



IT Investment Process

Module 7 – Commit/Launch

May, 2003



Approved Preliminary Project Evaluation and/or Approved Project Justification

Proj Team

Create Updated Project Justification Documents

Create / Agree on Statement of Work, if applicable.

Send Updated Project Justification Documents and applicable Statement of Work to CIO Office

CIO

Significant Variances?

no

yes

Go to Opportunity Scoring (Approve and Prioritize Diagram)

Execute Workplan (Deliver the Project)



MODULE 7 – Commit/Launch

Description

This module discusses the documents created in the Commit/Launch stage: The Refined Work Plan, Updated Cost-Benefit Analysis, Updated Risk and Severity Level Analysis and the Organization Chart.

Participants will become familiar with these forms and learn how to complete them. This module discusses the submission and review process for these documents. Finally, participants will learn about the Statement of Work, when to create it and what information is required.

Note, that completion of some of these forms may have been waived by the CIO in the prior (Approval) stage and are no longer required in the Commit/Launch stage.

Module Topics

- Topic 7.1: Developing a Refined Work Plan, Updated Cost-Benefit Analysis, Updated Risk and Severity Level Analysis, and Organization Chart.
- Topic 7.2: Review of Project Planning Deliverables
- Topic 7.3: Creating the Statement of Work

Target Skills

Upon completion of this module, you will be able to:

- Develop Commit/Launch Components: Refined Work Plan, Updated Cost-Benefit Analysis, Updated Risk and Severity Level Analysis, and Organization Chart.
- Describe the Process of Reviewing the Commit/Launch Components;
- Create the Statement of Work.

Module Tools

- Commit/Launch Responsibility Flow
- Statement of Work



Topic 7.1

Developing a Refined Work Plan, Updated Cost-Benefit Analysis, Updated Risk and Severity Level Analysis and Organization Chart

The Commit/Launch stage marks the start of system development and resource commitment internally or contractually when projects are being outsourced. During this stage, questions to be answered include:

- Have we found the appropriate resources to do the job?
- Does the Cost Benefit analysis for the selected solution still show sufficient value to DWD?
- Are the terms and conditions of the engagement sufficient to mitigate the risk/make the project successful?
- Are we clear on the project's deliverables?

The Project Team revises the Project Work Plan to become the Refined Work Plan, by including the additional detail: additional tasks, responsible resources and the hours associated with each additional task.

The Project Team also updates the Cost Benefit Analysis if there is new information or assumptions in the original CBA have changed.

Although the CBA may be waived, it may be in the Project Manager's best interests to update these documents and create a new baseline when significant changes occur. The success of the project will be measured against the most recent baseline. Changes to budget, resources and/or project scope that are not included in a new baseline may adversely impact the evaluation of the project's success.

The Risk and Severity Level Determination is also updated if new project risks are identified or there are significant changes to the known risks.



The Organization Chart is a graphical representation of how the project is organized. If already created as part of the Project Charter, only updates need to be captured in the Commit/Launch stage.

Topic 7.2

Review of Project Planning Deliverables

The CIO Office must be notified when there is a significant variance from the Project Justification documents.

What is a significant variance?

For the Refined Work Plan, a significant variance is:

- The **total** work hours have increased by 10%. Note, that while individual tasks and estimates may change, only the variance in total hour's variance raises a concern.
- A mandated implementation date will not be met
- The expected delivery date of any major phase or major deliverable will not be met.
- A non-mandated implementation date will vary by one month.

For the Updated Cost Benefit Analysis, a significant variance is:

- An updated NPV that no longer shows a positive outcome.
- A positive NPV that increases or decreases by 10%
- Other significant costs or benefit changes. Significant is based on the Project Manager's and/or Project Sponsor's judgment.

For the Updated Risk and Severity Analysis, a significant variance is:

- The new risk and severity assessment moves the project on the Risk and Severity grid to a higher review level
- Other significant changes to the risk mitigation strategies or timeline. Significant is based on the Project Manager and/or Project Sponsor's judgment.

The Refined Work Plan, Updated Cost Benefit Analysis, or the Updated Risk and Severity Analysis need to be forwarded to the CIO Office, if there is a significant variance from the original plan or analyses that would cause a change to the baseline.

Update the attachments or link on ITPP for the revised



documents and alert the CIO Office (via email) that adjustments have been made.

Topic 7.3

Creating the Statement of Work

The Statement of Work builds upon the project charter with additional detail. The Statement of Work is developed from the updated project justification documents. For smaller projects, or those projects where the Statement of Work that does not significantly change the Project Charter, the Project Charter be used as a substitute for the Statement of Work.

The Project Sponsor, along with the Legal and Procurement staff, develops the Contract for Services if the project is to be outsourced.

Once these documents are complete, project delivery begins.

END OF MODULE 7.

CONTINUE to Module 8.

Commit/Launch Stage Cover Sheet-Statement of Work

Description	The Statement of Work is developed based on the Refined Work Plan. It is an internal agreement between the customer and the party developing the system (BITS or an outside vendor) to provide services related to the project. This agreement clearly defines roles and responsibilities pertaining to the delivery of the solution. Both parties, prior to taking any action, should agree on any changes to the project scope, budget, timeframe or resources outlined in the Statement of Work. This is a preventative measure and ensures that expectations are clear regarding what will be delivered. If an outside vendor has been awarded work for the project, there will be two Statements of Work-one for the outside vendor and one for the BITS team who will manage the vendor and participate in project delivery.
Timeframe	The Statement of Work should be developed before the party developing the system begins the work.
Owner	The Project Team and Party developing the system
Reviewer	Project Manager, ITSC
Inputs	N/A