

Multi-Agency CIO Advisory Council

14 December 2012

**State of Ohio
Multi-Agency CIO Advisory Council (MAC)
Agenda**

Date: 14 December 12
Time: 9:00-11:00 AM
Location: Riffe 31st Floor, North Room

Meeting Goals:

- To hear updates from the State CIO
- To discuss IT Planning
- To discuss/review the IT Transformation Plan

Attendees: MAC Members, Doug Alt, Betsy Bashore, Steve Boudinot, David Brown, Carolyn Chavanne, Bornain Chiu, Katrina Flory, Jencie McCloud, Dan Orr, Eric Schmidt, Aditya Singhal, Darlene Wells, Matt Williams, Jerry Mechling

Materials: MAC slide deck, IT Transformation Plan

Agenda

	Start Time / Duration	Responsibility
MAC Networking	8:45 am / 15m	All
Convene and Welcome	9:00 am / 5m	Stu Davis
State CIO Update	9:05 am / 10m	Stu Davis & Jerry Mechling
IT Transformation Plan	9:15 am / 100m	Stu Davis, Darlene Wells, Jeff Rowley, Deven Metha, Dave Brown, John Conley, Aditya Singhal, Bryant Young, Steve Boudinot and Jason Barnett
Next Steps	10:50 am / 5m	Stu Davis
Adjourn	10:55 am	Stu Davis

MAC Survey and Attendance

	November 2, 2012	2012 Average
Pre-Materials	4.7	4.6
Content	4.9	4.8
Logistics	4.9	4.1
Total	4.8	4.5
Attendance	28/37 (76%)	23.6/37 (64%)

SCIO Update

- Federated, decentralized IT environment is not sustainable
- lack of standards, redundancy, and limited disaster recovery capabilities create risk of extended business disruption, data loss or data theft
- FY12 IT spend of more than \$830 million
- Over 5,000 servers in over 30 data centers
- Over 1,600 applications
 - 20% over 10 years old
 - 54% over 5 years old
- Aging legacy systems (10-20yrs) are more expensive to maintain
- 14 separate statewide networks
- 2,500 IT professionals supporting duplicative IT functions
- 32% of IT workforce eligible for retirement

- Improve the services State government delivers to its citizens and businesses
- Increase efficiencies and decrease redundancy and duplication
- Produce cost savings for the State as an enterprise as well as at the Agency level
- Align Planning and Procurement with Strategic Enterprise Direction
- Set the foundation for future savings

December 2010 IT Statement of Direction

- State IT Landscape
- Opportunities for Smart Consolidation
- Enterprise Portfolio Management
- Challenges (legacy systems, culture, aging workforce, etc.)

January 2012 IT Strategic Plan

- Planning/Procurement
- Simplified Infrastructure
- Shared Applications and Solutions
- Enterprise Business Analytics
 - Office of Health Transformation

August 2012 IT Development Fund Structure

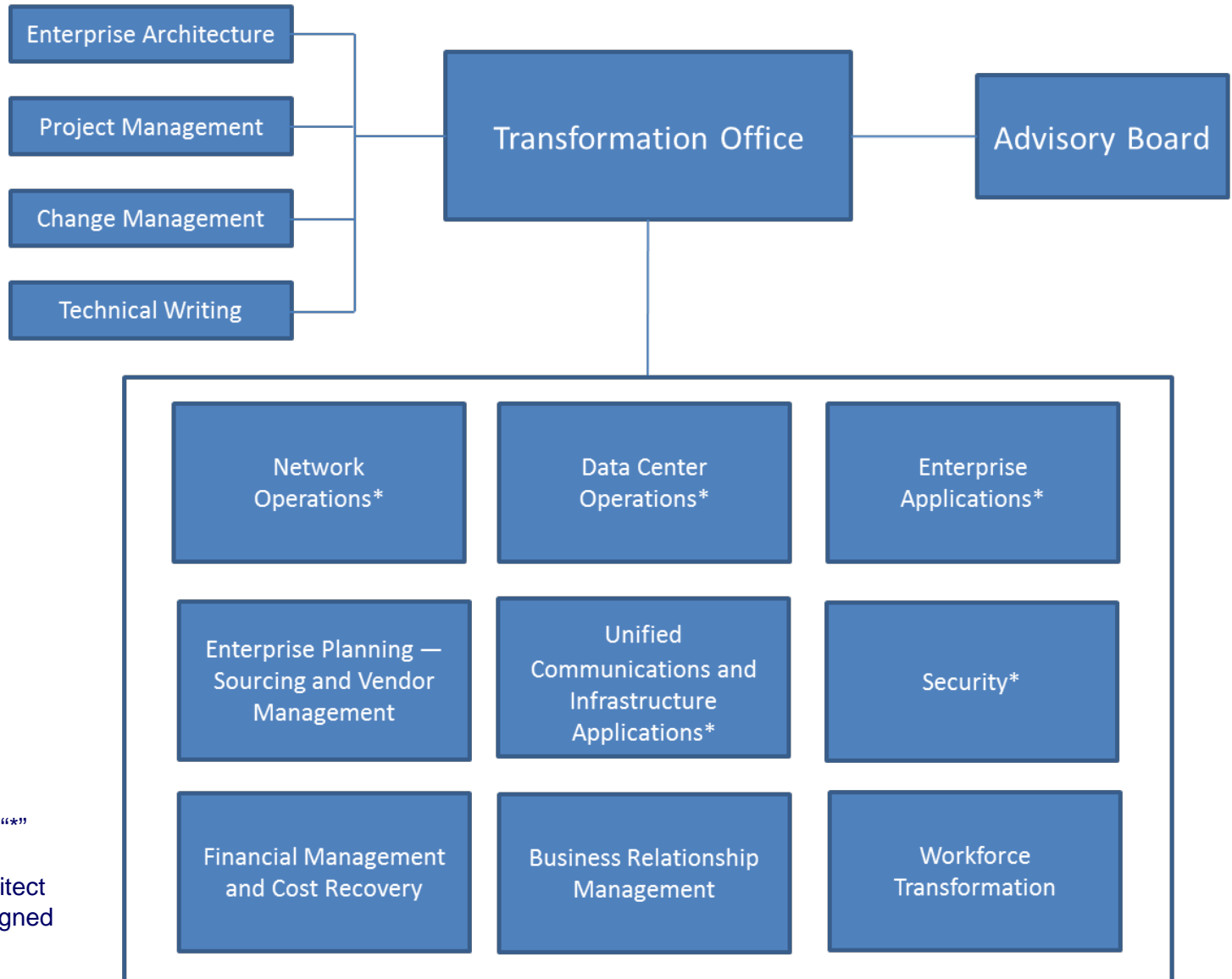
- Structure and methodology for a “build” fund for Shared Solutions

December 2012 IT Transformation Plan

- Transition to Enterprise IT

- State/OIT Initiatives—key cost saving consolidation initiatives identified in IT Strategic Plan
 - Email, ID Management, VoIP, BI
 - IT Asset Inventory – Network, Server and Storage
 - State of Ohio Computer Center (SOCC) Remediation
 - Improving the current power and heating/cooling, concentrating IT assets to single floor, co-managing services, solidifying data center operations
- IT Development Fund (Build) Initiatives – continuation of OIT Initiatives
 - E-Discovery, Server and Storage Virtualization, Mainframe Consolidation and Network Optimization

Executive Governance Committee



Boxes with an “*” indicate that a Solutions Architect should be assigned to the team.

Target areas for cost reduction through IT Optimization

Target Area	Annual Cost	Conservative Savings Estimate			
		Conservative Savings Estimate		Optimistic Savings Estimate	
		%	Amount	%	Amount
Internal Labor**	\$277,800,000	15	\$41,670,000	25	\$69,450,000
Contract/Consultant	\$178,700,000	20	\$35,740,000	30	\$53,610,000
OIT billed Excluding Labor	\$74,600,000		\$0		\$0
Maintenance/Lease/Rent/repair	\$70,500,000	15	\$10,575,000	25	\$17,625,000
Hardware/Software Cost Avoidance*	\$70,400,000	15	\$6,315,000	25	\$10,525,000
Misclassified	\$64,500,000		\$0		\$0
Network	\$46,100,000	20	\$9,220,000	30	\$13,830,000
Exempt Agency Direct	\$15,500,000		\$0		\$0
Desktop Related	\$14,000,000		\$0		\$0
Mainframe Exp	\$12,100,000		\$0		\$0
Telecommunications	\$7,900,000		\$0		\$0
misc	\$5,600,000		\$0		\$0
Total***	\$837,700,000		\$103,520,000		\$165,040,000

* Assumes that 60 Percent of hardware and software can be optimized
 ** This would require a workforce reduction of between 380 and 650 respectively
 *** Total does not include COPS

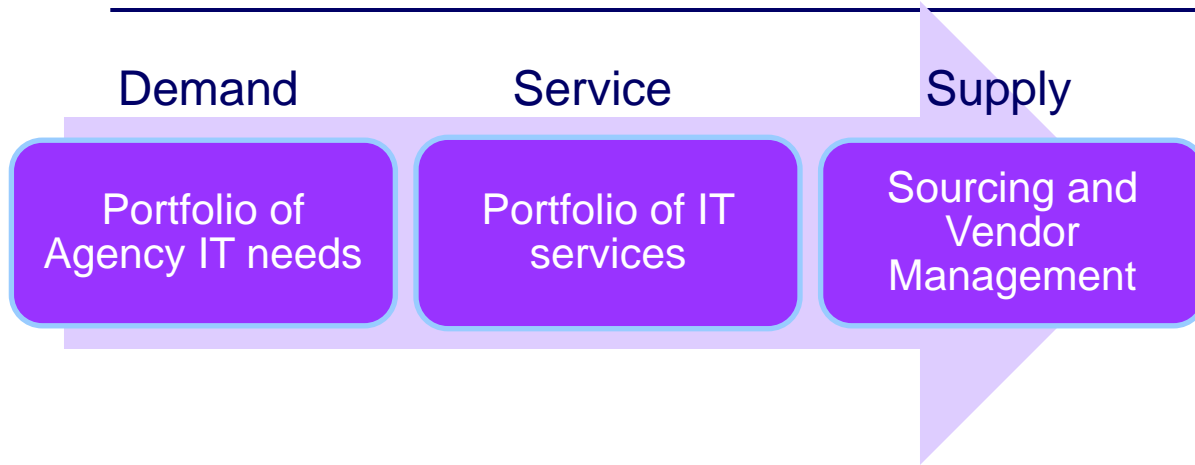
- Achieve resource savings through economies of scale and the elimination of duplicative activities.
- Improve the IT business decision-making process.
- Free-up agencies to focus on their primary mission and core competencies.
- Leverage savings to innovate, modernize, and continually upgrade through the reinvestment of funds.
- Provide enhanced solutions delivery to both internal customers and the citizenry of the State.
- Improve security of the State's mission critical systems and constituent information.
- Standardize technology use, procurement, and contracting.
- Effective use of IT professionals.
- Align enterprise applications with business goals.

Name	Executive Committee Role
Stu Davis	Chair/Transformation Office
Katrina Flory	Member/Administration/Transformation Office
Tom Croyle	Member/Administration/Transformation Office
John Conomy	Member/Advisory Board
Spencer Wood	Member/Advisory Board
Bruce Hotte	Member/Advisory Board
Michelle Burk	Member/Advisory Board
MaryBeth Parisi	Member/Advisory Board
John Conley	Member/Network Operations Subcommittee Lead
Aditya Singhal	Member/Data Center Operations Subcommittee Lead
Steve Boudinot	Member/Financial Management and Cost Recovery Subcommittee Lead
Bryant Young	Member/Unified Communications and Infrastructure Applications Subcommittee Lead
Deven Mehta	Member/Enterprise Applications Subcommittee Lead
Dave Brown	Member/Security Subcommittee Lead
Darlene Wells	Member/Enterprise Planning—Sourcing and Vendor Management Subcommittee Lead
Jeff Rowley	Member/Business Relationship Management Subcommittee Lead
Jason Barnett	Member/Workforce Transformation Subcommittee Lead

Enterprise Planning – Sourcing and Vendor Management

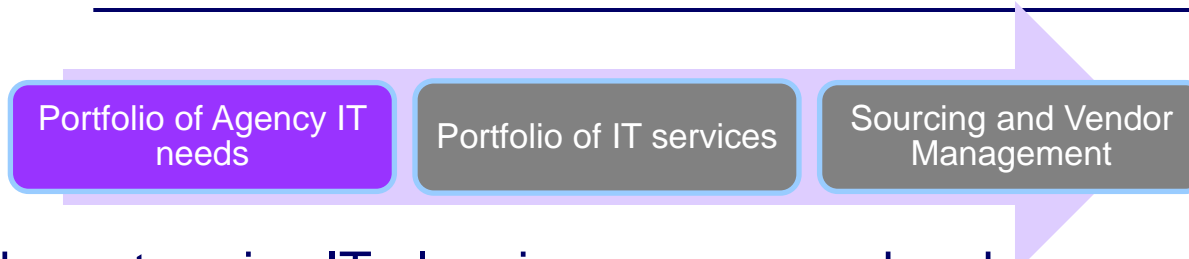
Darlene Wells

Enterprise Planning – Sourcing and Vendor Management



Ensure the enterprise IT planning function is in alignment with the Governor’s priorities and supports the technology needs of Agency business plans. It will also create a sourcing and vendor management plan where we will optimize the IT procurement function, leverage the State’s collective buying power, and proactively manage key vendors.

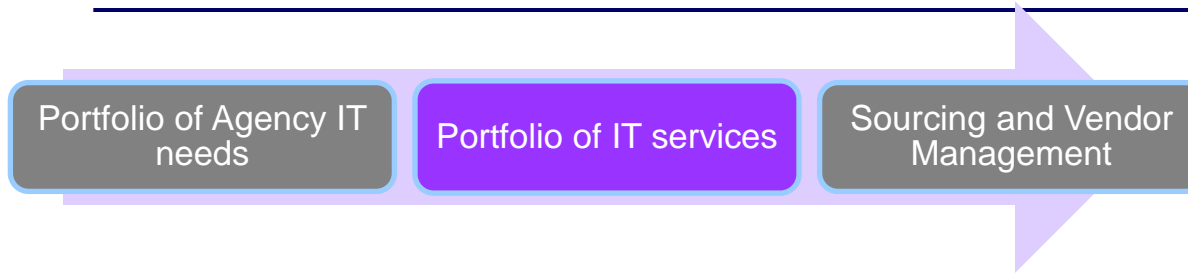
Work with each of the various subcommittees, after standards are defined, to develop enterprise agreements to acquire hardware, software, and services associated with newly developed standards.



Review the enterprise IT planning process and make recommendations to ensure effectiveness and efficiency in the process.

- Conduct a current state ‘as is’ assessment of the current enterprise planning function including people, process, policy and technology.
- For the Enterprise Planning function, determine the best practice and set the plan for the desired future state including people, process and technology.
 - Ensure Agency engagement in the plan
- Perform a gap analysis from the ‘as is’ to future desired state. Determine quick hit items and a plan for achieving the desired state.

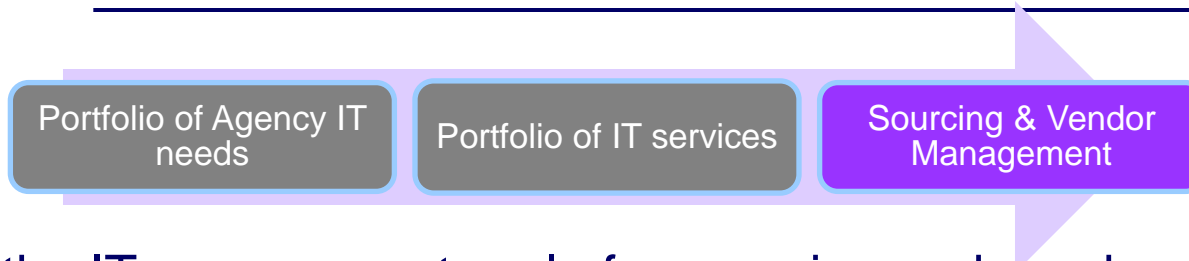
***Improve Agency satisfaction in the enterprise planning process.
Align services and sourcing strategies to meet Agency needs.***



Develop the enterprise IT service catalog.

- Develop a process to define, implement and manage the IT service catalog.
- Create a roadmap of service introduction through service retirement.

An enterprise IT service catalog with clear service definition, service level agreements, and pricing/bundling options.



Improve the IT procurement cycle for sourcing and vendor management.

- Conduct a current state ‘as is’ assessment of IT procurement including people, process, policy and technology.
- For the IT Procurement function, determine the best practice and set the plan for the desired future state including people, process and technology.
- Perform a gap analysis from the ‘as is’ to future desired state. Determine quick hit items and a plan for achieving the desired state.

Simplified IT procurement process. Savings realization by leveraging the State’s buying power through economies of scale and elimination of duplicative activities. Manage key vendor partnerships, performance and contract compliance.

Financial Management and Cost Recovery

Stephen Boudinot

- Design a New Cost Recovery Model
 - Focus on Service Delivery
 - Transparent
 - Flexible
 - Sustainable
- Monitor Enterprise IT Cost Savings
 - Track IT state-wide administrative cost reductions
 - Coordinate reporting with OBM's Value Management Office

- **Develop a Proposal for IT Reinvestment**
 - Identify a potential strategy for funding future IT enhancements

- **Develop Enterprise Asset Management Plan**
 - Identify and value Enterprise IT assets
 - Develop related policy and procedures

Business Relationship Management

Jeff Rowley

Contact information:

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Office: 614.265.6844

Cell: 614.499.1258

Purpose: Define the Role of Business Relationship Office and the Business Relationship Manager

- Define the vision and the role of Business Relationship Office that best addresses Agency needs
- Develop an approach to business/IT alignment in collaboration with the relevant Agency stakeholders
- Define a framework for the Business Relationship Office that includes best practice processes and procedures
- Create a position description for the Business Relationship Manager that includes qualifications and experience best suited to achieve the vision

Purpose: Assess the Current Business Relationship Management Role within the Central IT Organization

- Evaluate the current Business Relationship Management capabilities within the central IT organization
- Identify gaps in communication between the central IT organization and Agencies to ensure prompt response
- Identify potential resources who possess the qualifications of the Business Relationship Manager

Purpose: Improve Process for Service Request and Delivery

- Develop efficient processes for managing the request and delivery of enterprise services
- Develop tracking and reporting for use of services
- Develop a customer friendly, easy to understand, service level agreement with an improved mechanism for communicating new services and changes to existing services

Purpose: Improve the Process for Measuring and Reporting Service Performance

- Define and communicate customer support and escalation procedures
- Develop metrics and statistics that provide a true measure of the service experience to accurately target improvement of the overall service performance
- Frequently evaluate the quality of the metrics to maintain relevant value to the Agency

Purpose: Achieve Business Relationship Management Maturity Goals

- Stages of Maturity
 - Publicist (Clarifying Demand)
 - Broker (Sensing Demand)
 - Account Executive (Shaping Demand)

Why is it different this time?

“The promise of business relationship management is fulfilled or constrained by IT process and IT organizational credibility.”

IT Organizational Credibility:

- Define a vision that meets the needs of the Agencies
- Provide a single point of contact to **own the issues** of the Agency all the way to resolution

IT Process:

- Evaluate and improve IT Service Delivery Process
- Collaborate with Committees to provide a quality service and a competitive Service Level Agreement

Workforce Transformation

Jason Barnett

- Build Relationships
- Assess
- Recruit
- Develop
- Manage
- Maintain

- **Build Relationships**
 - Work with OCSEA, OCB and DAS to ensure a clear understanding of the purpose of this subcommittee and the objectives of the IT Transformation Project.
 - Discuss and explore opportunities to take non-traditional routes (i.e Pay-for-Performance, Matrix Organizational Structures, Staffing) to reach IT Transformation objectives.
 - Work with the Transformation Office to ensure change management activities associated with this initiative are communicated clearly, concisely and effectively to the workforce.

- **Assess**
 - Work with subcommittees to map the types of skills and number of people required for various lines of service included in the service catalog.
 - Inventory the skills of our current workforce.
 - Identify gaps between our “As Is” and our “Desired” state.
 - Identify skills possessed by contractors that have been in positions for more than 1 year to determine if opportunities exist for state employees to assume those duties.
 - Devise a training plan to address critical skill gaps.

- **Recruit**
 - Design an internal recruitment process to transition staff into the new central support organization.
 - Work with each of the subcommittees to develop a five year staffing plan for the new organization.
- **Develop**
 - Explore and make recommendations to implement competency centers that strive to increase proficiency in areas essential to the success of the Central Support Organization.

- **Manage**
 - Recommend and gain approval on non-traditional financial incentives, such as Pay-for-performance, premium-pay for hot skills, retention incentives and bonus programs.
 - Recommend and gain approval on non-traditional organizational structures, specifically around matrix based alternatives.
- **Maintain**
 - Create a program to expose potential recruits to state government as an employer and to expose them to benefits such as work/life balance and the self-gratification of public service.

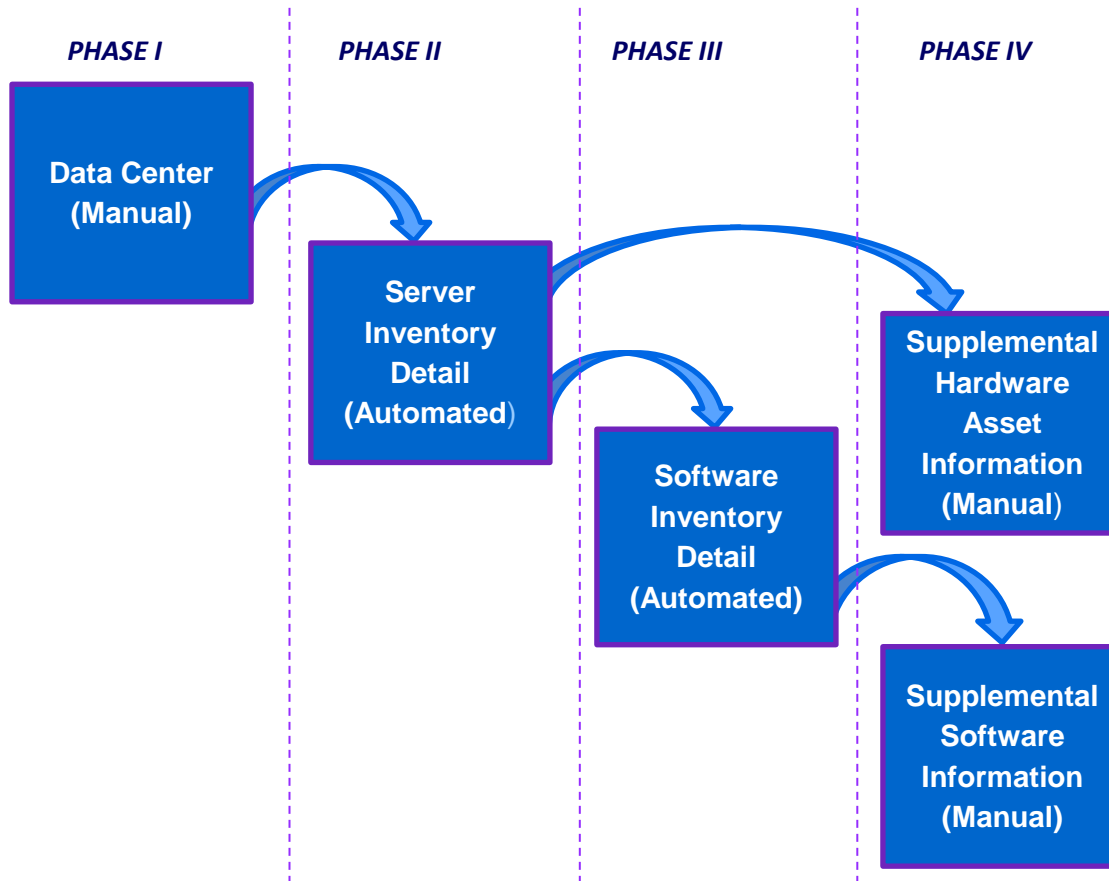
Data Center Operations

Aditya Singhal

- Design and articulate the vision for the future State data center
- Create a roadmap for building a data center with vision towards
 - Scalability
 - Cost Effectiveness
 - Disaster Recovery and Business Continuity
 - Creating multi-tenant “private cloud” for the State offering servers, storage and connectivity to Agencies.
- Start with thorough assessment of existing platform inventory for data centers **outside** of SOCC
- Inventory of data centers at SOCC will be done by vendor selected for SOCC Remediation

- DODD and JFS have agreed to pilot this process.
- From the pilot, modifications will be made to the survey and the data collection process.
- Prior to distribution to the general population, a formal communications plan along with survey instructions will be distributed.

Four Phase Approach



Goal: Collect information associated with each State operated data center.

- **Who:** *An online data center survey will be sent to each Agency CIO. The Agency CIO can delegate this survey to the most appropriate person(s) within his/her organization.*
- **What:** *The survey will collect a series of attributes concerning each of the Agency's data centers. One survey must be filled out for each data center.*
- **When:** *Surveys will be distributed to Agency CIOs with the expectation that these surveys will be completed by December 28, 2012.*
- **How:** *The survey was created using an electronic surveying tool.*

Goal: Collect an inventory of all servers residing in the data centers identified in Phase I.

- **Who:** *AdvizeX and VMware have been contracted to complete this inventory.*
- **What:** *This process will collect a series of detailed attributes concerning each server within each data center.*
- **When:** *This process will begin as soon as surveys are returned from each Agency. The targeted completion date is February 1, 2013.*
- **How:** *VMware's Capacity Planner tool will be installed at each data center to collect this information.*

Goal: Collect an inventory of all software residing on servers identified in Phase II.

- **Who:** AdvizeX and VMware have been contracted to complete this inventory.
- **What:** This process will collect a series of detailed attributes concerning software installed on servers identified in Phase II.
- **When:** This process will begin as soon as server inventory is completed. The targeted completion date is February 8, 2013.
- **How:** VMware's Capacity Planner tool will be installed at each data center to collect server information. This tool is also collecting software inventory. After server inventory is complete, a software inventory will be extrapolated from the server repository.

Goal: To verify and correct information collected within the previous phases and to provide any remaining asset information not collected by the scanning tool.

- **Who:** *Collected information along with an additional survey will be sent to each Agency CIO. The Agency CIO can redistribute this information and survey to the most appropriate person(s) within his/her organization.*
- **What:** *This process will help validate previously collected data and provide a means to collect information on other data center IT assets such as routers, switches, storage devices, etc.*
- **When:** *This process will begin as soon as server inventory is completed. The targeted completion date is March 1, 2013.*
- **How:** *Verification of collected information will be through an Excel file. The survey to collect information on other data center IT assets was created using an electronic surveying tool.*

Enterprise Applications

Deven Mehta

- Design and develop the vision, standards, and organization for Enterprise Applications and service delivery across the State enterprise
- Proprietary business application development and support will not be consolidated
- Existing competencies, projects, programs, and applications will be leveraged for the establishment of the State of Ohio Enterprise Application delivery organization
 - Initiatives to be leveraged include Health Transformation, State of Ohio Business Intelligence, OAKS ERP, and OBG
- Initiative will develop standards, policies, and procedures in key business application areas to improve efficiency and effectiveness in acquisition, development and support

- **Enterprise Application Rationalization**
 - Consolidation, migration, and retirement of disparate applications in order to improve the business value delivered by the enterprise application portfolio and reduce the cost.
- **Application Modernization**
 - Transition of the application portfolio to more-modern languages, architectures, and runtime environments.
- **Application Standardization**
 - Standardizing business processes and performance measures across the organization, incorporating the best ideas from across the enterprise, and driving change in performance.
- **Standardization of Development Tools**
 - Reduce number of supported tools and technologies allowing effective use of IT professionals/assets and achieve resource savings through economies of scale, resource pooling, and the elimination of duplicative technologies.

Security

David A. Brown

The Security Subcommittee will define:

- **Support Structure for Enterprise Security and Privacy**
 - Short-term and long-term strategy
 - Organizational structure/staffing plan
 - Define roles/responsibilities
 - Ensure efficiency, right skill sets, proper job classifications, training requirements
- **Information Technology Security Standards**
 - Develop consistent approaches to common security problems
 - Standardize solution sets and configurations to achieve efficiency in security control management, cost reduction, and performance improvement
- **Security Cost Recovery Model**

The Security Subcommittee will define:

- **Security Tracking and Monitoring Plan**
 - Increase threat identification, detection, and response capabilities to reduce likelihood and impact of incidents
- **Overall Security and Privacy Strategy**
 - Enterprise Security Plan
 - Raise security posture of agencies, boards, and commissions
 - Improve implementation of privacy controls to protect personal information
- **Incident Response Plan**
 - Reduce impact of security incidents through effective identification, detection, containment, mitigation, recovery, and lessons learned analysis
 - Training plan to train appropriate employees on responsibilities

The Security Subcommittee will define:

- **Enterprise Security Policies**
 - Build a series of policies and procedures based on the NIST security framework to govern the use of information technology
 - Create a training plan to instruct personnel on responsibilities
- **Enterprise Vulnerability/Patch Management Plan**
 - Reduce risk to the enterprise through prompt detection and remediation of system, network, and application vulnerabilities
 - Enterprise vulnerability and patch management tools, policies, and procedures

Infrastructure Applications

Bryant Young

- Purpose
 - Review current in-flight and drawing board initiatives
 - Identify gaps\shortcomings
 - Confirm solid approaches
 - Develop a vision and a go-forward statewide strategy
 - Create a delivery plan and execute
- Areas within Scope
 - Email
 - VOIP
 - VDI
 - Instant Messaging and Presence
 - SharePoint
 - Mobile Strategy
 - Identity Management Directory Services and AirWatch
 - E Conferencing (Voice, Web, and Video)

- What Has Been Done:
 - Started team member identification
 - Brought Dept. of Health onto DODD VDI Platform
 - Started enterprise VDI design sessions
 - Created an initial charter
- Planned Next
 - Continue with team member identification
 - Conduct information gathering and health assessment
 - Create a team operating game plan
 - Create an order of attack and create a plan

Network Operations

John Conley

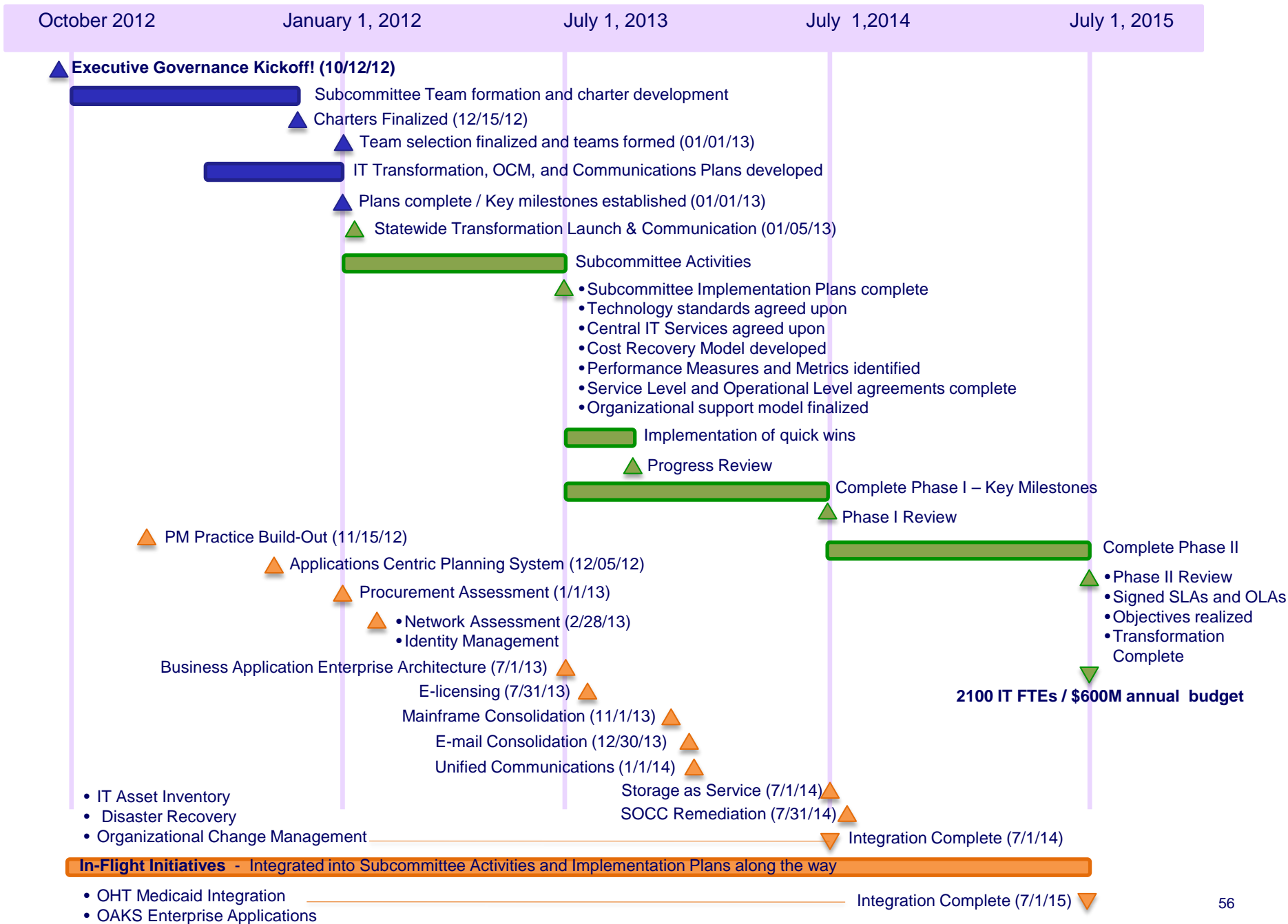
Network Optimization

1. OARnet/SOCC virtual merger of NOCC starting January 2013 - lead by example
2. Assessing all inventoried assets, physical location, customers and potential customers
3. How can we leverage existing assets, i.e. OARnet
 - Why cant BWC connect natively to the backbone?
 - What's the demarc?
 - If a state agency can connect to the backbone in Cleveland why wouldn't we make this happen to improve efficiency?
4. Best practices and architecture? If we had to design today how would it be done?

5. What standards/recommendations can we put forth to better align the state as a whole?
6. What are the financial/cost recovery models and do they make sense? Who is cheaper and why?
7. Our Team - made up of selected individuals from State/OARnet/Higher Education
8. Timeline of goals - MOVE the Needle!!!

Transformation Roadmap

IT Optimization/Transformation Roadmap



**Questions?
Comments?
Feedback?**

IT.Transformation@ohio.gov

- December 18: “Ultimate Customer Experience” session
 - ODOT Auditorium, 9-11am
- January 11: MAC Meeting
- February 12: Norex Government Roundtable

Thanks!

Please don't forget to fill out your survey!