

Commonwealth Project Management Division

IT Strategic Planning Training



Commonwealth IT Strategic Planning Training

www.vita.virginia.gov/oversight/projects/



IT Strategic Planning Training

Agenda

- I. Introduction
- II. What is New for the 2010-2012 Biennium?
- III. Review How to Complete the IT Summary
- IV. Review How to Complete Appendix A
- V. Certification
- VI. Wrap Up



Introduction



Welcome

- Welcome to the Commonwealth Project Management Division's IT Strategic Planning training.
- This training is a supplement to the instructions available in DPB's Agency Planning Handbook for the 2010-2012 Biennium.



Questions

- Participants will be muted. The instructor will un-mute participants and field questions after each subject is covered.
- To respect each participant's schedule, the instructor may ask for the opportunity to follow up on complex questions after the session is complete.
- There is also time set aside for additional questions and answers near the end of the session.



What is New for the 2010-2012 Biennium?



What is New?

- The agency head, or the agency head's designee, must certify that the agency's Application Portfolio contained within the Commonwealth Enterprise Technology Repository (CETR) is accurate and up-to-date prior to the CIO reviewing and approving the agency's ITSP.
 - This is in addition to the current requirement for certifying the IT Summary and Appendix A: Information Technology.
- The Commonwealth Enterprise Technology Repository (CETR) can be found at <https://ssl01.apps.vita.virginia.gov/cetr/default.aspx>. To access CETR you will need a username and password. If you do not already have access to CETR, please request access by contacting Dan Boersma at dan.boersma@vita.virginia.gov or 804-786-0516.
- Instructions for verifying the agency's Application Portfolio are in the CETR User Guide, which is available once you have logged into the application.



What is New?

- The IT Summary Section must explain how the IT investments recorded in Appendix A produce business value for the agency using the approach documented in the ITIM Standard for identifying the business value of IT investments. The business value of IT is measured in three categories:
 - Constituent Service
 - Operational Efficiency
 - Strategic Alignment
- We will discuss value in detail later in the presentation.
- The ITIM Standard can be found at http://www.vita.virginia.gov/uploadedFiles/Library/PSGs/ITIM_Standard.pdf



What is New?

- The agency will build on the work already done in the Enterprise Business Architecture to identify the business functions that will be effected by anticipated changes in the agency, and discuss how the changes will impact agency IT.
- We will discuss lines of business in detail later in the presentation.
- The Enterprise Business Architecture can be found at <http://www.vita.virginia.gov/eba/library/>.



What is New?

- The rows in the agency IT budget estimation tables have been revised.
- A table is included in the Agency Planning Handbook which standardizes the process for estimating the Agency IT Staff cost for the previous year. The previous year estimate is used as a basis for estimating Agency IT Staff costs for the new biennium.



What is New?

- Proposed investments that are associated with a grant must be entered into ProSight (the Commonwealth's Technology Portfolio) prior to, or at the time of, *submitting* the grant application.
- Agencies must include a single figure estimate for the total cost of all Non-major IT Projects Below \$100,000 in their IT budget estimation table.
 - Reminder: these projects are not under Commonwealth oversight and governance.



Reminder

- Agencies will not receive planning approval for IT projects or procurements in the 2010-2012 Biennium without a CIO-approved ITSP.



How to Complete the IT Summary



IT Summary Collaboration

- The IT Summary is a collaborative effort between the business and IT divisions within the agency. It cannot be written without input and involvement from both parties.
- The resources that are responsible for the agency's business plan must work with the resources responsible for recording IT investments in ProSight to write this section.
- The collaboration should focus on the business value of IT investments.



Business Value of IT

- Value is a measure that demonstrates how an IT investment contributes to improved constituent service levels, agency operational efficiencies, and the strategic goals of the Commonwealth.
- IT investments may have multiple value measures in one, two, or all three of these value categories. Some value measures apply to more than one category.
- The agency must be able to measure value—if you can't measure value, how do you know the IT investment is producing enough value to meet your business needs?
- The ITIM Standard can be found at http://www.vita.virginia.gov/uploadedFiles/Library/PSGs/ITIM_Standard.pdf



Constituent Service

- Constituent service is the measure of how well an IT investment helps the citizens and customers of the Commonwealth.
- This can include offering financial benefits such as lower cost of interaction with citizens, other agencies, or internally between divisions within the agency, reduced fees, or quicker reimbursements.
- It can also include service improvements such as reduced wait times, improved access, new services leading to constituent benefits, or a greater focus on constituent needs.



Constituent Service Examples

- Examples of how an IT investment provides constituent service value are:
 - improving customer experience
 - reducing request/form processing times
 - providing better access to information
 - increasing ease of use
 - adding new services
 - meeting federal or state mandates
 - increasing service quality
 - reducing constituent-facing error rates
 - reducing user fees
 - enhancing public relations
 - decreasing environmental impact



Operational Efficiency

- Operational efficiency is the measure of an IT investment's capability to reduce agency operational and inventory costs, or provide other financial benefits such as streamlined supply chains, new revenue streams, higher productivity, error reductions, faster merging of administrative processes, or an improvement in agency performance against Department of Planning and Budget (DPB) Productivity Measures.



Operational Efficiency Examples

- Examples of how an IT investment provides operational efficiency value are:
 - reducing ongoing operations and maintenance costs
 - reducing personnel costs
 - redeploying personnel to another task
 - reducing error rates
 - increasing production volume
 - reducing material waste
 - reducing raw material use
 - reducing costs through a shared service
 - reducing costs through an enterprise application



Strategic Alignment

- Strategic alignment is the measure of an IT investment's support for Commonwealth goals and objectives as expressed in the individual agency strategic plans, the Commonwealth of Virginia Strategic Plan for Information Technology, the Governor's Initiatives, and the Commonwealth's Enterprise Architecture.
- It also includes the applicability of the investment across the enterprise of state government.



Strategic Alignment Examples

- Examples of how an IT investment provides operational efficiency value are:
 - improving performance in a Governor's Key Measure documented in Virginia Performs
 - improving performance in an Agency Productivity Measure documented in Virginia Performs
 - improving performance in an Agency Administrative Measure documented in Virginia Performs
 - improving performance in an Other Agency Measure documented in Virginia Performs
 - improving performance in a Council on Virginia's Future Societal Indicator
 - participating with other agencies in a shared service solution
 - participating with other agencies in an enterprise solution
 - incorporating enterprise data standards into the solution



Sections of the IT Summary

- **Current State and Issues**: in this section the agency will describe its current IT investments, explain how well the IT investments are contributing to the achievement of agency business goals, and identify any issues with the IT investments.
- **Factors Impacting Information Technology**: in this section the agency will identify new requirements, new mandates, new opportunities, and changes to the agency's business environment, and how these factors will impact agency IT investments.
- **Anticipated Changes and Desired State**: in this section the agency will discuss IT solutions that address the business opportunities and business issues described in sections 1 and 2, focusing on the business value the proposed IT investments will provide.
- **Agency IT Investments**: in this section the agency will determine the estimated costs of both current IT services and proposed IT investments.



Current State and Issues

- describe current agency IT investments
- explain how well the IT investments are contributing to the achievement of agency business goals
- identify any issues with the IT investments

Virginia.gov Online Services | Help | Governor | General Assembly

Home | Agency Performance | State Agency

Measuring what matters to Virginians

Virginia Performs VISION FOCUS RESULTS

Over My A

Biennium 2008-10

Agency Strategic Plan

Department of Planning and Budget

Mission and Vision Values (optional) Executive Progress Report Service Area List Background Information Goals

Statutory Authority Customers Partners Products and Services Finance Human Resources Info Tech Capital

IT Current State and Issues Factors Impacting IT Anticipated IT Changes IT Current Services Proposed IT Investments Projected Total IT Budget

Provide a narrative overview of the current state of IT in the agency:

Save Changes



Current State and Issues – Key Themes

- Because the issues and opportunities are linked to the “as-is” business architecture, they will typically be internal to the agency.
- If a customer, partner, product, service, or resource is mentioned in this section, it should be described in the Background section of the Agency Strategic Plan or the appropriate Service Area Plan.
- Describe the issues and opportunities in terms of business value.
- Discuss the consequences (if any) if the issues and opportunities are not acted upon in a timely manner.



Current State and Issues Example

An agency service area is using an aging IT solution to manage a business process that refunds excess fee payments to citizens.

The current IT solution has not been updated to match the service area's operational processes, resulting in delays in constituent receipt of refunds, decreased service quality, negative public relations (Constituent Service issues), increased error rates requiring manual double checking and the reallocation of staff from other tasks to exception processing (Operational Efficiency issues).

Subsequently, the aging of the IT solution has resulted in the service area not meeting its Performance Measure for the business process (Strategic Alignment issue).

If the issue isn't resolved in a timely manner, and the error rates and refund delays continue to increase, the service area will face increasingly negative public relations and potentially a public audit of the refund practice.



Factors Impacting Information Technology

- identify new requirements, new mandates, new opportunities, and changes to the agency's business environment
- how will these factors impact agency IT investments?

The screenshot shows the Virginia.gov website interface. At the top, there is a navigation bar with links for 'Online Services', 'Help', 'Governor', and 'General Assembly'. Below this is a breadcrumb trail: 'Home | Agency Performance | State Agency'. The main heading is 'Virginia Performs' with a sub-heading 'Measuring what matters to Virginians'. To the right, there is a 'VISION FOCUS RESULTS' logo and a 'Over My A' link. The 'Biennium' is set to '2008-10'. The 'Agency Strategic Plan' section is active, showing the 'Department of Planning and Budget' with tabs for 'Mission and Vision', 'Values (optional)', 'Executive Progress Report', 'Service Area List', 'Background Information', and 'Goals'. Under 'Background Information', there are sub-tabs for 'Statutory Authority', 'Customers', 'Partners', 'Products and Services', 'Finance', 'Human Resources', 'Info Tech', and 'Capital'. The 'Info Tech' tab is selected, showing a table with columns: 'IT Current State and Issues', 'Factors Impacting IT', 'Anticipated IT Changes', 'IT Current Services', 'Proposed IT Investments', and 'Projected Total IT Budget'. The 'Factors Impacting IT' column is highlighted, and a text area is provided for a narrative description of the factors impacting agency IT. A 'Save Changes' button is located at the bottom of the form.



Factors Impacting Information Technology – Key Themes

- These factors are requirements and mandates predominately from external sources, such as other agencies or business partners, the agency's customer base, product and service providers, or new federal or state legislation.
- The agency has little to no direct control over the factors.
- If a customer, partner, product, service, or resource is mentioned in this section, it should be described in the Background section of the Agency Strategic Plan or the appropriate Service Area Plan.
- Describe the potential changes in terms of business value.
- Discuss the consequences (if any) if action is not taken in a timely manner.

Commonwealth Project Management Division

IT Strategic Planning Training



Factors Impacting Information Technology Example

The federal government has established a performance standard and review schedule for a service provided by an agency, and the federal standard is a key performance measure for the agency.

The current federal performance standard target is 37%—however, that target rate will be raised to 45% in June 2011 (this is both a Constituent Service and a Strategic Alignment issue).

In order to meet the new performance standard, the service area has identified a number of business processes that will have to be improved (addresses Operational Efficiency and a Strategic Alignment issues).

In the service area's estimation, the current technology that supports these processes will not be able to accommodate the business process changes, and will have to be modified by June 2011.

The agency will be required to meet the federal performance standard by its scheduled November 2011 federal review.

Commonwealth Project Management Division

IT Strategic Planning Training



Anticipated Changes and Desired State

- Describe how the agency intends to function in the future from a business perspective
- Discuss how the agency anticipates technology will support future operations.
- Describe large scale initiatives which will be undertaken by agency leadership to transform the agency in ways that deliver substantial, measurable business value.

The screenshot shows the Virginia.gov website interface. At the top, there is a navigation bar with 'Virginia.gov' and links for 'Online Services', 'Help', 'Governor', and 'General Assembly'. Below this is a secondary navigation bar with 'Home', 'Agency Performance', and 'State Agency'. The main header area includes the slogan 'Measuring what matters to Virginians' and the 'Virginia Performs' logo, which is part of a 'VISION FOCUS RESULTS' framework. A dropdown menu for 'Biennium' is set to '2008-10'. The page is titled 'Agency Strategic Plan' under the 'Department of Planning and Budget'. A series of tabs are visible: 'Mission and Vision', 'Values (optional)', 'Executive Progress Report', 'Service Area List', 'Background Information' (which is highlighted), and 'Goals'. Under 'Background Information', there are sub-tabs for 'Statutory Authority', 'Customers', 'Partners', 'Products and Services', 'Finance', 'Human Resources', 'Info Tech' (highlighted), and 'Capital'. Within the 'Info Tech' section, there are further sub-tabs: 'IT Current State and Issues', 'Factors Impacting IT', 'Anticipated IT Changes' (highlighted), 'IT Current Services', 'Proposed IT Investments', and 'Projected Total IT Budget'. The 'Anticipated IT Changes' tab contains a text area with the prompt 'Describe any anticipated or desired changes to agency IT:' and a 'Save Changes' button at the bottom.



Anticipated Changes and Desired State – Key Themes

- To plan the transition from its current state to its future state, the agency should define the services that will be delivered by the agency, and how the agency should be organized to effectively and efficiently deliver those services.
- Then the agency should identify steps and initiatives needed to move agency lines of business to their future state.



Anticipated Changes and Desired State – Lines of Business

- Agencies have already identified lines of business and categorized them in the Enterprise Business Architecture.
- The Enterprise Business Architecture can be found at <http://www.vita.virginia.gov/eba/library/>.
- The agency should identify the functions in its lines of business that will be effected by the transition to the agency's future business state. The agency should also identify the line of business categories.



Anticipated Changes and Desired State – Key Themes

- With the future business state in mind, the agency should:
 - discuss how potential IT solutions will support the agency reaching its goals for the functions in its lines of business; and,
 - explain the high-level business value the IT investments will produce.



Anticipated Changes and Desired State Example

In the Support Delivery of Services category, the agency is engaged in a general Human Resources line of business. The agency intends to transform two functions within this line of business. They are:

- Human Resources Management—which includes all activities associated with a developing, communicating, and administering human resource programs for employees; and,
- Human Resource Records—which involves the operations surrounding the management of official human resource management documents, statistics, and records.

The agency intends on deploying a Human Resource Management System (HRMS) that will serve all agency service areas. The agency is open to participating with other Commonwealth agencies in the formation of an enterprise HRMS, which would allow the enterprise to reduce the workload of individual agency HR departments as well as increase the efficiency of these department by standardizing HR processes.



Agency IT Investments

- Agencies will use the IT budget estimation tables to determine the estimated cost of agency IT investments for the upcoming biennium.
- Agencies should look across all of their service areas and programs to identify all IT investment costs for the previous year, and use the previous year's costs, in addition to the base budget for all IT expenditures provided by DPB, as the basis for estimating the future agency-wide IT budget.

Commonwealth Project Management Division

IT Strategic Planning Training



Current IT Services

- Current IT Services represent the costs of ongoing IT operations and maintenance. Items in this category cover estimated costs for the entire biennium.
- These items do not need project or procurement review and approval.
- A Request for Service (RFS) for infrastructure is considered an operations and maintenance expense and is included in Current IT Services table.
- An RFS in support of an IT Project is included in the appropriate project cost row in the Proposed IT Investments table.

Virginia.gov Online Services | Help | Governor | General Assembly

Home | Agency Performance | State Agency

Measuring what matters to Virginians

Virginia Performs VISION FOCUS RESULTS

Biennium 2008-10

Agency Strategic Plan Department of Planning and Budget

Mission and Vision Values (optional) Executive Progress Report Service Area List Background Information Goals

Statutory Authority Customers Partners Products and Services Finance Human Resources Info Tech Capital

IT Current State and Issues	Factors Impacting IT	Anticipated IT Changes	IT Current Services		Proposed IT Investments		Projected Total IT Budget	
			Cost - Year 1		Cost - Year 2			
			General Fund	Nongeneral Fund	General Fund	Nongeneral Fund		
Previous Years's VITA Infrastructure Service Fees			<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Changes (+/-) to VITA Infrastructure			<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Estimated VITA Infrastructure			\$0	\$0	\$0	\$0	\$0	\$0
Special Infrastructure			<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Agency IT Staff			<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Non Agency IT Staff			<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Other Application Costs			<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Agency IT Current Services			\$0	\$0	\$0	\$0	\$0	\$0

Comments:



Current IT Services – Key Themes

- Previous Year's VITA Infrastructure: VITA will supply the previous year's total agency VITA Service Fees to DPB. DPB will make the previous year's total VITA Service Fees available to the agency.
- Agency IT Staff: To estimate the Agency IT Staff cost use the process described in the Agency Planning Handbook.
- Comments: If the agency entered a value in the *Changes (+/-) to VITA Infrastructure* row, use this field to describe the business changes that prompted the infrastructure change.
- The estimated cost of current agency and non-agency IT staff assigned to IT Projects must not be included in the Agency and Non-agency IT Staff cost estimates in the Current IT Services table. These cost will be estimated in the Proposed IT Investments table.

Commonwealth Project Management Division

IT Strategic Planning Training



Proposed IT Investments

- Proposed IT Investments represent the estimated costs of projects and procurements that will be incurred during the upcoming biennium.
- These estimated costs come from either new projects or procurements, or from existing projects or procurements that will not be completed until after the biennium starts.
- The agency must include in this table estimated costs for all IT investments for which the project or procurement review, approval, and implementing process has not started or has not been completed prior to the beginning of the biennium.
- The costs of supporting applications beyond the implementing project or procurement end date are estimated in the Current IT Service table.

Virginia.gov Online Services | Help | Governor | General Assembly

Home | Agency Performance | State Agency

Measuring what matters to Virginians

Virginia Performs VISION FOCUS RESULTS

Biennium 2008-10

Agency Strategic Plan

Department of Planning and Budget

Mission and Vision | Values (optional) | Executive Progress Report | Service Area List | **Background Information** | Goals

Statutory Authority | Customers | Partners | Products and Services | Finance | Human Resources | **Info Tech** | Capital

IT Current State and Issues	Factors Impacting IT	Anticipated IT Changes	IT Current Services	Proposed IT Investments		Projected Total IT Budget
				Cost - Year 1		
				General Fund	Nongeneral Fund	
Major IT Projects				0	0	0
Non-Major IT Projects				0	0	0
Major IT Procurements				0	0	0
Non-Major IT Procurements				0	0	0
Proposed Changes to Agency IT Current Services				\$0	\$0	\$0

Save Changes



Proposed IT Investments – Key Themes

- Non-major IT Projects Below \$100,000: Agency will have to estimate a single figure for the total cost of IT Projects below \$100,000. These projects will *not* have to be documented in Appendix A.
- IT Project costs must include the amount of the agency's operating appropriation that will be spent on project activities.
- A procurement or an RFS that must be executed in order to complete an IT Project should be included in the IT Project cost estimate.
- Other than Non-major IT Projects Below \$100,000, all IT Projects and Procurements entered into the Proposed IT Investments budget estimation table must have a corresponding Appendix A entry and a corresponding entry in either the Current State and Issues, Factors Impacting Information Technology, or the Anticipated Changes and Desired State sections of the IT Summary.



Projected Total IT Budget

- The values in the Projected Total IT Budget table are calculated from the values entered into the previous tables.

Virginia.gov Online Services | Help | Governor | General Assembly

Home | Agency Performance | State Agency

Measuring what matters to Virginians

Virginia Performs VISION FOCUS RESULTS

Biennium 2008-10

Agency Strategic Plan

Department of Planning and Budget

Mission and Vision | Values (optional) | Executive Progress Report | Service Area List | Background Information | Goals

Statutory Authority | Customers | Partners | Products and Services | Finance | Human Resources | Info Tech | Capital

IT Current State and Issues	Factors Impacting IT	Anticipated IT Changes	IT Current Services	Proposed IT Investments	Projected Total IT Budget			
					Cost - Year 1		Cost - Year 2	
					General Fund	Nongeneral Fund	General Fund	Nongeneral Fund
Agency IT Current Services			\$0	\$0	\$0	\$0		
Proposed Changes to Agency IT Current Services			\$0	\$0	\$0	\$0		
Agency Projected Total IT Budget			\$0	\$0	\$0	\$0		

Save Changes

This table is computed from the previous two tabs.



How to Complete Appendix A



What is Appendix A?

- Appendix A is a detailed view of the agency's information technology investments which identifies the alignment of each individual IT investment to the agency's service areas.
- Appendix A is a web report generated from information in the agency's technology portfolio within ProSight, the Commonwealth Technology Portfolio, and published on VA Performs along with the Agency Strategic Plan.



Using ProSight

- ProSight uses three forms to gather IT investment information:
 - Project or Procurement Business Alignment Form
 - Project Business Alignment Biennium Funding
 - Investment Business Case
- Embedded within the ProSight workflow is specific guidance regarding the completion of agency IT strategic planning information.
- For assistance with ProSight contact Jan Van Horn at 804-416-6180 or jan.vanhorn@vita.virginia.gov.



What Belongs in Appendix A?

- In Appendix A, Commonwealth IT investments are classified into one of four categories:
 - Major IT Project
 - Non-major IT Projects from \$100,000 to \$1 Million
 - Major Stand Alone IT Procurements
 - Non-major Stand Alone IT Procurements
- Non-major IT Projects Below \$100,000 are not entered into the ProSight forms for Appendix A.
- Other than Non-major IT Projects Below \$100,000, all IT Projects and Procurements entered into the Proposed IT Investments budget estimation table must have a corresponding Appendix A entry and a corresponding entry in either the Current State and Issues, Factors Impacting Information Technology, or the Anticipated Changes and Desired State sections of the IT Summary.



Appendix A – Key Themes

- Each Appendix A entry must be assigned at least one Service Area.
- The funding source must be identified for each Appendix A entry.
- Estimated costs will be entered into ProSight. However, in order to preserve a competitive vendor bidding environment, procurement costs will be removed from Appendix A before it is published on VA Performs.
- Any investments that are associated with a grant must be entered into ProSight prior to, or at the time of, *submitting* the grant application.
- The Appendix A description is a more detailed version of the description used in the IT Summary.



Certification



Certification of the ITSP

- The agency head, or the agency head's designee, must certify that the IT Summary and Appendix A are both accurate and up-to-date prior to the CIO reviewing and approving the agency's ITSP.
- This certification is done in ProSight.



Certification of the Application Portfolio

- The agency head, or the agency head's designee, must certify that the agency's Application Portfolio contained within the Commonwealth Enterprise Technology Repository (CETR) is accurate and up-to-date prior to the CIO reviewing and approving the agency's ITSP.
 - This is in addition to the requirement for certifying the IT Summary and Appendix A: Information Technology.
- The Commonwealth Enterprise Technology Repository (CETR) can be found at <https://ssl01.apps.vita.virginia.gov/cetr/default.aspx>. To access CETR you will need a username and password. If you do not already have access to CETR, please request access by contacting Dan Boersma at dan.boersma@vita.virginia.gov or 804-786-0516.



CIO Review

- The agency head, or the agency head's designee, must certify the agency's Application Portfolio, the IT Summary, and Appendix A before the process for CIO Review of the agency ITSP can begin.
 - Reminder: Agencies will not receive planning approval for IT projects or procurements in the 2010-2012 Biennium without a CIO-approved ITSP.



Wrap Up



Q & A

- Please let us know if you have any questions.



Commonwealth Project Management Division

IT Strategic Planning Training



ITSP Contact Information

Sean Weir
804-416-6172
sean.weir@vita.virginia.gov

Constance Scott
804-416-6179
constance.scott@vita.virginia.gov

Jan Van Horn (ProSight and
Appendix A)
804-416-6180
jan.vanhorn@vita.virginia.gov

Will Goldschmidt (Enterprise
Applications)
804-786-0519
will.goldschmidt@vita.virginia.gov

Dan Boersma (CETR)
804-786-0516
dan.boersma@vita.virginia.gov