



Why an EA Driven Approach is Crucial to Successful IT Procurement

June 14, 2017

Sponsored by the NASCIO IT Procurement Modernization Committee and the
Enterprise Architecture & Governance Committee



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NASCIO Call to Action: Recommendations for Improved State IT Procurement

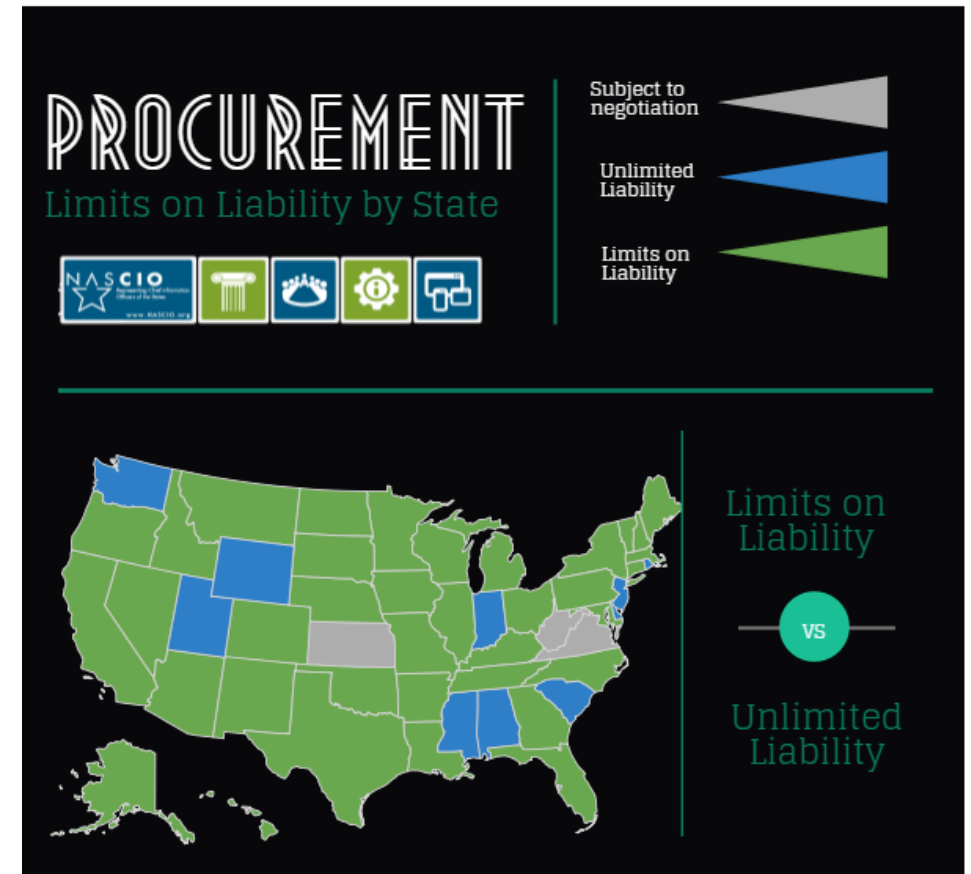
Remove unlimited liability clauses in state terms and conditions

Introduce more flexible terms and conditions

Don't require performance bonds from vendors

Leverage enterprise architecture for improved IT procurement

Improve the Negotiations Process



Holistic Enterprise Architecture

Enterprise Architecture is a management engineering discipline that presents a holistic, comprehensive view of the enterprise including strategic planning, organization, relationships, business process, information, and operations.

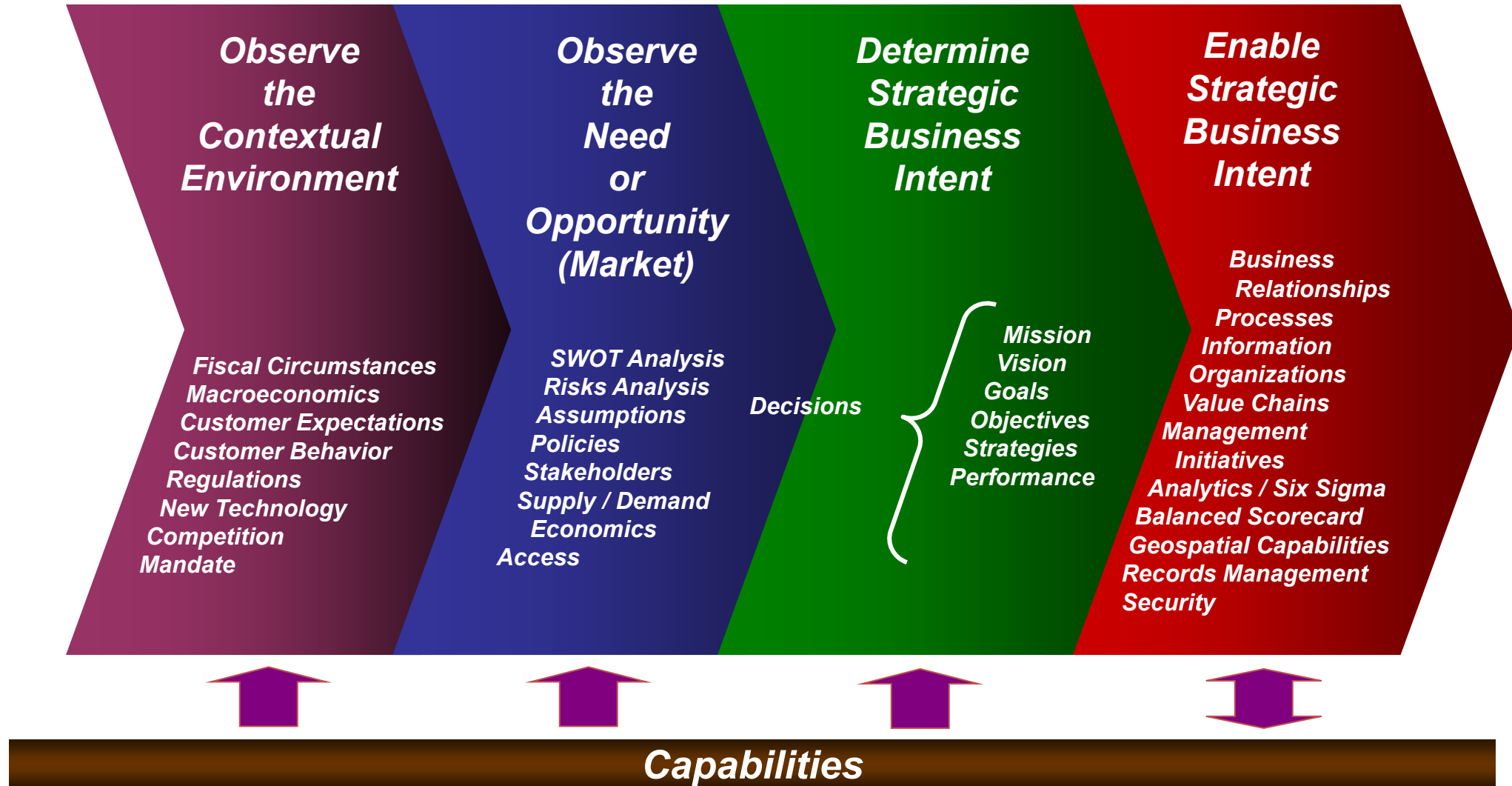
The organization must be viewed as a fluid - changing over time as necessary based on the environment and management's response to that environment.

Greater Need for Enterprise Architecture, Governance and IT Service Management Integration

“Without a clear understanding of the enterprise’s architecture it is not possible to develop IT support that reduces cost and follows an IT strategy tuned to fit the future business needs and agility.”

Erik Masing, CEO of alfabet, Inc.

Enterprise Architecture Value Chain



Top Ten: State CIO Priorities for 2017



1. Security



2. Consolidation/Optimization



3. Cloud Services



4. Budget and Cost Control



5. Legacy Modernization



6. Enterprise IT Governance



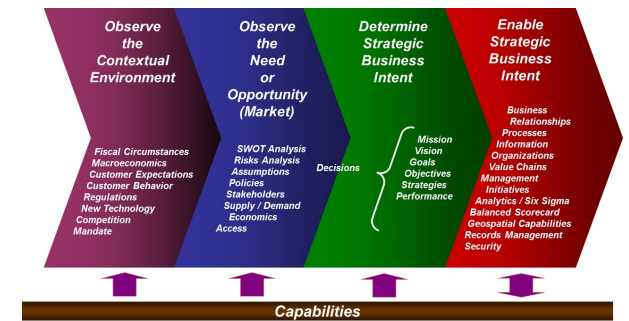
7. Data Management and Analytics

8. Enterprise Vision and Roadmap for IT

9. Agile and Incremental Software Delivery

10. Broadband/Wireless Connectivity

EA driven IT procurement and why is it important



- The blueprint that drives purchase decisions
- EA provides the framework and governance for establishing standards for IT
- Streamlined investments and reduce silos in state government
- Reducing diversity and complexity through standardization
- Assists service providers in framing consistent projects and solutions
- Streamlines negotiations and contract management
- *Serves the State's vision*

Pennsylvania Goals for EA driven IT Procurement

Procurement, governance and IT service management tightly integrated

Clear decision rights and accountability

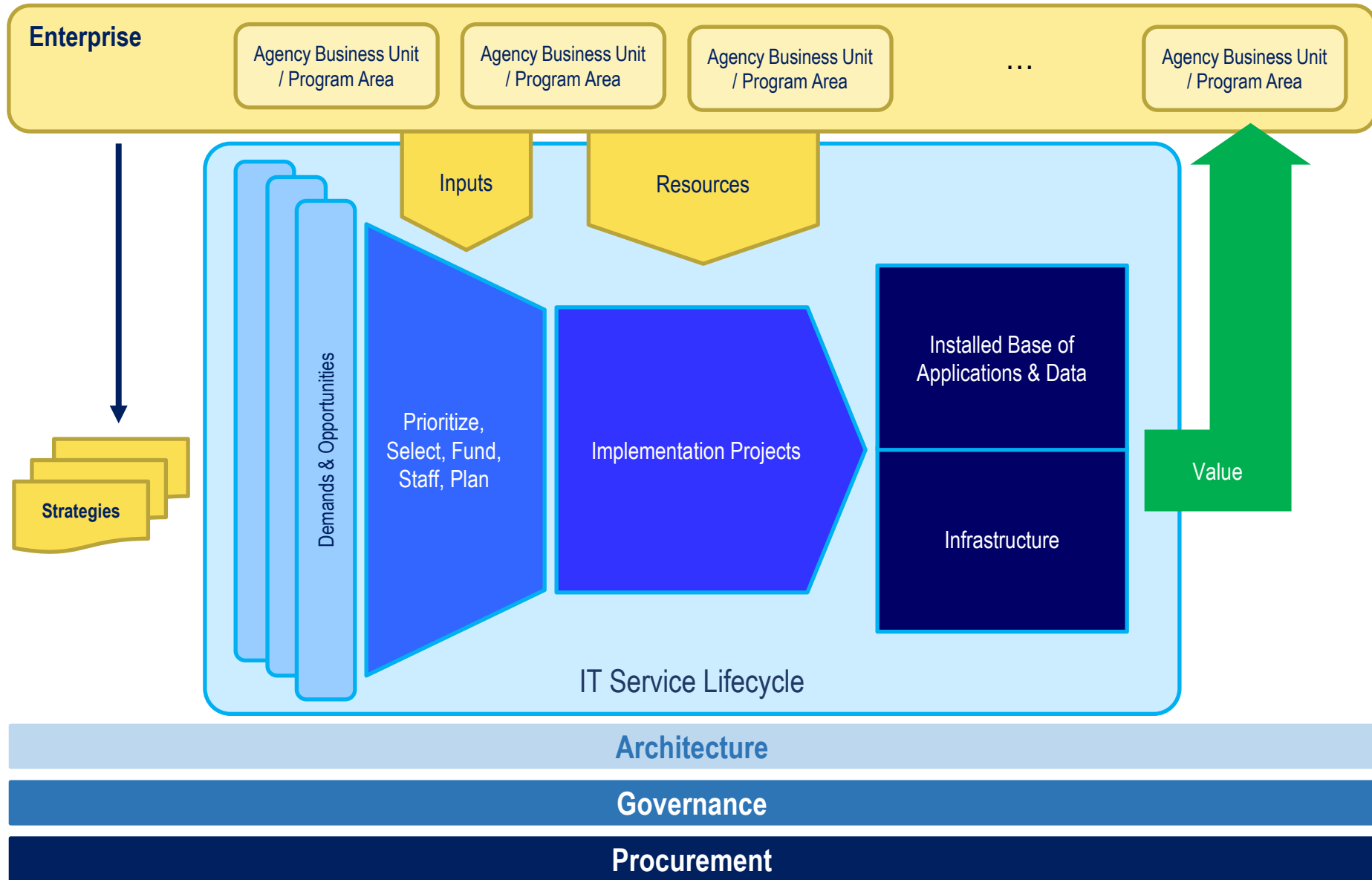
Risk based approaches to decision making

Architectural work products key for decision making

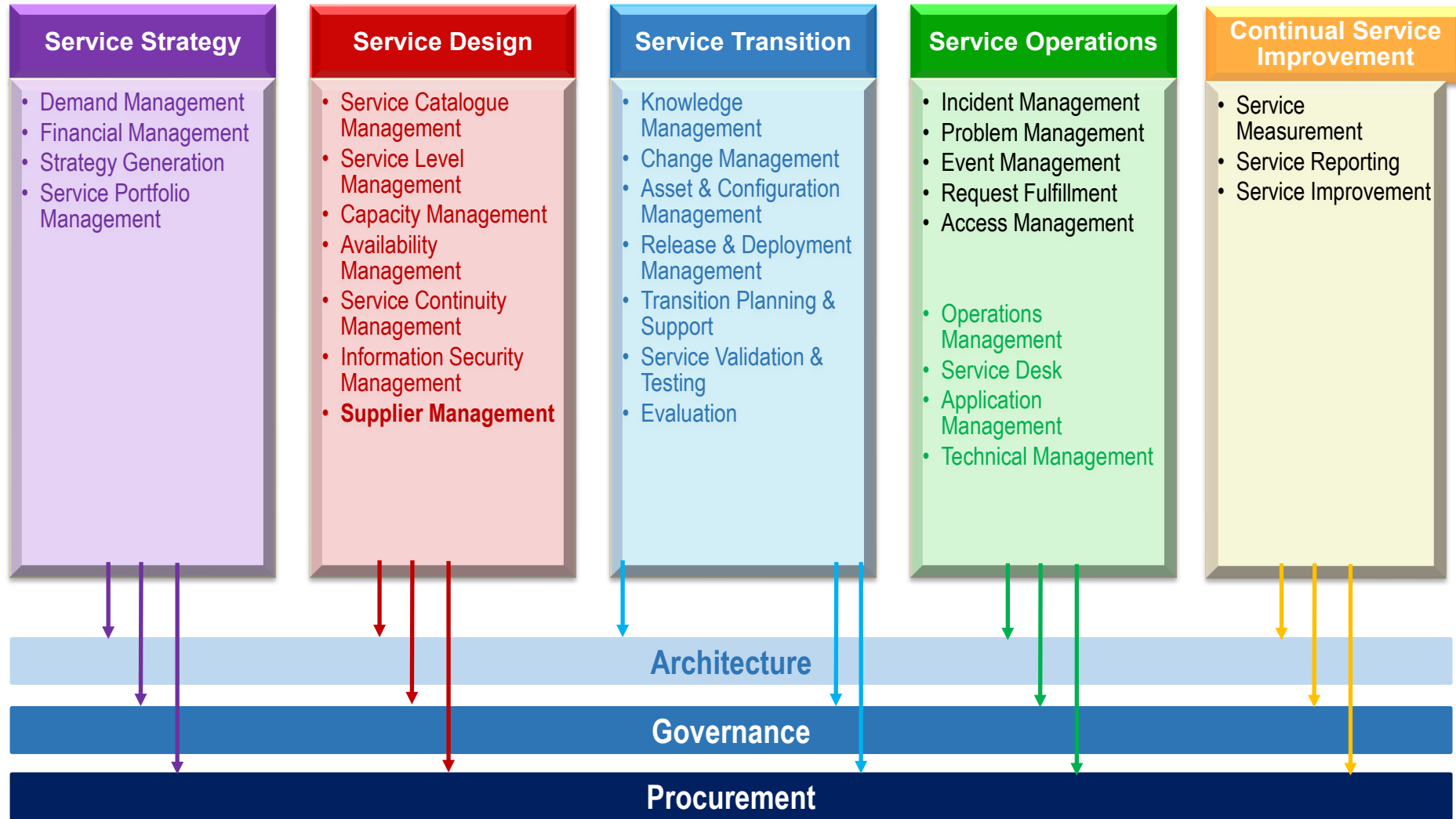
Governance employing principles, architecture, standards

Effective communication and change management

Creating Value from IT

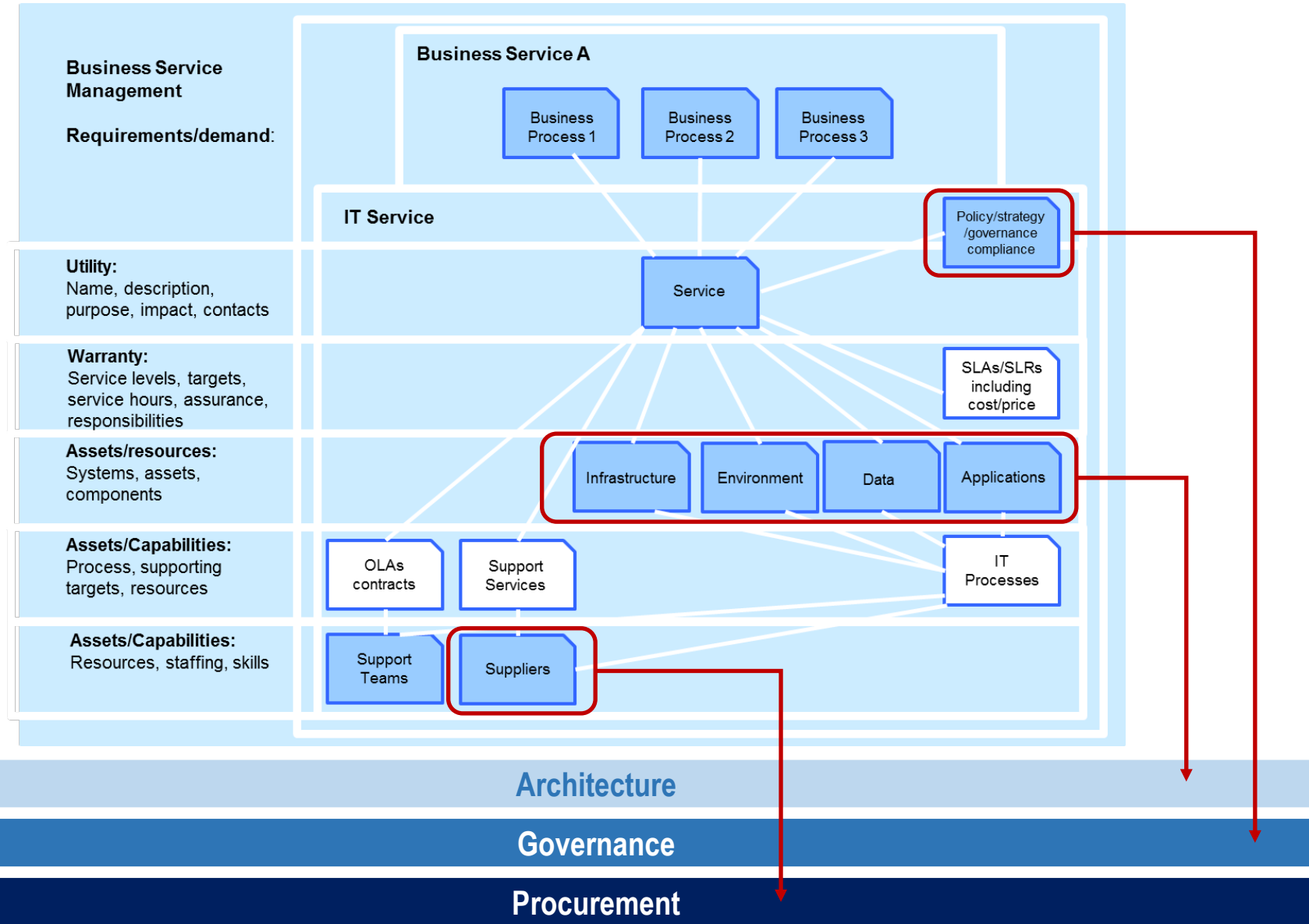


IT Service Lifecycle



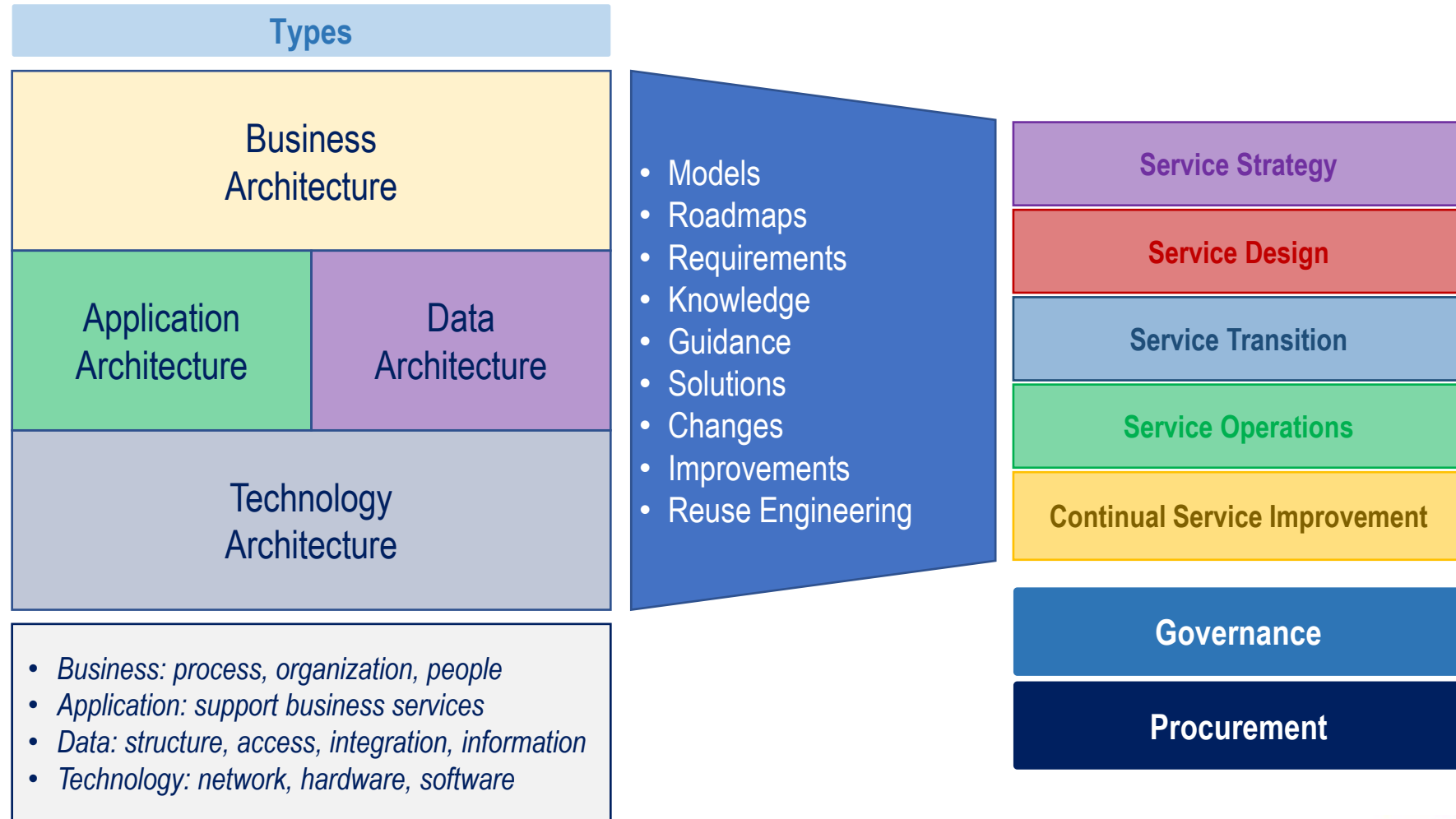
Key
• IT Service Management Process
• IT Function

IT Service Components



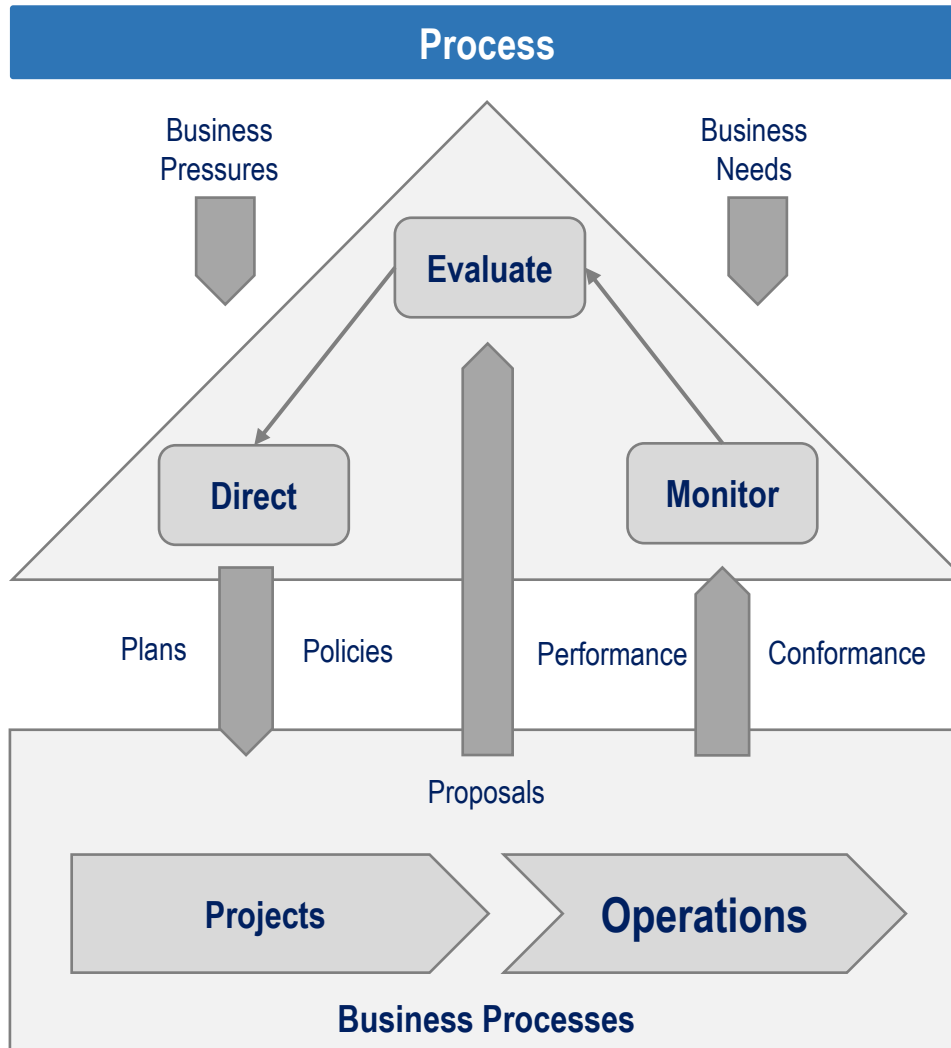
IT Enterprise Architecture

Importance: Represents an organization's knowledge base for business and IT process integration with conceptual blueprints. It enables the effective management of innovation within the enterprise through consistent service orientation, security, interoperability and portability.



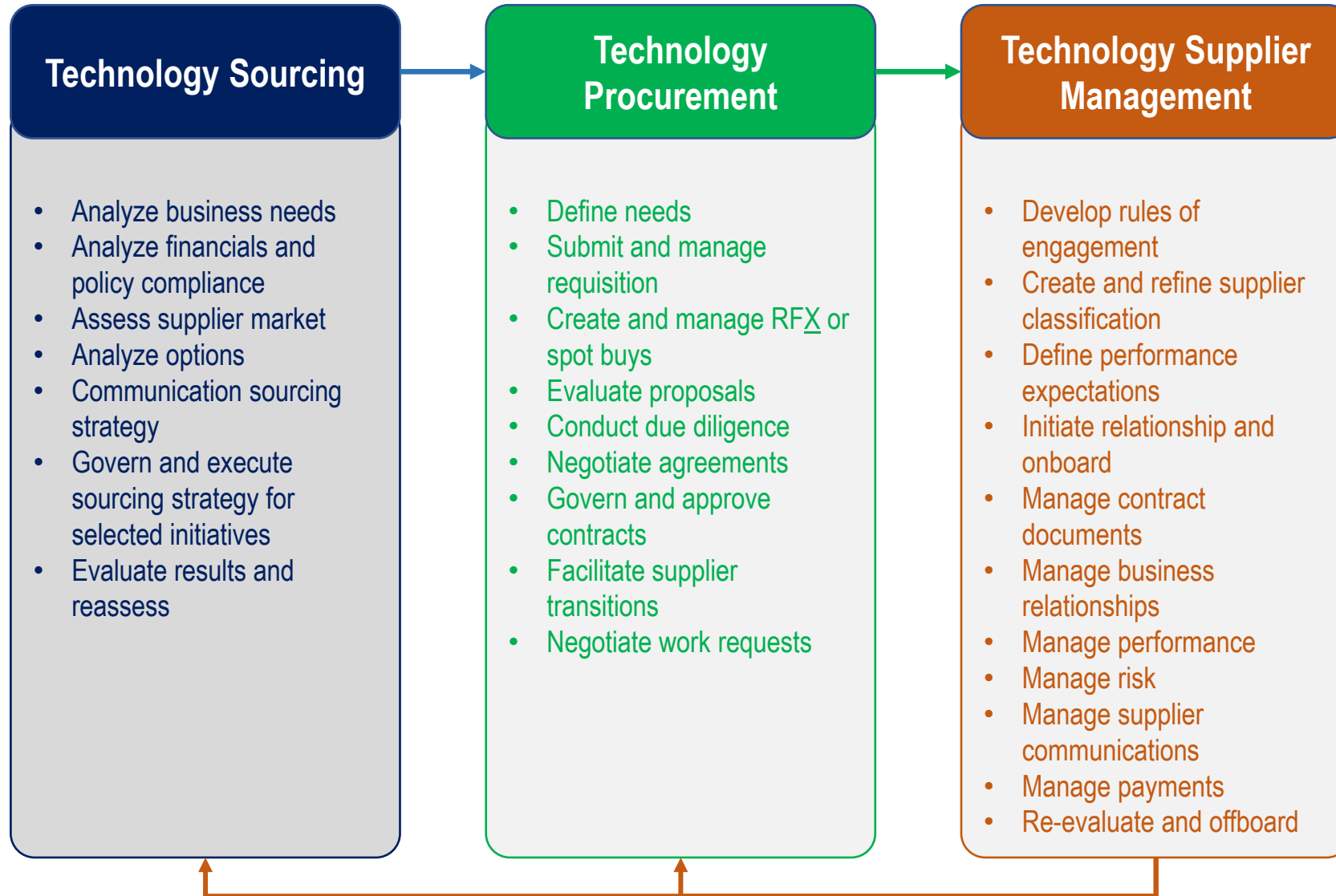
IT Governance

Definition: Specification of the decision rights and accountability framework to encourage desirable behavior in the use of information technology (IT).

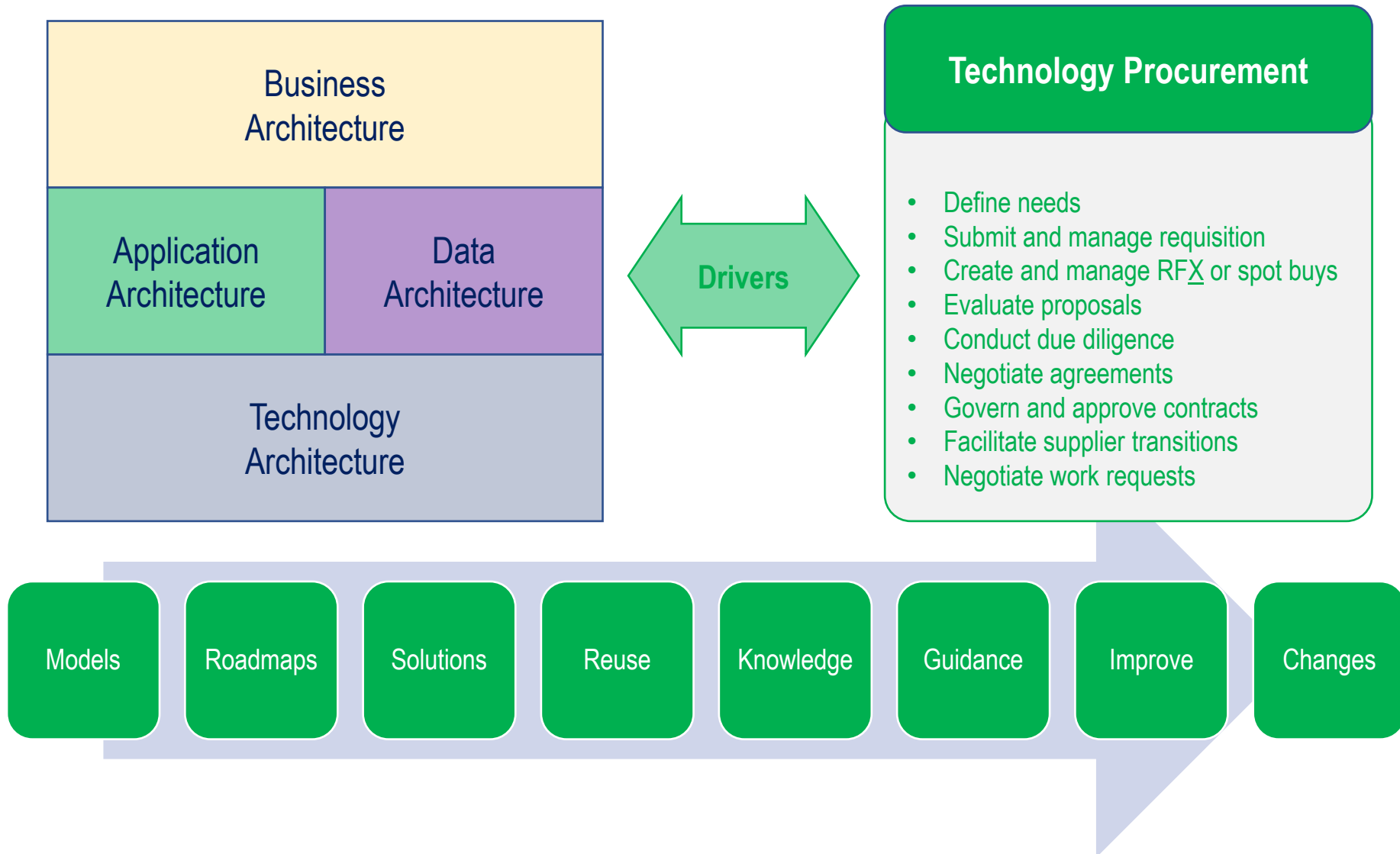


Framework		
<p>IT Principles</p> <p>High level statements about how IT is used in the organization</p>		
<p>IT Architecture</p> <p>Organizing logic for data, applications and infrastructure captured in a set of policies, relationships and technical choices to achieve desired business and technical standardization and integration.</p>	<p>Business Applications</p> <p>Specifying the business need for purchased or internally developed IT applications.</p>	<p>IT Investment and Prioritization</p> <p>Decisions about how much, where to invest, when to invest in IT, including project approvals and justification techniques.</p>
	<p>IT Infrastructure</p> <p>Centrally coordinated, shared IT services that provide the foundation for the organization's IT capability.</p>	

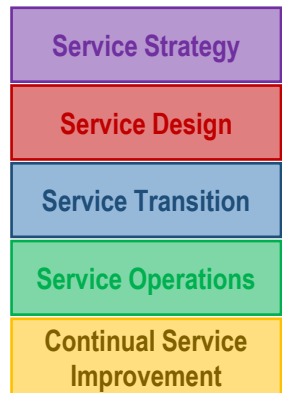
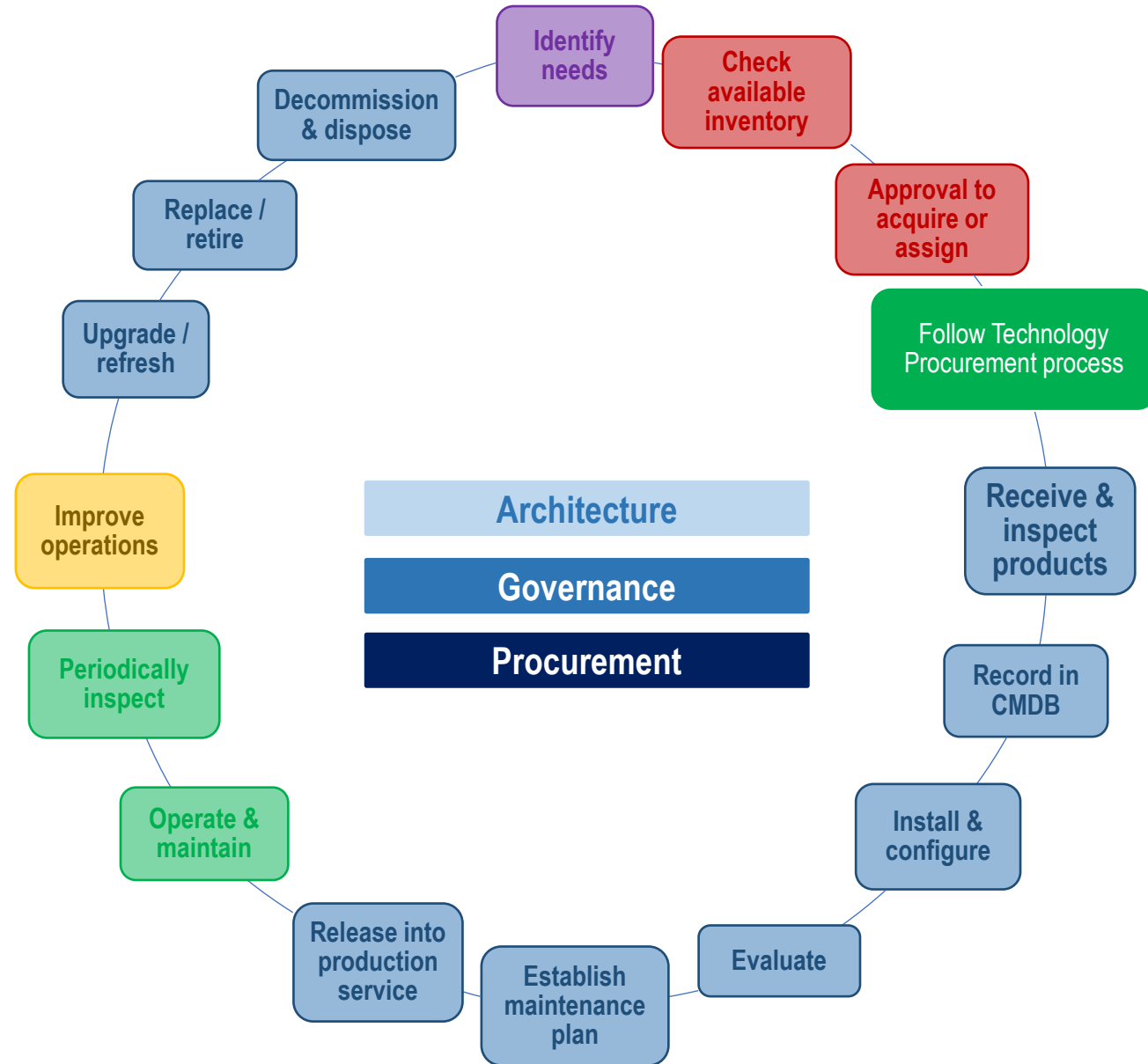
IT Procurement Framework



Architecture Driven Procurements



Underpinning Products



Recommendations



Emphasize EA principles in IT procurement



EA and procurement shared governance and representation



Transparency with stakeholders



Regular review of architecture vitality



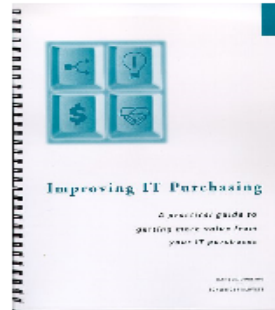
Communication and change management

Effective communication

Suggested Reading

Improving IT Purchasing

A practical guide to getting more value from your IT purchases



This book helps managers and staff in procurement organizations to improve their business by establishing a sounder and more advantageous approach to purchasing Information Technology. The workbook and recommendations allow for different ways of purchasing IT. It helps with suggestions for

improvements that are based on practical experience and reflect the different situation and business needs of the organization. The book tackles questions such as 'Did the new system perform as expected?' 'Did the supplier provide the kind of service we were expecting?' 'Was the price of the complete and fully operational system within our original budget?' 'Did the users quickly adopt and fully utilize the new system?' Using this workbook should help your business get more from the IT systems you purchase. Improved performance, better support, lower costs, and systems better suited for users and business procedures are just a few benefits organizations can obtain by applying the recommendations contained in this workbook. All of what we discuss and recommend in this workbook is based on tried and tested techniques.

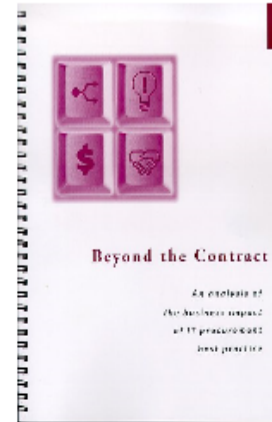
Bibliographic Details

Reference G903
UK ISBN 1859122868
Oct 1999

130 pages

Beyond the Contract

An analysis of the business impact of IT procurement best practice.



'Beyond the Contract' is a study of actual procurements conducted by many organisations. Specific recommendations or proposed 'best practices' made by fourteen of the most popular procurement guides and methods were analysed and their impact measured. The results of these studies is

presented in a format that allows organizations to identify actions and improvements specific to their needs and situation. This report brings together the best recommendations available and shows what really works.

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Reference G902
UK ISBN 1859122817
Oct 1999

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Questions



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Digital Transformation in Government: The Illinois Blockchain Initiative Webinar

Thursday, June 22
3:00 pm ET

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