

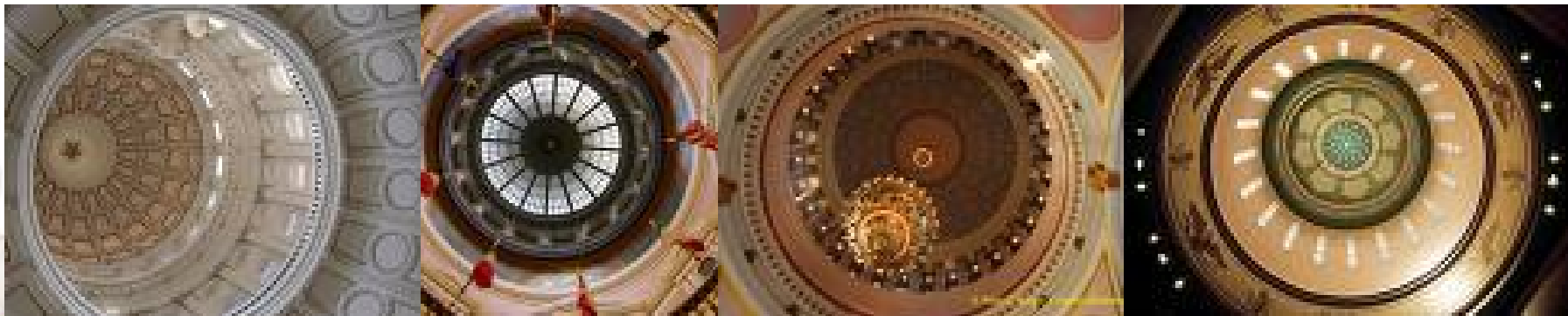
State Government Information Technology: Leadership, Priorities and Trends

**State of South Carolina
Senate Finance Committee
February 12, 2013**

**Doug Robinson, Executive Director
National Association of State Chief Information Officers**

About NASCIO

- National association representing state chief information officers and information technology executives from the states, territories and D.C.
- NASCIO's mission is to foster government excellence through quality business practices, information management, and technology policy.
- Serving state IT leaders since 1969

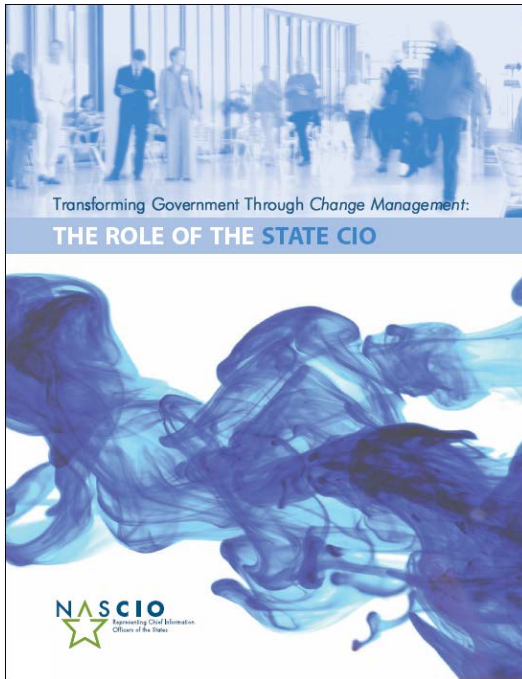


- ✓ **Fiscal recovery:** budgets are better, slow revenue growth, impact of federal reductions
- ✓ CIOs seeking IT operational **cost savings** and alternative IT sourcing strategies and **collaboration**
- ✓ **CIO Balancing Act:** living with the past while seeking innovation
- ✓ IT security and growing **risks!**
- ✓ IT **workforce:** retirement wave, skills gap, recruiting challenges
- ✓ State CIO **transitions** continue: 35 new CIOs in last two years

State IT Landscape Today

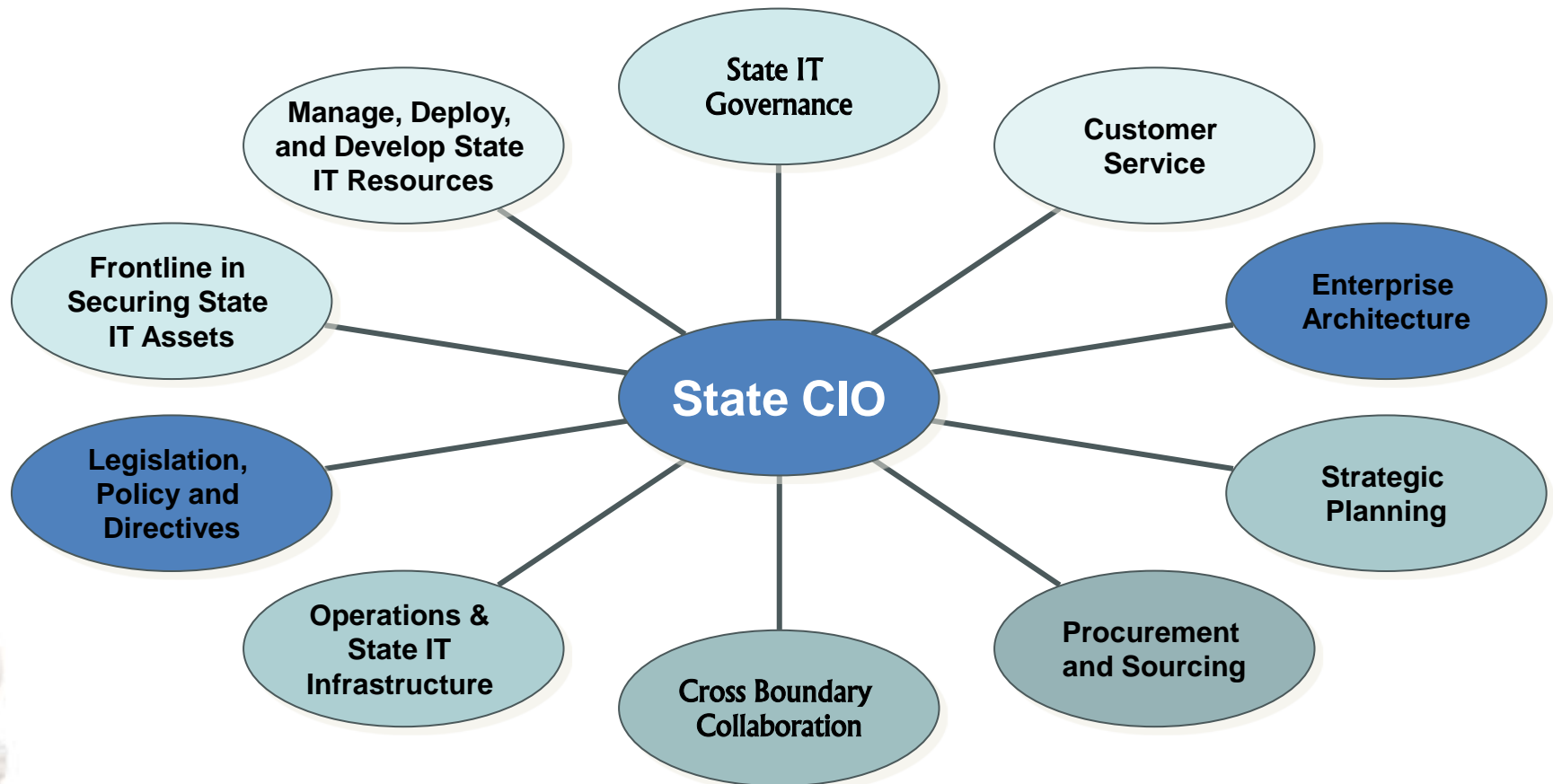


CIOs: Bringing Focus to the “Enterprise”



- Strategy and governance
- Driving efficiency - improving state government operations
- Cross functional collaboration
- Managing and mitigating risks
- IT portfolio management
- Monitoring performance
- Leading change and innovation
- Interpreting federal guidance

Multi-Faceted State CIO

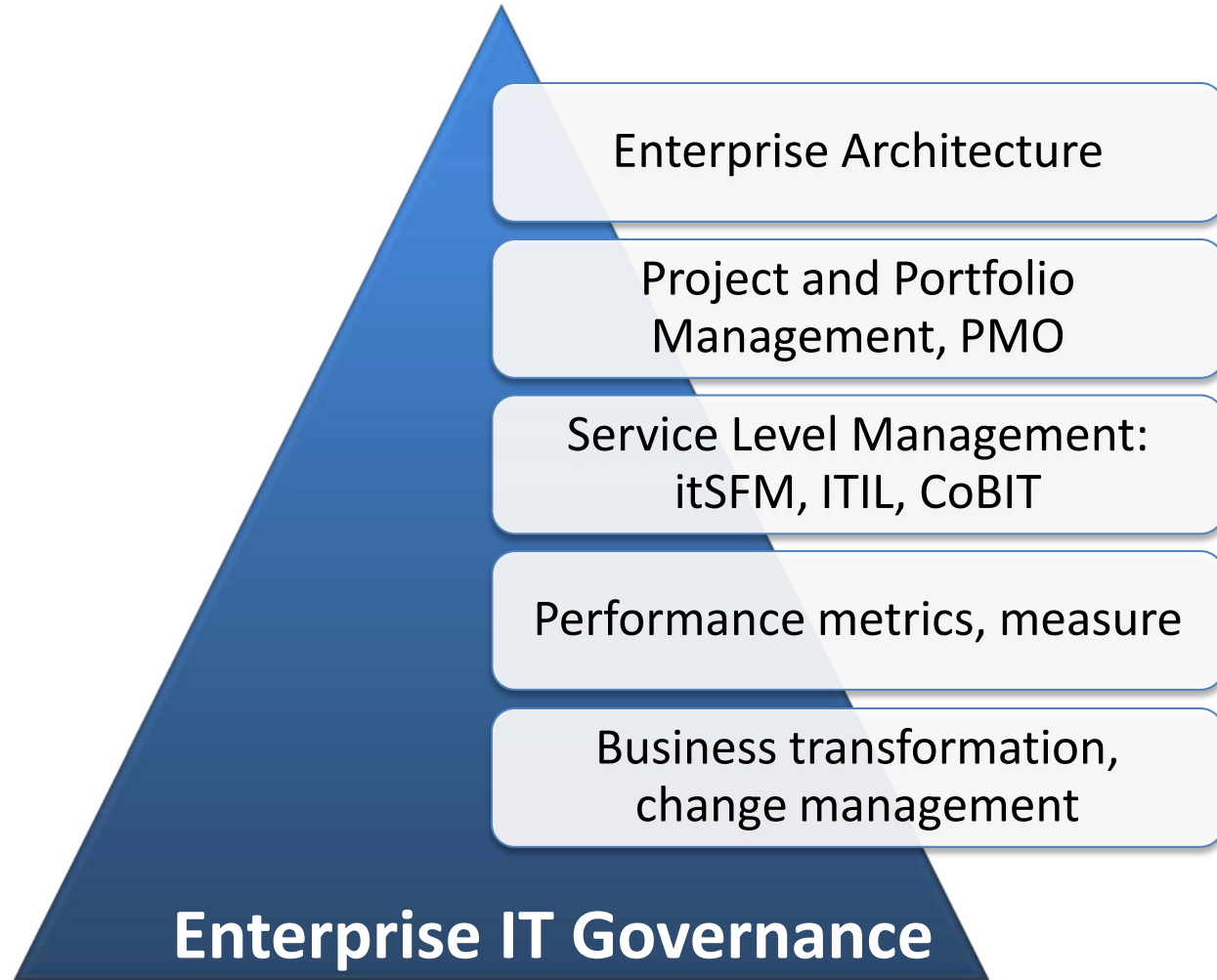


Governance: IT as a Strategic Asset

- What decisions must we make to ensure appropriate management and use of IT?
- Who should make these decisions?
- How will we make and monitor these decisions?

Strong IT governance is even more important during fiscal constraints. Critical to appropriate IT investment, prioritization and oversight.

Growing Maturity: IT Governance, Frameworks and Business Disciplines



Understanding the State CIO Landscape

Not all State IT is created equally...

- Governor's policy agenda
- The CIO's authority
- The CIO's priorities
- The strategic IT plan
- State CIO business model
- Federated governance models
- Gaps: capabilities, disciplines

The Reality of State Government IT

- IT complexity and diversity
- Can't just make up governance
- 80/20 investment reality
- State CIO business model
- Agency turf and politics
- Alignment is difficult
- IT procurement process
- Lack of continuity in CIO leadership



State CIO Priorities for 2013



**1. Consolidation/
Optimization**



2. Cloud Services



3. Security



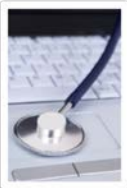
**4. Mobile Services/
Mobility**



**5. Budget and Cost
Control**



6. Shared Services



7. Health Care



**8. Legacy
modernization**



**9. Nationwide Public
Safety Broadband
Network**



**10. Disaster Recovery/
Business Continuity**

Source: NASCIO State CIO Survey, November 2012

- Management of mobile devices and apps is fragmented
- The Cloud is more accepted and CIOs are moving services
- Social media has a growing role in state government
- Proper staffing is a challenge due to budget concerns
- Driving innovation across state business operations is often a CIO function



IT Consolidation: A Key Strategy for Years

To address budget issues and control operational costs

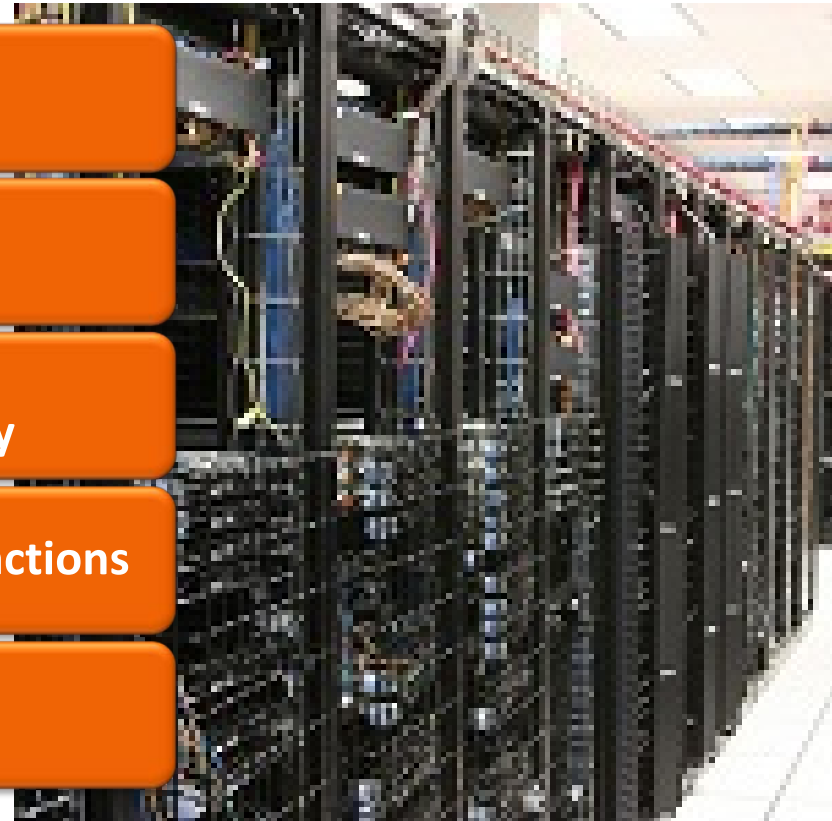
Facilities: reducing data centers, equipment, operational costs

Enterprise services: networks, email, telecommunications, imaging, wireless

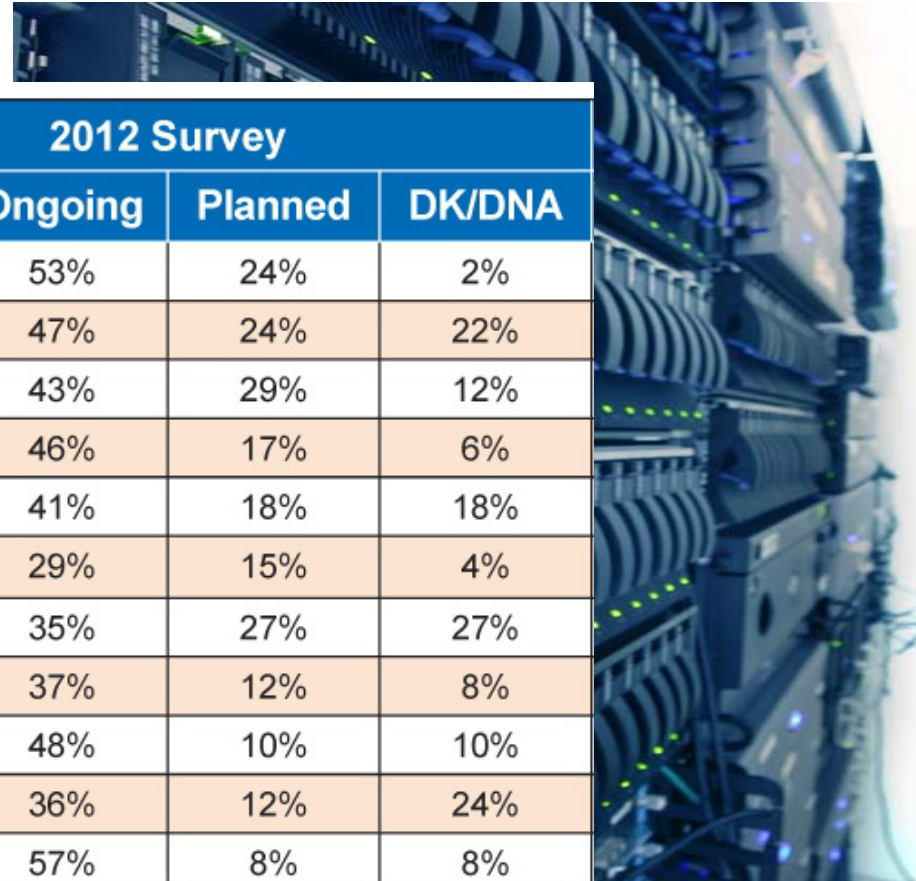
Server consolidation: reducing footprint, operations, security impact, backup/recovery

Applications: enterprise, similar business functions

IT personnel and staffing



What is the Status of IT Consolidations?



IT Consolidations	2012 Survey			
	Done	Ongoing	Planned	DK/DNA
Backup/disaster recovery	22%	53%	24%	2%
Business applications	8%	47%	24%	22%
Content management	16%	43%	29%	12%
Data centers	31%	46%	17%	6%
Desktop support	24%	41%	18%	18%
Email	52%	29%	15%	4%
Imaging	11%	35%	27%	27%
Security	43%	37%	12%	8%
Servers	33%	48%	10%	10%
Staff	28%	36%	12%	24%
Storage	27%	57%	8%	8%
Telecom	62%	28%	8%	2%
Average	30%	42%	17%	12%

Source: NASCIO-TechAmerica –Grant Thornton LLP 2012 State CIO Survey

What is your state's status regarding Cloud Computing?

	2012	2011
The state is already highly invested in Cloud computing	15%	14%
The state has some applications in the Cloud and is still considering others	56%	35%
The state is still developing Cloud computing	19%	47%
The state has already considered Cloud computing and rejected it	0%	0%
Other	10%	4%

States moving towards greater cloud utilization

What categories of services have you migrated or do you plan to migrate to the Cloud? (select all that apply)

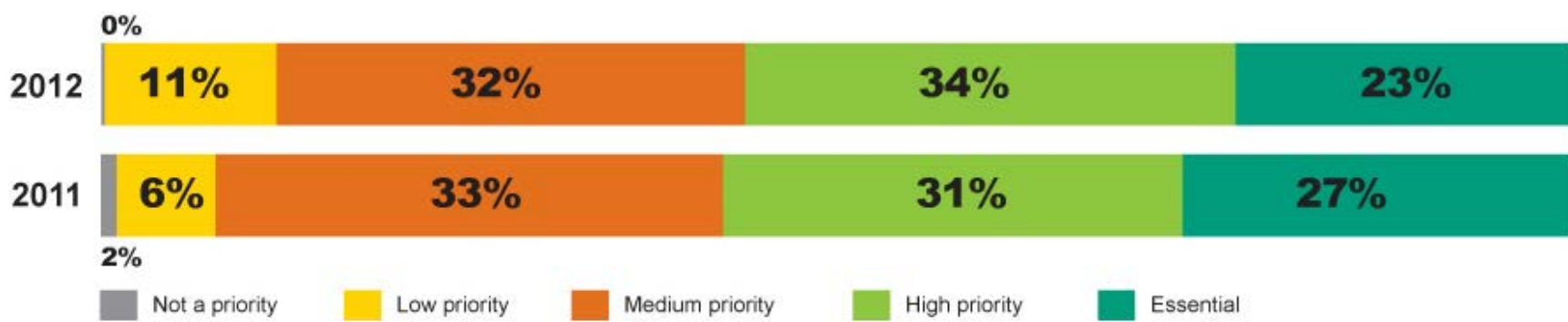
E-mail and collaboration	64%
Storage	48%
Geographic Information Systems	48%
Disaster recovery	44%
Program/business applications (e.g., licensing, unemployment insurance, workers' comp, etc.)	42%
Office productivity software (e.g., word processing)	37%
Digital archives/electronic records	31%
Citizen relationship management	25%
Open data	25%
Enterprise Resource Planning	23%
Imaging	15%
Other	15%



Mobility



Within the state CIO's strategic agenda and IT operational plans, how would you characterize mobile devices and applications?



Based on your state government's experience so far, what is the general adoption level of mobile apps?

Citizens use hardly any of our mobile apps	0%
Citizen use of mobile apps is lower than anticipated	16%
Citizen use of mobile apps is about the same as anticipated	34%
Citizen use of mobile apps is higher than anticipated	10%
Citizen use of mobile apps is much higher than anticipated	8%
Don't know/does not apply	32%



Mobile apps adoption will continue to grow.

Issues remain about enterprise direction, architecture, security, skills, and support.

How is your state managing mobility?

Totally fragmented and uncoordinated	12%
A few coordinated government-wide projects and initiatives, but mostly fragmented efforts	38%
About half of mobility projects coordinated, half uncoordinated	15%
Mostly coordinated government-wide projects and initiatives, a few fragmented efforts	25%
All mobility projects well-coordinated government-wide	6%
Don't know/does not apply	4%

Mobility needs enterprise vision and CIO leadership

Public Safety Broadband Network: Highlights of a Major Initiative

- ✓ Reallocated D-block portion of radio spectrum to public safety
- ✓ Provides \$7 billion in funding for construction of an interoperable nationwide PSBN
- ✓ Establishes First Responder Network Authority (FirstNet) for governance
- ✓ FirstNet must construct, maintain and operate PSBN
- ✓ Consult with states – primary stakeholders



Title VI of the Middle Class Tax Relief and Job Creation Act of 2012

States at Risk

2012 Deloitte-NASCIO
Cybersecurity Study

A call for collaboration and
compliance



Growing IT Security Risks in the States

Protecting legacy systems

Malicious software

Inadequate policy compliance

Mobile devices and services

Use of social media platforms

Use of personally-owned devices (BYOD) for state business

Adoption of cloud services; rogue cloud users

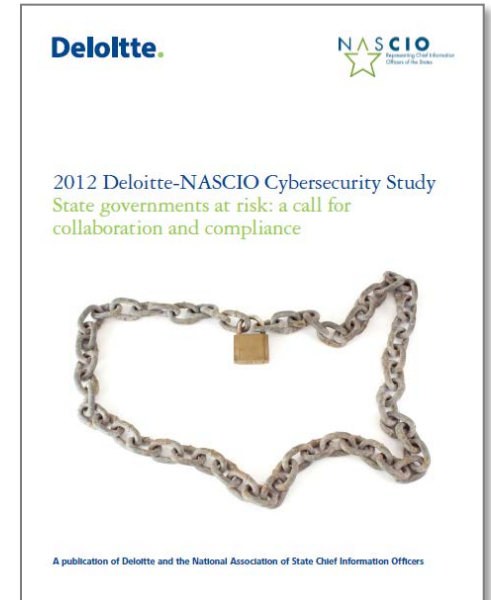
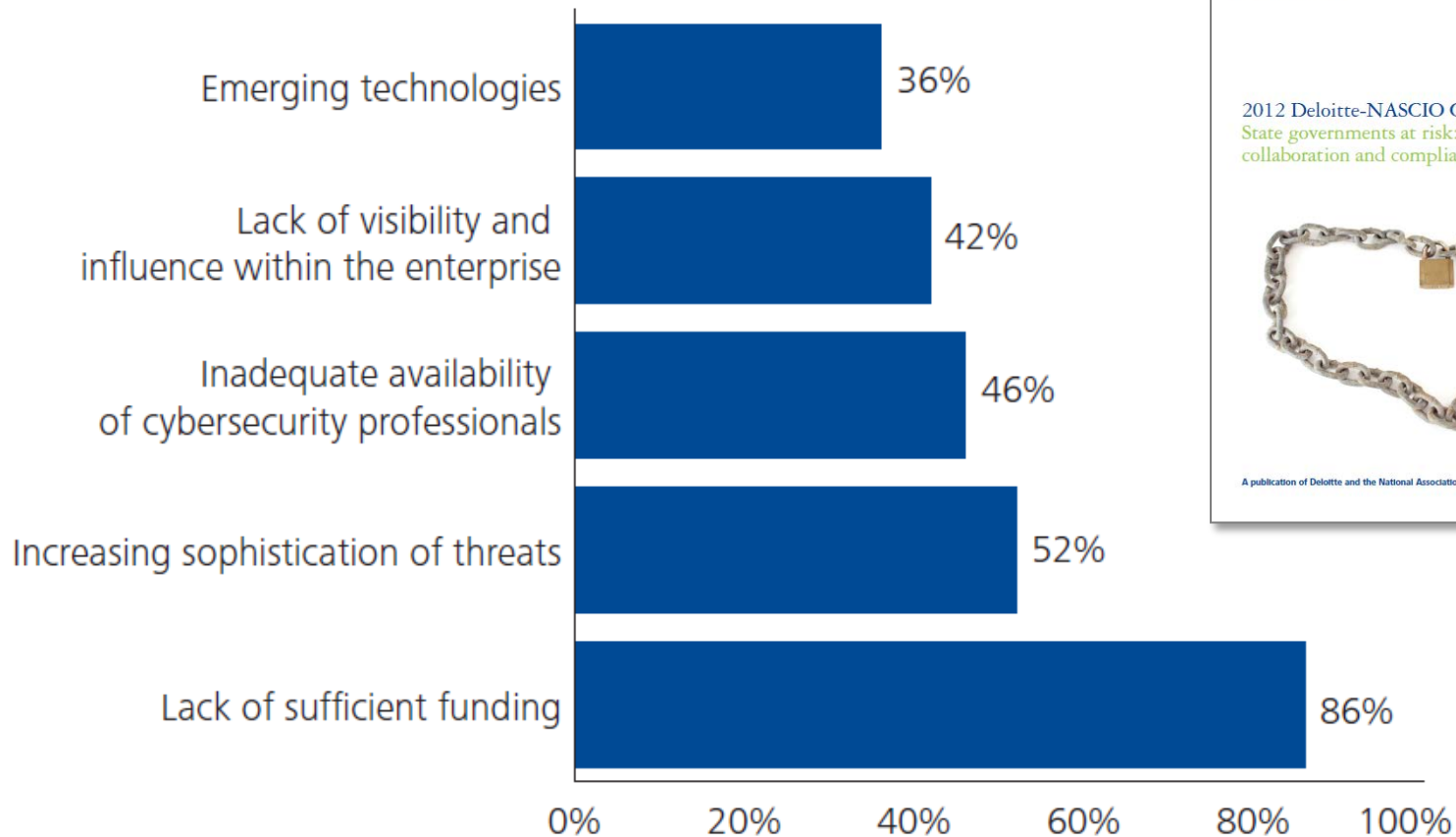
Foreign state-sponsored espionage

Third-party contractors and managed services

Source: Deloitte-NASCIO Cybersecurity Study, October 2012

Top Five Barriers Faced in Addressing Cybersecurity

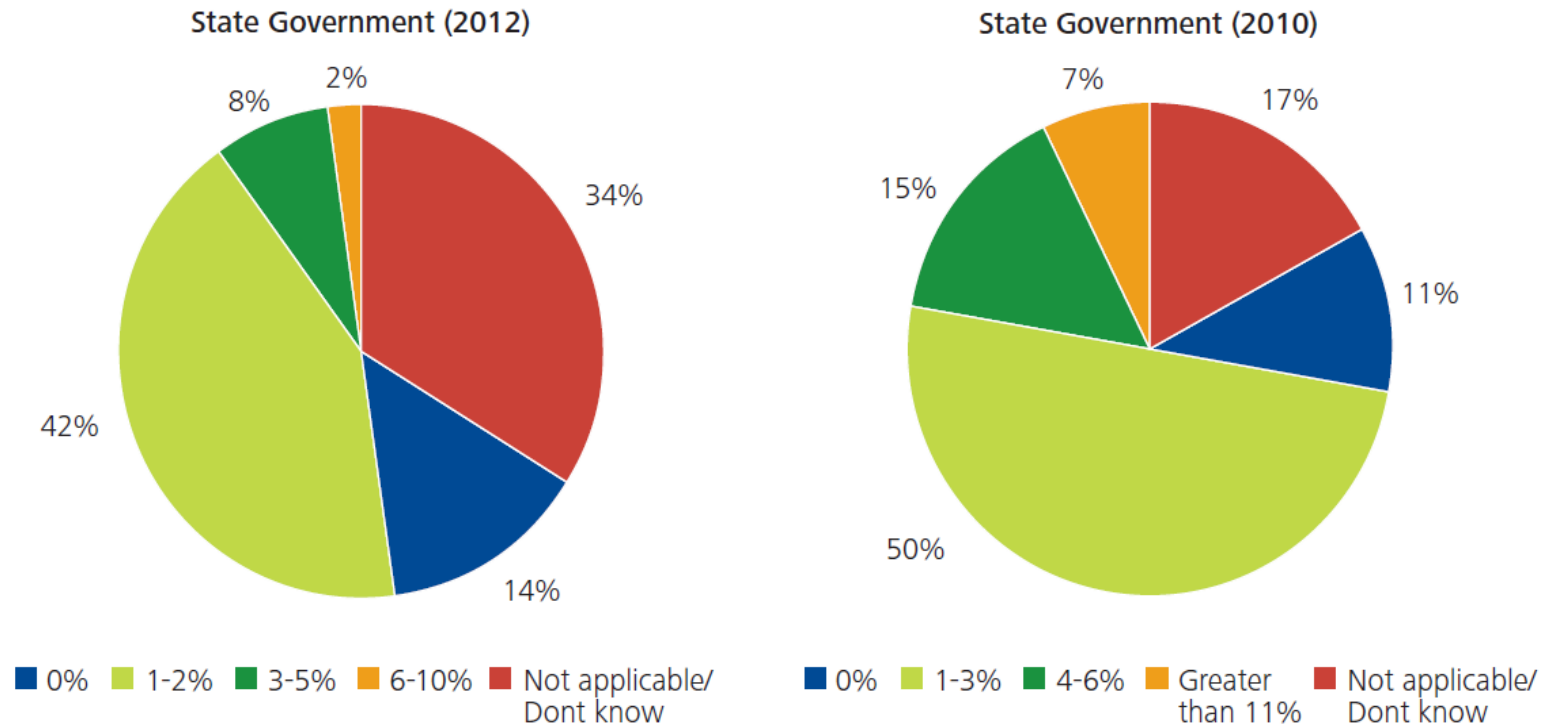
Q20. What major barriers does your state face in addressing cybersecurity?



Source: Deloitte-NASCIO Cybersecurity Study, October 2012

Cybersecurity Budget Allocation (2012 vs. 2010)

Q30. What percentage of your state's overall IT budget is allocated to cybersecurity?



A small portion of the overall IT budget is devoted to cybersecurity— most state security budgets are in the 1-2% range.

States at risk – A call for action



Cybersecurity challenges continue in 2012 amidst escalating threats

92%

State officials feel cybersecurity is very important for the state

CISOs are very confident in protecting state's assets against external threats

Only
24%

50%

CISOs manage a team of one to five cybersecurity professionals only

CISOs feel that staff have the required cybersecurity competency

Only
32%

Only
14%

CISOs feel that they receive appropriate executive commitment and adequate funding for cybersecurity

CISOs indicate "Lack of sufficient funding" is the key barrier to address cybersecurity

86%

70%

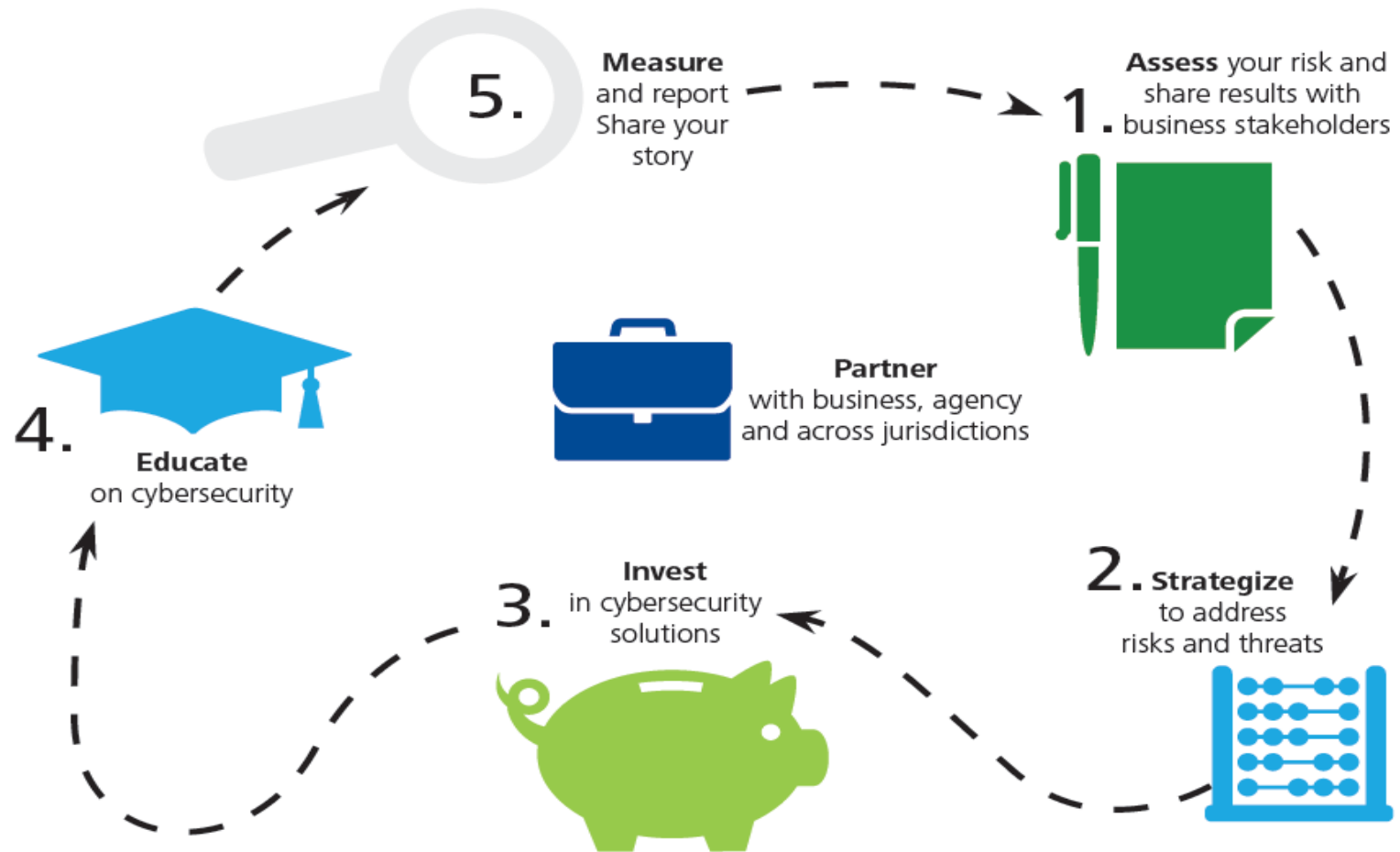
CISOs have reported a breach

CISOs feel "phishing and pharming" as their top cybersecurity threat

82%

State Data Breaches – Loss of Citizen Trust!

A Call to Action for States: Execute on an effective cybersecurity strategy, with strong governance and compliance monitoring measures



NASCIO Cybersecurity Call to Action

Key Questions for State Leaders

Have you created a *culture of information security* in your state government?

Have you adopted a *cybersecurity framework*, based on national standards & guidelines?

Have you acquired *continuous vulnerability management* capabilities?

Have you documented the effectiveness of your cybersecurity with *metrics and testing*?

Have you developed *security awareness training* for workers and contractors?