

Historical Context

The Commonwealth's ERP implementation was one of several efforts to use IT to improve government effectiveness, efficiency and service delivery, beginning with the creation of the Commonwealth's first ever Home Page on the Web. This effort was followed by a series of initiatives that use technology as a catalyst and mechanism for change. These include:

- The Justice Network (JNET): a governance mechanism and infrastructure for data sharing among criminal justice agencies at the state and local government levels.
- Data Powerhouse Project: consolidation and outsourcing of 17 state agency data centers.
- Online Procurements: online competitive auctions to purchase items such as coal and aluminum.
- Public Safety Radio Project: a unified, state-wide 800-MHz radio network.
- Link-To-Learn: a \$166 million effort to put more technology into schools and to bolster technology training for teachers.
- Technology 21 Report: prepared by industry leaders to help outline the Commonwealth's technology policy to drive state-wide economic development and global competitiveness(2)

In 2000, \$20 million (followed by an additional \$10 million in 2001) was earmarked to support the "Friction-Free Government" initiative. This money supported the creation of online government services such as driver's license renewal and business registration.

In a 1999 article in **Government Technology** Governor Ridge summarized his strategy for bringing about positive change in the Commonwealth with the use of technology. "When I became governor in 1995, I immediately set about changing the business climate and building a foundation to make Pennsylvania a global technology leader. . . . Our investments in technology are part of an overall strategy to make Pennsylvania a vigorous competitor for jobs. . . . We also strive to lead by example. . . . New technologies are revolutionizing the way the world does business. Like the private sector, I think government must rethink traditional practices and assumptions or risk becoming obstacles to opportunity."(3)

The ERP implementation was launched less than a year before Governor Ridge left the Commonwealth to become the Director of the US Office of Homeland Security in October 2001. Then-Lieutenant Governor Mark Schweiker assumed the office of Governor until 2003. As Lt. Governor, Schweiker had been the executive sponsor of Imagine PA and he continued to support the Friction-Free Government initiative, of which Imagine PA became a part. According to Governor Schweiker, "Our Imagine PA project is an important part of my Administration's emphasis on making Pennsylvania state government "friction free" for our customers. And what's making it work is our people – the state employees who have led the redesign of our business processes and who will now use our enhanced software tools to deliver world-class government service to our customers." During Governor Schweiker's Administration (2001 – 2003), the Imagine PA team successfully completed the first three of four waves of the initial ERP implementation.

Governor Edward Rendell's election in November 2002 ushered in a new administration led by a different political party. Governor Rendell's perspective on the role of technology is more intertwined with a larger reform agenda rather than focused on technology per se. The last two waves of Imagine PA project implementation proceeded in the context of the Governor's commitment to streamline government operations and reduce government spending. Several highlights from Governor Rendell's Fiscal Year 2004-2005 Budget Address capture these priorities:

- "One of the first promises I made as Governor was that before asking the people of Pennsylvania to send an additional penny to Harrisburg, we would put the government's fiscal house in order."
- "We started by instituting an across-the-board cut in general government operations, saving \$210 million."
- "Now we are working on nine different "strategic sourcing" projects – from computers to office supplies – in which the state will leverage its purchasing power to get better prices than ever before."
- "This year we will push again to trim the fat of spending. I am convinced that we can decrease the cost of basic government operations, and I am directing our departments to find more ways to make administrative cuts and to save money in our programs."(4)

A history of political will and executive sponsorship surrounding the ERP project is evident across all three administrations, (see Figure 3). All three governors view the ERP as an instrument to enact substantial change. The Ridge and Schweiker Administrations view of technology as an enabler for change helped launch the ERP implementation and focus it as a government transformation effort rather than simply a technology project. This

focus, the success and maturity of the implementation, and Governor Rendell's commitment to continuing government reform helped assure the final implementation phases and transition to the successful IES program. The results today are a robust technical infrastructure, streamlined administrative business processes, and the potential to leverage both to provide increased public value throughout the Commonwealth.

Figure 3. Timeline of Administrations and Key Milestones

Institutional and Political Contexts

The institutional context surrounding the ERP implementation illustrates how executive support for the Imagine PA project was operationalized in terms of bringing the appropriate stakeholders together and clarifying the roles and responsibilities of the key organizational players. In the Commonwealth, the Governor, Lieutenant Governor, Attorney General, Auditor General, and State Treasurer are all elected offices. All of the core administrative functions of government that were the focus of the ERP implementation (i.e., Accounting, Budget, Human Resources, Payroll, and Procurement), fall under the Governor's jurisdiction within the Governor's Office of Administration, Office of the Budget, and Department of General Services (see Figure 4). However, since the State Treasurer is a separately elected official, the Commonwealth's authority to issue payments resides outside of the Governor's jurisdiction. Therefore, from an institutional and political perspective, the Governor has authority over the Commonwealth's finance processes just short of payment. Today, the State Treasurer is not part of the Commonwealth's ERP. Efforts are underway to streamline and automate the transfer and access of data between the Executive Offices and the State Treasury.

Figure 4. Relevant Commonwealth Organizational Structure for IES(5)

The Imagine PA project team that managed the initial implementation from 2001 to 2004 reported to the Secretary of Administration. Today, the Bureau of Integrated Enterprise System (IES) is organizationally located within the Office Administration under the Deputy Secretary for Technology (i.e., the equivalent of the State CIO). The Deputy Secretary for Human Resources and Management, leader of one of the key business areas served by IES, also reports to the Secretary of Administration (see Figure 4).

From an institutional and political perspective, the relevant IT, Accounting, Budget, Human Resources, Payroll, and Procurement functions are under the direct jurisdiction of the Governor. The inclusion of Deputy Secretaries for Information Technology and Human Resources and Management under the Secretary of Administration along with the Secretary of Budget and the Secretary of the Department of General Services, all of which are appointees of the Governor, provided a very clear institutional structure for managing the project.

(2) For a more complete list and timeline of technology related initiatives during the Ridge administration see http://www.informationweek.com/858/pa_time.htm.

(3) For complete interview with Governor Ridge see <http://www.govtech.net/magazine/story.php?id=94822&issue=12:1999>.

(4) For the complete text of Governor Rendell's 2004-2005 Budget address see <http://www.governor.state.pa.us/governor/cwp/view.asp?a=1115&q=436369>.

(5) This is an organizational structure of select agencies and units relevant to the Imagine PA project and IES program. It is based on a June 2007 organizational chart of the Governor's Office of Administration.