

Aligning Business and Information Technology: Some Recommendations for the Coming Administration

By Dr. Ramon Barquin and Lou Kerestesy

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No matter what aspect of our daily lives we look at, whether work related or social, there is very little left untouched by information technology. This is even more true of our government today. IT provides the enabling infrastructure for most government programs serving citizens. The Centers for Medicare & Medicaid Services (CMS) processes 1 trillion Medicare/Medicaid transactions per year; the Department of Defense pays 110 million invoices; \$48 billion in benefits are delivered to 5 million veterans; and our wars are fought directly and indirectly with computers supporting troop deployment, precision-guided weapons and weather information systems.

With Federal IT spending at approximately \$80 billion in 2012, it is difficult to find any government program where the technology does not play an important role. Furthermore, leadership in any new Administration will depend on IT even more as the need for solutions to improve effectiveness, efficiency and security increases.

This all seems rather obvious to anyone carefully looking at our public sector scene. But those close to Federal IT have also observed many instances over the last few decades where technology-based programs were not successful, did not come to fruition, or were highlighted as having been substantially over budget and/or over schedule. In many such cases, the problem seemed to lie in a misalignment between an agency's IT strategy and its business direction, and of the CIO with the rest of the executive leadership team.

Alignment is intuitively understood. In general, you are highly unlikely to hit Target A if your cannons are aiming at Target B. It is similarly true that you cannot succeed in carrying out critical programs essential to an agency's business mission if the information technology environment supporting these programs is either obsolete, does not provide the required functionality to users, does not enable self-service for citizens, cannot move with agility to address change, etc.

So here is a suggested approach to assure that alignment occurs as we have the opportunity to reflect and make recommendations to the incoming Administration. While they must focus on effectiveness, efficiency and security, IT-business alignment refers to lining up IT solutions to deliver business solutions that accomplish the mission.

Effective Alignment

Align business and IT to meet the mission effectively. In other words, make sure the right things are being done.

First of all, who should the arbiters be of whether or not there is alignment? There are several communities that should definitely have a say. Among these would be, for example, users of the IT environment, customers or citizens, suppliers, employees and other stakeholders, such as members of Congress and their staffs.

In addition, it is important to determine how we are going to measure alignment with respect to effectiveness. Some obvious metrics must be tied to strategic business goals, legislative mandates, regulatory requirements, professional standards and service level agreements between the IT shop and the program offices.

There are a number of ways in which this can be moved within a government organization. The five measures below are a start in that direction.

- Align the political leadership and the CIO to the Administration and the Secretary's priorities.
- Build a strong partnership between the Deputy Secretary and the CIO.
- Empower the CIO to oversee key and appropriate agency-wide initiatives.
- Ensure the CIO has the requisite technical, management and customer-service knowledge and skills.
- Build the capability to construct innovative solutions to meet future needs.

Efficient Alignment

Align business and IT to meet the mission efficiently. Or said differently, make sure the right things are being done in the right way.

Executive management needs to be the principal judge with respect to efficiency. There are many metrics that are traditional measures of efficiency, such as: cost performance, return on investment (ROI), productivity or cost of quality. Plus new ones might emerge that might be a better fit to new disciplines, such as social media or cybersecurity.

In terms of how to launch the right initiatives on the efficiency front, here are several thrusts:

- Develop an IT cost management plan that evaluates options and costs that meet stakeholder needs.

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- Align cost saving opportunities to the organization's funding structure, cost structures and investment lifecycles.
- Appoint the Deputy Secretary, CIO, CFO, CAO and other executives as appropriate to an IT governance board to make IT investment decisions.
- Empower the CIO to lead the IT governance board and advise executive management on cost control, cost reduction, savings reinvestment and other efficiency opportunities.

Secure Alignment

Align business and IT to maintain a culture of continuity and vigilance on security. This is essential to promote confidence and trust, and the CIO is probably best positioned to assess and measure the risks and vulnerability. But alignment of business and IT to meet the mission securely must be accomplished at the agency level; hence, the following thrusts are essential:

- Conduct business continuity and security governance at the enterprise level.
- Monitor business continuity and security threats continuously and against a plan that is frequently updated.
- Maintain a culture of vigilance and security within the enterprise to reduce threats and human caused errors.

CIO as Change Agent, Innovator and Operations Leader

For effective, efficient and secure alignment between IT and an agency's business programs, there is one more thing that is critical: redefining the CIO. Not that s/he will stop being the Chief Information Officer and handling all the traditional tasking that comes with the job, but that the acronym also converts the CIO into a Change Agent, Innovator and Operations Leader. This is truly important since alignment will largely depend on the CIO.

Ultimately, this "aligned" CIO must engage increasingly in the agency's leadership and take a pivotal role in creating an agile management network and managing the agency's strategic outcomes. Following are four identified critical success factors that will help move the ball forward in this process:

1. Hire the right person for the job.

It has to be an individual that commands the respect of the other members of the agency's leadership team by understanding their interests, obligations and requirements. S/he must also be customer-focused, have the right technical, management and people skills, plus be given a voice and vote in the selection and evaluation of the rest of the agency's senior IT staff.

2. Align political leadership and the CIO to clearly defined administration and departmental priorities.

For this to happen, executive leadership should attempt to foster strong collaboration at the top of the agency, in particular with the Secretary and Deputy Secretary levels. Only in this way can executives truly set a common strategy and develop relationships around trust and respect.

Goals and objectives must be made explicit and given wide publicity. Program performance must be measured openly comparing outcomes against planned goals. In most cases, senior executives should be asked to serve as champions of specific agency-wide goals and objectives.

3. Empower the CIO to lead the Department's IT governance board and ask the board to consider investments that can improve mission outcome and improve efficiencies.

Most federal agencies already have an IT governance Board or a similar entity. That said, they do not uniformly work the way they should, including having the authority to provide oversight to IT investments at the enterprise level. This will require that at least the following items are implemented.

Board decisions must be captured in the agency's budgets and acquisition plans. The CIOs should review roadmaps with business leaders and their IT counterparts to make sure there is buy-in; and they should be empowered to make changes to suboptimal IT/program solutions. Lastly, the CIO must participate or lead initiatives that force technology solutions to be considered at the enterprise level.

4. Empower the CIO to oversee key and appropriate agency or government-wide strategic initiatives.

For this to happen, the CIO must be empowered to make department-wide IT-related decisions; have control over a centralized budget for the acquisition and management of, at least, commodity IT; and be able to collaborate with other government agencies bring innovation and cost-effective solutions into an agency.

It is almost impossible to overestimate the importance of IT in the conduct of federal government business. Furthermore, both citizens and federal executives expect to do more with IT in the years ahead. To succeed, however, our government leaders must align the business of government with the IT tools needed to perform effectively, efficiently and securely. Alignment is essential for mission-critical agency functions to be performed in the best way possible and at the lowest cost to society.

* This is one of six articles addressing the six papers offering input to the new

administration that resulted from the Quadrennial Government Technology Review (QGTR) commissioned by the ACT-IAC Institute for Innovation. The American Council for Technology (ACT) - Industry Advisory Council (IAC) is a non-profit educational organization and a unique public-private partnership dedicated to helping government use technology to serve the public. (www.actgov.org) The QGTR initiative's purpose was "to take a strategic look at the role that technology can play in achieving federal government objectives and missions." More information can be obtained at <http://www.actgov.org/quadrennial>.

A Steering Committee provided guidance and governance to the QGTR and the papers were prepared by teams drawn from IAC member companies.

Delivering Mission Results by Aligning Business and Information Technology was prepared by the following team:

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All six papers can be downloaded from the following link:

<http://www.actgov.org/quadrennial>

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Dr. Barquin is the President of [Barquin International](http://www.barquininternational.com), a consulting firm, since 1994. He specializes in developing information systems strategies, particularly data warehousing, customer relationship management, business intelligence and knowledge management, for public and private sector enterprises. He has consulted for the U.S. Military, many government agencies and international governments and corporations.

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Dr. Barquin was elected a National Academy of Public Administration (NAPA) Fellow in 2012. He serves on the Cybersecurity Subcommittee of the Department of Homeland Security's Data Privacy and Integrity Advisory Committee; is a Board Member of the Center for Internet Security and a member of the Steering Committee for the American Council for Technology-Industry Advisory Council's (ACT-IAC) Quadrennial Government Technology Review Committee. He was also the co-founder and first president of The Data Warehousing Institute, and president of the Computer Ethics Institute. His PhD is from MIT.

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Editor's note: More articles from Dr. Barquin are available in the BeyeNETWORK's [Government Channel](#).

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Lou has managed projects and contracts for clients in federal, state, and local government and in the private sector for more than 20 years. He provides expertise in business and organizational strategy, program and project management, organizational culture, change, and transformation. He is an expert facilitator, with a focus on organizational processes and conflict resolution.

Lou frequently comments on issues facing the Federal marketplace. Notably, in 2012, he served as the Program lead for the IT transition paper prepared by ACT-IAC to ensure smooth transition of the new administration. The document is available at <http://www.actgov.org/sigcom/I2/qgtrpublic/Pages/default.aspx?Site=act>.

Lou received his Bachelor of General Studies at Kent State University and his Masters of Science in Conflict Analysis and Resolution at George Mason University.