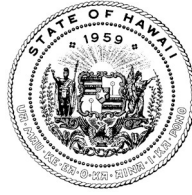


DAVID Y. IGE  
GOVERNOR



DOUGLAS MURDOCK  
CHIEF INFORMATION  
OFFICER

**OFFICE OF ENTERPRISE TECHNOLOGY SERVICES**

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March 7, 2022

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

The Honorable Scott K. Saiki,  
Speaker, and  
Members of The House of Representatives  
Thirty-First 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 Hawaii Public Utilities Commission's Content and Document Management System Project.

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

Sincerely,

  
Douglas Murdock (Mar 7, 2022 14:08 HST)

DOUGLAS MURDOCK  
Chief Information Officer  
State of Hawai'i

Attachment (1)



# Content and Document Management System (CDMS) Project

Hawaii Public Utilities Commission (PUC)

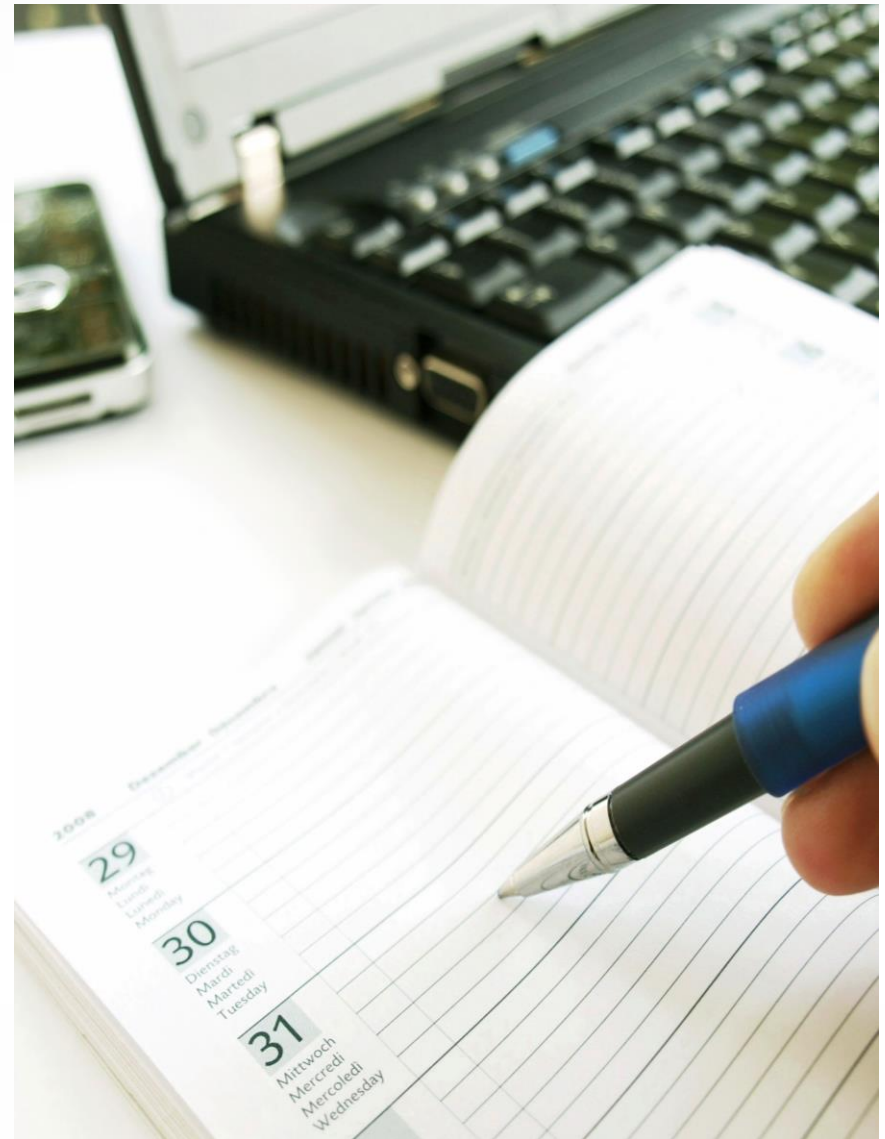
IV&V Monthly Status Report  
For Reporting Period: **January 2022**

*Draft Submitted: 2/07/2022*

*Final Submitted: 2/28/2022*

# Overview

- Executive Summary
- IV&V Findings and Recommendations
- IV&V Preliminary Concerns
- IV&V Scope and Approach
- IV&V Engagement Status
- Appendices
  - A – IV&V Criticality Ratings
  - B – IV&V Inputs
  - C – Upcoming IV&V Activities



# Executive Summary

The Project is making progress implementing and demonstrating core functionality for PUC stakeholders such as filing documents online. PUC is providing productive feedback to refine the system design. Additionally, the SI submitted the Data Conversion and Migration Plan and kicked off Sprint 5 development.

During this review period, IV&V observed the following improvements:

- The SI submitted documentation of higher quality, which improved the PUC's ability to review the deliverable.
- The PUC added members to the Project Team to alleviate the demand on the PUC Project PM and Technical Lead.
- The PUC formed a group of "Super Users" as part of their Organizational Change Management (OCM) efforts to provide early system feedback.

Although the Project completed Sprint 3/4 and began Sprint 5 as scheduled, the number of user stories completed in Sprints 1 and 2 were less than planned. Despite this, the SI does not anticipate any impacts to the schedule. Although the PUC indicated some functionality from the Sprint 3/4 demo did not match their expectations, the SI has made assurances that functionality will be improved in future Sprints.

The level of attention given to process improvement remains unclear. While the SI indicated it will not only replicate the existing functionality, it remains unclear what improvements are being proposed and whether user complaints from legacy systems have been fully vetted and addressed.

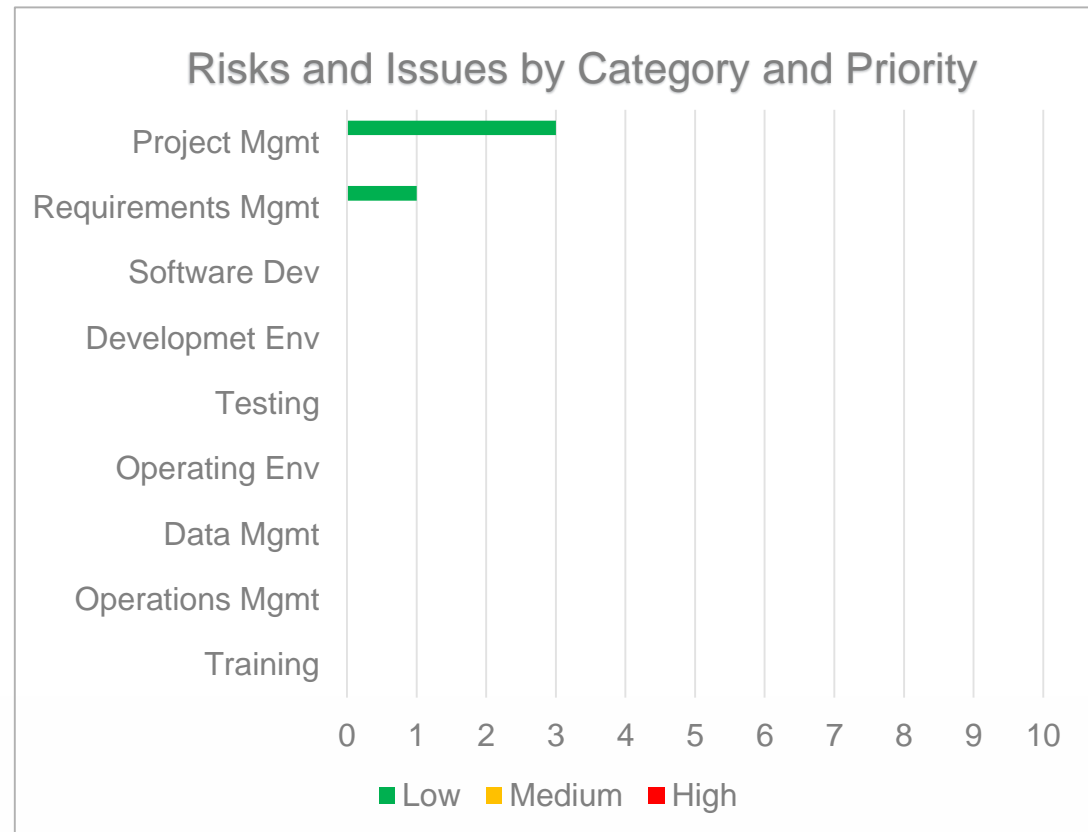
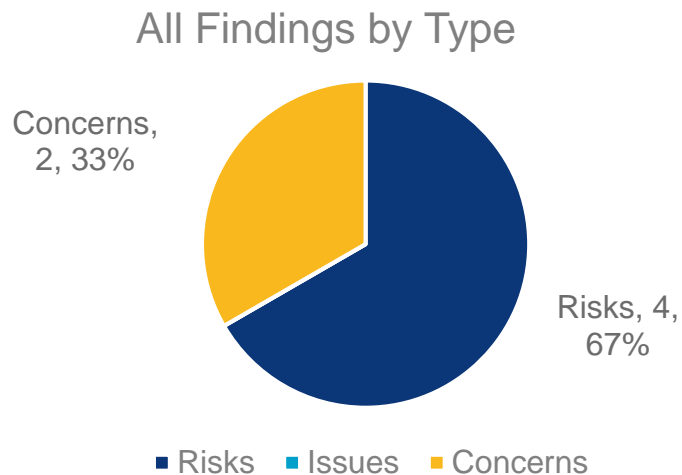
# Executive Summary

Jan '22	Category	IV&V Summary
L	Project Management	<p>PUC resources continue to be available as needed. Meeting planning and collaboration continue to be effective. However, PUC requested meeting agendas be provided further in advance to assist with resource planning.</p> <p>The Data Migration and Conversion Plan was submitted. The SI conducted an internal QA prior to submission resulting in a draft deliverable that was of higher perceived quality than prior deliverables.</p> <p>Opportunities for process improvement efforts have been observed. It continues to remain unclear how process improvement is being managed.</p>

Jan '22	Category	IV&V Summary
L	Requirements Management	<p>The SI continues to make efforts to improve the quality of their analysis via working sessions. The recent Sprint 3/4 demo resulted in additional design discussions and requirements elaboration with PUC stakeholders. It remains unclear whether the additional design discussions, requirement elaborations, and analyses will save time, have no impact to the schedule, or lead to schedule delays.</p>

# Executive Summary

IV&V is monitoring six findings. In total, there are four risks and two preliminary concerns. The four risks are rated low. Three are in the Project Management category and one is in the Requirements Management category.



The background is a solid blue gradient. It is decorated with several abstract geometric elements: white-outlined squares of various sizes, some of which are slightly offset from each other, and solid blue squares in different shades. Some of these squares are connected by thin white lines, creating a sense of movement or a network. The overall aesthetic is clean and modern.

## **IV&V Findings and Recommendations**

# IV&V Findings and Recommendations - Risks

IV&V ID #14	Type: Risk	Status: In progress	Category: Project Management
	Rating: Low		Date Opened: September 30, 2021

**Title:** Limited PUC resource availability could lead to schedule delays and incomplete system design.

**Observation:** Although the CDMS Project is a high priority at the PUC, resource limitations appear to exist throughout the life cycle of the Project. These constraints were communicated to the System Integrator (SI) early in the project for planning purposes.

**Context:** System development projects require coordination and engagement between the SI and the client in order to accurately document business needs, processes, user stories, business rules, and anything needed to build a system that meets the client's needs.

**Impact:** Schedule delays, increased project cost, implementation of a solution that that does not meet the PUC's needs

## Updates

1/30/2022: The SI continues to make efforts to improve the quality of their analysis via working sessions. The recent Sprint 3/4 demo resulted in additional design discussions and requirements elaboration with PUC stakeholders. It remains unclear whether the additional design discussions, requirement elaborations, and analyses will save time, have no impact to the schedule, or lead to schedule delays.





# IV&V Findings and Recommendations - Risks

IV&V ID #14 (cont.)	Type: Risk Rating: Low	Status: In progress	Category: Project Management Date Opened: September 30, 2021	
Recommendations/Action Items			Period	Status
PUC PM and SI PM develop a plan to address these constraints. Work closely together throughout the project to plan important meetings based on resource availability.			Long Term	In progress
SI develop fully resourced work plan.			Short Term	Not started
PUC and SI review Sprint Plan and ceremonies to identify specific resources to help identify resource risk that can be addressed before sprint cycles begin.			Short Term	In progress
SI employ agile processes and methodologies so that progress can be made regardless of PUC resource availability.			Long Term	In progress

# IV&V Findings and Recommendations - Risks

IV&V ID #15	Type: Risk	Status: In progress	Category: Project Management
	Rating: Low		Date Opened: September 30, 2021

**Title:** Project deliverables and artifacts that lack sufficient detail could lead to project delays, misunderstandings, inefficient project execution, and rework.

**Observation:** Early SI submissions of project deliverables lacked sufficient detail.

**Context:** Project planning documentation such as the Project Plan, Risk Management Plan, Communication Plan and Change Management Plan, can be effective tools for projects of this size to increase stakeholder understanding of the goals, approach, steps, timelines, roles and responsibilities. Additionally, conceptual designs, requirements traceability matrices, and process maps can also provide important information for successfully developing a system that meets PUC's needs.

**Impact:** Failure to provide sufficient detail in project deliverables can lead to project team confusion, missteps, project delays, misunderstandings, inefficient project execution, and rework.

## Updates

1/30/2022: The 3.4 Data Conversion and Migration Plan was delivered, and the initial draft was an improvement both in content and structure over previous deliverables, making it easier for the PUC to complete their review.



# IV&V Findings and Recommendations - Risks

IV&V ID #15 (cont.)	Type: Risk Rating: Low	Status: In progress	Category: Project Management Date Opened: September 30, 2021	
Recommendations/Action Items			Period	Status
Although DEDs were developed for all deliverables, the SI should involve PUC before providing the draft deliverable to obtain feedback and expedite review cycles.			Long term	In progress
The SI should perform additional QA of deliverables prior to submission			Long term	In progress

# IV&V Findings and Recommendations - Risks

IV&V ID #17	Type: Risk	Status: In progress	Category: Project Management
	Rating: Low		Date Opened: September 30, 2021

**Title:** Inefficient business analysis activities could lead to rework, schedule delays, SME frustration, and poor system design

**Observation:** PUC and IV&V were concerned that many analysis outputs lacked sufficient quality and comprehensiveness. For example 1) PUC workshop attendees mentioned various workshops and meetings were not very useful, unorganized and unproductive; 2) The workshop cadence seemed slow and did not appear to achieve all intended goals of each workshop session; 3) Although not a contractual requirement, meeting notes from the workshops were not sent to meeting attendees which helps confirm the SI's understanding and shows visibility that the SI understands PUC's needs; 4) Although not explicitly required, PUC requested the SI to review the business documentation provided by a 3rd party prior to conducting the as-is workshops to save time and not start from a blank slate. Despite having access to and reviewing the existing business documentation, PUC observed many questions and time spent on areas that were already documented and PUC was not confident as to how much of the existing documentation was leveraged.

**Context:** Efficient business analysis processes promote effective communications resulting in productive meetings, good project documentation that provides clarity to complex topics, and overall, foster trust.

**Impact:** Inefficient analysis activities can negatively impact the Project. For example, 1) Project delays can occur if meetings do not meet intended goals and require additional clarification; 2) Rework and redesign can happen if accurate information was not solicited because participant expectations were not clear during the meeting; 3) Client buy-in and system acceptance may reduce.

## Updates

1/31/2022: The SI continues to take efforts to improve the quality of their analysis via work sessions. However, the recent Sprint 3/4 demo included important design discussions and requirements elaboration with PUC stakeholders. It remains unclear whether the additional design discussions, requirement elaborations, and analyses will save time, have no impact to the schedule, or lead to schedule delays.



# IV&V Findings and Recommendations - Risks

IV&V ID #17 (cont.)	Type: Risk Rating: Low	Status: In progress	Category: Project Management Date Opened: September 30, 2021	
Recommendations/Action Items			Period	Status
Institute continuous process improvement activities to refine the analysis processes and maximize their cadence without sacrificing quality.			Long term	In progress
Request the SI track their cadence/velocity to improve estimation of task durations to assure planned milestone due dates are realistic.			Long term	In progress

# IV&V Findings and Recommendations - Risks

IV&V ID #18	Type: Risk	Status: In progress	Category: Project Management
	Rating: Low		Date Opened: October 28, 2021

**Title:** Lack of attention to process improvement can lead to a system that simply automates existing processes instead of improving them

**Observation:** The extent to which the Project intends to focus on process improvements remains unclear. Pain points do not seem comprehensively tracked or considered during design sessions or whether all stakeholders are aware of or are actively utilizing the pain points list. While IV&V recognizes that change is difficult, some stakeholders appear to be hesitant to let go of familiar processes during the design sessions. It remains unclear if PUC has assigned the role of change champion to drive organizational process improvements.

**Context:** IT Projects that assign change champions and prioritize process improvement have an increased likelihood of resulting in systems that meet the organization's future business needs and improve system acceptance.

**Impact:** Lack of attention to process improvement can lead to a final product that fails to provide maximum value to users. Tracking pain points can be an effective OCM strategy to promote user adoption and increase user buy-in by providing visibility into how the system can resolve their pain points. Also, identifying and implementing opportunities for process improvement avoids SME frustration and rework.

## Updates

1/31/2022: During a work session regarding the portal search screen design, the SI indicated their intention to keep it similar to their existing portal without identifying or inquiring about potential improvements. If the Project foregoes important process improvement discussions, they could be left with a system that simply replicates their existing processes instead of fully optimizing them.

# IV&V Findings and Recommendations - Risks

IV&V ID #18 (cont.)	Type: Risk Rating: Low	Status: In progress	Category: Project Management Date Opened: September 30, 2021		
Recommendations/Action Items			Period	Status	
Identify a PUC process improvement resource to drive/coordinate organizational process improvement efforts and assure system related processes are optimized. This resource could attend design sessions and validate designs support process improvement.			Short term	Not started	
Work closely with the SI to identify opportunities for process improvement and implement associated features in the system being careful not to overwhelm users with too much change.			Long term	Not started	
Formally engage stakeholders in identifying and tracking pain point and out-of-scope requirements so they are not forgotten, and can be revisited in future project phases or other organizational initiatives.			Long term	In progress	

The background is a solid blue color. It is decorated with several abstract geometric shapes, including squares and rectangles of various sizes and shades of blue. Some shapes are solid, while others are outlined. They are scattered across the slide, with a higher concentration on the left side and some on the right.

## IV&V Preliminary Concerns

*(These are not findings, rather, these are observations based on limited information at the time of reporting and require further discovery, research and clarification.)*



# IV&V Preliminary Concerns

ID #16	Type: Preliminary Concern	Status: In progress	Category: Project Management
	Rating: n/a		Date Opened: September 30, 2021

**Title:** Adoption of an aggressive schedule can lead to poor system design, PUC stakeholder frustration, and stretch PUC resources beyond their capacity.

**Observation:** The project has an aggressive schedule with little slack given the volume of deliverables and artifacts, the availability of PUC resources, and the perceived cadence of project meetings and workshops.

**Context:** A schedule with flexibility and sufficient slack to accommodate project changes that impact the schedule such as resource availability, activities that take longer than anticipated, or missed dependencies, typically result in a project that is delivered on time. Projects with aggressive schedules tend to rush project activities to meet deadlines.

**Impact:** Rushed project activities can reduce document and system quality. When activities do not seem thorough, customer frustration can result. A rushed schedule can place unnecessary demand on PUC resources, especially if PUC resources are already fully utilized.

## Updates

1/31/2022: User stories planned for Sprints 1 and 2 were not all developed in their respective sprint. Additionally, unplanned user stories were developed in Sprints 1 and 2. A preliminary review of planned user stories for Sprint 5 revealed 7 user stories moved from Sprint 3/4 to Sprint 5. While some vacillation is expected in early sprint cycles, this could indicate challenges with sprint planning and estimations that could cause schedule delays.

# IV&V Preliminary Concerns

ID #19	Type: Preliminary Concern	Status: In progress	Category: Project Management
	Rating: n/a		Date Opened: November 30, 2021

**Title:** Key PUC project resources performing multiple roles could lead to schedule delays and significant project disruption.

**Observation:** IV&V has noted that at least two of the PUC project team members perform multiple roles and responsibilities on the project which may impact their ability to be successful if project demands increase.

In addition to serving as PUC's CDMS PM, this position also performs the following roles: Organizational Change Management lead, Process Improvement lead, Business Analyst Co-lead, User Acceptance Test (UAT) Co-lead, and Contract Administrator. In addition to performing ongoing operational responsibilities, the PUC CDMS Technical Lead is the Project IT Sponsor, Data SME, BA Co-Lead, and User Acceptance Test Co-Lead, and is heavily relied on for business analysis.

While these team members have indicated a strong commitment to project success, each has multiple competing priorities. The team members stated their support staff, including the new communications lead, will take on more responsibility to alleviate demands on their time. Also, the team members believe that the overall future workload will lessen.

It remains unclear if PUC staffing levels are appropriate for this project.

**Context:** Typically, Hybrid Agile projects require an increased level of customer engagement through all phases of the project. Overreliance on key resources can not only overtax and thereby reduce the effectiveness of these key individuals but also present a risk of significant project disruption in the event of their departure.

**Impact:** If the PUC PM and Technical SME are unable to transfer some responsibilities to other PUC resources, this could stretch them beyond their capacity which may lead to project delays and a decrease in quality in the project tasks they perform.

## Updates

1/30/2022: The PUC Core Team expanded by two additional resources from the Office of Policy & Research and the Administrative Services Office who will provide expertise and guidance in their respective areas. The Project distributed tasks (that would have likely gone to the PUC PM or Technical Lead) to the new resources. Executive leadership indicated they will continue to monitor and distribute the PUC team member workload as needed.





## IV&V Scope and Approach

# IV&V Scope

- In accordance with PCG's contract for the CDMS Project at the PUC, the subject areas that are within the scope of IV&V activities include:
  - Project Management
  - Requirements Management
  - Software Development
  - Development Environment
  - System and Acceptance Testing
  - Operating Environment
  - Data Management
  - Operations Oversight
  - Training
- As the CDMS IV&V project progresses, PCG's activities will focus on areas that represent highest risk to the Hawaii PUC.

# IV&V Approach and Methodology
















- 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.



## **IV&V Engagement Status**

# IV&V Engagement Status

IV&V Engagement Area	Nov	Dec	Jan	Comments
IV&V Budget				The IV&V engagement is deliverables-based and PUC is not at risk of being over budget.
IV&V Schedule				The IV&V engagement aligns with the SI schedule. At this time.
IV&V Deliverables				There are no known risks to upcoming IV&V deliverables.
IV&V Staffing				The IV&V team maintains the proposed team and there are no foreseeable changes.
IV&V Scope				The IV&V project continues to operate within the scope of its engagement.

Engagement Status Legend		
 <p>The engagement area is within acceptable parameters.</p>	 <p>The engagement area is somewhat outside acceptable parameters.</p>	 <p>The engagement area poses a significant risk to the IV&amp;V project quality and requires immediate attention.</p>




# Appendices

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# Appendix A – IV&V Criticality Ratings

See definitions of Criticality Ratings below:

Criticality Rating	Definition
	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.
	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 evaluated and implemented as soon as feasible.
	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 Inputs

Meetings attended during the reporting period:	Artifacts reviewed during the reporting period:
Standing: Bi-weekly risk meetings	3.4 Data Conversion and Migration Plan
Standing: Weekly IVV check-in meetings	Sprints 1-4 Backlog Report
Standing: Weekly project status meetings	Proposed Sprint 5 User Stories
Standing: Daily standups as needed	
Standing: Project Management Meetings	
Sprint 3/4 Demo	
Sprint 5 Backlog Refinement Meetings	
Data Conversion Meetings	
Working Sessions	

# Appendix C – Upcoming IV&V Activities

Anticipated meetings to attend next period	Anticipated artifacts to review next period
Deliverable Walkthroughs	Organizational Change Management Plan
Standing: Bi-weekly risk meetings	Sprints 1-5 Backlog Report
Standing: Weekly IVV check-in meetings	
Standing: Weekly project status meetings	
Standing: Daily standups as needed	
Standing: Twice Weekly Recurring Working Sessions	
Super User Training	
Sprint 6 Grooming Sessions	

# Appendix D – Recommendation Periods

Period	Definition
<b>Short Term</b>	These are recommendations that should be completed within the month and/or require less than a month to complete
<b>Medium Term</b>	These are recommendations that should be completed within 2-6 months and/or require 2-6 months to complete
<b>Long Term</b>	These are recommendations that should be completed within 6 months to a year and/or require > 6 months to complete.



**Solutions that Matter**