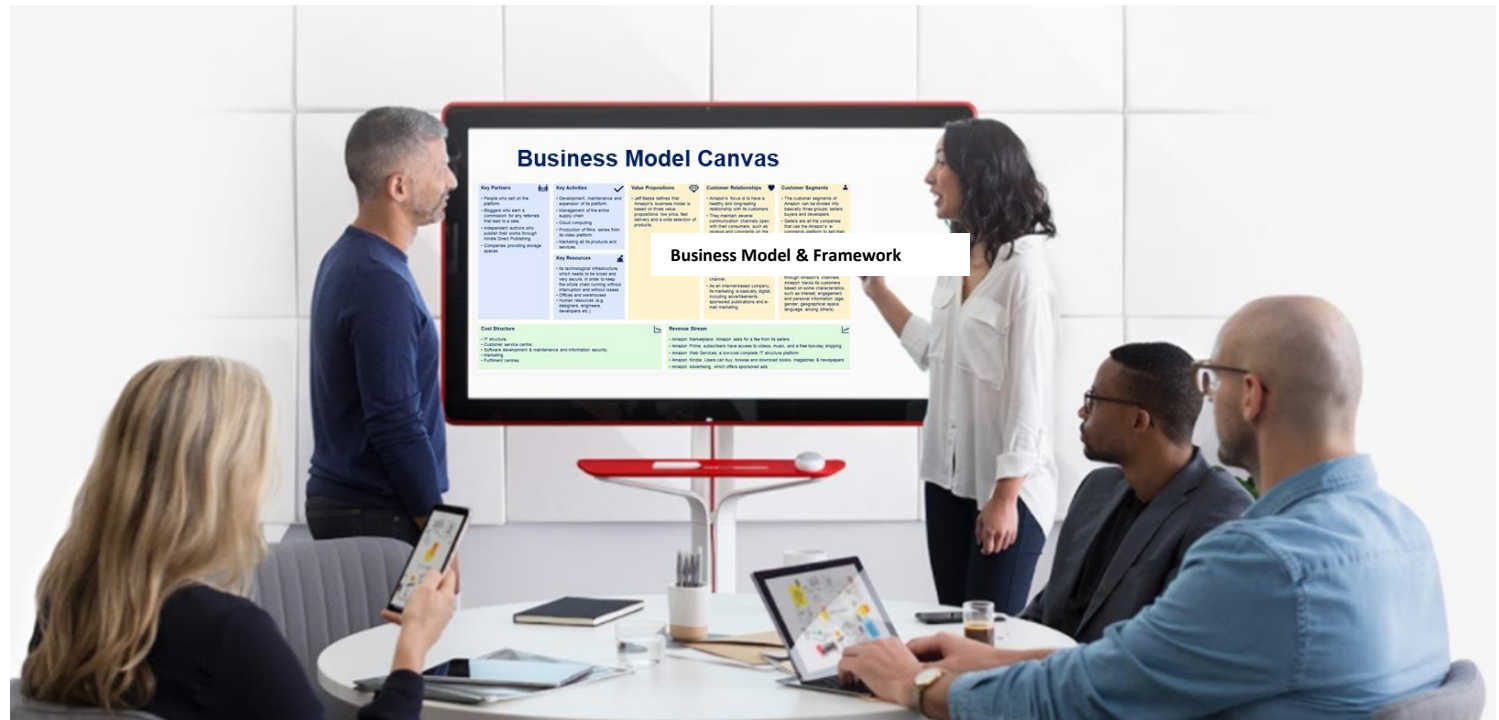


Gold Standard

# Strategy & Business Model

## OCIO – Consulting/Advisory Services

**STAHL**®  
companies



# What is the Purpose of a Business Model & Framework?

- A **Business Model** describes the rationale of how an organization creates, delivers, and performs value creation utilizing new technology for optimization.
- A **Business Model & Framework** is a strategic management process integrated with Lean tools that will help you develop maturity in your business models or improve existing ones. It includes *industry best practices* and the **STAHL foundational building blocks**, which were initially created by founder, Christopher Stahl.

- **Key Agencies**

1. Key Activity
2. Key Resources
3. Value Propositions
4. Customer Relationships
5. Subject Matter Experts
6. Customer Segments (LOB)
7. Cost Structure
8. Financial Risk management

**Feasibility:** Can the Agency deliver its products & services?

**Desirability:** What is the customer demand for the Agencies' products & services?

**Viability:** Can the Agency be Financially stable with managed risk?

# The IT – Project Assessment Tool (IT-PAT)

- The **IT Project Assessment Tool** is used to assist DoD and CIVIL agencies, and the Office of the Chief Information Officer (OCIO) to assess the *cost, complexity*, and *CONUS / OCONUS significance* of an anticipated information technology project.
  - Agencies are asked to submit through this tool every IT investment/project:
    - with a combined level of effort total cost of more than \$500,000 – OR –
    - with a duration longer than four months
  - Submitted project data is retained and will be used for analysis and refinement of oversight policies, practices and the tool itself.
  - Projects are scored between 0-100.
    - if they modify a metric ratio, financial or administrative systems, and
    - if they will introduce any deviations from OCIO policy, standards or statewide enterprise architecture
  - Based on the scores and answers, projects are designated as either under project oversight or not under project oversight. OCIO determination, request for a meeting or additional information is made within five business days of submission.
  - Note that it is the responsibility of the agency to follow:
    - all OCIO Policies for IT Projects
    - any procurement policies internal to an agency or from the Department of Enterprise Services, and
    - Any other internal agency policies that are relevant to projects or investments

# The Project Assessment Tool

## Submitting to the OCIO

- When ready to submit the project to the OCIO, use the [IT Project Assessment Tool – Submission Form](#).
- Shortcut link: [https://ocio.\(Agency Name\)gov/ITPA-tool](https://ocio.(Agency Name)gov/ITPA-tool)
- It is advisable to answer to the best of your ability with the most accurate information available during the time of submission. Comments are not required but are recommended for clarification purposes.
- Once submitted, the OCIO and the agency will receive a copy of the submission and a separate response that expresses the oversight disposition and any required follow-up.

## Internal Agency Planning

- To assist with internal pre-planning for agency IT investments/projects, we offer an agency-only version of the tool: [Agency Preliminary Assessment Tool – Agency Only](#).
- This form can be used as a tool to conduct an internal assessment of your project before the official submission to the OCIO using the other version (see above).
- When using the Agency Only form, a response is sent ONLY to you and the email addresses you provided containing the information entered and a score.
- Important: This is not a formal submission and the information provided is not sent to the OCIO. This is for your pre-planning work ONLY.*

## IT Project Assessment Tool - Submission

Instructions: The IT Project Assessment Tool is used to assist Washington state agencies and the Office of the Chief Information Officer (OCIO) in assessing the cost, complexity, and statewide significance of an anticipated information technology project. Answer the 20 questions below to the best of your ability with the most accurate information available at this time. Comments are not required.

Any time, you can use the "Save and Resume Later" link at the bottom of each page. The OCIO will not receive any data from you until you click the "Submit" button on the final page. Each time you save the form you will receive a unique URL to allow you to return and finish.

[www.STAHLconsulting.com](http://www.STAHLconsulting.com)

## Project Information

<b>Primary Contact Name*</b> <input type="text"/> <small>First Name</small> <input type="text"/> <small>Last Name</small>	<b>Phone Number*</b> <input type="text"/> <small>Use area code: XXX-XXX-XXXX. Valid number required.</small>	<b>Email Address*</b> <input type="text"/> <b>Confirm Email Address *</b> <input type="text"/>
<b>Select Agency*</b> <small>Select</small> <input type="button" value="v"/> <small>See the approved <a href="#">CFM Agency Abbreviation List</a></small>	<b>Project Name*</b> <input type="text"/>	<b>Project Acronym*</b> <input type="text"/> <small>8 or less characters</small>

**Do You Know Approximate Project Start and End Dates?**

Yes  No

**Project Budget\***

**For Project Budget:**

This is an estimate of Total Project Cost. It must include agency in-kind staffing resources in addition to contracted labor and equipment.

# Project Life Cycle

## Related Priorities

### • OCIO Prioritization:

- 2022-2023 Decision Package Ranking Criteria
- OCIO Decision Package Prioritization for FY22

### • Related Legislation or Statute:

- Planning, implementation, and evaluation of major projects — (Standards and policies)
- Major technology projects and services — (Approval)

### • Related OCIO Policies:

- # IT Investments - Approval and Oversight
- # Managing Information Technology Projects
- # Providing Quality Assurance for Information Technology Projects

## Project Lifecycle

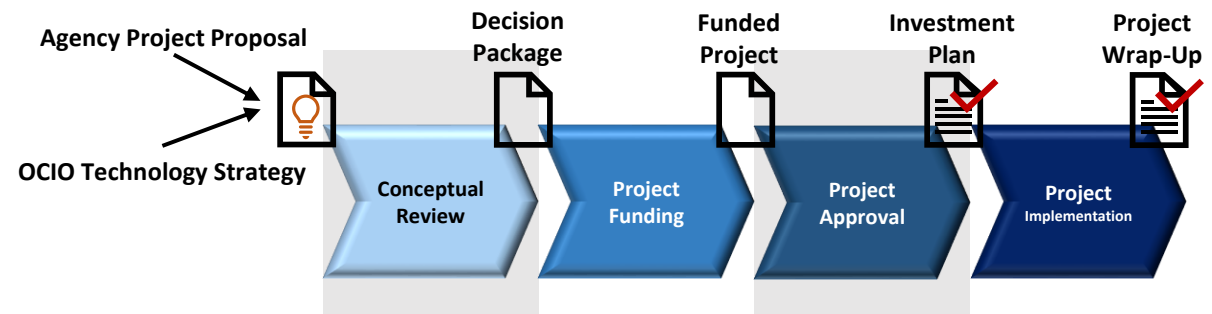


The OCIO is mandated to:

1. Establish policies and procedures that govern the planning, implementation, and evaluation of significant/major IT projects.
2. Establish the criteria for identifying what constitutes a “significant/major” project.
3. Establish a model process and procedures that the agencies should follow to develop and implement projects within the IT portfolios.

This is largely the OCIO’s Consultation team’s domain. Evaluating each project’s success potential and future value is their job. Furthermore, they will evaluate each project in the context of a statewide portfolio of projects that are strategically aligned with the state’s priorities. Once the evaluation and approval process is done, the OCIO will monitor the projects through their completion.

The diagram below illustrates the four phases that constitute the wireframe for the OCIO’s approval and oversight of the major IT investments. While these are discussed as distinct stages of the project portfolio management strategy, the process is developed to be flexible to accommodate the specific demands of different projects.



# Phase 1: Decision Package Submission



## Reviewing Projects at the Conceptual Stage – Decision Package Review (DP) Review

Submitting the budget request or the **Decision Package (DP)** is the first stage of Project Portfolio management. It is initiated when agencies identify a business problem that can be addressed with a technology solution.

In this phase, the OCIO meets with your agency for a DP Review to help align your IT investments with the state's technology priorities better. These are the ranking/scoring criteria used in the next stage/phase. The DP review also allows the OCIO to learn more about your DPs prioritizing.

Some of the other DP Review benefits include:

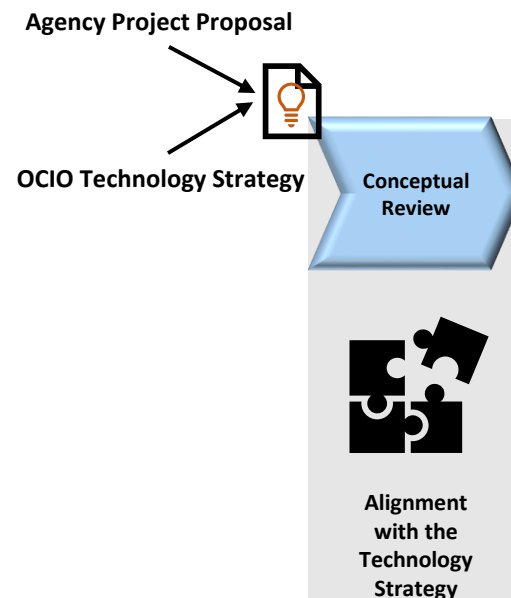
- Allows the OCIO to influence the agency's proposed technical choices and suggest options to better align said choices with the enterprise technology strategy.
- Identify the possible cross-agency efficiencies. When different agencies are considering the adoption of similar technologies, such as record management systems, case management systems, and more, identification during this stage/phase enables agencies to consider the opportunity to collaborate.

DP Review also enables agencies to gain an in-depth understanding of how the project will be viewed in light of the IT portfolio of the government. This is essential, as the future funding for the project depends on the OCIO evaluation and ranking against other IT priorities.

Scheduling a meeting with the Oversight Consultants initiates a DP Review. The agency and OCIO review the DP draft together to identify whether the project management approaches and the anticipated technology are consistent with the state's IT strategy. The OCIO will give their feedback and guidance.

## Related

- **Tools:**
  - [IT Project Assessment Tool](#)
  - Concept Briefing Document Template (Policy Procedure/Appendix)
- **Related OCIO Policies:**
  - IT Investments - Approval and Oversight





# Phase 2: Project Funding



## Prioritizing Requests for Project Funding

The OCIO identifies and promotes high-value technology projects to ensure that said projects are funded and implemented. Phase two focuses on this function – prioritizing requests for project funding.

There are 3 ways to fund State technology projects:

- **State General Funds OR Transportation Funds** – The traditional funding approach. An agency requests new state funding through the supplemental or biennial budget process. Funding may be provided by any of these *3 state budgets: general fund, transportation, or capital*. Note that technology funding through a capital budget is rare.
- **Other Funding Sources** – Agencies may be funded through other means, such as a Certificate of Participation (COP) or bonds, central service allocations, dedicated fee revenues, federal funding or grants, and the like. In many cases, but not all, expenditure of these funds needs the Legislature’s grant of authority.
- **Repurposed Maintenance and Operations (M&O) Funds** – Agencies may also use M&O funds to fund smaller projects. This type of funding does not require approval from the legislation.

## Related

### • Related Legislation or Statute:

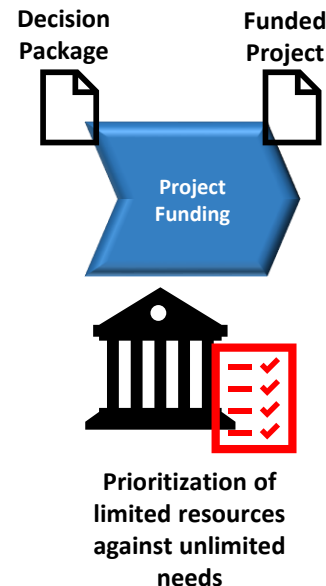
- Evaluation of agency IT spending and budget requests.

### • Tools:

- Decision Lens prioritizing tool(link is external)

### • Artifacts:

- OCIO Decision Package Prioritization for FY22
- [2022-2023 DP Prioritization Results](#)
- 2021 Supplemental Budget Listing of DP Prioritization Results with Funding
- 2021 Supplemental Budget Prioritization Criteria



The OCIO must approve all major IT projects, regardless of their funding approach. Phase 3 discusses the approval process.

The formal project funding prioritization occurs annually. The Governor and Legislature rely on the OCIO to provide their guidance on whether or not a project has a sound technical approach and if it is consistent with the State’s IT strategy. OCIO is also responsible for prioritizing projects to help guide policy decisions on the proper allocation of limited state funds.

The OCIO establishes the criteria for prioritization, which are published annually, in response to the state’s current business needs and changing technologies. The criteria are defined and made available to all agencies in the early stages of the budget development process. Once the OCIO have a prioritized list of funding requests, it is submitted to the Governor’s office and Legislature.

# Phase 3: Project Approval

Phase  
1  
DP  
Submission

Phase  
2  
Funding\*

Phase  
3  
Approval

Phase  
4  
Implementation

## Planned Investments Evaluation and Approval

After project funding is secured, a major project will begin the formal approval process. This stage aims to ensure the investment has been thoroughly considered and is ready to move to its implementation prior to significant public funds are spent.

The initial step in this phase is assessing the risk and determining whether a project will be under oversight or not. Note: Some projects are subject to Gated Funding.

The next step is the concept review, which involves a briefing with the project team, project lead, and OCIO consultants.

The main focus of this phase is the agency's investment plan, which requires the agency to provide comprehensive detail of all the critical aspects of the investment, such as:

- Planned investment purpose
- Justification – must include market analysis and alignment with the state's IT strategy and enterprise infrastructure
- Funding for both the project and the ongoing maintenance and operation of the investment once it is implemented
- Project schedule and management
- Project risk and mitigation strategies evaluation

OCIO must first approve the investment plan before it is moved to implementation. The approved implementation plan is the foundation for future oversight. OCIO approval is also needed for significant adjustments to the investment scope, schedule, or budget.

The project artifacts from Phase 1 throughout the end of the project include the submitted templates, investment plan, and other project documentations.

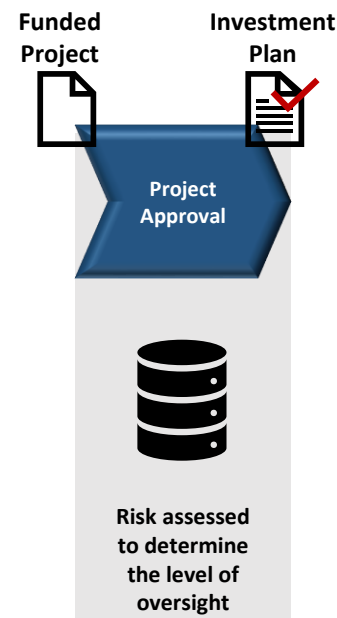
## Related

### Tools:

- IT Project Assessment Tool
- Gated Funding Information
- Investment Plan Template (Policy /Procedure /Appendix)
- Investment Plan FAQ
- Appendix: Concept Briefing Document (Policy /Procedure /Appendix)
- IT's Transparent: Project Dashboard

### Related OCIO Policies:

- IT Investments - Approval and Oversight
- Managing Information Technology Projects
- Providing Quality Assurance for Information Technology Projects





# Phase 4: Project Implementation

Phase  
1  
DP  
Submission

Phase  
2  
Funding\*

Phase  
3  
Approval

Phase  
4  
Implementation

## Monitoring In-Flight Projects

### Related

- **Tools:**
  - IT Transparency: Project Dashboard
- **Related OCIO Policies:**
  - IT Investments - Approval and Oversight
  - Managing Information Technology Projects
  - Providing Quality Assurance for Information Technology Projects



Transparent  
monitoring of  
projects and  
status reports

The OCIO actively monitors all the major IT investments; however, the intensity of oversight activities varies, depending on the project type, current project management, and overall risk assessment associated with the investment. The purpose of project oversight is to keep track of the project's health, identify early warning signs if a project is having problems or corrections are needed, and assist the agency in case problems arise.

An OCIO consulting team is dedicated to each active project monitoring. The team helps maintain contact with key project staff, review project documentation, and participate in essential project activities, such as steering committee meetings.

The Technology Services Board has a shared responsibility with the OCIO for project oversight. They mainly focus on projects with the biggest impact on state services – the enterprise-wide major projects.

The **Project Dashboard** was implemented as a tool for improving transparency of implementation efforts and project management. Important project documents, including project status reports, investment plans, and quality assurance reviews are posted on the Dashboard. It allows said documents to be available to the public on an OCIO-maintained website.

Aside from improving transparency, the Dashboard also serves as an effective monitoring tool for the OCIO.

Once the project is fully implemented and moved to regular operations, the agencies must complete a project wrap-up report that includes the lessons learned.

# Gated Funding

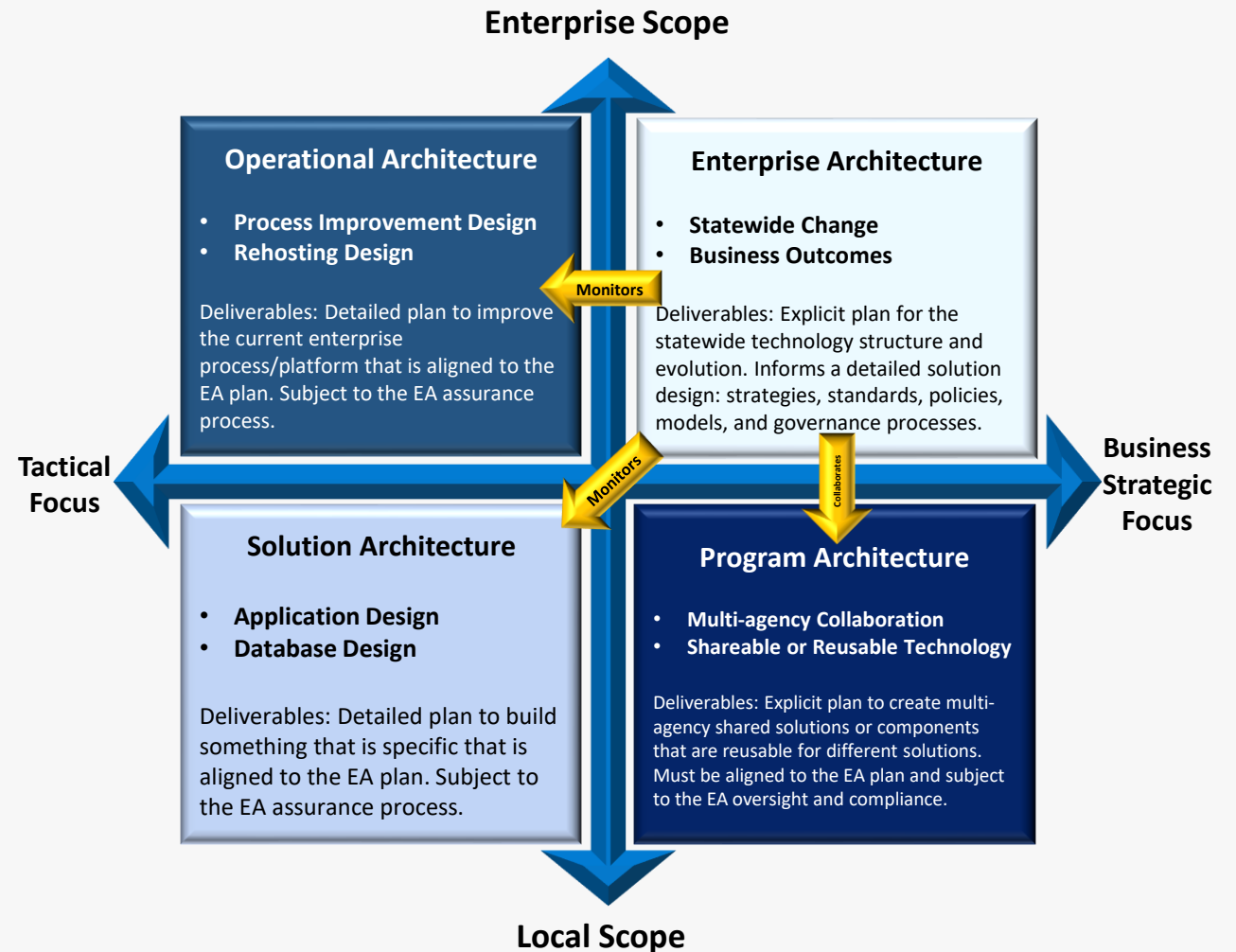
## Information Technology Gated Funding Oversight

- **Example:**
  - The 2021-23 Operating and Transportation Budgets place certain IT projects under gated funding oversight by the Office of the Chief Information Officer (OCIO) and the Office of Financial Management (OFM).
  - These projects were assigned to the information technology investment revolving account (IT Pool) or otherwise made subject to the conditions and limitations of the Operating or Transportation Budgets.
  - The OCIO, in consultation with OFM, may identify additional projects to be subject to gated funding oversight. The gated funding oversight process is a version of the standard OCIO approval and oversight process with the additional element of gated funding.
- **Gated Funding Process**
- **Technology Budget for Gated Funding Projects**
- **Other Resources for Gated Funding Projects**
- **Gated Funding Oversight Memos**



# Enterprise Architecture

- **Enterprise Architecture (EA)** translates business vision and strategy into effective enterprise change.
  - Helps show how information, business and technology work together to accomplish the state's business objectives.
  - Guides the state in adopting new technologies, including the Internet of Things (IoT), cloud, machine learning, and other emerging technologies that can drive the state government's digital transformation
  - Uses structured practice that analyzes, plans, and oversees the transformation of the state's technology strategies and policies over time to aid agencies in their implementing IT investment and achieve their desired results
- One of EA's major value propositions: An enterprise achieves significant value through sharing common solutions and reusing its strategic technology resources.
- The **Washington State Enterprise** is the OCIO's Enterprise Architecture Program's primary scope, focusing on achieving the Strategic Business Objectives of the state.
  - Requires a collaborative, business-outcome-driven approach that focuses on:
    - achieving business value in support of the digital transformation of government services
    - modernization of the state's information technology systems.



# Technology Business Management

## Technology Business Management:

- *STAHL* uses best practices for running IT like a business. It aims to effectively and consistently communicate the IT costs together with the business services that it provides.
- The primary goal of *STAHL* is to provide the ability of IT and business leaders to have data-driven discussions about the cost and value of IT to best support business goals.
- The OCIO Program has the responsibility to establish governance, standards, policies, practices, and processes needed to monitor IT investments on an ongoing basis. Links to program policies and standards for agency guidance are registered under OCIO Policy.
- For reporting and modeling IT costs, our Program uses an Apptio software product.
- **Program Values:**
  - **Transparency:** Building trust, promoting accountability, and revealing opportunity
  - **Cost Optimization:** Maximizing IT asset utilization and return on investment
  - **Communication:** Creating a common language bridging IT and business and enabling better conversations about value versus cost
  - **Business Value:** Augment investment decision-making process
- The IT industry continuously evolves, and *STAHL*'s program approach helps maintain the agile flexibility to align with ongoing changes.

## Some of the Agencies in the Program for current fiscal year:

Department of Commerce

Department of Corrections

Department of Ecology

Department of Enterprise Services

Department of Fish and Wildlife

Department of Health

Department of Labor and Industries

Department of Licensing

Department of Natural Resources

Department of Retirement Systems

Department of Revenue

Department of Transportation

Department of Veterans Affairs