Transforming IT Governance from Operational to Strategic

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Transforming IT Governance from Operational to Strategic

Introductions

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Today’s Session

Our discussion is focused on how best to engage non-IT stakeholders and implement effective governance practices to support the strategic goals of the institution.

Learning objectives:

1. Understand the benefit of IT governance comprised of cross-functional leadership

2. Learn how the CIO at VCCS gained leadership buy-in to radically restructure the system-wide governance structure

3. Take time to reflect on next steps to develop the stakeholder buy-in for supporting strategic decision making in moving initiatives forward on your campus
Agenda

1. Background
2. Activity 1: Assessing Current State
3. Approach
4. Strategic Governance at VCCS
5. Activity 2: Lessons Learned
6. Questions
Background
VCCS Has a Bold Vision
The Complete 2021 Strategic Plan focuses on one goal: Tripling the credentials students earn in academic and workforce areas by 2021.

About VCCS

- Established in 1966
- 228K+ enrolled students and 98K FTEs*
- 7,350 faculty*
- Approximately $82M FY20 IT budget
- ITS supports a Shared Services Center
- 23 member colleges, each with their own President and College Technology Officer (CTO)

*Fall 2018

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Previous IT governance was ineffective
Prior governance structures lacked transparency and required well defined, broader stakeholder input to steer the System’s resources appropriately.
Communication Gaps Frustrate All Sides
Roles and responsibilities were unclear within and outside of ITS, causing frustration, rework, and project delays.

A lack of tools and structure to build cross-organizational partnership created the perception that ITS was providing support in a vacuum.
VCCS Lacked a Technology Roadmap

College leaders did not understand how technology investments fit together into a complete roadmap and therefore could not invest scarce funds and resources strategically.

- **VCCS Technology Roadmap**
  - While the long-term strategy is highly important, VCCS has immediate pressing need to update SIS and HRMS
  - "Do not let the business side purchase major software products without consulting ITS. We are seeing duplicate, extremely expensive, products purchased when we already have products in house that do the majority of what some of these new products do."
  - Stakeholders do not view ITS as a partner in identifying innovative solutions with advanced technologies
  - Duplicate licensing for various services leads to redundancies and high costs
  - Absence of a comprehensive service catalog with existing IT resources prevents standardization, optimization, and integration of new and existing tools and applications
  - Responsibility for the strategy and execution of the ERP strategy appears to exist outside of ITS – ITS expertise in technology solutions and implementation is not fully utilized
  - Application management is largely decentralized
  - Current ITS services do not meet the rapidly changing needs of end-users and cause setbacks in operational advancement
  - There is a lack of clear and effective communication between ITS and its stakeholders and ITS understanding of business needs is lacking
  - "We tend to become a system-focused system, not a college-focused system - starting from the wrong end here - need to engage the colleges from the start, otherwise the tail is wagging the dog."
  - Insufficient core IT services hinder innovation to meet student and stakeholder needs

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Activity 1
Activity 1: 5 minutes
Assessing Current State

On your own or with your colleagues, identify:

1. What are the current state challenges related to managing and delivering IT services at your institution?

2. What (if any) communication and alignment gaps exist between IT and academic/ administrative staff?

3. [And/or] what is particularly effective about your current governance model? How are you assessing its effectiveness for all stakeholders?

4. What is the impact of the current state of your governance model on the institution’s ability to deliver on its mission?
Approach
Technology alone does not solve problems, people and leaders do
What is IT governance?
Aligning to a shared understanding of what governance is and is not.

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<th>Enterprise Governance of IT Is:</th>
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<td>• An <strong>ongoing practice that enables alignment</strong> between IT and the mission of the organization</td>
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<td>• A <strong>process to push decision-making to appropriate levels</strong> in the organization and escalate only complex and multi-faceted decisions</td>
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<td>• A <strong>defined way to allocate strategic resources</strong> to the System’s highest priority change-efforts</td>
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<td>• <strong>Forthright in communications</strong> and decision rationale</td>
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<td>• On-going and evolving – <strong>there is no one size-fits-all model</strong></td>
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Good governance requires **making decisions** and supporting their implementation.

Governance is about bringing the “right” people to the table to have the “right” conversation with the “right” process and “right” information available.
Recommended Processes and Tools

Effective IT governance is determined as much by the supporting tools and processes as it is the membership and designated groups.

**Thresholds**
To help bring the right decisions to the right group/level, a set of thresholds should be defined to differentiate between project types; thresholds can be based on estimated hours to complete, estimated cost, strategic impacts, etc. and, once defined, the interaction model can use this information to determine who should have visibility into which types of requests.

**Templates**
A set of templates should support all governance activities; templates may include a project request form, a business case template, a project health check form, a technical standard template, and a lessons learned template.

**Process Ownership**
To be effective, committees need a person or group of people to support the actual operations; this includes activities such as developing materials for meetings, taking meeting minutes, moving decisions from one committee to another, and tracking metrics on the effectiveness of the governance structure.

**Charters**
A charter template clarifies each committee’s purpose by defining key elements including responsibilities, membership, decision rights, inputs and outputs, and reporting requirements.

**Committee Training**
As part of the initial launch of the committee and as membership changes, members are trained on committee charter elements, supporting processes and the overall governance model; this helps members understand committee operations within their specific committee and how they fit into the big picture.

**Defined Interaction Model**
As part of the governance design, the System needs a model for governance interactions, how the individual committees interact with the organizations represented, how committees interact with one another, how and to whom decisions are escalated.
Best Practices
Effective governance can be supported by several design principles and guidelines.

The model should be:
- Comprised of a representative set of stakeholders
- Inclusive of senior leadership at all levels, including all key academic leadership positions
- Designed according to the specific needs of the institution – that is, limits the number of standing committees
- Driven by guiding principles in the best interest of the System
- Not static and can be continually assessed and revised

...And enabled by:
- Knowing who is responsible for making decisions
- Knowing how decisions are made
- Communicating decisions to impacted stakeholders
- Knowing who is responsible for owning implementation of decisions
- Following a decision-making process that is both timely and deliberate
- Metrics for success and measuring progress
Strategic Governance at VCCS
Previous IT governance was ineffective
Prior governance structures lacked transparency and required well defined, broader stakeholder input to steer the System's resources appropriately.
Future State Model
The future state IT governance model enhances collaboration with a range of existing VCCS governance bodies, and streamlines the decision-making process across the system.

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System-wide IT Challenges

Our governance model needs to be equipped to address how we best leverage our IT investments across the system in service of our students.

1. How can we eliminate duplication of efforts across the System where they do not add value?

2. How do we ensure the security of VCCS data?

3. What is the System-wide roadmap that outlines core technology investments over the next five to ten years?

4. Where can we deploy standards across the System to increase efficiency and effectiveness?

5. How do we leverage technology to support student success?

6. How do we ensure decisions are both made in a timely manner yet not made before they are properly vetted and communicated to stakeholders?

7. How do you make sure you have the right people in the conversation around IT investments?
Activity 2
Activity 2: 5 minutes
Designing a Future State Model

On your own or with your colleagues, consider how your own governance model might be developed or revised. Identify:

1. What are the 1 to 2 lessons that might impact the shift to strategic governance at your institution?

2. Who needs to be in the room and what types of decisions will they be asked to weigh in on?
Questions?
Questions? Contact us!

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