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Good afternoon and welcome to our Summer Extraordinary webcast on Ask the Executive Director's NASCIO.

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And, PTI, we've been doing this for a few, summers.

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Just kind of our mid-cap. After our January national webcast that we've done every year for over 10 years now.

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Are looking at what's ahead on the state and local IT front. So I'm going to turn it over to, Alan Shark for a PTI for some introductory comments and it will get right into our program today, which is essentially, owned by you all.

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So, put your comments and questions in the chat. And we're gonna basically be very light on opening comments and slides.

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So Alan, back to you.

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Great. Well, thanks, Doug, and thanks for the opportunity. You know, this is kind of our newer.

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A newer version of what we did in January. And this is probably our third annual event of its kind.

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We always run out of time in January. And we always run out of time in January, so busy talking about the future.

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And now we are 6 months into the future that we predicted. I wonder how well we are doing.

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I think we've done pretty well. So this is more of a focus on your questions. We do have a few opening remarks.

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I have a few announcements to make that I think are very important and exciting at least for us. So we're just honored and we actually look forward to seeing everybody in October in St.

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Paul, Minnesota. Back to you.

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Thank you, Angela. I'm gonna start on the state side and let me, prepare some, I'm kind of introductory.

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Slides here if you all can see that I am. I'm sharing my slides now and we're gonna we're gonna talk about just a recap of the 2023 top 10 parties and this is again just for a level set so you all understand some of the topics we're gonna address today at a more general

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level and again just a reminder that questions should go in the chat and we have some questions that the questions should go in the chat and we have some questions that were submitted by our audience and we have some questions that were submitted.

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And we have some questions that were submitted, by our audience in, in advance, and we have some questions that were submitted, by our audience in, in advance, during registration and we'll address those as well.

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But again, this is the top 10 for 2023 for state CIOs we do this every year late in the calendar year and in the calendar year and as state sales to prognosticate of their top 10, an estate sales to prognosticate of their top 10, to prognosticate, their top 10, strategies and management processes and

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solutions and management processes and solutions. And we'll be doing this again again and management processes and solutions.

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And we'll be doing this again again and 20 for the 2024 but not surprisingly and we'll be doing this again again and 20 for the 2024 but not surprisingly cyber security and risk management number one has been number one on the hit parade for 1024 but not surprisingly cyber security and risk management number one has been number one on the hit parade for 10

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consecutive years and we continue to address that in a variety of ways with with the association representing the state CIOs of the now 53 states and territories on District of Columbia.

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District, digital services has come up very dramatically over the past couple of years and I'll talk a little bit about that and also workforce.

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So this the whole state IT work force, the whole, as we called our study last year, the people imperative, significant challenges, particularly in a post-pondemic world.

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And we're seeing some really interesting data. This year around, how many CIOs particularly, which is our prom audience, are looking to bring more state IT employees on board because of resignations and a lot of churn that took place during the pandemic and the post pandemic.

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So I'm not surprising. We're gonna see a lot of discussions around state IT workforce and legacy modernization.

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Always on the list along with cloud and consolidation. And CRM. Those have stayed pretty steady.

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Identity and access management is relatively new. And we're seeing a lot of interest in that. I can certainly talk about that.

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I think the other thing that's conspicuous by its absence. We saw this a few months ago is no discussion on here on budgets.

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We saw this a few months ago is no discussion on here on budget and cost control or is no discussion on here on budget and cost control or financial constraints.

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That may come up because that's cyclical on here on budget and cost control or financial constraints.

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That may come up because that's cyclical, but at least the last couple of years that has not been on the CIO top 10 list where it had been for, 14 previous years.

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So, we're, looking at that as, at least a minor trend in blip, states continue to spend through there, financial, grants and things coming in for the federal government.

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So very quickly we're gonna cover these. Certainly in some of our questions, but I get wanted to give you kind of an overview of the kind of state IT landscape in broad brushstrokes about what's going on.

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For again, continued focus on digital services, improving overall would describe it as just improving the citizen experience with government with more citizens centric design human you look at design thinking again using various tools and processes that states are now adopting to streamline and automate.

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So we're gonna see a lot of focus on that. Not surprisingly, elevated, cyber threats.

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We've seen an increase just recently. With ransomware, with those states with with the move it, incident in an event that was very unusual.

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States have been. Relatively immune from significant cyber ransomware events in the last decade but we've seen that really tick up, with, with the movement incident.

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Human error and just the, you know, around phishing and malware that continues to be, you know, a major factor and states are focusing on more whole of state resilience by working with other organizations, particularly local government higher education, utilities and things like that.

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We'll talk about state IT work force. Have my 7 h in there. These are all in play, particularly around rescaling and the growth in the use of remote work.

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Adoption of cloud provide so quick data here in a minute but we're seeing obviously broader adoption more more strategic initiatives around cloud adoption.

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I would describe this as moving more toward that hybrid cloud environment. With a variety of multiple cloud providers and moving to more off-premise cloud services.

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Process automation, robotic process automation, machine learning, AI, chat bots enabled AI, a low code note code.

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These are some of the emerging technologies and there we certainly couldn't talk today without a discussion around the greatest hype factor around generative AI.

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That's taking place. And so a lot of questions about that. In fact, we got multiple questions about the generative AI in our previously submitted.

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A set of questions in registration. So we can Flintly address that. And then from my perspective, one of the major impacts, 2022, 32 gubernatorial elections.

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Many of those were incumbents and they, we only ended up with 9 new governors and only one major party flip in the state that would have certainly denoted more CIO churn in that space.

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That has not happened, but what's really unusual is as of yesterday, we have 21, CIO transitions in 2023 to date, way above what I would have ever expected or forecast.

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I usually pretty close to looking at that, but we've seen a lot of changes in the state.

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So that's that's very very new and that has an impact obviously on leadership, the continuity of leadership and the advancement of strategic initiatives.

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And then finally, just some quick data around the. Around the cloud and what's going on on cloud services.

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This is the initial findings not yet published from our second cloud study with Accenture. We've looked at, you know, kind of broad variety of topics around cloud adoption from strategy to financial models and what the motivation is. Of the considerations.

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Previously, certainly security was an impediment to a lot of considerations around off-premise cloud services, but now that has become a benefit in many cases.

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And as you can see, not surprisingly as I mentioned workforce, 88% of the state CEOs responded that training and skills gaps continue.

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Prevent them from broadening their adoption. So they are held back. But the fact that they need more training and rescaling around cloud.

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Adoption cloud management, certainly, with the expansion within the business areas, they're trying to figure out the governance side of that.

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And then finally, for turn it over to Alan and we get some questions here. These are some of the things that are on the horizon in some cases.

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By that I mean within perhaps weeks. Cyber security grant was a billion dollar 4 year program.

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Under CISA, that NASA has been actively involved in, the states.

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Or the recipient of those dollars which go 80% of those dollars must be utilized or directed to local governments and some of that's being done through shared services but they're collaborating with their local governments.

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We have a majority, I'd say, 75% the majority of the states have a shared services model meaning that they're going to be delivering services to local governments.

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In Lua giving in direct grants but some are doing a mix of that. So that's really important to follow a 400 million on the table, for year 2 and, CISA anticipates releasing the notice of funding opportunity very shortly for year 2.

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So again, 400 million in year 2. I talked about the workforce. One of the things that we're seeing right now in year 2. I talked about the workforce.

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One of the things that we're seeing right now in terms of attracting particularly in the cyberspace is a significant emphasis on hybrid and remote work.

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Which wasn't the case just 3 years ago. There wasn't even on the board. And now we see that is top of the list in terms of how to recruit retain.

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The talent that you need. So that's important to note that states are gonna have to be flexible.

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They're gonna have to have a new model and part of that is promoting remote work aspects and also rescaling and we've seen now a number of states if you're Just seeing the headlines that have removed 4 year degree requirements.

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And so that is something that the many CEOs are looking at as they can leverage that. Lot of discussion about a post pandemic fraud increasing program integrity fraud analytics reducing the amount of financial fraud estimates are over 120 billion dollars nationwide at the state level 120 billion of both federal and state funds, 120 billion of both federal and state funds that are had been victims

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of both federal and state funds that are had been victims of fraud because of the pandemic, or had been victims of fraud because of the pandemic relief efforts.

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We'll mention certainly artificial intelligence and particularly generative AI that is number one on the emerging IT, opportunities for state CIOs as just in our latest data that we haven't released yet.

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Those were the 2 top 2 items and we're gonna see more. Those were the 2 top 2 items and we're gonna see more questions around.

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The tremendous promise, the tremendous hype, a need for governance over 80 bills in legislative under legislative consideration in the states around AI or aspects of AI, including multiple states that have the bills have already passed where they're creating an AI task force and AI study commission.

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So we're gonna see more conversation for the legislative side and more conversation around project guard rails and.

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Again, effective use of particularly generative AI. Privacy, a growth of state privacy officers, almost half the states now.

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Have a chief privacy officer at the enterprise level. The majority of them report to the state CIO.

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We host the state, chief privacy officer committee of practice and so we are in regular conversations with, those folks and that's going to be something growing absent.

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Meaningful federal privacy legislation, which we haven't seen yet. Many states are passing their own privacy.

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Legislation. And then finally, just as a 1, one tip it's interesting is we've talked a lot about foreign product bans and what's going on with our friends at Tik Tok and Huawei and others and we're seeing certainly a growth of that in the last year.

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Accelerated dramatically now at 40 states. That have banned at some level either through a directive through an executive order or through legislation.

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Software, application platforms, social media, networking. They have, they have banned those.

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They gotta look at what's coming next on that. On that list. So that's my quick run through about where we are, today and what's on the horizon and I'm gonna turn it.

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Back over to Alan now and let him cover the local government sector, Alan.

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Thank you, Doug. As I think everyone will see the, the issues here are very complementary.

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Transpose one issue over another but the top 10 the lines very well to what we're seeing in our research although our respective research is out of sync ours comes out in April yours comes out in October but nevertheless we always are monitoring the latest issues.

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So I mentioned an announcement and some of you may have already heard this, but you know PTI was established in 1973 and we've had a interesting journey.

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And I think our logos over time have reflected that. But about 5 years ago, 4 and a half year ago, we aligned with, And you could see the progression of how we were assimilated into the group.

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They grew by 10 million dollars a year and while we were still growing we just couldn't keep up with that kind of growth and there was a decision that was made at the end of last year that they really were rethinking their entire public sector and we had to find a new home.

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So as our logo got smaller and smaller, we're happy to announce we do have a new home.

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We're, very much PTI, but now we're part of Fusion Learning Partners headquartered in St.

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Paul, Minnesota. We feel very good about this. It gives us, I think, access to more staff, more resources in the areas where we could use the most help.

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We are part of a three-legged stool and, are very much involved with the other things that are going on with them.

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They have one of the largest, well they have the largest symposium in IT for state and local government in the entire Midwest and that's coming up in December at the same Paul River Center.

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So we're excited to be helping out with that as well as their other activities. Comte shark vice is now just become shark bytes.

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Net. If you have a story like to share, we're always looking for stories to tell.

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We've done a few recently on artificial intelligence and the one that is current at the moment is about heat where we brought back an episode from June of 2,022 where we interviewed the nation's first chief heat officer who is in Phoenix, Arizona.

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And the issues are still the same if not, more dire. So much of the data that we talk about, just like with Doug and Nassio, is our 2023 PTI state of city county IT national survey.

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Just write to us, let us know and we'll make sure you get a copy. So here's my shark top issues in lieu of where between our surveys, our cyber survey comes out in October.

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The other just came out. In April. Number one, and these are not necessarily in order, but AI policy and applications. This is huge.

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We are seeing applications already occurring using AI or people calling it AI. We've got to be careful.

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But policy is interesting. As Doug kind of alluded to, many states are doing things.

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Well, so are cities. Yes, Connecticut might have been the first to grab headlines by saying there created a commission to create a bill of AI rights.

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For citizens, but New York City has been very much in the game with, their AI reports and policies having to do with hiring and making sure that there's no bias in using AI in any hiring decisions.

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I'm most interested in the city of Tempe, Arizona. And you'll be hearing more about that from us and including podcast that's coming up.

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And that is they do have an interesting policy that has already been approved by the City Council. What's unique is a very thorough policy that's far-reaching but the words that got my attention was that we must learn.

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To partner with AI. That kind of freaked me out. I step back and said, we must learn to partner.

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And it's kind of like, this is the person we are referring to, AI is like. An entity as opposed to a tool.

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So we shall see how that plays out. Number 2, cyber cyber cyber, but there's 2 parts to it funding.

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We've been, I would say, disappointed. And we should also be grateful, but disappointed that we have not seen the dollars that were kind of flash in our face.

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You know, 1 billion dollars sounds like a lot of money to be allocated over X years, 80% going to local governments.

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There first was a year delay in getting the rules written and then when the rules are written, they were pretty complicated, a lot of hoops to go through and all these different apparatus that was set up by the states, 2 states decided not even to get in that first tranche because it was too complicated, not enough

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time. And I'm afraid that as Doug alluded to that the final outcome will not be money going to local governments where they need it the most in cyber but more for services in their name that they will have access to.

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Now, that's better than nothing and I'm sure that will help. But that's not the way we were planning things.

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So we're still very concerned about funding. We still have time. We'll watch the rules very, very carefully and watch what's going on in the states.

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But there's a lot of new places in that in terms of FEMA and others that are part of this allocation process that we normally, as CIOs don't interact with.

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We're concerned about supply chain attacks and this really has created I think a sense of we got a really rethink 0 trust because normally we had our own issues but when we turn to our service providers and MSPs we thought that they would be the ones that could be another layer to help guard us and we have learned in

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3 cases over the last 3 years that that isn't the case that we've got to even be more vigilant that you can never delegate responsibility.

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So, that comes back to haunt us. We're very concerned about that staffing.

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That's just a general category to say that we're having problems retaining people, attracting people.

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And part of it is many local governments are going back to you've got to be in the office.

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We don't want remote work anymore. A very Byzantine approach that lies against all the productivity that was proven during COVID.

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We have issues of not having enough money for travel and training and the response is, well, get that on the internet.

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And here we have our CIOs managing. Multi-million dollar portfolios.

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What other profession doesn't require or encourage further training and retraining. This is absolutely critical. Number 5 or surprise.

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This is not in any of our surveys, but this is something that we're hearing, especially in the summer and that is climate and climate change.

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When you think about all these factors, every one of these has a technology piece. From measuring your quality and reporting it.

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Water availability and water quality. Measuring it and reporting it in some cases rerouting it.

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Health, e-health in particular when people can't go outside because it's code purple.

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Food insecurity gets worse. People that used to grow crops in the yards or in certain shared areas, it's dried up.

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Energy the usage i mean our generating capacities are at peak peak loads not just during the day but now at night.

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Transportation suffers by this shelter. We need to have more shelter, cooling centers. And this leads to financial stability that could affect the bottom line of both state and local government.

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Let alone the national. It's something that I think as IT leaders, we've got to look at collectively and say, this actually is something that impacts us and things that we should be looking at on behalf of our citizens.

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I also worry about election integrity and security. But we'll go back to IT modernization that's still, is usually in the top 3 to top 4 things that are up there.

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I think that's going to be less of an issue as more of local governments turn to manage service providers, which I think is a growing trend.

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In many ways a reasonable and positive trend for the MSPs out there. You've heard me say it for the last 2 years.

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We see more local governments turning to you. They may call it shared services. They may call it vendor services.

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There's many different names, but they're turning the third parties, they provide the staff expertise and the applications that they're not able to do the way they would like on-premise.

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By paying as you go and moving to more more capex environment, which is a continuing journey. Each year there's more of a take rake on that by an necessity.

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It makes it harder for politicians and senior managers to say, well, it's working. Another year.

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It's always been another year or another year. When you have contracts that you're paying quarterly or another year. When you have contracts that you're paying quarterly or annually, you can't say that.

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And it's not so easy to get out of some of these contracts, which probably is good. But I did mention election in integrity and security.

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This is something that I think we have to pay attention to more of our counties are getting more concerned and this is where MSI sec and I the election is act comes very very important.

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And then 2 general things. We're seeing a continuation of the rejection of expertise. And the rise of ignorance.

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And this is a burden for many of us who worry about social media and misinformation and disinformation.

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This problem isn't going away. There are technological solutions, but we've got to be ever vigilant at a time when deep fake is getting deeper and more fake.

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And then the politician of everything for the first time in discussions with local governments this is causing a lot of issues having to do with morale.

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They keep fighting, they're not governing. And, and this affects the workplace. It does impact morale and it does impact this whole idea of providing enough resources to local government.

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Almost half, I think, 52% said that their funding for IT is up this year. So in terms of general funding, that's a positive thing.

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A small percentage said they saw anywhere from a 3 to 5% decrease but they are truly in a minority.

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So it's all over the board when you're dealing with local government, you're dealing the very smallest in the very largest.

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The very smallest, the CIO might be the city of county manager or assistant manager on the on the larger side, they could have a staff of 500.

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So it's kind of hard to kind of come up with that middle area but these are the issues that we see and make the slide a deck available if anybody would like it.

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But these are the issues that we see and I'll make the slide a deck available if anybody would like it. I'll make sure that Nassau has it.

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So with that, I think it's

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Yes, yes, sir. So we had some pre submitted questions, but now they've, heard our materials.

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This afternoon today that you might be interested in the following up. Please put questions in the chat.

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And we will get to those but. Let's go ahead and take a look at a couple of questions here.

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We've got not surprisingly a lot of questions around AI and generative AI so we might wanna, I can get that off the board to begin with and I'll talk a little bit about the state.

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People are interested in AI use cases. And what the states are doing or what they possibly might do. With AI.

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We, actually conducted a national survey and a study in 2020. About the artificial intelligence within the states and we use that term very very very broadly to look at that.

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Talking about again, as Alan said, true AI is, somewhat at that point anyway, it was relatively rare in the states.

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We saw some early. Kind of, use cases and early adoption of that. A lot of that driven by the pandemic quite frankly so AI enabled the intelligence agents supported intelligent ages chat bots.

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For help desks and call centers on enhancing decision support around. Around health trends. I think AI ops for the CIO organizations again, the merging of, AI and other operational intelligence platforms is important.

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It's going to become even more important. Cyber security threat assessments have always been in that space, but they are, that is definitely growing with the tools that are available.

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So I see cyber security and continue to be at target. So these are some of the things we're there.

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Transportation, traffic flow analysis, transportation, was, is a major player, I think, in, in that space.

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So those are some of the things that, were, it's over 3 years ago we're being discussed as current use cases and just solely expanding and part of that was driven by the certainly by the pandemic in terms of what we saw with intelligence support.

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Today I think more interest around fraud detection, particularly as I mentioned in all of these entitlement and public assistance programs.

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Analysis around risk. And Alan mentioned climate certainly natural disaster. Forecast risk analysis, streamlining.

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Just general processes and in workflows and automation so as I mentioned this is an area where a lot of states have really pushed forward in terms of just, you know, RPA capabilities, not sophisticated AI, but just using some of the tools in that stack.

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With a machine learning. Generative AI has unleashed a whole new set. Of unmanaged expectations about about what's gonna happen and we can certainly, I could get over to Alan, but we've got, you know, states that are using those capabilities to a degree in testing those.

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We've got some states that are using, you know, AI to, think do to create now, so for example, sifting through a significant number of public comments from citizens and be able to draw inferences and patterns from that.

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Without having to spend human eyeball time going through those so that's gonna happen I think more and more with state governments anyway but lots of promise lots of potential certainly lots of discussions around governance.

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Around guard rails, around, structuring that. Some of those, which is I think could be, certainly, considered concern and dangerous as some of those may come from legislative bodies as they look at this.

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And so I think CIOs are. Cautious about, you know, how much of, their work in this area is going to be impinged by, legislative, directed or legislative mandates, because they are very concerned about You know, that side of the equation, they would

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prefer to do it and at least with one members in the executive branch and you know come up with these task forces and come up with these discussions early on one state the main has already announced a moratorium on, so very, very early out of the gate moratorium for 6 months on any generative AI use within the executive

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branch. They were concerned about the potential of that again exposing risk and some of the unintended consequences.

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So I think we're gonna see that's unusual only one do it, but I think we're gonna see more conversation about.

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Guidance and maybe perhaps. Stopping bad things from happening first so we'll see that as these task forces get stood up.

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Oh, I know you've we've written a lot and we've certainly done that. You know, collaborate with with the National Academy as well as AI, but the thoughts about local governments on that topic.

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Yeah, well, very similar kind of concerns. I mean, on the used side, anything with data, AI becomes the perfect complement in terms of looking for anomalies, patterns, and things that humans can't see as quickly or as readily.

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So we're going to see that in health. The better pinpoint things we're gonna see it already and please being able to predict things before they occur.

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Hopefully. And to be able to come up with, different kinds of plans based on data.

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Of course, much rest with the quality of data. The other side is the human interface with our citizens.

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We're already seeing that through the pandemic, the use of chatbots. And that's kind of misleading term because chat bots sometimes describe something on text but sometimes voice and speech recognition with these robots and computers has been remarkable.

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I've talked to some and I was talking to one in an airline and I said you're not real are you and I said does it matter?

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And I guess I said not. And this robot or it was very efficient. And then I said, is your supervisor a robot?

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And this is what is interesting. The response was you wouldn't know either. So I thought to myself, how interesting.

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And for the first time, I'm saying, wow, they're gonna be putting humor in AI because this is right now humorless except when it makes ridiculous and embarrassing mistakes.

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So, but on the policy side, this is interesting where yeah, everyone's kind of figuring out how do we be proactive?

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How do we do things now before things might get worse and it's too late to turn back. Both corporate America and I would say government generally is very nervous.

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The use of chat GPT in the office and the big reason is and there are many unintended outcomes but we can guess what some of them are and that is anytime you're putting information into a system.

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We have no guarantee that that it will not be shared and used by somebody, including intellectual property, copyright.

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Sensitive and, information that should not be shared. And yet those things could really be helpful.

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And this is where there's a dilemma. The public administrator is saying, but I need to have these tools to help me and I get that.

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As long as we have open AI systems the way we have them now. It's gonna make it really difficult.

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The managers say we can't guarantee what comes out of that black box. We're not even sure what comes out of that black box.

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We're not even sure what's in it. We can't guarantee what comes out of that black box. We're not even sure what's in it.

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So this is kind of a strange time to have a technology like this that is so powerful and positive at the same time to have a technology like this that is so powerful and positive at the same time to have a technology like this that is so powerful and positive at the same time so potentially dangerous in terms of the norms that we're used to in the laws laws

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that we hear too. So 2 things for fun. One, a podcast going back 4 episodes.

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I actually interview, Alexa and chat GPT. If you want to hear that, it's kind of interesting.

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And number 2, I had an article published yesterday, American City County Magazine on local governments regulating policy and AI.

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Why not ask chat GPT? And that's exactly what I did. So the outcome is very interesting in terms of they laid out a perfect outline.

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It's an interesting discussion. And I think this is something that's gonna go on for a long time, but there is an itch.

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Among legislator and local governments to do something because they just fear something is not totally right. This is so new.

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And so unpredictable in the very fact that they've had to invent a word. Called hallucination.

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When I first heard that I thought somebody was kidding, but when these systems come up with something that is totally wrong.

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And I've had experience with that and you would hear that in the podcast that I did. That is now referred to as hallucination and no one can explain exactly where they come from other than they're coming up with words and phrases because they want to give you something as opposed to saying I don't know.

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I wish they would say I don't know than saying that, I'm the CIO of the city of Atlanta, which in one rendition it said which is absolutely not true.

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Very good, very good. We've got several questions that were submitted again in advance and I'm gonna I've kind of combined all those because there's questions around these kind of AI.

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Use cases not just gender but I just, AI in general. I will not speak to generative AI as much as I will just.

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Potential for AI. So I thought even though we always talk about these webcasts, I always say fax are optional.

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I'm gonna give you some facts. So these will be good kind of sneak preview of some of the data we're going to be releasing in October.

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Where we asked our state CIOs and our most recent survey to, to basically select and rank there.

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Potential benefit from AI business processes. So what did they think over the next 3 years or so?

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What areas, within their state we're going to benefit the most. By far and away it was citizen services.

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Digital citizen services was number one by a fairly wide margin, but cyber security that already mentioned its subsidy operations, threat assessments, that are already mentioned in subsidy operations, threat assessments, that is strong number 2.

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A fraud, and. Thread assessments. That is strong number 2. A fraud, a prevention and detection came in.

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Again, in the number 3 slot procurement and acquisition, including contracting. And from a generative AI perspective, we've seen this.

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So we're gonna have AI on the analysis side, but we've had states that have already been testing, writing an RFP using chat GPT. So they've already been testing, writing an RFP using chat GPT.

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So they're basically using that platform to write the draft. So they're basically using that platform to write the draft RFP and many of them report that, it's basically using that platform to write the draft RFP and many of them report that, there's a pretty, The last 2

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HR, including recruitment and we've seen a lot of discussions around. The use of, of these tools within the HR screening, capabilities on the processing side and then licensing and permitting.

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So that's the kind of lineup that we're seeing in from from one community to state CIOs.

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They're looking at it from from the enterprise perspective. So Alan talked about. Of what we're seeing in there.

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And I've got a question here in the chat. I'm gonna go back to, I think this is it's related to your, top 10 there.

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What role does trust play? And number 8 and number 9, which I think had to do with. Challenges around, you know, the trust in government and the rejection of experts thought what are the recommendations to further increased trust in government.

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Comments on that.

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Yeah, that's probably the toughest thing that I see because it's not a technical issue and CIOs in particular are used to solving policies and technical issues.

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This is far broader and CIOs in particular are used to solving policies and technical issues. This is far broader in society.

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Talking about his concern about the potential for somebody to put something. In social media or chat that might say that he's ready to kill somebody and somebody misses it and then suddenly the school district is liable.

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So when you start thinking about liability and all this, you realize that, that there is a technology piece for greater monitoring and understanding.

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And I think this is where AI can come in. But the bottom line, and if you look at the, what even chat GP in my little interview in question suggests is we just need to have more of a dialogue with some of these naysayers.

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I mean, there's no way we can force anybody to have better appreciation of what technology can do, but there seems to be a growing distrust.

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So.

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Of government of course and that's been on a downward slide for decades. More so on the federal side less open state and even less so for local governments because I guess we're closer.

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But I think we have to have a dialogue and we can no longer just assume. That the experts because one is an expert that they just, you know, are the ones that will be making all these rules.

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I think there's a burden upon public officials. And staff like ourselves to bring people in the tent wherever we can and let them see things as we do.

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I think the first movement towards that occurred about 10 years ago with the open data movement. Now, when you look at the open data movement, you might think, oh, that was the brilliance of the public requiring data.

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No, it did not happen from the public. The public didn't even know they could ask for it.

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Where that really came from was public management who were under assault in a time when having data close to the heart was power.

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Now some people in enlightened group of people said, you know, there's more power in sharing information and letting people see what we're seeing with our eyes.

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I think we need more of that perspective to encourage people to take a look at things because they don't want to give up an expertise.

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There are experts we pay experts, we need experts. And there's a reason why we have them.

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That's why we have to understand the relationship between elected leaders. And this so called bad guy, this deep state that technically we're all part of.

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I don't buy that. I think there is a definite need for experts to help work with the politicians, they should not abandon us.

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And it's going to require a lot more dialogue and when you are on the winning side of an argument, your staff experts are fine.

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When you're on the losing side, then the staff experts on the opposing side. So we've got a rise above some of this this this battle to the bottom of intellectual morality and but it begins with good discussions and we we're at a point in time where we have more data to share that can make our point.

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And this is where I love GIS to be able to show map things and and let people play with some of this stuff.

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And give them a better sense of what they can do. Elections, yeah, they should be able to see what's going on in ways that we never thought we needed to do as long as their arms that they can see what they need to see.

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And be reassured because right now they're being fueled by a lot of misleading and absolute misinformation and disinformation.

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And we've got to take that on head-on.

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Yeah, I agree. That's a that's a challenge and I think that was certainly of a outcome or response from the challenges that state governments had during the pandemic.

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I think the trust equation for many citizens was broken. Because of the inability of the states to deliver those services in a critical time.

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In a streamlined and efficient manner. And that's because obviously they were overburdened, but you had literally millions of citizens that had not actually transacted any digital services with state government at all.

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And obviously lots of commentary about that that if you look at the the priorities of CIOs over the next 2 to 3 years in our study looked at we asked them to really look at that in a post pandemic kind of world.

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And number one was enhancing citizen services, enhancing that experience, which again was exposed during the pandemic as being unfriendly, not streamlined, a very, very poor experience and the same thing with the back end legacy aging systems as well as those.

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That may not have been at all, but certainly we're not designed to handle. The the magnitude of the crush of those citizens coming to those agency portals and so i think that again caused even additional erosion of I can't really trust my state government to be, you know, we talk about, that state

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government should be, you know, at its best when citizens lives are at their worst. And that did not, you know, that did not happen.

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So a lot of recovery that has to take place there. In terms of the both the both the governance model and the operational side and many of the states have really stepped up other game.

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We're seeing that we're seeing a dramatic set of expansions around those citizens services and some really good examples of states leading the way, improving their citizen experience with a wide variety of solutions.

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So that's got to continue to. Continue so I'm mature. let's jump back.

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And, talk about a question here about discussion of this is changing gears about the role of a CIO a broker strategist and a leader as opposed to a technician and whether all of the current discussions about emerging tech and AI and Generative AI is going to cause any, changes to that.

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I will give you my quick answer from the state CEO perspective. No, we haven't seen that with a lot of more discussion, but they are bringing in the experts that are creating these task forces.

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There's a bill in Connecticut that would actually create a chief. AI officer with under the Department of Administration.

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So, they're looking at another chief, bring another chief to the table. So I think we're I don't think that's gonna change the role of CIO.

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They are clearly marching forward with more. We look at how they're gonna deliver services. It's more outsourcing, more managed services, more cloud, more software as a service, things that have shifted even in the last decade, a tremendous shift from.

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What I would call kind of the sacred cows of well, we may do some of these things at a small level, but we're certainly not gonna put our ERP or financials in the cloud off premise.

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We're certainly not gonna put HR and personnel and payroll in an off-premise cloud solution provider.

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Well, that's all gone by the wayside. So things that You know, we're told as solid.

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Facts that were not gonna change have all morphed into much more fluid environment. And you know, there's variety of reasons for that as you said, the, the capex, opex discussion, it continues to drive that, but they want more flexibility.

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So I see, the CIO. At the state level anyway continue to be the business leader.

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Of IT. In terms of the capabilities when we ask What are the top characteristics or dimensions of leadership?

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That really. Point 2 successful state CIOs. It's being a strategist as being a communicator and it's being relationship management.

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Technologist is down number 9 or 10 on the list. So. That's my quick answer.

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Yeah, and I would say I started the same, answered no. Yeah, although it's more of a challenge I think at the local level because I think there's a greater struggle.

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Because of staffing and the perception of what the CIO does. I mean, I've been fascinated by the NASCAR study in 2,018 of a list of 10 technologist was listed number 9 and then 2022 guess what it was still 9 the first 3 transposed but it was still

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9 I used that a lot of the first 3 transpose but it was still 9 I used that a lot and local government CEO, but it was still 9.

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I used that a lot. And local government CIOs, you know, scratched their head and local government CIOs, you know, scratched their head because not only now they expected to know the other 7 areas or 8 areas, they still want to be the other 7 areas or 8 areas, they still want to be the technical person.

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So part of it is that they still came up the ranks, they understand technology, and there's nobody else there to fill that vacuum yet.

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I think the bench at local government is rather thin. I think they would, they would desire to have that kind of model where they could have a luxury.

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We did a study like 15 years ago that said that they could spend 5% planning and strategizing in a given week.

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They would be happy. Take on these new soft skills or professional skills that they really weren't expected to have before.

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That's why in our training programs, we really focused on emotional intelligence and all the other soft skills and communication.

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Because the language has changed. It's no longer cool wearing a jeans and cut offs, to make sure everyone knew you were the tech person.

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Now it's like we always say, you know, just like the climate, you know, whatever is, you know, going on.

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Look at the execs and don't try to be different. You want to be more in line so they can feel comfortable.

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It's not how you feel comfortable. It's all these soft skills. So yeah, it's going to change.

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I think it's going to be far more managerial. It's going to be far more managerial.

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It's going to be more far-reaching. It's going to be more far-reaching, less technical over time.

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Yeah, and if you look at again, I think the major gaps. 2 things. One is on the on the capabilities and discipline side throughout all of our work of last couple of years.

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A common theme is we don't have people that have transitioned. From the technical side into contract or contract or contractor monitoring, brokering, working with our external partners and vendors on solutions.

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We need people that can fit in that space. Because we've now, you know, outsourced part of that technical capacity, you know, particularly on the cloud and SAS side.

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And so we need people that can actually manage a program and manage a set of delivery vehicles and a set of contractors.

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We, those are the people that we really see there's an issue with and I think the other part of that for the leadership, whether it's a CIO or others.

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Well, I talked to governor, state officials, legislators, we do policy things with legislators. I often talk about their state CIO.

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What I hear, which is always funny is, oh, Doug, you know, my state CIO, he or she, they're doing a great job, but I just wish they would speak English.

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And so that's a challenge. You've got to be able to translate the value proposition of the of the benefits because states run on IP.

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And they do.

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And I think stand up and I think they need to understand that better as the as the the bottom line.

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Let, let me flip back here too, so I wanna be able to at least cover. We're gonna combine some of these questions, Alan it we got during a registration but one of these is around a comic we hear we hear a lot about it and I guess it's a state local challenge about Are you seeing an

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increase in efforts by statewide organizations to increase a whole of state service offerings, especially around And do you see, we expect further adoption of standard, cyber security programs, specifically state ramp or similar that are designed to serve.

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Cross state and local. Jurisdictions. Well, certainly on the, on the service offerings, we are zoned out that we're seeing a growth in those areas.

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Driven by a number of things, are driven by a number of things, but this is not new.

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These, the ability of states, but this is not new. These the ability of states to deliver and open up their master state price contracts have been around for years.

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The ability of states to deliver and open up their master state price contracts, have been around for years.

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We now have just turned it into more of a program and policy side with things like whole of state where you're bringing in local governments, you're bringing in again utilities, health care institutions, the educational environment.

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So you're bringing those in and even your corporate entities with this state. So it's much more of the we're gonna address, cyber disruption from that whole of state mall on the whole state mall on the whole state resilient which is a clearly a whole state resilient which is a clearly a good thing something

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NASCAR, the whole state resilient, which is a clearly a good thing, something NASCAR has advocated for.

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We've talked about whole of state and there's some really good examples of whole of state where there's a real good interaction with a local government.

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So states like Arizona have a pretty mature whole of state. Program and Michigan's been doing it for years.

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So, Jersey, there's other states where they're not only involved in governance but they're also delivering those services that's gonna clearly expand.

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During the, you know, with the grant program. States are making those decisions that it might be more efficient and a better use of those dollars to deliver.

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Cyber security training from a whole state perspective to their local colleagues and not give out discrete grants to do things like cyber training.

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So that's part of that. And then I think the second part on state ramp. Just a disclaimer I've been involved in state ramp since it's inception and involved in many committees alumni both are actually on the state ramp steering committee that I again I see the value proposition there because you

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have a you know a kind of a collaborative group Oh, state and local and private companies that can come up with Again, a good housekeeping seal for those third party providers that it's already that's being assessed with a rigid and common framework.

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If you don't have that and clearly what would have happened, which just happened in a lot of other domains is that the states would all be doing that individually.

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And, the outcome of that, if you fast forward 5 or 10 years would have been 50 different versions of the troop with each state imprinting their own Activity. That is not beneficial to the marketplace.

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It's certainly not beneficial to the cloud service providers because then they have to be able to adapt to each state.

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So I think having a national. State ramp model which is you know very obviously built you know model off of the fed ramp side is going to be valuable to both constituencies both the states and and the vendor community and it allows a lot of smaller a players in that space to be able to compete in state government.

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So. That's my commercial message with, with my disclaimer, Alan.

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Well, I have 2 ways to answer that. I mean, one when it comes to local government, I think local governments have a history of working together.

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In ways that aren't always publicly, addressed. Bigger counties take on cities GIS is a great example where somebody that has more of the expertise can take on the layering but making it available to everybody.

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There's a lot of sharing of services but and that continues mostly by necessity which is good. The state issue is tricky.

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Every survey for the last 4 years shows that a majority of local government CIOs are completely in the dark about what's going on with the state and the state CIO in particular.

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They don't ever relationship. They're not sure what's available. So we see reports sometimes saying, oh, we have all these services available and then we find a CIO has no idea.

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So there's a real gap now. I'm not faulting the state CIO at all in this.

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I and the ones I've talked to said, you know, it's me and it's everybody.

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How do I reach them? What is the best mechanism? And I think the missing piece. In the whole of government approach is we need to figure out better ways to tie in the local governments structurally in an ongoing not ad hoc governance pattern.

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I've been advocating the last couple of years that I think every state left to its own should divide their state into regions and then take the dominant player in any given region, whether it be a city or a county or some entity to be the main coordinator so that there's a reasonable way to

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manage, the requests. Pull together information. Possibly have somebody reporting to the state CIO or another cabinet level position that does nothing but coordinate a high level.

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With all these regions so that we have this ongoing relationship. Absent that we're really struggling. To make these connections on a permanent basis.

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So, it is a goal. I think it's worthy. I think it makes sense to put these things to scale.

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Now some people say that they can get better deals from vendors outside of some of the, the shared programs for purchasing.

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And the last piece I wanna mention is we've not talked about the purchasing officer. I think we've got to figure out better ways to educate the purchasing officers and let them work more closely at least with local government CIOs.

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And sometimes there's this big gap and when I talk to the purchasing professionals they always say I have no idea what they're doing so when they look at something they're looking at it from a very different perspective.

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There needs to be greater trust and trust begins with having ongoing relationships. So. There's some relationship building here and there's some governance building.

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I think that needs to occur. But the desire is there.

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Agree and what we have found that now Alan is correct and we look at our own data the challenges are kind of a 2 part answer that one is traditionally historically states and the state CI organization, although they make these offers, I call them, you know, offers of assistance and they have these capabilities and they have these master

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contracts. They, have no dollars to market these services. So they're, offering them, but they're not actually out doing educational promotion.

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Very, some states do. Texas does an excellent job in that in that. A good example of a state that does that.

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But for the most part, whether it's boxes and wires or whether it's services, the states don't have the real financial capacity and resources to go out and make these services known.

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So it's up to the local governments to find them on their own. And that's not a very effective collaboration model.

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But I again, I see those opportunities growing in the future if we get more of these more these programs.

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I think Alan's right, the procurement officials. Gotta be part of that. The other part for the states.

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Side is the fact that, it creates a, having, having worked in the state where we created these programs.

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They they can take some time to develop and build the trust between the 2 partners. The local governments need to trust their state to deliver on the promise.

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That has been a real challenge in the states because of the churn of the state CIO leadership.

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Again, as I mentioned, 21 already this year. The current median tenure of a state CIO is 24 months.

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24 months we have a very very small number of CIOs that over over 5 years. Of tenure and so that creates a challenge to that the local government partners is they don't know who's on first and the CI, new CIO coming in, local government relationships is not part of

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their. You know, the strategic top top list of priorities. So something we definitely have to work on.

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Question, that we, I'm gonna jump back here, Alan for our list.

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I'm trying to give us some different aspects. Here's a question that is different than all the others, which is a state question, but I actually these positions started in local governments.

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What is the status of states hiring Chief Data officers or CEO? In general, what is the role and where have the CDOs been, been effective.

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About half the states today have a chief data officer. The majority of them report to the CIO organization, but there's others that have independent by agencies or report through the budget office or through the office or Department of Administration for example.

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They, basic role is around, data governance and around, effective, data management at the enterprise level, meaning executive branch of state government.

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They're involved in creating the data architecture trying to, you know, normalize the data, elements out there, look at, you know, rationalizing what's going on in the data space.

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But a lot of that has to do with education and awareness. Around again building standards for the handling. Of data and looking for those opportunities to exploit data.

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For significant public sector problems, but doing that where you can utilize the resources from across the various agencies.

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So there's lots of good examples. I think states have been effective. In some cases not at all but in some in doing that I would point to Indiana MPH I'm Indiana management performance love and ASCO has recognized them in the past for some of their really, remarkable achievements in, in.

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managing. Data and also in being a shared service. A delivery for data analytics. So that's obviously the key there is can you can you use those data analytics tools to deliver and address these societal and public sector problems at the state level.

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That's what Indiana does. So they have a whole portfolio of work that they do as a shared service, you know, working with their collaborative agencies.

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In our recent report, a recent data and we'll be reporting this certainly in a couple of months.

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Not surprisingly one of the major challenges that we, spoke to this at our mid year conference, in May is that states have not really moved to educating the rank and file employees and what we call kind of a data literacy.

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Program and we have found that, 90%. Almost 90% of the states do not have that i think there were 7 or 8 states today that actually have a formal a data literacy program, Indiana being one of them to actually be able to educate again and rescale their employees around effectively using data.

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For evidence based decision making and insights. And so that's a challenge. But Alan, I know the local governments were actually the first.

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To bring some chief data officers on and they were focused as you mentioned previously on open data.

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They were. I mean, starting in Chicago and then moving to Boston, New York. I mean, Hey, this is nothing new.

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They may not have had the title, but they certainly had the function that continues today and parallel to that.

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I know we're running at a time, is the fact that many, cheap performance officers got into changes of titles.

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You know, performance was looking as punitive and then it became chief. Not a performance, but chief improvement officer.

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Using data to make things better. And now many of those same people are now cheap data officers.

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So, I would say someone is watching that and someone is responsible that it almost in every local government one way or the other, some have the title and some don't.

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Let's say it's an important issue and and most still report to the CIO.

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Thank you, Alan and, right at the top of the hour we have exhausted our time today.

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We've flown through some of these questions and certainly, apologize that we weren't able to get to all the questions in the chat and try to address a number of those and also combined some of the questions we got in the registration pre-registration functions.

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So personally I want to thank all of you that were able to attend this afternoon and hope you've got some insights as to what we're seeing in the in the state and local side.

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So on behalf of NASCAR, I thank you for your kind attention and it's and you continue to support of our organizations Alan closing comments.

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Same thing, it's a privilege being with you again. I think we have a winning strategy. We've had hundreds on the call.

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I appreciate that. I know many will be on the rebroadcast. So if you need a copy of the slide deck, let us know.

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But it's a pleasure and just keep your questions coming. We're there for you.

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Thank you and you all have a good rest of the day and a good week. Thank you. Bye.

