Insights for IT: Program Area and IT Relationships

Program executives reflect their experiences with IT services and their needs for future IT growth.

Information Technology Leadership Academy – Class XIX

"Transforming IT For the Business of Tomorrow"

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EXECUTIVE SUMMARY

The purpose of this white paper is to understand the program executives' experience of IT services and areas where IT excels or is deficient from their point-of-view. In addition, its purpose is to understand, from the program executives' perspectives, how IT should prioritize its improvements.

The ITLA class XIX developed a theory validating whether **"Collaboration and understanding is lacking on both Business and IT sides**". The class conducted 35 face-to-face interviews with program executives covering 17 State departments over a two-month period. Several open-ended questions were presented to the program executives to obtain their views regarding collaboration and the degree of relationships they have with their IT areas. In addition, the interviewers solicited suggestions regarding the changes needed to improve IT services now, and what program areas need from IT in the future.

General Findings

The executives provided a combination of positive and negative responses with a ratio of 3:1 less than positive. These responses were grouped in the following seven categories:

1) Collaboration
2) Knowledge
3) Staffing
4) Communication
5) Deliverables
6) Operations
7) Value-Added

The executives felt that the top three most challenging categories were **Collaboration**, **Knowledge**, and **Staffing.**

- Program executives are finding that **collaboration** between IT and program areas is a key to delivering IT service and can enhance the delivery to program areas. Half of the program executives felt that the collaboration between program areas and IT is fair and could be improved.

- Part of delivering great IT services requires in-depth **knowledge** of the program areas. Half of our program executives have found their IT staff are very knowledgeable and have a good understanding of their program areas. However, some program executives have expressed concern that the incoming IT staff does not have program knowledge. As more senior IT staff retire, they leave with institutional knowledge that is difficult, if not impossible, to replace.

- Finally, executives felt IT **staffing** is lacking and they are asked "to do more with less". About one third of the program executives felt the IT staff was very dedicated to getting the job done under tight timelines. Further, the looming retirement is an area of concern as replacement staff is usually IT staff with a technology skill-set, but limited program area knowledge.

Top Three Priorities to Improve IT Services

Executives were specifically asked what would help enhance services provided by their in-house IT staff. They realize that IT provides the best quality service possible with limited IT staff; however, they identified that IT would benefit from additional staffing. In addition, IT needs to address their responsiveness to program area needs and to increase their program area knowledge.

Their views on the top three areas for improvement are the following:

- Executives are expressing a need for more IT **staffing** as well as maintaining IT staff with current technical skills. Again, IT staff level is inadequate to be able to provide maintenance support along with improving or replacing antiquated systems. Technology is always changing which makes it difficult for State IT staff to keep current with their technical skills and is further impacted by limited training funds.

- Another area of improvement is related to the general **operations** of IT that includes IT's responsiveness and follow-up regarding trouble tickets that greatly impact the service to their customers. For example, IT has to be very responsive and communicate timely status on trouble tickets that are urgent and effect public customer service. Some departments noted that there is a lack of follow-through or communication regarding the status of urgent trouble tickets. Program executives felt that IT operations need to review their procedures to improve IT customer service.

- The final area of improvement is the area of **knowledge**. IT needs to fully understand and have in-depth knowledge of program areas to effectively engage in discussions and development of proposals for alternative IT solutions. This will ensure the final solution will not only meet but exceed the expectations of the program area.

Recommendations

Several program executives that responded positively regarding their IT services, stated collaboration is the key to success. Further, the executives stated that collaboration works best when program areas and IT are working together to learn each other's languages, operations and priorities. Collaboration is not a one-way street. It is an iterative process that continuously improves relationships. It would be beneficial for each department to create a customized roadmap regarding what steps can be taken to make improvements to ensure IT will provide solutions that meet and/or exceed the program area needs.

I. BACKGROUND

The ITLA is an annual program designed to train up-and-coming leaders within the State of California IT community to better prepare them for leadership roles. The 'Nineteenth ITLA Class' has been part of a transitional year where the 'class project' evolved from a more traditional project activity into a focus on gaining networking and executive exposure. To achieve this focus, the class adopted an effort to interview a broad spectrum of State 'lines-of-business' executives regarding the research subject.

RESEARCH SUBJECT

The selected research subject is based on an ongoing focus of the class to understand the quality of services, or lack thereof, provided to the program areas by the IT community. The class embarked on an effort to understand the state of the IT-to-program areas relationships with a focus on collaboration, cooperation, communication and support.

PROJECT OBJECTIVES

1. Maximize the student-to-executive interaction via conducting face-to-face interviews rather than a more structured, scientific survey approach.
2. Gain both an objective and subjective understanding of the state of the IT-to-program areas relationships through conducting those interviews.
3. Make recommendations on how to improve relationships between IT and program areas via this White Paper and Presentation.
4. Promote these recommendations through the experiences and relationships developed from this program.
5. Become change agents within the public and private sectors.

APPROACH AND METHODOLOGY

The class developed a theory regarding a perceived lack of adequate relationships between IT and program areas based on their collective experience, comments by class managers/sponsors, and information gleaned from other research sources, such as Gartner Group[1]. From this theory, the class developed a series of questions to elicit information regarding the topic (see Appendix, Interview Questions). Teams of two-to-three class members then took those questions and scheduled interview sessions with executives from a number of different departments across State and local Government. The class conducted 35 interviews as a result of this effort.

[1] Gartner Group 2002: Does IT Have a Real Business Value?, November 27, 2002

Program executives from 17 different departments (or equivalent) were interviewed with the vast majority being a Deputy Director or higher in the organizational structure. The departments represent a mix of general fund and special fund entities as well as very small to very large departments. In most cases, the program executives were the responsible party for their line of business and were well informed about the state of the IT-to-program areas relationships within their sphere of responsibility.

The notes from each of those interviews were used to compile a table of common comments and observations from which the results contained in this paper are derived.

II. FINDINGS

This White Paper provides insight and advice from program executives that were interviewed from different State departments as to what they have done to improve collaboration and understanding between IT and program areas. It also identifies pitfalls to avoid and suggestions to improve or implement.

The theory was based on personal interviews, therefore, the analysis of the findings are subjective to the class members' interpretations. From the responses received for the theory questions, there were several common themes. The comments were categorized into seven areas and the issues raised are discussed in greater detail, as follows:

Theory

Collaboration and understanding is lacking on both Program Area and IT sides

1. COLLABORATION

Collaboration between IT and program areas is a key to delivering IT services that provides valuable IT investments. More and more departments are finding that building a strong partnership between IT and program areas leads to increased understanding and appreciation of the technology, process changes, and services that can enhance the delivery to program executives. When program areas and IT work collaboratively, projects are delivered closer to expectation, more efficiently, timely and within budget. Also, successful collaboration develops higher team morale, a sense of ownership and trust among teams, improves customer satisfaction, eliminates redundancies, and improves the reputation of IT.

Half of the program executives felt that the collaboration between program areas and IT is fair and could be improved. For example, IT becomes too focused in the process of managing and documenting the project rather than delivering the solution to resolve business problems. There is too much time spent on determining the costs and managing the effort internally. IT needs to let go of the process sometimes on smaller efforts so they can speed up and deliver the product.

Based on experiences of the program executives, the most successful projects were those that had good collaboration between the two groups. Good communication and regular meetings kept both groups informed. Both groups met on a regular basis to discuss the most important program areas' issues and initiatives. For example, several departments had their IT staff working in the program areas but reported back to IT managers. This allowed for a quicker response to issues because IT staff understood the program areas and made suggestions for IT improvements early.

2. KNOWLEDGE

In order to make process improvements, it is extremely important to foster program area knowledge within IT. Over half of the program executives stated that they were happy with their IT department and felt the IT staff was very knowledgeable and had a good understanding of program areas. They also stated that those departments had business analytics programs in place which helped bridge the gap between the two areas. For example, program area staff with strong program knowledge and some technical skills were included in the projects to ensure program requirements were adequately communicated to IT in order to achieve desired business outcomes.

According to a study by project management consulting company, PM Solutions[2], one of the top five causes of project failures include some combination of the following conditions:

- Poor understanding of the program areas' needs or problems
- Poorly stated requirements (some combination of incomplete, vague, inconsistent, etc.)
- Inadequately explored solution options
- Misalignment between requirements and project scope

Some of the program executives expressed concerns of losing staff with historical knowledge needed to respond to urgent/critical issues. Due to the steep learning curve, it is difficult for new staff to handle urgent/critical issues because of their lack of historical knowledge. To address this issue, departments are trying to develop cross-training not only between different disciplines of IT but also across program areas.

[2] PM Solutions, CIO Analysis: Why 37 percents of projects fail by Michael Krigsman, March 15, 2011

3. STAFFING

In these lean-budget years, both IT and program area staffing of all departments and agencies have been greatly impacted. As the State tries to do more with less, there is a concern that staffing level is inadequate. Additional IT staff is needed to allow IT to develop innovative IT advancements to improve program area efficiencies, rather than merely maintaining the current outdated systems. Nearly one-third of the program executives felt the IT staff was very dedicated to getting the job done under tight timelines, but they were concerned that their seasoned IT staff are retiring. This is creating a void in program area knowledge, as new IT hires are now coming straight from college with no program knowledge.

One way to compensate for lack of IT staff is to hire contractors. Nearly one-third of the program executives felt hiring a contractor was not always the best solution, since they do not understand the program area or its processes. However, they have to resort to using contractors due to lack of adequate staffing.

Less than one-third of those interviewed identified the need to involve the right people from both the program areas and IT at the beginning of the effort. Since the project success depends on the team, at minimum, the project team members should have the following qualities:

- "Best and brightest"
- Subject matter experts from the impacted areas
- Creative and open minded
- Good team players
- Well respected among peers, stakeholders, and other program executives.

These qualities will increase project success since involving the right subject matter experts from the beginning would help ensure that the requirements for an IT solution are clearly defined and documented.

4. COMMUNICATION

Communication skills are some of the most important skills that IT needs to succeed in the workplace. The communication gap between program areas and IT are well-known and are the fundamental problem associated with providing efficient and effective services to program executives. This gap also became apparent during the interviews because nearly two-thirds of the program executives felt that there was a lack of communication between program areas and IT. Following were common themes found regarding communication:

- IT does not understand the program areas and their needs sufficiently. They fail to recognize their audience when engaging with them and thus, losing them in conversations by using technical jargon rather than standard language.
- IT does not listen to the requirements and has a tendency to jump to a solution rather than fully understanding the problem first.
- Another common communication gap is a lack of understanding of business rules and requirements. IT areas try to provide the program area with a solution that works best with their systems, but it may not necessarily be what the program area wants or needs.
- IT does not engage and ask the right questions when the program area heads down the wrong path with some of their ideas. The perception of IT is they are hesitant to bring an alternative view to improve the systems and bring them forward to the program areas, and therefore, does not help in making valued suggestions.

Unfortunately, determining the real needs of program executives is not as simple as asking them what they want. Many people are unable to clearly articulate their most pressing and compelling program area requirements, because determining how services could or should be improved is not forefront in their mind. It takes effective communication to learn and understand the needs of your program executives. Without thoroughly understanding the broad environment program executives live in on a day-to-day basis, as well as specific and detailed issues and concerns, IT is not able to design a solution that will meet the program area needs successfully.

5. DELIVERABLES

One of the most important concerns that program areas had was that the IT solutions provided must meet all of the requested program needs. It was apparent that program areas felt IT was lacking in this area since more than two-thirds of those interviewed had issues of some extent regarding the deliverable they received. This ranged from the new system not matching the work flow, not being user-friendly, lacking user accessibility, or not being able to meet all the program requirements. However, program areas did recognize that was partly due to the lack of documenting the program processes and requirements along with getting IT involved too late in the development of the IT solution requirements. Likewise, IT lacks documentation of system requirements and/or modifications, especially for home grown systems.

Some program executives felt the quality of the IT deliverable and speed of its implementation was hindered since vendors/contractors were not able to obtain the same level of access to the State systems as private industry due to the strict access control policies. There is also the increased risk of the IT technology becoming outdated with larger IT projects.

6. OPERATIONS

The operations related to documenting, requesting, and costing proposed IT solutions are a lengthy and cumbersome process due to the need for State transparency. In the area of operations, nearly half of the program executives stated that the process and the costing estimates required to obtain IT services was too demanding.

However, program areas are aware that it is very valuable to involve IT early in the process of verifying and documenting the operational processes. In addition, the program areas recognize that new hires for both IT and program areas need to know their department's programs. Some departments are being proactive by creating Boot Camp Orientations or Program videos to educate newly hired executives, program area staff and IT staff. There is an awareness that both IT and program areas need to be educated on each area's operations and systems to enhance collaboration and communication. They must be able to understand each other's language.

7. VALUE-ADDED

The role of IT is constantly evolving and has changed significantly from the days when the IT organization was often referred to as "data processing." Today, IT enables some program areas to differentiate themselves from their competitors. Program areas invest enormous sums of money in IT and expect substantial payoffs. According to Gartner Group, IT is becoming a high-expenditure activity and is pressured to do it all – innovate, optimize costs, understand business, manage risk, and look at ways to improve efficiency.

Most of the program executives felt IT adds value to program areas in many ways, including enabling cost-efficient technology to introduce new services and program improvements. Nearly two-thirds of the program executives noted that IT does not do a good job of marketing the value it brings to the program areas. For example, IT is often mentioned when something goes wrong in the project, but rarely is IT mentioned when it performs well. IT does not take the time to promote its successes and really market to the program areas that they are facilitators and partners in delivering quality customer services. IT struggles to understand the political climate outside of the department and explain to the program areas what benefits they are receiving for the money spent on IT.

III. WHAT'S WORKING, FROM THE PROGRAM EXECUTIVE PERSPECTIVE

While the previous section describes the many challenges program areas have with IT, this section explores the actual interviews from a different perspective; and again, the analysis is subjective to the team's interpretation. A subset of positive statements was collected from the larger pool of responses to interview questions. A number of program executives feel they have satisfactory, existing working relationships with their IT partners.

WHY ARE THEY SATISFIED WITH IT?

Several common themes emerge. The positive statements were grouped into several areas, identified as satisfaction factors, in descending order of percentage of occurrence, specifically within the context of the subset of positive statements.

Major Satisfaction Factors

- IT Understanding Program Areas – 40%
- IT Internal Use vs. Outsourcing – 30%
- IT Collaboration with Program Areas – 23%

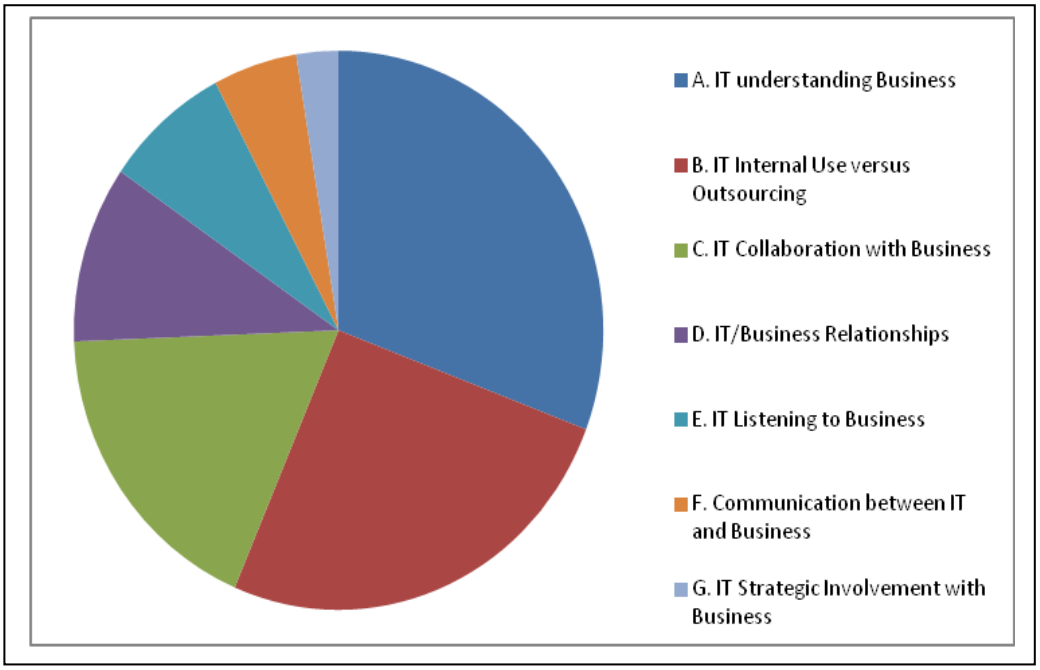
Lesser Satisfaction Factors

- IT Relationship with Program Areas – 13%
- IT Listening to Program Areas – 10%
- Communication Between IT and Program Areas – 7%
- IT Strategic Involvement with Program Areas – 3%

Note: The source of the above Percentage of Factors was derived from the Interview Results Matrix. Factors overlap in some cases, causing percentage total greater than 100%. This is due to more than one type of positive statement in an interview.

Satisfaction Factor Chart

This chart shows the satisfaction factors in relationship with one another. The percentages are within the context of the positive statements.



The Major Satisfaction Criteria

A. IT Understanding Program Areas

In forty percent of the positive statements made, the theme of IT understanding program areas was clearly stated, in one form or fashion. Specifically, some of the statements were:

- "The IT area understands their program areas well."
- "IT area does understand program areas needs."
- "IT has good feel for customer needs, has much face-to-face contact."
- "High degree of satisfaction (understands)."

This theme is predominant from this standpoint. It can be deduced that considerable satisfaction with IT is derived from the efforts of IT to understand the program areas.

B. IT Internal Use vs. Outsourcing

In thirty percent of the positive statements made, the theme of program areas using their internal staff versus using outsourcing to other companies, to address their staffing needs for enhancements and projects, was clearly stated. Specifically some of the statements were:

- "Internal IT staff runs smoothly, meets the IT needs of staff."
- "Would prefer to use internal IT staff because they know the systems they use and the needs."
- "Would certainly use internal IT staff – extraordinary work – positive experiences."
- "Yes, we are happy with the service we receive from our internal IT staff."

Although not predominant, this theme and preference appears to have certain importance in satisfactory relationships between IT and program areas.

C. IT Collaboration with Program Areas

In a quarter of the positive statements made, the theme of IT collaboration with program areas was clearly stated. Specifically some of the statements were:

- "100% collaboration between IT and program areas, much better now than in the past."
- "Collaboration very well with good communication."
- "Very pleased with level of collaboration."
- "There is collaboration between IT and program areas."

Collaboration is specifically identified separately here without including any other factors or themes that might be identified under any umbrella, or larger interpretation of collaboration, as perhaps defined elsewhere. Since these statements specifically included collaboration, the theme appears to have a good degree of importance within the context of satisfaction related to IT.

CORRELATIONS BETWEEN PERCEPTION OF IT AND SATISFACTION FACTOR ANALYSIS: COLLABORATION AND KNOWLEDGE

Taking **collaboration**, the most predominant rating in the Findings Section, Sum of Scores, and Perception of IT derived from the Interview Results Matrix, and compared to the Major Satisfaction Factor, one can see a rough correlation.

Interview Results Matrix (Sum of Scores, Perception of IT)	Percentage of Positive Rating	Major Satisfaction Factor	Percentage of Factor
Collaboration	37/129 = 29%	Collaboration	23%

Basically both taken from the same interviews, but seen from a different perspective, this correlation indicates Collaboration's importance from two sides: that collaboration needs improvement; that there is a gap; and that Collaboration is definitely a factor in program areas' satisfaction with IT, when it does happen.

Taking **knowledge**, the second most predominant rating in the Findings Section, Sum of Scores, and Perception of IT derived from the Interview Results Matrix, and compared to Knowledge area as a whole and comparing to the Understanding and Listening areas of the Major Satisfaction Factors, one can also see a rough correlation.

Interview Results Matrix (Sum of Scores, Perception of IT)	Percentage of Positive Rating	Major Satisfaction Factor	Percentage of Factor
Knowledge	15/31 = 48%	Understanding Listening	40% 10%

Basically both taken from the same interviews, but seen from a different perspective, this correlation indicates Knowledge's importance from two sides: that IT knowledge of program area needs improvement; that there is a gap; and that IT Understanding and Listening to program areas are definitely factors in program areas' satisfaction with IT, when they happen.

The other groupings from findings and satisfaction factors from this section were not able to be directly correlated.

WHAT PERSPECTIVES ARE IMPORTANT TO THE PROGRAM EXECUTIVE?

What are the takeaways from this particular analysis? From the standpoint of why the program area is satisfied with IT, from both the Sum of Scores table and the ratings in the Perception of IT, and the program executives' own positive statements, as categorized and correlated above, the following conclusions could be made:

- IT **collaboration** with Program Area is of extreme importance, taken by itself or with all its potential flavors, including communication, relationships, and involvement in strategic planning. There is a correlation with satisfaction factors.
- In terms of **knowledge** in the program area, it would appear that IT Understanding and Listening are of utmost importance, leading to better IT and program area relationships. Certainly both sides working together smoothly is a derivative of training from the program area or even the program area training in IT. There is a correlation with satisfaction factors.
- IT **understanding** Program Area was the predominant satisfaction factor from the program executives' perspective.

IV. TOP 3 THINGS PROGRAM EXECUTIVES WANT CHANGED IN IT

To gain insight on what program executives believe IT can do better, the interview teams asked the question, "What are the top 3 things you would change in your in-house IT to receive better results?" The responses were grouped into seven general areas of concentration with the areas of **Staffing**, **Operations** and **Knowledge** receiving 75% of the responses.

Area	Program Executives Responses
Staffing	29%
Operations	26%
Knowledge	20%
Communication	12%
Leadership	7%
Collaboration	5%
Deliverable	1%

1. STAFFING

Two elements of the Staffing category generating the most responses were IT staffing and IT staff skills. Nearly half the responses in this area wanted to gain more IT staffing resources. A program executive responded that she could not think of any other IT deficiency. There is a concern that staffing is limited and inadequate, with knowledgeable staff shifting between work efforts. Additional staffing can ease unrealistic expectations placed on program and IT staff, as well as allow IT to work on improving and advancing the program areas instead of just focusing on maintenance. Another significant number of responses wanted improvement in IT staff skills. There is a concern that it is difficult to keep IT skills current to technology. A program executive remarked that technology is ever changing and IT staff needs to be able to understand newer technology. By providing training and development, staff would be exposed and familiar with current and emerging technologies.

2. OPERATIONS

Although the Operations category can consist of a wide range of subjects, there were a few distinct concerns based on the responses in this area. One concern is the need for a better method of prioritizing projects or requests. An improvement to the IT Governance process of project prioritization is having greater involvement from the program areas in collaborating with IT. A program executive commented that she had little input on the final prioritization effort for IT resources. Program executives also want IT to be more customer-service oriented. IT should focus on the program areas by improving the response time to requests, responding to urgent program area needs, and following up with the status of issues. Because the program areas rely on technology and cannot operate without it, the program areas would like IT to understand the impact it has on their ability to operate. With this understanding, IT would be sensitive to program area needs, and focus on the real problem, not just providing interim solutions.

3. KNOWLEDGE

Program executives feel IT partners lack program area knowledge and want IT to learn and understand the program areas. The deficiency can result in greater difficulty for program areas to get exactly what they want. A program executive recommended IT ask for and understand the program processes and business rules. IT understanding program areas can be achieved by getting IT involved early with initiatives and problems. With IT included in the meetings, IT would be exposed to the programs, gaining program area knowledge and understanding of program business rules. IT could then be proactive in identifying problem areas and provide options for improvement. The program areas benefit by IT making valued suggestions and meeting their needs. The program areas realize they need to integrate IT into the program areas and thoroughly explain their needs, as well as understand the IT side.

Program executives want IT to provide better service. Better service can be achieved by adding IT staff resources that would ease the effort in meeting program area needs and expectations. Although Communication and Collaboration did not make the top 3 list, they are implied in what our program executives want and will help IT staff positively impact the top three challenges. Communication is essential for IT to be more focused on customer service. This includes timely responses to requests, providing timely status updates and addressing urgent program area needs. Collaboration is necessary in improving the project prioritization process by involving the program areas. IT would also add greater service value if IT understood the program areas and understood the impact IT has on their operations. Communication and collaboration play a large part in IT gaining this understanding with IT meeting and conversing with the program areas. The emphasis is not unreasonable as it aligns with IT as a service provider.

V. WHAT DO THE PROGRAM EXECUTIVES WANT IN THE FUTURE

Another question asked of the program executives was "How do you see future technology improving services to your customers?" The responses were totaled to produce the top 10 things the program executives want for future IT improvements and were grouped into the following areas:

Deliverable:

Rank	Area	Future IT Improvements
1	Deliverable	Improve IT systems
5	Deliverable	Provide e-service for external customers
7	Deliverable	Provide real-time information and transactions
8	Deliverable	Improve web-site information

The number one response is improving IT systems. Existing systems needing the most improvement tend to be legacy systems. The program areas want these systems upgraded to be more flexible to meet their future needs and to meet mandated changes. There are some modernization projects already in progress. Words used to describe envisioned improvements were "accurate, timely, self-correcting, searchable, expandable, standardized, and centralized".

Improvements to service delivery systems will also improve external customer service. There has been greater public demand for improved web services and new e-services. The program areas want to provide the public with better, accessible data through online services, web-based solutions and self-serve terminals. The program areas would also like real-time information to make better, faster decisions and be able to obtain statewide data. Data analyzing, reporting and manipulation would be accomplished through computer-based techniques and tools.

Staffing:

Rank	Area	Future IT Improvements
2	Staffing & Operations	Find ways to be more efficient
3	Staffing	Provide the program areas with more technology choices
9	Staffing	Further IT knowledge on current and emerging technologies
10	Staffing	Manage small IT areas that are focused 80-90% on maintenance and not development

The responses on staffing emphasized IT's support capacity, IT skills and knowledge on new technology, and available technological options. Program areas with reduced IT staff support want their IT staff enlarged to focus on making advancements and not just maintenance. Enhancements and program area changes always exist. Prioritization is needed in smaller IT shops. Technological concerns were numerous. Technology is not used to its fullest and programs do not work efficiently without it. More technological research and development is needed, with IT providing opportunities and options to improving program areas. IT would be proactive and not wait until there is a problem affecting program areas. IT staff would continuously refine their skills and knowledge to understand emerging technologies, make valued suggestions, and be able to deliver on them. Several responses on improving IT efficiencies related its effect on IT staff. Finding ways to be more efficient would free up time and allow IT to meet more with their program executives and spend more time solving problems.

Collaboration:

Rank	Area	Future IT Improvements
4	Collaboration	Involve program areas in IT strategic planning
6	Collaboration	Form IT Governance process of IT & program areas to determine the priority of projects

Program executives want an improvement in how IT prioritizes projects. Their needs are better met with a governance process of both program areas and IT determining the priority of projects. The program areas would also want to be involved in IT strategic planning. IT staff resources are an issue due to inadequate staffing level. A roadmap or plan should be in place.

ANALYSIS OF FINDINGS

When posed with the question of what they would change in IT, program executives wanted better service. When posed with the question of what they wanted to see in future IT, program executives' responses concentrated on having their program areas' needs met, including their external customers' needs. Of the top 10 things program executives want for future IT improvements, mentioned the most were Deliverables and Staffing, fundamental areas that have direct impact on program areas' operations. In IT delivering new services such as e-services, the program areas' needs and external customers' needs would be met. Concerns of IT not having enough staff and of IT staff lacking knowledge on new technologies clearly impact the program areas' need for improving and advancing program areas. Strengthened collaboration between program areas and IT improves IT's ability to meet program areas' needs, especially when the program areas are included in IT project prioritization and strategic planning. Ultimately, these IT improvements benefit the program areas in addressing their needs.

VI. RECOMMENDATIONS

Having discussed the numerous challenges IT faces, there are a few departments where IT and program areas have a strong working relationship. The program executives speak highly of IT and their collaboration efforts. More broadly, it is clear that the three major areas for recommended improvements include: Collaboration, Program Knowledge, and Staffing.

COLLABROATION

The program executives have an expectation that IT and program areas collaborate together. The recommendations to develop a more collaborative working environment include:

Learn the Program – Understand the nature of the program area and how it originated. Understand the key processes that affect the program and operation areas. Find out who are the stakeholders and their positions while understanding the challenges and the opportunities of the program area. Finally, determine the upcoming changes and the associated impact.

Communicate – IT needs to constantly communicate with the program area and gain credibility and trust with the program staff. Attend staff and project meetings to better understand the personnel and the culture of the program. Incorporate the program areas' acronyms and language when communicating.

CASE STUDY

As part of the statewide IT consolidation effort the Department of Health Care Services implemented a hybrid model in which the decentralized IT staff physically remained with the perspective business entities they serve while directly reporting to the centralized IT executive staff. The intent was to continue to support the Department's business IT needs while consolidating and standardizing its IT infrastructure.

The success of this effort was realized as the decentralized IT became a conduit through which the reporting relationship allowed **better communications** with IT and program area executive staff. Through this communication the Senior IT staff was better able to anticipate the program area IT needs and redirect additional resources allowing the business to meet the consolidation effort and stay ahead of the ever changing technology landscape. In addition the utilization of the decentralized staff also allowed the department to maintain the highest level of support for the Governor's departmental consolidation efforts during this prolonged period of economic difficulty. As the program area and IT partnership continue to strengthen through this hybrid model, centralized IT staff have been physically moved and integrated into the program areas. This move has further strengthened the communication and program knowledge between IT and program area staff.

Contributor: Gordon McGregor, Department of Health Care Services

IT Governance – Employ a governance process in which IT and program areas share and discuss enterprise level initiatives such as policies, projects, priorities, organizational changes, and risk assessments. Governance provides an opportunity to influence the direction of IT to meet the program challenges.

CASE STUDY

Both EDD and OSI engage in IT Governance. In this venue the IT application and infrastructure inventory is managed. From **IT Governance**, the program and IT Partnership is forged to align the business and IT strategies. Communication and collaboration are fundamentals of fostering stronger relationships and is not possible without Executive Sponsorship and commitment to the agreed upon decisions. This model includes a Charter that requires attendees from both the program and IT Executives. After these sessions, the Executives debrief the respective program and IT Management Teams on the decisions for projects, priorities and direction. This model is used at OSI for internal management of central IT services. EDD also uses the IT Governance model to manage the department's IT expenditures. Other departments can utilize this model to enhance the collaborative efforts between program and IT areas.

Contributors: Betty Jablonsky, Office of Systems Integration
Dale Paolucci, Employment Development Department

PROGRAM KNOWLEDGE

The program executives expect IT staff to understand the details of program operations. The recommendations to maintain and enhance program knowledge include:

Strong Operational Knowledge – Similar to the previous recommendation of "Learn the Program", this approach entails a more in-depth understanding into the operations of the program. This includes the detailed day-to-day operations and processes encompassing the job functions of the program staff, applications used to support the program and key stakeholders.

Knowledge Transfer – Many of the retiring baby boomers have decades of institutional knowledge. It is vital to capture and record this knowledge for the benefit and continuity of the program. This helps the staff to continue to support the program operations.

STAFFING

The program executives expect IT to have sufficient staff to address their program needs. The recommendations to address staffing issues within the current budget constraints include:

Standardization – Standardization of IT operations, i.e., processes, procedures, tools, and vendors, allows IT to streamline the services delivered to the program areas. This would potentially reduce and/or redirect staffing resources to other critical priorities.

Value-Added Activities – Evaluate and review current operations to determine if each activity has value for the department. This allows for redirection of staff to activities that add value.

Prioritize Staff – Evaluate and assess current staffing levels to determine the optimal balance between maintenance and operations activities with development of new IT innovations. This balance is critical to departments to ensure that IT staff is available for innovations. This provides an added benefit of minimizing the need for external staff expertise.

New Technologies – Assess and utilize new technologies which allow staff redirection.

Staff Re-allocation – Program and IT areas should evaluate current staffing levels and re-allocate staff (either temporarily or permanently) to ensure a proper balance between IT and program areas to support critical services. While this can be controversial, IT needs to position this proposal as a net gain for the program areas and ensure their contributions are visible.

CASE STUDY

The Franchise Tax Board conducts a yearly voluntary annual **Supervisor/Manager Rotation** process which allows Supervisors and Managers an opportunity to work in program areas they otherwise would not have access to. This process has been expanded to include IT Supervisors and Managers to serve in an official Training and Development (T&D) assignment in the program areas for two years. In addition, Supervisors and Managers from the program areas can serve in 2-year formal T&D assignments in the IT areas. At the end of the two years, participants move back to the respective areas. According to the feedback received from past participants, all have said it was a valuable experience.

Some benefits of the program include:

- Gain a greater perspective and broader view of departmental functions.
- Establish broader relationships across the enterprise.
- Improve collaboration between IT and program areas.
- Learn a common language and enhance communications.
- Support the department's succession plan.

The program is a low risk/high reward opportunity. Supervisors and managers in formal T&D assignments, which for some reason do not work out, have the option of terminating the assignment and moving back to the area they came from.

The program has been very successful and staff looks forward to taking advantage of the opportunity.

Contributor: Bill Helms, Franchise Tax Board

VII. CONCLUSION

Program areas rely heavily on IT achieving their strategic missions, goals, and objectives. In fact, a program executive has stated, *"I am totally dependent on IT and without IT, it is humanly impossible to accomplish my program objectives. IT is a true partner in every sense."*

This project provided valuable insight into the challenges and opportunities in the relationship between IT and the program areas. IT is poised to not only transform itself from a service provider to a value-added partner, but to also build a truly collaborative working relationship for others to model.

"Alone we can do so little; together we can do so much." – Helen Keller

APPENDIX

Interview Questions

1. **Describe your organization structure and IT governance process.**
   a) Is your IT department involved in strategic planning?

2. **In your opinion, how well does your Information Technology (IT) area understand your business and needs?**
   a) How is the collaboration between your IT and Business areas?
   b) How well does IT listen to your needs and explore options?
   c) What issues do you see with communications between IT and business?
   d) What can IT do in order to improve?
   What has been your experience and give some examples?

3. **If you had a choice, how likely would you be to use your in-house IT staff for your next IT project? Why?**
   a) Do you believe you are getting value from Information Technology? Why or why not?
   b) What has been your experience and give some examples?

4. **What are the top 3 things you would change in your in-house IT to receive better results?**
   a) How would you propose to do this?
   b) Do you feel IT understands your business?

5. **How do you see future technology improving services to your customers?**
   a) What direction should Information Technology look toward in the future to support your business?
   b) How do you see the future of IT changing your business?