




# UNLEASH THE NEW:

STATE GOVERNMENTS GET AGILE

Initial findings from  
Accenture and NASCIO

 **accenture** consulting

**N A S C I O**  
 Representing Chief Information  
Officers of the States

# Host



**Eric Sweden**

***Program Director  
Enterprise Architecture & Governance  
NASCIO***



# Panelists



**Ed Toner**

*Chief Information Officer  
State of Nebraska*



**Peter Kelly**

*Chief Deputy Director Health  
and Human Services Agency's  
Office of Systems Integration  
State of California*



**Keir Buckhurst**

*Managing Director  
Accenture*

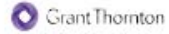


**Doug Robinson**

*Executive Director  
NASCIO*



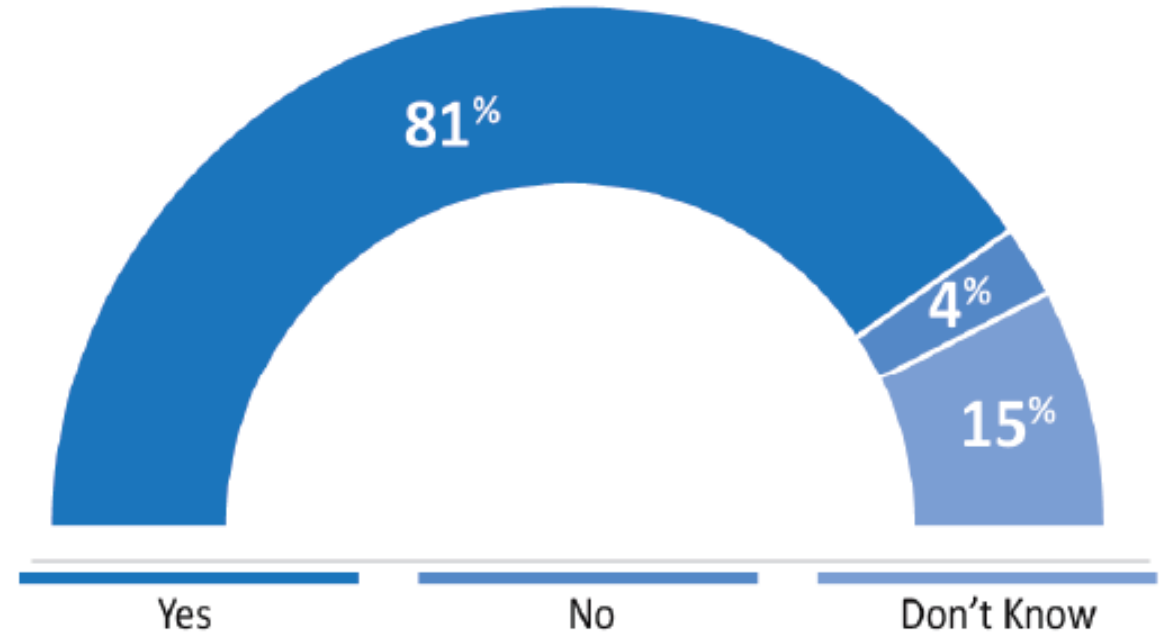
THE 2016 STATE CIO SURVEY  
SEPTEMBER 2016



## the ADAPTABLE STATE CIO



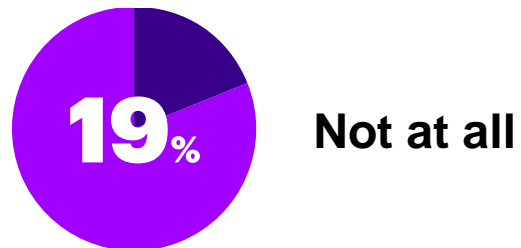
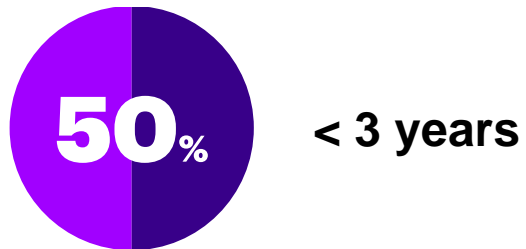
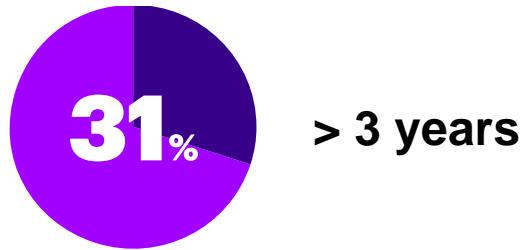
Do you anticipate increased use of agile or incremental software development approaches in your state within the next 12-24 months?



# THE "STATE" OF AGILE

## STILL LEADING EDGE

### RESPONDENTS USING AGILE



## AGILE'S PIECE OF THE IT PIE



Use Agile on 1-20%  
of projects

## AGILE IN THE MIX



“

IF A PROJECT ISN'T DELIVERING  
YOU SHUT IT DOWN.

You need to start with the hardest milestones first, not the easiest, so **you can ensure that you don't fund something that doesn't work in the end.** You need to turn projects into feasibility studies that if they work they then get more funding. We are trying to create a culture of controlled failures – **we don't want to fail fast we want to correct fast.**”

*CIO*

# "PROCESSING" IMPROVEMENTS

No matter how new systems are developed, it's prudent to evaluate business processes before automating them. We asked states that implement Agile and tackle process analysis or re-engineering before project kickoff how they approach such improvements:

**78%**

Business process mapping

**49%**

LEAN process

**46%**

Process re-engineering

**24%**

Design thinking

**24%**

Kaizen

**22%**

Six Sigma

**20%**

Kanban

# LEADING THE WAY IN AGILE

AGILE MATURITY

## WHO'S SPEARHEADING AGILE IN STATE GOVERNMENT?

**24%**

No single person

**23%**

Application Development Lead

**11%**

Chief Information Officer

**9%**

Agency-level head of IT

**33%**

All others

When it comes to Agile, survey results suggest that state CIOs have important opportunities to provide enterprise governance and leadership.





# AGILE HELPS STATES ACHIEVE MORE OF THE RESULTS THEY WANT

## AGILE SUPPORTS:

**74%**

Increased customer engagement and business ownership

**71%**

Improved customer satisfaction

**68%**

Improved quality

**65%**

Improved transparency

**59%**

Greater flexibility

**50%**

Less risk

Enhanced customer engagement and satisfaction can be especially beneficial to CIOs whose services are fully charged back to agencies.

“

TO HAVE STAKEHOLDER INVOLVEMENT  
IN EVERY PROJECT HAS BECOME  
NON-NEGOTIABLE FOR ME.

This idea that you can sit down and write down a super detailed requirements document and toss it over the wall and check back in six months and expect something to be built that's close to what you're expecting is just ludicrous. We need to incorporate both the dev and business feedback – it's too valuable not to have.

”

*Project Manager*

# AGILE HELPS STATES GET LESS OF THE RESULTS THEY DON'T WANT

AGILE HELPS PREVENT:

**70%**

Wasted money from ineffective IT projects

**66%**

Large IT project failures

**60%**

Delayed implementation

**58%**

Programs that do not meet business needs

**43%**

Programs that do not meet citizen needs

# DELIVERING VALUE— FASTER AND BETTER

AGILE BENEFITS

**98%**

of respondents agree:

**Our customers like to see the frequent updates capable through Agile**

**95%**

of respondents agree:

**Agile produces excellent results**  
**Customers are satisfied with the end product from applying Agile**

**87%**

of respondents agree:

**Success with Agile comes from starting with discrete projects and then building up**

# AGILE ADOPTION: WHAT'S STANDING IN THE WAY

## BARRIERS TO BUST:

### ORGANIZATIONAL

**75%**

Lack of training/  
knowledge in how to use

**70%**

Procurement is not set  
up for Agile projects

**47%**

Culture does not  
support Agile

### TECHNICAL

**77%**

Legacy solutions

**58%**

Integration with  
other systems

**53%**

Not having DevOps  
to support

"AGILE IS NOW A PROVEN APPROACH AND SHOULD BE ADOPTED TO REDUCE RISK... WE ARE WORKING WITH PROCUREMENT ON THE PROCESS. OUR BIGGEST CHALLENGES ARE CHANGING THE BUSINESS CULTURE TO GET USED TO FREQUENT RELEASES AND DEVELOPING DEVOPS CAPABILITIES."

**“A METHODOLOGY IS  
STILL ONLY AS GOOD  
AS THE PEOPLE  
EXECUTING IT.”**



# TALENT TROUBLES

BARRIERS TO AGILE

## STATE GOVERNMENT CAN'T FIND ENOUGH AGILE TALENT

**47%**

**IT functions struggle to recruit and hire but eventually fill positions**

**6%**

**IT functions simply fail to recruit and hire**

Despite a lack of training and difficulty recruiting talent, only 6% are engaging with coaches or consultants to support Agile



# CULTURE CLASH

States made it clear. Adopting Agile requires significant cultural changes. These are among the top challenges:

**57%**

Embracing change

**36%**

Extent of business involvement

**32%**

Business and IT being able to work together

**30%**

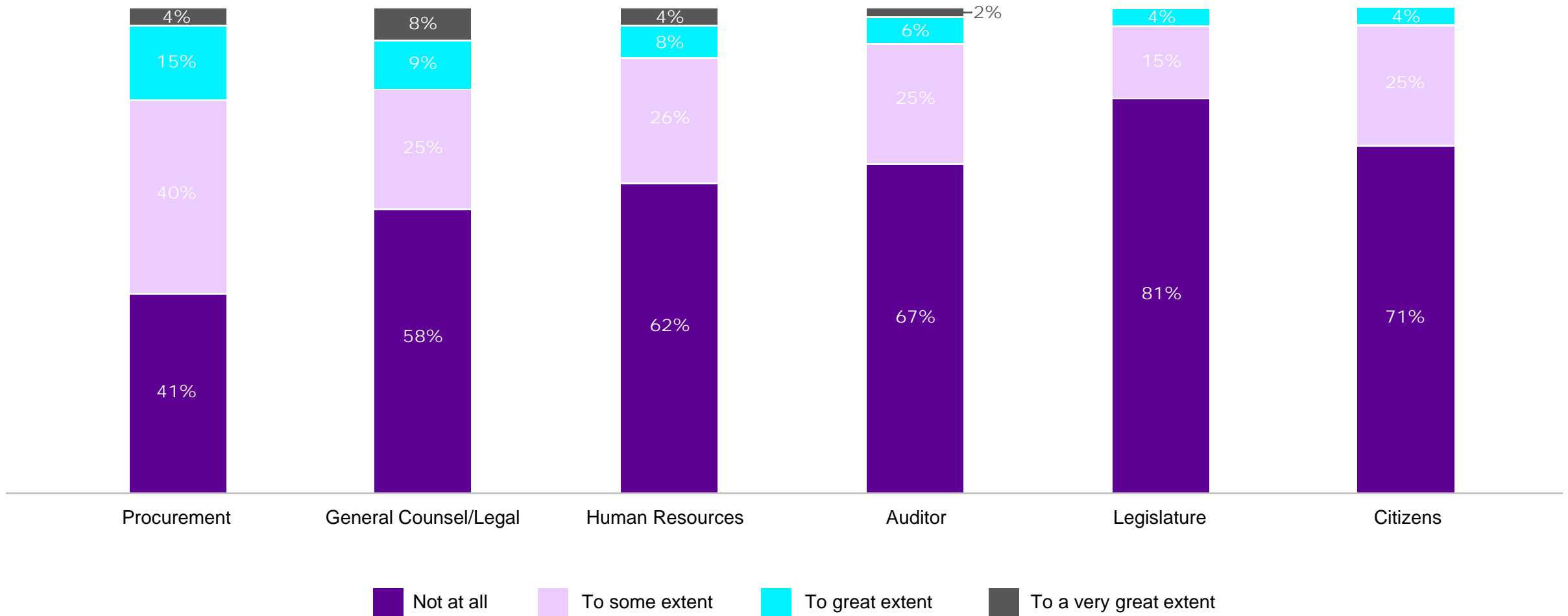
Sharing project ownership

**30%**

Collaboration across functions

# IT FUNCTIONS ARE NOT COLLABORATING ON AGILE ACROSS THE ENTERPRISE

Amount of Collaboration on Agile



# AGILE: GOOD FOR EVERYONE BUT MORE CHALLENGING FOR GOVERNMENT

AGILE OPPORTUNITIES

**98%**

**Agile is effective for  
state government**

**96%**

**Agile does a better  
job of engaging  
the customer**

**47%**

**Agile is just as  
easy to implement  
in government as in  
the private sector**

# NEXT STEPS

- THE QUALITATIVE RESEARCH PHASE IS UNDERWAY
- COMPLETED INTERVIEWS ACROSS THE ECOSYSTEM, INCLUDING AUDITORS, COMPTROLLERS AND BUDGET AND PROCUREMENT OFFICERS
- FINAL REPORT AND FINDINGS WILL BE PRESENTED AT NASCIO ANNUAL CONFERENCE IN OCTOBER

# ABOUT THE RESEARCH

## METHODOLOGY

Accenture partnered with the National Association of State Chief Information Officers (NASCIO) to create and develop the survey tool. The survey was informed by informal interviews carried out at NASCIO's annual conference in fall 2016. NASCIO distributed a survey link to its membership. CIOs were encouraged to share the survey with agency leads. NASCIO also worked with the American Public Human Services Association (APHSA) to distribute the survey to its IT Solutions Management group. The survey was in the field from January 27 to March 3, 2017, with 53 completed responses from 34 states and one territory. Respondents could voluntarily identify themselves and provide recommendations of others to speak to for the next phase of the research.

## ABOUT ACCENTURE RESEARCH

Accenture Research uncovers disruptors, shapes trends and creates data-driven insights about the most pressing issues organizations face. Combining the power of innovative research techniques with a deep understanding of our clients' industries, our team of 250 researchers and thought leaders spans 23 countries and publishes hundreds of reports, articles and points of views every year. Our breakthrough research is supported by proprietary data that guides our innovations and allows us to transform theories into real, practical solutions.

## ABOUT NASCIO

Founded in 1969, the National Association of State Chief Information Officers (NASCIO) represents state chief information officers and information technology (IT) executives and managers from the states, territories, and District of Columbia. NASCIO's mission is to foster government excellence through quality business practices, information management, and technology policy. NASCIO provides state CIOs and state members with products and services designed to support the challenging role of the state CIO, stimulate the exchange of information, and promote the adoption of IT best practices and innovations. From national conferences to peer networking, research, publications, briefings, and government affairs, NASCIO is the premier network and resource for state CIOs. For more information, visit [www.nascio.org](http://www.nascio.org).

## ABOUT ACCENTURE

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions – underpinned by the world's largest delivery network – Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With more than 394,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives. Visit us at [www.accenture.com](http://www.accenture.com)

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