WaTech
Washington Technology Solutions

Project Management Partners Best Practices Summary

December 2025

Table of contents

About this Report

This report is produced twice a year under Section 156 of Engrossed Substitute Senate Bill 5167. Project Management Partners (PMPs) prepare it based on their work supporting major state IT projects under WaTech oversight.

The goal of this report is to help our Project Management colleagues who are managing complex modernization projects by providing best practice solutions to common issues and lessons impacting project teams' ability to successfully execute.

The report reviewed the major IT projects during the period of May 2025 through October 2025. It is based on a total planned spend of $2.23 billion across the duration of 56 active and proposed projects being implemented by 26 agencies under WaTech Oversight. WaTech provides this oversight to guide agencies and support successful project outcomes statewide.

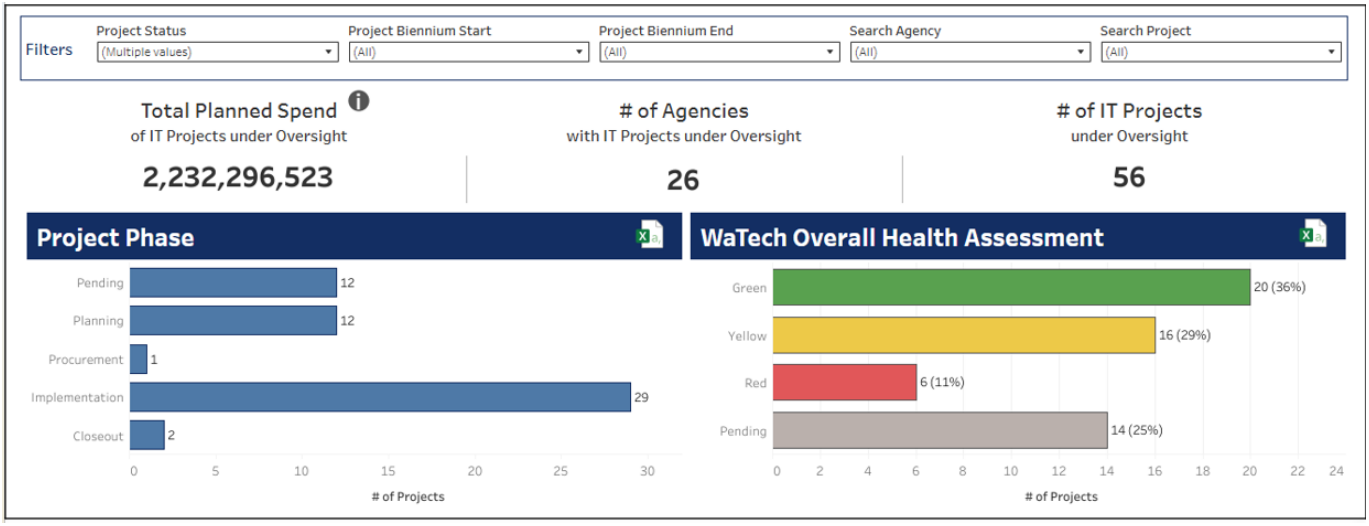

Figure 1: WaTech Oversight Portfolio as of 10/30/2025

Executive Summary

Technology projects in Washington state continue to operate under intense scrutiny, tight timelines, and evolving fiscal realities. As WaTech provides oversight for critical modernization projects across state agencies, decision-making remains an ongoing challenge which, at a minimum, limits successful value-driven outcomes. While the last report focused on the cost of delayed decisions, this edition offers practical strategies that help projects succeed.

"Every IT project is customer focused and an agency modernization effort that requires a strategic partnership with business and IT with the support of a strong and disciplined project team to improve services."

Deanna Brocker, WaTech Deputy Director

This report highlights three best practices identified through independent reviews by WaTech's Project Management Partners:

Drive success with lessons learned throughout the project

Projects that regularly capture and apply lessons learned at each phase stay better aligned with their goals and avoid repeated mistakes. Routine retrospectives help teams understand what worked well and what needs improvement so they can adjust early.

Build and maintain a strong Work Breakdown Structure (WBS)

A clear WBS turns broad goals into specific deliverables. It strengthens planning, supports accurate schedules and budgets, and clarifies who is responsible for each part of the work. When used consistently, it improves transparency, resource planning, and overall project control.

Plan effectively under fiscal constraints

Ongoing budget pressure requires careful prioritization and early risk review. Breaking work into smaller phases, planning for contingencies, and matching scope to available funding helps agencies maintain progress even when resources are tight.

Each section includes a case study that shows how these practices have been used successfully in the public sector.

Strong leadership and a culture that supports clear alignment, timely decisions, and continuous learning make these practices most effective. This report is designed to help agencies strengthen those capabilities.

Best Practice: Driving Success with Lessons Learned

Background

As part of the WaTech gated oversight and funding process, agencies are expected to conduct structured lessons learned sessions - retrospectives in alignment with Washington's Legislative Section 701 of ESSB 5167 (as passed). These sessions help teams identify what worked well, what did not, and what they should change moving forward. This approach follows Agile practices, where teams hold regular retrospectives at the end of each sprint to reflect and adjust. Making this a standard part of statewide IT governance supports continuous improvement, transparency, and accountability throughout a project's lifecycle.

Figure 2: What went well? What caused problems? What can be done differently?

Conducting Retrospectives

Retrospectives give teams a chance to review how well they work and to identify ways to improve process and efficiency. Documenting lessons learned helps agencies avoid repeating past mistakes and *reinforce* practices that lead to positive outcomes.

As noted on IT Project Resources | WaTech, there are several factors that define a project, including,

- Agency culture
- Project scale
- Implementation approach
- Project type

"We often do not take the time to perform a good retrospective, and lessons learned process because we are focused on moving to the next project. This leads to projects making the same mistakes and not learning or applying valuable lessons."

Bill Kehoe, State CIO & WaTech Director

Regardless of an agency's culture, project scale, delivery method, or project type, projects identify lessons that can support future work. Documenting and reviewing these lessons helps agencies to understand what contributed to success or disruption and provides them with what they need to make better choices in future planning.

Observations

Reviews of statewide IT projects show that many teams are not conducting thorough lessons learned sessions. As a result, projects often repeat the same mistakes. Common failures include insufficient planning, unclear objectives, ineffective governance, inadequate vendor management, and lack of project controls.

Given current budget constraints and spending freezes, agencies need to work collaboratively and share best practices and lessons learned and there needs to be a forum established for sharing project lessons learned and insights. A culture of continuous learning helps reduce repeated errors, strengthen planning, and improve results across agencies.

Impact

When project teams meet regularly to determine what they can do better in the future and how they can improve and challenge the process in upcoming iterations (retrospectives) better outcomes are produced, and learning is continuous throughout the project. Implementing lessons learned can lead to improved efficiency and fewer repeat mistakes. Teams can experience higher morale from feeling heard and empowered, while the agency benefits from increased resilience, adaptability, and the development of institutional knowledge.

Without documenting what went well or what issues occurred, teams miss the chance to learn from experience. Shared reflection strengthens agency-wide project delivery and reduces future disruptions.

Call to Action: Drive continuous improvement by conducting regular retrospectives, documenting lessons learned and using a standardized template, and champion the implementation of positive changes across your agency. This includes a step for sharing project best practices, successes, and lessons learned with others by utilizing WaTech's lessons learned template. This ensures they are added to an Enterprise Lessons Learned register so that we all benefit from the experience of what worked well and what did not work so well. **Updated processes will be shared out by WaTech in early 2026.**

Getting to Green

Agencies that use a structured lessons learned framework throughout the project lifecycle build a foundation for continuous improvement. This reduces risk, strengthens collaboration, and improves outcomes. It also increases transparency and supports better decision-making at key review points.

A statewide Lessons Learned Register is available on the Washington State IT Projects Dashboard. This centralized, read-only register is to support cross-agency knowledge sharing. WaTech encourages all agencies to collaborate with their Oversight Consultant or PMP to contribute to and consult the register during planning. By leveraging shared insights from

"It's fine to celebrate success but it is more important to heed the lessons of failure."

Bill Gates

across projects and agencies, we can strengthen project outcomes, reduce risk, and avoid repeating common challenges.

The Project Management Institute (PMI®) A Guide to the Project Management Body of Knowledge (PMBOK® Guide) states that the purpose of a lesson learned process is to define the activities needed to successfully capture and incorporate documented lessons learned into future planning efforts. This includes the activities of identifying, documenting, analyzing, storing, and retrieving lessons learned in an ongoing effort to successfully learn from experience.

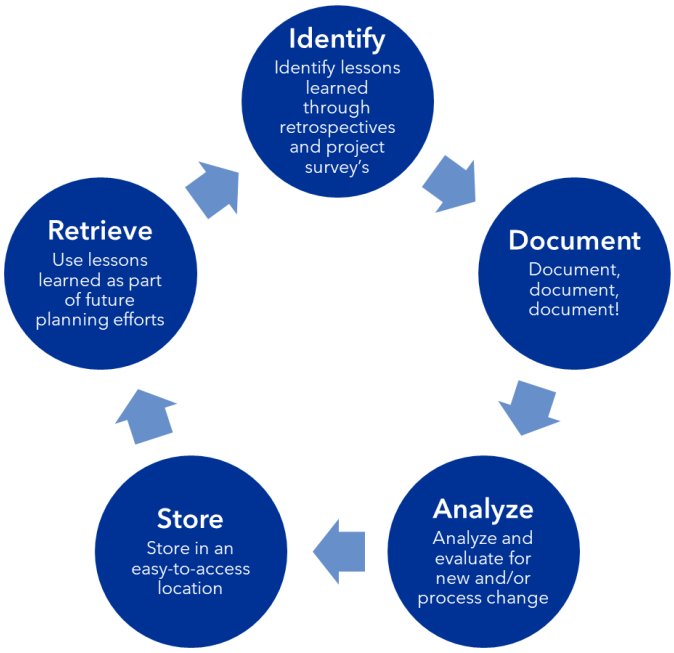

Figure 3: Identify – Document – Analyze – Store - Retrieve

The enterprise-level lessons learned register updates were put on hold over the last few years based on resource limitation and prioritization and is now being revitalized with a new and improved process which includes working closely with the agencies as they document their lessons learned. This includes a new template and process to improve the effectiveness and the ability to measure how well we learn from experience.

Case Study: Health Care Authority (HCA) Community Information Exchange

As part of its commitment to continuous improvement, the Community Information Exchange (CIE) Project team at the Washington state Health Care Authority (HCA) conducted a retrospective on the recently completed CIE Request for Proposals (RFP) for a lead organization to support the development and implementation of the CIE Program. The CIE Program is an initiative to improve how different organizations (e.g., social services, health care, state government, and Tribal organizations) work together across the state to provide services that address health-related social needs, such as housing and nutrition. The CIE Program aims to create standards and governance for how organizations can share information about these needs. The CIE Program will implement and promote use of a statewide technology system for sharing this information, including capabilities such as a resource directory, client management, and closed-loop referral.

"It's important that project teams take time to reflect at major steps while the experience and the perspectives are fresh, rather than waiting until the end of the project when the insights have faded with time "

Dan Renfroe, HCA CIE Program Manager

A retrospective surfaced valuable insights that will continue to improve how HCA approaches future procurements.

- **Procurement documents:** HCA has strong foundational procurement processes and contract document templates that were easily adapted to the specific needs of the CIE Program, building on past procurement successes. However, edits were made to the template evaluation scoresheets to increase clarity and efficiency that can be implemented into templates or future RFP materials.
- **Written proposal evaluations:** There are opportunities to optimize evaluator time commitment, such as allocating specific proposal sections to specific evaluators. There are also opportunities to ensure that vendor staffing is clearly identified in both the written and cost proposals for clarity across the evaluation team.
- **System improvements:** The procurement had high engagement from the vendor community, including nearly 300 questions and 14 proposals. An automated procurement solution is a centralized digital platform that would streamline the lifecycle of HCA's competitive solicitations, from initial RFP drafting to contract award. This would replace current manual workflows with automated tools to ensure regulatory compliance and greatly increase administrative efficiency of HCA's competitive solicitation, such as managing vendors' questions and answers, conflict of interest attestations, scoring, and automating audits and metrics.

Outcomes

This retrospective reinforced the value of phase-based reflection and capturing team feedback quickly after achieving major milestones. By applying lessons learned from this review during the procurement phase of project delivery, HCA is actively strengthening its procurement management framework to be more resilient, transparent, and scalable. These improvements are designed to support operational success and long-term collaboration, while remaining aligned with the procurement protocols established by the Department of Enterprise Services (DES).

The following metrics can support agencies as they adopt a lessons learned framework:

Participation	Monitor participation in lessons learned sessions, such as retrospectives and phase or project closeout activities.
Performance	Analyze project performance over time by comparing cost, schedule, and scope metrics across your project and agency.
Effectiveness	Check yourself and ensure steps are included in your process to capture, store, and utilize lessons learned across your projects. Conduct surveys to gauge your team's perception and quality of the lessons learned documented.
Knowledge	Assess whether knowledge of documented lessons learned are applied to future project efforts and projects across your agency.
Culture	Analyze the correlation between lessons learned that were documented on one project and used to support the planning of another project.

Table 1: Lessons Learned Outcomes

Playbook: Driving Success with Lessons Learned

Capture Lessons Learned

- Capture lessons throughout the project.
- Hold retrospectives at the end of each phase, sprint, milestone, or deliverable.
- Use surveys to gather feedback from the team.

Evaluate Lessons Learned

- Review lessons after major phases, sprints, milestones, or deliverables.
- Use these reviews to strengthen collaboration and shared understanding.
- Identify opportunities to refine processes or make needed changes.

Document Lessons Learned

- Document lessons so successful approaches can be repeated and ineffective ones can be corrected or discontinued.

Celebrate Successes

- Take time to recognize achievements.
- Share successes with the project team, leadership, and steering committees.

Implement Process Improvements

- Create action items to introduce new practices or adjust existing ones based on what the team learned.

Track Lessons Learned

- Track lessons learned to ensure positive ones are added to project processes and that negative ones are not repeated.

Share Lessons Learned

- Discuss lessons and apply them to improve future work across the project and agency.
- Include lessons in status reports and closeout documentation posted to the IT Project Dashboard.
- Share both positive and negative lessons along with the steps taken to improve processes.

Keys to Success

Turn lessons into action:
The value of lessons learned comes from using them to shape future work.

Promote continuous learning:
Encourage teams to learn and improve throughout the project.

Build resilience:
Treat setbacks and disruptions as opportunities to learn.

Capture lessons often:
Document lessons throughout the project, not only at the end.

Support ongoing improvement:
Update or change processes based on what the team learns.

Apply lessons to new projects:
Use past lessons and the resources on the IT Project Dashboard to strengthen future efforts.

Best Practice: Develop and Maintain a Work Breakdown Structure (WBS)

Background

A Work Breakdown Structure (WBS) is a cornerstone of effective project management. It translates high-level objectives into clearly defined deliverables, enabling teams to plan, execute, and monitor progress with precision. Because resources represent a significant portion of project costs, a well-structured WBS can help support accurate forecasting and mitigating risks related to overallocation or misalignment. Despite its importance, many projects under WaTech oversight continue to face challenges stemming from fragmented planning, ambiguous task ownership, and misaligned expectations, often due to incomplete or activity-based WBS models that lack clarity.

A well-structured WBS doesn't just organize work—it drives accountability, sequencing, and integration across scheduling, budgeting, and reporting. This shows how agencies can strengthen their WBS practices to improve project outcomes and reduce delivery risks

Shifting from traditional waterfall to Agile delivery is the goal and in alignment with Washington's Legislative Section 701 of ESSB 5167 (as passed).

A WBS is a hierarchical method for decomposing a project into smaller tasks, which can be adapted for Agile projects by aligning its structure with Agile artifacts like epics, features, and user stories. Instead of organizing work by phases, an Agile WBS groups work by deliverables or functional areas, breaking large epics into features, user stories, and tasks that teams complete in iterative sprints.

Observations

Between May 2025 and October 2025, WaTech PMPs and Oversight Consultants (OCs) reviewed projects under formal oversight. Among those facing significant challenges, many lacked an effective project schedule. For effective project scheduling and scope management, it is critical to develop and consistently use a deliverable-based WBS from initial planning through execution and project closure.

"A well-structured WBS is more than a project tool-it's a strategic lens."

Amy McMahan, PMO Director
Department of Retirement Services

A strong WBS includes:

- Activity-based models that define tangible outputs and align resources.
- Defined task dependencies that lead to realistic timelines and optimal sequencing.
- Clearly defined ownership of deliverables.
- Visibility into resource utilization.
- Ability to manage constraints and mitigate delivery risks.
- Integration with budgeting tools to ensure cost alignment and reliable forecasting.

Projects with strong WBS practices demonstrated better alignment between scope and schedule, clearer accountability, and fewer late-stage surprises.

Impact

Work Breakdown Structures (WBS) are far more than a documentation exercise—they are a strategic planning and governance tool that directly influences project outcomes. Recent studies and industry resources consistently show that projects lacking structured WBS and schedule management practices face higher risks of delay, cost overruns, and scope misalignment.

"When done well, WBS work can lead to strong schedule management. Schedules are not meant to be hammers used to punish struggling projects but rather are meant to be tools that project managers can use to show empirically if project trajectory is meeting expectations and needs, then quickly take actions to correct when they aren't."

David Mendel, WaTech Assistant Director for Enterprise Strategy & Oversight

According to the Center for Management and Organizational Effectiveness, not using a WBS is a root cause of systemic project failure. Their analysis found that teams without a structured breakdown of deliverables often struggle with missed deadlines, unclear roles, and reactive decision-making.

The Project Management Institute (PMI) provides comprehensive guidance in its *Practice Standard for Work Breakdown Structures – Third Edition*, which outlines how WBS models help define scope, improve planning accuracy, and support schedule and cost control. The PMBOK- Seventh Editon provides additional information on establishing and maintaining a WBS.

"A WBS helps us see the work. It gives team members visibility into what needs to happen, when, and by whom—so we can forecast resources, stay accountable, and respond more effectively. That clarity builds trust, supports collaboration, and helps us deliver public service with care and consistency. When we plan with purpose, we create space for meaningful impact."

Amy McMahan, PMO Director -Department of Retirement Services PMO

A WBS is a key component in the project planning process – helping practitioners standardize how they track projects and overcome large uncertainties when they arise.

ProjectManager.com highlights that a WBS improves scope clarity, accountability, and alignment with objectives—leading to better impacted group engagement and fewer late-stage surprises. Similarly, ProjectEngineer.net emphasizes that poor schedule management is a leading cause of project failure, especially when task dependencies and resource planning are overlooked.

These findings underscore the importance of integrating a WBS into broader risk and schedule management practices. Techniques such as pre-mortem analysis, Agile sprint planning, regular cross-functional risk reviews, and the use of Risk, Action, Issue, Decision (RAID) logs help surface task-level risks early, especially those tied to critical dependencies or resource constraints.

A well-structured WBS provides visibility into task sequencing, ownership, and timing. This visibility enables early detection of delays or misalignment, allowing teams to intervene before disruptions impact scope, schedule, or budget. Projects that experience the most severe distress often lack these proactive measures, resulting in reactive firefighting rather than strategic course correction.

By embedding a WBS into the project lifecycle and pairing it with risk tracking tools and governance checkpoints, agencies can reduce volatility, improve decision-making, and maintain momentum—even in complex or shifting environments.

Getting to Green

Achieving and sustaining a green status in project oversight requires more than reactive reporting—it demands quality leadership and project management, proactive planning, clear accountability, and structured execution. A well-developed Work Breakdown Structure (WBS) is a critical enabler of that success.

A clear, deliverable-based WBS allows teams to translate abstract goals into tangible outputs, track progress with precision, and assign ownership at every level. When WBS elements are integrated with schedules, staffing plans, and budgeting tools, project managers gain visibility into current resource allocation, making it easier to identify when individuals are overallocated or assigned to tasks beyond their reasonable capacity. This foresight enables timely adjustments, reduces burnout, and prevents cascading delays.

To move projects toward Green, WaTech recommends the following WBS best practices:

1. **Start with deliverables, not activities**

   Decompose projects based on what will be produced, not just what will be done. This ensures that every WBS component contributes directly to scope fulfillment and impacted group expectations.

   - Example: Replace "Conduct training" with "Training Module – Draft," "Training Module – Final," and "Training Delivery."
   - Resource benefit: Improves effort estimation and clarifies skill requirements for each output.

2. **Integrate WBS with scheduling tools**

   Link WBS elements to project schedules, milestones, and dependencies. This integration supports real-time tracking, accurate forecasting, and identification of critical paths.

   - Tools: Microsoft Project, Smartsheet, Primavera, or agency-specific platforms.
   - Resource benefit: Enables workload balance and prevents resource bottlenecks during peak phases.

3. **Assign ownership to each WBS element**

   Every project deliverable should have a clearly defined owner—whether internal or vendor-based. This accountability reduces ambiguity, accelerates decision-making, and supports resource planning by highlighting potential overloads or gaps in capacity.

4. **Use validation checkpoints**

Incorporate review gates at key stages to confirm that deliverables meet quality standards and impacted party/group expectations before progressing.

- Examples: "Design Review Complete," "Configuration Approved," "UAT Sign-Off."
- Resource benefit: Minimizes rework and ensures efficient use of team capacity.

5. **Embed WBS into Risk and Governance Cycles**

   Pair WBS with proactive risk management practices such as pre-mortem analysis, Agile sprint planning, and RAID logs. This helps surface task-level risks early and supports strategic course correction.

6. **Train IT PMO Team Members on WBS Modeling**

   Provide access to standardized templates and training resources to build internal capability. PMI's *Practice Standard for Work Breakdown Structures – Third Edition* is a foundational reference.

By using these practices throughout the project, agencies can reduce uncertainty, build confidence in delivery, and keep work moving even in changing conditions. A WBS is more than a planning tool; it is a direct path to achieving green status. For projects with a Quality Assurance (QA) vendor under WaTech PM03 – Project Quality Assurance Policy, teams should work closely with their QA partner. Engaging QA early and consistently helps identify risks, strengthen delivery discipline, and improve overall project results.

Case Study: James Webb Space Telescope (JWST) Project

NASA's James Webb Space Telescope (JWST) was one of the most complex and ambitious space science projects ever undertaken. With over 100 major components and thousands of subassemblies, the project required rigorous Work Breakdown Structure (WBS) planning, coordination, and risk management across multiple international partners.

WBS implementation: NASA used a deliverable-based Work Breakdown Structure to manage the JWST's scope, schedule, and cost. The WBS was central to:

- Structuring the project into major deliverables such as the Optical Telescope Element, Integrated Science Instrument Module, and Spacecraft Bus.
- Assigning ownership to different NASA centers, contractors (e.g., Northrop Grumman), and international partners.
- Integrating WBS elements with scheduling tools like Primavera and cost tracking systems.
- Supporting Earned Value Management (EVM) and milestone-based reporting to Congress and impacted party/groups.

Outcomes

Agencies' use of structured Work Breakdown Structures (WBS) across state IT projects has become a key practice that improves delivery confidence, strengthens alignment with impacted partners,

clarifies resource needs, and supports stronger governance. When applied effectively, WBS becomes the foundation of project planning by defining scope clearly, sequencing tasks in a logical order, and managing dependencies with accuracy. This clarity around deliverables helps teams plan and execute work more effectively.

Projects that embed WBS into their lifecycle consistently demonstrate:

- **Improved schedule accuracy** through clear task sequencing and early identification of critical paths.
- **Reduced cost variance** by aligning deliverables with budget forecasts and minimizing scope creep.
- **Faster decision-making** due to defined ownership and visibility into task-level progress.
- **Higher sponsor confidence** through transparent reporting and milestone-based validation checkpoints.
- **Lower risk exposure** by integrating WBS with RAID logs, pre-mortem planning, and Agile sprint reviews.

These outcomes are not theoretical; they are supported by recent studies and real-world examples. Research from the *Center for Management and Organizational Effectiveness* and *ProjectManager.com* confirms that projects lacking WBS face higher rates of failure due to unclear roles, missed deadlines, and reactive planning.

Moreover, the PMI *Practice Standard for Work Breakdown Structures – Third Edition* reinforces WBS as a foundational tool for scope definition, schedule integration, and cost control. Agencies that align their planning practices with this standard are better equipped to navigate complexity and deliver results.

Ultimately, WBS is more than a planning artifact – it is a strategic enabler of project success. By operationalizing WBS though templates, training, and governance checkpoints, agencies can reduce volatility, improve execution, and build resilient delivery frameworks that scale across portfolios, programs, and projects.

Table 2: WBS Implementation Outcomes Note: All observed outcomes percentages are estimates based on perceptions of the PMPs. Actual

Metric	Expected Outcome	Why It Matters
Schedule Accuracy	≥ 90% milestone adherence	Clear task sequencing/dependencies reduce delays and improve timeline predictability.
Scope Clarity	≥ 95% alignment between planned and delivered scope	Deliverable-based decomposition ensures every task contributes to defined outputs.
Resource Utilization	≤ 10% variance in allocation	WBS enables visibility into workloads, preventing overuse or underuse of team members.
Cost Variance	≤ 5% deviation from budget	Linking WBS to budgeting tools improves forecasting and reduces unplanned expenses.
Rework Rate	≤ 15% of total effort	Validation checkpoints catch quality issues early, minimizing costly rework.
Decision Latency	30–50% faster decision-making	Defined ownership and task-level visibility accelerate approvals and issue resolution.
Risk Detection Lead Time	≥ 2 weeks before impact	WBS integration with RAID logs and governance cycles surfaces risks earlier.
Sponsor Confidence	≥ 80% satisfaction in reporting clarity	Structured WBS supports milestone-based reporting and transparent progress tracking.

Playbook: Implement Work Breakdown Structure

Define Project Deliverables

- Break down the project into tangible outputs, not activities.
- Use nouns and outcomes (e.g., "Training Module – Final") instead of verbs (e.g., "Conduct training").

Align WBS with Project Objectives

- Ensure each WBS element maps to a business goal or stakeholder requirement.
- Validate alignment with charter, scope statement, and success criteria.

Assign Ownership

- Designate a responsible party for each WBS element—internal team or vendor.
- Ensure clarity on who "owns" and who "supports" to ensure one owner for accountability where practicable.
- Use RACI models to clarify roles and reduce ambiguity.

Link WBS to Scheduling Tools

- Integrate WBS with platforms like Microsoft Project, Smartsheet, or Primavera.
- Map dependencies and critical paths to enable forecasting and risk detection.
- Set aside enough time and resources for this work. Coordinating and connecting tasks requires careful effort.

Monitor Resource Allocation

- Use WBS to track resource assignments and identify overallocations.
- Adjust workloads based on task complexity and availability.
- Ensure alignment to the approved Tech Budget roles allocated.

Review and Update Regularly

- Review tasks regularly, at least once a week, especially when working in Agile schedules.
- Fully reassess schedule risks at each project phase or milestone.
- Include WBS-linked updates in status reports and executive dashboards.

Capture Schedule Lessons Learned

- Conduct in alignment with sprints and/or completion of major stages/phases.
- Document what went well and what didn't.
- Add any effective mitigations to the lessons learned register.

Keys to Success

Define deliverables:
Structure the WBS around tangible outputs to keep work aligned with scope and stakeholder expectations.

Assign ownership:
Give each WBS element to a specific person or team to strengthen accountability and speed up decisions.

Sequence tasks:
Map task relationships to identify the critical path and avoid bottlenecks.

Integrate tools:
Link the WBS to scheduling and budgeting tools such as MS Project to support real-time tracking and resource alignment.

Monitor resources:
Use the WBS to track capacity, prevent overallocation, and confirm staffing needs.

Add checkpoints:
Establish review points to confirm quality and readiness before moving to the next phase.

Best Practice: Planning under fiscal constraints

Background

Public sector technology projects often face unpredictable fiscal conditions, including budget freezes, procurement delays, and limited staffing. These challenges can disrupt even well-planned efforts and require agencies to move from traditional planning models to more flexible, resilient approaches. Agencies must be able to adapt while maintaining oversight expectations and stakeholder confidence.

"Money doesn't grow on trees – it must be cultivated, managed, and protected like any other critical resource."

WaTech PM Partner

This section outlines proven strategies for planning under fiscal constraints, drawing on lessons learned, Agile financial practices, and leadership insights to help teams continue making progress with limited resources.

Observations

Fiscal constraints are now a constant reality across agencies. Budget freezes, delayed procurements, and staffing shortages have pushed teams to rethink how they sequence work, allocate resources, coordinate with internal and vendor partners, and manage risk.

Agencies need a process to identify funding risks early in the planning cycle. This includes assessing likely budget limits, procurement challenges, and resource gaps before they affect delivery. Early risk identification allows teams to create mitigation strategies such as phased delivery, contingency planning, and alternative sourcing. Embedding this review in governance and portfolio processes helps ensure financial risks are monitored and addressed consistently.

Another important strategy is securing access to reserve or surge funding to cover unexpected delays, cost increases, or staffing issues. Agencies should evaluate the financial resilience of their project portfolios to understand which efforts can withstand funding gaps and which are more vulnerable. This analysis supports contingency planning and strengthens readiness during budget cycles.

Impact

Agencies that apply adaptive planning strategies maintain stronger momentum during fiscal uncertainty. Phased and modular delivery supports steady progress and gives teams flexibility to adjust scope as funding changes. Reserve funding provides a buffer for unforeseen issues, helping agencies stay on track. Portfolio-level insight into funding resilience supports informed trade-offs and stronger prioritization.

These practices also support compliance with Washington's Section 701 requirements for iterative delivery, transparency, and measurable value. Aligning fiscal planning with Agile principles helps agencies remain responsive, maintain oversight standards, and ensure responsible use of public funds.

Overall, these strategies strengthen readiness, improve decision-making transparency, and build trust with oversight bodies. As fiscal uncertainty becomes more frequent, agencies that plan with agility and foresight will be better positioned to deliver long-term value across their technology portfolios.

Getting to Green

Achieving a "green" status in fiscally constrained environments requires more than meeting deadlines—it demands proactive risk management, flexible planning, and sustained impacted party/group alignment. Agencies must shift from reactive problem-solving to forward-looking strategies that anticipate funding, procurement, and resource challenges before they impact delivery.

"Funding is a resource, always vulnerable to disruption-failing to plan for it is like crossing the street without looking both ways."

WaTech PM Partner

Key actions for moving from ■ red or ■ yellow to ■ green include:

- **Finalize Schedule and Resource Alignment:** Lock in critical path tasks, confirm resource availability, and validate dependencies to stabilize delivery timelines.
- **Establish Contingency Funding and Buffers:** Secure reserve or surge funding to absorb unexpected delays or cost escalations and embed schedule buffers to protect key milestones.
- **Strengthen Governance and Oversight:** Integrate fiscal risk reviews into portfolio governance, ensuring that funding gaps, procurement delays, and staffing constraints are addressed early.
- **Leverage Modular Planning and Prioritization:** Break work into manageable phases, prioritize high-impact deliverables, and adjust scope dynamically to maintain progress under changing conditions.
- **Aligning with Agile Compliance Requirements:** Ensure planning and reporting practices meet Washington's Legislative 701 Agile standards, including iterative delivery, transparency, and measurable outcomes.

Getting to green is not a one-time fix—it's a continuous discipline of aligning resources, managing risks, and maintaining delivery confidence. Agencies that embed these practices into their planning cycles are better equipped to navigate uncertainty and deliver sustained value.

Case Study: Child Welfare Digital Services (CWDS) Project

The California Department of Social Services launched the Child Welfare Digital Services (CWDS) project to modernize its legacy child welfare system. The initiative faced significant fiscal and procurement constraints, including rigid funding cycles, vendor turnover, and evolving federal compliance requirements. Adaptive strategies used include:

- **Modular, phased delivery**: CWDS adopted an Agile, modular approach to break the system into smaller, independently deliverable components. This allowed the team to show progress and secure incremental funding.
- **Flexible resourcing**: The project leveraged a mix of in-house staff, contracted Agile teams, and shared services to adapt to staffing limitations and procurement delays.

- **Contingency planning**: CWDS built in schedule and budget buffers to accommodate vendor transitions and policy shifts without derailing delivery.
- **Governance alignment**: The team worked closely with oversight bodies to align Agile practices with state reporting requirements, including iterative planning and value-based milestones.

Despite early challenges, CWDS became a model for Agile delivery in the public sector. It demonstrated how adaptive planning, modular architecture, and transparent governance can sustain progress—even under fiscal and operational constraints.

This case is widely cited in public sector digital transformation literature and aligns closely with Washington's Legislative 701 Agile requirements. Furthermore, to highlight CWDS's financial oversight and framework discipline. California CWDS Case Study | Agency 39A and Child Welfare Digital Transformation | Data Roadmaps resources showcase how structured planning and Agile execution can coexist to drive meaningful outcomes in constrained environments.

Outcomes

Agencies that implemented adaptive planning strategies under fiscal constraints reported measurable improvements in delivery stability, impacted party/group confidence, and compliance readiness. By proactively assessing funding risks and embedding mitigation tactics such as reserve funding, modular planning, and procurement workarounds teams were able to sustain progress despite budget freezes and resource limitations.

Decision Latency	30–45% faster decisions on scope, budget, and delivery when fiscal risks are assessed upfront.
Rework	25–40% reduction in scope changes due to modular planning and early governance alignment.
On-Time Delivery	20–35% improvement in milestone accuracy when contingency buffers and phased delivery are applied.
Sponsor Confidence	25–40% increase in executive support and funding continuity when surge funding and agile compliance are visible.
Outcome Based Metrics	Projects using adaptive fiscal planning report 2–3× more value-driven KPIs and iterative delivery metrics.

Table 3: Planning Under Fiscal Constraints Note: All observed outcomes percentages are estimates based on perceptions of the PMPs. Actual results may vary depending on agency context, implementation maturity, and external factors.

Playbook: Fiscal Planning

Assess Fiscal Risk early

- Identify potential budget freezes, procurement delays, and staffing gaps before planning begins.
- Use scenario modeling to anticipate financial disruptions and their impact on delivery.

Secure Contingency and Surge Funding

- Establish reserve funding pools to absorb unexpected costs or delays.
- Build surge funding triggers into governance cycles for rapid deployment.

Use Modular and Phased Delivery

- Break initiatives into smaller, fundable components to maintain progress.
- Prioritize high-value deliverables that can be completed within limited funding windows.

Apply Flexible Resourcing

- Leverage cross-functional teams, shared services, and contract flexibility to adapt to staffing constraints.
- Reallocate resources dynamically based on funding availability and delivery priorities.

Monitor Portfolio-Level Funding Resilience

- Evaluate which projects can weather funding gaps and which need support.
- Use dashboards to track financial health across the portfolio.

Align with Agile Governance Requirements

- Ensure planning and reporting meet Washington's Legislative 701 Agile standards.
- Embed iterative delivery, transparency, and measurable outcomes into oversight reviews.

Engage Stakeholders Continuously

- Maintain sponsor confidence through clear communication and visible progress.
- Use regular check-ins to recalibrate priorities and funding needs.

Keys to Success

Identify risks early:
Review fiscal risks at the start and watch for funding gaps, procurement delays, and resource limits.

Secure contingency funds:
Set aside reserve or surge funding to cover unexpected costs or delays.

Use incremental delivery:
Break work into modular, phased pieces to maintain progress and flexibility.

Adjust resourcing:
Shift tasks and use shared services to address staffing constraints.

Prioritize projects:
Monitor funding resilience across the portfolio and focus on projects that can continue through funding gaps.

Follow Section 701:
Align planning with Agile 701 requirements to support iterative delivery, transparency, and measurable outcomes.

Communicate consistently:
Share information early and often to maintain trust.

Conclusion

Washington's technology projects continue to face tight budgets, complex delivery environments, and high expectations for transparency. Success depends not only on meeting timelines and budgets but also on intentional learning and structured planning.

Using lessons learned throughout the project—not only at closeout—gives teams timely insight that strengthens decisions, reduces rework, and improves confidence in delivery. When teams apply these lessons early, they adapt more effectively and avoid recurring issues.

A strong Work Breakdown Structure (WBS) remains essential. It clarifies scope, supports accurate estimates, and aligns work with funding and milestones. Combined with disciplined financial planning, a WBS helps agencies deliver value in steady increments, even when resources are limited.

Operating under fiscal constraints requires more than short-term budget fixes. Effective planning includes identifying risks early, using modular delivery, and preparing contingencies that keep work moving when funding conditions change. These practices improve transparency, reduce delays, and ensure projects stay aligned with agency goals.

By committing to continuous learning, deliberate planning, and structured delivery, Washington agencies can better navigate uncertainty and produce lasting value for the residents they serve.

References

About this report

Engrossed Substitute Senate Bill 5167
WaTech Oversight Portfolio

Driving Success with Lessons Learned

WaTech gated oversight and funding process
IT Project Resources | WaTech
Washington State IT Project Dashboard
The Road Ahead (Bill Gates Quote)
PMBOK- Seventh Editon

Developing and Maintaining a Work Breakdown Structure

Center for Management and Organizational Effectiveness
PMI WBS Practice Standard
PMBOK- Seventh Editon
ProjectManager.com
ProjectEngineer.net
WaTech PM03 – Project Quality Assurance Policy
GAO Report: James Webb Space Telescope

Planning under Fiscal Constraints

Washington Legislation Section 701 - Agile requirements
Child Welfare Digital Services (CWDS) project
California CWDS Case Study | Agency 39A
Child Welfare Digital Transformation | Data Roadmaps

Appendix

A note on terminology

This report discusses Washington state information technology project management best practices and uses some concepts and terminology specific to our state. Definitions from the Washington State Information Technology Project Dashboard glossary will be included as a footnote for these terms as they are introduced. The following concepts are important to be aware of up front.

WaTech oversight[1]: All projects discussed in this report are currently under WaTech oversight. Agencies are required to submit every IT investment/project with a combined level of effort of more than $500,000 or a duration greater than six months to WaTech for review. WaTech will review these details to designate investments as either under project oversight or not. Projects requiring oversight will then be assigned an oversight tier.

Red, Yellow, Green: It's common practice to use "traffic light" colors to communicate project health. The formal definition used by WaTech for each status is as follows:

- Red means that the project is in trouble. Significant problems with project controls are impacting progress, and without intervention, the project will likely miss key deadlines, go over budget, or fail to meet its goals. Immediate action is needed to get back on track.
- Yellow means that the project has some issues or risks that need attention. While progress is still being made, there are concerns that existing project controls could cause delays or cost overruns if not addressed. The team is actively managing these issues, but the situation should be watched closely.
- Green means the project is on track. Work is proceeding as planned, milestones are being met, and there are no major issues affecting scope, schedule, or budget. Everything is moving forward as expected.

[1] See State IT Projects | WaTech for an overview of the process.

Contact

Questions regarding this report and other project management best practices can be directed to the PMP team at watechdlprojectmgtpartners@watech.wa.gov.

Archived Reports

Prior reports are published on WaTech's website on the Reports and Documents page. Prior videos and published material can be found on the IT Project Resources page.