

Update on IT Reorganization

**Presentation to the General Government
and Labor Relations Committee**

**Jennifer Giambattista, Council Staff
June 10, 2008**



King County

Purpose of Briefing

- Update Councilmembers on IT Reorganization.**
- Briefing only; no action required.**



Overview of Presentation

- ❑ **What is the problem IT Reorganization will address?**
- ❑ **History of IT Reorganization**
- ❑ **Actions to Date**
- ❑ **Consultant Report and Findings**
- ❑ **Proposed Next Steps**



What is the Problem IT Re-Org Will Address?

- ❑ **Fragmented organizational structure, no cohesive culture, no single point of accountability, operational inefficiencies, and inconsistent service delivery.**
- ❑ **Problems documented in reports Strategic Technology Plan (2002), Total Cost of Ownership Report (2004), Countywide IT Organization Model (2004), and in 2008 Assessment by SLR**



History of IT Re-Org

- ❑ **In 2003 Council approved the Strategic Technology Plan (2003 through 2005) which included a strategy to reorganize IT functions countywide.**
- ❑ **2004 budget included \$242,000 for a consultant Pacific Technologies Inc. to identify multiple models for IT organization.**



History of IT Re-Org (Cont.)

- **In 2006, Council adopted Motion 2006-0269 approving the vision and goals statement, business case, and executive recommendation for implementation.**
- **Ordinance 15559, approved in 2006, made the necessary code changes, including combining ITS and OIRM.**



Goals of IT Reorganization

- ❑ **Deliver responsive service to internal customers, the public, and other jurisdictions.**
- ❑ **Provide reliable, cost-effective technical and application architectures.**
- ❑ **Create countywide efficiencies for business functions and infrastructure that are common across the organization.**
- ❑ **Support a culture of effective governance.**



Goals of IT Reorganization

- ❑ **Ensure IT Security and privacy.**
- ❑ **Facilitate information-sharing—internally and externally.**
- ❑ **Recruit, deploy, and retain an appropriately-skilled workforce.**
- ❑ **Serve as a leader in IT regional initiatives.**



2006 IT Reorganization Plan

Council approved IT Reorganization plan calling for phased approach with Executive branch completing organization transition at the end of 2007 and other related initiatives by the end of 2009.

If Executive Branch was successful, countywide reorganization was to be completed at the end of 2009.



King County

IT Reorganization Initiatives

- ❑ **Organization Transition**
- ❑ **Enterprise Architecture**
- ❑ **Service Desk**
- ❑ **Server Consolidation**
- ❑ **Workstation Standardization**



Costs When Proposed in 2006

Costs to implement IT Reorganization were estimated at \$5.8 million with a net savings of \$20.1 million over 15 years.



King County

Budget Appropriation History

- ❑ 2006 appropriation of \$440,000 expired unused due to delay in project start.
- ❑ 2007 appropriation of \$907,860
- ❑ 2008 Budget Request of \$940,000 was denied by Council due to slowed progress in implementing 2007 appropriation.



Status of IT Reorganization NOW

Efforts focused on organization transition

- ❑ **ITS and OIRM merged.**
- ❑ **Hired IT Service Delivery Managers in each executive department. (no new FTEs)**
- ❑ **Consultant—completed detailed assessment and high level organizational transition plan.**
- ❑ **Begun work on transition plans for each executive branch dept and central IT.**



Status of IT Reorganization NOW

- ❑ **Actively working with labor.**
- ❑ **Dept. Directors signed off on high level restructure plan in April 2008.**
- ❑ **Work begun on workstation standardization**
- ❑ **\$318,664 spent so far + \$267,480 encumbered. (Most of remaining unencumbered funds earmarked for labor commitments.)**



Key milestones dates projected in 2006 and now.

	<u>Transition Work Plan, 2006</u> Full Scope IT Reorganization 2006-2009 Timeframe	<u>2008 update*</u>
Complete organization transition for Executive Branch IT	Q4 2007	Q1 2009*
Complete organization transition for countywide IT	Q4 2009	Q4 2010
* IT Reorganization start delayed by 8 months from June 2006 to February 2007		



07-08 Consultant Reports

- Consultant: SLR**
- Comprehensive Assessment of Executive Branch**
- Recommended Executive Branch organizational structure**



Structural Change

- **The challenge is to find an optimal structure that preserves the strengths of existing departmental IT functions while enhancing countywide IT accountability, efficiency, and collaboration?**



Proposed Restructure

- **Consistent with Executive's 2006 recommendations.**
- **Align the organizational structure of departmental IT with the that of centralized IT, referred to as King County Information Technology.**



Key Recommendations

- ❑ **Restructure OIRM and departmental IT as Office of King County Information Technology (KCIT)**
- ❑ **A clear path of accountability**
- ❑ **Addition of a Deputy CIO with portfolio of decentralized services and governance**



Key Recommendations (Cont.)

- ❑ **Development of centralized procurement, contracting and asset management function**
- ❑ **Addition of budget coordination and support for IT in executive Branch departments**
- ❑ **Expansion of centralized IT Human Resource activities to include recruiting and training.**



Executive Branch

Office of King County Information Technology

Enterprise IT Governance

- Strategic Planning
- Investment decisions
- Oversight of project implementation
- Security and data integrity
- Meet the broad needs of customers

Enterprise IT Business Solutions

- Develop technology solutions for enterprise business needs
- Set standards and practices for project management
- Set standards for software

Enterprise IT Operations

- Maintain and support IT infrastructure
- Set standards and protocols for supporting infrastructure

IT Human Resources

- Labor Relations
- Recruitment
- Training & Development
- Daily HR Processes

IT Finance & Administration

- Set financial policies and practices
- Manage procurement, contracts, and assets
- Coordinate budget development

Decentralized IT

- Departmental Network Operations
- Departmental Database & System Operations
- Departmental Business Solutions



Transition to New Organizational Structure is Underway

- The transition planning process is intended to manage the details of moving from the current structure to the reorganized structure.
- Dept. directors signed off on high level plan in April, 2008.



Transition to New Organizational Structure is Underway

- Each department is developing transition plan (May-Dec. 2008)
- Steering Committee formed
- Final implementation Q1, 2009 for Executive Branch



Code Changes

- **Several code changes need to occur as part of the move to the new structure. Including but not limit to:**
 - **Name change from OIRM to King County Information Technology (KCIT)**
 - **Determine Departments which have IT identified as a function and revise code to be in accordance with new structure.**



Engaging Labor in the Change

- ❑ **Joint Labor Management Information Technology Committee (JLMIT) created in 2006 specifically to work collaboratively with labor on issues related to the IT Reorganization.**
- ❑ **JMLIT advises on labor/management issues in at regularly scheduled meetings.**
- ❑ **Approximately 95% of IT Staff in the Exec. Branch is represented in JLMIT**



Comprehensive Assessment

The comprehensive assessment involved one-on-one interviews and small focus groups with a range of stakeholders in OIRM and throughout all Executive Branch Departments.

Including:

- ❑ 42 interviews with OIRM Sr. Mgrs, mid-level mgrs/sups, and IT SDMs.
- ❑ 5 focus groups with OIRM staff
- ❑ 7 interviews with Department Leadership Teams
- ❑ 14 focus groups with Department Business Line Mgrs, IT Mgrs and IT Staff.



The Importance of Cultural Change

SLR Finding:

Changing the structure alone, without changing the culture will not produce the desired results.

SLR report emphasizes the importance of cultural change.

This is consistent with past county experience, FSRP, elections, etc.



King County



Cultural Change Cont.

- ❑ **SLR Assessment identified 7 core capacities needed for IT Reorganization to be successful.**
- ❑ **In each area, significant improvement is needed.**
- ❑ **See page 22-27 for a detailed discussion of the many shortcomings with current organization.**



Consultant Recommendation for Cultural Capacity Building

- ❑ **Consultant plan calls for extensive training to build cultural capacity for change.**
 - 1. Leadership and Management Development**
 - 2. Staff Workshops**
 - 3. Rapid Response Process Improvements**
- ❑ **OIRM does not have resources to address all of the consultant recommendations for cultural change.**



Improving the Organizational Capacity of OIRM

Core Capacity	What OIRM is doing now to address these core capacities
Moving past the history of the OIRM and ITS merger	Co-location of OIRM/former ITS to Chinook Building; collaboration internally on IT initiatives; quarterly OIRM wide meetings.
Partnering effectively with Executive Branch Departments	Established IT SDMs and the IT Reorg Steering Committee; CIO engagement with Dept. Directors.
Delivering Significantly enhanced customer service	Customer Surveys – Radio, Network Operations, ADSS updated Service Level agreements, enhancements to the Helpdesk. Service Performance Metrics.



Improving the Organizational Capacity of OIRM (Cont.)

Core Capacity	What OIRM is Doing Now
Communicating effectively with internal and external stakeholders	Established a communications function which includes responsibility for OIRM Website; engagement with Departments through IT SDMs.
Learning through the involvement and engagement of stakeholders	Service level agreements; IT SDMs, Steering committee.
Leading and managing in an environment of continuous change	Change management - allows OIRM groups to communicate about infrastructure changes so that potential broader impacts can be anticipated and evaluated.
Leading and managing for organizational effectiveness	Training specific to capacity building and cultural change for Senior Management occurring in June 2008.



Technology Changes

Cost savings will be achieved through technology changes

- Service Desk**
- Server Consolidation**
- Workstation Standardization**



Workstation Standardization

- ❑ Focus on 2007 is workstation standardization.
- ❑ Thin client technology is underway



KCIT Change and Transition Roadmap

← 2007	2008				2009				2010 →
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	

Phase 1: Executive Branch

2007 funds

Pre-Transition

2007 funds

Transition Planning

2007 funds

Transition Implementation

Leadership, Management, and Staff Capacity-Building

Process Improvement Teams

2007 funds

Workstation Standardization

No funding yet

Server Consolidation

No funding yet

Service Desk Improvement

No funding yet

Enterprise Architecture

Phase 1
Evaluation and
Recommendation
for Phase 2

Phase 2:
Separately
Electeds



Target Date for Key Deliverables to Expect

	<u>2008 update*</u>
Complete organization transition for Executive Branch IT	Q1 2009
Complete organization transition for countywide IT	Q4 2010**
Complete enterprise architecture	Q4 2010**
Complete server consolidation	Q4 2010**
Complete workstation standardization	Q4 2010**
Complete service desk build-out	Q4 2009**
<ul style="list-style-type: none"> • IT Reorganization start delayed by 8 months from June 2006 to February 2007 • ** Dependent upon approval of future budget appropriations 	



Future Budget Requests Assumed in Project Plan

- **2008: \$940,000**
- **2009: \$2.6 million**
- **2010: \$1.3 million**



Summary

- ❑ **IT Reorg is moving forward, but slower than originally anticipated.**
- ❑ **Cultural change is imperative; How successful can this project be without a larger investment in cultural change?**
- ❑ **Project plan anticipates additional budget requests**

