UNLEASH THE NEW:
STATE GOVERNMENTS GET AGILE

Initial findings from Accenture and NASCIO

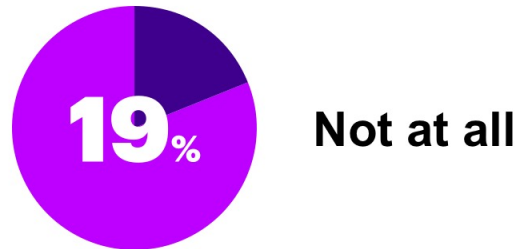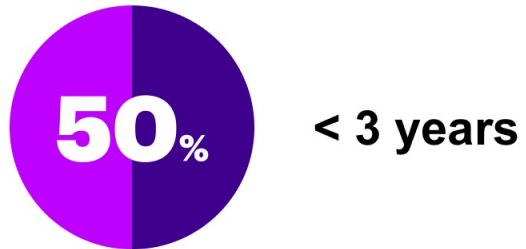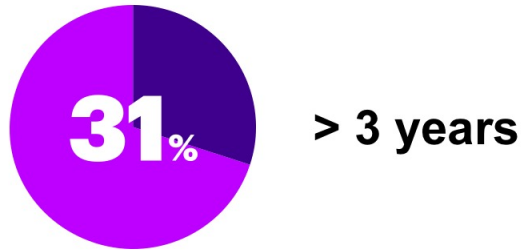accenture consulting

N A S CIO
Representing Chief Information
Officers of the States

THE "STATE" OF AGILE

STILL LEADING EDGE

RESPONDENTS USING AGILE

31% > 3 years

50% < 3 years

19% Not at all

AGILE'S PIECE OF THE IT PIE

59%

Use Agile on 1-20% of projects

AGILE IN THE MIX

53% Frequently blend Agile with other implementation methodologies on an IT project

40% Rarely or never blend Agile with other implementation methodologies

"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 <u>and</u> 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

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.

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

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

"CONSTRAINTS FOR AGILE ADOPTION ARE CULTURAL AND PROCUREMENT. CHANGE OF PROCESS ADOPTION IS EASIER FOR NEWER STAFF THAN STAFF THAT HAVE BEEN ENGRAINED IN LINEAR PROCESSES."

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."

AGILE SKILLS IN SHORT SUPPLY

"AGILE IS NOT YET CONSISTENTLY USED ACROSS THE ENTERPRISE. APPLICATION OF AGILE IS HIGHLY CORRELATED TO SPECIFIC INDIVIDUAL EXPERIENCE."

58%

Less than 20% of our state IT workforce is highly skilled in Agile

9%

Our IT workforce has no skills in Agile

TALENT TROUBLES

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 cultural 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

AGILE: GOOD FOR EVERYONE BUT MORE CHALLENGING FOR GOVERNMENT

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

GETTING AGILE

These initial findings affirm that Agile is a
viable approach for state CIOs to consider.

STAY ENGAGED WITH US AS WE CONTINUE THE RESEARCH—AND THE CONVERSATION. WE WILL BE RELEASING ADDITIONAL RESEARCH LOOKING AT THE BEST PRACTICES RELATED TO STATE GOVERNMENT'S USE OF AGILE.

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 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.

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 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

FOR MORE INFORMATION, PLEASE CONTACT:

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