April 14, 2020

The Honorable Ronald D. Kouchi,
  President, and
  Members of The Senate
Thirtieth State Legislature
Hawaii State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Scott K. Saiki,
  Speaker, and
  Members of The House of Representatives
Thirtieth State Legislature
Hawaii State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

Pursuant to HRS section 27-43.6, which requires the Chief Information Officer to submit applicable independent verification and validation (IV&V) reports to the Legislature within ten days of receiving the report, please find attached the IV&V report the Office of Enterprise Technology Services received for the State of Hawaii Department of Accounting and General Services' Time & Leave Project.

In accordance with HRS section 93-16, this report may be viewed electronically at http://ets.hawaii.gov (see "Reports").

Sincerely,

Douglas Murdock (Apr 14, 2020)

DOUGLAS MURDOCK
Chief Information Officer
State of Hawai'i

Attachment (2)

Time & Leave Project
Phase II of the HawaiiPay project

Department of Accounting and General Services (DAGS)
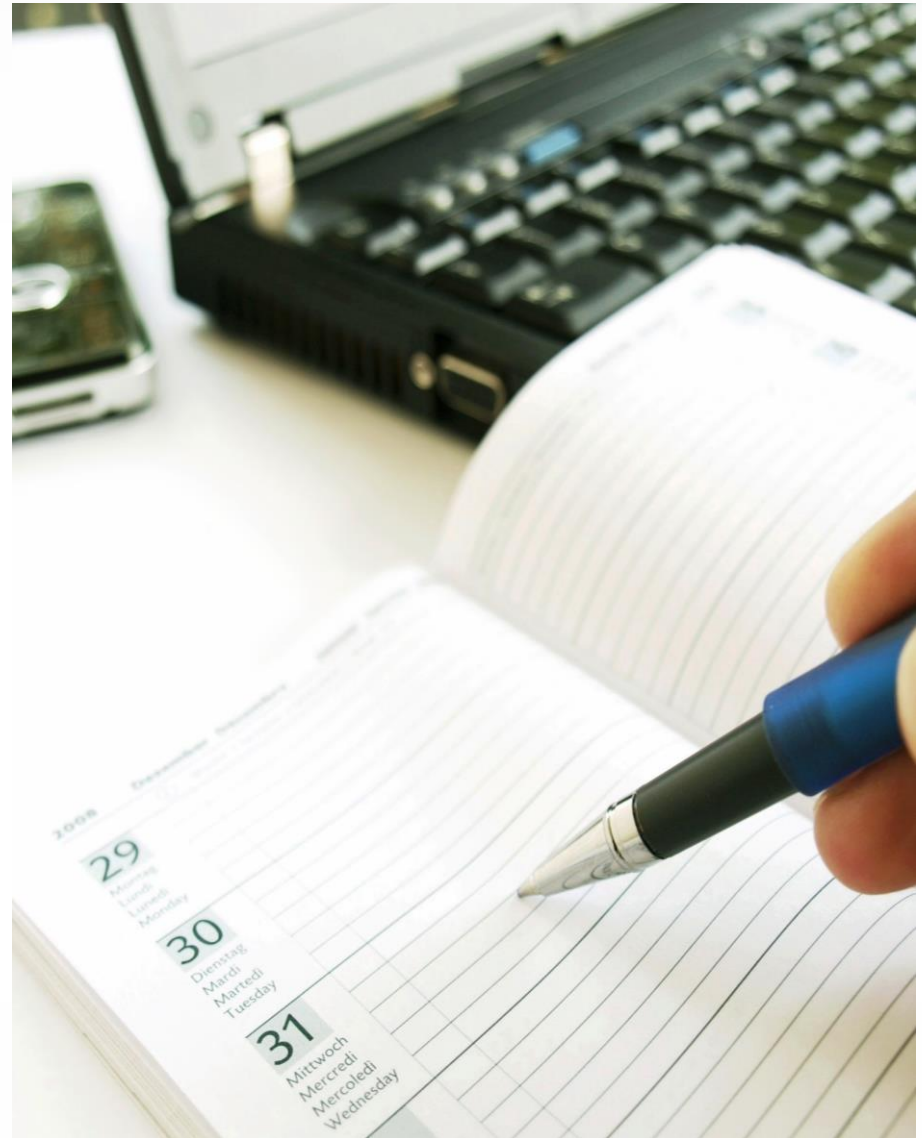
IV&V Monthly Status Report – **FINAL**

For Reporting Period: **February 1 – 29, 2020**

Draft Submitted: February 25, 2020

Final Submitted: March 31, 2020

PUBLIC CONSULTING GROUP

Solutions that Matter

Overview

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- IV&V Findings and Recommendations
- IV&V Status
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Executive Summary

The project team appears to be building a strong momentum towards Group 1 go-live as they begin payroll validation testing. Productivity of the projects new team members continue to progress and appear to have reduced the previously reported risk of overreliance on key individuals. Further, the previously reported risks around the loss of a key project resource are being mitigated due to stepped up efforts by once junior analysts who are now driving many aspects of system design and testing.

With the recognition of the added complexity of the state's diverse user population, the project has devoted additional resources to Organizational Change Management (OCM) planning and preparations for an extensive communications effort. IV&V remains concerned with central operations groups communication challenges, the complexity of CBA rules, TL configuration impacts to payroll, and the lack of an effective operations management plan for Payroll and post go-live TL support.

	Category	IV&V Observations
M	Human Resources Management	The four additional resources onboarded in a previous reporting period appear to be productive and making meaningful contributions to the project. With these additions, the project appears to be reducing their overreliance on key individuals. For example, the project PM has reportedly been able to offload some labor-intensive (non-PM) responsibilities to new project team members and can now better focus on PM activities. IV&V has also noted that some resources have shown a marked increase in business analysis capabilities, taken on leadership roles, and are now driving many aspects of system design and testing. As a result, mitigation of risks around the projects (previously reported) loss of a key project resource continue to progress.

Executive Summary (cont'd)

	Category	IV&V Observations
(M)	Knowledge Transfer	IV&V remains concerned that the project team continues to support the HIP Service Center and expects a significant increase in both the volume and nature of calls as TL go-live approaches. Efforts to stand up a fully staffed Payroll Operations Technical Support Office (TSO) appear to have stalled and planned TSO duties are currently being supported by a single Payroll Operations resource. The project team has increased staff and reassigned resources to focus on key project activities and has thus far been able to avoid significant impacts to the quality of deliverables and the project's schedule. However, IV&V remains concerned that unexpected workloads may continue to unnecessarily burden the TL project team.
(M)	Operational Readiness	The project noted that an extension of the current HIP Service Center contract should be in place prior to the go-live for TL Group 1 departments. However, IV&V remains concerned that in the absence of a fully integrated Help Desk, the additional volume and varying nature of the Time and Leave related issues may add unnecessary delays in resolving Time and Leave issues. Readiness activities for Group 1 deployment are progressing as expected, all Group 1 readiness checklist action items are now complete.
(L)	Organizational Change Management	IV&V noted that the project recognizes the added complexity of deploying the Time and Leave functionality to the State's diverse employee population. Therefore the project has recently stepped up OCM efforts and has formulated what they are calling their "marketing team", who've been tasked with driving OCM communication and other activities. A number of communiques, specific to each employee type are being prepared and are expected to be sent out during the next reporting period. These communications may help to reduce employee concerns regarding the complexity of online timesheets and updated business process related to Time and Leave. As reported previously, the project continues to work through the complexity and/or ambiguity of some union rules that has led to rules being applied inconsistently by the departments. The project continues to assist the departments with clarifying, standardizing, and consistent application of these rules. IV&V remains concerned with the OCM risks around some changes that could create confusion and complaints at go-live.

Executive Summary (cont'd)

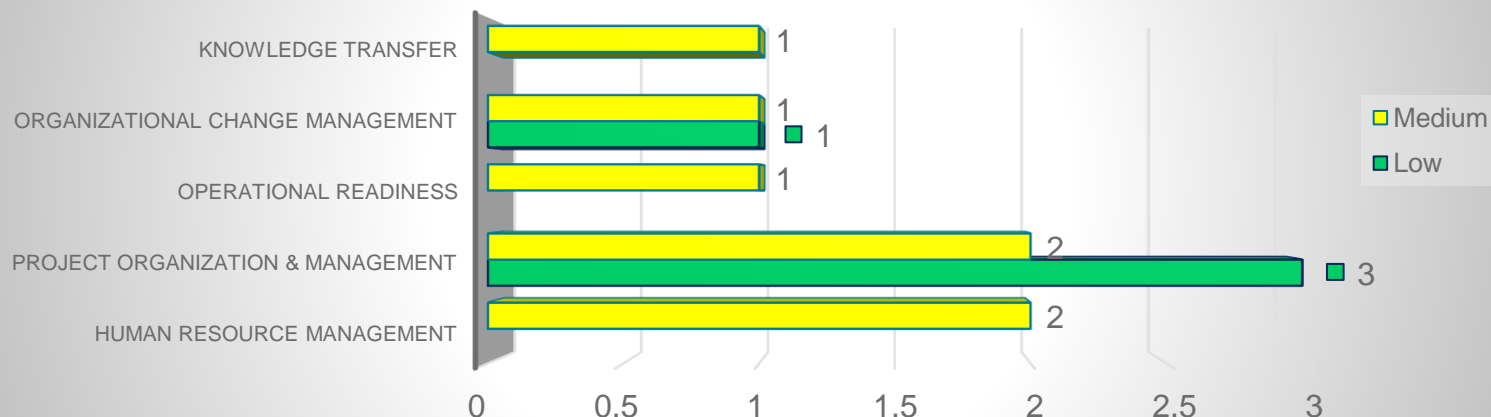|	Category	IV&V Observations
L	Project Management and Organization	Project executive leadership continues to make efforts to solidify department TL opt-out decisions so the project team can focus their efforts on departments that have confirmed their participation in the TL project. The project has reported additional productive collaborative sessions with DHRD to resolve outstanding project issues and the Payroll Operations Group liaison for project communication continues to be productive. However, some project communication challenges between the project and central operations groups continue to go unresolved. Though the project has thus far been able to work past these challenges to obtain critical information and avoid hindering project progress, IV&V remains concerned that these communication challenges could at some point have a significant negative impact to the project.
L	Quality Management	The project has completed the first cycle of Payroll Validation testing and has reported that approximately 82% of the Group 1 population was tested and 95% of the tested population paychecks matched to the penny. IV&V is working to validate these results but noted that this is both statistically significant and an extremely positive step in ensuring the accuracy of the Time and Leave system configuration as well as the Payroll changes. Additionally, the project reported that there are only a small number of critical issues left to resolve. These issues must be resolved prior to executing the second cycle of Payroll Validation testing.

IV&V Findings and Recommendations

IV&V has identified 12 findings (1 preliminary concerns, 10 risks, and 1 issue). Of the open risks/issues, 5 are related to Project Management. The following charts breakdown the risks by type and category/priority.

Findings by Type

- Preliminary Concern
- Risk
- Issue

1, 8%
1, 9%
10, 83%

Open Risks/Issues by Category/Priority

- KNOWLEDGE TRANSFER — 1
- ORGANIZATIONAL CHANGE MANAGEMENT — 1, 1
- OPERATIONAL READINESS — 1
- PROJECT ORGANIZATION & MANAGEMENT — 2, 3
- HUMAN RESOURCE MANAGEMENT — 2

- Medium
- Low

0   0.5   1   1.5   2   2.5   3

IV&V Findings and Recommendations (cont'd)

Summary of IV&V Open Risks/Issues Criticality

Category		Finding Title	Criticality
Human Resource Management	Risk	**5 - Over reliance on a few skilled and overtaxed project resources could lead to significant project disruption in the event of their departure**	Medium
	Risk	**6 - Lack of dedicated leads filling key roles could impact the effectiveness of the project team and reduce quality of deliverables**	Medium
Knowledge Transfer	Risk	**4- Payroll production support dependence on key Time and Leave Resources**	Medium
Operational Readiness	Risk	**8 - Detailed processes to integrate Time & Leave Maintenance and Operations support with production Payroll support not finalized**	Medium
Organizational Change Management	Risk	**17 - Non-intuitive user interface could reduce user adoption and satisfaction and lead to user error and frustration at go-live.**	Low
	Risk	**18 - Complexity of communications to end-users could lead to confusion at go-live and overwhelm the help desk.**	Medium
Project Organization & Management	Risk	**9 - Unexpected collective bargaining or legislative changes could lead to unanticipated demands on the project and increased scope**	Low
	Risk	**11 - Collective Bargaining Agreements complexity could prove problematic and lead to project delays and result in an overly complex system that may be difficult to support**	Low
	Issue	**13 - Departments choosing not to participate in the TL project could lead to unnecessary costs to the state as well as project team wasting valuable time to onboard departments who eventually decide to opt-out**	Medium
	Risk	**14 - Communications between the project and central operations groups (primarily HR and Payroll Operations) can be ineffectual which could lead to project delays and cost overruns**	Medium
	Risk	**15 - Key project risks and issues management and escalation processes may not be effective which may result in negative impact to project goals**	Low
Quality Management	Preliminary Concern	**12 - Potential lack of consideration for unexpected or unintended impacts on payroll functionality when making T&L design decisions or configurations, could necessitate rework of T&L designs and/or impact payroll quality**	n/a

IV&V Findings and Recommendations (cont'd)

Human Resource Management (M)

#	Key Findings	Criticality Rating
5	**Risk - Over reliance on a few skilled project resources could lead to significant project disruption in the event of their departure:** There are currently 3-4 individuals who are relied on more than others. Over reliance on key resources can not only overtax and thereby reduce the effectiveness of these key individuals, but also presents a risk of significant project disruption in the event of their departure. Resource losses from the Phase I team have not been backfilled and include the loss of the OCM manager and the SI project manager role; their responsibilities have been transferred to existing team members who appear to be at capacity. While most projects have this risk, the risk impact for this project, from IV&V's perspective, is higher than most, and while the project could be impacted by the loss of several key individuals, there are 3-4 individuals who would create more significant project disruption than others.	Medium
6	**Risk - Lack of dedicated leads filling key roles could impact the effectiveness of the project team and reduce quality of deliverables:** The project does not have single, designated management leads for key areas such as OCM, Project Management, Training, and Testing. Current designated leads manage multiple Time and Leave functional areas, act as mentors for several departments, and have the added burden of supporting Phase 1 M&O. The SI and project team have agreed to go without an SI project manager which could put an additional strain on the state PM.	Medium

IV&V Findings and Recommendations (cont'd)

Human Resource Management (cont'd) **M**

Recommendations	Progress
• DAGS leadership work quickly to assist payroll operations to resolve resource challenges.	In progress
• Work quickly to increase state resources.	In progress
• Create and utilize a resource management plan to assure planful, instead of reactive, addition and management of resources. Assure the plan reflects an understanding of how many people are needed, and in which roles, to accomplish various tasks. Plan should address movement of resources as project transitions to different phases (e.g. moving from DD&I to M&O).	Not started

IV&V Findings and Recommendations (cont'd)

Knowledge Transfer (M)

#	Key Findings	Criticality Rating
4	**Risk - Payroll production support dependence on key Time and Leave Resources:** The concurrent DDI (Design Development & Integration) and production maintenance and operations (M&O) support activities are heavily reliant on key Time and Leave resources which may degrade their quality of work and/or cause resources to be unavailable to the Time and Leave project during critical times due to demands from Payroll support. Key project Time and Leave team members remain significantly involved in providing M&O support for the Payroll solution. At least one key team member reports spending 60% of their time providing help desk support to Payroll.	Medium

Recommendations	Progress
• Develop and implement a transition plan to allow the Time and Leave key resources to share their knowledge while significantly reducing the time spent on providing Payroll support.	In progress
• Accelerate efforts to create and operationalize the Payroll Operations Technical Support Office (TSO) so that the project team can focus on TL project activities and ensure the TSO is ready to effectively support TL users before Group 1 go-live.	In progress

IV&V Findings and Recommendations (cont'd)

Operational Readiness (M)

#	Key Findings	Criticality Rating
8	**Risk - Detailed processes to integrate Time and Leave M&O support with production Payroll support not finalized:** A strategy to integrate Time and Leave M&O with the ongoing Payroll M&O, then transition support of both solutions to DAGS operations, is not yet available. The lack of a documented process to integrate Time and Leave M&O support with Payroll production support may cause unnecessary risk at Time and Leave Phase 1 go live. Changes to the current Help Desk support vendor were planned but stopped prior to execution. The lack of an executable strategy indicates the strategy should be re-evaluated. IV&V has also logged a related risk (#4) that Time and Leave resources are spending more time than planned with Payroll service M&O support activities.	Medium

Recommendations	Progress
• Develop and implement a long-term strategy for providing effective, integrated ongoing M&O support for both Time and Leave and Payroll solutions. This strategy should ensure that there are sufficient capabilities and capacity to provide the required support without drawing on resources already allocated to other projects.	In progress

IV&V Findings and Recommendations (cont'd)

Organizational Change Management L

#	Key Findings	Criticality Rating
17	**Risk - Non-intuitive user interface could reduce user adoption and satisfaction and lead to user error and frustration at go-live:** The project has elected to minimize PeopleSoft (PS) customizations in order to increase long-term system maintainability (ease system upgrades and system maintenance). However, some out-of-the-box (OOTB) PeopleSoft user interfaces and functionality are non-intuitive. While minimizing PS customizations will help mitigate system complexity and other M&O risks, it can negatively impact user adoption, training, OCM level of effort and effectiveness, help desk call volume, and system usability.	Low
18	**Risk - Complexity of communications to end-users could lead to confusion at go-live and overwhelm the help desk:** The project has identified a significant number of different user groups to prepare separate communications for pre-go-live. Each user group will have different instructions for how they will prepare for and interact with the new and old payroll and TL system. For example, Group 1 users, non-Group 1 users, Single Sign On (SSO) users, and non-SSO users. Each user group combination may require unique communications, system preparation and go-live instructions. Communications to this many groups could lead to confusion pre- and post-go-live especially if they interact with other employees in different groups who have different instructions. Failure to effectively control these communications could lead to user confusion, reduced user buy-in, increased help desk calls, and negative public perceptions of the project ("bad press").	Medium

IV&V Findings and Recommendations (cont'd)

Organizational Change Management L

Recommendations	Progress
• Develop a plan for identifying the most challenging UI components and for implementing customizations to address these on a limited basis.	In progress
• Update the OCM strategy and plan to address challenging user interfaces that includes milestones/gates that get early user feedback to ensure they understand the complex elements of the system.	In progress
• Prepare a fully vetted communication plan for communications to the various user groups and begin early communications.	In progress

IV&V Findings and Recommendations (cont'd)

Project Management & Organization (L)

#	Key Findings	Criticality Rating
9	**Risk** - **Unexpected collective bargaining or legislative changes could lead to unanticipated demands on the project and increased scope**: The State Legislature and Unions may make laws or change Collective Bargaining Agreements (CBA) that could require significant system changes thereby disrupting the project's progress, activities, schedule, and/or budget. These changes to SOH processes could be decided without consideration of impact to the project or providing the project time to react to such changes.	Low
11	**Risk** - **Collective Bargaining Agreements (Union time/leave rules) complexity could prove problematic and lead to project delays and result in an overly complex system that may be difficult to support**: IV&V observations of CBA-related planning activities indicate that implementation and long-term support of an extensive set of complex rules could prove to be difficult to implement and manage/support long-term. Inconsistent rule interpretation could lead to extensive OCM efforts and some departments may struggle to adopt clarified CBA rules and require the project to initiate extensive OCM efforts to assure departmental adoption of clarified rules implemented in the new system are feasible and are managed effectively.	Low
13	**Issue** - **Departments choosing not to participate in the TL project could lead to unnecessary costs to the state as well as project team wasting valuable time to onboard departments who eventually decide to opt-out**: If any department chooses to opt-out of the TL project, DAGS must continue support of the gross pay input system (ePCS) that was planned for decommission. IV&V is not aware of budgets, resources, or plans to continue ePCS support beyond TL project completion. Further, departments could initially decide to participate in TL and the project team could expend significant resources preparing for and implementing department specific features only to find out that they will opt-out.	Medium

IV&V Findings and Recommendations (cont'd)

Project Management & Organization (cont'd) Ⓛ

#	Key Findings	Criticality Rating
14	**Risk** - **Communications between the project and central operations groups (primarily HR and Payroll Operations) can be ineffectual which could lead to project delays and cost overruns**: IV&V has observed and has also been informed of communication challenges between the Project Team and central operations groups. IV&V was also informed that some business operation plans relevant to the project are not immediately being shared with the project team. Some business operations teams have stated their capacity is constrained due to lack of sufficient resources as well as challenges in filling open positions. However, even simple or basic project communications appear to go unanswered.	Medium
15	**Risk** - **Key project risks and issues management and escalation processes may not be effective which may result in negative impact to project goals**: Some risks and issues currently tracked in the RIOD process may not be actively worked or reported on. For example, the project is currently tracking several risks owned by payroll operations that show little to no progress. The lack of progress may unnecessarily cause a risk to be realized and triggered into an issue that could have lasting negative impacts to the project, when it could have been avoided.	Low

IV&V Findings and Recommendations (cont'd)

Project Management & Organization (cont'd) (L)

Recommendations	Progress
• Continue early efforts to document and track CBA rules (and union discussion topics) that may need clarification for departments.	In progress
• Closely monitor legislative and union actions and/or initiatives that could impact the project and provide them feedback as needed to ensure informed decisions and clear understanding of impacts to payroll and the time and leave project.	In progress
• Partner with Unions to clarify CBA rules so that in the end union objectives are met wherever possible within the scope of the Time and Leave project.	In progress
• Initiate early and often discussions with Unions for rule clarifications and general understanding and agreements on how CBA rules will be implemented.	In progress
• Work closely with departments that are unsure of their TL participation to assist with readiness and collaborate to remove any blocks to their full participation.	In progress
• Develop contingency plans for the possibility that some departments may not participate in TL.	In progress
• Work with executive leadership and business operations groups to address the root cause of these communication challenges and prepare a plan/strategy for corrective action.	In progress
• Establish a clear and detailed risk management plan for escalating risks and issues and follow defined escalation steps for risks/issues that are not actively being worked.	In progress

IV&V Findings and Recommendations (cont'd)

Quality Management   **L**

#	Key Findings	Criticality Rating
12	**Risk – Potential lack of consideration for unexpected or unintended impacts on payroll functionality when making T&L design decisions or configurations, could necessitate rework of T&L designs and/or impact Payroll quality:** If not adequately planned for and tested, system and configuration changes required to deliver the Time and Leave functionality may include unexpected impacts to the current Payroll solution. It is unclear how the changes will be managed and what level of regression testing is planned.	Medium

Recommendations	Progress
• Define and document the regression testing plan to ensure that any Time and Leave changes do not have an unexpected negative impact on production Payroll functionality.	In progress
• Assure Time and Leave design and configuration includes consideration for impacts on Payroll, prior to implementing the design or configuration. This may be accomplished, in part, using an effective and integrated configuration management plan.	In progress

IV&V Status

- **IV&V activities performed during the reporting period:**

  - Attended Scrums

  - Attended PCAB meeting

  - Attended RIO-D meetings

  - Attended Department Mentor Sessions

  - Attended project Mentor team meetings

  - Led Project Team Risk Review sessions

  - Attended Conference Room Pilots

  - Lead Monthly Status Report review session

- **IV&V next steps in the coming reporting period:**

  - Attend key project meetings

  - Interview key department stakeholders

  - Deliver IV&V Monthly Status Report

Appendix A – IV&V Criticality Ratings

This appendix provides the details of each finding and recommendation identified by IV&V. Project stakeholders are encouraged to review the findings and recommendations log details as needed.

See definitions of Criticality Ratings below:

Criticality Rating	Definition
H	A high rating is assigned if there is a possibility of substantial impact to product quality, scope, cost, or schedule. A major disruption is likely and the consequences would be unacceptable. A different approach is required. Mitigation strategies should be evaluated and acted upon immediately.
M	A medium rating is assigned if there is a possibility of moderate impact to product quality, scope, cost, or schedule. Some disruption is likely and a different approach may be required. Mitigation strategies should be implemented as soon as feasible.
L	A low rating is assigned if there is a possibility of slight impact to product quality, scope, cost, or schedule. Minimal disruption is likely and some oversight is most likely needed to ensure that the risk remains low. Mitigation strategies should be considered for implementation when possible.

Appendix B – IV&V Standard Inputs

To keep abreast of status throughout the Time & Leave project, IV&V regularly:

- **Attends the project meetings**
- **Reviews the project documentation**
- **Utilizes Eclipse IV&V® Base Standards and Checklists**

PCG Eclipse IVV Checklists

Appendix C – IV&V Details

- What is Independent Verification and Validation (IV&V)?
  - Oversight by an independent third party that assesses the project against industry standards to provide an unbiased view to stakeholders
  - The goal of IV&V is to help the State get the solution they want based on requirements and have it built according to best practices
  - IV&V helps improve design visibility and traceability and identifies (potential) problems early
  - IV&V objectively identifies risks and communicates to project leadership for risk management

- PCG IV&V Methodology
  - Consists of a 4-part process made up of the following areas:
    1. **Discovery** – Discovery consists of reviewing documentation, work products and deliverables, interviewing project team members, and determining applicable standards, best practices and tools
    2. **Research and Analysis** – Research and analysis is conducted in order to form an objective opinion.
    3. **Clarification** – Clarification from project team members is sought to ensure agreement and concurrence of facts between the State, the Vendor, and PCG.
    4. **Delivery of Findings** – Findings, observations, and risk assessments are documented in this monthly report and the accompanying Findings and Recommendations log. These documents are then shared with project leadership on both the State and Vendor side for them to consider and take appropriate action on.

Note: This report is a point-in-time document with findings accurate as of the last day in the reporting period.

Solutions that Matter

Id	Identified Date	Title / Summary	Finding Description	Analysis and Significance	Recommendation	Updates	Category	Type	Priority	Status	Risk Owner
4	8/31/2019	**Payroll production support dependence on key Time and Leave Resources**	The concurrent DDI and production (M&O) support activities are over burdening Key Time and Leave resources which may degrade quality of work and resources could be unavailable at critical times of the Time and Leave project.	As a matter of best practice when delivering a new service, the service needs to be fully sustainable and self-supporting. For instance, the commonly used Information Technology Information Library (ITIL) practices recommend that the service has a fully functional and staffed post go live support mechanism. This mechanism should not heavily rely on or unnecessarily burden resources or tools dedicated to other projects or services. Key project time and leave team members remain significantly involved in providing Maintenance and Operations (M&O) support for Payroll Phase 1 solution. At least one key team member reports spending 60% of their time providing help desk support to Payroll. This level of involvement may reduce the availability and degrade work quality of the Phase 2 Time and Leave resources.	• Develop and implement a transition plan to allow the Time and Leave key resources to share their knowledge while significantly reducing the time spent on providing Payroll support. • Accelerate efforts to create and operationalize the Payroll Operations Technical Support Office (TSO) so that the project team can focus on TL project activities and ensure the TSO is ready to effectively support TL users before Group 1 go-live.	02/29/2020 As reported previously, IV&V expects a significant increase in both the volume and nature of calls to the HIP Help Desk. In an attempt to address this, the project team has increased staff and reassigned resources to focus on key project activities while still responding to requests for assistance from the HIP Help Desk. IV&V remains concerned that this unexpected workload may continue to unnecessarily burden the TL project team, however, it has not affected the project's schedule or quality of deliverables. Efforts to stand up a fully staffed TSO appear to have stalled. TSO duties are currently being supported by a single Payroll Operations resource. 01/31/2020 DAGS operations is in the process of extending the current HawaiiPay Help Desk contract for an additional 180 days beyond the current contract expiration date. This will help to provide continuity for Help Desk staff as they take on additional support for the Time and Leave functionality. IV&V noted that the Help Desk is likely to see a significant increase in the number of support requests once the first group of Time and Leave departments go live. IV&V also noted that this likely increase in support requests may continue to burden Time and Leave project staff. Although, the Time and Leave staff have successfully compensated for this unexpected workload, the volume and type of support required for Time and Leave may not allow this to continue. 12/30/19 - The project has partnered with Payroll Operations to execute an informal plan for knowledge transfer and handover of payroll system duties from the project team to designated Payroll Operations points of contact. During the next reporting period, Central payroll is scheduled to start taking support calls and responding to user emails. This should result in the help desk expanding its support hours back to five days a week. A new process to escalate support issues has been put in place. However, significant challenges still exist related to the HawaiiPay help desk, as approximately 15,000 help desk requests were received between mid-October and mid-December 2019. The project noted that only half of these requests were addressed. The addition of staff, execution of formal knowledge transfer processes, and clear definition of responsibilities for Help Desk issues should help reduce the number of Help Desk issues not being resolved in the coming months. This should also help reduce the workload on the TL team which may allow them to focus on TL project objectives. 11/20/19 - The project no longer has contractor support for help desk and continues to rely on project team members, volunteers from other divisions, and the M&O SI. In order to reduce the impact to project team members, help desk operating hours have been reduced to 2 days a week	Knowledge Transfer	Risk	Medium	Open	Ken
5	8/31/2019	**Over reliance on a few skilled and overtaxed project resources could lead to significant project disruption**	There are currently 3-4 individuals who are relied on to a greater extent than others. Over reliance on key resources can not only overtax and thereby reduce the effectiveness of these key individuals, but also presents a risk of significant project disruption in the event of their departure. Resource losses from the Phase I team have not been backfilled and include the loss of the OCM manager and the SI project manager role; their responsibilities have been transferred to existing team members who already appear to be at capacity.	The project currently relies on a few talented, and dedicated resources in leadership roles to drive most project activities and, more importantly, drive project quality, as evidence by their keen attention to minute project activity details. While most projects have this risk, the risk impact for this project, from IV&V's perspective, is higher than most, and while the project could be impacted by the loss of several key individuals, there are 3-4 individuals who are relied on to a greater extent than others. Loss of these individuals could lead to significant project disruption. Over reliance on key resources can not only overtax and thereby reduce the effectiveness of these key individuals, but also presents a risk of significant project disruption in the event of their departure. Attempts by other DAGS divisions to lure project team resources away have been reported, however, most project team members have indicated they are committed to project completion. Failure to staff the project to sufficient levels, thereby stretching them beyond their capacity, can lead to lack of job satisfaction, decreased productivity, decrease in quality, and increases the probably they could make critical mistakes that could negatively impact the project.	• Work quickly to increase state project team resources. Consider re-allocation of responsibilities from key resources, where possible, to transition key resources to supervisory roles which would provide increased capacity for them to perform coaching and quality control, thereby increasing the overall project quality. As responsibilities are transitioned, team members taking on new responsibilities typically have a greater sense of motivation, project ownership and commitment. • Develop a initial KM strategy to help ensure project knowledge (tacit and otherwise) is not lost when staff leave the project or state employment. • Survey project resources to determine job satisfaction and take appropriate steps to increase retention. • Conduct an exit interview for the departed CRT and state project resources and work quickly to address issues that negatively impact project participation and job satisfaction. • Develop an approach to expedite succession planning and identify near-term knowledge transfer activities.	02/29/20 - With the addition of additional resources the project appears to be less reliant on some key individuals. The TL PM has reportedly been able to offload some responsibilities and new resource productivity appears to be progressing. Some resources have shown a marked increase in capabilities and taken on a leadership roles. As a result, mitigation of risks around the projects (previously reported) loss of a key project resource continue to progress. 01/31/20 – The project has now added 4 additional resources since the departure of their key lead BA, adding additional payroll, HR, and accounting skillsets to the project team. IV&V will continue to monitor on the progress in bringing new resources up to speed as well as their productivity. The PMO and SI project coordinator continue to prove adept at managing project resources, schedules, meeting milestones, managing/mitigating risks, creating efficiencies, and driving the project forward. Therefore, IV&V has reduced this finding to a "Medium" priority. 12/31/19 - The project continues efforts to mitigate the loss of a key project resource. Despite efforts to transfer their knowledge before departing, the project has reported some challenges recalling the departed BA's guidance, plans, and artifacts. The project has made progress in adding new resources to the project team, including a TL Analyst and a dedicated Application Security Analyst and has reported progress in acquiring additional resources. However, Payroll Operations has reported interviews for their new hires have been put on hold due to the holidays, therefore efforts to form the new Payroll Operations Technical Support Office (TSO) could be delayed. Standing up a highly functional TSO is intended to be an important step towards weening Payroll Operations from utilizing project team members for operations support. 11/30/19 - The project is making efforts to mitigate the loss of a key project resource. The departing lead BA has spent the last 2 weeks doing knowledge transfer to other project team members. The project has recently posted for 4 new resources but could face challenges in finding quality resources in a timely manner.	Human Resource Management	Risk	Medium	Open	Michael

Id	Identified Date	Title / Summary	Finding Description	Analysis and Significance	Recommendation	Updates	Category	Type	Priority	Status	Risk Owner
6	8/31/2019	**Lack of dedicated leads filling key roles could impact the effectiveness of the project team and reduce quality of deliverables**	The project currently lacks dedicated leads filling key roles resulting in existing resources serving multiple roles which may impact their overall effectiveness, quality, and timely execution of tasks. The project does not have single, dedicated Management Leads for key areas such as OCM, Project Management, Training, and Testing. Additionally, the project decided that a full time SI project manager was unnecessary. Current designated leads manage multiple Phase 2 project tracks and functional areas and have the added burden of supporting Phase 1 M&O. IV&V had identified Phase 1 OCM risks that were eventually realized siting the lack of a dedicated OCM Strategic Manager and a single OCM Operations Manager. Phase 2 saw the departure of the OCM Operations Manager which lead a transfer of OCM operational and strategic activities to the PMO.	Lack of dedicated leads could negatively impact the effectiveness of the project team and reduce the quality of deliverables and system design. For example, executive leadership has deemed OCM as a top Phase 2 priority. The lack of a dedicated leader to drive and take ownership of the overall strategic OCM vision (measuring quality and progress and who can be a point of escalation when issues arise) could diminish OCM effectiveness and overtax PMO resources. This risk could be "hidden" due to the commitment and dedication of team members who lead multiple tracks/areas, however, failure to recognize the need to fully staff the project with dedicated leads could contribute to resource burn out and attrition of key resources (see risk #2). IV&V is aware that a project decision was made to reduce the involvement of the SI project manager in exchange for additional SI functional resources. This decision may increase the workload of the state project manager.	• Evaluate which project resources are needed to allow for dedicated strategic leadership in key positions (e.g. OCM and Training) and to alleviate existing project resources with multiple project leadership responsibilities. • Assign a single, dedicated strategic management lead for key areas such as OCM and Training. • Create and utilize a resource management plan to assure planful, instead of reactive, addition and management of resources. Plan should address movement of resources as project transitions to different phases (e.g. moving from DD&I to M&O). • Formalize and document (e.g. org charts, POC lists/directories) all leadership roles and project points of contact for key areas and ensure stakeholders have easy access to comprehensive project role lists that include contact info.	02/29/20 - With the addition of new resources, the project has recently stepped up OCM efforts and has formulated what they are calling their "marketing team" that have been tasked to drive OCM communication and other activities. Efforts are still underway to backfill their key Lead BA position. 01/31/20 – The project has indicated that they may be close to acquiring a test/training lead. The SI has dedicated additional resources to assist with Testing and Training. The OCM strategy and other efforts continue to be collectively managed by PMO resources. 12/31/19 - The project has recently hired a Systems Analyst and a dedicated Applications Security Administrator that will assist with TL project activities. Efforts are underway to hire an additional Systems Analyst. 11/20/19 - This risk has recently been exacerbated by the imminent departure of a key project resource who was the lead for multiple functional areas (primarily testing, training, and the department mentors). IV&V recommends the project accelerate efforts to recruit to backfill not only this position but other positions in order to provide the project with dedicated leads. Much of the projects ability to mitigate this risk was likely due to the high level of productivity and ability of primarily 3 key resources. With the departure of one of these 3 individuals, the project may be hard pressed to effectively replace this resource. It is likely the project will need to replace this key resource with 2-3 resources in order to effectively match the level of skill/productivity this individual provided to the project. 10/31/19 - The project and business operations has added additional resources during this reporting period. IV&V will monitor for the narrowing of responsibilities for project leads so they can focus on leading their project functional areas. Due to recent problems with the Help Desk vendor contract, some functional area leads have taken on the additional burden of answering phones for the HIP Help Desk. This could further detract them from effectively leading their functional areas, therefore IV&V is raising this risk to a Medium priority. 9/30/19 - no update.	Human Resource Management	Risk	Medium	Open	Michael

Id	Identified Date	Title / Summary	Finding Description	Analysis and Significance	Recommendation	Updates	Category	Type	Priority	Status	Risk Owner
8	8/31/2019	Detailed processes to integrate Time & Leave Maintenance and Operations support with production Payroll support not finalized	A strategy to integrate Time and Leave M&O with the ongoing Payroll M&O then transition support of both solutions to DAGS operations is not yet available.	The lack of a documented process to integrate Time and Leave M&O support with Payroll production support may cause unnecessary risk at Time and Leave Phase 1 go live. Changes to the current Help Desk support vendor was planned but stopped prior to execution. The lack of an executable strategy may be adding unnecessary risks to the Time and Leave project. IV&V has also logged a related risk (#4) that TL resources are over burdened with Payroll service M&O support activities.	• Develop and implement a long-term strategy for providing effective ongoing M&O support for both Time and Leave and Payroll solutions. This strategy should ensure that there is sufficient capabilities and capacity to provide the required support without drawing on resources already allocated to other projects.	02/29/2020 IV&V did not note any change to this risk and remains concerned that new types and volume of help desk calls after go-live of TL group 1 may cause unnecessary delays in resolving employee issues. Payroll Operations is reportedly considering various staffing options to fill vacant positions.

01/31/2020 As noted in finding #4 above, the contract date for current HawaiiPay support staff is in the process of being extended for an additional 180 days. This should help to mitigate some of the risk related to HawaiiPay support when Time and Leave for Group 1 goes live. However, given that Time and Leave functionality is being released to very diverse employee groups, new support requests may require significantly more effort to resolve.

12/31/19 - The project continues to operate without a documented M&O plan to fully transition payroll system support to the Payroll Operations group. While the outsourced help desk contract has recently been renewed for 6 months, it is currently set to expire near the date for go-live. If procurement issues are not resolved in time and the contract lapses, go-live may have to be delayed due to an inability provide users with sufficient help desk support. IV&V recommends DAGS work to proactively resolve outstanding contract/procurement issues and prevent disruption of help desk services during go-live. Further, Payroll Operations has reported interviews for their new hires have been put on hold due to the holidays, therefore efforts to form the new Payroll Operations Technical Support Office (TSO) could be delayed. Standing up a highly functional TSO is intended to be an important step towards weening Payroll Operations from utilizing project team members for operations support.

11/30/2019 As noted in Risk # 4 above, the HawaiiPay help desk has reduced its capacity and capabilities. Restoring capacity and capabilities has become the current focus of the project. IV&V has noted that completing the staffing and contractual issues should remain a priority.

10/31/19 - Long term support plans for TL have not been release. Current staffing, contractual and work load issue related to the support of HawaiiPay continue to dominate the support discussions. Project team members continue to spend significant amounts of time providing operations support for HawaiiPay. Although the TL team continues to provide sufficient support, the burden of this effort is not allowing them to focus on TL project concerns. This preliminary concern is being elevated to a risk. | Operational Readiness | Risk | Medium | Open | Ken |

Id	Identified Date	Title / Summary	Finding Description	Analysis and Significance	Recommendation	Updates	Category	Type	Priority	Status	Risk Owner
9	8/31/2019	**Unexpected collective bargaining or legislative changes could lead to unanticipated demands on the project and increased scope**	Changes mandated by Unions or Legislative actions may drive changes to the TL solution thereby impacting the project's scope, schedule, and budget.	The State Legislature and Unions may make laws or change Collective Bargaining Agreements (CBA) that could require significant system changes thereby disrupting the project's progress, activities, schedule, and/or budget. These laws could change SOH processes without consideration of impact to the project or providing the project time to react to such changes.	• Closely track union/legislative actions and legal cases that could impact the T&L project and be proactive in preparation for them. • Initiate early and often discussions with Unions for rule clarifications and general understanding and agreements on how CBA rules will be implemented.	02/29/20 - The project has stated their intention to avoid "over automation" of some CBA rules to give users flexibility to adjust processes manually as needed to address nuances in CBA rules. 01/31/20 – The project continues to work through a few union related matters but none of them currently appear to be material. Additional union meetings are being planned. 12/31/20 - The project continues to have productive consultation meetings with stakeholder unions and has recently met with UPW and HGEA unions. Initial concerns that unions would push back on project efforts to standardize and streamline processes, thus far, have not been realized. Still, while annual pay may not be affected, monthly paycheck amounts could vary for some employees due to working day rate fluctuations. The project has stated their OCM efforts will address this. The project will seek final Union approval for changes being discussed before the May go-live date. 11/30/19 - The project has met with many of the smaller unions but have yet to meet with UPW, HGEA, and UPA. Union consultation meetings thus far appear to be productive and have not unveiled any insurmountable issues or significant impacts to the project. There were concerns that HSTA (teachers) unions would raise significant concerns due to DOE complexities, however, no significant issues have been identified. 10/31/19 - Union consultation letters have been sent requesting individual union meetings to resolve outstanding issues and clarify CBA rules. The project plans to setup meetings between 10/28-11/8/19, fire fighter and HSTA union meetings have already been scheduled. Waiting on UPA, HGEA (AFCME), and UPW. 10/25/19 - DHRD leadership has expressed concern around risks related to unions response to changes to existing TL processes the TL project will impose. For example, project attempts to standardize TL processes could negatively impact some of their constituents. The project has stated the intend to make every attempt to ensure minimal disruption to employees and will work closely with the unions to minimize the negative union reactions. 10/22/19 - The project has initiated the formal process for union consultation and has begun sending consultation letters to unions. The intent of these consultation meetings is for project Q&A and to clarify CBA rules the project will implement in the new TL system.	Project Organization & Management	Risk	Low	Open	Michael
11	8/31/2019	**Collective Bargaining Agreements (Union time/leave rules) complexity could prove problematic and lead to project delays and result in an overly complex system that may be difficult to support**	Collective Bargaining Agreements (CBA) drive time and leave rules and are very complex. Rule complexity may have led to departments inconsistent rule interpretation.	Implementation and long-term support of an extensive set of complex rules could prove to be difficult to implement and manage/support long-term. Further, inconsistent rule interpretation could lead to extensive OCM efforts and some departments may struggle to adopt clarified CBA rules and require the project to initiate extensive OCM efforts to assure departmental adoption of clarified rules implemented in the new system are feasible and are managed effectively.	• Continue efforts to document and track CBA rules that may need clarification for departments. Socialize a list of union discussion topics with stakeholders so they are aware and can validate and provide comments. • Initiate early and often discussions with Unions for rule clarifications and general understanding and agreements on how CBA rules will be implemented by departments (process-wise) and in the system.	02/29/20 - The project has reported that some Unions have been less than responsive to project meeting and information requests. 01/31/20 – The project continues to work through the complexity of both documented union rules as well as some rules that may lack clarity and therefore have not been applied consistently by the departments. The project has stated their intention to assist the departments with clarifying and standardizing application of these rules. While most stakeholders agree that standardizing and cleaning up long standing payroll/leave practices, IV&V remains concerned with the OCM risk revolving around some changes that could create confusion and complaints at go-live. 12/31/19 - While the project continues to identify additional complex processes, none of them appear to be insurmountable. The project continues to identify processes that may be better off implemented manually rather than attempting overly complicated automation processes that could negatively impact user adoption and long-term support. IV&V will continue to monitor user feedback from testing and other system demonstrations for possible negative impacts to system usability and user adoption. 11/20/19 - The primary resource responsible for tracking and coordinating Union issues will soon leave the project. With their departure, the project team may struggle to fully articulate and mitigate each issue. IV&V recommends the project develop a plan for transferring this knowledge to a capable project team resource and have the departing resource document details of these issues to pass on to the project in order to ensure this knowledge is not lost. 10/31/19 - Project is currently maintaining a list of union/CBA issues and are in the process of scheduling union meetings to discuss and clarify complex rules. 9/30/19 - The project seems to be making good progress in vetting CBA rules and has had productive discussion regarding the more complex/problematic rules.	Project Organization & Management	Risk	Medium	Open	Michael

Id	Identified Date	Title / Summary	Finding Description	Analysis and Significance	Recommendation	Updates	Category	Type	Priority	Status	Risk Owner
12	8/31/2019	Potential lack of consideration for unexpected or unintended impacts on payroll functionality when making T&L design decisions or configurations, could necessitate rework of T&L designs and/or impact Payroll quality	System and configuration changes required to support the Time and Leave functionality may include unexpected impacts to the current Payroll solution. It is unclear how the changes will be managed and what level of regression testing may be necessary.	While the project team has plans to address the risk of Time and Leave changes that could impact the payroll system, due to the system complexity and the significant number of PeopleSoft customizations in the current system, there could be unexpected negative impacts on the Payroll system when T&L is implemented in the current system. The project also intends to implement regression testing, however, it could be difficult to account for and test for unexpected impacts to the system due to the high level of customizations in the existing system.	• Ensure that the configuration and functionality changes required for Time and Leave are vetted with the current Payroll solution to determine any impact or required changes to the Payroll solution during the Time and Leave design and testing phases. • Define and document the regression testing plan to ensure that any T&L changes do not have an unexpected negative impact on production Payroll functionality. • Assure Time and Leave design and configuration planning includes consideration for impacts on Payroll, prior to implementing the design or configuration. This may be accomplished, in part, using an effective and integrated configuration management plan.	02/29/2020 Although a complete assessment of the testing results for the first Payroll validation cycle has not yet been completed by IV&V, the preliminary results as reported by the TL project are encouraging. The project reported that approximately 95% of the entire Group 1 employee population pay checks matched to the penny. This is not only statistically important but speaks well for the TL configuration and overall functionality. 01/31/2020 The Payroll validation testing for the December pay period is in process during this reporting period. IV&V expects to review the results of this testing during the next reporting period. 12/31/19 The project noted that the planned full end-to-end comparison test for the January payroll should help to reduce potential unexpected payroll system issues related to the TL changes. IV&V has not yet reviewed the regression test plan. Best practice indicates that comparison test results should match to the penny with the exception of any "known" differences. 11/30/2019 The regression test plan is still pending. No change to this finding. 10/31/2019 The project noted that regression test plan will be available in upcoming reporting periods. Current efforts to ensure that both teams (CRT operations and the TL project team) are up to speed with TL design or configurations that may affect HawaiiPay.	Quality Management	Preliminary Concern	n/a	Open	Ken
13	9/30/2019	Departments choosing not to participate in the TL project could lead to unnecessary costs to the state as well as project team wasting valuable time to onboard departments who eventually decide to opt-out.	Departments choosing to opt-out of the TL project will require DAGS to continue to maintain the system for inputting gross pay (ePCS) that was intended to be a temporary solution until TL was implemented. IV&V is not aware if budgets, resources, and/or plans to continue ePCS support beyond TL project completion have been developed. Further, departments could initial decide to participate in TL and the project team could expend significant resources preparing for and implementing department specific features only to find out that they will opt-out.	Costs to continue to maintain/support ePCS could be significant and already constrained DAGS and project resources may have difficulty maintaining ePCS support. If departments opt-out, a good deal of project team time and effort could be wasted supporting their onboarding and implementing their department specific features. Resources may also need to be expended removing these department specific features. If departments decide at a later date to opt-in, a new RFP will likely need to be issued at significant cost to the state and be a significant effort for DAGS. Further, the ongoing workload and costs for both the DAGS operational and project team could be significant given they will now be tasked with maintaining two systems for payroll and may have to contend with the possibility that the two systems could calculate payroll differently. Ultimately, the original expected return on investment (ROI) for the project could be diminished and draw scrutiny from the public and governing bodies (e.g. legislature) and make it difficult to acquire funding for future planned systems (ERP and other).	• Contingency planning for ePCS maintenance and support should be developed to prepare for the possibility that some departments may not participate in TL. • Work closely with departments that are unsure of their TL participation to assist with readiness and collaborate to remove any blocks to their full participation. • Develop contingency plans for the possibility that some departments may not participate in TL. • Assure that executive leadership is made aware of details of the negative impacts of departments that chose to opt-out. • Initiate efforts to mitigate risks around having 2 payroll systems that may calculate payroll differently.	02/29/20 - Project executive leadership continues to work with some departments that are considering an opt-out of the TL project to solidify their decisions. The project is weighing their options with regard to whether a Group 4 release is needed if departments currently slated for Group 4 decide to opt-out. The project is in discussions with the SI with regard to a possible swap of Group 4 release requirements for other much needed system enhancements. 01/31/20 – Project executive leadership will meet with department leaders that are considering an opt-out of the TL project in order to get closer to finalizing their decision. Finalizing these decisions will help free up the project team to focus their efforts on departments that have opt-in. 12/31/19 - The project has reported that it is highly likely that some departments will not participate in the TL project/system, therefore IV&V has raised this finding to an issue. The project is preparing for the eventuality that the project team and payroll operations will need to maintain 2 different processes for processing TL and payroll. The project (and DAGS) is making efforts to plan for and properly staff these processes. The project is also looking for ways to make operational support processes more efficient including weening users off dependence on the labor intensive Data Mart mainframe system by transitioning them to PeopleSoft for some reporting. The project continues to support operational readiness activities for departments that may op-out of the TL project. State budget impacts remain unclear. 11/30/19 - Early indications are that DOE and UH may have significant challenges with migrating to the TL system. DOE has indicated that mobile access to the TL system could be a critical requirement, however, this would require they adopt an Multi-factor Authentication (MFA) solution that is a significant recurring expense. Further, onboarding their employees onto TL would require a significant effort to resolve issues with their "reports to" tracking (specifically related to substitute teachers). Onboarding DOE could require significant effort on the part of DOE leadership to resolve issues and required changes to their processes for them to utilize the TL system. Further, DOE leave balance accuracy remains unclear, a key TL system onboarding requirement. IV&V recommends DAGS leadership work closely with DOE and UH leadership to determine (as soon as possible) if they will be able to participate in the TL project. If these departments decide to opt-out, project team efforts to onboard them could be wasted. 10/31/19 - DHRD has initially stated their intention to op-out of utilizing the TL system as their	Project Organization & Management	Issue	Medium	Open	Michael

Id	Identified Date	Title / Summary	Finding Description	Analysis and Significance	Recommendation	Updates	Category	Type	Priority	Status	Risk Owner
14	9/30/2019	Communications between the project and central operations groups (primarily HR and Payroll Operations) can be ineffectual which could lead to project delays and cost overruns.	While the project has demonstrated productive communications with state line agencies (departments), primarily due to their department mentor strategy, IV&V has observed and has also been informed of communication challenges between the Project Team and central operations business units (primarily HR and Payroll Operations). IV&V was also informed that some business operation plans relevant to the project are not immediately being shared with the project team. Some business operations teams have stated their capacity is constrained due to lack of sufficient resources as well as challenges in filling open positions. However, even simple or basic project communications appear to go unanswered.	Central operation groups failure to fully engage and effectively communicate with the TL project team can slow project team productivity, leave important questions (guidance) unanswered, and result in a system that does not effectively meet business needs which could ultimately lead to project delays and disrupt business operations and users post-go live. The SI has already indicated that project delays will incur additional cost and may require additional state funding.	• Work with executive leadership and central operations groups to address the root cause of these communication challenges and prepare a plan/strategy for corrective action. • Log unresponsive communications in order to provide stakeholders with a clear understanding of the extent of communication deficiencies. Escalate to executive leadership where appropriate. • Work with HR and Payroll Operations (PO) to identify an appropriate resource from their departments and integrate them into the project team. This highly capable and productive single point of contact would ideally own their department/division activities and risks and would work within their department to ensure project tasks are completed in a timely manner and department needs are clearly identified and communicated to the project.	02/29/20 - The project has reported some productive project/DHRD collaborative sessions. However, the project has also reported that while some project communication challenges with DHRD and Payroll Operations continue, they have noted that they have been able to work around these challenges to obtain critical information so as to avoid hindering project progress. IV&V remains concerned that these communication challenges will at some point have a significant negative impact on the project. For example, after multiple requests to DHRD, the project has not yet received executive orders that could impact TL business rules. 01/31/20 – The project has reported that some communications with DHRD and Payroll Operations (PO) have been productive, but other communications may be challenged. Progress continues to be made in efforts to engage with DHRD on the TL project. DHRD had previously reported they may opt-out of utilizing the TL system as their TL system of record, however, they have recently indicated their intention to opt-in. DHRD efforts to identify potentially problematic process changes have reportedly increased. However, action items owned by DHRD continue to show no progress and they remain unresponsive on some communications. IV&V recommends project leadership request DHRD provide timely initial acknowledgement of project emails to ensure emails are being received. IV&V also recommends the project clarify the importance of some DHRD responses and/or decisions that are time sensitive and that could impact project critical path activities. DHRD's failure to provide timely responses/decisions could lead to the project moving forward without sufficient DHRD input and ultimately lead to poor system design, rework, and impact the project schedule and budget. 12/31/19 - The project has reported that communication challenges continue between the project and Payroll Operations, which has hindered resolution of some challenges that could pose risks to the project. For example, Payroll Operations has recently stated that they will no longer approve/add non-executive branch payroll users (a task they previously performed) and attempts to collaboratively work together to better solution this problem has been unsuccessful. Further, productive communication with regard to resolving the outsourced help desk contract issues have reportedly stalled. Failure to resolve help desk issues before the projects go-live period could lead to project disruptions and/or a delayed go-live, which could increase project costs. Monthly project/DHRD meetings continue. The project and DHRD have made good progress in resolving DHRD concerns, effectively addressing 3 of 4 key DHRD identified concerns/issues.	Project Organization & Management	Risk	Low	Open	Michael
15	9/30/2019	Key project risks and issues management and escalation processes may not be effective which may result in negative impact to project goals.	Some risks and issues currently tracked in the RIOD process may not be actively worked or reported on. For example, the project is currently tracking several risks owned by payroll operations that show little to no progress. The lack of progress may unnecessarily cause a risk to be triggered into an issue that could have lasting negative impacts to the project.	Although the project actively and appropriately recognizes, tracks and monitors risks and issues. Some risks assigned to non-project resources are not showing consistent updates or progress. It is unclear if the project has formally escalated this lack of progress, based on good risk management practices, or if escalation has proved to be ineffective. IV&V will continue to monitor the risk and issues management process to help assure regular updates to the current status of the action items associated to these risks as well as if any escalation has been formally requested.	• Establish a clear and detailed risk management plan for escalating risks and issues and follow defined escalation steps for risks/issues that are not actively being worked. • Monitor risks and issues by severity and due date in order to ensure RIOD meetings focus on the most critical items. • Track critical path tasks and report (early and often) to tasks owners when due dates appear to be at risk.	02/29/20 - The project has noted continuing SSO initiative delays. Attempts to escalate have not always achieved timely results. However, IV&V remains unclear whether there are significant "behind-the-scenes" efforts underway to resolve issues that are hindering this initiative. 01/31/2020 Key risks have been escalated based on the established governance plan. Although some of these risks have not yet been fully addressed, the process to manage, escalate and report on these outstanding risks appears to be functional. IV&V will continue to monitor for comprehensive risk management and stakeholder timely response to escalation of risks. 12/31/19 - The project has reported progress in escalation of risks to executive management. With the recent loss of a key project resource, executive management has taken steps to address related project risks, including mobilizing Payroll Operations to take on additional payroll operations support responsibilities. Still, other risks have not been fully addressed, including risks around the help desk contract procurement (see risk #8). 11/30/2019 - IV&V noted that the focus to resolve outstanding operational risk and issues increased in this reporting period. Project leadership worked with project sponsors to facilitate resolutions to open issues and improve the process to address new issues. IV&V will continue to monitor the risk management process and report accordingly. 10/31/2019 The project reported that additional DAGS operations staff will be attending weekly RIOD meetings. The additional staff may help to reduce the open risks. IV&V will continue to monitor RIOD meetings to determine if risks and issues are being addressed in a timely manner.	Project Organization & Management	Risk	Low	Open	Ken

Id	Identified Date	Title / Summary	Finding Description	Analysis and Significance	Recommendation	Updates	Category	Type	Priority	Status	Risk Owner
17	11/26/2019	**Non-intuitive user interface (UI) could reduce user adoption and satisfaction and lead to user error and frustration at go-live.**	The project has elected to minimize PeopleSoft (PS) customizations in order to increase long-term system maintainability (ease system upgrades and system maintenance). However, some out-of-the-box (OOTB) PeopleSoft user interfaces and functionality are non-intuitive.	While minimizing PS customizations will help mitigate system complexity and other M&O risks, it can negatively impact user adoption, training, OCM level of effort and effectiveness, help desk call volume, and system usability. For example, the help desk could get flooded with calls at go-live from users that remain confused with some non-intuitive interfaces. Further, some training challenges could be difficult to overcome and leave users with a perception that the system is overly complex. This could erode user adoption and buy-in as well as lead to a negative perception of the systems usefulness/effectiveness and ultimately lead to a negative legislative and/or public perception of the project. If the OCM plan does not effectively address this risk, users could have trouble at go live and lead to significant user complains/errors/frustration. Ultimately departments slated for Group 1 go-live could opt for a later go-live group or pull out altogether, which could lead to schedule slippage as well as negative budget impacts.	• Update the OCM strategy and plan to address challenging user interfaces that includes milestones/gates that get early user feedback to ensure they understand the complex elements of the system. • Develop a plan for identifying the most challenging UI components and for implementing customizations to address these on a limited basis.	02/29/20 - IV&V has no material update to this risk for this reporting period. IV&V will provide further updates once UAT is underway. 01/31/20 – IV&V will continue to monitor tester feedback on the systems user interface challenges. 12/31/19 - The project recognizes this risk and has plans to mitigate through extensive training efforts. They have also indicated that, based on user and tester feedback from UAT and other system demonstrations, they may customize some elements of the out-of-the-box PeopleSoft UI to improve usability. IV&V has elevated this finding to a risk.	Organizational Change Management	Risk	Low	Open	Michael
18	1/31/2020	**Complexity of communications to end-users could lead to confusion at go-live and overwhelm the help desk**	The project has identified a significant number of different user groups to prepare separate communications for pre-go-live. Each user group will have different instructions for how they will prepare for and interact with the new and old payroll and TL system. For example, Group 1 users, non-Group 1 users, Single Sign On (SSO) users, and non-SSO users. Each user group combination may require unique communications and system preparation and go-live instructions.	Communications to this many groups could lead to confusion pre- and post-go-live as they interact with other employees in different groups who have different instructions. Failure to effectively control these communications could lead to user confusion, reduced user buy-in, increased help desk calls, and negative public perceptions of the project ("bad press").	• Project work quickly to prepare a fully vetted communication plan specifically for these communications. • Project implement a strategy of "over-communication" to assure clear and effective communication to the various user groups. • Project implement a strategy for validating a proper and clear understanding of user group instructions pre-go-live and adjust communications based on feedback. • Project explore sending communications to non-Group 1 users to assure their understanding and clarify possible points of confusion.	02/29/20 - The project has reported that communication complexity are likely to be further exacerbated due to the lack of a consistent implementation of Single Sign-On throughout the state. Efforts are underway to resolve some SSO technical challenges that, if not resolved, could further exacerbate this risk. With the addition of new resources, the project has recently stepped up OCM efforts and has formulated what they are calling their "marketing team" that have been tasked to drive OCM communication and other activities. The project has also stated their intention to get ahead of this risk and will create an OCM Plan which will include a detailed communications schedule to help mitigate OCM risks. IV&V has elevated this finding from a "preliminary concern" to a medium "risk".	Organizational Change Management	Risk	Medium	Open	Michael