# Project Planning and Management (PPM) V2.0
# User Guide



# Initiation Phase

**Version 1.1**

**January 2014**

# Contents

# 1. How Did We Get to the Initiation Phase?

Every year, HUD completes the budget formulation process which culminates with the submission of the OMB 300 and final appropriations decisions from Congress. The final appropriations denote the funding HUD will receive that fiscal year for the IT portfolio. Within the portfolio are investments which consist of projects, systems, and services. Some of those projects are in process and this is their continued funding, while others have not yet begun. Those that have not yet begun are required by HUD policy to follow the Project Planning and Management (PPM) V2.0 Life Cycle and when they are ready to commence, follow the tasks and activities depicted within the Initiation Phase.

As the first step in the Initiation Phase, the IT Project Manager (IT PM) assigned to the project submits the Project Initiation Form (PIF) for review and acknowledgment by the Business Lead, Customer Relationship Coordinator, and Technical Review Sub-committee (TRC) Chair. After receiving acknowledgment of the project's initiation, the team performs the tasks and activities within the Initiation Phase, which concludes with a Project Validation Review control gate meeting. At this review, TRC members determine if the project should proceed with project planning activities and the development of detailed business requirements. Once approved, the project can then start the Planning Phase.

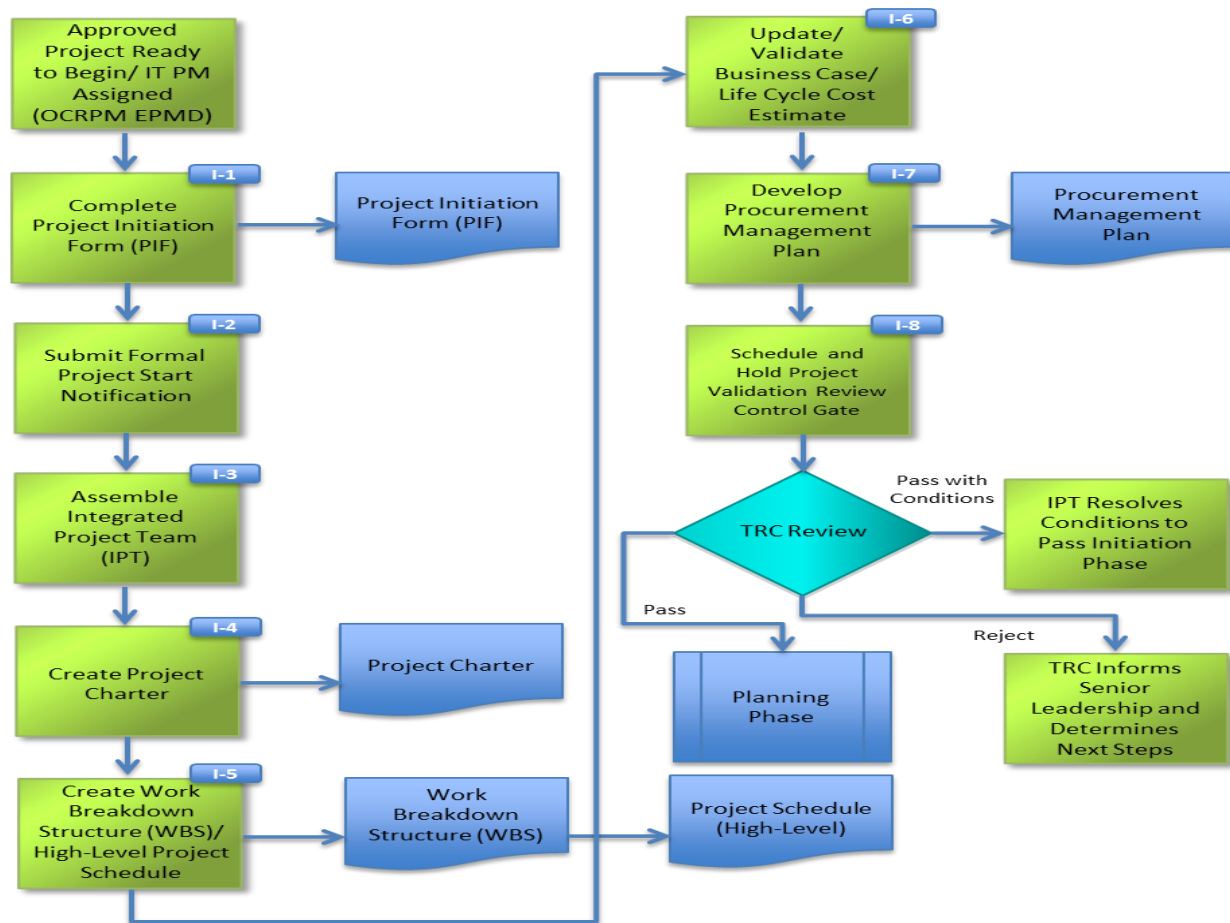# 2. Initiation Phase Overview

## 2.1 Initiation Phase Description

The Initiation Phase consists of those processes performed to validate the original decision to pursue a new project and to start the project. Within the initiating process for a project, the initial scope is further defined and initial financial resources are committed. Internal and external stakeholders who will interact and influence the overall outcome of the project are identified at the start of the phase. The IT Project Manager will be selected by Office of Customer Relationship and Performance Management (OCRPM)-Enterprise Program Management Division (EPMD) leadership and will complete and submit the Project Initiation Form which signals the commencement of the project and serves as the official request for OCIO team resources. The key purpose of this phase is to align the stakeholders' expectations with the project's purpose, give them visibility about the scope and objectives, and show how their participation in the project and its associated phases can ensure that their expectations are achieved. It is assumed that the business case development and decision on funding are handled externally to the project boundaries.

In addition, during the Initiation Phase or at the beginning of the Planning Phase (and approved separately), the specific route through the rest of the PPM is determined using the Project Tailoring Agreement (PTA), which includes the development methodology and acquisition approach.

Once the tasks and activities are completed and the resulting deliverables are created, the Integrated Project Team (IPT) compiles them into an Initiation Phase package and submits it to the TRC for the Initiation Phase control gate, the Project Validation Review.

## 2.2 Initiation Phase High-Level Process Flow



## 3. Initiation Phase Key Activities and Descriptions

Initiation Phase activities depict the probable tasks that project teams will perform across most project types. PPM templates are where the output of the work performed by the IPT and any associated vendor support is documented. The following key activities summarize the work that is performed in the Initiation Phase.

- **I-1  Complete the Project Initiation Form (PIF)**
  In PPM V2.0, the first step in the Initiation Phase is the completion and submission of a new Project Initiation Form (PIF) which replaces the Work Request Form (WRF) from PPM V1.0. Projects only have one control gate in the new PPM V2.0 Initiation Phase (this phase aligns with PMBOK). The IT PM completes the PIF for the project.

  The two major objectives of this document are to:

1) Notify key Office of the Chief Information Officer (OCIO) stakeholders that a project (whether it was approved via the normal budgeting process or outside the normal budgeting process) is starting.

2) Request OCIO IPT members.

All projects may not require OCIO IPT members based on the characteristics of the project. For example, if HUD is leveraging a shared service line of business, then the need for OCIO IPT members is reduced.

The PIF is comprised of the following sections:

- o Project Name
- o Project Identifier (not enabled in PPM V2.0)
- o Description/Business Need/Scope Summary and Expected Results
- o Segment and Investment Mapping
- o Funding Information for Projects Funded from HUD's Budget Formulation Process
- o Project Ancestry
- o Project Type
- o Strategic Alignment
- o Project Stakeholders
- o Final Project Output/Impacts
- o Summary of Benefits
- o Summary of Risks
- o Proposed Project Team
- o Estimated Project Duration
- o Rough Order of Magnitude (ROM) Life Cycle Cost Estimate
- o Procurement Forecast
- o OCIO IPT Role Requirements

- **I-2  Submit Formal Project Start Notification**
  This activity consists of the actual submission by the IT PM of the PIF and the receipt of the signatures of the TRC Chair, Customer Relationship Coordinator (CRC), and Business Lead. The CRC then distributes the PIF to the pre-determined point-of-contact within the OCRPM-EPMD, OCRPM-Investment Management Division, OCRPM-Enterprise Architecture Division, and OCIO-IT Operations. In addition, IPT OCIO members are determined by each discipline based on the request and notification of team member assignments will be sent to the IT PM.

- **I-3  Assemble Integrated Project Team (IPT)**
  In this activity, an IPT is assembled to complete the remaining tasks throughout the PPM Life Cycle. The IPT also monitors project developments and creates necessary documentation throughout the rest of the project's life cycle. The IT PM and Business Lead, in conjunction with the CRC and OCRPM-EPMD Program Management Office (PMO), determine which subject matter experts (SMEs) from the program areas can contribute to the successful development of the project and should be included in the IPT.

  The IT PM, Business Lead, and Project Sponsor are required members of the IPT. Other key personnel needed on the IPT vary from project to project. The IT PM, Business Lead, and the selected IPT must ensure that people with the right skill sets are participating to ensure that the

correct information is considered when making project type selection and artifact requirement decisions and complete the all activities throughout the PPM Life Cycle. Both business and technology SMEs shall make up the IPT. The IPT works as a team of decision makers to achieve consensus on tasks related to guiding a project through the PPM Life Cycle. The IPT ensures that all stakeholders are involved during all of the phases of the PPM Life Cycle, and that significant concerns are directed towards the appropriate governance board.

- **I-4  Create Project Charter**
  The Project Charter identifies an opportunity for improving a business or technology function by highlighting where strategic goals are not being met or where performance can be improved, and demonstrates a proposed project's worth and its potential impacts on systems, staff, and operations. The IT PM and Business Lead primarily author the Project Charter to the best of their ability at this point of the project. The Project Sponsor is a required signoff on this document. The Project Charter is comprised of the following sections:
  - o  Business Need
  - o  Alignment with HUD's Target Enterprise Architecture (EA)
  - o  High-Level Business Requirements and Scope
  - o  Assumptions, Constraints, Issues, Impacts
  - o  High-Level Risk Identification
  - o  High-Level Analysis of Alternatives
  - o  Timeline, Milestones and Deliverables
  - o  Estimated Program/Project Budget
  - o  Integrated Program/Project Team (IPT) Members

- **I-5  Create Work Breakdown Structure (WBS)/High-Level Project Schedule**
  The IT PM and Business Lead with assistance from members of the IPT develop a Project Schedule that defines the tasks from project inception through the Planning Phase at the level of detail necessary to support successful implementation.  For the duration of the project, high-level project milestones and dates are provided with more detail to be included as the project continues. PPM V2.0 introduces new functionality around a Work Breakdown Structure (WBS) to help define the scope baseline, per recommendations made by GAO. In PPM V2.0, a WBS is provided for each project type down to level three. This format should give the IT PM and Business Lead a thorough listing of key activities to be performed for the specific project type. In addition, the WBS to level three is built into the Project Schedule template. As project management matures at HUD, a consistent approach to project planning by project type will provide HUD the ability to benchmark project costs and performance by project type.

- **I-6  Update/Validate Business Case and Life Cycle Cost Estimate (from Initial Information Provided for Budget)**
  This activity serves as the link between investment planning activities and PPM for a specific project. In this activity, the IT PM and Business Lead reference the information previously submitted for budget formulation and/or expenditure plan documentation, and updates the information and assumptions as appropriate since most often there is a long duration from the appropriations decisions to project initiation. Updates include business case information and estimated quantitative benefits as well as the high-level life cycle cost estimate. If there is a 10% or greater variance, then the project team must meet with the Director of the OCRPM-

Investment Management Division to determine next steps. If the information is consistent, then the project team updates as appropriate and submits updated information at the Project Validation Review.

- **I-7  Develop the Procurement Management Plan (if applicable)**
  The Procurement Management Plan addresses the project's strategy for managing acquisitions. The content serves as the roadmap for effectively planning and managing acquisitions and should document the types of contracts to be used, address contract risks, determine dates for deliverables, and coordinate with other processes, such as scheduling and performance reporting. Additionally, early identification of metrics to be used in managing and evaluating contractors helps to ensure that business needs are addressed through contract support.

  The Procurement Management Plan documents the project team's planned approach prior to engagement with HUD's Office of the Chief Procurement Officer (OCPO). OCPO will assist the project with developing an Acquisition Plan for the actual acquisition itself (if needed). The investment-level Acquisition Strategy, part of the annual OMB 300 business case process, should be in alignment with the Procurement Management Plan and acquisition-specific Acquisition Plan(s). Note that projects consisting of more than one contract will complete multiple Acquisition Plans over the duration of the project as part of HUD's acquisition process.

  A Procurement Management Plan is required for projects that consist of more than one contract. If only one contract is being used for a project, the project team can complete the Procurement Management component of the Project Management Plan in lieu of a standalone Procurement Management Plan. An Acquisition Plan will also be created as part of HUD's acquisition process.

- **I-8  Schedule and Hold the Project Validation Review Control Gate**
  In order to pass through the Initiation Phase to the Planning Phase, a project team needs to receive approval from the TRC through a control gate. During this activity, the IT PM schedules a Control Gate review meeting using the TRC's scheduling process. The lead time on this effort is approximately two weeks which should be built into the project schedule lead times. The two weeks provides the TRC members the chance to review the work completed and prepare comments ahead of the meeting. During this activity, the IT PM should also ensure all deliverables are signed and reviewed by the proper team members prior to submission.

# 4. Project Type Differentiators

Initiation Phase differentiators may exist based on the type of project the team is following to achieve the desired solution. The table below summarizes where differences exist by project type.

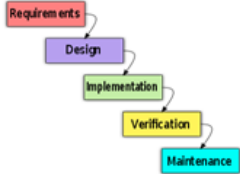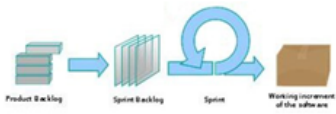| PPM V2.0 Project Type | Initiation Phase Differentiators |
|---|---|
| Modifications/Enhancements to Existing System | The Project Charter may serve as the location for documentation of content that is typically documented in other deliverables within the Planning Phase. For example, for smaller projects, the risk section of the Project Charter may be used in place of a separate Risk Log. For very small projects, components of the Project Management Plan can be incorporated within the Project Charter. |

| | Refer to the Modifications/Enhancements Project Type Guide for specific guidance. |
|---|---|
| Custom Development | A Procurement Management Plan is required for projects that consist of more than one contract. If only one contract is being used for a project, the IPT can complete the Procurement Management component of the Project Management Plan in lieu of a standalone Procurement Management Plan. An Acquisition Plan will also be created as part of HUD's acquisition process. |
| Commercial-off-the-Shelf/ Government-off-the-Shelf (COTS/GOTS) | COTS/GOTS projects follow the Custom Development differentiator for the Initiation Phase. |
| Software-as-a-Service (SaaS) | SaaS projects follow the Custom Development differentiator for the Initiation Phase. |
| Decommission | Initiation Phase activities for a Decommission project exist solely to depict the timeline for the decommissioning process; as a result, only a Project Schedule is expected during the Initiation Phase of this project type. |

# 5. Iterative Development Differentiators

Iterative or incremental development utilizes both an iterative design approach and other rapid methodologies for development. The approach has been widely suggested for large development efforts and is currently promoted as the optimal path to take when executing custom development projects in the federal government.

The most popular approaches project teams take when delivering a custom-developed solution include:

|  | **Waterfall** | **Iterative** | **Agile** |
|---|---|---|---|
| **Overview** | ▪ Majority of software features delivered in one release at the end (often after 3-12 months)<br>▪ Sequential process where each stage is completed before proceeding to the next<br><br>Requirements<br>Design<br>Implementation<br>Verification<br>Maintenance | ▪ Working solution is extended and refined through a set of incremental changes<br>▪ Multiple releases managed in parallel with each at different points of development lifecycle | ▪ Adheres to basic Iterative principles (e.g., refinement of working solution)<br>▪ Places even greater emphasis on flexibility and co-development of product with product owner |
| **Key differences** | ▪ No scope changes due to sequential execution of development phases<br>▪ Testing occurs once development is completed | ▪ Scope is flexible but changes do not occur mid-sprint<br>▪ Testing occurs during defined phase at end of each iteration | ▪ Scope changes occur at any time based on business feedback<br>▪ Testing is performed continuously during development |
| **When to use** | ▪ Large, complex systems with high technical risk<br>▪ Rollout of new architecture/ replacement of core technologies<br>▪ Premium quality prioritized over predictable timelines | ▪ Complex development tasks (e.g., front-end applications with numerous user interactions)<br>▪ Known technology/architecture<br>▪ Volatile/changing requirements<br>▪ Fast time to market required | ▪ Numerous, small feature increments<br>▪ Known technology/architecture<br>▪ Volatile/changing requirements<br>▪ Fast time to market required |

Source: NGMS Iterative Operating Model and Playbook, July 2013

PPM V1.0 followed a more traditional waterfall approach to custom development. Based on industry changes, PPM V2.0 has been constructed to account for all three types of development including the more popular iterative and agile approaches.

When a project follows an iterative or agile approach for custom development, there are no major impacts to the Initiation Phase. The IPT may choose to document in the Project Charter that it is following an iterative approach. This also may impact the content within the Procurement Management Plan. Using an iterative development approach will not affect the ability to submit completed deliverables for the Project Validation Review at the end of the phase.

# 6. Artifact Subject Matter Experts and Signoffs

The following table lists the resulting set of deliverables that may get completed as part of the Initiation Phase based on the project type being followed. In addition, it references the actual source template content owner and the artifact-by-artifact signoffs needed before submission for a control gate. The purpose of signoffs is to ensure that the IPT member(s) who are responsible and accountable for the specific functional knowledge support the work effort and resulting deliverable that the work effort produced.

| PPM V2.0 Initiation Phase Artifacts | Subject Matter Expert (SME)/Template Owner | Signoffs Prior to Control Gate Submission (SME) |
|---|---|---|
| Project Initiation Form | OCRPM – EPMD/PMO | • PIF is completed and submitted by the IT PM; signoffs confirming receipt include the TRC Chair, CRC, and Business Lead |
| Project Charter | OCRPM – EPMD/PMO | • IT Project Manager<br>• Business Lead<br>• Project Sponsor |
| WBS/Project Schedule | OCRPM – EPMD/PMO | • IT Project Manager<br>• Business Lead |
| Procurement Management Plan | OCRPM – EPMD/PMO | • IT Project Manager<br>• Business Lead |

Note: All items submitted will require a summary-level signature from the IT Project Manager. If the artifact is a project management document by nature, then it will call out a specific signature required by the IT Project Manager at the artifact level.

# 7. Program vs. Project Level Artifacts in the Initiation Phase

It is important to recognize that some of the outputs of activities performed during a project can be leveraged and implemented at a higher level than the project level. At HUD, this can mean a "program-level" or "initiative-level." Many times teams spend unnecessary efforts producing documentation at too low a level, when in fact, the information can be leveraged at a higher level. The table below outlines artifacts that are appropriate for leveraging across a program or initiative, or even an investment depending on the scale. Be sure to note in the PTA when the project intends to leverage an artifact in this fashion.

| PPM V2.0 Initiative-Level Candidate Artifacts | Rationale |
|---|---|
| Procurement Management Plan | If the solution is a large program/ system with component parts that are set up as independent projects, the Procurement Management Plan can be constructed at the higher level as long as the information is organized to the project level within it. If the program or project will consist of one contract, the detail can be provided as a subsidiary component of the Project Management Plan and information can be provided when completing the specific Acquisition Plan. The larger and more complex the solution, the more detailed this document should be. The work involved in developing a procurement management approach should take place <u>prior</u> to any project procurement. |

# 8. What's Needed for the Next Phase?

Once a project has received a "pass" or "pass with conditions" vote from the TRC for the Project Validation Review, the project can begin its planning activities. In a "pass with conditions" vote, the TRC will determine how and when it would like the project to address the deficiencies identified. One option would be that the project should proceed forward and remedy the issues during the next phase; another option is to require projects to address the deficiencies prior to completing any other project-related tasks and activities.