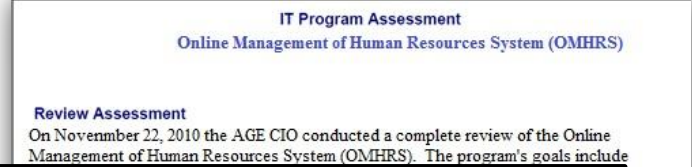**EVM Reports**
- EVM errors
- Cost overruns

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

**Agency IT Program Assessments**
- Contractor performance issues
- Rebaselines delay delivery

**$35 million over budget with no customer-facing deliverables**

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

# Invite Relevant Attendees

| STEP 3.1 | PREPARATION: Invite Relevant Attendees |
|---|---|
| Input | Pre-Meeting Findings |
| TechStat Toolkit | Notifications (I) |
| Activities | • TechStat Team ensures IRB meeting is scheduled and a sufficient number of the members (or their designees) will be present for voting<br>• TechStat Team ensures Investment Manager, Program Manager / Business Owner, and Executive Sponsor will be in attendance<br>• TechStat Team ensures subject matter experts are available to attend the session should the IRB have questions during the session that require their input (may include acquisition, legal, human resources, enterprise architecture, etc.).<br>• As a general rule, contractors are not present at TechStat sessions to ensure open communication about vendor performance and any decisions that may impact the acquisition strategy. TechStat Team should obtain prior approval from the CIO should the Investment request to have contract staff at the meeting. |
| Output | • Meeting Invitations<br>• 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).
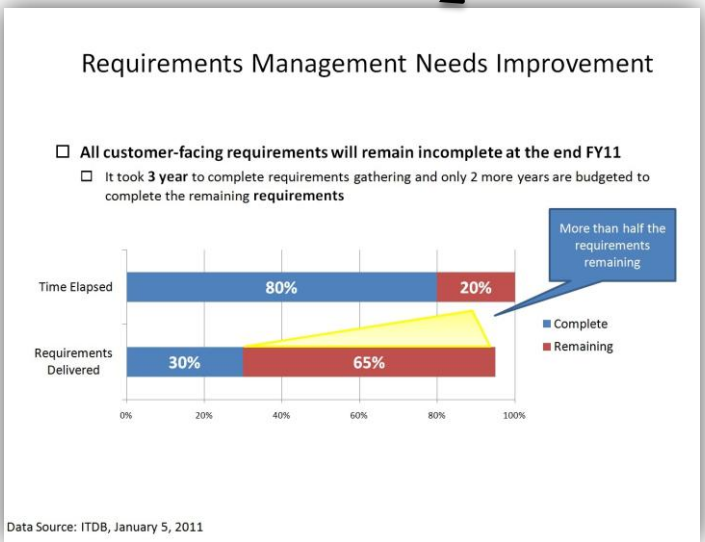
**Government employees only**

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

# Prepare Executive Briefing

| STEP 3.2 | PREPARATION: Prepare Executive Briefing |
|---|---|
| Input | • Relevant Investment Documentation<br>• Pre-Meeting Findings |
| TechStat Toolkit | Briefing Deck (F) or Follow Up Briefing Deck (G) |
| Activities | TechStat Team should prepare slides that are heavy on data and clearly explain why the investment was brought in for the TechStat. Slides should have an easily communicated thesis statement describing the interest of the review. |
| Output | Draft Executive Briefing |
| Duration | 1-3 business days |

Plain language problem

Challenges slide details problem



$35 Million over budget, with no customer-facing deliverable

Online Management of Human Resources System (OMHRS)

> Cost Details   > Schedule Details   > Performance Metrics   > Contracts   > Reports

Overall Rating

Investment Information

Agency Head
William Salt
Agency
Agency for Government Efficiency
Bureau
Office of Innovation

Jane Smith
Agency CIO

Investment Phase
Mixed Life Cycle
Description
OMHRS was developed to modernize the...
View Contractors
FY2011 Spending
$15M
Investment End Date
FY 2012
Status
Continuing

2.0

▼ 1 Baseline event

Show Calculations

Lowest rated Agency investment

Cost rating on a decline

Agency CIO has not seen significant improvement

Cost   Schedule   Evaluation (By Agency CIO)   3 out of 5

Challenge highlights



Requirements Management Needs Improvement

☐ All customer-facing requirements will remain incomplete at the end FY11
  ☐ It took 3 year to complete requirements gathering and only 2 more years are budgeted to complete the remaining requirements

Time Elapsed — 80% — 20%
Requirements Delivered — 30% — 65%

More than half the requirements remaining

■ Complete   ■ Remaining

Data Source: ITDB, January 5, 2011

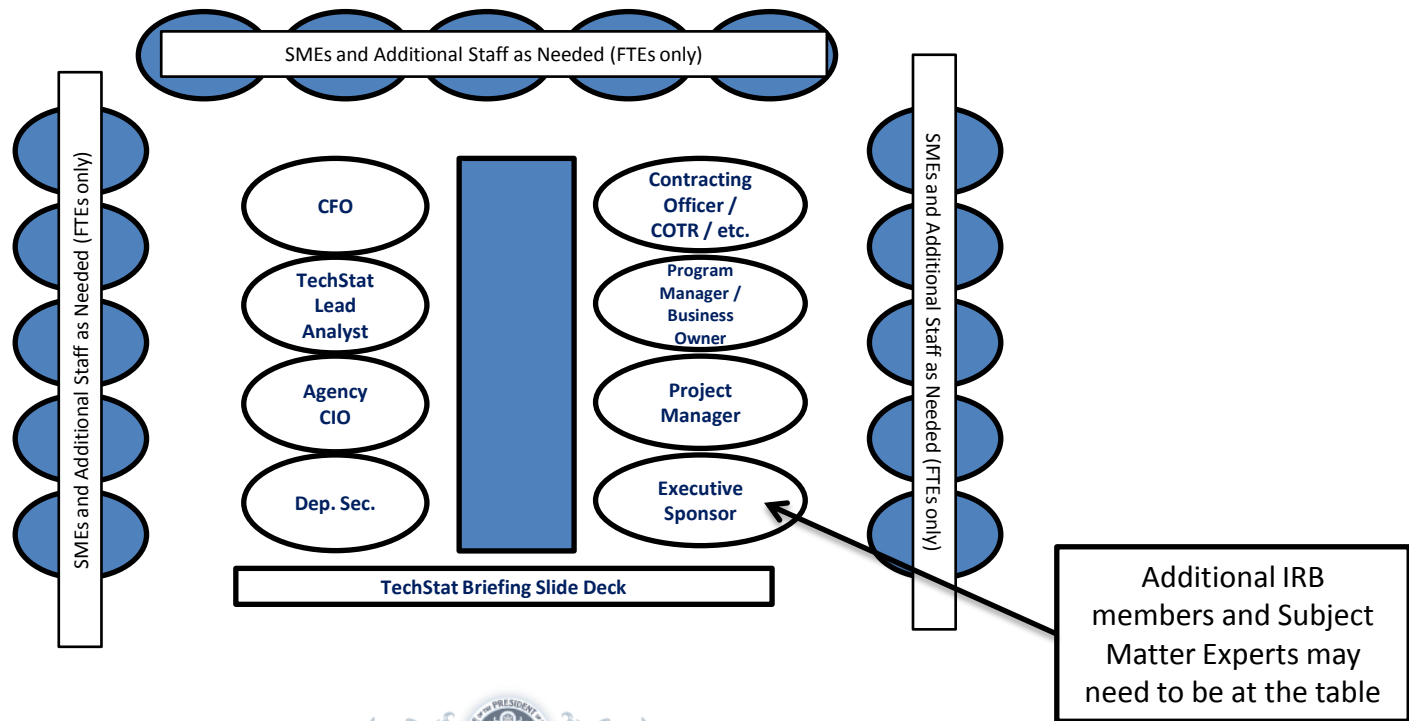Discovery   Analysis   Preparation   TechStat Facilitation   Follow-up

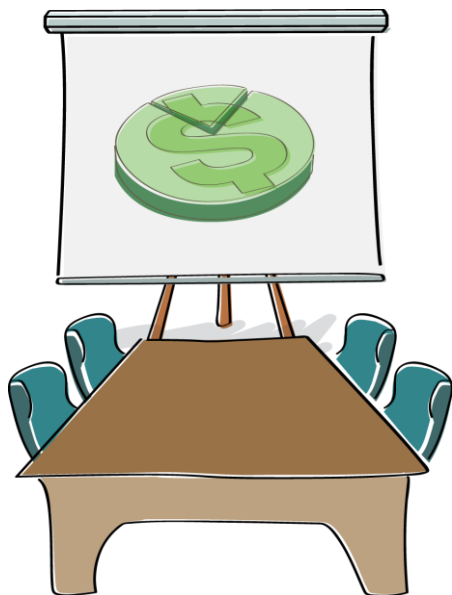# Complete Administrative and Logistics Support

| STEP 3.3 | PREPARATION: Complete Administrative and Logistics Support |
|---|---|
| Input | Guest List |
| TechStat Toolkit Resources | Notifications (I), Agenda (J – optional), Sign In Sheet (K), Meeting Logistics (L), Meeting Minutes (M) |
| Activities | • Confirm room and audio-visual reservations<br>• Prepare name cards and determine seating arrangement<br>• Make copies of the briefing material and ensure electronic version is available for projection |
| Output | Sign In Sheet |
| Duration | 1-3 business days |



SMEs and Additional Staff as Needed (FTEs only)

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SMEs and Additional Staff as Needed (FTEs only)

CFO

TechStat Lead Analyst

Agency CIO

Dep. Sec.

Contracting Officer / COTR / etc.

Program Manager / Business Owner

Project Manager

Executive Sponsor

TechStat Briefing Slide Deck

Additional IRB members and Subject Matter Experts may need to be at the table

# Pre-Brief CIO

| STEP 3.4 | PREPARATION: Pre-Brief CIO |
|---|---|
| Input | Draft Executive Briefing |
| TechStat Toolkit Resources | Briefing Deck (F) or Follow Up Briefing Deck (G) |
| Activities | • TechStat Team schedules pre-brief with CIO to outline the thesis and major issues of the investment to be presented to the IRB (pre-brief should occur at least 3 business days prior to the IRB)<br>• CIO provides feedback to improve the briefing and may request additional analysis to supplement the brief<br>• TechStat Team coordinates response to CIO feedback and adjusts brief as required |
| Output | Final Investment Review Board Briefing |
| Duration | 1 business day |

Session strategy discussion between TechStat Facilitator and TechStat Chair



$35 Million over budget, with no customer-facing deliverable

Online Management of Human Resources System (OMHRS)

Lowest rated Agency investment

Cost rating on a decline

Agency CIO has not seen significant improvement

Overall Rating

2.0

Requirements Management Needs Improvement

More than half the requirements remaining

20%

65%

■ Complete
■ Remaining

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

# TechStat Facilitation

| STEP 4 | TECHSTAT FACILITATION |
|---|---|
| Input | Final Investment Review Board Briefing |
| TechStat Toolkit | Notifications (I), Agenda (J – optional), Sign In Sheet (K), Meeting Logistics (L), Meeting Minutes (M) |
| Activities | • TechStat Team, with Investment Manager, brief IRB on findings<br>• TechStat Team facilitates the meeting ensuring that the 1 hour meeting timeframe is managed, probing questions are asked, and conversation drives towards action items<br>• TechStat Team recounts and records action items including action owner and deadlines |
| Output | • Sign-In Sheet<br>• Meeting Minutes<br>• Action Items |
| Duration | 1 business day |



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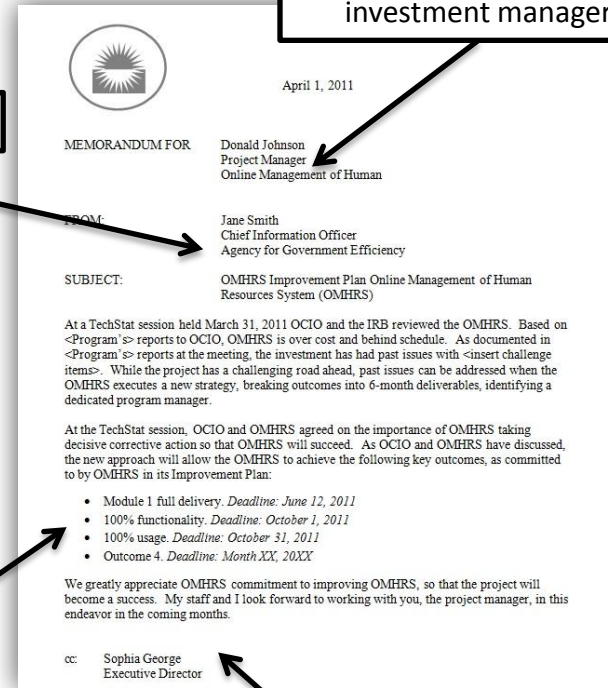- 5-15 minutes: Decisions on corrective action items, owners and reasonable deadlines

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

# Distribute Memo of Record

| STEP 5.1 | FOLLOW-UP: Distribute Memo of Record |
|---|---|
| **Input** | • Action Items<br>• Draft Follow Up Memo |
| **TechStat Toolkit** | Follow Up Memo (N) |
| **Activities** | • TechStat Team drafts memo of record and distributes draft to CIO, IRB Co-Chair and Investment Manager<br>• TechStat Team finalizes memo and distributes to Investment Manager, Business Owner and all others identified as necessary to copy on the distribution<br>• TechStat Team finalizes meeting minutes and maintains with additional records of the IRB |
| **Output** | • Final Follow Up Memo<br>• Meeting Minutes |
| **Duration** | 2 business days |

Addressed to the project / investment manager

Sent from the CIO or IRB co-chair

Action items with deadlines

cc: the executive sponsor / business / program owner

April 1, 2011

MEMORANDUM FOR    Donald Johnson
                  Project Manager
                  Online Management of Human

FROM:             Jane Smith
                  Chief Information Officer
                  Agency for Government Efficiency

SUBJECT:          OMHRS Improvement Plan Online Management of Human
                  Resources System (OMHRS)

At a TechStat session held March 31, 2011 OCIO and the IRB reviewed the OMHRS. Based on <Program's> reports to OCIO, OMHRS is over cost and behind schedule. 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 OMHRS executes a new strategy, breaking outcomes into 6-month deliverables, identifying a dedicated program manager.

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

• Module 1 full delivery. *Deadline: June 12, 2011*
• 100% functionality. *Deadline: October 1, 2011*
• 100% usage. *Deadline: October 31, 2011*
• Outcome 4. *Deadline: Month XX, 20XX*

We greatly appreciate OMHRS commitment to improving OMHRS, so that the project will become a success. My staff and I look forward to working with you, the project manager, in this endeavor in the coming months.

cc:    Sophia George
       Executive Director

# Enter and Track Action Items to Conclusion in TechStat Repository

| 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** | • TechStat Team enters action items, action owners and deadlines into repository for transparent monitoring<br>• TechStat Team follows-up with Investment Manager to ensure action items are completed, reviews documentation as evidence that intent of corrective action item was achieved and resulted in improved performance<br>• TechStat Team serves as conduit between Investment Manager and CIO 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 |



Status should be visible to all stakeholders

# Incorporate Lessons Learned in Enterprise

| 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 CIOC; outcomes shared with OMB |
| Duration | Continuous |



| Discovery | Analysis | Preparation | TechStat Facilitation | Follow-up |
|---|---|---|---|---|
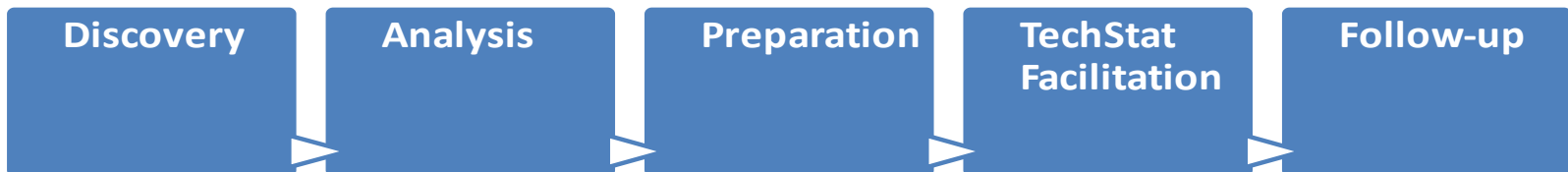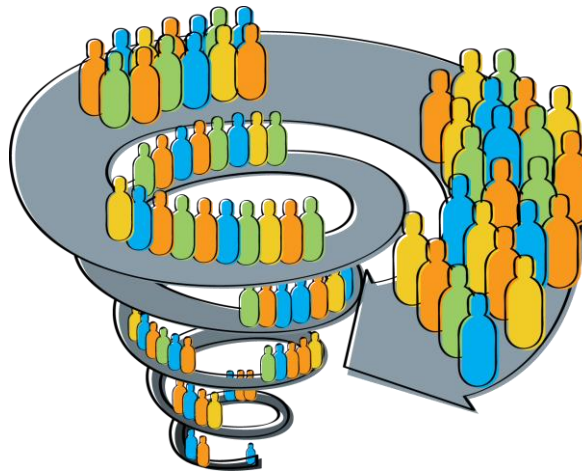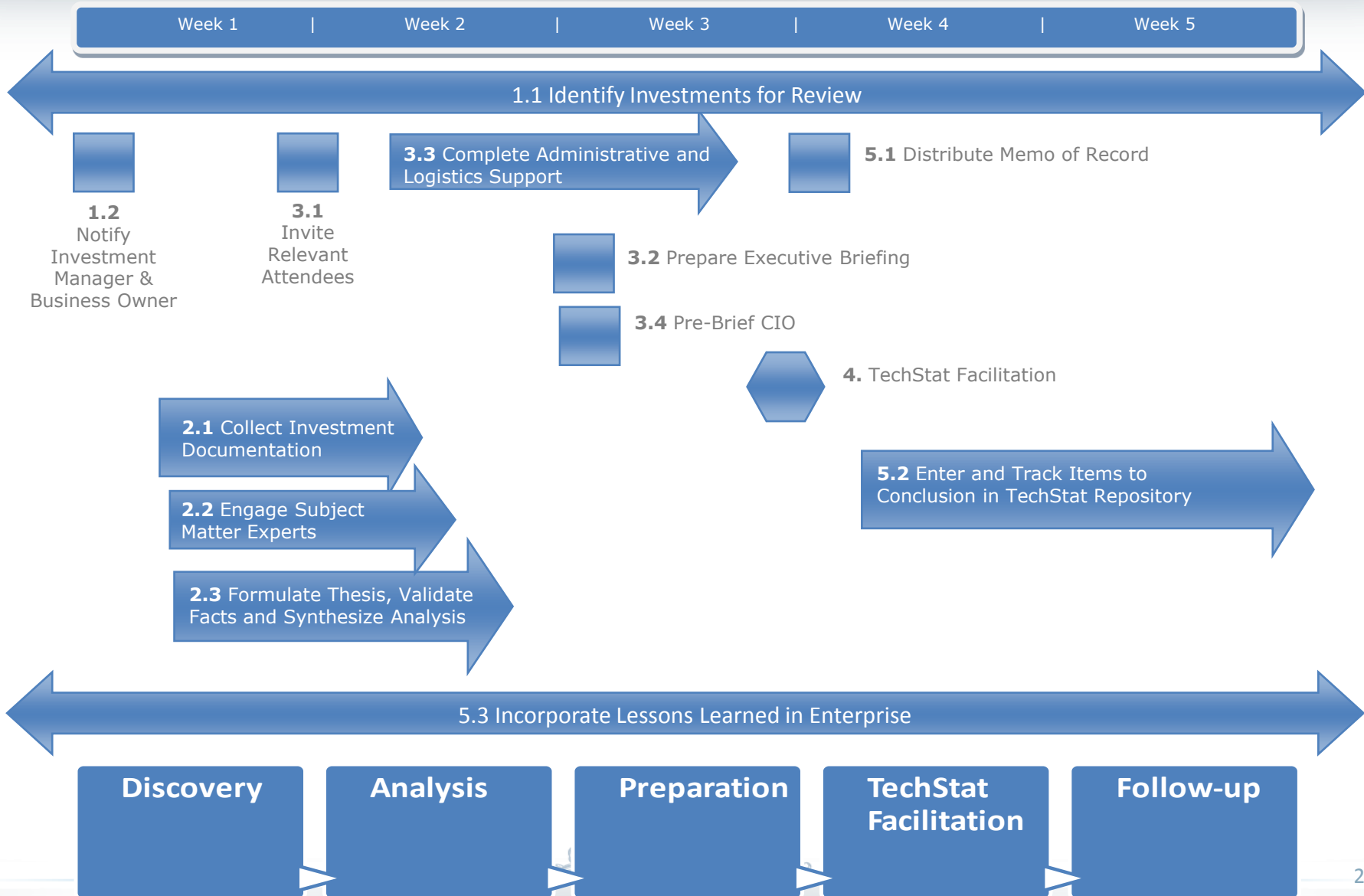
# TechStat Process

# Roles and Responsibilities

| Responsibility | TechStat (CPIC) Team | CIO | Investment / Project Manager | Business Owner | IRB Chair | IRB Membership |
|---|---|---|---|---|---|---|
| Identify investments for TechStat | Primary | X | | | | X |
| Lead the documentation review, perform critical analysis, and provide briefing materials to the IRB prior to the meeting | Primary | | | | | |
| Support documentation review | Primary | X | | | | X |
| Track and monitor action items resulting from TechStats | Primary | | | | | |
| Brief leadership (CIO, etc.) prior to the meeting | Primary | | X | X | | |
| Provide full and complete documentation to support a given review | | | Primary | X | | |
| Coordinate staffing necessary to support a review | | Primary | | | | |
| Execute Action Plan resulting from TechStat Reviews | | | Primary | X | | |
| Present findings to IRB | Primary | | X | | | |
| Coordinate and facilitate TechStat meeting | Primary | | | | | |
| Lead TechStat meeting and ask probing questions | | Primary | | | X | |
| Provide expert advice and objective recommendations that assist the IRB in decision-making | X | X | | | | |
| Ensures decisions are consistent with the Agency and IT strategic plans, policies and guidelines | | X | | | X | |
| Notify Investment of TechStat | Primary | | | | | |
| Document decisions and action plan resulting from TechStat | Primary | | | | | |
| Attend TechStat and contribute to group decisions | X | X | X | X | X | X |

- **Training**

  – Leadership

  – Project and Program Staff

- **Governance**

  – Revised Investment Review Board Charter

- **Amended Roles and Responsibilities**

  – TechStat Team, IRB, CIO, Investment Manager and Business Owner

  *Your E-Gov Analyst and TechStat Toolkit will enable you to quickly implement this accountability tool within your agency.*

# **Next Steps**

- Visit [http://CIO.gov/TechStat](http://CIO.gov/TechStat) for more information

- Contact [EGov@omb.eop.gov](mailto:EGov@omb.eop.gov) "TechStat" with any questions