

POINT OF VIEW

Government and IT: A look into the future

Satori provides highly relevant insight and assistance in the public sector by leveraging its breadth of expertise with commercial clients. One instance in which our private-sector experience has consistently added value in the public agency space is IT Strategy and Management. We recently sat down with Public Sector Practice Lead Christopher Siddall and Senior IT Lead Brent Kronenberg to get their insights on trends and opportunities in IT investment specific to the public sector.

Q. What are the factors determining the current direction of IT investments in public sector organizations?

Chris Siddall: In the short term, IT investment is being driven by the stimulus and the associated need for agencies to be able to show the tangible ways in which IT investments result in better service.

One result of the stimulus is the recent creation of a new federal-level Chief Information Officer position, which is intended to encourage increased efficiency and effectiveness in IT organizations across all federal agencies.

Another trend in the public-sector IT space is the push to invest in the development of infrastructure that supports electronic health records (EHR). We can expect continued pressure from the Office of Management and Budget to invest in solutions that reduce overall health care costs, improve service, and provide greater visibility into patient records.

Of course, it is important to remember that stimulus support is temporary. In the long term, organizations will need to learn to do more with less.

Brent Kronenberg: In terms of long-term stability, a number of priorities are driving IT investments and plans.

At both the federal and state levels, there is a desire to implement shared services or utility-based computing platforms across departments and agencies. This type of model supports efficiency by consolidating back-office business functions and improves coordination and communication by promoting inter-agency access to data.

New requirements have also changed the focus of IT investments. Better data security, data management, and accessibility are necessary to allow a wider population of users to securely access data. Furthermore, changes may need to be considered to ensure that IT investments are environmentally friendly.

Q. What challenges are these environmental factors creating, and how are managers addressing them?

Siddall: OMB stimulus guidelines require that federal organizations define and demonstrate positive results for the public. At the same time, there are often simply not enough people with the right skills to effectively manage large-scale projects and programs. In order to develop stronger internal capabilities, such organizations look for assistance in training their own people in the areas of program management and performance management.

Another challenge associated with stimulus funds is the competition between agencies. In order to compete effectively for funds, an organization has to be able to tell a compelling story. For example, in the area of proliferating EHR, the VA might have to compete with the Army in illustrating the impact it can have with a limited amount of stimulus

dollars. Agencies that tell a fuller story, not just about IT but about the effect of IT investments on business results, are more likely to succeed.

Kronenberg: When planning large IT investments and transformational initiatives, success will continue to be rooted in the ability to clearly define business requirements, orchestrate them within diverse stakeholder groups, and translate them into appropriate IT services. Additionally, increases in user mobility and the sheer volume of data are producing additional challenges for data management, storage, security, and access.

IT procurement managers and architects are being inundated by service providers and marketing materials promising new technologies and solutions that can address these challenges. Many of these solutions do provide benefits, but others lack clear industry standards and are not widely understood. Procurement and systems design staff need to be confident that the investments they are making are genuinely meeting business needs.

Q. What best practices are being applied by organizations to address these challenges?

Siddall: Both the public and private sectors are currently driving innovation, and there is incentive for them to collaborate with each other.

Frameworks that have been applied in the commercial sector are beginning to be adapted to public-sector needs. Moreover, mechanisms for monitoring and improving performance in highly-regulated private industries, such as financial services, can greatly benefit public agencies.

As far as trends, many organizations are looking to invest in training to ensure that they have the right people and talent for long-term success. Sometimes this means looking beyond immediate IT goals – for instance, rollout dates, number of users migrated, or scale of implementation – to

the “bigger picture”. A Concept of Operations model is one way to do this. It can help tell the story of how IT investments impact everyday work in the organization.

IT managers are also paying greater attention to providing clear documentation and developing a shared understanding among all stakeholders about how IT projects affect people, process and infrastructure. In order to get on board, employees need to understand what the IT changes will do and what will be different in the organization as result.

In a nutshell, you need the right people on the team and the right business-oriented story.

Kronenberg: Moving forward, public-sector organizations will need to embrace new technologies, while ensuring a strong foundation for program delivery and sound upfront processes for making business decisions. IT Governance is necessary for setting standards and policies, but takes on a critical role in ensuring that defined requirements and investment selections deliver tangible business benefits.

Along the same lines, new investment planning should evaluate the costs of the various options across the entire lifetime of the solution, from systems design and implementation to yearly operational cost.

Finally, when considering new IT investments, careful analysis is necessary for understanding what the true starting point of any solution should be. Is it the IT system, or is it the business processes that support it? A new IT system rarely solves deeply rooted issues; these must be dealt with by revising the underlying business processes themselves.

At Satori Consulting, our mission is simple—to work side-by-side with clients to discover opportunities and solve problems. We strive to provide both comprehensive and expert service, mindful of every client's unique needs. Our team of highly-skilled management consultants brings a wealth of industry and functional experience to provide wide-ranging services in project and program management, risk management, change management, organizational effectiveness, strategy and advisory, business process engineering, performance management, and infrastructure and technology.