IT Modernization in State Government Drivers, Challenges and Successes

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NASCIO President
Top 10: State CIO Priorities for 2018

1. Security
2. Cloud Services
3. Consolidation/Optimization
4. Digital Government
5. Budget and Cost Control
6. Shared Services
7. Broadband/Wireless Connectivity
8. Data Management and Analytics
9. Enterprise IT Governance
10. Agile and Incremental Software Delivery

Source: NASCIO State CIO Ballot, November 2017
Targets of Enterprise Consolidation

- Data Centers
- E-mail/Collaboration
- Telecom/Networks
- Servers
- Storage
- Desktops
- Content Management
- Security
- Help Desk
- Software Licenses

- Disaster Recovery/Back Up
- Automation Tools
- Application Development
- Business Intelligence/Analytics
- Project Management
- Imaging/Archiving
- Mobile Device Management
- Identity Management
- Contracts
- IT Staff
Enterprise Data Center Consolidation

Source: NASCIO 2016 State CIO Survey with 2017 updates

Consolidated
In progress
Planned

SHRINKING STATE DATA CENTERS
A PLAYBOOK FOR ENTERPRISE DATA CENTER CONSOLIDATION

Consolidated
In progress
Planned
Rationale for IT Consolidation

- Reduce diversity and complexity of environment - cost savings
- Economies of scale - reduce operational costs
- Strengthen IT security
- Promote enterprise integration and applications
- Introduce process standards: ITIL and ITSM
- Improved support for legacy systems
- Centralize infrastructure maintenance and upgrades
- Improve disaster recovery/business continuity
- Reinvestment of spend to services, agency priorities
<table>
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<tr>
<th>The Success Playbook</th>
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<tr>
<td>Engage with other states to identify lessons learned</td>
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<td>Have a plan - defined process with gap analysis</td>
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<td>Document the “as is” - baseline of assets</td>
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<td>Spend analysis - capture the known costs, hidden costs</td>
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<td>Create strategic roadmap with reasonable milestones</td>
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<td>Establish a governance structure for shared decision-making</td>
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<td>Engage the agency stakeholders early</td>
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<td>Constant communication - expect resistance</td>
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<td>Address federal cost allocation</td>
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<td>Re-negotiate existing contracts</td>
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<td>Manage expectations and expect surprises</td>
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<td>Capture and report cost savings</td>
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Challenges to Consolidation Initiatives

- Agency/workforce resistance to change
- Lack of funding/investment to prepare for consolidation
- Agencies desire to remain autonomous
- Problems moving infrastructure from the agencies
- Backlash when consolidation doesn’t meet agency business needs
- Higher than projected costs
- Seeking exemptions from federal statutory and regulatory requirements
2011: 30 data centers, 76 financial systems, 129 email and blackberry servers, 22 unique time and attendance systems, 17 different imaging systems, 7 mainframes, 32,000 workstations of which 20 percent were older than four years.

Consolidation: Completed consolidation for 77 mandated agencies and 33 volunteer agencies over the past 60 months (FY 2011 to FY 2016). $372 million in estimated savings and reduced spend.

Unification: One IT Unification every two weeks; 1,298 technology projects completed; 1,923 agency specific enhancements; One major milestone every 13 hours.

Service Rate: Changed to a service rate model in 2016 as outlined by our legislators in ITCCA in 2011.

Oklahoma Cyber Command: 24/7 response to cyberattacks.

Office 365: Over 7,000 users across 51 state agencies use this tool.

Innovate Oklahoma: Goal of finding innovative ways to leverage technology while supporting Oklahoma’s tech startup sector.

Network connectivity for education: Minimum connectivity goal of 100 kbps per student was met by 97 percent of school districts representing 580,715 students.
Critical Success Factors

- Strong support from the state leadership
- Establishing trust with stakeholders
- Effective governance model with a shared vision
- Choosing the correct implementation strategy to ensure buy-in
- Workforce impact - motivating staff through the transition
Questions?

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