# 5 Best Practices for IT Modernization Success

IT modernization is an opportunity for state and local governments to build a foundation for ongoing digital transformation and innovation. But it requires a commitment to change and learning. Brenda Decker, Director of Global Government at IBM and former CIO for the state of Nebraska, and Jennifer Buckles, IBM Client Executive for the State of Ohio, recently discussed what government agencies need to consider before they begin their IT modernization journey and best practices for modernization success.

## Define IT modernization

Decker recommends agencies start by defining what IT modernization in government means to them. According to Decker, IT modernization is commonly about three things:

- **Effective and efficient use of information.** This includes figuring out how to best store information and determining how it will be presented to government employees and constituents.
- **People, processes and cultures.** Agencies should work to attract talent and focus employees more strategically and for higher-level tasks.
- **Procedures and data.** This involves determining how to update government procedures and ensuring those processes evolve, as well as using data to enhance decision-making.

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## Best practices for the journey

Once agency leaders define what IT modernization means to them, they should determine their primary modernization goals. For example, about six years ago, state of Ohio IT leaders realized that approximately 80 percent of their budget was used to maintain their legacy IT infrastructure, leaving only about 20 percent for citizen- or employee-serving applications that could help them work more efficiently or solve business challenges. Looking to change that scenario, the state launched a multiyear journey to modernize its legacy systems. One of the primary goals was to consolidate 27 different data centers into one private cloud data center. The migration has helped drastically lower costs and improve services.

"Within three years, that consolidation resulted in $150 million in savings," says Buckles. "At the same time, they have been able to flip their spending priorities, so they are now using about 20 percent of their IT budget to maintain IT infrastructure and 80 percent on application development and innovation."

Today, the state is focused on application consolidation to drive additional efficiencies and is leveraging its private cloud beyond infrastructure. Most recently, state leaders began examining how they can embrace newer technologies like artificial intelligence and machine learning to further reduce internal operational costs and improve citizen-facing services.

The lessons Ohio learned along the way may help other government agencies as they begin the journey toward a digitally enhanced enterprise. Some of the best practices Decker and Buckles discussed include:

## 1. Focus on business issues, not IT.
Before diving into modernization efforts, define your organization's priorities and how you can best address them. Many agencies are grappling with issues like spurring economic growth, managing aging populations, updating outdated infrastructure or improving public safety. Consider your biggest priorities and then examine how technology can help you tackle those challenges rather than the other way around.

## 2. Analyze your workload portfolio.
The next step is to analyze your workloads and identify and prioritize which ones to move to the cloud. Focus on being cloud smart rather than cloud first. Some workloads will enable quick wins to help build the evidence you need to support more complex, long-term efforts. Other workloads will require more planning. In those cases, you may consider keeping data in an on-premises data center that can be accessed via an API and front end built for the cloud.

## 3. Assess your organization's readiness.
Consider your organizational readiness, including both cultural and resource readiness. Cultural readiness can include things such as stakeholder buy-in, appetite for risk, collaboration and new organizational models. Resource readiness is also important. Examine your existing resources to make sure you understand your existing commitments and determine if you can achieve your goals on time.

## 4. Focus on people before processes.
Before committing to change, identify the benefits you hope to gain and the metrics you'll use to measure them. Then, share your vision to encourage buy-in among both leaders and personnel.

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In Ohio, getting independent government executives to buy into a statewide consolidation effort was challenging at first. The CIO at the time worked with department leaders to articulate the advantages and reiterate the importance of collaboration to achieve broader gains.

"He helped them keep in mind that a consolidation effort would collectively make the state more efficient," says Buckles. "He also encouraged them to think about how they could reinvest the funds they saved so they could better utilize their IT budgets. That's what built the buy-in."

## 5. Start moving.
Finally, Decker and Buckles recommend agencies dive in when it comes to modernization.

"There's never going to be a perfect time to take on a big, risky change," says Buckles. "Maybe not everything is ready to move, but if you don't start somewhere, you'll never get anywhere. If you don't start the journey, you'll find every reason not to."

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"Modernization is a journey," says Decker. "You have to dive in, then mature as you go and see what's working and what's not. Technology changes constantly. It's about understanding where you are, where you need to go and then moving incrementally."

*This session is part of the IBM Government Cloud Virtual Summit, a free, online event featuring 20 sessions with insightful keynotes, illustrative case studies and deep dives into job-critical topics for government leaders. To view any of these sessions, visit www.govtech.com/ibmvirtualsummit*

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