## 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 |
| 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 |
| 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 |