



Virginia Information Technologies Agency

Improving The Commonwealth Balanced Scorecard

ITIM Customer Council Recommendation

Bob Zoppa
Commonwealth Project Management Division

Commonwealth IT Solutions Committee
July 17, 2008



Background

- At the January 17th, 2008 ITIB, the IT Investment Management (ITIM) Customer Council recommended a refinement to the current Commonwealth Balanced Scorecard
 - Current scorecard is a good tool for determining if a project should be approved for development, but some questions are too subjective
 - Refinements in the scorecard could help improve how agencies and the Commonwealth identify and track project benefits and value
- The ITIM Customer Council recommended the following refinements to the Balanced Scorecard
 - Update scorecard questions and develop a Project Proposal and Charter Writer's Guide for the Commonwealth
 - Conduct a validation of the revised Balanced Scorecard and supporting writer's guide with project managers from the Commonwealth
 - Publish a revised Balanced Scorecard and supporting writer's guide after ITIB approval in 2008



Balanced Scorecard Refinement Activities

- PMD worked with the ITIM Customer Council between January and May 2008
 - Refined Balanced Scorecard questions so they were more relevant and objective
 - Developed a “Project Proposal and Charter Writer’s Guide”
 - Tested the revised Balanced Scorecard and supporting writer’s guide with existing projects
- The ITIM Customer Council provided positive feedback on the final documents



Balanced Scorecard Summary of Major Changes

- The five main categories in the Balanced Scorecard that cover “Stakeholder” interests, “Business Processes”, “Project Management”, “Financial and Economic” alignment, and the “Enterprise (Commonwealth) Portfolio” are now clearly defined
- A revised scoring methodology has been developed to assess each question that provides a more gradient scale:
 - ◆ Excellent - all issues in the question have been addressed
 - ◆ Very Good
 - ◇ Good/Neutral
 - ◼ Fair
 - ◆ Inadequate - issues in the question have not been addressed
- A supporting writer’s guide has been developed that will help agencies identify key assessment areas and requirements in Project Proposals and Charters from start to finish



Balanced Scorecard Major Changes by Category

- **“Stakeholder”** questions and assessment criteria are now more objective and ask agencies to specify stakeholder roles and responsibilities, project benefits linked to the objectives from the Governor and Council on Virginia’s Future, and performance expectations
- **“Business Process”** questions that covered information sharing and agency IT investment readiness and capacity have been moved and aligned with the “Enterprise (Commonwealth) Portfolio” and “Project Management” categories as appropriate
- **“Project Management”** questions and assessment criteria are now more objective and have been rewritten to align with the current Commonwealth Project Proposal and Charter templates maintained in the Commonwealth Technology Portfolio tool – ProSight
- **“Financial and Economic”** questions now ask the agencies to be more specific about a project’s return on investment, economic impact, estimated expenditures for operation and maintenance and cost avoidance/savings
- One question has been added to the **“Enterprise (Commonwealth) Portfolio”** category that looks at whether or not a project is an enterprise investment being managed under an appropriate governing body (for example, VEAP)



Balanced Scorecard Benefits

- The revised questions and assessment criteria will help the Commonwealth improve how we identify and track project benefits
- The more gradient scale and objective questions will assist agencies in understanding key assessment areas in Project Proposals and Charters
- The new Writer's Guide will help agencies write more complete Project Proposals and Charters
 - Agencies will clearly know what information is critical in order to get Development Approval
 - The average time it takes to review and correct deficiencies in Project Proposals and Charters should be reduced



Recommendation In The Form Of A Motion

That the Commonwealth IT Solutions Committee recommend that the IT Investment Board approve the revised Commonwealth Balanced Scorecard and associated new “Project Proposal and Charter Writer’s Guide” as criteria for the review and approval of the planning, scheduling, and tracking of Major IT Projects (2.2-2458.8).