

DAS IT Procurement Kaizen Event Executive Summary
April 2009

Purpose: The purpose of the IT Procurement Kaizen event was to improve predictability, accountability, and satisfaction for customers; to create a more standardized and streamlined process for IT procurement activities, and to form a basis for performance measurement and reporting. Consequently, due to Governor Strickland's order "Advantage Ohio" to ensure that the Administration's strategic objectives and state's business interests with regard to risk, cost, and performance are met, the success of this project was critical.

Scope: The scope of the Kaizen event project started with the initial contact by an Agency to DAS for an "IT procurement" request (does not matter the type) and the end of the project scope was the approval of an IT release and permit.

Outcomes: The results of the initial week included a new process with significantly reduced steps, decisions and hand-offs. Due to the new streamlined process, the team has potentially reduced lead time from 207 business days to a maximum of 106 business days. The team has also included more planning up front for alignment with agency strategic sourcing and IT plans, the creation of customized agency RFP training, a virtual collaboration tool to be used by DAS and its customers all which will reduce hand-offs internally and excessive delays to DAS customers. A strategy was also developed to address the current pipeline of projects to transition them to the new process. The new process also includes the formal incorporation of a customer feedback/survey tool to capture information to continuously improve the IT procurement process.

Additional Day: Next, the group reconvened for one day to allow them to finish the design of the new process to incorporate all the aspects of Advantage Ohio including: 1) a single DAS face to agency customers from "cradle to grave" for a project, and 2) cost containment techniques throughout the new process. The new process now includes a single DAS representative provided by OIT to shepherd (Project Lead) the project through the various DAS functions including consolidated services utilization, state printing, OBG and OAKS component utilization, privacy and security controls, spending controls, and sourcing throughout the project's life ensuring that all the various DAS components and activities fit together as a comprehensive working whole. Additionally, thirteen (13) touch points were identified to ensure that both procurement and OIT functional areas were working in a collaborative environment.

A 30/60/90 day game plan was determined by the team for implementation and follow up meetings will be scheduled to ensure the success and adoption of the new process.

Implementation Plan for the First 30 Days

1. OIT Analyst "project lead" on all projects – current work in process will be reassigned to incorporate this new model for projects in Planning & Development Phases
2. RFP/RFQ Criteria Plan roll out
 - a. Identify and get approval of criteria for determination if a project is an RFP or an RFQ
 - b. Apply standards to current work in process to expedite work loads
 - c. Reassign projects based on this criteria for workload leveling
3. Training & Boot Camp plan roll out
4. Build Agency orientation checklist
5. Develop "master RFP check list" supplements
6. Collaboration Tool product researched, plan developed, implemented w/in 30 days
7. Develop overall contact list for OIT/GSD for customers
8. Determine Release & Permit thresholds/criteria/approval levels for analysts
9. Document the new process to pilot it with a new RFP by an agency
10. Create detailed list of what "final Document" involves
11. Finalize last page of new process for "negotiation" touch points with OIT/GSD
12. Pilot new process with existing projects and new projects

Quantitative Results

Measure	Before	Target	After	Difference %
# of Steps	123	50% decrease	Upfront: 17 During: 39 *includes 13 touch points	55% decrease
# of Decisions	25	50% decrease	Upfront: 7 During: 2	64% decrease

# of Handoffs	73	50% decrease	20 *includes 13 touch points	73% decrease
Process Lead Time	207	103	Est. 84-106 business days	49% decrease

DAS IT Procurement Then and Now

Old Process Challenges	New Process Improvements
<ul style="list-style-type: none"> • Excessive administrative approval to release RFP • Unnecessary transitions • Need for Subject Matter Expert (SME) RFP development early in development process • Allow specific Release and Permit (R&P) types to proceed without approvals or with auto approval • To many RFP conferences only needed for walk-thru • Unable to get in front of the agency earlier – right people at the right time • Sourcing staff does not participate in upfront agency IT planning meetings • Very few checklists to assist agencies • Governance process not always done prior to the beginning of the RFP process • Reduce the number of people involved in the process for R&P sign-offs • R&Ps not bundled based on sourcing plan • Lack of coordination of correct agency information flow within OIT • To many supervisor touch points – analyst do not have decision making ability • Flow and access to information for everyone not available –working in silos • Lack of training kit for all parties – website to share info • Need to automate R&P entry for RFP (CSP) • Lack of accountability throughout the process 	<ul style="list-style-type: none"> • Added a project specific sourcing strategy component as part of the upfront investment planning process • Has a single DAS representative provided by OIT shepherd a project (Project Lead) through the various DAS functions including consolidated services utilization, state printing, OBG and OAKS component utilization, privacy and security controls, spending controls, and sourcing throughout the project's life ensuring that all the various DAS components and activities fit together as a comprehensive working whole and that the customer has a single point of contact throughout; • The state CIO is accountable for ensuring the various DAS elements of a customer agency's project fit together as a comprehensive working whole • Process changed to include the single DAS representative is now also responsible for the substance of the Q&A and evaluation based upon the cradle to grave Project Lead methodology • Added 13 new sourcing touch points to mitigate risks of legal, business, and cost along the project lifecycle • This is a proactive approach • Facilitates communication between the agency and DAS • Expedites the R&P process for certain types of procurements • Actively mitigating risks before they happen • Greatly improved sourcing document • The up front work helps to identify risks and 'problem projects' • Helps the agencies to provide more information in the planning process • Helps to manage work levels and staffing assignments • Cuts down on "cancelled projects" • Improved communication with collaboration tool • Check list development and being able to have a methodology for soliciting information from the agencies • Customer feedback process will allow us to continue to improve our processes