

# National Conference of State Legislatures

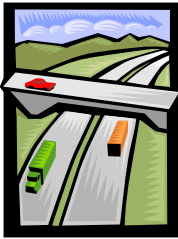
New Orleans, Louisiana

## Creating an Effective Statewide Information Technology Policy

Managing an Enterprise Portfolio: the  
Minnesota Model

Presented by:  
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Minnesota State CIO

# IT is the Backbone of Government



*In the last century, roads and bridges formed the states' infrastructure and enabled trade, commerce and service to citizens...*

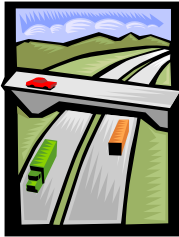
...In the digital era of the 21<sup>st</sup> Century, information technology is the backbone of the government operations that enable trade, commerce and service to citizens.

# IT Enables Government Services

Government IT supports the delivery of our most basic services, including:


- **Education**: school management, student academic and health records, content in the classroom, etc.
- **Health and social services**: checks to the needy, social service coordination, job banks, specialized training, health records, emergency medical information, etc.
- **Public safety**: real-time data for police officers, court records and proceedings, emergency management, driving and criminal records, etc.
- **Administration**: professional, occupational, recreational licenses; tax and property records, payroll, vendor payments, etc.

# The Unseen Risk



*Potholes in roads and degradation in bridges create risks for business and the public. Luckily, they are visible enough that everybody knows when they are broken.*

- Old IT infrastructure and systems create risks to the smooth management of agency operations and delivery of service to citizens.
- However, they are often invisible to the citizen and even to those within government that have grown to depend on them.



“The human and economic sacrifices from a cyber-attack can be devastating... on par with what this country experienced on September 11.”

-- Michael Chertoff, Secretary of Homeland Security  
RSA Conference, San Francisco, April 8, 2008

# Government's Challenges

**Cost of management, upkeep and investment in new technology consumes larger and larger percentage of a state's budget**

- Securing the siloed and decentralized environment
- Maintenance and upgrade of functioning systems
- Modernization of aging legacy systems & BPR
- Investments in efficient systems & management
  - Process re-engineering
  - Systems consolidation
- Promising new technologies

# Siloed Management / Siloed Funding

A distributed IT system and an equally distributed funding system make efficiencies difficult to achieve

## Siloed IT Challenges

- Standardization & resource management
- Technical management
- Security
- Shared services

## Siloed Funding Challenges

- Pooled funding / shared investments
- Redundant costs
- Compromised accountability

# Planning Through Governance

- **IT governance process**: creating a culture and process for collaboration, dialog and enterprise decision-making





# Setting Priorities in Minnesota

**Identifying priorities:** enterprise projects and major systems in Minnesota that need a new funding model today

## **Utility Service Development**

- Enterprise email
- Consolidation of data centers
- Electronic document management
- Web collaboration tools
- Web content management
- Storage and backup
- Identity management
- Green IT

## **Ongoing Maintenance Upgrades**

- IT Infrastructure
- Telecommunications
- Systems

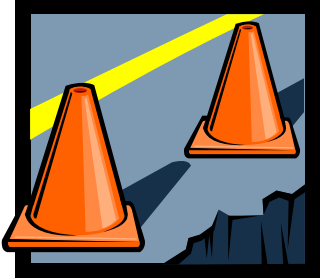
## **Enterprise Security Framework**

- Policy deck (24+ policies)
- Continuity of operations & disaster planning
- Security information and event management
- Threat and vulnerability management
- More tools

## **Legacy Systems Modernization/BPR**

- Integrated tax system
- Accounting and procurement system
- Health Match
- DMV
- CriMNet

# Avoiding the Digital Potholes

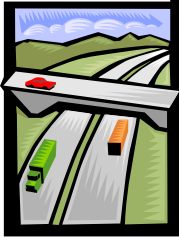


Like roads and bridges, ***a state's IT infrastructure needs continuous maintenance, upgrades, renovation, enhancement, and modernization*** in order for services to be available when, where and how they're needed.

# Modeling the Future

- **State of Minnesota Information and Telecommunications Technology Systems and Services Master Plan 2007:** provides a framework for change and transformation
- **Key Enterprise Projects:** Utility Service Consolidation; Enterprise Security; e-Government Foundation; Service-related Projects; Sourcing Projects
- **Service Delivery Organizational Improvement:** expand organization capacity; develop a new service delivery framework; improve business intelligence; improve financial intelligence and reinvent the rate; re-engineer business processes and create metrics

# Investing in the Future



*Maintenance of roads and bridges is supported by “fenced funds” that are continuously replenished through the gas tax and other dedicated funds.*

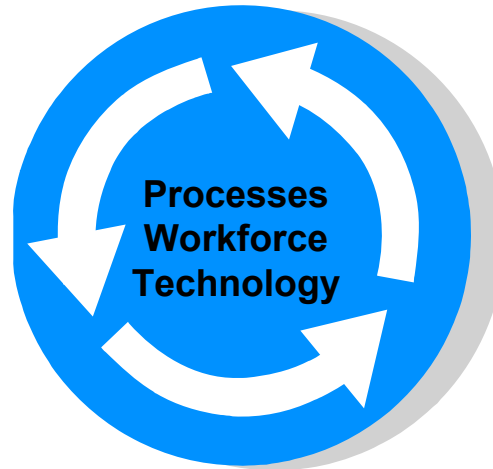
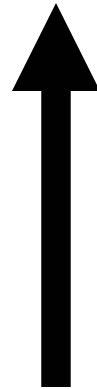
*The full life cycle of this vital “brick and mortar” government infrastructure is planned in advance, and money is collected and saved in anticipation of repair and replacement.*

- The time has come to establish life cycle planning and “fenced funds” that are continuously replenished for ongoing maintenance, upgrades and enhancement of the government IT infrastructure.

# Opportunity for Transformation

- **Changing citizen and workforce demographics**
- **Changing expectations about service and value**

- Demand**
- **Citizen's expect 24/7/365 access**
  - **Information explosion**
  - **Cyber security**



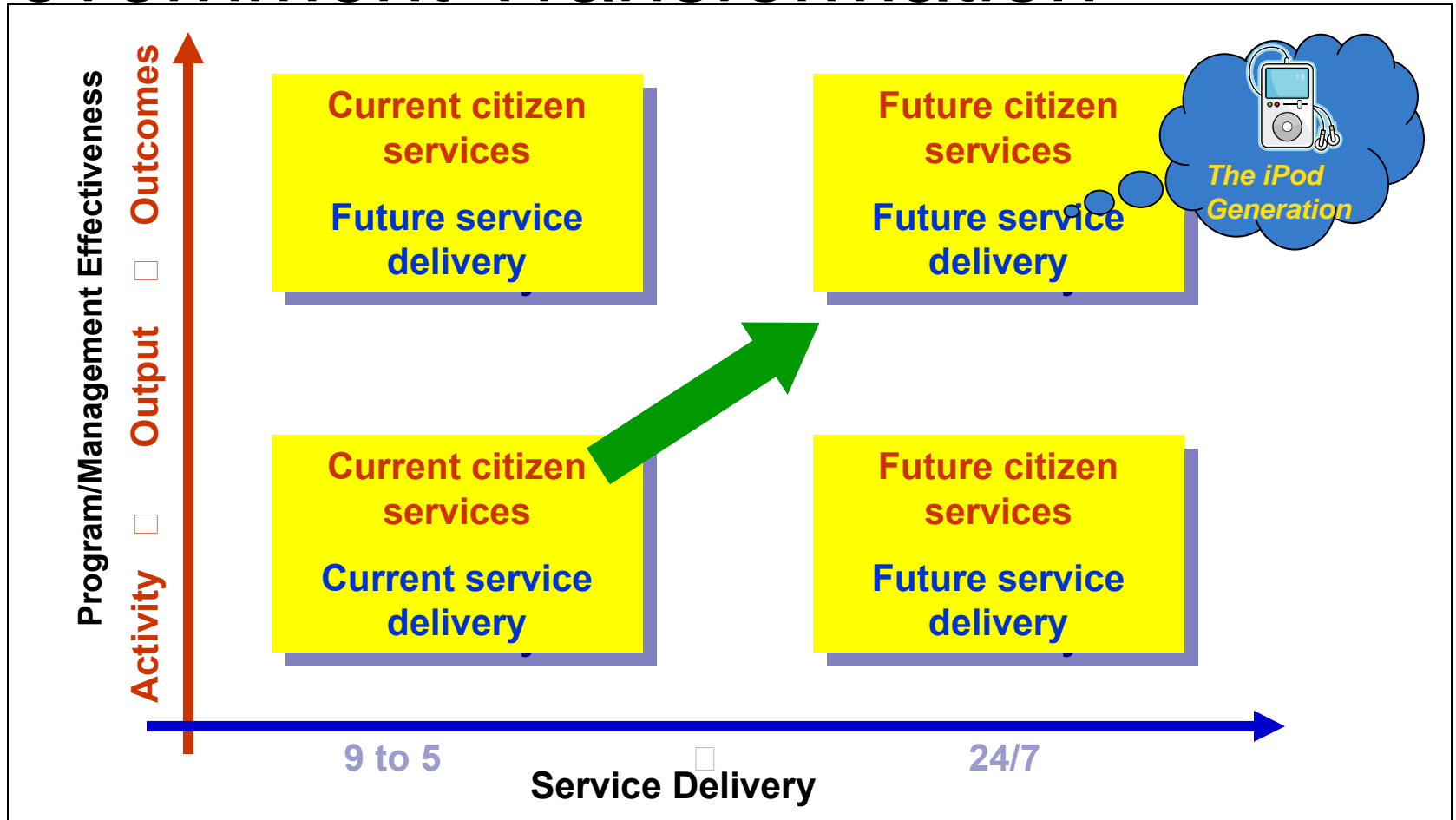
- Supply**
- **50% workforce retiring**
  - **Resulting "Brain Drain"**
  - **Continuous pressure to reduce taxes**

Government Operations  
Next 15 years

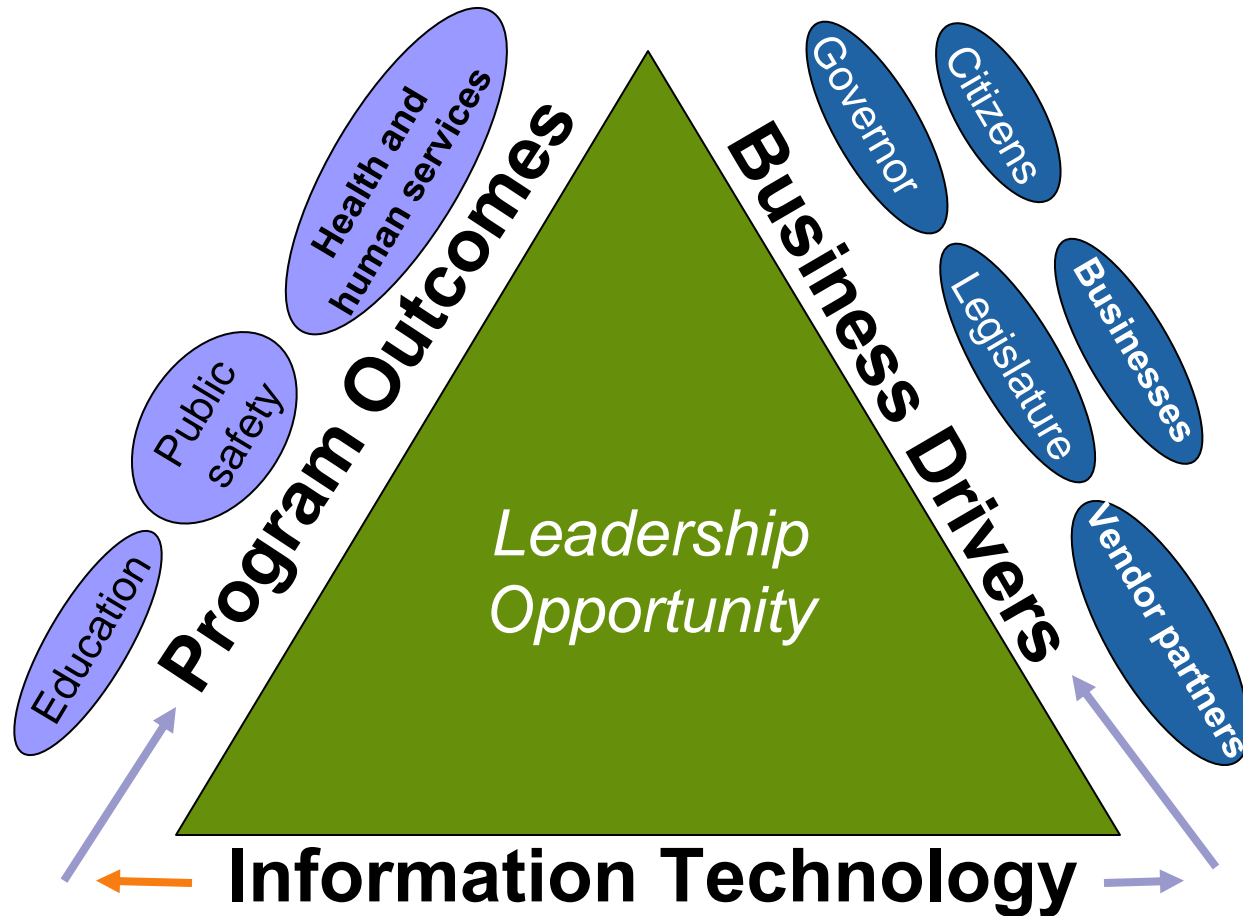
# Drivers for Change

- Growing Cyber security threats
- Demographic changes
- Demand for online services
- Outdated manual processes
- Economic and budgetary considerations
- Need to do more with less
- Aging information technology infrastructure

# Government Transformation



# 21<sup>st</sup> Century Government Operations Infrastructure







# Outcome: Minnesota Advantage

- Leveraging technology to make government better means that...
  - Citizen workforce is well served
  - Strong business climate is created
  - We deliver best value for taxpayers

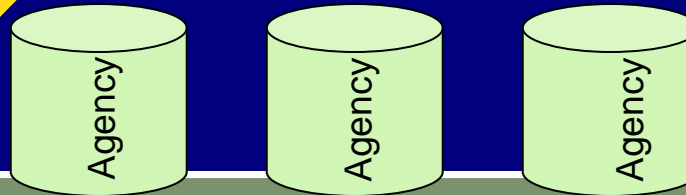
# Minnesota Technology

**Government to Citizens**

**Government to Business**

**Government to Government**

**Security and Identification Management**  
**Electronic Delivery of Government Services**



**Agency Programs and Services**

**Consolidation of IT Infrastructure**

**Telecommunications Infrastructure (MNET)**

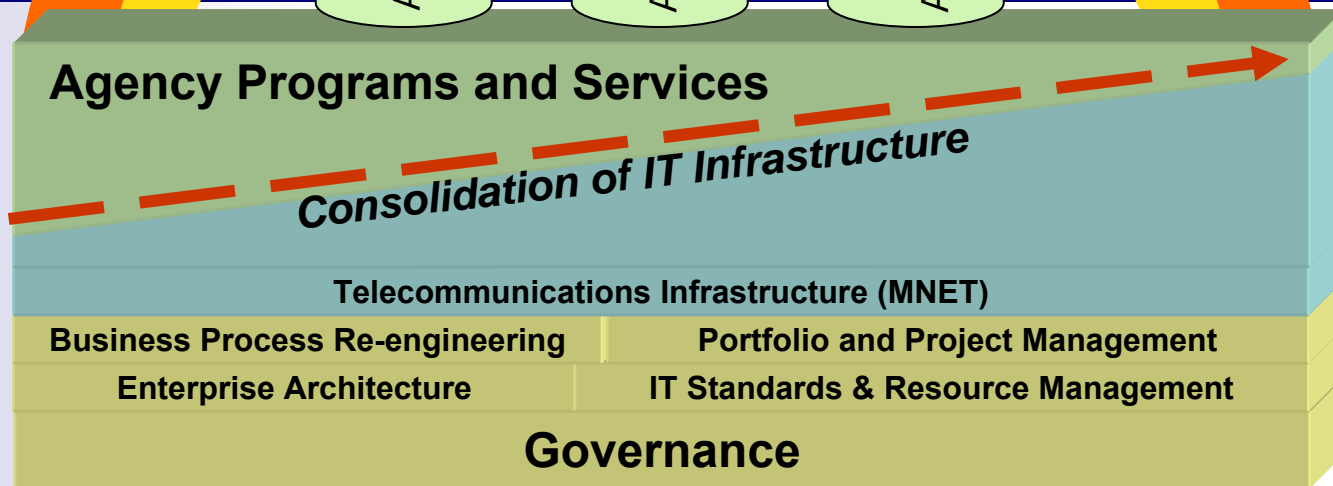
**Business Process Re-engineering**

**Portfolio and Project Management**

**Enterprise Architecture**

**IT Standards & Resource Management**

**Governance**



# Building an Enterprise Approach

## Programs & Citizen Services

Enterprise Security

EGS

Consolidation

Systems Modernization

Governance

Architecture

Information Mgmt.

Resource Mgmt.

**Government IT Complex**

Office of Enterprise Technology

# The Path Ahead

## Challenges

- **Decentralized computing**
- **Environment**
- **Capabilities**
- **Capacity**
- **Financing**
- **Funding**
- **Culture**

## Formula for Success

- **Shared goals and common vision**
- **Sense of urgency**
- **Support innovation and risk-taking**
- **Enable systemic changes**
- **“Time to Action”**
- **Public/Private partnerships**
- **Leverage momentum**



# Thank you!

- Questions?
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