



PROJECT  
MANAGEMENT  
ACCOUNTABILITY  
SYSTEM (PMAS)  
BUSINESS OFFICE

Fiscal Year 2013  
PMAS Annual Report





## Section I: Message from the Director, PMAS Business Office



On behalf of the PMAS Business Office, I am again pleased to present this annual report for the Project Management Accountability System (PMAS). PMAS remains one of our most critical tools for delivering information technology (IT) capabilities on time to our Veterans.

PMAS is the disciplined approach VA employs to ensure on-time delivery of IT capabilities. PMAS establishes the framework that ensures the customer, IT project team, vendors and all stakeholders engaged in a project focus on a single compelling mission – achieving on-time capability delivery.

As an enterprise, we have embraced the Agile software development methodology because it makes PMAS work, especially our ability to deliver capabilities in short increments of time. Because of the important role Agile plays in PMAS, I had the good fortune of participating in an Agile conference this summer, attended by more than 2,000 industry and Government practitioners. At the conference, I presented the value of PMAS.

I also attended a conference session on cultural transformations of large organizations—clearly something we know about in VA IT. The presenter discussed three dimensions of cultural change within large transformations. The first was preparation for the change, the second was transition into the change and then the third was “stickiness” of the change. Stickiness occurs when people adopt their organization’s values and live in a state of continuous improvement. Put simply, it is when the cultural change is infused throughout an organization and it “sticks” to everyone.

As I listened to this speaker discuss “stickiness”, I immediately thought about PMAS and everything we do each day to ensure delivery of much needed support to our Veterans. Our processes are dynamic and retrospective; learning is embedded in all we do, and all of this affects our governance. The values we live every day include openness and curiosity as a foundation for ensuring and increasing future successes. The ongoing transformation created by PMAS has clearly created “stickiness.”

As PMAS continues to evolve, we are likely to see slight adjustments to it as it responds to our changing federal environment. But three things will never change. The first is our collective commitment to our nation’s Veterans and the honor we take in our work, knowing it is for them. The second is the enduring appreciation all VA leaders have for the hard work you do every day. And the third is our constant commitment to being accountable, enshrined in the Yoda Rule, “Do or do not, there is no try.”

As you read this year’s report, take pride in the hard work you did to make us successful. Then roll up your sleeves for next year, because the “Stickiness” of PMAS and your hard work will be essential to delivering the IT capabilities our Veterans still need.

**Carol Macha**  
**Director, PMAS Business Office**

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## **Section II: Introduction to the FY13 PMAS Annual Report and PMAS Evolution**

### **Introduction to Sections II to VI**

Accountability is one of PMAS' founding principles, making an annual accounting of PMAS performance obligatory. This annual report provides the facts, figures, graphics, and analysis that tell the PMAS story for FY13.

Section II introduces the report and describes the evolution of PMAS from its inception to today. PMAS has evolved from a singular focus on on-time delivery to a goal of continuous delivery of IT capabilities to our customers and our Nation's Veterans.

Section III, Accountability and Risk Management Performance, tells the story of PMAS execution in FY13. This is the most data-rich section. It begins with on-time increment delivery performance, documents the results of the Milestone Reviews process and then provides all of the facts, figures and analysis of PMAS' risk management performance. Consistent with the evolving nature of PMAS, the facts, figures and analysis are much more robust this year than was provided in the inaugural PMAS Annual Report.

Section IV, PMAS Significant Accomplishments in FY13, provides a synopsis of PMAS' notable achievements for this year. These accomplishments fall into three categories: Policy and Guidance Improvements, Technical Environment Improvements and PMAS Strategic Communications Outreach.

Section V, Accounting for Quality, describes the most significant quality improvements that practitioners delivered this year. All of these quality improvements were designed to make PMAS work better and to improve it as a resource practitioners can use to deliver capabilities on time. These quality improvements include Artifact Smashing, PMAS Training, Release Model Process and Results, the PMAS Monster Project and the Confidence and Obstacles Report. This section makes clear the level of commitment, discipline, collaboration and effort required to make and document quality improvements.

Section VI, PMAS Looking Forward, describes opportunities for further PMAS enhancements in FY14 and beyond. This section provides a preview of the content of the FY14 PMAS Annual Report. VA leaders expect that PMAS will continue its evolution into "continuous delivery". To achieve this, the Office of Information and Technology (OIT) will be on a glide path to reduce increment length even further. While increments will remain periods not to exceed six months, projects can and should deliver capabilities more frequently within each increment. These deliveries are called "releases" and are made possible by the increased use of the Agile development methodology. In addition, project managers can also continue to execute shorter and shorter increments. PMAS will support continuous delivery with these two methods; more frequent increment deliveries and more releases within increments.

## PMAS Evolution, 2009-2014

Senior leaders always expected that PMAS would be dynamic and would mature in ways that helped the Enterprise succeed continually. Since the inception of PMAS in the summer of 2009, it has evolved and matured through five phases. Figure 1 depicts the five phases and their basic characteristics.

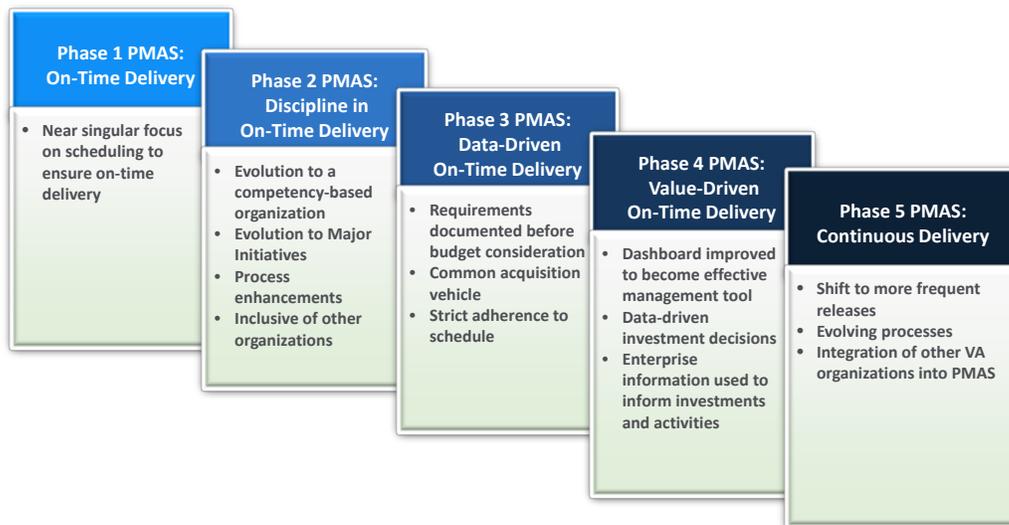


Figure 1: PMAS Evolution, 2009-2014

### Phase 1 PMAS: On-Time Delivery

In the beginning, PMAS had a near singular focus on the on-time delivery of IT capabilities. One of the primary reasons PMAS was developed was to improve VA's ability to deliver on time. Before PMAS, VA's on-time delivery rate hovered in the 30-40% range. During this first phase, OIT senior leaders and practitioners focused on scoping requirements, defining processes and scheduling to ensure on-time delivery. The early challenge was to change the culture so that the customer, IT project team, vendors and all stakeholders engaged in a project focused on a single compelling mission – achieving on-time capability delivery. The first step revolutionized on-time delivery by defining increments as no longer than six months. Increment completion was defined to be customer-facing functionality delivered to production and usable by the customer for the purpose it was created. Use of the Agile development methodology made PMAS work from the beginning.

### Phase 2 PMAS: Discipline in On-Time Delivery

The second phase added rigor to PMAS policy and processes to ensure commitments were established and achieved. This was made possible by adding requirements that included milestone reviews, mutual accountability between senior leaders and project managers, and the discipline to start increments only when all resources needed for success were available. This phase also saw the evolution of Product Development (PD) to a competency-based organization. PD organized itself around the competencies required to deliver IT capabilities and the competencies required to staff and operate Integrated Project Teams. During this phase, OIT also began managing its IT efforts as programs, which became known as Major Initiatives (MIs). MIs were groups of projects organized by similar functionality. These projects were managed through the PMAS framework and the increments delivered the capabilities. Consequently, VA's approach in this phase could be summarized as organizing by MIs, managing by projects and executing by increments.

### Phase 3 PMAS: Data-Driven On-Time Delivery

PMAS policy and practice require data-driven tools to ensure IT resources are spent wisely. During this phase, VA recognized the need to create and deploy a data tool, which has become known as the PMAS Dashboard. VA also recognized that business requirements for IT capital investments should be well documented before any IT project is selected for inclusion in VA's IT portfolio. They further acknowledged the need to systematically evaluate and prioritize business requirements before funding and resource requests would be considered by OIT. PMAS piloted function point estimating and design reviews for PD-developed products. In addition, PMAS developed a project-staffing model based on project type and product type. PD actual staff hours were collected so that the project-staffing model could be validated and adjusted as needed. Common acquisition vehicles were used to standardize the procurement of resources to ensure on-time delivery of IT capabilities that met known business needs. Milestone Reviews grew in importance, especially the Milestone 1 Reviews at which the project managers committed to their increment delivery dates.

### Phase 4 PMAS: Value-Driven On-Time Delivery

In Phase 4, VA harnessed the power of the PMAS Dashboard to inform value-based investment decisions to deliver new IT capabilities on time. PMAS execution created a rich source of project data in the PMAS Dashboard that was used to improve execution in later increments. Additionally, all of the Milestone Review and risk management information was leveraged to increase performance and to reduce risk. Through this dynamic feedback loop, enterprise information and execution data were used to inform investments and activities.

### Phase 5 PMAS: Continuous Delivery

The approval of the PMAS Directive in February of 2013 mandated the use of PMAS by all organizations in the Department that develop and deliver IT capabilities. While the earlier PMAS phases achieved an on-time delivery performance of 84% since inception, senior leaders recognized the need to increase the pace of the on-time delivery of capabilities. Releasing capabilities within increments and adopting shorter and shorter increments increased the pace of delivery. By FY16, senior leaders expect that VA will develop and deploy new IT capabilities across the Enterprise in increments not to exceed three months. Expanded use of the Agile development methodology is also expected to make Continuous Delivery possible. Value-driven execution through improved analysis and interpretation of PMAS data will also help to drive the frequency of delivery.

### Summary

The evolution of PMAS follows the expectation of senior leaders that it will be a dynamic force that constantly improves Enterprise IT capability delivery performance. While the initial focus on on-time delivery performance was necessary, PMAS continued to grow through practitioner acceptance and the addition of needed discipline and governance to solidify its role as the foundation of OIT's delivery success. It clearly demonstrates the flexibility to meet the challenges of the dynamic federal IT delivery environment.

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### Section III: Accountability and Risk Management Performance

Accountability and risk management performance are critical elements of PMAS execution reporting for FY13. Section III provides the facts, figures, graphics and analysis that are essential to this story. This section includes reporting of increment delivery performance, milestone reviews process execution, managing project risk in PMAS, an issue category comparison and additional accountability efforts.

#### Increment Delivery Performance

FY13 was the third, full fiscal year in which all IT development projects were managed under the PMAS framework. VA OIT delivered 81.9% of this year’s delivery increments on time. It managed 204 total delivery increments and delivered 167 of them on time. Of the projects that did not deliver on time, 35% delivered within a month and more than 95% eventually delivered on their commitments.

FY13 also marked the start of more granular delivery performance reporting, since PMAS Guide 4.0 differentiated between delivery and deployment increments for the first time. Delivery increments develop and deploy capabilities within their increment cycles. Deployment increments only deploy capabilities during their increment cycles. Deployment increments, such as those supporting our Veterans Health Administration customers, have completed capability development and are now making site-by-site deployments to achieve full operational capability across the VA Enterprise. Figure 2 shows PMAS’ on-time delivery rates since inception.

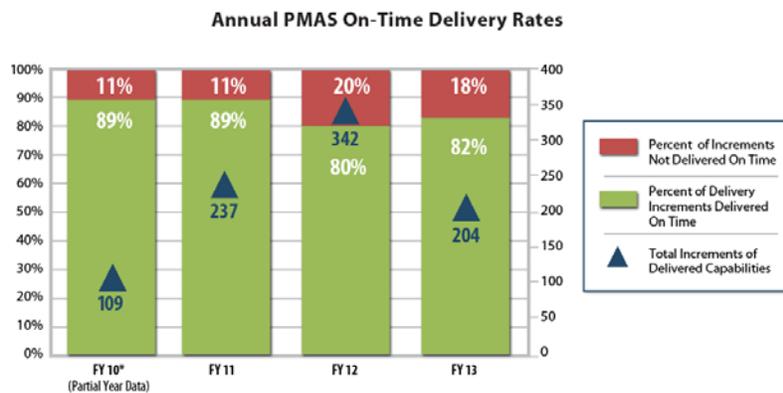


Figure 2: FY10-13 PMAS On-Time Delivery Performance

In addition to completing 204 delivery increments, the Enterprise completed 85 deployment increments for a total of 289 PMAS increments for FY13. The Enterprise delivered 64 deployment increments on time, or 75.3%. Figure 3 shows the FY13 delivery performance for both increment types.

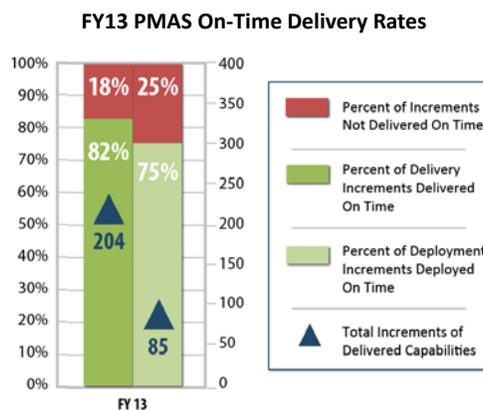


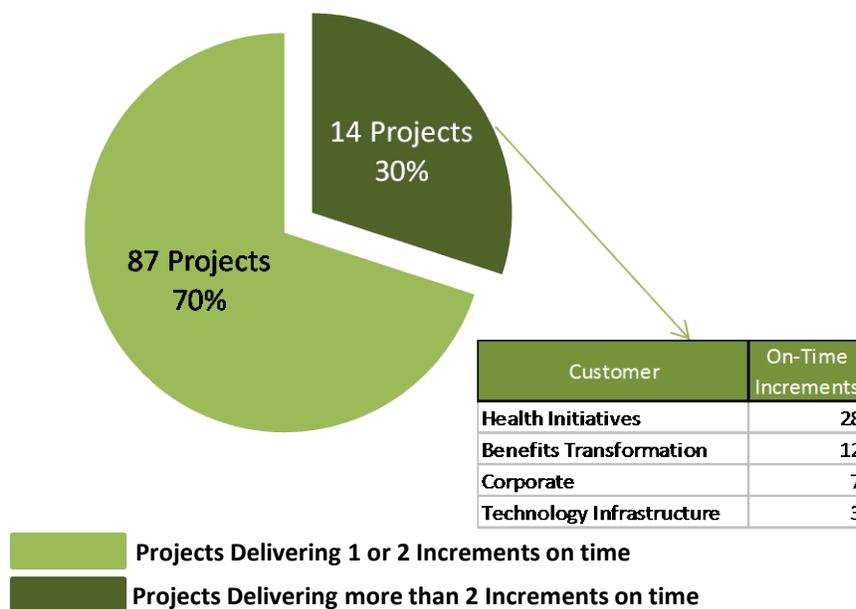
Figure 3: FY13 On-Time Delivery Performance

Since available IT funding declined by nearly \$170 million in FY13, OIT delivered fewer increments this fiscal year as compared to FY12.

Since the fall of 2009, PMAS has demonstrated reliably its ability to deliver increments on time in the 80-90% range. Since its inception, PMAS has delivered 84% of all increments on time. Of the projects that miss their on-time deliveries since inception, 26% deliver within 30 days of the due date. Even though late, project managers continue to perform until they deliver the required capabilities. Consequently, PMAS has delivered 97.3% of all commitments made to our customers since the inception of PMAS.

This fiscal year, VA emphasized delivering capabilities to its customers at an accelerated rate. Project managers focused on delivering multiple releases within an increment and on delivering shorter and shorter increments. If projects use the entire six-month increment and are active for the entire fiscal year, then they are expected to deliver two increments. PMAS managed 101 delivery projects during the fiscal year and they delivered 167 increments on time. Eighty-seven of the projects delivered one or two increments on time. Notably, 14 projects, or 14%, delivered 50 delivery increments on time, accounting for 30% of the on-time deliveries. These numbers clearly demonstrate an ability to increase the frequency of on-time delivery of IT capabilities. This performance has two causes. The first is an organic, natural decrease in the actual length of increments and the other is an increased use of the Agile development methodology. Figure 4 shows this performance.

**FY13 On-Time Delivery of Increments by Projects**



**Figure 4: FY13 Number of Delivery Increments Delivered by Projects**

### Examining Increment Delivery Performance by In Progress Review (IPR) Category

The PMAS staff reviewed the on-time delivery performance data and developed more specific performance numbers based on two increment categories. The staff separated the increments into delivery increments and deployment increments and computed the on-time delivery performance for all increment types and by In-Progress Review (IPR) categories. Figure 5 shows the FY13 on-time delivery performance by increment type and by IPR category, illustrating the distribution of delivery effort to our customers.

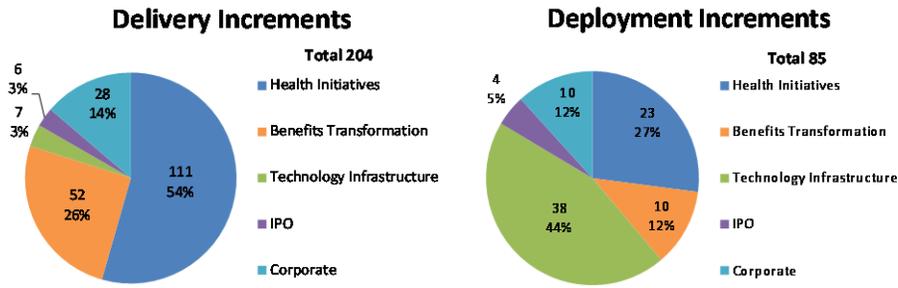


Figure 5: FY13 On-time Delivery Performance by Increment Type and IPR Category

Slightly more than half of the on-time delivery increments were for Health Initiatives, while a quarter of them were for Benefits Transformation. Not surprisingly, the customer focus for deployment increments was somewhat different. Nearly half of the on-time deployment increments were delivered to Technology Infrastructure, while a quarter was for Health Initiatives.

### On-time Delivery Performance by IPR Categories

The PMAS staff also determined the FY13 on-time delivery performance of delivery and deployment increments by IPR, or customer, categories. Figures 6 and 7 show this performance.

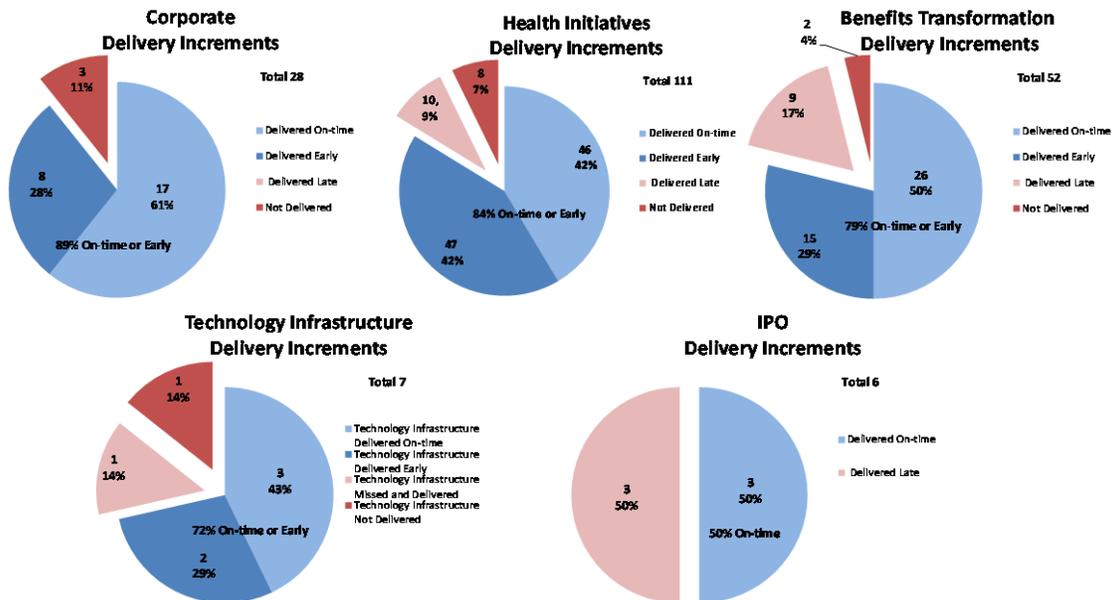


Figure 6: FY13 On-time Delivery Performance of Delivery Increments by IPR Categories

Figure 6 shows the performance and customer distribution for the delivery increments. Across all customer categories, projects delivered about one-third of their increments early. This indicates that the Enterprise has established an ability to deliver more frequently in the future. However, further analysis will be done in FY14 to determine whether the time distribution of early increments, as deliveries, which are significantly early, could indicate a planning or estimating challenge for the Enterprise.

Figure 6 also shows that the Corporate and Health IPR categories on-time delivery performance exceeded significantly the 80-90% on-time performance goal. However, on-time performance for Benefits and Technology Infrastructure was below the on-time performance goal.

Figure 7 shows the performance and customer distribution for the deployment increments. This is the first year the Enterprise has reported on-time delivery rate performance for deployment increments. As shown in Figure 7, only the Integrated Project Office (IPO) category exceeded 80% on-time delivery and that was based on only four increments. Senior leaders have asked the PMAS staff to help to determine the on-time delivery performance goal for deployment increments in FY14.

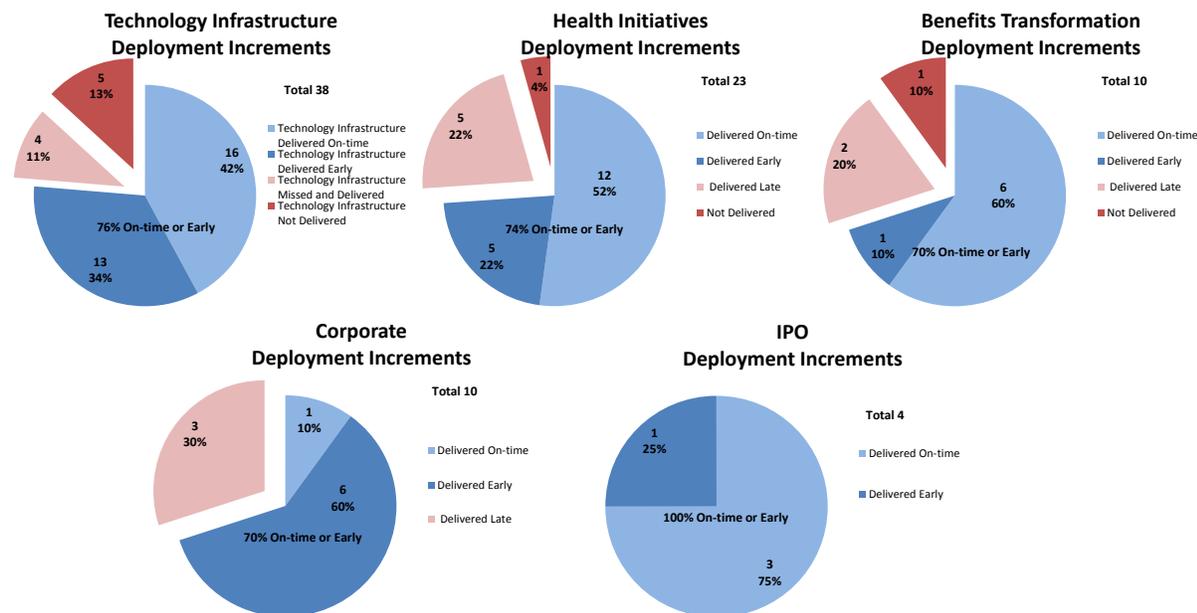


Figure 7: FY13 On-time Delivery Performance of Deployment Increments by IPR Categories

### Distribution of Late Increment Deliveries

The PMAS staff also determined that once an increment failed to deliver on time, the length of time it took the project staff to make its delivery in FY13. The Enterprise delivered 46 increments late. It delivered 17 increments within 40 days of the due date, as shown in the running distribution in Table 1. It delivered 29 increments between 41 and 262 days late. Since there were 67 missed increments in FY13, including nine non-PMAS increments, this means that 21 increments, or 6% of FY13’s total increments, were still developing their capabilities at the end of the fiscal year. Table 1 provides a running total of increments delivered every ten days up to 40 days late.

Table 1: Running Total of Increments Delivered Up to 40 Days Late

Running Total of Increments Delivered Up to 40 Days Late	
Total Increments Delivered from 10 to 40 Days Late	Increments
Total increments delivered within 10 days of due date	3
Total increments delivered within 20 days of due date	10
Total increments delivered within 30 days of due date	13
Total increments delivered within 40 days of due date	17

## Milestone Reviews Process Execution

PMAS execution is organized into two critical processes, ensuring readiness and ensuring performance. Ensuring readiness is the purview of the full-spectrum milestone review process that was introduced in FY12. PMAS policy requires that a project have all required resources before it begins execution of an increment. Through the milestone review process, PMAS ensures that a project has the required staffing, funding and priority not only to start, but also to continue through its development life cycle. Milestone reviews are conducted by review boards, which meet several times a week. The voting members are made up of senior leaders from PD, Service Delivery and Engineering (SDE), Architecture, Strategy, and Design (ASD), and the Office of Information Security (OIS).

### Milestone Review “Thou Shalt” List

To help the project managers remain successful at conducting Milestone Reviews, the PMAS staff recently revised the “Thou Shalt” List based on its review experience throughout FY13. Table 2 provides a collection of FY13 lessons learned for successful performance at Milestone Reviews. Project managers who follow every “thou shalt” generally have more successful Milestone Reviews.

**Table 2: Milestone Review “Thou Shalt” List**

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#### **Thou Shalt List for Surviving A Milestone Review**

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Plan ahead to ensure a timely review; book all Milestone Reviews no later than six weeks in advance with the PBO through an email to [VAPMASReviews@va.gov](mailto:VAPMASReviews@va.gov). Keep in mind; the Milestone Review schedules are dependent upon senior leaders’ availability.

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Send the completed Milestone Review template to the PBO through an email to [VAPMASReviews@va.gov](mailto:VAPMASReviews@va.gov) no later than two days prior to the review. If the presentation is submitted late, the Milestone Review is subject to cancellation per direction by senior leaders.

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Present most current and approved quad chart that shows project level budget as approved by Program Planning and Oversight (PPO)

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Be sure to explain the entire funding lifecycle, this includes Development, Modernization and Enhancement (DME), marginal, and mandatory sustainment. Senior leaders expect you to present complete and accurate information.

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Schedule the pre-brief no later than one week before your Milestone Review. You need time to modify the presentation and incorporate any feedback and edits provided at the pre-brief.

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Ensure all project information has been correctly entered into the PMAS Dashboard prior to your Milestone Review.

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Upload all required documentation to the proper document repository

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Make sure your project schedule is current and the information in the Dashboard matches your quad chart (i.e. project cost, sponsor, schedule, etc.).

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Arrive prepared to respond to any questions senior leadership may ask. Especially be prepared to explain risk mitigation strategies.

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Be honest with the PBO about any specific project issues that you have. If you do not pass your pre-brief, let the PBO know and we will re-schedule your Milestone Review. You cannot conduct your review before passing the pre-brief.

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### Thou Shalt List for Surviving A Milestone Review

Complete the template as is; do not delete any questions or slides. If you do not know how to answer a question or know what a slide is asking, contact [VAPMASReviews@va.gov](mailto:VAPMASReviews@va.gov) for assistance. Add information to the template that is necessary to demonstrating the readiness of your project.

Ensure your Integrated Project Team (IPT) has all of its core members, as defined in IPT Guide v2.0 (make sure to have a privacy officer, ASD, and SDE representative).

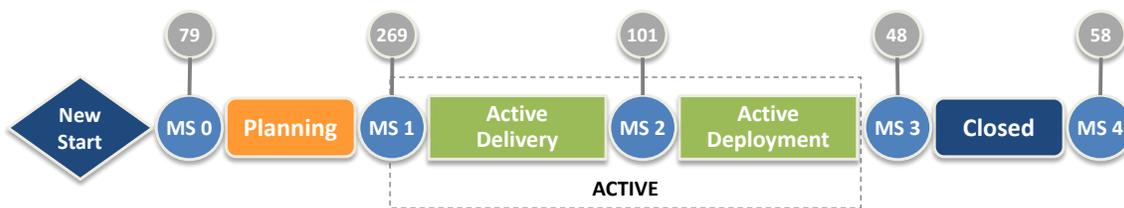
Present Milestone Review at a high level, focus on any slides that highlight problem areas for project.

Provide the PBO with a list of all project related attendees (including IPT representatives) to be invited to the Milestone Review. It is important to have applicable IPT members, subject matter experts, and customers present during your review and to ensure that they are ready to assist with answering questions.

Ensure that the project and increment dates in the Milestone Review presentation are accurate and match those listed in the PMAS Dashboard.

### Experience with PMAS Milestone Reviews

There are five numbered Milestone Reviews, 0 to 4. These reviews are mandatory for all PMAS projects. During FY13, there was a significant increase in the number of Milestone Reviews conducted. In FY12, 84 Milestone Reviews were conducted from March to the end of the fiscal year. In FY13, the Enterprise conducted 555 milestone reviews or more than a six-fold increase. This increase required a significant commitment of additional time from people across the Enterprise. Figure 8 shows the FY13 Milestone Reviews performance as part of the PMAS Life Cycle graphic.



**Figure 8: FY13 Milestone Reviews**

Throughout FY13, project managers mastered the milestone process, demonstrating success at completing the templates, answering question from senior leaders, and passing their Milestone Reviews on the first attempt. The addition of pre-briefs, held at the organizational level to ensure review readiness, helped to produce this performance. Milestone Reviews ensured that projects are truly ready to enter the next step or begin work on the next increment. The Enterprise devoted a great number of resources and hours ensuring that projects are successful in their execution. The PMAS staff observed vast improvement throughout the year in the quality of the completed templates, the ability to communicate, and presenting information to the senior leaders.

### Milestone 0 Review Performance

There were 81 Milestone 0 Reviews in FY13, compared to 45 Milestone 0 Reviews in FY12. Out of the 81 reviews, only two projects did not pass on their first attempts. This is indicative of the effectiveness of the pre-briefs and the hard work that the project teams put into preparation for the Milestone Reviews.

### Milestone 1 Review Performance

There were 293 Milestone 1 Reviews in FY13, compared to 36 in FY12. To participate in these reviews, senior leaders devoted significantly more time this fiscal year. This reflects the strong commitment by the Enterprise to ensure that projects are beginning their work in the Active State with all of their required resources, requirements, and the strong backing of senior leaders.

### Milestone 2 Review Performance

There were 103 Milestone 2 Reviews in FY13. In FY14, senior leaders want project managers to focus on holding their Milestone 2 Reviews prior to the start of their implementation increments.

### Milestone 3 Review Performance

There were 48 Milestone 3 Reviews in FY13 compared to one held in FY12. Projects should not come for a Milestone 3 Review before they are ready to enter the Closed State.

### Milestone 4 Review Performance

Senior leaders conducted 58 Milestone 4 Reviews in FY13. They recognized these reviews presented an opportunity for strong lessons learned. The presentation template requires all project managers to document their project’s lessons learned and to note whether the lessons apply to the Enterprise.

In 57 Milestone 4 Review presentations, project managers documented 282 lessons learned or nearly 5 lessons learned per project. Project managers determined that more than 85% of these lessons applied to the Enterprise and were a vital resource for improving performance. The PMAS staff created a compendium of these lessons learned by extracting and consolidating the lesson learned from the 57 Milestone 4 Review presentations. The PMAS staff reviewed and analyzed the 282 lessons learned to determine the errors that occurred with the most frequency. These findings are shown in Table 3.

**Table 3: FY13 Lessons Learned Findings**

<b>Top 5 FY13 PMAS Recurring Lessons Learned</b>		
<b>Review Occurrences</b>	<b>Percentage</b>	<b>Lesson Learned Action</b>
21	37%	Increase pace and focus of collaboration among stakeholders, contractors, and project management staff to discuss requirements changes that must be made and to evaluate impacts on on-time delivery
15	26%	Emphasize communication and collaboration within the IPT from the start to break down barriers to an on-time delivery
12	21%	Make sure to involve technical subject matter experts to bridge business and technical domains to meet customer requirements
10	18%	Increase stakeholder involvement to define project scope for the detailed Performance Work Statement
5	9%	Use the Red Flag process as early as possible; risk resolution actions must be taken as soon as possible to define, request, obtain and implement intervention required to deliver on time

## Managing Project Risk in PMAS

To ensure on-time delivery performance, PMAS provides a unique combination of risk management and issue resolution opportunities. PMAS manages risk and establishes full life-cycle accountability through its Green Flag, Yellow Flag, and Red Flag processes and through its TechStat Meetings. Taken together, the Flag processes and TechStat meetings maintain project manager and senior leader focus on controlling risk and resolving issues to deliver IT capabilities on time. Figure 9 provides the numbers of FY13 Flags and TechStats.

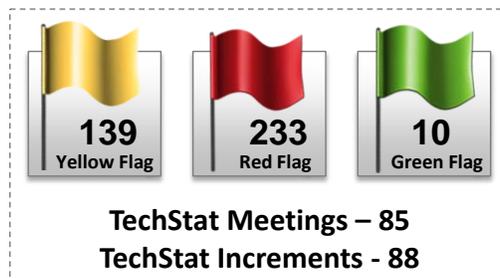


Figure 9: FY13 Flags and TechStats



### Green Flag

Practitioners raise Green Flags to identify the significant achievement of a milestone or on-time increment delivery. Green Flags are shared during Project Review meetings to promote communication of repeatable processes and best practices.

Practitioners raised 10 Green Flags in FY13. When senior leaders originated the Green Flag, it was to provide visibility to significant achievements and to provide a source of lessons learned that applied to the Enterprise. PMAS has evolved to also capturing significant achievements and lessons learned through its Milestone 4 Review process. Consequently, the small number of Green Flags raised this year is more than offset by the compendium of lessons learned created through the Milestone 4 Reviews.



### Yellow Flag

Practitioners raise Yellow Flags to provide senior leaders warning of changes in the project environment that have the potential to increase the level of acceptable risk. Practitioners raised 139 Yellow Flags in FY13. Figure 10 shows the categorization of these Yellow Flags.

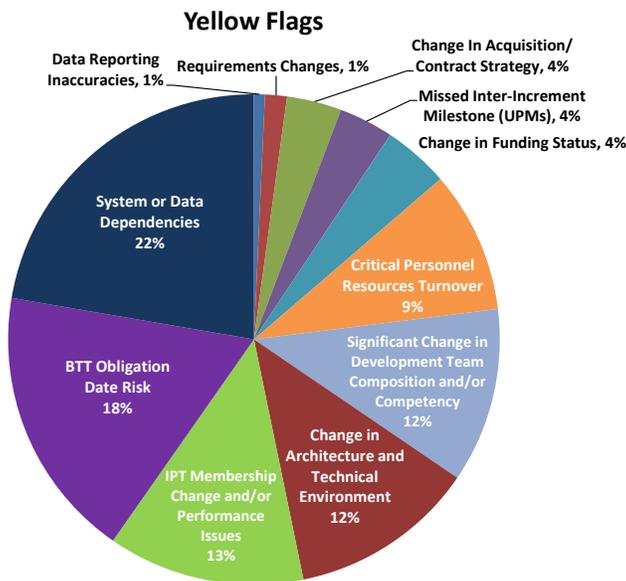


Figure 10: FY13 Yellow Flag Issue Categories

The leading Yellow Flag category was System or Data Dependencies at 22%. This category involves the risk of delays or issues due to interfaces between projects. In analysis of other PMAS data, primarily the categorization of Red Flags and TechStats, data dependencies also represent the highest causation of these events. This clearly indicates that projects with system and data dependencies require special focus and management attention to ensure these dependencies do not prevent on-time delivery.

Budget Tracking Tool obligation date risk refers to projects that have not started their acquisition packages for contract services. As the year went on, and the budget cycle began and then completed its distribution of funds, the occurrence of this Yellow Flag dropped significantly. The top five categories accounted for 77% of all FY13 Yellow Flags. Many of these categories tend to occur during the Planning State or at the beginning of the Active State.



### Red Flag

Red Flags are raised when an increment is facing significant issues or risks and a senior leader’s intervention is required to ensure an on-time delivery. Anyone associated with the project may raise a Red Flag. They provide a good example of PMAS’ accountability: the project member is accountable to raise the Red Flag and then senior leaders are accountable for providing the assistance necessary to keep the increment on schedule. Red Flags help to preserve the opportunity to make an on-time delivery of IT capability. Consequently, Red Flags also provide opportunities for risk mitigation and issue resolution. Practitioners demonstrated their accountability by raising 233 Red Flags in FY13. Senior leaders reviewed these 233 Red Flags during 49 meetings. Figure 11 shows the issue categorization of these Red Flags. For the largest issue category, Technical Issues, the sub-categories are also shown.

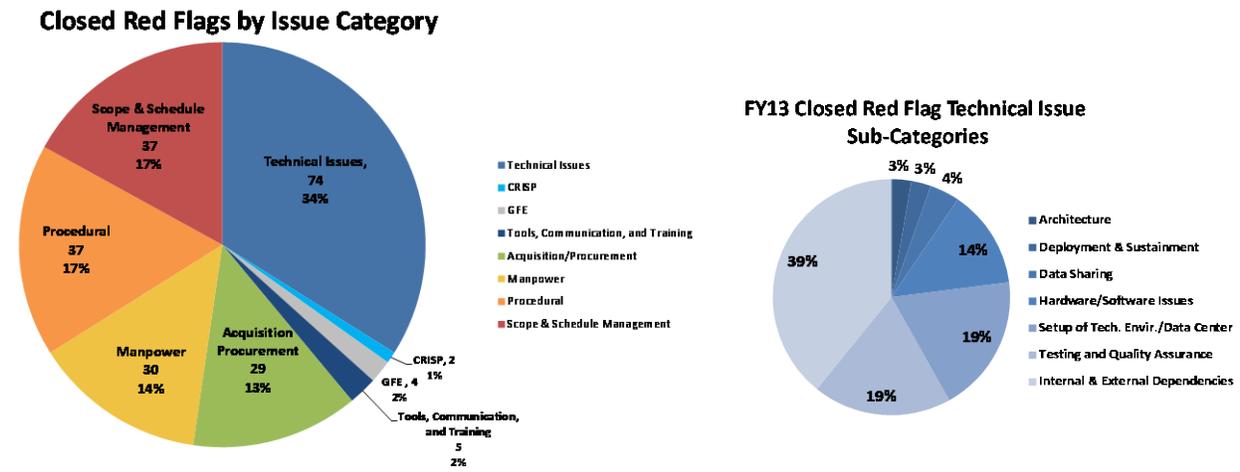


Figure 11: FY13 Red Flag Issue Categories and the Technical Issue Sub-categories

The top five issue categories accounted for 94% of the Red Flags. The leading Red Flag issue category was Technical Issues with 34%. In FY12, Technical Issues accounted for 20% of the Red Flags. While the Technical Issues percentage was higher in FY13, it is consistent with the evolution of PMAS in that the barriers to implementation are becoming more complex. Technical issues also tend to occur later in the increment cycle, leaving relatively less time for resolution, recovery, and on-time delivery. Consequently, this issue category foreshadows more risk of a missed increment.

Since Technical Issues is the leading Red Flag issue category, it is important to examine its sub-categories. The top four Technical Issues sub-categories account for 90% of these Red Flags. Internal and External Dependencies account for 29 of 74, or 39%, of these Red Flags. These dependencies can be a very dynamic aspect of increment execution for project managers to control. Testing and Quality Assurance and Data Center Setup are challenges that can occur late in the increment and are difficult to resolve quickly. Consequently, project managers must monitor these causes of Red Flags as early as possible in the increment. Project managers should carefully define and monitor these risks and then assign IPT staff members to develop and execute mitigation plans. These efforts should be discussed carefully during the Milestone 1 Review.

### Red Flag Process Performance

Since the Red Flag process offers the best chance for overcoming problems to deliver on time, it is important to examine its performance. The Red Flag process is intended to resolve the obstacle facing the project or increment.

The goal of the Red Flag process is to preclude a missed increment that leads to a TechStat Meeting. In FY13, 66 of 233 Red Flags, or 28%, led to missed increments and TechStat Meetings. While these Red Flags were not able to deliver the increment on time, 72% of Red Flags did not lead to a TechStat Meeting. This is further statistical validation of the utility of the Red Flag process.

If a project delivers an increment late and the project staff did not raise a Red Flag, this is another example of an opportunity for process execution improvement. In FY13, the Enterprise did not deliver 37 delivery increments on time. However, project staffs did not raise Red Flags for eight, or 22%, of these missed increments. This performance may also indicate that the project manager and IPT staff were not aware of a fatal risk to on-time delivery. The takeaway for all project staffs is to examine and identify obstacles to on-time delivery constantly and to rely on the Red Flag process to eliminate them.

The other aspect of timing in the Red Flag process is the number of days prior to the committed delivery date in which the project staff raised the Red Flag. If a Red Flag is raised too close to the delivery date, there may not be time left to resolve the issue and to recover the increment's schedule. Red Flags were raised on average 56 days prior to their increment delivery dates. For the 66 Red Flags associated with TechStats, project staff raised them on average 46 days before their increment delivery dates. Red Flags associated with missed increments were raised on average 45 days prior to increment delivery. Red Flags associated with increments delivered on time were raised on average 63 days prior to their delivery dates.

These data points show that Red Flags raised more than 60 days prior to delivery were more likely to result in an on-time delivery. Red Flags raised closer than 45 days to increment delivery were more likely to result in a missed increment. The data show that the period between 45 and 60 days before delivery can be a turning point in the success or failure of an increment. Tightly monitoring the project schedule and ensuring all technical aspects stay on schedule during this period, as well as effectively using the Red Flag process can make the difference during this critical period.

Once a project staff member raises a Red Flag, the process must swiftly provide an opportunity for the issue to be heard and the intervention requested, granted and implemented. If the process executes swiftly, it provides the opportunity for the project to deliver the increment on time.



#### **Preparing for Success in FY14: Taking Full Advantage of the Red Flag Process**

Knowing how to use the PMAS Red Flag process gives project managers their best opportunity to overcome significant obstacles to delivering IT capabilities on time. Any project staff member can raise a Red Flag to resolve risks or issues that could prevent an on-time delivery. Project staff members are accountable for recognizing a risk or issue that could prevent on-time delivery and for completing and sending the Red Flag to [VAPMASFlags@va.gov](mailto:VAPMASFlags@va.gov). Project managers are accountable for concisely defining the risk or issue and the intervention needed during the Red Flag Review.

Senior leaders are accountable for listening to the project manager's problem, request for intervention and for using their judgment and expertise to provide needed assistance to keep the increment on track. Both parties share an accountability to resolve the Red Flag as quickly as possible. Since time is seldom an ally, the sooner the project staff raises the Red Flag and the sooner it is resolved the more likely the increment will be delivered on time.

Project managers should constantly assess their prospects for delivering on time. The PMAS Business Office recommends that project managers should conduct go/no go readiness reviews for on-time delivery at every IPT meeting. Poll the IPT members and determine their readiness to deliver on time. If the IPT is not ready, raise the Red Flag. Remember, raising a Red Flag is not a failure; it is the timely recognition of an opportunity to avoid failure and to deliver capabilities on time.

Figure 12 shows the Red Flag closures by month and reflects that 26% of Red Flags were closed at the first Red Flag meeting. In addition, the average number of days to close a Red Flag in FY13 was 28. Each month in Figure 6 shows the total number of Red Flags, the number closed at the first meeting and the length of time required to close the remainder.

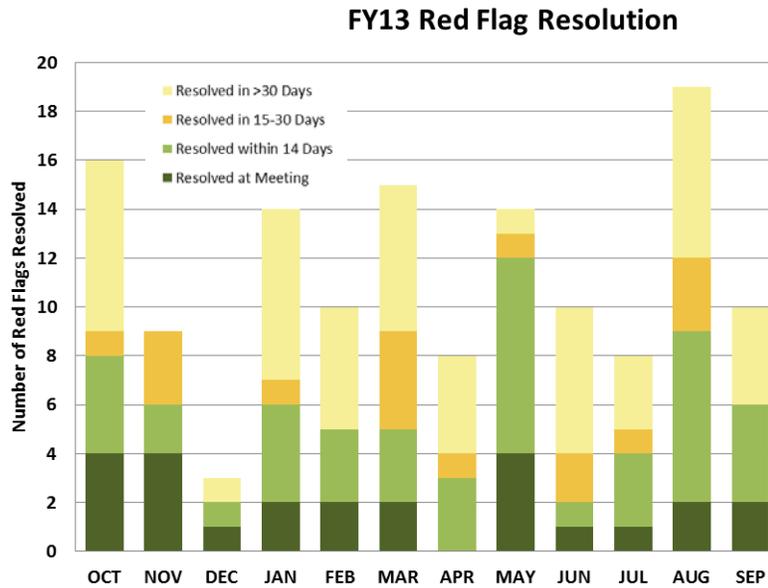


Figure 12: FY13 Red Flag Closures by Month

Closing Red Flags in an average of 28 days is performance consistent with its purpose. Increasing the closure rate of a Red Flag at the first Red Flag meeting is a recommended improvement area for FY14. Focus areas to implement this recommendation include ensuring all necessary staff members involved in the Red Flag are at the meeting, ensuring the project manager understands the need to state the problem and intervention required concisely and ensuring senior leaders provide expeditious intervention and resolution.

### TechStats

According to PMAS policy, if a project misses its increment delivery date or is certain it will miss it, the project manager must attend a TechStat meeting. Senior OIT leaders conduct the TechStat meeting to assess the root cause of the failure to deliver on time. TechStats provide additional opportunities for capability delivery, issue resolution and lessons learned.

Senior leaders conducted 85 TechStats Meetings in FY13 for 88 TechStat Increments. Table 4 shows the total number of TechStat increments, the total TechStats for increments that later made their dates, the total TechStats for increments that missed their original dates and the total TechStats that missed the date assigned at their first TechStat.

**Table 4: FY13 TechStat Increment Distribution**

<b>FY13 TechStat Increment Distribution</b>	
<b>Total FY13 TechStat Increments</b>	<b>88</b>
Increments that had TechStats but then made their original committed date	21
TechStats for increments that missed their original dates	45
TechStats for increments that missed their dates more than once	22

The PMAS Staff also reviewed the TechStat data for the 67 missed increments in FY13. The data in Table 5 provides a basis for determining the effectiveness of TechStats.

**Table 5: FY13 Missed Increment TechStat Summary**

<b>FY13 Missed Increment TechStat Summary</b>		
<b>TechStats Distribution</b>	<b>Percentage</b>	<b>Increments</b>
Increments that had TechStats and then made their original dates	24%	21
Increments with one TechStat that made their new dates	31%	27
Increments with one TechStat that missed their new dates	19%	17
Increments having multiple TechStats and made their new dates	7%	6
Increments having multiple TechStats and missed their new dates	5%	4
Increments with TechStats to be scheduled at the end of FY13	15%	13
Total Increments with TechStats		88
Total Missed Increments		67

Twenty-seven of the 45 increments, or 31% that received new delivery dates delivered on time. That level of performance validates the utility of the TechStat to provide additional opportunities for projects to deliver on time. Four of the eight increments, or 50%, that received a second set of delivery dates delivered on time. The TechStat process clearly fosters the Enterprise's ability to continue delivering IT capabilities on time.

At the end of FY13, senior leaders simplified the process by eliminating the characterization of missed increments as either Strikes or Missed Milestones. PMAS returned to the basic concept that a missed increment is simply a missed increment and will apply this concept in FY14 and beyond. Figure 13 shows the issue categorization and the Technical Issues sub-categorization of these 85 TechStats.

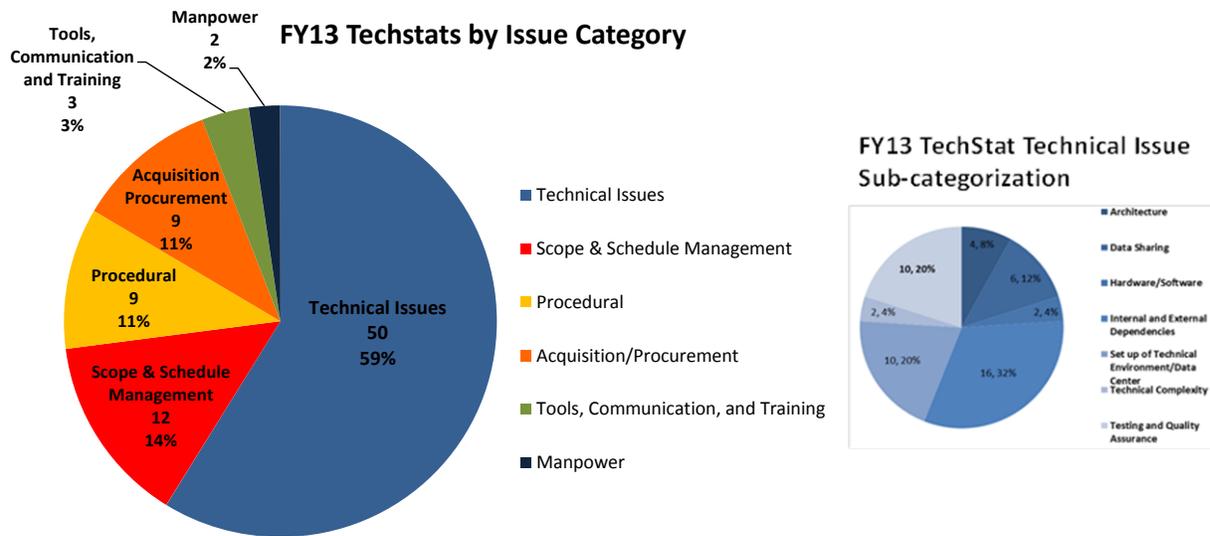


Figure 13: FY13 TechStat Issue Categories and the Technical Issue Sub-categories

Technical Issues were responsible for nearly 60% of all FY13 TechStats. Since Technical Issues are the leading TechStat issue category, it is important to examine its sub-categories. Figure 13 shows the TechStat Technical Issues sub-categories and provides a more robust understanding of these issues.

The top four Technical Issues sub-categories account for 83% of the Technical Issues TechStats. The top three sub-categories are the same as the top three Red Flag sub-categories. The data shows that once a project or increment experiences a Red Flag problem, the increment fails to deliver on time for a similar set of causes. In FY14, the Enterprise will focus on these specific areas for improvement.

### Comparison of Red Flag and TechStat Top Issue Categories

By design, Red Flags and TechStats use the same set of issue categories. This allows for a direct comparison of the top five issue categories for Red Flags and TechStats. Table 6 provides this comparison.

Table 6: Comparison of the Top Five FY13 Red Flag and TechStat Issue Categories

Comparison of Top Five FY13 Red Flag and TechStat Issue Categories		
Rank	Red Flag Issue Categories	TechStat Issue Categories
1	Technical Issues	Technical Issues
2	Scope and Schedule Management	Scope and Schedule Management
3	Procedural	Procedural
4	Manpower	Acquisition/Procurement
5	Acquisition/Procurement	Tools, Communication, and Training

Table 6 reflects significant issue commonality between Red Flags and TechStats. The top three issue categories are the same for both. Procedural and Acquisition/Procurement also appear in each list. These common rankings tend to suggest that obstacles identified in Red Flags are the same issues identified by TechStats. Further, it may also suggest that the failure to resolve the Red Flag could lead to a TechStat caused by the same or similar issue. This data also means that project managers who raise

Red Flags with these issue categories should aggressively pursue their resolutions, since they are more likely to result in missed increments and TechStats.

### **Additional Accountability Efforts**

To expand the scope of accountability, the Enterprise added five supporting efforts this fiscal year. They were the PMAS Data Quality Audit, PMAS Monthly Reviews, Predictive Analysis, IPRs and Project Status Meetings.

#### **PMAS Data Quality Audit**

The data quality audit was conducted following the transfer of all project data from the legacy Dashboard to the improved PMAS Dashboard. The PMAS staff wanted to ensure all data in the improved Dashboard were not only internally consistent but also matched previous project reporting to Congress, the Office of Management and Budget, and to the Government Accountability Office.

As part of the transition to a more stable Dashboard tool, the PMAS staff made a significant effort to analyze, cleanse and migrate data to the improved PMAS Dashboard. PMAS staff members worked closely with project managers to confirm the data to be migrated, filled in data gaps and ensured the accuracy of the migrated data.

In addition, an analysis was performed to compare current PMAS data with previously reported data. The increment level data in the new PMAS Dashboard were compared to the following increment level data sources:

- End of FY11 Report to Congress
- End of FY12 Report to Congress
- Increment data provided in response to a request from a Member of Congress

In addition to comparing the data to previously reported increments, the increment data were also analyzed for PMAS compliance.

The results of the analysis were documented in a report that separated the findings into 25 tabs, plus a summary tab. The PMAS staff then led the effort, with the support of each of the Offices of Responsibility (OORs), to validate and correct the data in the PMAS Dashboard. Completion of the effort ensured that there were no data errors in the increment records and that all data were consistent with previous reporting and was PMAS compliant.

#### **PMAS Monthly Reviews**

Early in FY13, Mr. Warren directed the PMAS staff to provide him monthly reviews of PMAS execution. The goal was to present snapshot metrics that gave senior leaders an awareness of current on-time delivery performance and significant execution trends and issues. The PMAS staff developed a set of metrics that it presented each month and allowed Mr. Warren to assign actions for additional data and analysis.

The metrics provided and discussed during these monthly reviews provided Mr. Warren and other senior leaders opportunities to improve performance, policy, and practice.

#### **Predictive Analysis:**

FY13 witnessed a big leap forward for PMAS predictive analysis and modeling. A continuing examination of on-time delivery performance led the PMAS staff to conduct a Confidence and Obstacles effort for the final 60 days of the fiscal year. Data was gathered for every remaining increment to determine the

project manager's confidence in an on-time delivery and if any obstacles existed to the on-time delivery. Completion of this effort is credited with enabling the Enterprise to meet its on-time delivery goal for delivery increments this fiscal year.

### In Progress Reviews (IPRs)

The IPR program serves as an organizational construct that aligns 216 projects with a parent program or IPR category. IPRs began in late January 2013 and by the end of FY13 the PMAS staff had facilitated 42 IPRs for senior leaders, often to audiences of more than 125 participants.

The purpose of the IPR is to provide a strategic, program level view of five significant segments of the VA enterprise. Currently these segments include Health Initiatives, Technology Infrastructure, Corporate, Benefits Transformation, and the Inter-Agency Program Office (IPO). Each of these segments manages an integrated portfolio of investments (projects) that support various strategic objectives. The domains of these investment portfolios consist of between 11 and 119 projects and the segments are valued at between \$41 million (M) and \$325M.

The IPRs are held on a recurring monthly basis. The presentation template contains a small, common core of program data completed by the PMAS staff, using the PMAS Dashboard and BTT authoritative data sets. Each IPR team has considerable flexibility to tailor the balance of the presentation template to its unique circumstances. The common elements of the presentation template include:

- Program health self-assessment instrument
- Program data sheet
- Program risk and opportunity chart
- 90-day view of releases
- Table of the program's action requests for senior leaders

While PMAS execution focuses largely on projects and increments, the IPRs provide senior leaders a prism through which to see the entire Enterprise and the investments that propel it forward. Senior leader awareness of the IPRs and what these investments indicate for projects and increments in an execution year create powerful opportunities for Enterprise-wide decision making.

### Project Status Meetings (PSMs)

During FY13, an additional risk management opportunity was added to the PMAS toolkit. It was observed often that an issue, which arose at a Red Flag meeting, required more time and in-depth analysis to determine cause and resolution than was normally available. To address this need, senior leaders created Project Status Meetings. They provided an opportunity for further exploration of a project's barriers to on-time delivery. The first of these meetings took place in June and a total of eight were conducted before the end of the fiscal year.

During the PSM, the project manager provides more information and insight into the risks and issues discussed at the Red Flag. Senior leaders and project managers collaborate on possible risk resolution activities and on the risks that effect on-time delivery. The format and flow of the meeting is less defined than other PMAS meetings to ensure the senior leader and project manager have the best chance to describe, define, discuss, and decide on the course of action. This is another example of the flexibility of the PMAS process. The PSM's goal is to ensure that the project was ready and able to use PMAS to deliver on time. The eight projects that participated in a PSM in FY13 had an on-time delivery rate for delivery increments of 87.5%.

## Section IV: PMAS Significant Accomplishments in FY13

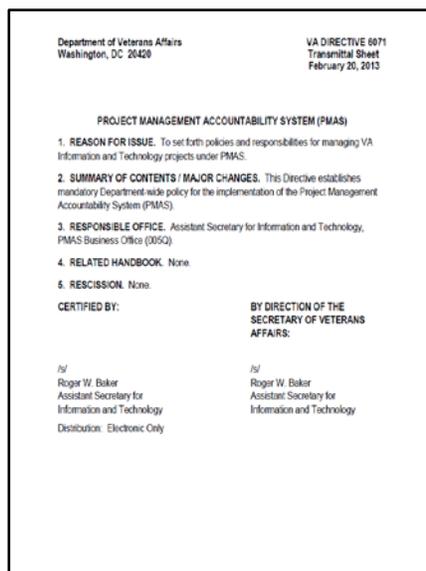
Section IV provides a synopsis of PMAS’ significant accomplishments for the fiscal year. These accomplishments fall into three categories: Policy and Guidance Improvements, Technical Environment Improvements and PMAS Strategic Communications Outreach. Table 7 lists these accomplishments.

**Table 7: PMAS Significant Accomplishments in FY13**

<b>PMAS Significant Accomplishments in FY13</b>	
<b>Policy and Guidance Improvements</b>	
✓	VA Directive 6071
✓	PMAS Guide 4.0
✓	Integrated Project Team (IPT) Reference Guide 3.0
<b>Technical Environment Improvements</b>	
✓	Deployed Improved PMAS Dashboard
✓	Migrated Legacy Project Data to the Improved PMAS Dashboard
<b>PMAS Strategic Communications Outreach</b>	
✓	Published the Inaugural PMAS Annual Report
✓	Conducted Inaugural Yammer Live Chat
✓	Initiated and maintained weekly Project Manager Call Outreach
✓	Created PMAS Tip of the Week
✓	Created the PMAS Magic Number
✓	Published PMAStery Articles in the PD Quarterly Review
✓	Awarded Excellence in Enterprise Information Award
✓	Selected as a Finalist for the 2012 Model Agency Best Practice Award

### Policy and Guidance Improvements

#### VA Directive 6071, PMAS



VA Chief Information Officer (CIO) Roger Baker signed the inaugural PMAS Directive on February 20, 2013. With his signature, Mr. Baker mandated the use of PMAS throughout the Department to develop and deliver IT capabilities. The directive took effect immediately.

The new directive requires that all IT development projects use PMAS whether the project will create new functionality or enhance existing capabilities with VA’s current systems or infrastructure. The directive also mandates the use of PMAS for all IT development projects whether funded by the IT Appropriation, or any other VA appropriation, and that are resourced at a value greater than \$250,000 total life cycle cost.

The PMAS Directive requires that projects deliver capabilities in increments of six months or less and describes the PMAS States as documented in PMAS Guide 4.0. It also defines the PMAS Milestone Reviews and the PMAS Risk Management processes.

## PMAS Guide 4.0

Stephen Warren, Principal Deputy Assistant Secretary for Information and Technology, approved PMAS Guide 4.0 on November 7, 2012. Version 4.0 incorporates significant changes to PMAS policy and practice. The PBO, with input from PMAS practitioners from across OIT, completely rewrote the previous version of the guide with the goal of making it a strong and effective resource that project managers can use to make on-time deliveries of IT capabilities.

PMAS Guide 4.0 improvements include clarification of all PMAS principles; redefinition of the PMAS States Life Cycle to include the designation of development and deployment increments; specification of the Milestone 0, 1, 2, 3, and 4 Reviews; and the expanded scope of the PMAS Risk Management Process through the addition of the Green Flag and Yellow Flag. The goals for Version 4.0 were clarity, simplicity and usability. In developing Version 4.0, the PBO ensured the new content achieved these goals and provided PMAS practitioners the means to use PMAS successfully. PMAS Guide 4.0 rescinded the earlier version, took immediate effect and its use was mandatory.

## Integrated Project Team (IPT) Reference Guide 3.0

An IPT is a multidisciplinary team of experts who are committed to the common purpose of delivering specified work products and IT solutions on time and within budget, and that each product or solution meets the business requirements of the stakeholders. As with any high-performing team, members hold themselves and each other personally accountable for the success of the effort. Members provide expertise and advocacy for their respective areas throughout all phases of the project's life cycle, and are empowered to make binding decisions on behalf of their organizations.

Throughout FY13, OIT leaders continued to emphasize the role of the IPT as the operational arm of on-time IT capability delivery. Because of the importance of the IPT in the successful execution of PMAS, OIT leaders directed a complete rewrite of the IPT Guide to make it an effective and efficient reference that project managers could use to build and use their IPTs to deliver capabilities on time.

The Guide continues to emphasize critical characteristics for IPT members. They must be empowered by their organizations to support all efforts to deliver on time. They must also take responsibility for ensuring that documents and processes owned by their functional organizations are fully supportive of the IPTs delivery schedule. The Guide includes a set of eight recommended steps for building an IPT and a set of five recommendations for using the IPT to deliver IT capabilities on time.

The PMAS staff delivered the final draft of the IPT Reference Guide at the end of the fiscal year. Senior leaders expect to review and approve it early in 2014.

## Technical Environment Improvements

In FY13, the PMAS process was greatly reinforced with significant enhancements to its data environment. These enhancements included deployment of the improved PMAS Dashboard, improvements to the Office of Management and Budget (OMB) Exhibit 300B submissions capabilities, and the migration of legacy project data to the improved Dashboard.

The improved PMAS Dashboard has significantly improved access to key information in an accurate and close-to-real-time manner, allowing VA to identify failing projects quickly and to reinvest taxpayer money wisely.

## Deployed Improved PMAS Dashboard



In FY13, the PMAS Technical Team made significant improvements to the PMAS Dashboard. The legacy Dashboard was a pilot effort and was replaced with a new, stable Dashboard built on industry standard technology that uses a secure infrastructure environment. The new PMAS Dashboard is a robust data-reporting tool, which offers near-real time access to data and provides meaningful reports, which allow PMAS predictive analysis and modeling.

During the year, the team delivered four increments on time. Use of the Agile development methodology was essential to the delivery of all these capabilities.

These new capabilities included enhancements to OMB reporting, a variety of new Business Intelligence (BI) reports, Dashboard functionality updates, and enhancements to the Dashboard Enterprise Project Structure capability. The Enterprise Project Structure (EPS) was embedded within Dashboard functionality to ensure complete integration with Dashboard data and to allow data to be entered only once. Table 8 documents highlights of these capability deliveries.

These new capabilities included enhancements to

**Table 8: FY13 PMAS Dashboard Increment Deliveries**

<b>FY13 PMAS Dashboard Increment Deliveries</b>				
<b>Increment</b>	<b>Release</b>	<b>Capabilities</b>	<b>Delivery Date</b>	<b>Timeliness</b>
Increment 3	Release 3	OMB reporting improvements Automatic EPS field updates Flag and project data reports	February 1	On Time
Increment 4	Release 4	OMB interface for revise records BI reports for OMB submissions EPS enhanced data entry	February 25	On Time
Increment 5	Release 5.1	Dashboard updates-508 compliance Mgt. review Flags/TSs subcategories BI reports-EPS and project standards Completed CIO rating capability	May 31	On Time
	Release 5.2	Ability to attach files to Flags/TSs EPS-implemented role-based access Improved OMB revision approval	July 11	On Time
Increment 6	Release 6.1	Admin capability for comms team Items with attachment identification CIO Rating will be calculated EPS console modified for navigation	August 28	Early

The improved PMAS Dashboard offered new features to help project managers control project data and to enable senior leaders to stay engaged in project progress and success. The new features included:

- Enhancements to the OMB 300B submission process that automate the review for revised project data and cut the submission process by two weeks
- Integration of EPS data into the Dashboard so data redundancy is eliminated
- Auto-enforcement of PMAS policies to prevent errors in Dashboard data entry
- Real-time data updates so leadership always has access to current data
- Access to basic project data for all VA employees
- Communications vehicle for timely messaging
- Access to integrated Techstats, Red/Yellow/Green flag data, and Milestone Review information, providing a more robust picture of a project's progress
- Secure and stable technical environment

Throughout the rollout of the improved Dashboard, the team emphasized that the PMAS Dashboard is only as good as the accuracy and currency of its data. Project managers must now make Dashboard updates within three days of their occurrence to maintain data integrity.

### **OMB 300B Submissions**

An important enhancement of PMAS Dashboard performance was the OMB 300B submissions. As most of the OMB required data is also PMAS required data, developers embedded OMB reporting in the Dashboard to ensure ease of submission and data integrity. For FY13, OIT completed 11 monthly and 1 annual OMB 300B submissions of 24 Major Investments to OMB. On September 11, OIT completed its second annual submission to OMB two days early. As of September 13, project and investment managers were able to update and report CIO Ratings to the Federal IT Dashboard. The PMAS staff carefully examined its FY12 performance and developed new processes and approaches that improved delivery performance in FY13.

### **Migrated Legacy Project Data to the Improved PMAS Dashboard**

At the end of February, the PMAS Dashboard Team completed the first step of the renovation effort with the release of the improved PMAS Dashboard. The team then worked with all project managers to migrate all project data from the legacy tool to the improved PMAS Dashboard. The team redesigned the Dashboard infrastructure and migrated data from 520 projects, while also offering project managers one-on-one training.

### **PMAS Strategic Communications Outreach**

The PMAS process must be reinforced by near-constant communication outreach with all practitioners. Given the evolving nature of PMAS, it is essential the PMAS staff keep practitioners current. PMAS made great strides in its outreach efforts this year, including award recognition by two national organizations.

### **Published the Inaugural PMAS Annual Report**

The Enterprise released its inaugural PMAS Annual Report on December 14, 2012. Born of the passion that OIT shares for what PMAS can accomplish, the FY12 PMAS Annual Report chronicles VA's IT delivery performance. Each year, the PMAS Annual Report will provide a historical record of PMAS execution.

The inaugural annual report provided the facts, figures, graphics, and analysis that told the PMAS value story for FY12. It also included a synopsis of PMAS' notable achievements, documented policy improvements, and described the most significant quality improvements that practitioners delivered. Finally, the report described opportunities for further PMAS enhancements and PBO activities in FY13.

## Conducted the Inaugural Yammer Live Chat

On April 3, 2013, Lorraine Landfried, Deputy Chief Information Officer for PD, participated in PD's inaugural Yammer Live Chat with its host, Carol Macha, PBO Director. Yammer is a social networking tool used for private communication within organizations. It allows workers unfettered access to senior leaders for communication and collaboration.

During the hour-long Yammer Live Chat, Ms. Macha covered the improved PMAS Dashboard, the new PMAS Directive and then opened the discussion to any PMAS topic. Ms. Macha began each topic with a general overview and then engaged in a lively chat with participants. PD expects that continued use of Yammer will be an important means for communicating and collaborating on improving IT capabilities for our Nation's Veterans.

## Weekly Project Manager Call Outreach

Ms. Macha reached out to project managers through the Weekly Project Manager Calls. Ms. Macha presented PMAS topics of interest nearly each week to more than 300 project managers and IPT staff. Topics ranged from matters of policy to the rollout of the PMAS Dashboard and preparations for the government furlough at the end of FY13. This sustained communication outreach was important to improving practitioner understanding of evolving PMAS policy and practice.

Of particular note were the presentations Ms. Macha made during the month of September on a series of FY14 Preparation Conversations. These conversations were aimed at getting on-time delivery performance off to a strong start at the beginning of the fiscal year. In addition, these topics highlighted PMAS' direction in FY14, which includes shorter increments and emphasizes delivery of multiple releases within increments. The following list provides the schedule and topics for the preparation conversations:

- September 9: Taking Full Advantage of the Red Flag Process as Designed
- September 16: Planning Shorter Increments than Six Months for Continuous Delivery; Accounting for Additional Releases Within an Increment; Increased use of Agile
- September 23: How to Write Better Increment Descriptions in the Dashboard; Orientation to PD Communication Fields in the Dashboard
- September 30: IPT Team Optimization; PBO SharePoint Site and the PMAS Dashboard; Rescheduling TechStats

The PMAS staff posted this material to the PBO SharePoint homepage and to the PMAS Dashboard homepage. In addition, the PMAS staff posted the Weekly Project Manager Call presentations to the Policy and Guidance page of the PBO SharePoint site.

## PMAS Tip of the Week

In addition to Ms. Macha's briefing to the Weekly Project Manager Call, the PMAS staff also created the PMAS Tip of the Week. The tip was designed to get the project managers thinking and talking about PMAS policy and practice. Each week, the tip focused on a different aspect of PMAS policy. It not only included the policy, but also how to use that policy to deliver IT capabilities on time. The goal was to increase the "stickiness" of PMAS by emphasizing policy with tips that work.

## PMAS Magic Number

For the second half of the fiscal year, the PMAS staff introduced the PMAS Magic Number to provide a focus for the Enterprise to achieve its 80-90% on-time delivery goal. The number showed the number of increments the Enterprise could deliver late and still achieve its 80-90% on-time delivery goal. The

number allowed the Enterprise to track its potential every day to achieve this goal. Since the Magic Number counted down to zero, it was a constant reminder of the need to deliver on time. The PMAS Magic Number provided a way for the Enterprise to track its progress toward its goal and increased the awareness of achieving the on-time delivery goal.

### **PMAStery Articles Published in the PD Quarterly Review**

Each quarter, the PMAS staff provided a “PMAStery” article for inclusion in the PD Quarterly Review. These articles provided updates on PMAS process execution, on-time deliver performance numbers and updates on policy and practice items of interest to PD’s project managers and project staff.

- Quarter 1: Reported final FY12 on-time delivery performance, release of PMAS Guide 4.0, previewed release of the improved PMAS Dashboard and forecasted the approval of the PMAS Directive
- Quarter 2: Reported on approval of the PMAS Directive and its meaning to the Enterprise, described the approved results of Artifact Smashing, reported the data migration in support of the improved PMAS Dashboard, and previewed the release of a new cutting edge version of the Dashboard
- Quarter 3: Reported on PD’s inaugural Yammer Live Chat, completion of data migration effort for the improved PMAS Dashboard, provided a snapshot of then current on time delivery performance and forecasted efforts to ensure on-time delivery performance reached its goal
- Quarter 4: Reported the final FY13 on-time delivery performance numbers, emphasized strong on-time performance in Quarter 4, previewed the release of the FY13 PMAS Annual Report and reported on initial on-time delivery performance for FY14

### **Awarded Excellence in Enterprise Information (EIE) Award**

The Association for Enterprise Information (AFEI) selected PMAS for its Excellence in Enterprise Information Award. On November 16, 2012, AFEI President Dave Chesebrough congratulated VA, OIT, PD and DCIO Lorraine Landfried, as well as the PMAS Project Team, for exceptional work and innovation in transforming the VA’s approach to IT project management. He called PMAS, “a great service to the Nation, our Veterans and their families”.

The EEI Award looks for examples of best practices in information management, along with the application of IT to optimize organizational performance and mission execution. The Government EEI Award is given to one government team for excellence and innovation in developing and deploying enterprise solutions that have a profound impact on the performance and value of their enterprise.

### **Selected as a Finalist for the 2012 Model Agency Best Practices Award**

On November 20, 2012, the Administrative Conference of the United States selected PMAS as a finalist for the Walter Gellhorn Innovation Award for federal agency best practices. The Model Agency Best Practices program and the Gellhorn award focuses attention on federal agency best practices. The program’s goal is to provide an innovation toolbox for model twenty-first century agencies. The award sponsors recognized the success of PMAS in improving the VA’s on-time delivery of IT capabilities from about 30% to delivering routinely in the 80-90% on time range. The sponsors also recognized the potential for other federal agencies to adopt PMAS policy and practice.

## Section V: Accounting for Quality

Senior leaders and practitioners constantly examine PMAS and its performance for quality improvement opportunities. This section provides a synopsis of five quality improvement efforts that PMAS practitioners delivered this fiscal year.

### Artifact Smashing

Artifact smashing, as it came to be known, was the effort led by the PMAS staff to reduce the number of documents/artifacts required to be completed by each IT project. When the effort began, project staff was required to produce 96 artifacts in the completion of a project.

The approval of PMAS Guide 4.0 in November 2012 made the artifact smashing effort possible. With the new guide, the PMAS Life Cycle encompassed, for the first time, the entire project life cycle from the beginning of the New Start State through the completion of the Milestone 4 Review. This placed all PMAS-required artifacts governing testing, release and deployment of IT capabilities under the purview of the PMAS staff. It used this new responsibility to redefine the list of PMAS-required artifacts.

On March 8, Stephen Warren, Principal Deputy Assistant Secretary, approved a significantly reduced core set of required PMAS project artifacts. In his issuance memo, Mr. Warren noted that OIT is committed to ensuring that IT projects produce only essential project artifacts and to eliminating unnecessary documentation requirements. The memo identified a new core list of 26 artifacts, organized by the required Milestone Review. The new artifacts list reduced required documentation by 73%.

As PMAS policy and practice continue to evolve, the staff will review the new, core set of required project artifacts periodically to ensure they remain the most accurate and efficient documentation. As such, this core set may change slightly in the future, reflecting the commitment OIT has to ensuring it include only essential artifacts.

### PMAS Training

Training is essential to making PMAS operate as designed and intended. The more knowledgeable the practitioner, the better the outcome. The highlights of the FY13 PMAS training effort are the policy and guidance training that focused on PMAS Guide 4.0 and the PMAS Dashboard training that acquainted users with the functionality and use of the improved PMAS Dashboard. Nearly 2,200 practitioners received PMAS training in FY13.

### PMAS Policy and Guidance Training

The standard monthly training efforts were the PMAS Guide 4.0 and PMAS Milestone Webinars. These hour-long training events concentrated on educating the workforce on new policy and practice included in PMAS Guide 4.0. The webinar's purpose was to provide project managers and project staff a strong foundation in PMAS policy and practice to enable them to deliver IT capabilities on time. The Milestone Review Webinar was aimed at increasing the first time review success of project managers. The webinars were well attended, especially right after the publication of PMAS Guide 4.0. Table 9 provides a record of the policy and guidance training results for FY13.

Table 9: FY13 PMAS Policy and Guidance Training

<b>FY13 PMAS Policy and Guidance Training</b>				
<b>Course</b>	<b>Date</b>	<b>Presenter</b>	<b>Method</b>	<b>Trainees</b>
PMAS Guide 4.0	11/27/12	Policy Team	Live Meeting Webinar	349
PMAS Guide 4.0	12/11/12	Policy Team	Live Meeting Webinar	187
Introduction to PMAS	12/18/12	Policy Team	Live Meeting Webinar	25
PMAS Guide 4.0	12/20/12	Policy Team	Live Meeting Webinar	63
PMAS Guide 4.0	1/24/13	Policy Team	Live Meeting Webinar	192
PMAS Guide 4.0	2/20/13	Policy Team	Live Meeting Webinar	102
Milestone Reviews	2/28/13	Policy Team	Live Meeting Webinar	326
PMAS Guide 4.0	3/20/13	Policy Team	Live Meeting Webinar	31
Milestone Reviews	3/26/13	Policy Team	Live Meeting Webinar	35
PMAS Guide 4.0	4/18/13	Policy Team	Live Meeting Webinar	19
Milestone Reviews	4/24/13	Policy Team	Live Meeting Webinar	24
PMAS Guide 4.0	6/19/13	Policy Team	Live Meeting Webinar	16
Milestone Reviews	6/25/13	Policy Team	Live Meeting Webinar	23
PMAS Guide 4.0	8/20/13	Policy Team	Live Meeting Webinar	72
Milestones Reviews	8/29/13	Policy Team	Live Meeting Webinar	65
<b>Total Trainees</b>				<b>1,588</b>

### PMAS Dashboard Training

PMAS Dashboard Training was essential to the deployment and rollout of the improved PMAS Dashboard. The Dashboard Team employed a “train the trainer” approach and scheduled the training to occur just before the new Dashboard went live in February. The team trained nearly 600 practitioners immediately before it deployed the improved PMAS Dashboard. Table 10 shows the results.

Table 10: FY13 PMAS Dashboard Training

<b>FY13 PMAS Dashboard Training</b>				
<b>Course</b>	<b>Date</b>	<b>Presenter</b>	<b>Method</b>	<b>Trainees</b>
Train the Trainer	2/7/13	Dashboard Team	Live Meeting Webinar	10
Train the Trainer	2/8/13	Dashboard Team	Live Meeting Webinar	9
EPS Train the Trainer	2/8/13	Dashboard Team	Live Meeting Webinar	24
Train the Trainer	2/11/13	Dashboard Team	Live Meeting Webinar	22
PMAS Dashboard Demo	2/19/13	Dashboard Team	Live Meeting Webinar	150
PMAS Dashboard Demo	2/21/13	Dashboard Team	Live Meeting Webinar	170
PMAS Dashboard Demo	2/22/13	Dashboard Team	Live Meeting Webinar	173
PMAS Dashboard OMB	2/22/13	Dashboard Team	Live Meeting Webinar	35
<b>Total Trainees</b>				<b>593</b>

## Release Model Process and Results

In FY13, OIT leaders were interested in increasing the frequency of IT capability delivery. They knew that PMAS delivered 167 delivery increments on time out of a total of 204 delivery increments. But embedded within those on-time increments were even more frequent deliveries of usable functionality made by delivering releases within an increment. Releases have the same definition as increments but are delivered within the increment.

When the PMAS staff did a data survey of this information, it discovered that 20 increments delivered a total of 96 additional releases of IT capabilities beyond the release expected at the end of each increment. These projects took advantage of the Agile development methodology to deliver much more than one release of capability in an increment.

OIT leaders will continue to encourage project managers to deliver multiple releases in FY14 as one way of increasing the frequency of capability delivery.



### Preparing for Success in FY14: Understanding the Evolutionary Direction of PMAS

During FY13, PMAS has evolved from a singular focus on delivering IT capabilities on time to emphasizing faster or more frequent on-time capability delivery. The Enterprise will increase the emphasis on this evolution in FY14.

While PMAS limits the length of increments to no more than six months, increments can be shorter. The project manager and the business sponsor can collaborate on the capabilities, requirements and increment definition to define increments that are shorter than six months.

PMAS Dashboard data reveals that the average increment length in FY13 was just short of five months. Senior leaders believe that strong communication and collaboration during the increment definition process can lead to shorter and shorter increments.

Beyond shorter increments, the other FY13 evolutionary development was the delivery of releases within increments. Nearly 10% of increments delivered more than two releases of capability this year. A release has the same definition as an increment. Delivering several capabilities during each increment increases VA's pace for meeting the needs of our Nation's Veterans. Senior leaders expect that 25% of project managers will deliver more than two releases during their increments in FY14.

Wider adoption of the Agile development methodology has made both of these evolutions possible and has the potential to deliver even better results in FY14. Project managers and business sponsors are encouraged to examine their business requirements and to determine if use of Agile can deliver them.

## PMAS Monster Project

Throughout FY13, the PMAS staff studied PMAS execution and was able to discern a set of project characteristics that caused projects to have significant difficulties in delivering on time. The staff communicated these characteristics to the project managers by creating the PMAS Monster Project. It was a creative way to warn project managers about the challenges that can cause unexpected risk to projects.

The following list includes brief descriptions of the characteristics:

- Unrealistic resource estimates or failure to get funding



- Vague risk plans that do not assess or control risks
- Internal or external interdependencies/dependencies that reduce the potential to deliver on time
- Lack of management and project staff continuity hinders the decision-making velocity
- Projects dependent on VistA integration or Data Center support
- Poor scope definition and schedule management
- Acquisition and procurement delays
- Ineffective IPT or IPT turn-over
- Lack of executive support or high-level project sponsorship to overcome obstacles

### **Confidence and Obstacles (C&O) Report**

Entering the closing months of the fiscal year, the on-time delivery rate was below the 80-90% on-time delivery range. The PMAS staff developed a biweekly Confidence and Obstacles (C&O) Report to provide an accurate data foundation for the efforts to deliver the remaining increments on time. The intent of this report was to acquire timely information from project teams on increments listed in the PMAS Dashboard for delivery in FY13. The report was sent to each Office of Responsibility biweekly.

All project managers delivering increments in these waning months of the fiscal year determined their confidence in delivering on time and identified all obstacles to on-time performance. Senior leaders met with these project managers every two weeks and discussed performance, risks, obstacles and confidence levels. This process allowed senior leaders to intervene to remove obstacles to on-time delivery. The C&O Report and process allowed the Enterprise to finish the fiscal year on a strong note, delivering on-time 82.9% of the increments from July to the end of the fiscal year.

## Section VI: PMAS Looking Forward

While FY13 was a significant year in the evolution of PMAS, FY14 is expected to provide even more opportunities to advance VA's on-time delivery of IT capabilities. For FY14 and beyond, OIT and PMAS will embrace the following initiatives.

### Increased Frequency of Delivery

PMAS has shown that sustained on-time delivery performance in the 80-90% range is possible. However, Veterans' requirements for even more frequent delivery of IT capabilities make clear that OIT must, in turn, increase the frequency of delivery, while also maintaining or improving the on-time delivery rate. To do so, OIT will decrease the mandatory allowable length of an increment from six months down to three. This decrease in increment length is already happening naturally. In FY12, the average actual increment length was 5.25 months and in FY13 it was 4.92 months. For FY14 and FY15, the steady reduction in increment length will be emphasized to project managers. Starting in FY16, it will be enforced by policy. Expanded use of the Agile development methodology is expected to be the key to delivering shorter increments on time. Agile also makes delivery of multiple releases in an increment possible.

### Simplified Characterization of Missed Increments

PMAS has several foundational standards to which it relentlessly holds projects. One of these critical standards is how PMAS determines when a project will be evaluated for closure. Prior to FY14, all projects, which missed a deadline, attended a TechStat meeting and had the cause of the missed delivery categorized as either a strike or a missed milestone. The standard to close projects was three strikes. However, this categorization created a false impression that only strikes mattered, instead of ensuring accountability for every missed increment.

Starting in FY14, PMAS will instill even more accountability into its processes by categorizing no longer missed increments as strikes or missed milestones. Evaluation for project closure will be based on three missed increments, regardless of the reason. In essence the standard for project closure will be "three misses and you're out." Using this standard of even greater accountability, analysis has been conducted on *all* projects which have three or more missed dates (regardless of the categorization of them) and they will all be evaluated for closure.

For any failure to deliver an increment on time a TechStat Meeting is still required. The purpose of the TechStat will continue to be determining the root cause of the missed increment. In addition, the TechStat will attribute the failure to people, processes or organizations. If a project accumulates three misses, or four misses if the project pre-declares a miss, then the project will be closed, unless it can show cause to continue at a Closure Review.

### Stronger Red Flag Process Execution

As mentioned earlier in this report, in FY13, 22% of all missed increments were characterized by poor execution of the Red Flag process. This means that project managers were not taking advantage of a process designed and implemented to prevent missed increments.

In FY14, senior leaders will emphasize the correct and comprehensive use of the Red Flag process. First, all project managers must understand they must use the process to receive its benefits. They must recognize the impediment to on-time delivery and raise the Red Flag. Second, they must succinctly describe the intervention needed to deliver on time. Third, they must raise the Red Flag early. PMAS project data reflects that Red Flags raised more than 60 days before the delivery date are more likely to

result in on-time deliveries. Red Flags raised less than 45 days before the delivery date are more likely to result in missed increments.

### **Increased Use of the Agile Development Methodology**

The Agile development methodology is the method of choice in OIT to develop IT capabilities. The continued, effective evolution of PMAS depends on the increased use of Agile by project managers. While PMAS is the project management framework, Agile is what makes it work to deliver IT capabilities on time.

Agile allows project managers and business sponsors to collaborate on the creation of shorter and shorter increments. Within Agile, the IPT can develop a little, test a little, and deploy a little; then, start again. This increases the rate of the on-time delivery of capabilities.

Senior leaders will encourage all offices of responsibility, competency managers, and project managers to examine their projects for additional opportunities to employ Agile.

### **Increased Use of PMAS Dashboard Data for Enterprise Decision Making**

With the continued deployment of new capabilities to the PMAS Dashboard throughout FY13, senior leaders have significant expectations for its use in FY14. To realize these expectations, data integrity will continue to be an essential requirement for the PMAS Dashboard. Data has integrity when it is available, accurate and complete. The PMAS Dashboard Team will continue working more closely with project managers to achieve data integrity. Greater data granularity and improved PMAS reporting will also make possible the continued evolution of PMAS from Phase 4 to 5.

Once the project data has the right integrity, it will be imported into the new capabilities and reporting methods. These are the reports senior leaders will depend upon for improved Enterprise decision making.



#### **Preparing for Success in FY14: Improving PMAS Dashboard Data Quality**

In FY14, stronger PMAS execution begins with the information and data project managers enter in the PMAS Dashboard. Correctly entering an increment is the foundation of data quality. Defining an increment correctly begins with knowing the definition of a PMAS increment. According to PMAS Guide 4.0, Section 8.4, an increment is the segment of the project that produces an agreed-to portion of a functional business capability. An increment has the following characteristics:

- Is a body of work that delivers capability directly related to a project
- Has a defined start and end date, which does not exceed six months
- Has a defined budget
- Requires Business Sponsor acceptance of the delivered capability or capabilities, also known as the incremental deliverable

Project managers should have these requirements in hand when they complete the Manage Increments page in the PMAS Dashboard. In the increment name field, describe what you are delivering. For example: Increment 1: Deploying VA for Vets Single Sign on.

The increment description field allows for 2,500 characters, so complete information is the goal. Writing the increment description is as simple as answering the following five questions.

- What is being delivered?
- Who is the target customer?
- How is this transformational?
- How will the Veteran benefit?

- How will our customer benefit?

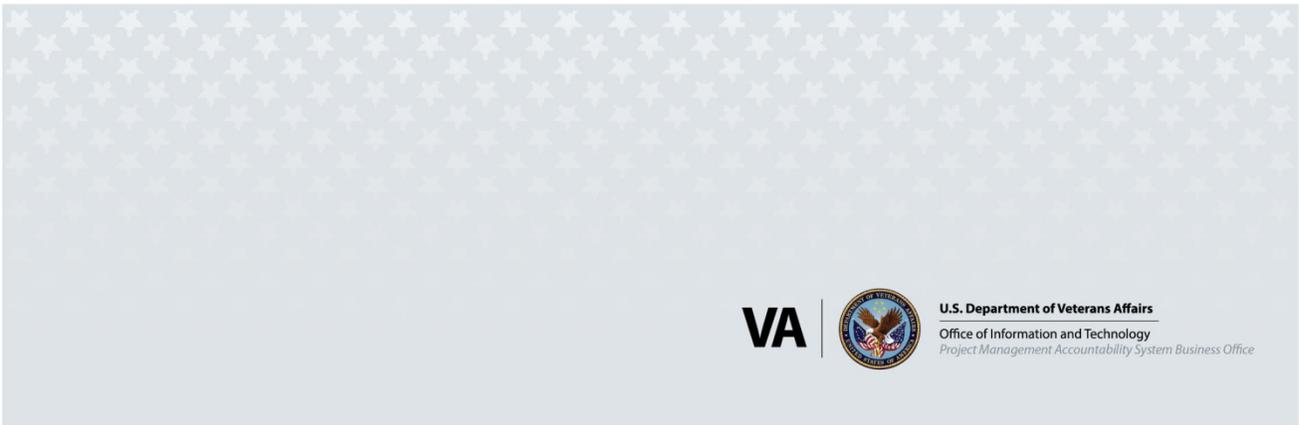
Resist the impulse to write in jargon only your integrated project team will understand. Write for the Enterprise leadership in plain English.

### **Conclusion to PMAS Looking Forward**

Section VI of the FY13 PMAS Annual Report, PMAS Looking Forward, promises an FY14 that will achieve an increased frequency of on-time delivery, simplified characterization of missed increments, stronger Red Flag process execution, increased use of Agile and a greater reliance on PMAS Dashboard data to inform Enterprise decision making.

While some things in PMAS will evolve, others will remain the same, most importantly, accountability. The Yoda Rule will always apply, “Do or do not, there is no try.”





**VA**



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