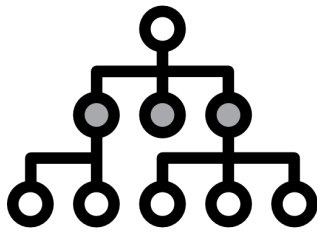


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*NASCIO 2019 State IT Recognition Awards  
Enterprise IT Management Initiatives*

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## Building the Governance Model

### Structured IT Means Serious Business

**Title:** Building the Governance Model  
**Category:** Enterprise IT Management Initiatives  
**State:** Arizona  
**Contact:** Doug Lange  
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(602)542-8947  
**Start date:** 12/2016  
**End date:** 12/2018





## EXECUTIVE SUMMARY

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### Situation

Arizona is a federated state comprised of more than 130 agencies and roughly 35,000 employees. That means every agency, board, and commission is empowered to make the decisions they feel are best for their organization and the citizens they serve. The State of Arizona delivers thousands of services to its residents each month. Many of these services are delivered through legacy systems that haven't been updated in more than 20 years.

### Problems

- Paper-based citizen experience requiring face-to-face transactions
- Antiquated operating models and agencies not empowering their workforce
- Lack of collaboration and enterprise planning with other state agencies
- Inability to leverage best-of-breed technologies, public private partnerships, or transformative technologies to enhance the customer experience

### Challenge

Agencies understand the need to transform and move quickly, but how does the state take an enterprise approach in doing so?

### Solution

The Arizona Strategic Enterprise Technology (ASET) Office for the State of Arizona provides strategic direction and shared services for state agencies. One of ASET's objectives is to align strategies with 130+ state agencies operating under a federated model. As a part of the ASET Office, Business Engineering, led by Chief Strategy Officer, Doug Lange, was created to focus on working with agencies using a customer-approach to drive IT innovation throughout the state.

In two short years, the Business Engineering team has driven tangible outcomes enabled through the use of best-of-breed technologies.

*Since portal implementation in 2017*

PIJ Approval Time (Days)	Strategic Plan Participation	Cost Savings Avoidance
<b>16 to 10</b>	<b>+300%</b>	<b>\$14.1M+</b>



## CONCEPT

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Business Engineering is designed in a manner similar to a tech start-up concerning the way it conducts business with state agencies:

Relationship Managers/IT Consultants - Engagement Managers are assigned to specific agencies to build partnerships, share emerging technologies, and provide strategic guidance and support.

Business Analysis - Analysts are responsible for driving accountability in statewide initiatives through project oversight and strategic planning to uncover opportunities for emerging tech and enterprise solutions.

Customer Insights - A Voice of the Customer Strategy is leveraged, measuring multiple customer experience touch-points to engage ASET and its teams to fuel continuous improvement.

Product/Portfolio Management - A product-driven focus leverages data and analytics to determine the best way to transform services to an enterprise, managed and brokered services model.

Execution - A PMO is focused on enterprise-level initiatives aligned with the statewide IT strategic plan.

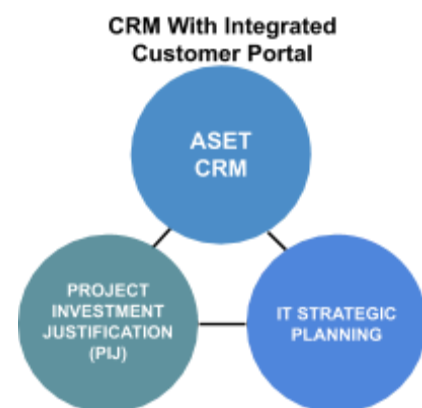


## SIGNIFICANCE

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The Business Engineering team has leveraged best-of-breed technologies such as Salesforce (CRM) and Qualtrics (surveying) to automate workflow and further engage with customers. By implementing a CRM (Customer Relationship Management system) as the main workflow tool, and integrating community portals which state agencies can interact with, Business Engineering now has the ability to capture and analyze data for the agencies it supports all in one place.

The CRM creates one centralized location for state agencies to upload IT projects, manage information, and collaborate with the Business Engineering team. The Business Engineering team then has the ability to collaborate directly with the budget offices of both the executive and legislative branches, creating a complete end to end process.





### Specific insights drive statewide initiatives

By uncovering the need for 13 boards to automate their paper-based licensing process, ASET was able to bring the boards together to pursue one common platform. In doing so, the state generated \$3M+ in cost savings in the procurement of the solution. It also provided these agencies with a best-of-breed platform to service their customers (citizens) that they otherwise wouldn't have been able to afford.

### Project Investment Justification (PIJ)

By statute, all state agencies are required to submit a 'Project Investment Justification' form to ASET for any IT project costing \$25K or more. The Business Engineering team is ultimately responsible for completing due diligence, reviewing all submissions, and approving the project based on viability and alignment with the statewide strategic plan. The CRM creates one centralized location for state agencies to upload IT projects, manage information, and collaborate with the Business Engineering team.

- IT project approval times through the Project Investment Justification process have decreased by 37 percent - from 16 days to 10 days - allowing innovation to be executed quicker.
  - Increased Legislative and Gubernatorial buy-in as they can view project information and updates directly in the system.
- Through increased automation, insights, and a partnership approach with customers, the Business Engineering team has generated \$14.1M in cost avoidance/savings within the last two years on state IT projects.

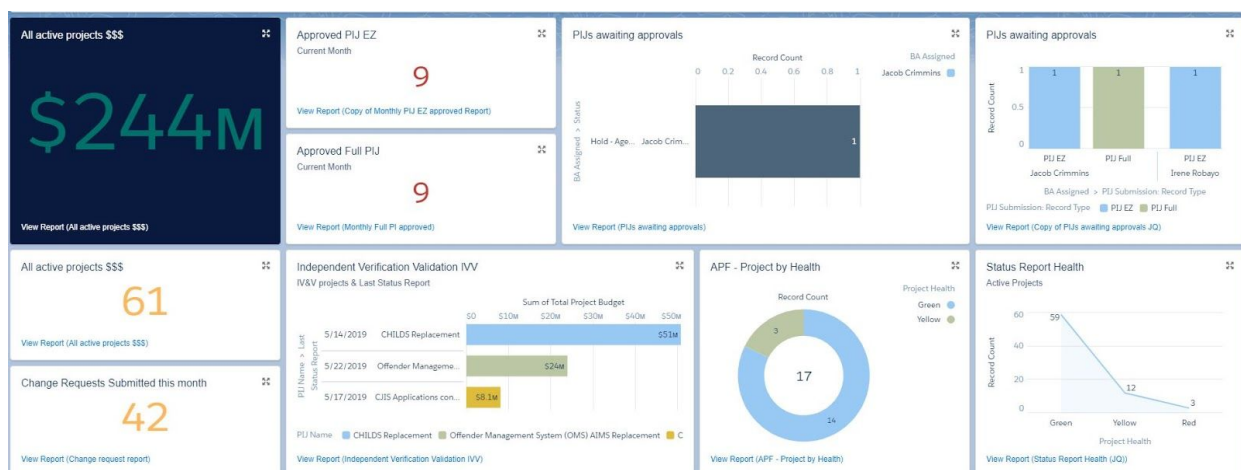


Image of the project information justification (PIJ) dashboard



## Strategic Planning

By statute, all state agencies are required to submit an annual IT Strategic Plan. This information is then leveraged by ASET and the Business Engineering team to glean insights, uncover commonalities, and ultimately fuel the overall statewide IT Strategic Plan. Since taking a customer-first approach and automating this process, participation with the State of Arizona's annual, statewide strategic IT planning process increased dramatically. Since implementing the CRM the number of IT Strategic Plans has increased 300%. This number has far exceeded the original target as agencies without IT Staff are now submitting technology strategic plans.

### Agency IT Strategic Plan submissions in 2018

Agency IT Strategic Plans	Agency IT Challenges	Agency IT Goals	Agency IT Objectives
<b>89</b>	<b>220</b>	<b>295</b>	<b>460</b>



## Organizational Alignment

ASET Business Engineering has made significant strides in leveraging the CRM solution to help state agencies work together. The Business Engineering concept and strategic input has changed the way the State of Arizona approaches innovation. The newly introduced job roles mirror the private sector tech companies



that will attract tech talent to state government. Please click on the link below for more information:

- Statewide Strategic Plan  
[https://aset.az.gov/sites/default/files/ADOA\\_2017Executive%20Summary%20for%20Statewide%20Strategic%20Plan%20-%20Digital%20Version\\_FINAL.pdf](https://aset.az.gov/sites/default/files/ADOA_2017Executive%20Summary%20for%20Statewide%20Strategic%20Plan%20-%20Digital%20Version_FINAL.pdf)

## Supplemental Links

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*Trailblazers In Government: State Of Arizona*

<https://www.salesforce.com/video/3595339/>

*The State of Arizona is a Trailblazer, specializing in the business of IT*

<https://www.salesforce.com/customer-success-stories/aset/>

*CIOs should use governance, cost savings to urge collaboration*

<https://statescoop.com/podcast/cios-should-use-governance-cost-savings-to-urge-collaboration/>