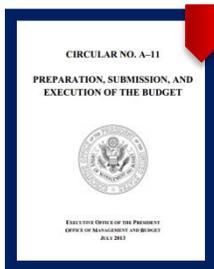


9 Leading Practices for Exhibit 300 Business Case Success

With growing pressure to justify spending, Exhibit 300 business cases must be clear and substantiated. Submitting a successful Exhibit 300 business case to defend an agency’s budget request can be tedious and very challenging. However, with the right approach, the Capital Planning and Investment Control (CPIC) process can be a powerful investment decision making tool and not just another “check the box” reporting exercise. OMB provides a thorough outline for what’s expected in business case submissions per Circular A-11. However, each Department is expected to create its own approach for how information is ultimately prepared for the Exhibit 300. Having supported numerous agency CPIC processes we have identified several key success factors. We tailor our approach specific to each customer, but these are the top 9 applicable success factors that ensure CPIC success. Using a process driven approach, tailored to the unique requirements of our client’s organization, we create IT management frameworks that positively impact CPIC and IT management processes.



1. Thoroughly understand OMB’s requirements

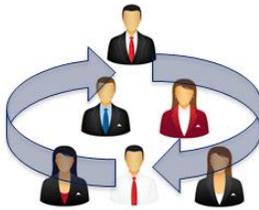
Know where you are going. OMB prepares an update to the budget submission guidance (A-11) each year. This update must be fully understood in order to meet the prescribed requirements. For instance, the 2013 guidance required agencies to quantify and describe the investment’s Return on Investment (ROI). Since OMB does not require investment information on Enterprise Architecture (EA), each Department must set governance and procedures for managing the EA. Generally, governing bodies, such as an EA Review Board are established to perform these functions and each should be evaluated to determine new enhancements.

2. Clear set of milestones and checkpoints

Measure for success. Every successful project must be monitored and reviewed periodically. Defining a specific set of milestones will allow everyone involved to have a clear understanding of the deadlines. Through the use of checkpoints, evaluating progress towards defined milestones will allow opportunities to course correct. We recommend implementing a preliminary scoring checkpoint to self-score each business case. Present your results to the PM and leadership for determining the priorities and remaining level of effort.



3. Leadership sponsorship and oversight



Priorities come from the top. Work with your leadership to make sure there is emphasis in preparing a quality business case. Leadership needs to be engaged throughout the process at specific checkpoints and be briefed on progress, quality, and risks to the agency. Engaging leadership will enable them to be informed about the agency’s investment portfolio health. When problems occur this will help drive PM and stakeholder engagement- which is a ubiquitous challenge when submitting business cases.

4. Active program manager engagement

Without a captain you will be lost at sea. The Program Manager is ultimately accountable for the information submitted to OMB. They must actively participate in the submissions process. Delegating specific sections to subject matter experts is preferred, but the PM must be accountable for reviewing the information periodically. Most importantly, the PM must dedicate time to prepare the strongest business case message possible. Prepare a gap analysis highlighting new OMB and Departmental requirements to help communicate what needs to get done. We recommend providing one-on-one coaching to PMs and their teams to maximize the chances for preparing a successful business case.

Building on the foundation of the IT Dashboard and TechStat Review outlined in the “25 Point Plan for IT Reform”, agencies should consider how any one of these 9 keys to success can enhance their organization’s transparency and portfolio management practices.

5. Assign a set of dedicated Subject Matter Experts (SME)

Delegate to the experts. Delegating specific sections of the business case to the appropriate experts will greatly increase the likelihood of success. Using SMEs for one or more sections of the business case will drive efficiency, consistency, and quality. This will also ensure a homogenous set of business cases across the agency. For example, delegate the Security and Privacy components to the investment’s Information Security Officer and Privacy POC to ensure that accurate agency information is consistently communicated within each investment. We recommend cross-checking all sections with a senior CPIC SME who can validate the responses with OMB and Departmental guidance.

6. Implement a methodical process



Standardizing enables more consistent results. Create structured processes to ensure each milestone, checkpoint, document, and review gate are captured in a logical and realistic manner. This will help drive quality, efficiency, and maximize productivity while minimizing the burden on the program manager and their team. Processes should begin with an assessment phase to reflect on the last submission and current year’s requirements. We have created a process that breaks the business case into sequential phases for fluidity and parallel processing, making it plug-and-play for any agency.

7. Deploy an Integrated Project Team (IPT)



Why have three meetings, when you can have one. Create a mechanism for the CIO, CFO, and CAE teams to collaboratively review business case information and streamline the business case process. Include all relevant decision makers to incorporate the agency’s message and reduce approval times. Each organization has a specific focal-point and the IPT will keep everyone on the same page as updates are made. In the event of any discord, corrective action plans can be discussed and agreed upon instantaneously. Recently, agencies have struggled with defining performance metrics that accurately reflect true program performance. Using the IPT can enable agency collaboration on a consistent set of indicators that do not jeopardize the integrity or confidentiality of the investment. Form an IPT to enable big picture decisions to be determined at the leadership level and accurately integrated into each business case.

The FY14 budget will ensure continued progress towards our three priority goals of improving services for the American people, increasing the return on our investment in Federal IT, and advancing our nation’s cybersecurity. We must use information technology to innovate, deliver, and protect.¹

- Steven VanRoekel, U.S. Chief Information Officer, Office of Management & Budget

These keys to success can help agencies:

- Implement effective and efficient budget formulations
- Integrate standardized exchange of financial data
- Provide capabilities to better analyze and execute budgets
- Align programs and outputs with budgets and costs
- Offer year-round coordination and communication

8. Consistent tools and techniques

Great tools are the catalyst of business evolution. A set of business tools, templates, checklists, and reports will streamline the collection and validation of updates to the business case. Developing a suite of products in conjunction with a methodical process (#6) will significantly increase data validity, efficiency and repeatable results throughout the year and not just in the last few months. The goal is to implement flexible tools and techniques that can be changed based on new requirements and priorities. Develop a Corrective Action Plan for each business case to track the needed updates, the progress of the update, and the actual update- providing a complete story of the business case for that year.

9. Dashboards and tactical information systems



Visibility drives quality. Most Government agencies use one of two systems for transmitting their business case information to OMB. These systems are effective for what their designed to do, but neither provides a robust set of functions that support daily investment management activities. The real value in capital planning support is to synthesize the investment data to enable actionable decisions. By crafting dynamic dashboards, automated systems, business intelligence, and real-time access to information, agencies are better equipped to make investment decisions and better prepared to respond to Departmental inquiries, GAO Reports, OIG Audits, and Questions for the Record (QFR).

To learn more how we have applied these techniques and other lessons learned please contact us for a free consultation.

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¹ <https://cio.gov/the-fy14-presidents-it-budget-innovate-deliver-protect>



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