

Report on Project Management Practices

2016 BIENNIAL
PERFORMANCE
REPORT

This report addresses Government Code, Section 2054.157(b), which requires DIR to report on state agencies' progress in developing and implementing project management practices.

BACKGROUND

The completion of IT projects on time and on budget depends largely on strong project management practices. DIR has adopted and recently revised an administrative rule that establishes consistent statewide requirements for IT project management practices based on industry standards. This rule specifies minimum requirements for all technology projects and requires each agency to establish an agency-wide project management policy, develop a project classification system and base internal practices on accepted industry standards. In addition, major IT projects are required to use the Texas Project Delivery Framework, a consistent statewide method for project selection, control and evaluation based on alignment with business objectives and goals.

Progress

Agency progress in the development and implementation of project management practices is reported in the biennial Information Resources Deployment Review. Progress is measured by analyzing the differences between the two most recent reviews.

- Compliance with requirements for agency-wide project management methodologies for IT projects grew from 78 percent in 2013 to 87 percent in 2015.
- Agencies voluntarily using the Texas Project Delivery Framework for some or all non-major technology projects increased from 38 percent to 44 percent over the same time period.
- The number of agencies implementing a project classification system increased by only 1 percent, despite DIR's provision of a sample Project Classification Method tool to assist in implementation progress.

Status of Project Delivery Framework Initiatives

As part of a continual improvement process, the Texas Project Delivery Framework (Framework) has recently completed an update to the Business Case template. This revised version is made more user friendly by removing redundancy and it captures new data for the Quality Assurance Team. A multi-agency work group identifies and implements changes that streamline Framework templates to improve ease of use while collecting more actionable data for the Quality Assurance Team.

Project Delivery Trends

The Quality Assurance Team Annual Report, released in December 2015, provides an overview of major IT projects. Although charged with major project oversight, many of the observations made are applicable to all projects.

- Projects with a development schedule of less than 28 months have a significantly greater chance of meeting initial cost and duration estimates.
- Agencies often underestimate the length of procurement timelines.
- The percentage of projects completed on-time and within budget is improving. 48 percent of projects were on-time and within budget in 2015, compared to 37 percent in 2014, and 9 percent in 2013.
- Agencies continue to break large projects into smaller, more manageable pieces, using a phased approach. Of the 39 new projects reported in the current fiscal year, only six exceeded 28 months in estimated development time.

DIR Initiatives

Project Management Lite is a small-project management methodology and toolset developed by DIR for small and non-major IT Projects. It does not supersede the Texas Project Delivery Framework, rather, it draws from this successful project management process to assist agencies in smaller projects. The Project Management Office at DIR developed Project Management Lite to facilitate consistent project delivery across its portfolio of projects and makes templates available to all agencies for use on non-major IT projects.

DIR's Organizational Project Management maturity is regularly evaluated by DIR executive leadership. Project performance, as well as the effectiveness of project managers, is continuously analyzed, seeking opportunities for refinement. The goal of this continuous improvement process is to maximize the effectiveness and efficiency of project delivery.



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Next Steps

To further the use of project management processes within state government, DIR is committed to the following:

- Collaboration with agencies and the Framework Change Advisory Board to implement enhancements and changes to the Framework.
- Training state agency staff on Statewide Project Delivery including sharing best practices for completion of Framework deliverables and lessons learned across different projects to assist agencies project outcomes.
- Consultation with individual agencies to improve the outcomes of project delivery from planning through implementation by use of modern best practices found in government project management including use of Agile development practices.