

# **Governor's Reorganization Plan #3: The Department of Technology Services**

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Chief Information Officer  
State of California  
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Little Hoover Commission

# Presentation Overview

- Background
- Planning for Consolidation
- IT Vision and Strategic Plan
- GRP Goals
- Organizational Change Management
- Metrics
- Conclusion

## Background

- Customers of Teale, HHSDC, and ONS touch the lives of nearly every Californian:
  - transportation information
  - business licenses
  - automobile registration
  - air quality standards
  - health care databases

## Our Customers\*

- Teale and HHSDC provide data processing services to over 300 customers, including:
  - Department of Social Services, Employment Development Department, Child Support Services, Developmental Services, Rehabilitation, Corrections, Mental Health, Franchise Tax Board, and Board of Control.
  - Department of Motor Vehicles, California Highway Patrol, Department of Transportation, Department of Finance, Secretary of State, Department of Corrections, Board of Equalization and the State Controller's Office.
- Major programs supported include, but not limited to:
  - Drivers' Licensing and Vehicle Registration; California Government Payroll; Parolee Database, to name a few.
- ONS:
  - CALNET users = State Departments and over 2,000 local agencies.

\*A complete list of customers is available.

# Planning for Consolidation

- Legislative Analyst's Recommendations (Feb. 2003).
- State CIO, *Re-Alignment of Responsibility for the Management of the State's IT Infrastructure and Resources* (May 14, 2003).
- In 2003, Legislature Directed Report by Finance Working Group.
- In 2004, Legislature Directed Consolidation and Took Budget Actions in Anticipation of Consolidation.
- CPR Recommendations SO1, SO2 and SO3 (Aug. 2004).
- Executive Order S-13-04 (August 24, 2004).
- California Information Technology Strategic Plan (Nov. 2004).
- Data Center Steering Committee (Nov. 30, 2004).
- Technology Advisory Peer Group (Jan. 27, 2005).
- Governor's Reorganization Plan # 3 (March 31, 2005).

**OBJECTIVE 1**  
Develop a Foundation for Transforming Government

**OBJECTIVE 2**  
Develop a New State Portal

**OBJECTIVE 3**  
Leverage Services between State Agencies, Federal and Local Government

**OBJECTIVE 4**

**OBJECTIVE 5**  
Continue Efforts to Implement Enterprise-Wide Applications Already Started

**OBJECTIVE 6**  
Ensure Executive Sponsorship for Common Business Management System Development, Implementation and Maintenance

**OBJECTIVE 7**  
Adopt statewide security standards

**OBJECTIVE 8**  
Assess and mitigate security risks

**OBJECTIVE 9**

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**OBJECTIVE 10**  
Establish a Layered Technology Governance Structure

**OBJECTIVE 11**  
Establish a Department of Technology

**GOAL 1**  
Make Government Services More

Performance of the State's IT Infrastructure.

**GOAL 2**  
Implement Common Business Applications and Systems to Improve Efficiency and Cost-Effectiveness.

Develop and Rebuild our Technology Workforce.

**GOAL 3**  
Ensure State Technology Systems are

Secure and Resilient Structures.

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**Vision**  
To improve public services and streamline government operations by going digital throughout the Executive Branch.

Performance of the State's IT Infrastructure.

Develop and Rebuild our Technology Workforce.

Structure.

Develop a statewide security management plan

Establish a Layered Technology Governance Structure

Establish a Department of Technology

**OBJECTIVE 10**

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**OBJECTIVE 12**

**OBJECTIVE 13**

**OBJECTIVE 14**

**OBJECTIVE 15**

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- 6 Goals
- 19 Objectives
- 52 Action Items

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**OBJECTIVE 10**  
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**Governance**

- Policy, Coordination and Leadership
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- Policy, Coordination and Leadership
- Services
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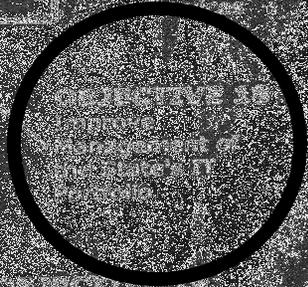
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- Governance**
- Policy, Coordination and Leadership
  - Services
  - Management
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  - Management
  - Performance Metrics



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To improve public services and streamline government operations by going digital throughout the Executive Branch.

**GRP Goals**

- More efficient, standardized, multi-agency systems
- Reduced infrastructure redundancy and variation
- Cost reduction for common infrastructure services
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- Reduced infrastructure redundancy and variation
- Cost reduction for common infrastructure services
- Enhanced ability for data sharing
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### Vision

To improve public services and streamline government operations by going digital throughout the Executive Branch.

### GRP Goals

- More efficient, standardized, multi-agency systems
- Reduced infrastructure redundancy and variation
- Cost reduction for common infrastructure services
- Enhanced ability for data sharing
- Improved ability for leveraged IT procurements
- Enhanced security and privacy protection
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## Vision

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## GRP Goals

- More efficient, standardized, multi-agency systems
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- Enhanced security and privacy protection
- Improved core technology support for all agencies
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- Reduced infrastructure redundancy and variation
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- Enhanced security and privacy protection
- Improved core technology support for all agencies
- More effective use & management of IT personnel

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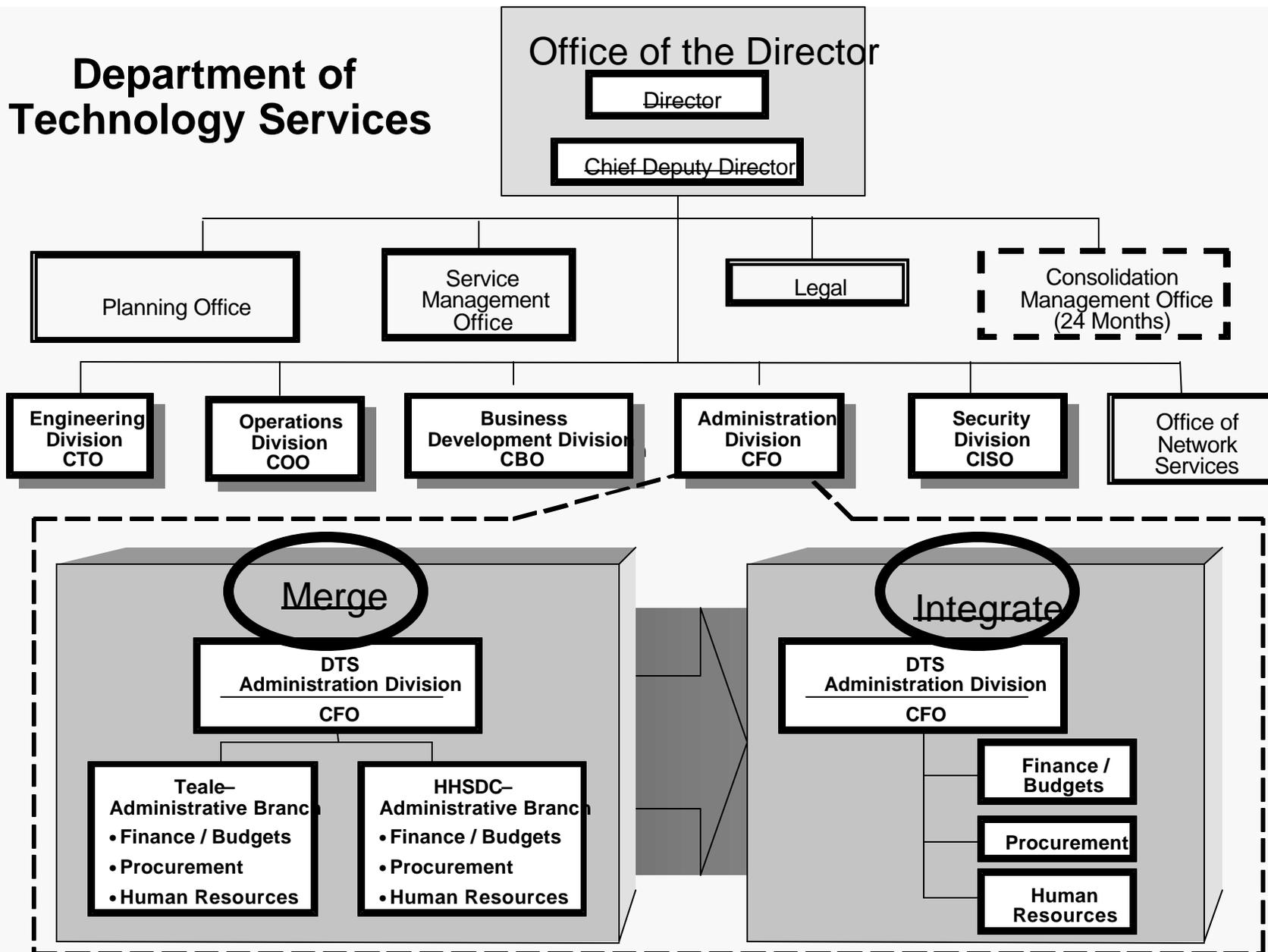
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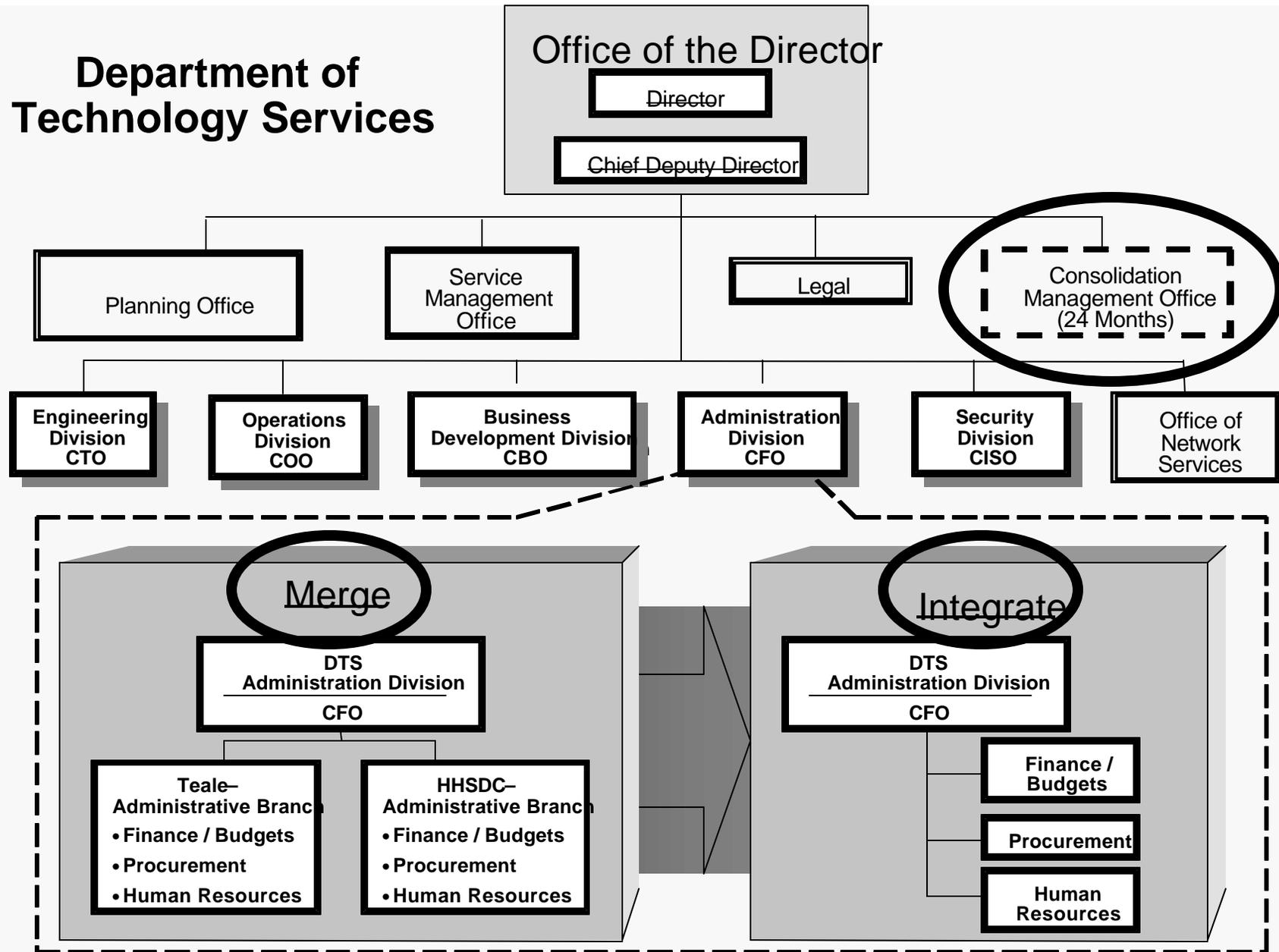
## Organizational Change Management

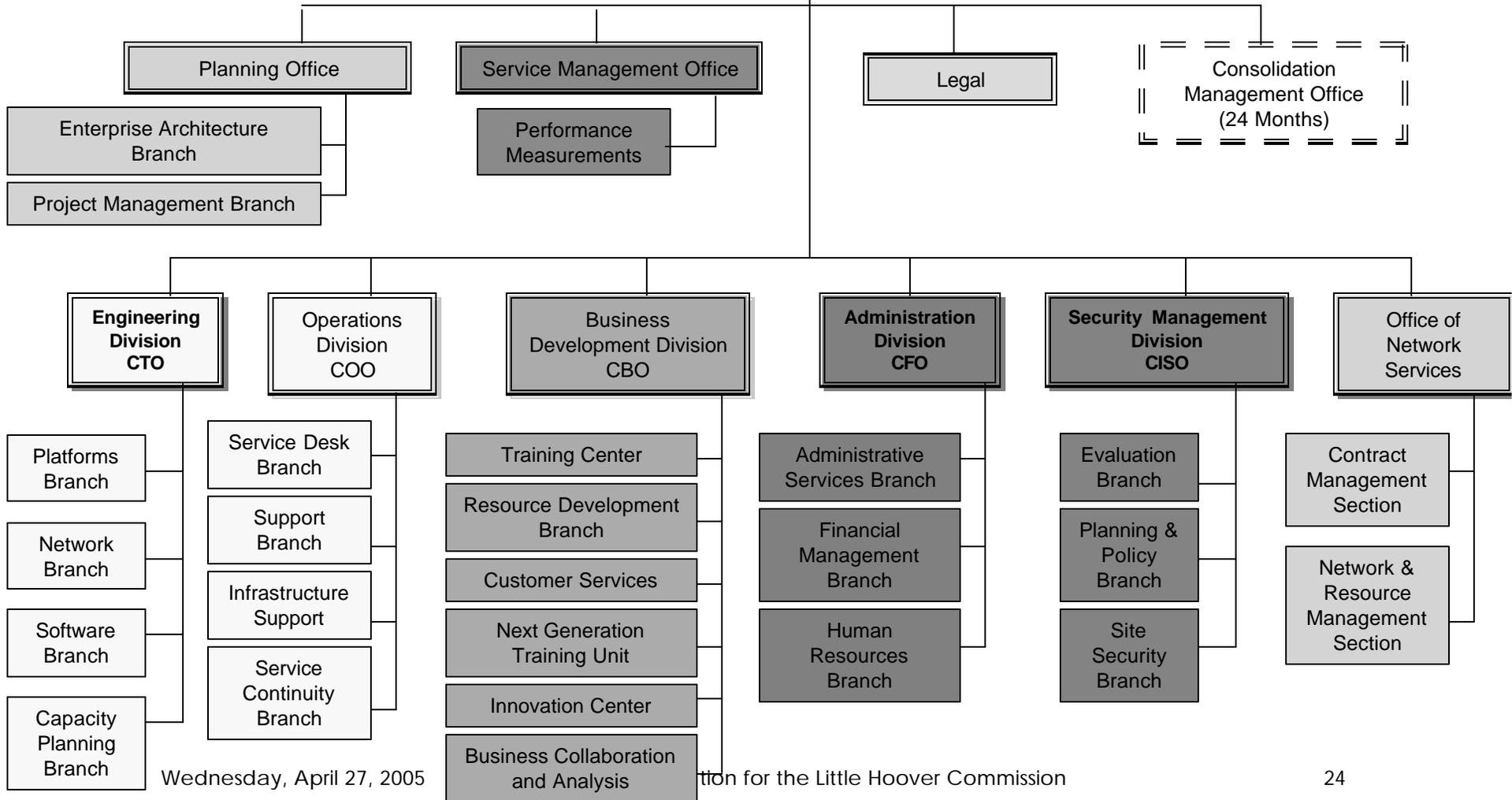
- *The Consolidation Approach* (April 1, 2005).
  - Collaboratively-developed implementation plan by Joint Executive Staff with review by Technology Advisory Peer Group and Data Center Steering Committee.
  - Merge Then Integrate.

# Department of Technology Services



# Department of Technology Services





# Organizational Change Management: Impacts to Existing Staff and Stakeholders

## Staff

- No layoffs.
- Minimal, if any, physical moves.
- Potential to increase skill sets making employees more competitive.
- Expect data center workload to increase by 20% during two year integration.
- Greater opportunities from greater workload.

## Stakeholders

- Do no harm during or as a result of the consolidation
  - All services to clients of both data centers remain at contractual service levels or better.
- Execute the consolidation with absolute integrity and appropriate transparency.
- Maintain open two-way communications with all stakeholders.
- Newly designed processes will be based on industry best practices.
- Consider risk and quality when deciding to consolidate similar systems.

## Metrics

- Timely Execution of Consolidation Project Schedule.
- Performance Measurement Project.
  - Oriented around DTS's suite of services.
  - Key Performance Indicators for DTS Operational and Executive Management and for DTS Clients.
- Independent, Customer Oversight by Technology Services Board.
  - Rates.
  - Services.

## Conclusion

“We should use the opportunity created by consolidation to transform our data centers into more customer-oriented entities that provide more cost-effective services. To achieve this desirable goal, the new Department of Technology Services should operate as much as possible as an independent service organization with flexibility to act decisively and responsively to the business needs of its customers.”

J. Clark Kelso,

*Report and Recommendation on*

*Data Center Consolidation,*

p. 5 (Jan. 10, 2005).