

Accountability, Change Management and Process Improvement Act of 2016 (HB676)

GM-17-002

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PURPOSE

In an effort to increase the success rate of large Information Technology initiatives, Georgia has established best practices for the planning and implementation of these investments. HB 676 has amended O.C.G.A. Code Section 50-29-3 through passage of the Accountability, Change Management and Process Improvement Act of 2016. Through this act, the legislature has requested that the Governor's Office of Planning and Budget (OPB) and the Georgia Technology Authority (GTA) be responsible for the collection, review and evaluation of the deliverables prepared by the agencies.

The cost threshold for technology investments subject to HB 676 is \$1 million in value for a five (5) year total cost of ownership. The \$1 million threshold includes dollars spent from any and all funding sources (State funds, Federal Funds, Bonds, Grants, etc.).

GTA has provided a clarifying definition of the terms "technology investment" and/or "technology project" (See Terms and Definitions below).

GUIDELINE

The following guidelines are provided to ensure that all agencies are in compliance with HB 676.

Business Case Development and Review

1. The agency coordinator needs to provide sufficient time to develop the Business Case to submit to the GTA and OPB. The Business Case will be submitted first to the GTA (cto@gta.ga.gov) for review. It should be provided to the GTA upon completion and acceptance by the business sponsor/business owner within the agency, but no later than 30 business days prior to the request of any state funds or the issuance of any procurement documents. The final version, incorporating any GTA feedback, will then be submitted by the agency to OPB along with the agency budget request submission.

The agency would be prudent to provide GTA's EPMO a Planned Investment Notification (PIN) – as described in SM-08-103 Information Technology Review (epmo@gta.ga.gov) – or some prior knowledge of the proposed technology acquisition as early as possible to avoid delays in the Business Case review. Also, the agency should ensure that sufficient time has been planned for internal reviews of the Business Case by the following agency staff prior to submission:

- a. Business Sponsor/Business Owner
- b. Agency Chief Information/Technology Officer
- c. Agency Chief Financial Officer

d. Agency Chief Information Security Officer (as appropriate).

2. At a minimum, the following topic areas must be addressed in each Business Case:
 - a. A description of the business need for the project
 - b. A budget for the project
 - c. An estimate of its operational impacts
 - d. A scan of available options to meet the business need
 - e. An outline of the benefits of a successful implementation to the citizens of Georgia and an outline with time frames of anticipated benefits
 - f. An analysis of the risks of not acting and how the proposed solutions will mitigate those risks; and
 - g. An assessment of business process improvement, the need for process improvement and corresponding change management

3. The GTA Enterprise Portfolio Management Office (EPMO) has a template (Investment Business Case) for agency use to ensure that all areas are covered as well as a Investment Business Case Checklist (epmo@gtga.gov) . The only document required for submission is the actual Business Case. However, the EPMO may request supplemental information, if not already provided adequately in the Business Case or PIN. Supplemental information can best be described as information that can be used to understand the current technology and business processes as well as the business needs driving the agency to pursue an investment in technology. Not having access to this type of information will necessarily lengthen the GTA EPMO review time.

When a review has been completed by the EPMO, a letter with feedback will be sent to the agency Business Owner for the proposed investment and to OPB. The letter may include recommendations on how to strengthen the business case. After receiving feedback, the agency must still submit a budget request and the corresponding business case to OPB if the agency wishes to proceed with the project.

Organizational Change Management (Change Management)

1. HB676 calls for a Change Management Plan for projects meeting any of the following criteria:
 - a. Exceeding \$1 million in value;
 - b. Directly involving two or more state agencies; OR

c. Service delivery changes in existing programs that significantly change existing business processes.

2. Business Case content (describing the business impacts of the proposed investment and related business process improvements) and knowledge of the planned investment will determine whether a Change Management Plan will be required by GTA and OPB. Each investment will be assessed on a case by case basis. It may be necessary to conduct an initial Change Readiness Assessment to make a full determination of the level of change to be realized in the agency.

3. If required, the Change Management Plan shall, at a minimum, include:

- a. A stakeholder analysis covering all impacted parties, including impacted groups, number of stakeholders impacted, type and degree of impact;
- b. A change risk assessment;
- c. Primary sponsors for the change program;
- d. A change management approach; and
- e. A change management work plan for communication, coaching, training, sponsorship and resistance management.

4. Change Management Plans will be submitted to the EPMO (epmo@gta.ga.gov) and the agency's OPB budget analyst when completed. They will be reviewed by the project assurance resource (IV&V or other resource designated by GTA), who will provide feedback to the agency, OPB and the State Critical Project Review Panel.

TERMS

Technology Investment - For the purposes of this guideline, an Information Technology investment is defined as the commitment of resources to any product or service that consists of, or relies upon information technology to capture, process, store, share, or otherwise manipulate data that is managed by a state entity.

Cost is the sum of all anticipated expenditures over the life of the investment, including but not limited to: consultant fees; additional expenses for new and existing employees as a result of the technology; software license and maintenance fees; hardware and maintenance expenses; telecommunication and connectivity expenses; deployment expenses; training expenses and any other expenses associated with the project.

Business Owner – The executive in charge of an organization, who serves as the primary customer and advocate for an IT investment. The Business Owner is responsible for identifying the business needs and performance measures to be satisfied by an IT investment; providing funding for the IT project; establishing and approving changes to cost, schedule and performance goals; and validating that the IT investment initially meets business requirements and continues to meet business requirements. The Business Owner is responsible and accountable for ensuring the technology investment meets the business and regulatory requirements.

EXEMPTIONS

Initiatives, regardless of cost, involving acquisition of the following items are exempt from Business Case review by GTA and OPB. Exempted items are established in SM-08-103 “Technology Review” and include the following:

- a. Building control systems and maintenance
- b. Closed circuit TV systems and maintenance
- c. Computer controlled industrial equipment and maintenance
- d. Consumable IT supplies (media, toner, ink, etc.)
- e. Standalone/non-networked digital copiers and maintenance
- f. Standalone/non-networked facsimile machines
- g. Instructional equipment and maintenance
- h. Laboratory equipment and maintenance
- i. Life support and monitoring equipment and maintenance
- j. Mailing equipment/systems and maintenance
- k. Scientific equipment and maintenance