

Identifying the Value of Enhanced IT Enterprise Governance

Workshop #1 Summary Report

Albany, NY - October 28, 2008

New York City – November 17, 2008

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Introduction

This report summarizes results from the first of four workshops organized to bring together New York state and local government CIOs to gather their input about whether and how the use of IT in support of government program and policy priorities could be enhanced within New York State through enhanced governance capability. The report begins with an introduction to the overall project as well as a brief description of the first workshop. The two sections that follow provide a high-level summary of the workshop activities and results; a full set of results can be found in the Appendix. The report also includes results from a second smaller workshop conducted in New York City with NYS agency CIOs based there. In the final section we present next steps in the process and provide an overview of the plan for the next workshop.

Creating an Enterprise IT Governance Framework for New York State Government

Governance, whether for IT or other government resources, is the framework through which organizations make choices about how to employ IT resources to produce value. Within NYS there are examples of different structures for IT governance already in operation:

- Agency level: *Conceptual Design for Evaluating and Managing Opportunities, Workers' Compensation Board*
- Domain level: *The Integrated Justice Advisory Board*
- Multi-agency level: *The Economic Security and Human Services Advisory Board*

CTG is working with key IT decision-makers throughout all levels of New York State government to explore if and how existing IT governance capability could be enhanced to better serve a wide range of stakeholders. A review of IT governance structures within New York State, IT governance experiences nationwide, lessons from the private sector, and frameworks developed in the academic literature are being used to inform the process. The goal of the project is to provide recommendations to the New York State IT community and key stakeholders regarding enhanced enterprise IT governance for New York.

Success in this project depends on identifying the full range of issues involved in creating value through enhanced enterprise IT governance and exploring the capabilities necessary to create that value. The collaborative and consensus-driven project is organized to ensure active engagement of key actors in New York State government including the Office of the Chief Information Officer (OCIO), control agencies such as the Division of the Budget and the Office of the State Comptroller, the CIO Council, and other relevant CIOs identified from across the state. In addition, input will be gathered from existing IT-related governance bodies already operating in the state

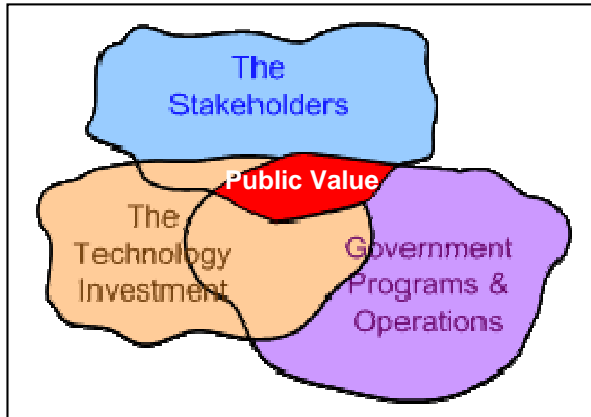
The identification of issues and the exploration of capability is the focus of the four workshops planned for the next four months with New York State government CIOs. Each workshop will build on discussions from the previous workshop and will be combined with input from other key stakeholders listed above; the specific topics covered are as follows:

- Workshop 1: The Value Proposition of Governance
- Workshop 2: Dimensions of IT Governance and Necessary Changes
- Workshop 3: Capability for Enterprise IT Governance in New York State
- Workshop 4: Identifying Governance Elements for Prototyping

Workshop 1: The Value Proposition

Value propositions of governance and their corresponding change requirements were at the core of the first workshops held in Albany and New York City. In each workshop the discussion was launched with a presentation of the public value framework created through an earlier CTG project. In this framework, public return on investment (ROI) is defined as a measure of the delivery of specific value to the people,

and the improvement of the value of government itself as a public asset.¹ Public value, according to this framework, can ultimately reveal itself in six broad categories: financial, political, social, strategic, ideological, and stewardship. Value is specifically identified in these categories when increases in efficiency and effectiveness, enablement of otherwise infeasible, but desirable activities, and intrinsic enhancements to the government environment result from investments. The task of assessing value is challenging because not every aspect of public value is relevant for a particular investment. The workshop started with the discussion of three basic public value elements from the framework:



- the investment - in this case, an enhanced enterprise IT governance framework,
- the government operations affected - in this case, state and local, agencies and authorities, and
- the stakeholders - in this case, state and local CIOs, program units, and citizens.

The results from each of the workshops are presented below.

Results from the Albany Workshop

This first workshop was designed to explore many of these questions through facilitated exercises that allowed for group collaboration and decision-making. A central goal of the first workshop was to establish an answer to a key question: What value may be

Figure 1. The Basic Elements in the Public Value Framework

obtained by enhancing IT governance for New York State government? The discussion was based in part on CTG's public value framework, whose basic elements are shown in Figure 1.

The first workshop was held on October 28, 2008 at the Empire State Plaza in Albany. All state CIOs and members of the NYS CIO Council were invited to attend the full workshop series; more than 30 state and county CIOs and IT directors ultimately participated in the first half-day session. Participants were randomly assigned to specific tables, which were to serve as discussion groups for the duration of the day. The day began with an overview of the rationale for the project, its design and plan, and its expected

deliverables. The importance of active and consistent engagement of the CIO community and other key stakeholders was emphasized. A short presentation was then given by the CTG team to review the conceptual and definitional challenges surrounding enterprise IT governance and to provide participants with a summary analysis of current practices in enterprise IT governance efforts nationwide. (Refer to Figure 2)

With the general context of enterprise IT governance established, the focus shifted to the current landscape of IT governance in New York State. The participants discussed the various forms of IT governance currently in place in New York State, which has an established track record from late 1999 of implementing and evolving IT governance structures for state government. As with other states, New York State first created an Office for

Insights from environmental scan

- Most of the states we reviewed had central IT offices – some provided IT services support, development and management and others provided these services as well as policy and planning.
- Creating governance capability is an evolving process.
- States used a mixture of frameworks and structures.
- No consensus that one arrangement was more effective or efficient.
- Most states chose a hybrid/federal structure.

Figure 2. Key Insights of Nationwide IT Governance

Technology; then in 2004, the Office of the Chief Information Officer was created. In early 2005, the Integrated Justice Advisory Board (IJAB) was created to support IT governance within the justice domain. Over time, other governance bodies have also emerged within New York State government.

The resulting mix of governance arrangements, covering different combinations of agencies, was labeled as a combination of "Big E's" and "Little e's." This project will explore the details and boundaries of each of

¹ Center for Technology in Government. (2007). *Advancing Return on Investment Analysis for Government IT: A Public Value Framework*. Available at http://www.ctg.albany.edu/publications/reports/advancing_roi.

these enterprises, and then use the new knowledge to guide the consideration of enhanced IT enterprise governance capability.

The Value Proposition of Governance

In the first workshop exercise, participants were asked to reflect upon the question: ***What value must be created to make the enhancement of enterprise IT governance in New York State worthwhile?*** After the participants individually brainstormed responses to the question, they then shared their value propositions with the others at their discussion tables through a round-robin self-facilitation. Once everyone had an opportunity to express his or her ideas, each small group discussed how those ideas might be condensed or combined to refine the value statements. Each group selected their top value propositions for IT governance either by voting or through consensus in the group discussion.

The top value propositions from each group were shared with the full group in a plenary round-robin facilitation. Then, with input from the participants, the CTG facilitators clustered the propositions together into common themes. Finally, the full group voted on the top three value themes they believed were most important. Below are the six value propositions, in rank order, identified by participants as critical to make an overall enhancement of IT enterprise governance worthwhile. For the full list of responses from each discussion table, please see Appendix A, Table A1.

1. Outcomes that Improve the Business of Government

The top priority that emerged from the group discussion and ranking of value was the potential for positive improvements in the way government agencies operate. These outcomes included a strong emphasis on both enhancing IT products and services and enhancing the success of business initiatives. Specific examples of desirable outcomes were information sharing, knowledge exchange, and support—but not a mandate—for collaborating on IT solutions and potential shared service opportunities. Amidst the conversations on improving the business of government, there was recognition from the workshop participants that the business of government can vary widely across agencies and levels of government, which requires flexibility. As one participant described it, the goal for all CIOs should be “finding the sweet spots where we can engage, but let the agencies do their own business.”

2. Agenda for the Governance Body: Continuity and Guidance

The participants believed that a governance body with a clearly formed agenda could help bolster continuity of government in the state’s political environment and provide guidance and leadership for IT within state government. In this sense, the governance body could be an entity that reaches internally to support government operations and externally to mitigate political turbulence. Specific agenda items attributed to this potential governance body included the creation of a consistent vision for IT services, publishing standards and guidance for the individual agencies, and reducing time to market for new IT developments.

3. Improving the Experience of Citizens

Although IT governance is an internal mechanism for decision-making, the group identified its external value to citizens as being a top goal for governance. This value was divided into two categories: simplifying government access for the public and improving citizens’ experiences with government. One participant stated that the CIOs, “Just want to make the experience as good as possible, even when they’re paying taxes.” The underlying theme was that IT enables improved interactions between government and the public, which means better IT decision-making through enterprise governance would equal a better experience for the end users—citizens.

4. Cost Reduction

Participants repeatedly emphasized the difference between total cost reduction and cost avoidance. One participant described it in this way: “You need to calculate the cost to the entire project, to all agencies and levels included, otherwise you are just doing cost shuffling.” There was a strong emphasis on reducing the overall cost of government operations while maintaining a high level of service and quality. Part of the financial value from enterprise IT governance would be derived from having one entity with comprehensive knowledge of IT spending across the state that would ideally foster shared services and other cost saving measures as appropriate.

5. Collaborative & Effective Design Elements

The actual design principles that would guide a new IT governance framework were also considered to have great potential value. The participants emphasized the need for agency collaboration from all levels of government to ensure fairness, widespread participation, and a clear delivery of value for each agency's initiatives. There was also a call for clarity in the roles, responsibilities, and authority that would be granted via the governance process. Concerns about flexibility arose amidst this discussion; according to participants, oversight regarding IT goals and decisions should not be achieved at the expense of agency autonomy.

6. Alignment

The interest in alignment crossed different boundaries in New York State government. Some participants spoke about the need versus the current capability for IT and business unit alignment within individual agencies. This intra-agency communication can be difficult to achieve. A participant gave one example: "My agency changes priorities all the time and I have to do different things all the time." Another problematic area identified was the relationship between the elected officials and career officials; in particular, the participants wanted to see better alignment between executive and legislative requirements. Amidst the discussion of more specific alignment priorities, participants also advocated for better overall IT management through the ability to prioritize projects, ensure those projects align with business needs, and provide clear and adequate access to necessary project resources.

Achieving the Value Proposition

In the second exercise, participants were asked to reflect upon the value propositions they collectively identified. The five small group tables were each given one of the following value clusters: *outcomes*, *agenda*, *citizen*, *cost reduction*, and *alignment*. They were then asked to answer the following question: ***What changes have to occur for that value to be created?*** After the participants individually brainstormed responses to the question they shared their response with the others at their discussion tables. Once everyone had an opportunity to express his or her ideas, each group discussed how the ideas might be condensed or combined to refine the identified changes. Each group selected the top changes necessary for that value proposition to be realized and wrote each change on a separate piece of paper.

The changes identified by each table were shared with the larger group in a facilitated session; the CTG facilitators then clustered those changes together into common themes with input from the participants. These new change clusters reflected the changes necessary across multiple value propositions allowing the participants to focus on the changes more generally rather than the specific value propositions. Below is the list of clusters that emerged; the full list of responses from the discussion tables are available in Appendix A, Table A2.

- Establish Principles and Design Policies. The theme of design elements emerged again in the discussion of changes necessary to achieve value. But while the first conversation focused on the design elements that would elicit value for the stakeholders in the room, this conversation was about specific actions and services the participants felt would need to change in order to achieve value for others. Many of the items within the cluster focused on the citizen experience of government: one-stop shopping, the balance of transparency versus privacy, and the potential to create a cohesive outside view of New York State government. Along with these public-oriented changes, there was a recognition that the business units within government needed better access to knowledge about a core set of technologies; with that knowledge of IT capabilities, the business units might be able to deliver better services, translating into gains for both government and citizens.
- Culture Change. This cluster focused on the need for a political and cultural environment that would support better alignment of IT and business goals, not only within the IT community but also within and across government agencies. At the highest level, participants indicated that there needed to be political support and influence in order for widespread alignment of state, agency, and local government IT and business goals. Just as creating "political will" for an enterprise perspective on IT was a top change priority, creating "agency will" for enterprise IT governance was also important. Traditional bureaucratic culture often isolates IT units within the agency structure, rather than fostering a sense of community across the state's IT units. The participants

noted that “Little e’s” such as IJAB or the Economic Security and Human Services Advisory Board could serve as models for other domain-specific governance entities to help with this shift in the IT culture.

- Enhanced Strategic Planning. The changes that participants said needed to occur in strategic planning were focused on clarity of goals for the business unit, which would then fuel the direction of IT initiatives. Many of the CIOs and IT directors at the workshop spoke about their need to be experts in both business and technology, because they were often the drivers of enhanced strategic planning in their organizations. A strategic plan, as envisioned in the workshop, would then serve as internal guidance and as a means to communicate externally—both with other government agencies and the public. The participants wanted to see clearly communicated action plans, better communication across government entities, robust capability to gather stakeholder input from citizens, and cross-functional education between IT and business units.
- The Structure for IT Decision-Making. Participants felt that certain structural changes would be necessary in order to support an enterprise IT governance framework. But first, participants wanted to review existing legislative mandates to determine whether elements of governance had already been delineated for the state, but had never been activated. One example is the NYS Technology Law Article 1 (§101 – §107) that speaks to the creation of an advisory board. Many of the participants were unclear as to if this advisory board was in fact in place; some participants felt the existing CIO Council served in this capacity, while others were unsure.
- IT Leadership. In the area of IT leadership, participants felt that the state required two streams of support—IT services and IT policy and vision. Currently, CIO/OFT serves both needs; however, participants suggested that the two functions might achieve greater success if they were split into two, autonomous agencies. There was a sense that trying to steer the ship while you build it creates a conflict of interest. Although the participants wanted both jobs to be done, they saw each function as being driven by distinct objectives that need different types of leadership. Finally, participants suggested that the group consider a federated approach over centralization, due to the size, complexity, and history of agency governance in New York State.
- Building a Shared Vision and Shared Services. Participants spoke about sharing both in terms of services that government provides and the overarching vision that shapes New York State’s IT strategies. Creating a shared vision could provide the means to create a more cohesive, statewide IT community with common goals. If collaborative processes were developed for that community, there was a sense that this enhanced IT governance framework could then provide a means for identifying and prioritizing opportunities for shared or consolidated services.
- Reallocation of Resources. Resources included both the stream of financial support for government and specific agencies as well as human resources and staff time. Four prominent areas for change in the current resource models emerged from this conversation: (1) use of return on investment analysis to prioritize IT activities, (2) shift the current use of fiscal and staff resources toward an enterprise perspective, (3) simplify the procurement process and expand the parameters of aggregate buy, and (4) ensure that the dollars spent align with the business priorities.

Challenges & Barriers to Governance

The final exercise in the workshop gave participants an opportunity to identify roadblocks that might prevent the identified changes from occurring or diminish the potential value of enhanced IT governance in New York State. The workshop participants worked together through a plenary discussion to identify answers to the question: ***What barriers will keep New York State from making and sustaining the changes necessary to realize value from new governance capability?*** Below is a summary of their responses, divided into four major categories: fiscal, political, procedural, and cultural barriers. For the full list of responses from the plenary discussion, please see Appendix A, Table A3.

- Fiscal Barriers. Financial barriers exist both in terms of access to money and resources and the processes by which funds are allocated to agencies. Examples of fiscal barriers include the following:
 - one year budget cycles,
 - funding models that support single agency silos, rather than cross-agency collaboration, and
 - the current financial constraints of the state budget (staff and budget freezes).

- Political Barriers. Political barriers were largely focused on power and control; they included political in the largest sense of the political system of elected officials and appointees, as well as the smallest level of politics found in intra- and inter-agency relationships. These political challenges were some of the strongest barriers recognized by participants and include the following:
 - continual administrative changes and the ensuing reeducation of new political appointees,
 - unclear assignment of authority,
 - conflict of interest across both levels of government and individual agencies, and
 - lack of political recognition and leadership for IT.

- Procedural Barriers. The procedural barriers are the processes, rules, and regulations that define and constrict behavior. Participants referred to these barriers as the current formalities and work processes that would keep them from collaborating and innovating, such as:
 - lack, or limited proof, of statewide strategic planning,
 - absence of standards and standardization,
 - inflexible government structures,
 - civil service and union regulations, and
 - the time and effort it would take to create and sustain wide-scale changes to IT governance.

- Cultural Barriers. Changes to the IT culture were identified as pivotal in achieving the value proposition of governance; it makes sense that the culture itself is therefore a barrier to achieving value. The cultural barriers the participants identified include the norms, values, and expectations in New York State government's IT community. While some might be mitigated by the changes identified in the previous section, others are less tangible and might require different strategies, including:
 - resistance and lack of incentive to change,
 - issues of trust between different entities,
 - developing buy-in from the individual agencies, and
 - reluctance to share resources.

Results from the New York City Workshop

CTG held a second offering of the first workshop in New York City on November 17, 2008 to provide members of the CIO community in the New York City area a convenient opportunity to participate in this process. A small group of city agency and state authority CIOs gathered together at the Office of Temporary and Disability Assistance for a three hour workshop to address the same questions raised in the Albany-based workshop. Due to the small size of this group, as well as their acknowledgement that they were more removed from the oversight of state-level IT decision-making, the workshop followed a slightly different format. Although the main focus continued to be the value proposition of governance, the CTG facilitator led the group in more informal discussion and feedback sessions. The details of each activity are described below.

The Value Proposition

As in the Albany workshop, participants were asked this same introductory question: ***What value must be created to make the enhancement of enterprise IT governance in NYS worthwhile?*** After providing a brief time period for the participants to brainstorm initial responses to the questions, the CTG facilitator then collected their responses in a round-robin fashion. The responses were then written down on flipchart paper for the full group to see. Once everyone had an opportunity to share his or her responses, the group was asked to cluster the values into common themes. Rather than voting on the top themes, as in the

larger Albany workshop, the group was asked if there were any priorities among these five value propositions or even a path dependency between them. The participants ultimately decided that these five value propositions were all critical to the enhancement of IT governance. Below are the five overall value propositions the participants identified (not a specified order); a complete listing of their responses is available in Appendix B, Table B1.

1. Improvement of Services. In regard to improving government services, the participants noted the value in enhancing the services their organizations currently provide while also reducing their costs. In thinking about the process for making those improvements, participants stated that relevant stakeholders need to be valued contributors to ensure service enhancements have the greatest possible value.
2. Reduce Redundant Efforts. Participants felt there was room in New York State's current use of IT for better coordination of the technical infrastructure, which would lead to reducing redundant efforts. Ways to decrease redundancy include greater awareness and access to the state's Data Center services and better sharing capabilities to gain economies of scale. However, participants warned against "reinventing the wheel." Their suggestion was to complement, rather than replace, existing technology in such a way that agencies had the flexibility to opt in or out depending on their individual circumstances and mandates.
3. Clearly Established Performance Metrics. The participants felt there was value in being able to identify and make use of performance metrics in the process of enhancing IT governance. They advocated for developing a baseline measurement of the current process for IT decision-making and measurable goals for determining the success of the new process. In addition, they felt there needed to be an audit process to help ensure the desirable goals for enhanced governance were in fact achieved.
4. Operational Improvements. The potential value of operational improvements was mainly in the form of better communication throughout the IT community. Participants wanted to see governance develop a forum for tactical IT decision-making and conflict resolution, as well as better knowledge sharing resources. There were two forms of knowledge most relevant to governance: (1) information about IT decisions across the state to demonstrate trends and desired behaviors and (2) the skills and knowledge held by both public and private partners in New York State government's IT community.
5. Design Principles. As in the Albany workshop, the NYC participants advocated for flexibility in any enterprise IT governance strategy the state takes on. Their concern in the design was for agencies and authorities who might not closely align with the majority, but who would still benefit from some of the value IT governance generates.

Challenges and Mitigating Factors

In the next exercise, participants were asked to think about the barriers that might prevent their value propositions from being fully realized through enhanced IT governance. Participants were asked the following question: ***If you were charged with creating this governance structure to achieve these values, what challenges might you face and how would you mitigate those challenges?***

In a plenary discussion the group first brainstormed the challenges to creating an enhanced IT governance framework, and then developed a list of actions and principles. Some of the challenges participants identified are actually the same as the value propositions they identified. Below are summaries of the challenges participants envisioned and the means to overcome them (refer to Appendix B, Table B2 for the full list of responses).

- The Current Management Paradigm. The participants spoke about how each individual government IT manager has a pre-established management paradigm that guides his or her actions. However, an enterprise perspective on IT decision-making requires a different way of managing an agency's IT resources. The participants felt that executive leadership and influence, coupled with a clear expression of the value in enterprise IT governance, could mitigate resistance to changing management styles.

- The Scope of Governance. Participants felt real world examples of how enhanced governance will operate would contribute to the process of gaining buy-in from stakeholders; the absence of those examples could prove to be a barrier. In particular, they felt that stakeholders would want to see how a governance framework would work at the macro and micro levels. Defining the scope of governance—where it will “touch people in the department”—is an important means to overcome any potential ambiguity in the process. The participants again advocated for a flexible process as a means to meet agency and enterprise needs.
- Mandate Versus Grassroots Development. In developing enterprise IT governance, participants felt there should be a balance between being forced to adopt a new system and building a new system collaboratively. The best way to overcome this tightrope walk would be to find the current points in the IT decision-making process that cause conflicts or hardships and make changes that can positively impact the most people—making the value of governance self-evident.
- Resistance to Change. Almost every new process or innovation faces resistance to change. In order to respond to that resistance, participants believed developing trust and clear communication about the goals and vision, as well as the means being used to achieve them, were important to building enhanced governance.
- Breaking Down Communication Barriers. Participants recognized multiple communication barriers across and within different levels of government. In order to overcome these communication barriers, participants recommended that the governance structure open up new communication paths within the state. For example creating new capability to overcome generational gaps would be an important task for the IT community, which means that communication plans should incorporate different methods for disseminating information in a multi-generational workforce.
- Reducing Redundant Efforts. Participants saw reducing redundant efforts across the IT community as both a value proposition and a challenge to enhanced governance. Achieving greater coordination, in the opinions of the participants, would require offering clearly defined services to the whole enterprise and presenting a technical direction for all agencies to pursue in a flexible manner. The key was offering, not mandating, the use of shared services and coordinating centers (such as domain and sub-domain groups or even regional centers).
- Establishing Metrics. Although participants agreed that measuring performance can be difficult, they felt that the establishment of a baseline performance measurement could help the state move forward in deciding what to assess and how to go about collecting appropriate data.

Building Agency Buy-In

To gain further feedback on what might bring stakeholders into the governance process, the CTG facilitator asked, ***In representing your agency—what value would be necessary for you to buy into this process and what would the scope of the governance structure need to be?*** To gain buy-in, participants felt the leaders of this governance structure would need to achieve three major value propositions:

- Enterprise Technical Services. This value proposition would include enterprise-level technical service selections that would cut across all agencies. The development of a shared services model would then support those technical selections. Technical services would need to take into consideration the different roles and responsibilities for large IT expenditures (i.e., enterprise level investments) and small IT expenditures (i.e., agency-level IT costs). A mix of centralized and decentralized services would be one way to gain trust and buy-in for this service model.
- Enterprise Policy Guidance. Enterprise policies would be valuable to stakeholders if they make it possible to improve the overall statewide technical infrastructure, while also providing agencies and authorities with enough flexibility to conform to those policies in a manner consistent with agency IT needs. While the participants advocated against a governance structure that strips agencies of their own project management resources and latitude to prioritize their own projects, they were interested in having policies that would enhance awareness of IT resources across the full complement of state agencies and authorities.

- Building Participatory Governance Structures. Finally, establishing governance that gives voice to all of New York State's IT stakeholders was an important value proposition for the workshop participants. They recommended creating a steering committee with advocates from state agencies and authorities who would have voting privileges. Although the specific decision rights and authorities were not explored, equal representation emerged as a valuable design principle of enterprise IT governance.

Discussion of the Workshop Results

The task of assessing value is challenging because not every aspect of public value is relevant for a particular investment. The workshop started with the investigation of three basic elements for analyzing public value: the investment (an enterprise IT governance framework), the government operations affected (state and local, agencies and authorities) and the stakeholders (state and local CIOs, program units, and citizens). Focusing on one or two of these elements alone cannot reveal the full spectrum of potential value or how it can be assessed. And missing an element can result in stakeholder resistance, flawed technology decisions, or poor integration and disruptions of existing processes. As stated earlier, the public value of an initiative is found by focusing on the overlap of these three elements and determining how the IT investment then produces value for the relevant stakeholders.

When asked about value, participants provided responses that fell into two general categories: the first related to the value proposition of enhanced IT governance and the second related to design elements of the same. Table 1 lists responses related to value and Table 2 lists those related to the design characteristics and governance elements provided by participants.

Table 1. Value Propositions	
Reduce redundancy and establish prioritization mechanisms	<ul style="list-style-type: none"> • Reduction of redundancy by providing IT solutions to common business problems • Prioritize projects • Complement rather than replace existing domain structures • Avoid reinventing the wheel
Foster sharing of services and Information through agency collaboration	<ul style="list-style-type: none"> • Shared services where appropriate. Domain specific services where appropriate, e.g., community of interest, able to measure savings • Information sharing • Foster Collaboration among agencies to improve info sharing without forcing collaboration • Creation of a collaborative environment for sharing information • To solve common business problems • To deploy common technical solution • To share staff expertise • Ensure interoperability where appropriate
Establish standards	<ul style="list-style-type: none"> • Standard for knowledge interchange • Guidance and standards for agencies
Improve quality of services	<ul style="list-style-type: none"> • Improve quality • Enhance the citizen's, public's experience • Make it easier for public to deal with government • Direct value to citizens • Move society forward through innovative use of IT • Citizen interactions with government are simplified, services are accessible, personalized, timely • Citizen services are dispensed from NYS as a single enterprise • Enhance agency operational/business initiatives • Improvement of services
Reduce product cycle time	<ul style="list-style-type: none"> • Reduce product cycle time to market • Handle complexity of the organization to reduce time to market – accomplish something
Reduce political directions and swings	<ul style="list-style-type: none"> • Eliminate political directions and swings • Create consistency of vision through political change
Reduce costs	<ul style="list-style-type: none"> • Reduce overall state costs w/out sacrificing quality or timeliness of delivery of products and services • Create opportunities for individual agencies to reduce costs and create efficiencies • Shared services should reduce costs and improve services • True cost savings not avoidance, i.e. unfunded mandate; total cost savings to citizens • Identify public ROI including cost avoidance and revenue generation • Reduced costs
Align IT with business of the state	<ul style="list-style-type: none"> • Providing vision for the use of IT services • Align IT with agency goals • Align executive and legislative requirements • Align with business needs, provide adequate resources, clearly define resources "The Process" Provide a framework so tactical and strategic decisions can be made

Table 2. Characteristics and Design Elements	
The governance framework needs to be flexible to account for agency needs	<ul style="list-style-type: none"> Needs to be flexible Acknowledge/respect and provide value to agency initiatives Flexible but able to reassess decisions/goals Recognition of generation changes Central repository of IT decisions so desired behavior is understood and can be leveraged Enterprise governance needs to be flexible if an agency or authority doesn't fit the mold exactly Services are online at reasonable fees, costs Leverage diverse and deep skills and experiences of public and private partners Provide a forum for on-going communications Should be a living document viewed as a work in progress
Stakeholder participation in governance	<ul style="list-style-type: none"> Agency participation in governance --- not dictatorship Include all levels (stakeholders), functional, locals, citizens, etc. Stakeholders need to be valued contributors in the process
Clear delineation of roles, responsibilities, decision	<ul style="list-style-type: none"> Clear understanding of roles, responsibilities, and decision making authority Provide a framework so tactical and strategic decisions can be made
Establish measurement processes	<ul style="list-style-type: none"> Establish measurement process for the governance effort itself – how effective is IT governance There needs to be some type of pre-established measurable goal to indicate success or failure at the end of the process Pre- and post-assessment audits need to be preformed to measure success
The framework needs to build capacity at several levels	<ul style="list-style-type: none"> Establish a skill set for both functioning within IT Governance and to facilitate a strong IT governance process

Design of Workshop 2

In the next workshop, participants will continue to explore the value propositions identified and determine where the greatest return on an investment into enterprise IT governance will exist. Table 3 will be used in the workshop to assist the participants as they explore this question. The data gathered in the second workshop will allow us to continue to unpack areas where different elements of value overlap and start to consider the dimensions of capability necessary to generate the desired value.

Table 3. Understanding the Value of Enterprise IT Governance				
		Scope of Governance		
		Agency	Little e	Big e
Recipient of Value	Agency	Value to the agency from agency-specific governance of IT	Value to the agency from domain-specific governance of IT	Value to the agency from statewide governance of IT
	Domain	Value to the domain from agency-specific governance of IT	Value to the domain from domain-specific governance of IT	Value to the domain from statewide governance of IT
	New York State Government	Value to the state from agency-specific governance of IT	Value to the state from domain-specific governance of IT	Value to the state from statewide governance of IT
	Public	Value to the public from agency-specific governance of IT	Value to the public from domain-specific governance of IT	Value to the public from statewide governance of IT

Appendices

Appendix A – Results from the Albany Workshop

Appendix B – Results from the New York City Workshop

Appendix A – Results from the Albany Workshop

Table A1. Value Propositions of Enterprise IT Governance
Outcomes (19)²
<ul style="list-style-type: none"> • Reduction of redundancy by providing IT solutions to common business problems • Shared services where appropriate. Domain specific services where appropriate, e.g., community of interest, able to measure savings • Market Services • Information sharing • Improve quality, reduce product cycle time to market • Standard for knowledge interchange • Needs to be flexible • Enhance agency operational/business initiatives
Agenda for Governance Body (15)
<ul style="list-style-type: none"> • Eliminate political directions and swings • Create consistency of vision through political change • Guidance and standards for agencies • Establish a skill set for both functioning within IT Governance and to facilitate a strong IT governance process • Handle complexity of the organization to reduce time to market – accomplish something • Providing vision for the use of IT services
Citizens (14)
<ul style="list-style-type: none"> • Enhance the citizen's, public's experience • Make it easier for public to deal with government
Cost Reduction (11)
<ul style="list-style-type: none"> • Identify public ROI including cost avoidance and revenue generation • Reduce overall state costs w/out sacrificing quality or timeliness of delivery of products and services • Create opportunities for individual agencies to reduce costs and create efficiencies • Shared services should reduce costs and improve services • True cost savings not avoidance, i.e. unfunded mandate; total cost savings to citizens
Design Elements (10)
<ul style="list-style-type: none"> • Agency participation in governance --- not dictatorship • Acknowledge/respect and provide value to agency initiatives • Clear understanding of roles, responsibilities, decision making authority • Include all levels (stakeholders), functional, locals, citizens, etc. • Flexible but able to reassess decisions/goals • Establish measurement process for the Governance effort itself – how effective is IT Governance
Alignment (7)
<ul style="list-style-type: none"> • Align IT with agency goals • Align executive and legislative requirements • Prioritize projects, align with business needs, provide adequate resources, clearly define resources, "The Process"
Collaboration (3)
<ul style="list-style-type: none"> • Foster Collaboration among agencies to improve info sharing without forcing collaboration • Creation of a collaborative environment for sharing information: <ul style="list-style-type: none"> ○ To solve common business problems ○ To deploy common technical solution ○ To share staff expertise
Society Opportunities (2)
<ul style="list-style-type: none"> • Move society forward through innovative use of IT • Recognition of generation changes • Direct value to citizens <ul style="list-style-type: none"> ○ Citizen interactions with government are simplified, services are accessible, personalized, timely ○ Citizen services are dispensed from NYS as a single enterprise ○ Services are online at reasonable fees, costs

² (n) = number of votes received for the category

**Table A2.
Changes Necessary to Create Public Value through Enhanced Enterprise IT Governance**

Cluster	Category	Statement
Culture Change		
	Alignment	Create the political will to align state, agency , and local business/IT goals
	Cost Reduction	Create Incentive system for cost savings (Fed, State, local systems)
	Outcome	Inter- , Intra – government culture change
Strategic Planning		
	Citizen	Inform citizens of action plans developed from needs assessment and feedback
	Citizen	Align program goals and improve communication across gov't entities
	Citizen	Create robust capability to collect needs from citizens as well as feedback
	Alignment	Educate IT on business goals, and educate business on technical solutions
	Alignment	Business must define goals and have defined strategic plan.
Structure		
	Agenda	Activate Advisory board with citizens/agencies/local government membership
	Agenda	Split CIO/Policy/Standards/Vision from OPS/OFT/Service/ business objectives
	Agenda	Favor agility over bureaucracy
	Agenda	Consider Federation over centralization
Shared Services		
	Outcome	Identify and Prioritize opportunities for shared/consolidated IT services and solutions
	Outcome	Create stakeholder oversight and management process (for shared services/solutions)
	Agenda	Find method for building shared vision
	Outcome	Develop collaboration process, including outreach, for development/management of shared services and solutions
	Cost reduction	Identify common goals in order to share services and reduced costs
Principles (Design Policies)		
	Citizen	Establish expectations and processes to balance transparency with confidence in protecting privacy
	Citizen	Provide standard look without conforming to government structures
	Citizen	“one stop shopping” standard access methodology without consideration of technology i.e. change of address
	Alignment	Consolidate /Educate business community on core set of technologies
Resources		
	Cost Reduction	Identify instances of “cost shifting”
	Cost Reduction	Stop doing things with a lower ROI
	Outcome	Reorientation of resources – fiscal, staff
	Cost Reduction	Streamline business processes
	Cost Reduction	Define attributes of and calculate total cost of initiatives
	Cost Reduction	Improve and simplify procurement process (ex. Expand aggregate buy, reduced time to contract.)
	Alignment	Allocate resources to promote alignment

Appendix A – Results from the Albany Workshop

Table A3. Barriers and Challenges to Creating Value through Enhanced Enterprise IT Governance
▪ Resistance to change
▪ 1 year budget cycles
▪ State CIO against. structure change
▪ Finances
▪ Complexity of government
▪ Admin change in 2 year
▪ Resistance from CIO to separate from OFT
▪ Lack of gubernatorial platform that recognizes value of IT an IT governance
▪ Buy-in at agency level
▪ Have and have not agencies
▪ Money and funding source
▪ Trust Issues
▪ Easy solution vs. right solution
▪ Lack of standards and standardization (shared services)
▪ Conflict of interest (structures)
▪ Poor strategic planning
▪ Lack of consistency in strategic planning
▪ Faced with re-education of political appointees every cycle
▪ Workforce changes
▪ Unions and civil services
▪ Will be resistance <ul style="list-style-type: none"> ○ Shared services ○ Structures ○ Resources
▪ Existing culture is a barrier to make change quickly
▪ Reluctance to share resources – Trust
▪ Civil Service/Union: Inflexible to change
▪ Structures are too inflexible
▪ Striking balance
▪ Budget freeze
▪ Staffing Freeze
▪ Lack of incentive for making changes
▪ Time it takes to complete and create and sustain
▪ Lack of leadership – top at Governor and at agency
▪ Time to gain knowledge of emerging technologies or new solutions

Appendix B – Results from the New York City Workshop

Table B1. Value Propositions of Enhanced Enterprise IT Governance
Improvement of Services
<ul style="list-style-type: none"> • Reduced costs • Improvement of services • Stakeholders need to be valued contributors in the process
Reduce redundant efforts
<ul style="list-style-type: none"> • Compliment rather than replace • Avoid reinventing the wheel
Metrics
<ul style="list-style-type: none"> • There needs to be some type of pre-established measurable goal to indicate success or failure at the end of the process. • Pre and post assessment audits need to be preformed to measure success
Operational Improvements
<ul style="list-style-type: none"> • Central repository of IT decisions so desired behavior is understood and can be leveraged • Provide an environment or framework for conflict resolution for strategic decisions • Leverage diverse and deep skills and experiences of public and private partners • Provide a forum for on-going communications • Provide a framework so tactical and strategic decisions can be made
Principles
<ul style="list-style-type: none"> • Ensure interoperability where appropriate • Enterprise governance needs to be flexible if an agency or authority doesn't fit the mold exactly

Appendix B – Results from the New York City Workshop

Table B2. Challenges and Mitigating Factors of Enhanced Enterprise IT Governance	
Challenge	Mitigation
Management Value – Currently everyone is predisposed to the current management value, you would have to establish a statement of intent to get buy-in. You would have to excite the people to get interested in working in this new way.	<ul style="list-style-type: none"> • Create an executive influence who has created a mission statement to show importance. • Have leadership • Express clearly the vision of tomorrow and the value it will bring to the participants and the enterprise.
Create real world examples to see the where people can relate (to create this buy-in). Manage at the enterprise (or macro level) and know where to leave things alone at the micro level.	<ul style="list-style-type: none"> • Know where the cut off is within the structure to touch people in the department – define the scope • Create a flexible structure to allow customization based on an agency need
Determine the 'tip point' between mandate and grass root.	<ul style="list-style-type: none"> • Look at where you can positively effect the most people. • Identify the pain points.
Resistance – not everyone embraces change	<ul style="list-style-type: none"> • Development of trust • Discuss the pain – how can I help you achieve your goals and achieve the goals of the collective • Communication of the vision/ message <ul style="list-style-type: none"> - Be sure it is consistent - easily accessible - given often • Team must communicate and get together often
Logistics of getting the groups together to break down the barriers	<ul style="list-style-type: none"> • Open new ways of communication • Consider generational issues when thinking about communication -
Bridging the generational gap	<ul style="list-style-type: none"> • Appeal to this new workforce
Reduced redundant efforts – however need to be reasonable by cost, time, and resources	<ul style="list-style-type: none"> • Provide a proof of concept • Consider economies of scale • Set a technical direction • Offer hosted services to the smaller agencies and provide a list of services from which they can pick from • Leverage the existing resources • Create regional centers • Create domain specific focuses also sub domain focuses (i.e. HHS) • Research what those negotiable things are (example given building plans that are used by fire, police, building inspectors – this would provide a win win for all three groups.
Metrics or the creation of measurements	<ul style="list-style-type: none"> • Get a base line snap shot to be able to measure against