



Oral Testimony of
The Honorable Thomas Jarrett
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And Information

“Offline and Off-budget: The Dismal State of Information Technology
Planning in the Federal Government”

Before the

Subcommittee on Federal Financial Management, Government
Information, Federal Services and
International Security
Of the Senate Committee on Homeland Security and
Governmental Affairs

342 Dirksen
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Chairman Carper, Ranking Member Coburn, and other members of the Subcommittee, I thank you for the opportunity to speak with you today. As Secretary of Delaware's Department of Technology and Information (DTI), I can well appreciate the complexity, the challenges, and the significant responsibilities associated with managing information technology projects in an investments portfolio that cuts across many agencies, and in Delaware's case, all three branches of government. Albeit on a much smaller scale than the federal government, Delaware (and other state governments) are faced with similar concerns regarding IT project management. In fact, Delaware's Department of Technology and Information was established in part because of the ongoing IT project delays and cost overruns that Delaware was experiencing. Delaware's centralized IT structure charges our agency with direct oversight and approval of nearly \$200 million in active IT projects.

As a new agency we were able to develop and deploy new approaches to IT project management that incorporate many best practices from private industry and others in government sector. While our methods are under constant review for improvement, we are enjoying some significant progress and we have an excellent track record of delivering much needed IT solutions that are on-time and on-budget.

There are no "silver bullets," no one or two changes that you can point to for perfect project management. Instead, there are many small improvements that we have made that, in the aggregate, are making a difference for Delaware. I would like to take a few minutes to give you a high-level view of a project lifecycle using the "Delaware Model." In addition, I would like to point out what I believe are the significant processes and procedures that we have put in place to successfully manage our portfolio.

Like the federal model, we require agencies to submit a business case that addresses the major items we believe help insure a project's success. Our model includes the following major areas: risk management, processes re-engineering, architecture review, resource and funding availability, project management oversight, organizational change management, needs assessment, customization requirements, disaster recovery levels and management/executive sponsorship.

Recommended projects are forwarded for the concurrence of the State CIO before they move ahead in our process. This recommendation usually includes ongoing funding contingent on meeting project milestones.

Once approved, DTI works with the agency-customer to develop full and complete requirements so a request for proposals can be released to secure vendor bids in order to meet the needs of the project. DTI stays involved to help the agency make a vendor selection, and to structure a contract that ensures the project is delivered on-time and on-budget. I cannot emphasize enough how critical the requirements gathering process is to the project's ultimate success or failure. The Delaware Model does not allow for requirements gathering to be conducted solely by the vendor, there must be active involvement by the DTI project management team. There is an old saying, "the customer doesn't know what they want, until you give them what they asked for." Requirement gathering is critical to the process and helps alleviate scope, time, and budget creep if done correctly.

At the start of a new project, a nationally certified program/project manager is assigned as well as a certified organizational change management team to run parallel courses in managing the projects. It is not enough to be certified, we take extra care in selecting the people to fill these positions as they are essential to the success of the project. We count on these folks to inflict discipline and structure to our projects.

It is important to note that DTI manages Delaware's IT projects, not the vendors assigned to them. While we demand the vendor assign a certified and talented project manager, our state folks manage the project. Further, I would like to highlight our change management process. Change management starts with the review of existing business processes and is focused on preparing the organization for the cultural changes that are a part of any major projects. According to a recent study conducted by the National Association of Chief Information Officers, which represents state CIOs and Information Technology Executives from the states, 80 percent of major IT project failures can be directly attributed to a lack of change management. Too often, the employees who will actually use the new application are left out of the project process and when this takes place it is almost certain that the project is doomed to fail or underperform.

Another major element of our success is how we manage the overall process. All of Delaware's major IT projects have executive sponsors. The executive sponsors include high-level managers from the agencies involved, as well as, key executives from DTI, and our Office of Management and Budget. The executive sponsors hold regular monitoring and update meetings and provide high level oversight. When difficult project decisions need to be made, the executive sponsors are aware of the issues and have the authority to make critical decisions on whether or not to keep the project moving along.

A real-life example is our present project involving all of Delaware's courts. Due to a lack of employee training and readiness, the executive sponsors recommended that the project be "paused," so that training could take place. In fact, Delaware's Chief Justice himself invoked a six month pause in recognition of the need for court employees to be prepared if the project was to succeed.

Besides ongoing project meetings, all projects in the State's portfolio are reviewed weekly by our project management office and bi-monthly at a workload management meeting where project managers present their projects' status to the assembled DTI senior managers. Opportunities for improvement or needed adjustments are vetted in an open forum with the goal of keeping the project on track and transparent.

Our agency is committed to project transparency, all the way to our legislature and our governor. We believe in continuous information exchange and dialogue with our elected representatives so that they are educated and aware of the complexities of major IT projects. Providing information upfront, even when it may be painful, is far better than "saving" unpleasant surprises for yearly budget sessions. Bad news doesn't age well.