TECHNOLOGY INVESTMENT PROCESS OVERVIEW AND EVALUATION METHODOLOGY

This document outlines the King County process and objectives for the evaluation of County departments and agencies' requests for technology investments of $250,000 or more. It also defines the standard criteria that will be used in the evaluation. For more information, contact Gauhar Serikbayeva at Performance, Strategy and Budget (PSB).

TECHNOLOGY INVESTMENT PROCESS

The objectives of the technology investment process include:

- Select technology investments that further King County's mission of providing fiscally-responsible, quality-driven local and regional services for healthy, safe, and vibrant communities
- Promote the best use of County resources
- Ensure transparency of King County investments in technology

Three gates comprise King County's technology investment process:

1. Conceptual review,
2. Executive full proposal review, and
3. Council review.

At each gate, proposed investments will be screened against the criteria described on pages 3-9 of this document. Only those investments that successfully pass the preceding gate will be considered at the next gate.

Decision making: A review team consisting of PSB and King County Information Technology (KCIT) staff will evaluate all technology requests and make recommendations to the PSB Director and the Chief Information Officer (CIO). At conceptual review, enterprise/countywide investments will also be reviewed by the Business Management Council (BMC), the Technology Management Board (TMB), and the Deployment Review Team (DRT). The PSB Director and the CIO will make the final selection at each of the gates.

Sponsor presentations are an important part of the evaluation process. As part of conceptual review, agency sponsors will have an opportunity to pitch new concepts (or justify a cost/budget increase on an existing project) and answer reviewers' questions.

Forms: To propose a *new IT project* with a total estimated cost of $250,000 or greater, agencies are required to fill out a single, conceptual review form at conceptual review and three forms at full proposal review: a capital appropriation proposal (CAP) form, a Benefits Achievement Plan (BAP), and a cost template.

To request an additional budget for an *existing IT project*, in place of the conceptual review form, agencies must submit a Request for Project Review Board (PRB) Endorsement of Existing Project's

Request for Additional Appropriation. Also at the time of conceptual review, agencies must submit an updated cost template. Following PRB endorsement of the project's cost/budget increase, agencies must submit a full budget request package consisting of the CAP, the BAP, and the final cost template.

These forms ask for information that aligns directly with the four evaluation criteria listed below. The character limits set for each question are intended to encourage agencies to provide key information about their proposed technology investment in a clear and succinct way.

See the Guide to Requesting Investments for IT Projects for more information on the process.

Evaluation results: Upon completion of each gate, participating agencies will receive the evaluation results for their investments. The results will include three items: the decision reached by the PSB Director and CIO, the reviewers' aggregate rating of the concept and, subsequently, of the full proposal, and critical success factors/conditions for final project design.

Critical success factors will be provided along with the screening results upon completion of each gate. The critical success factors will include KCIT recommendations and/or conditions related to enterprise architecture, appropriation phasing, risk management, equity review, and, as appropriate, referrals to Records Management, Labor Relations, and/or other agencies that should be involved in investment planning (as appropriate).

EVALUATION CRITERIA & RATING SCALE

The four criteria against which all technology investment requests will be evaluated include:

1. Business value/importance of the proposed technology investment's benefits,
2. Fit with King County Strategic Information Technology Objectives,
3. Risk assessment and risk mitigation plan, and
4. Cost considerations.

At conceptual review, concepts will be evaluated based solely on the "value/importance of the proposed technology investment's benefits to the county."

At full proposal review, proposals will be evaluated on all four criteria, including re-assessment of the benefits in light of additional information (specifically, the Benefits Achievement Plan) to be provided to reviewers following the conceptual review.

A rating scale with five standard values: Excellent, Good, Adequate, Limited, or Inadequate will be applied to each criterion (with "Inadequate" being the lowest and "Excellent" being the highest ratings). A reviewer will assign a rating value for the criterion overall. This means that the standards listed for each criterion are not intended to serve as a checklist but capture key points that reviewers consider when evaluating an investment request (see pages 3-9). In other words, for a project to be rated "Excellent" on the benefits criterion, the proposal does not have to meet all of the standard considerations listed under the "Excellent" rating for that criterion. Each project will receive a total of four rating values, one for each criterion. The ratings across all reviewers by criterion will be summarized for each project and presented to the PSB Director and the CIO.

Criterion 1 of 4 -- Business Value/Importance of the Technology Investment Benefits

This evaluation criterion intends to assess the importance of the investment to the business and/or the County by understanding the business need and the potential benefits from the investment.

Key Considerations	Excellent	Good	Acceptable	Limited	Inadequate
❖ **Public service improvements**	❖ Definite measurable improvements in services to the public.	❖ Likely improvements in public services, but they will not be measured.	❖ Potential indirect improvements in public services.	❖ No improvements in public services are targeted/ anticipated.	❖ None
❖ **Alignment with the agency's strategic priorities/business plan**	❖ Critical to meeting the agency's strategic priorities/business plan.	❖ High importance to the agency and part of the agency's business plan.	❖ Moderate importance to the agency and part of the agency's business plan.	❖ Not part of the agency's business plan.	❖ Not part of the agency's business plan.
❖ **Results under KC strategic priorities (i.e., ESJ, SCAP, mobility)**	❖ Definite measurable results under one or more KC strategic priorities.	❖ Likely contribution to one or more KC strategic priorities but no direct/ measurable impact is anticipated.	❖ Alignment with one or more KC strategic priorities but no direct or measurable impact is anticipated.	❖ No impact on KC strategic priorities.	❖ None
❖ **Operational efficiencies & potential for business transformation**	❖ Definite major operational efficiencies and major business transformation.	❖ Likely major operational efficiencies and business transformation.	❖ Definite moderate operational efficiencies and no business transformation.	❖ Likely moderate operational efficiencies and business transformation.	❖ Limited operational efficiencies OR the benefit/s could be achieved without a technology, via business process improvement.
❖ **Prevention of system failure/ Prevention of non-compliance**	❖ Will reduce County risk by addressing a critical system or an essential service and/or meeting a legislative mandate.	❖ Will reduce County risk by addressing a legislative mandate.	❖ None	❖ None	❖ None

❖ **Financial benefits**	❖ Definite measurable budget savings (e.g., FTE reduction) in the next 5 years	❖ Likely measurable cost avoidance.	❖ Potential long-term cost avoidance.	❖ No specific cost savings/cost avoidance.	❖ No financial benefits. Net cost increase.
❖ **For full proposals only: Plan to track and measure the benefits**	❖ A clear plan to track and measure the investment benefits. ❖ The plan focuses on measuring the larger impact on the business (i.e., outcomes of the features/functionalities to be gained with the new technology)	❖ A clear plan to track and measure the investment benefits. ❖ The plan focuses on measuring the larger impact on the business (i.e., outcomes of the features/functionalities to be gained with the new technology)	❖ A plan to track and measure the investment benefits. The plan needs to be refined. ❖ The plan attempts to measure the larger impact on the business (i.e., outcomes of the features/functionalities to be gained with the new technology) but needs some work.	❖ Average quality benefit measurement plan. Needs major work. ❖ The plan fails to propose outcome-type of measures to larger impact on the business. Instead, it focuses on the features/functionalities that will be gained with the new technology.	❖ Poor quality benefit measurement plan. The benefits are not clear.

See next page for Criterion 2 of 4.

Criterion 2 of 4 -- Fit with KC Strategic Information Technology Objectives (Link to the Strategic IT Plan)

This evaluation criterion intends to assess the extent to which the proposed investment is in line with the County's strategic direction for information technology (IT). The ultimate goal is for each technology investment to leverage the County's enterprise system of technology solutions while improving the County's overall ability to maintain, react to change, and leverage its IT assets across the enterprise.

Key Considerations	Excellent	Good	Acceptable	Limited	Inadequate
❖ **Alignment with strategic IT objectives:** • *Connected Data* • *Connected Government* • *Connected Community*	❖ Strong alignment with all or most of the strategic IT objectives	❖ Strong alignment with 1-2 of the strategic IT objectives.	❖ Moderate alignment with 1-2 strategic IT objectives.	❖ Limited alignment with one strategic IT objective.	❖ No demonstrated alignment with strategic IT objectives.
❖ **Impact on agency's application portfolio risk rating**	❖ Significant positive impact	❖ Moderate positive impact	❖ Moderate positive impact	❖ Limited positive impact	❖ No positive impact or negative impact
❖ **Enterprise architecture (EA)-related critical success factors (CSFs)**	❖ The proposal fully addresses the EA-related CSFs provided to the agency at Conceptual Review.	❖ The proposal fully addresses the EA-related CSFs provided to the agency at Conceptual Review.	❖ The proposal attempts to address EA-related CSFs provided to the agency at Conceptual Review. There is a clear commitment from the agency to fully address the EA conditions.	❖ The proposal poorly addresses EA-related CSFs provided to the agency at Conceptual Review.	❖ The proposal fails to address the EA-related CSFs provided to the agency at Conceptual Review.

See next page for Criterion 3 of 4.

Criterion 3 of 4 -- Risk Assessment and Risk Mitigation Plan

This evaluation criterion intends to assess the complexity of the investment, the project risks, and the agency's strategy to manage the risks.

Key Considerations	Excellent	Good	Acceptable	Limited	Inadequate
❖ **Quality of the risk analysis**	❖ Excellent analysis i. Comprehensive list of clearly-defined technology and business complexities and risks. ii. Clear delineation of which risks the agency is planning to accept and which ones it will mitigate.	❖ Good analysis: i. Fairly comprehensive list of technology and business complexities and risks. ii. Some delineation of which risks the agency is planning to accept and which ones it will mitigate.	❖ Average, needs refinement: i. Key risks and complexities are captured but some medium-level risks are missing. ii. No delineation of which risks the agency is planning to accept and which ones it will mitigate.	❖ Below average, needs more work: ❖ Some key risks and complexities are missing. ❖ Unclear which risks the agency is planning to accept.	❖ Poor analysis
❖ **Quality of the risk mitigation plan.** i. Technology roll out plan (either big bang or phased). ii. Resource/ staffing plan. iii. Change management plan. iv. Contingency. v. For large, high risk investments: Phased appropriation.	❖ High quality risk mitigation plan. i. Clear approach to technology roll out. ii. Comprehensive resource plan (includes agency in-kind labor, KCIT/BRC labor, consultant costs, among others). iii. A change management plan has been developed. iv. The budget contingency makes sense given the risks.	❖ Good quality risk mitigation plan. i. Clear approach to technology roll out. ii. Fairly comprehensive resource plan. iii. Change management is addressed and resourced. iv. The budget contingency makes sense given the risks. v. For large, high risk	❖ Average, acceptable quality risk mitigation plan. i. Approach to technology roll out not articulated. ii. The resource plan underestimates some key labor resources. iii. Change management is addressed. iv. Insufficient contingency. v. For large, high risk projects: Agency is asking for full instead	❖ Average to below average quality: i. No clarity on the approach to the roll out. ii. The resource plan is missing/ seriously underestimates some key labor resources. iii. No for change management. iv. Insufficient contingency. v. For large, high risk	❖ Poor/ Unacceptable quality risk mitigation plan.

	v. For large, high risk projects: Phased appropriation is being sought.	projects: Phased appropriation is being sought.	of phased appropriation.	projects: Agency is asking for full instead of phased appropriation.	
❖ **Stakeholder involvement in risk analysis & risk mitigation planning**	❖ Appropriate stakeholders were involved.	❖ Appropriate stakeholders were involved.	❖ Some of the key stakeholders were involved.	❖ Some of the key stakeholders were involved.	❖ No stakeholders were involved.
❖ **Agency sponsorship**	❖ Strong/committed agency sponsorship (Deputy Director level)	❖ Strong/committed agency sponsorship (Deputy Director level)	❖ Strong/committed agency sponsorship (Deputy Director level)	❖ Lack of agency leadership commitment to project	❖ Lack of agency leadership commitment to project
❖ **Agency's track record with implementing IT projects***	❖ Excellent record.	❖ Good record.	❖ Mixed record with a strong plan to mitigate the risk.	❖ No/mixed track record but a good plan to mitigate the risk.	❖ No track record and no plan to mitigate the risk.
❖ **Capacity to implement the project in the proposed timeframe**	❖ Demonstrated capacity.	❖ Demonstrated capacity.	❖ Moderate capacity.	❖ Limited capacity.	❖ Insufficient capacity.

* The agency's track record with IT projects will be provided by the Portfolio Review Board (PRB) based on PRB's experience with the agency and current or recently-completed IT projects.

See next page for Criterion 4 of 4.

Criterion 4 of 4 -- Cost Considerations

To understand the full cost of the investment, including the project and the future cost to operate the technology

Key Considerations	Excellent	Good	Acceptable	Limited	Inadequate
❖ **Cost of the benefits**	❖ The magnitude of anticipated benefits clearly exceeds the level of investment.	❖ The level of investment is reasonable given the magnitude of anticipated benefits.	❖ The level of investment is commensurate to the magnitude/level of benefits.	❖ The investment is too costly relative to the anticipated benefits.	❖ The investment will create additional ongoing financial risk that is too costly relative to the benefits.
❖ **Quality of budget assumptions**	❖ The proposal outlines a clear set of assumptions that are comprehensive and reasonable.	❖ The proposal outlines a clear set of assumptions that are mostly reasonable.	❖ The proposal outlines a mostly clear and reasonable set of assumptions.	❖ The proposal outlines a mostly clear and reasonable set of assumptions.	❖ Unclear assumptions.
❖ **Quality of the cost estimate**	❖ The cost estimate is reasonable based on the outlined assumptions. ❖ The cost estimate includes sufficient resources to mitigate the risks.	❖ The cost estimate is mostly reasonable. ❖ The cost estimate includes sufficient resources to mitigate the risks.	❖ The cost estimate needs work but is mostly reasonable. ❖ The cost estimate does not include sufficient resources to mitigate the risks.	❖ The cost estimate needs work. ❖ The cost estimate does not include sufficient resources to mitigate the risks.	❖ Poor estimates.
❖ **Fit of the proposed investment with the broader context of the agency's overall budget**	❖ The fund/funding source can absorb the cost of the investment at this time. ❖ Relatively low level of uncertainty with regard to the	❖ The fund/funding source can absorb the cost of the investment at this time. ❖ Moderate level of uncertainty with regard to the	❖ The fund/funding source can absorb the cost of the investment at this time. ❖ High level of uncertainty with regard to the	❖ The fund/funding source can absorb the cost of the investment at this time. ❖ Moderate-to-high level of uncertainty with regard to the	❖ The fund/agency cannot afford the investment at this time. ❖ The O&M costs post project completion are

	magnitude and impact of the O&M costs on the fund/agency budget after the project is completed.	magnitude and impact of the O&M costs on the fund/agency budget after the project is completed.	magnitude and impact of the O&M costs on the fund/agency budget after the project is completed.	magnitude and impact of the O&M costs on the fund/agency budget after the project is completed	excessive.
❖ **For projects proposed by Internal Service Funds (ISFs): Impact on the ISF central rate/s**	❖ Measurable reduction in the ISF central rates in the long run.	❖ Minimal impact on the ISF central rates.	❖ Moderate negative impact on the ISF central rates.	❖ Moderate negative impact on the ISF central rates.	❖ Unreasonable negative impact on the ISF central rates.

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