

# Cost Estimation and Management Efficiencies Brought to Modernize DOD Software System

The Department of Defense (DOD) struggles with managing hundreds of software modernization programs, balancing urgent requirements within limited budgets, while meeting the needs of the soldier. The challenges are overwhelming. One Department of Defense Program Office substantially improved efficiencies of delivering an enhanced software system making it easier to budget and allocate money for critical improvements to the system. The result was a significant increase in support for our troops.



## The Challenge

With the highest operations tempo that the DOD has seen in years, the challenges to support the needs of each soldier are significant. Not only are weapons systems in need of continuous updating, but the software systems that support the soldiers require modernization, too.

Soldiers, sailors, airmen, and Marines with their families are being moved at a very high rate, so software systems that assist in this process are critical to the everyday mission of the Department.

Whether the need is moving household goods, financial records, or family health records, all of them need to be handled without flaw. The challenge is to upgrade the legacy software systems to support the increased operations tempo while doing this within a budget that is supporting a war effort.

Several DOD Program Offices struggle with this challenge. Legacy systems are taxed with increased use, plus they are not as efficient as newer systems could be.

Many program offices want to bring a new system on line, but they can't impact the ongoing support provided by the legacy system. New systems need to be developed

in modules or components so that the new capability comes on line quickly. Minimizing defects and rework is critical.

## Critical Problem

One of DOD's experienced program offices had extensive background in the management and construction of infrastructure projects. The demand was upon them to modernize one of their systems yet they lacked the cost estimating expertise to enable analysis of quality development benchmarks.

They needed to validate the costs and schedule associated with the modification of a commercial-off-the-shelf (COTS) application. A critical part of that process was to identify the basis for assessing the integration and customization of the application within its existing information technology infrastructure.

## What was needed

Prior to the initial release of the customized application, the program office's primary concern was determining product quality. How severe were the number of open and latent software defects? How did that number

compare to industry quality assurance benchmark standards? This analysis would determine whether the application was actually ready for implementation.

The program office also wanted the ability to measure user capabilities delivered in the initial application. This measurement would become the basis to estimate additional level of effort for required enhancements.

The challenges were significant. The timeline was short. The budget was limited.

## The Solution

The DOD Program Office came to PRICE Systems for methodologies, tools, and training. It was critical for them to implement a solution quickly. They took several actions, namely:

1. attended PRICE Systems' Webinar program to understand the methodology that would work for their project,
2. contracted with PRICE Systems consulting to obtain expertise in modifying standard processes to meet their specific agency needs,
3. implemented the PRICE Systems IT Life Cycle Cost Estimating Suite as their standard for all estimating,
4. and participated in training on both the suite of tools and on function point methodologies as applied to their projects.

The training was a workshop environment tailored specifically for their projects.

This integrated solution approach was critical to the DOD Program Office's success. It allowed their personnel to quickly implement the new approach while still retaining their aggressive development schedules.

The new integrated team gathered critical data from existing programs throughout the industry and built a solid basis for their assessments. With a new methodology and tools in place, the program office is able to efficiently and confidently evaluate product quality as well as assess the impacts of all defects. It has thus given the program office an added level of integrity with their users and when approaching their higher headquarters for budget requests and status reports.

The DOD Program Office is no different than every organization developing technology-based projects. They are always dependent on their internal development group or external development partners for successful delivery of the project.

By partnering with PRICE Systems, this program office expanded their depth of knowledge, increased their efficiencies, built a stronger team, and, in the end, has significantly improved their support to the soldier.

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