

Appendix G: Agile Product or Platform Development Service Level Requirements

DHHS will seek to establish a mutually agreed to set of Service Level Objectives at the onset of the relationship with a candidate vendor (i.e. selection into the vendor pool) to establish a foundation for performance improvement. This appendix is an example of what may be used for vendor performance expectations. The actual Service Level Requirements will be incorporated into each Work Order, and the format and content of this Appendix is subject to change.

Agile Product and Platform Development Service Level Requirements

Product or Platform Development Service Level Requirements						
Service Level Object	Service Level Performance	Service Level Metrics		Reporting Interval	Improve Year-over-Year	KPI
		Months 1-6	Months 7+			
Project estimation (actual cost vs. estimated cost)	Actual vs estimate	Actual — not more than +/- 15% of estimate	Actual — not more than +/- 10% of estimate	Per PSI work order	Reduce average actual vs estimate difference 10% year over year	Yes
Project estimation (actual duration vs schedule)	Actual vs estimate	Actual — not more than +/- 15% of estimate	Actual — not more than +/- 10% of estimate	Per PSI work order	Reduce average actual vs estimate difference 10% year over year	Yes
Customer satisfaction	4.5 or higher on a 5.0 point scale, qualitative measurement by NE DHHS program manager	90%	95%	Per month	Increase percentage projects with 4.5 or higher year over year	Yes
Risks identified that became issues	Less than X% of risks identified and registered in risk log have become real issues	10%	5%	Per PSI work order per product solution work order	Reduce percentage risks that became issues year over year	No
Team Utilization	More than X% of total working hours of team used for work order execution	70%	80%	Per PSI work order per sprint work order	Increase Team utilization with at least 2% year over year	No

Product or Platform Development Service Level Requirements						
User stories defined per business analyst	More than X user stories defined	Average over the 6 months	6-month average + 25%	Per month	Increase user stories defined with at least 5% year over year	No
Backlog prioritization issues	Less than X issues	Average over the 6 months	6-month average — 5%	Per Month	Reduce average number of issues with 5% year over year	No
Team collaboration issues	Less than X issues	Average over the 6 months	6-month average — 5%	Per month	Reduce average number of issues with 5% year over year	No
Team agile practices application issues	Less than X issues associated with poor application of agile principles	Average over the 6 months	6-month average — 5%	Per month	Reduce average number of issues with 5% year over year	No
Defect density	Less than X defects per story	Average over the 6 months	6-month average — 5%	Per month	Reduce average number of defects per story with 5% year over year	Yes
Burndown Rate	More than X% of stories selected for a sprint actually realized during the sprint	Average over the 6 months	6-month average + 5%	Per month	Increase average percentage realized stories per sprint with 5% year over year	Yes
Team Velocity	Actual number of stories realized per team	Average over the 6 months	6-month average + 5%	Per sprint	Increase average total number of realized stories per sprint with 5% year over year	Yes

Product or Platform Development Service Level Requirements						
Defect Leakage to production	Less than X of total defects found during the Warranty Period,	5%	2%	Per month	Reduce average number of defects per story with 5% year over year	No