

Transforming Government

2014-2018

**Statewide
Strategic IT Plan**

Arizona Department of Administration

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Aaron V Sandeen

*Deputy Director & State CIO
ADOA – ASET*

“We are well positioned to continue investing in technology to more efficiently provide Arizona citizens the services they expect and demand”

From the Desk of the CIO

In 2011, we laid out a five to seven year vision and a plan focused on leveraging information technology (IT) to transform state government. We are now three years into that plan and continue to make rapid strides towards meeting our objectives. By directly aligning our initiatives to the Governor’s policy agenda, we are well-positioned to continue investing in technology to more efficiently provide Arizona citizens the services they expect and demand.

With strong support from both the Executive and Legislative branches in fiscal years 2013 and 2014, we were able to invest in critical infrastructure, application and security upgrades, reducing potential risks due to the State’s aging technology systems and solutions. In addition, we openly embraced the accountability and transparency necessary to ensure these projects were being executed with precision and fiscal responsibility. Ensuring the continuity and security of these mission-critical systems allows us now to focus on investing in more modern and cost-effective technologies such as virtualization and cloud services.

We also recognized the importance of the more than 1,400 technology employees across the State and began investing in our people - our most precious resource. By embracing a statewide model, we provided training sessions in a variety of areas including Enterprise Architecture, ITIL, Business Process Improvement, Business Analyst, Vendor Management, and Security. In addition, we formed the first Project Management Center of Excellence, which provided a statewide collaboration model for sharing best practices in that discipline. Lastly, in a joint effort with

Human Resources, we developed standard disciplines, roles, titles, job descriptions and career paths for all IT employees statewide. This was a big accomplishment that will allow us to drive consistency in technology roles and responsibilities statewide, and compete more effectively for talent acquisition and retention.

Furthermore, we expanded our focus on continuous improvement by incorporating Lean principles to our processes and procedures. Through internal projects, as well as by partnering with the Government Transformation Office (GTO), we have streamlined many statewide processes to more efficiently and cost-effectively provide services to the citizens of Arizona.

I am extremely optimistic about the direction we are heading and am confident we will continue to deliver value. However, this is a long journey and only through discipline, consistency, and persistence, will we ultimately reach our destination.

Sincerely,
Aaron V Sandeen

*Deputy Director & State CIO
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Arizona Strategic Enterprise Technology (ASET) Office*

Executive Summary

Over the past three years, the State has been successfully executing the Statewide Strategic IT plan and as a result has gained tremendous support from leadership to continue investing in technology as the catalyst for transforming Arizona government. During this time, the State reduced many risks associated with its aging infrastructure and systems. However, this merely strengthened the foundation and alone will not transform state government. Moving forward, in order to ensure it is delivering to the expectations of its citizens, the State must keep up with the exponentially increasing pace of technology innovation and consumption. Only through continuous adoption of modern solutions will the State stay current with industry advances and citizen demands.

The 2014-2018 Statewide Strategic IT Plan is a five-year plan focused on ensuring business continuity and security of statewide assets, while continuing the process of transforming how services are provided to Arizona citizens, businesses and employees. In order to accomplish this, the State will focus on the following strategies and goals over the next five years:

Strategy 1 – Deliver Enterprise Business Capabilities

- ⇒ Goal 1.1 - Improve the Quality, Capacity and Velocity of Business Services
- ⇒ Goal 1.2 - Strengthen Statewide Program and Project Management
- ⇒ Goal 1.3 - Invest in Core Capabilities
- ⇒ Goal 1.4 - Proactively Manage Enterprise Risk

Strategy 2 – Model Fiscal Responsibility

- ⇒ Goal 2.1 - Adopt Innovative Sustainability Models
- ⇒ Goal 2.2 - Reduce Total Cost of Ownership

Strategy 3 – Mature the IT Community

- ⇒ Goal 3.1 - Optimize Efficiency Via Continuous Process Improvement
- ⇒ Goal 3.2 - Build Innovative and Engaged Teams
- ⇒ Goal 3.3 - Operationalize Enterprise Architecture
- ⇒ Goal 3.4 - Champion Governance, Transparency and Communication

In conclusion, over the past three years, the State of Arizona has made significant strides towards modernizing state government. In 2011, the Governor established the direction with her Four Cornerstones of Reform. The foundation was solidified in 2012 by investing in mission-critical systems and applications to ensure the continuity of government. Starting in 2013, work began to truly start transforming how Arizona State government provides services to its citizens, business and state employees. The State is now beginning to see the results of these efforts, and when the transformation is complete, Arizona will have created an enduring model for effective and responsible government.

**Leverage
modern platform
technologies
to increase the
quality and
speed of service
delivery**



Goal 1.1 Improve the Quality, Capacity and Velocity of Business Services

In order to keep up with the demands of Arizona citizens and businesses, the State must leverage modern platform technologies to increase the quality and speed at which it provides services. Arizona has recently launched the Arizona Enterprise Services Platform (AESP) that will provide state agencies with enterprise capabilities on which they can build their line-of-business applications. Some of these enterprise capabilities will include identity management, payment processing, workflow management and digital signature. In addition, the platform will include an Application Programming Interface (API) store so agencies can easily and securely share their data, either privately with other agencies, or with the public.

The State has built new, mobile-capable website templates and has begun migrating agencies to this new platform. As a result, the new public websites provide Arizona citizens increased ability to access state services anywhere, any time. Leveraging the same technologies, the State is currently building a private portal for citizens, business and employees called MyAZ. As an aggregator of information, MyAZ will be a secure website for citizens, businesses and employees to interact with the State, get the status of service requests, and receive alerts as requests are processed.

Improve planning and implementation of technology solutions

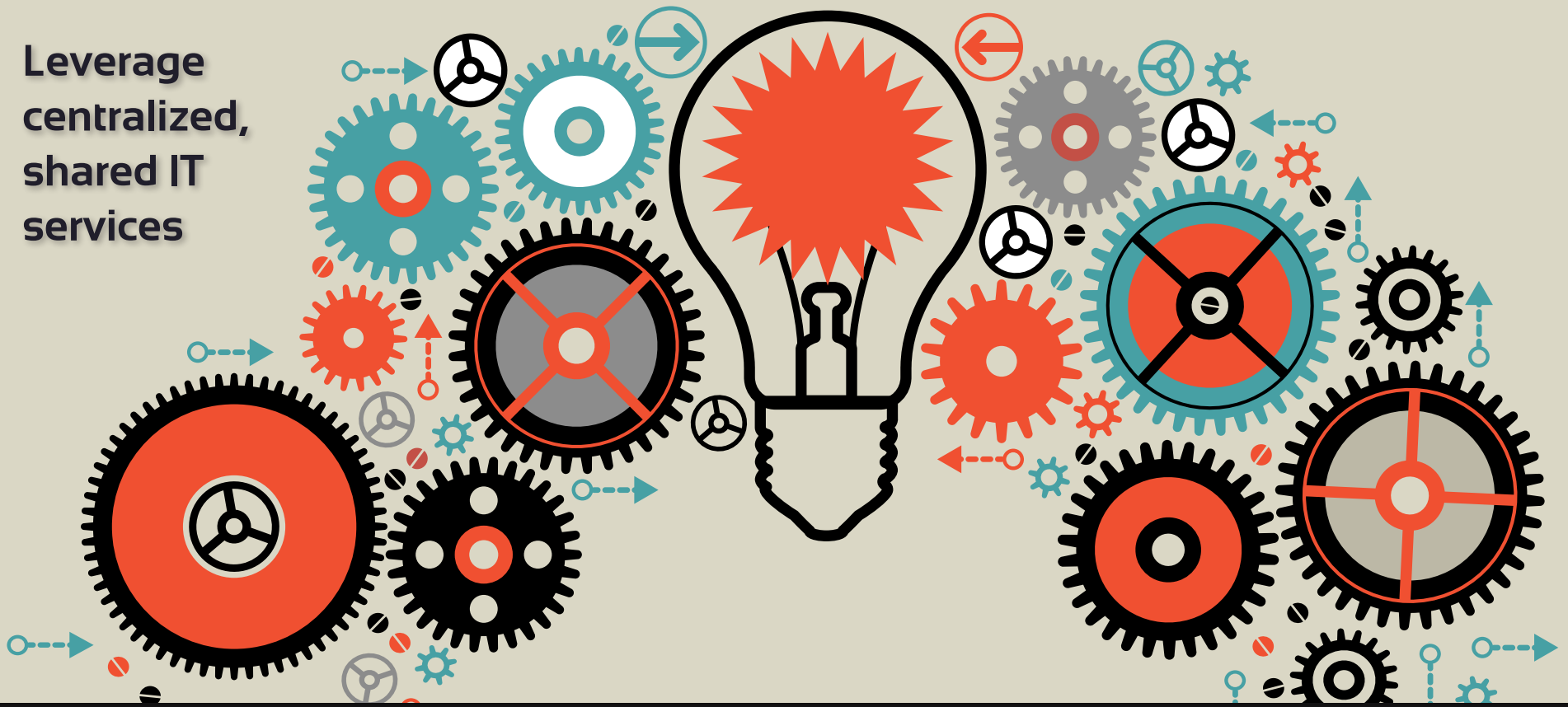


Goal 1.2 Strengthen Statewide Program and Project Management

Today, new technologies are being developed and adopted at an ever-increasing pace. In order to keep stride with the rapidly-changing industry, the State must be nimble, yet thorough, in how it makes and executes technology decisions. This requires all phases of a project, from discovery through implementation, be streamlined for efficient and effective decision-making.

By strengthening business case development, project planning, risk mitigation planning, status reporting, communications and fiscal scrutiny, the State will improve how it delivers and implements technology solutions. Through the recently established Centers of Excellence for Project Management and Business Analysis, the State will develop and share industry best practices, standardized project templates and tools, and streamlined processes to ensure consistency across all IT projects and programs statewide.

Leverage
centralized,
shared IT
services



Goal 1.3 Invest in Core Capabilities

With strong support from both the Executive and Legislative branches, Arizona has spent the past two years investing in critical infrastructure, application and security upgrades, reducing potential risks due to its aging technology systems and solutions. Ensuring the continuity and security of these mission-critical systems was critical in the short term, but now the State must focus on investing in more modern and cost-effective technologies such as enterprise platforms, virtualization, and cloud services.

Going forward, the State will be better positioned to more aggressively leverage shared IT services allowing agencies to focus primarily on supporting their line-of-business applications. In addition, through public-private relationships, the State will begin to outsource commoditized services to lower costs and reduce the risks of maintaining the current decentralized infrastructure. With a new IT Planning Policy being implemented in late 2014, the State will have better visibility on statewide technology trends in order to develop a roadmap of capabilities that can be leveraged by all agencies.

**Strengthen cybersecurity
and privacy operations to
ensure the protection of
citizen information**



Goal 1.4 Proactively Manage Enterprise Risk

Over the course of the past year, the State strengthened cybersecurity and privacy operations to ensure the protection of citizen information. Employees participated in statewide training sessions and exercises to increase the awareness of cybersecurity threats, as well as to share best practices in preventing security or privacy incidents. State leadership also established and strengthened cyber-relationships with critical infrastructure partners for collaboration regarding the state of cybersecurity at all levels of government.

In addition to education and outreach, the State will continue to invest in multiple layers of security to detect potential vulnerabilities in State technology systems and implement solutions to prevent intrusions. With cybersecurity activity increasing at an alarming pace, the State will expand even further its capabilities to identify and mitigate malicious activities. Finally, through the statewide adoption of security policies and standards, such as those outlined by the National Institute of Technology and Standards (NIST), the State will strive for the highest level of recommended technology security and privacy controls across all systems.

**Optimizing operations
eliminating
inefficiencies and
redundancies**

The diagram features a large teal cloud shape in the center. Inside the cloud are icons for a desktop monitor, a laptop, and a tablet. Surrounding the cloud are various circular icons representing different data and security concepts: a document, a magnifying glass, a padlock, a globe, a group of people, a photo, a musical note, and a folder. To the left of the cloud, there are several green circular icons with upward-pointing arrows, some of which are connected by dashed lines, suggesting data flow or optimization paths.

Goal 2.1 Adopt Innovative Sustainability Models

The State has made significant investment in its core infrastructure to ensure the continuity of mission-critical and essential systems, and is now well positioned to embrace enterprise and cloud-based solutions to increase the value of business services. Leveraging shared service capabilities will provide the State with more viable, sustainable, scalable and cost-effective options.

In order to accomplish this, the State must clearly define its strategy for infrastructure, platform, application and security services. The strategy must include robust management, monitoring and automation capabilities. This will enable greater flexibility in delivering services while reducing overhead costs. Finally, the State must continue to invest in its employees and processes to ensure it can deliver and support these capabilities.

**Aggressively pursue
cost-effective
options**



Goal 2.2 Reduce Total Cost of Ownership

Technology is a business enabler and can transform the way the State provides services. Through continuous process improvement and digital process automation, agencies can reduce the costs associated with providing services. In addition, as the State is refreshing its legacy systems and solutions, it will aggressively pursue cost-effective options such as shared services, enterprise platforms, and cloud-based applications. Doing so allows agencies to move from a capital expenditure model to an operational expenditure model, ultimately allowing them to reduce the costs associated with managing technology infrastructure.

The State must begin to mature in the area of business intelligence. By integrating the State financial, procurement and asset management systems, the State will better position itself to make enterprise-wide, data-driven decisions regarding IT. However, this will require a commitment to information architecture, data governance, data analysis, and information sharing. Only then will the true value of business intelligence result in cost reductions.



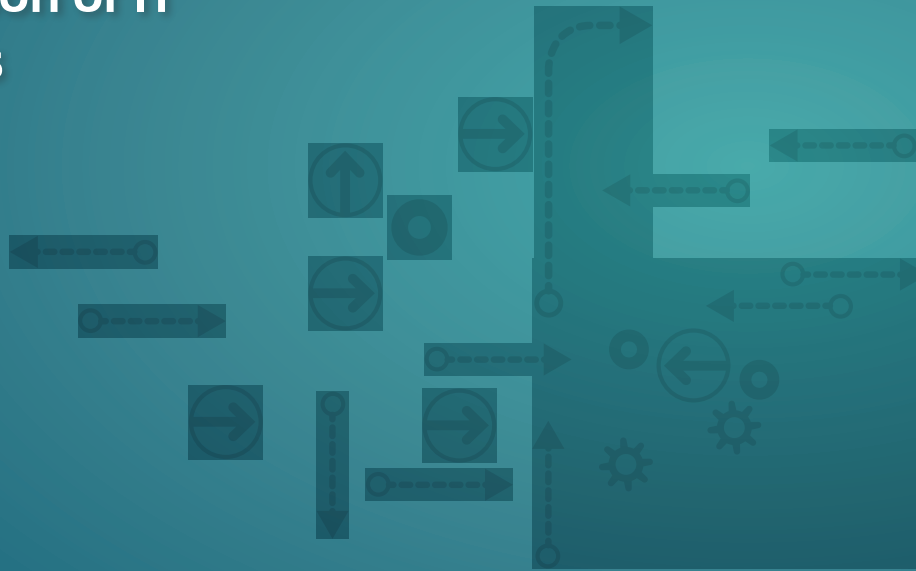
**Best practices
that eliminate
inefficiencies and
redundancies
across the State**

Goal 3.1 Optimize Efficiency via Continuous Process Improvement

In 2012, Governor Brewer established the Government Transformation Office (GTO) to identify best practices that eliminate inefficiencies and redundancies across all agencies. By applying process improvement principles such as Lean, the State has greatly improved its operations. Leveraging the GTO, the State must continue to embrace process improvement disciplines to achieve execution excellence.

It is critical to prioritize and to focus processes that impact our ability to meet customer expectations. It is also critical that processes are streamlined before being automated. Over the next several years, the State will embark on Digital Process Automation projects to transform how it provides services to its citizens. By leveraging enterprise solutions such as digital forms, digital signatures, online payment processing, workflow automation, and document management, the State will increase operational efficiency, reduce operational costs, and improve customer service.

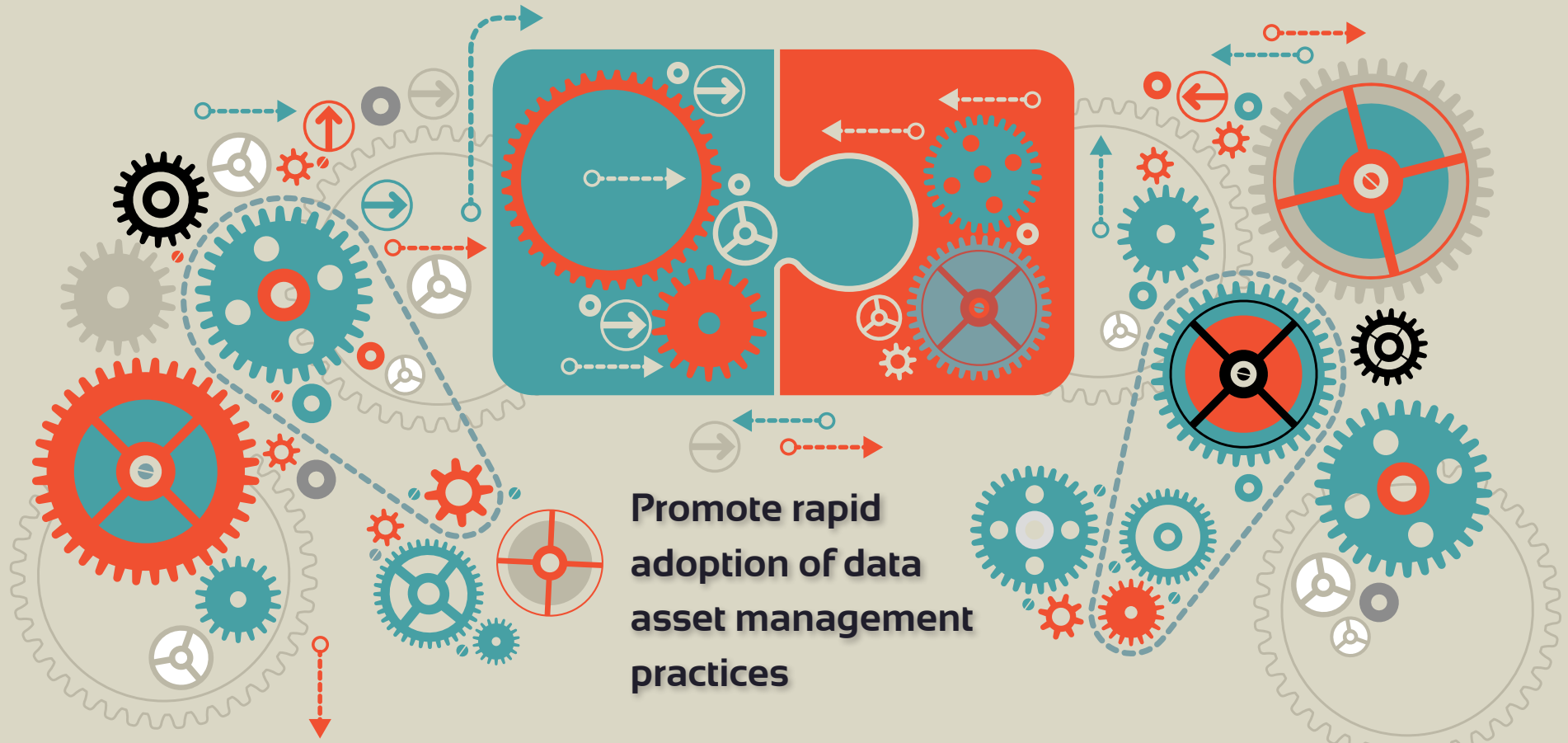
Improve recruiting and retention of IT employees



Goal 3.2 Build Innovative and Engaged Teams

Currently, the State is facing a potential crisis due to the fact that approximately one-third of its full-time IT employees are eligible for retirement over the next three to five years. In attempting to address this issue, the State has taken on several initiatives to improve recruiting and retention of IT employees. As part of the budget for the past two years, the State appropriated funding for statewide IT training. The training courses were offered to all agencies. More than 400 IT employees participated in over 300 hours of training at an average cost of only \$35 per person, per class.

Based on this success, the State now plans to invest in all its 1,400 IT employees by providing centralized and consolidated training. Furthermore, the State will roll out a new employee classification system that will standardize IT job titles, job descriptions and career paths across all state agencies. Restructuring the classification to align to industry best practices, as well as launching a campaign focused on targeting Arizona universities and community colleges, will assist the State in attracting Arizona's top IT talent to meet the ever-increasing resource needs.

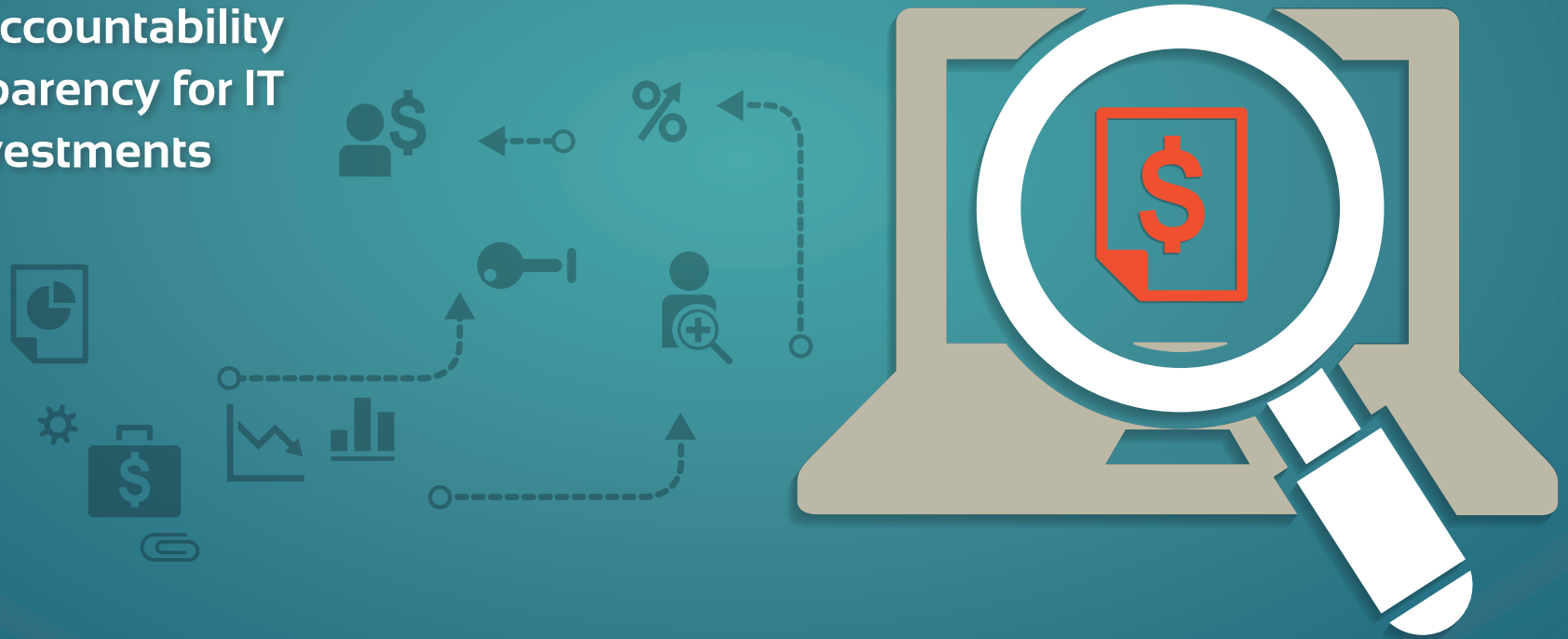


Goal 3.3 Operationalize Enterprise Architecture

Enterprise Architecture is a discipline that assists organizations in designing solutions to achieve their future objectives based on an effective governance model. The principles of Enterprise Architecture, embodied in policies, standards and procedures, help align critical resources with those objectives in an effective and efficient way. The State will continue to assess and update its policies, standards and procedures to ensure they provide appropriate direction and alignment for agencies to fulfill their diverse missions.

Improved data asset management is a critical aspect of the State's Enterprise Architecture discipline. Many of the State's initiatives make it necessary to implement industry-standard methods to manage data assets and enable interoperable data exchanges with agencies, businesses and citizens. By using widely-recognized and well-supported standards, the State will promote rapid statewide adoption of much needed data asset management practices.

Increase accountability and transparency for IT project investments



Goal 3.4 Champion Governance, Transparency and Communication

With the increase in IT spending over the past few years, the State must be held accountable for its investments and provide an increasing level of transparency regarding IT projects. The State has launched its first phase of a Project Oversight Transparency website, which makes publicly available the Project Investment Justifications for all historical IT projects with more than \$25K in costs. As a second phase to the project, the State will automate the IT project approval and reporting process, with dashboards, to provide more comprehensive summaries of project status. And finally, for IT project costs greater than \$5M, the State will engage in private-public partnerships to have third-party entities complete strategic assessments of its large-scale projects prior to project commencement.

Today, technology advancements and adoption by citizens and businesses are evolving faster than the ability for most organizations to adapt. The State must continue to stay abreast of the latest technology trends. By launching a statewide IT community website, all employees will be able to share best practices across a variety of disciplines including Project Management, Business Analysis, Application Development, and Social Media. Through this open collaboration across all agencies, the State will continue to drive down IT operational costs by increasing the utilization of current staff.

2014-2018

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For more information

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