



State of the States 2022: Driving Digital Acceleration

State and Local 2022 Tech Forecast: Opportunities for Growth
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STATE CIO TOP 10 PRIORITIES

2022 Strategies, Policy Issues and Management Processes



1 Cybersecurity and Risk Management

→ #1 for nine consecutive years. On the top ten list since 2006



2 Digital Government/Digital Services

→ Steadily moving up the list. Pandemic impact



3 Broadband/Wireless Connectivity

→ #4 in 2021 - on/off list for a decade. Pandemic impact



4 Cloud Services

→ Major force of change. In top three since 2013



5 Legacy modernization

→ Pandemic impact! On the list since 2011



6 Identity and Access Management

→ New to the list in 2021. Enables digital services



7 Workforce

→ A continuing priority. Back on the list



8 Enterprise Architecture: governance

→ New to the list in 2022



9 Data and Information Management

→ On the list since 2016



10 Consolidation/Optimization

→ CIO priority each year. Frequently #1 since 2007

Fiscal impact of pandemic: increased state revenues and spending - increased IT spending?
Impact of ARPA and IIJA funding for state IT? \$1B State and Local Cybersecurity
Improvement Grant funds - \$200M in FY2022

State IT organization transition continues: CIO as broker business model, evolution from owner-operator to more managed services, outsourcing and multi-supplier initiatives

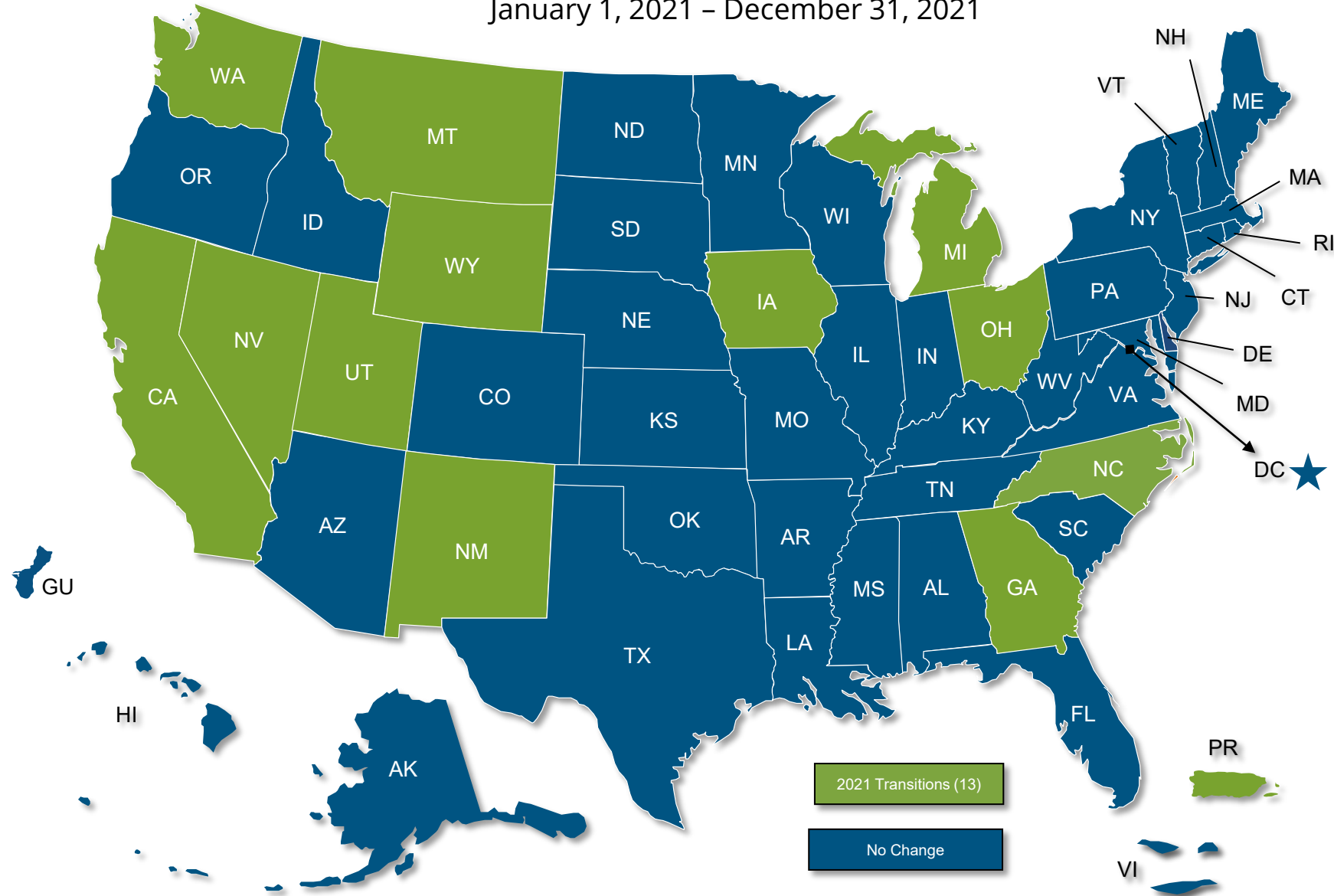
Elevated cyber threats during pandemic, nation state and criminal attacks, more focus on enterprise cybersecurity models, whole-of-state collaboration, ransomware mitigation

Focus on digital government services: user centric design, improved customer experience, security, automation, citizen identity management

13 state CIO transitions in 2021. What to expect in 2022?

STATE CIO TRANSITIONS 2021

January 1, 2021 – December 31, 2021



Rank the top five business processes, practices or investment changes that you believe will continue post COVID-19 pandemic?



Increased attention
on digital government
services/citizen
experience
(#3 in 2020 survey)



Expanded work
from home/remote
work options
(#1 in 2020 survey)



Investments
in broadband
expansion/adoption
(#4 in 2020 survey)

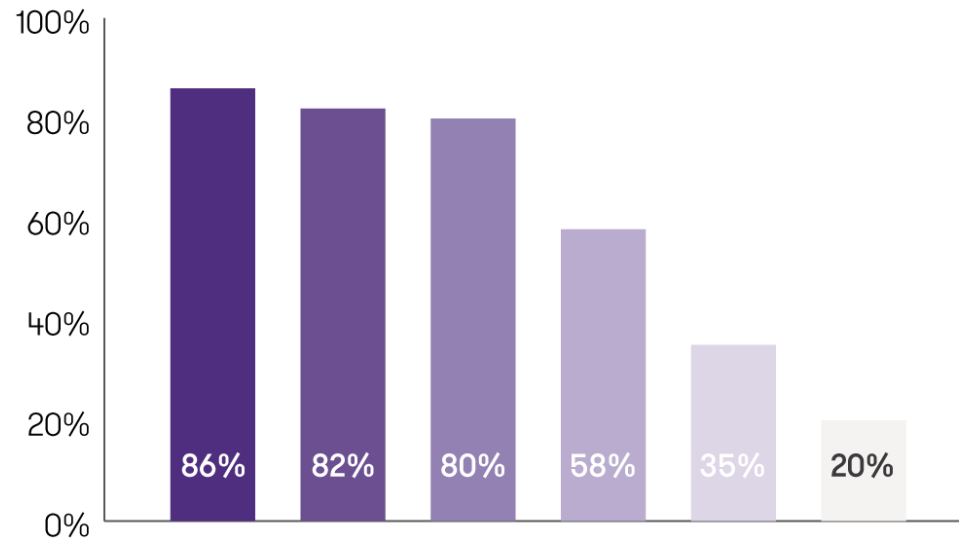


Expanded use of
collaboration
platforms/remote
meetings
(#2 in 2020 survey)



Increased priority and
investment in legacy
modernization
(#5 in 2020 survey)

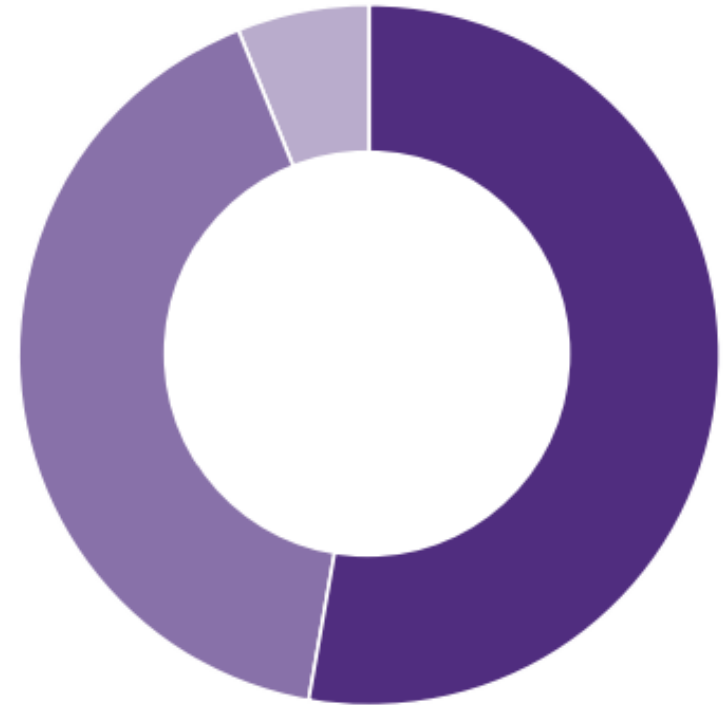
What digital services and work practices instituted during the pandemic do you expect to retain? (select all that apply)



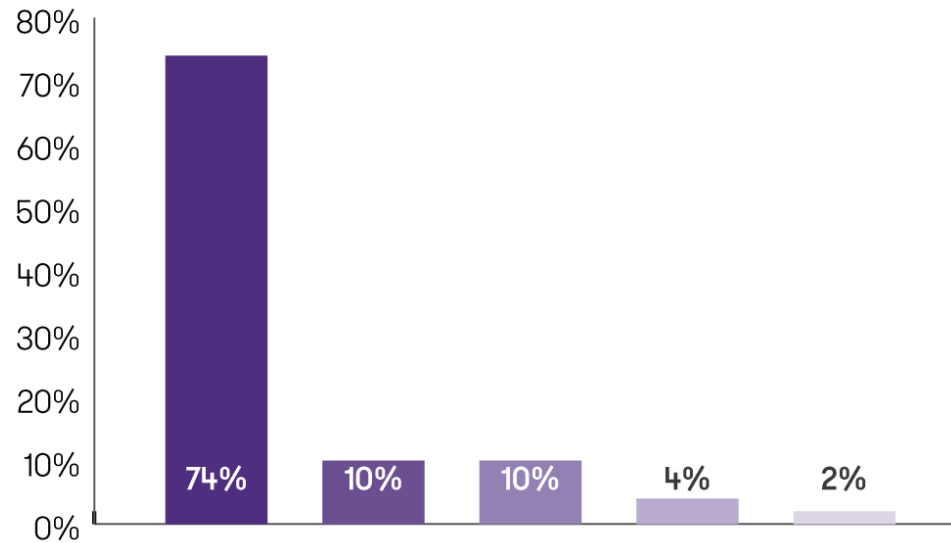
- Remote work as a regular rather than occasional occurrence
- Enhanced security and fraud detection around web-based services
- Deployment of additional web-enabled internal and external services
- Evaluate enabling tools and methodologies geared towards rapidly delivering services
- Greater emphasis on human-centered design and design thinking concepts to designing solutions
- Simplified procurement procedures to efficiently acquire services and products

How has the COVID-19 pandemic impacted the demand for digital government services?

- Increased/accelerated dramatically **53%**
- Increased/accelerated somewhat **41%**
- Stayed about the same **6%**



What is the biggest driver to expanding digital services?

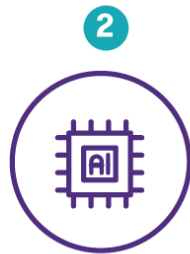


- Better online experience for citizens
- Increased public participation and engagement
- Optimizing operations and lowering costs
- Empowering frontline government employees to collaborate and increase productivity (employee engagement)
- Better collaboration among state agencies

What emerging IT area will be most impactful in the next 3-5 years?



Low-code/no-code



Artificial
intelligence
(AI)/Machine
learning



Mass
personalization
/citizen personas



Robotic process
automation (RPA)



Internet of
things (IoT)



Remote work
technology

“ The biggest take-away is that we can deliver solutions and services faster than ever before. There is a greater focus on working together as an enterprise and we have implemented platforms and technologies that support that.”

-State CIO

Based on the impact of the COVID-19 pandemic, what cybersecurity initiatives will receive more attention in the next 2-3 years? (select all that apply)



Adoption/expansion
of enterprise identity and
access management solutions



Continuous enterprise
cybersecurity assessment



Endpoint
detection



Introducing or expanding
a zero trust framework



Increased due diligence
with vendors and
third-party providers



Improved
anti-fraud capabilities
and services



Cybersecurity
awareness training



Increased use
of behavioral analytics

State Cyber Issues to Watch



Talent crisis: recruitment, retention, compensation



Increasing threats with remote work?



Whole-of-state cybersecurity resilience



Support and partnerships with local governments



More centralized operating model for cybersecurity

What are the biggest roadblocks with broadband deployment or implementation in your state? (choose top three)



Topography



Coordinating funding approach



Affordability

44%

Accurate/current
data and mapping

17%

Understanding of the federal
grant process and compliance

15%

Carrier advocacy/
incumbent protection

13%

Lack of public-private
partnership opportunities

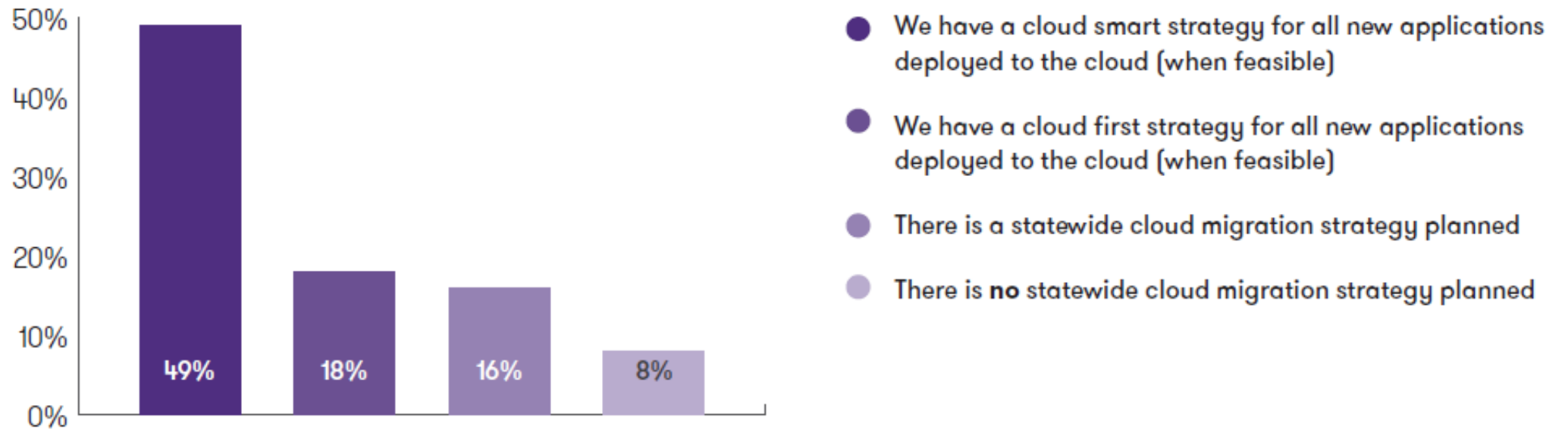
9%

Lack of
agency coordination

4%

Understanding of the state
grant process and compliance

Does your organization have a strategy to migrate legacy applications to the cloud?



What are your top three priorities in driving your cloud strategy forward?



78%

Scalability/Flexibility



57%

Security



43%

Investment optimization

41%

Disaster recovery/Risk management

27%

Application rationalization

20%

Staff training

10%

Mobility

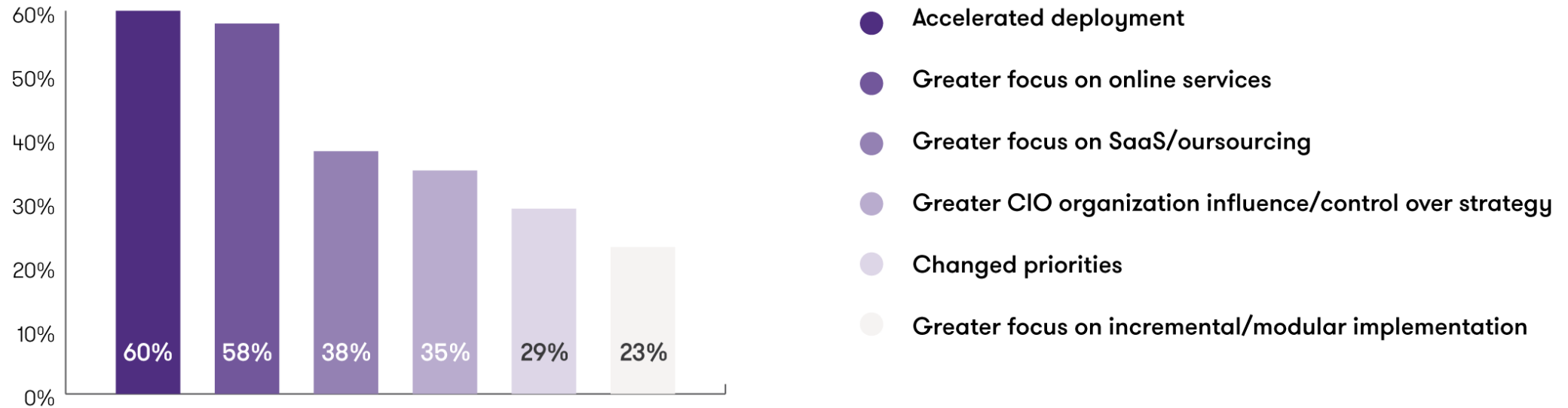
10%

Extending catalog of cloud services

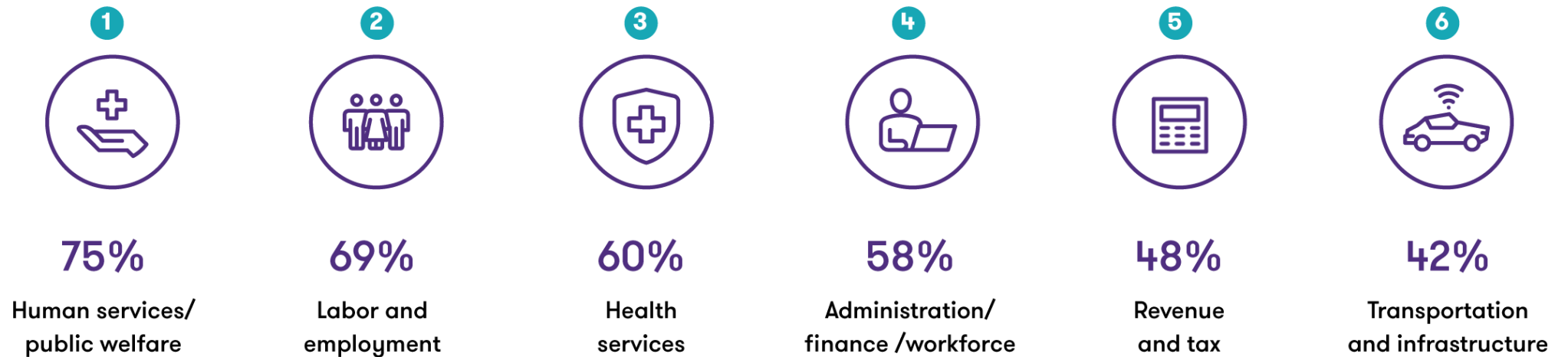
4%

Procurement reform
to terms and conditions

How has your legacy modernization strategy changed due to COVID-19 and the related stimulus and infrastructure funding?



Which of the following major business lines will have significant capital investment (as defined in your state) for legacy modernization efforts in the coming two years?



State Trends to Watch in 2022

Improved fiscal health with large spending increases, state decisions on ARPA funds, IIJA funding: \$1B for SLTT cybersecurity grants

Future of the IT workforce: Sustaining the remote work environment? Recruitment/retention/resignation, adaptation, skills transformation

Huge investments in broadband; more granular data for better decisions; addressing affordability issues

Prioritizing IT and application modernization, accelerated deployment, cloud migration

Pressure to improve program integrity: identity verification, anti-fraud solutions, data sharing

36 gubernatorial elections in November 2022. Transition impacts?

