UNLEASH THE NEW:
STATE GOVERNMENTS GET AGILE

Initial findings from Accenture and NASCIO
THE “STATE” OF AGILE

STILL LEADING EDGE

RESPONDENTS USING AGILE

- 31% > 3 years
- 50% < 3 years
- 19% Not at all

AGILE’S PIECE OF THE IT PIE

- 59% Use Agile on 1-20% of projects

AGILE IN THE MIX

- 53% Frequently blend Agile with other implementation methodologies on an IT project
- 40% Rarely or never blend Agile with other implementation methodologies

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No matter how new systems are developed, it’s prudent to evaluate business processes before automating them. We asked states that implement Agile and tackle process analysis or re-engineering before project kickoff how they approach such improvements:

- **78%** Business process mapping
- **49%** LEAN process
- **46%** Process re-engineering
- **24%** Design thinking

**24%** Kaizen
**22%** Six Sigma
**20%** Kanban

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LEADING THE WAY IN AGILE

WHO’S SPEARHEADING AGILE IN STATE GOVERNMENT?

- 24% No single person
- 23% Application Development Lead
- 11% Chief Information Officer
- 9% Agency-level head of IT
- 33% All others

When it comes to Agile, survey results suggest that state CIOs have important opportunities to provide enterprise governance and leadership.
AGILE HELPS STATES ACHIEVE MORE OF THE RESULTS THEY WANT

AGILE SUPPORTS:

<table>
<thead>
<tr>
<th>%</th>
<th>Benefit</th>
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<tbody>
<tr>
<td>74%</td>
<td>Increased customer engagement and business ownership</td>
</tr>
<tr>
<td>71%</td>
<td>Improved customer satisfaction</td>
</tr>
<tr>
<td>68%</td>
<td>Improved quality</td>
</tr>
<tr>
<td>65%</td>
<td>Improved transparency</td>
</tr>
<tr>
<td>59%</td>
<td>Greater flexibility</td>
</tr>
<tr>
<td>50%</td>
<td>Less risk</td>
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Enhanced customer engagement and satisfaction can be especially beneficial to CIOs whose services are fully charged back to agencies.
AGILE HELPS STATES GET LESS OF THE RESULTS THEY DON’T WANT

AGILE HELPS PREVENT:

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
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<tbody>
<tr>
<td>70%</td>
<td>Wasted money from ineffective IT projects</td>
</tr>
<tr>
<td>66%</td>
<td>Large IT project failures</td>
</tr>
<tr>
<td>60%</td>
<td>Delayed implementation</td>
</tr>
<tr>
<td>58%</td>
<td>Programs that do not meet business needs</td>
</tr>
<tr>
<td>43%</td>
<td>Programs that do not meet citizen needs</td>
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</table>
DELIVERING VALUE—FASTER AND BETTER

98% of respondents agree:
Our customers like to see the frequent updates capable through Agile

95% of respondents agree:
Agile produces excellent results
Customers are satisfied with the end product from applying Agile

87% of respondents agree:
Success with Agile comes from starting with discrete projects and then building up
“CONSTRAINTS FOR AGILE ADOPTION ARE CULTURAL AND PROCUREMENT. CHANGE OF PROCESS ADOPTION IS EASIER FOR NEWER STAFF THAN STAFF THAT HAVE BEEN ENGRAINED IN LINEAR PROCESSES.”
AGILE ADOPTION: WHAT’S STANDING IN THE WAY

BARRIERS TO BUST:

ORGANIZATIONAL

75% Lack of training/knowledge in how to use

70% Procurement is not set up for Agile projects

47% Culture does not support Agile

TECHNICAL

77% Legacy solutions

58% Integration with other systems

53% Not having DevOps to support

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“AGILE IS NOW A PROVEN APPROACH AND SHOULD BE ADOPTED TO REDUCE RISK... WE ARE WORKING WITH PROCUREMENT ON THE PROCESS. OUR BIGGEST CHALLENGES ARE CHANGING THE BUSINESS CULTURE TO GET USED TO FREQUENT RELEASES AND DEVELOPING DEVOPS CAPABILITIES.”
“A METHODOLOGY IS STILL ONLY AS GOOD AS THE PEOPLE EXECUTING IT.”
AGILE SKILLS IN SHORT SUPPLY

“AGILE IS NOT YET CONSISTENTLY USED ACROSS THE ENTERPRISE. APPLICATION OF AGILE IS HIGHLY CORRELATED TO SPECIFIC INDIVIDUAL EXPERIENCE.”

58%
Less than 20% of our state IT workforce is highly skilled in Agile

9%
Our IT workforce has no skills in Agile
TALENT TROUBLES

STATE GOVERNMENT CAN’T FIND ENOUGH AGILE TALENT

47% IT functions struggle to recruit and hire but eventually fill positions

6% IT functions simply fail to recruit and hire

Despite a lack of training and difficulty recruiting talent, only 6% are engaging with coaches or consultants to support Agile

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CULTURE CLASH

States made it clear. Adopting Agile requires significant cultural changes. These are among the top cultural challenges:

- **57%** Embracing change
- **36%** Extent of business involvement
- **32%** Business and IT being able to work together
- **30%** Sharing project ownership
- **30%** Collaboration across functions
AGILE: GOOD FOR EVERYONE BUT MORE CHALLENGING FOR GOVERNMENT

98% Agile is effective for state government

96% Agile does a better job of engaging the customer

47% Agile is just as easy to implement in government as in the private sector

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GETTING AGILE

These initial findings affirm that Agile is a viable approach for state CIOs to consider.

STAY ENGAGED WITH US AS WE CONTINUE THE RESEARCH—AND THE CONVERSATION. WE WILL BE RELEASING ADDITIONAL RESEARCH LOOKING AT THE BEST PRACTICES RELATED TO STATE GOVERNMENT’S USE OF AGILE.
ABOUT THE RESEARCH

METHODOLOGY
Accenture partnered with the National Association of State Chief Information Officers (NASCIO) to create and develop the survey tool. The survey was informed by informal interviews carried out at NASCIO’s annual conference in fall 2016. NASCIO distributed a survey link to its membership. CIOs were encouraged to share the survey with agency leads. NASCIO also worked with the American Public Human Services Association (APHSA) to distribute the survey to its IT Solutions Management group. The survey was in the field from January 27 to March 3, 2017, with 53 completed responses from 34 states and one territory. Respondents could voluntarily identify themselves and provide recommendations of others to speak to for the next phase of the research.

ABOUT NASCIO
Founded in 1969, the National Association of State Chief Information Officers (NASCIO) represents state chief information officers and information technology (IT) executives and managers from the states, territories, and District of Columbia. NASCIO’s mission is to foster government excellence through quality business practices, information management, and technology policy. NASCIO provides state CIOs and state members with products and services designed to support the challenging role of the state CIO, stimulate the exchange of information, and promote the adoption of IT best practices and innovations. From national conferences to peer networking, research, publications, briefings, and government affairs, NASCIO is the premier network and resource for state CIOs. For more information, visit www.nascio.org.

ABOUT ACCENTURE RESEARCH
Accenture Research uncovers disruptors, shapes trends and creates data-driven insights about the most pressing issues organizations face. Combining the power of innovative research techniques with a deep understanding of our clients’ industries, our team of 250 researchers and thought leaders spans 23 countries and publishes hundreds of reports, articles and points of views every year. Our breakthrough research is supported by proprietary data that guides our innovations and allows us to transform theories into real, practical solutions.

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