Government CIO Expert Exchange

Q2 Executive Summary April 13, 2023 kyndryl



Overview

In this Expert Exchange session, nine executives convened to discuss reimagining the employee experience from a systems and process modernization perspective. The agenda was determined based on mutual interest, determined through advance interviews. with participants.

Hosts

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Key Topics

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Role of business relationship management teams

- For the IT departments in government, internal functional units like local government, departments, and agencies are the primary consumers of their shared services. However, there are times when the IT departments run into challenges where their stakeholders have a preferred way of doing things or have a favorite vendor.
- The cohort shared two key approaches to address this challenge. First, it is important to embed Business Relationship Management (BRM) teams, representing the shared services, into the collaboration with these functional units. These teams function as a conduit between IT and the units interested in building solutions. This helps improve communication and reduce the prevalence of a phenomena called "shadow IT." By listening to the requirements, BRMs will establish a strong relationship with the functional

units. They can then present a more relevant approach to implement the service or collate requirements from multiple constituents to build a normalized view. Finally, the team can also persuade the units to adopt a well-established practice. According to one of the executives, the BRMs need to "create a lot of carrots and less stick." A custom requirement should only be considered if there is executive buy-in and fits with the overall strategy.

 Second, the cohort emphasized the need for IT governance to control technology sprawl. Good governance starts with well-defined standards, processes, and policies that these units can follow to evaluate and procure alternate solutions. Even here the BRMs can play a role of evaluating the requirements and pushing back on purchase of a separate technology when the existing ones can fulfill most of the needs. "To stay on top of what these units are doing, "We have a biweekly management team meeting and we're asking agency heads, or executives to come in and just present on what their agency does, because it's so easy when you are a larger sort of complicated organization to just lose touch."

– Member, Government CIO Expert Exchange

Why Businesses Struggle to Modernize IT Systems

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Challenges – Waterfall approach and compliance

· The challenge that the executives discussed was the adoption of agile. While the executives want to use agile to incrementally build and deploy solutions, the current funding and approval process is waterfall. They are required to present a business case, development plan, and implementation details for the whole program which could span multiple years. While recognizing this challenge, one of the executives suggested an approach to breakdown the disbursement and use of these funding in smaller chunks to align with various iterations. This approach will enable organizations to adapt to changes in technology and organizational needs. Both recovery from mistakes and changes as well

as improved communication are essential elements of successful agile development.

 Additionally, executives discussed challenges related to compliance and reporting requirements for ARPA. Executives shared that independent validation and verification (IV&V) is an effective way of imposing compliance processes on the technology development for government agencies. Selecting a provider with domain experience can significantly improve the quality of output, but only if the related agency or functional partner leverages the IV&V in good faith. "We leverage the IV&V in our oversight and governance processes, and we expect the agency to do the same. Then we use that time to, honestly, put pressure on the agency to make sure that they are reviewing and responding to any of the findings of the IV&V provider. So, then it really does start to add value"

– Member, Government CIO Expert Exchange

Ensuring ARPA funds properly support high-risk, high-reward initiatives

- Various standards and reporting structures have made it exceedingly difficult to get a proficient reading on ARPA related investments by agencies. While some leaders are leveraging audit firms for this, others have taken the cost of tool implementation and carved up the invoice to segment ARPA-relevant costs (e.g., cost of licensing) from maintenance fees and professional implementation fees, which are operating expenses.
- Orienting funding around an operating expense cycle versus a capital expenditure cycle allows for better allocation of funds. It also allows an agency to be responsive to needs or changes to the project since they are free from the annual or biannual budget cycle.

- "I do like the idea about getting an IV&V to vet all these ARPA funds, because that is something that I might even bring up and say maybe we should have somebody do it internally. So at least we have something in place, and we've done a third-party audit"
- Member, Government CIO Expert Exchange

Public Sector grants program

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The Expert Exchange is hosted by Kyndryl, Inc. Please contact <u>Rajesh Jaluka</u> or <u>Jim Batterton</u> with any questions about <u>Kyndryl</u> or this Expert Exchange.



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