

Enterprise IT Decision-making - Current State Final Report – Executive Summary

The Charter for the EITDM Current State Assessment team laid out two goals for the project; develop a comprehensive understanding of the UW-Madison enterprise IT decision making processes and the current IT investment. The work of the Current State Assessment team was focused narrowly on the current state of campus enterprise IT in order to gather data and make recommendations that could be passed on to the Future State team. Divisional IT strategies, policies, planning, decision making processes, services and investments were all analyzed.

Develop a Comprehensive Understanding of the Current Enterprise IT Decision Making Process

Findings

- 1) The decision making process for IT investments varies across divisions based on the type of purchase and the stakeholders involved.
- 2) There are few standalone divisional IT strategic plans. Many divisions include some IT strategies in their division-wide strategic plan (e.g. CoE).
- 3) There is insufficient routine review of strategic IT priorities and their tie-in with divisional and/or campus strategies. This can create a dis-connect with the realities of operational needs.
- 4) Campus has many IT governance groups and informal IT communication networks but few structured IT decision making processes and a lack of comprehensive IT related communication systems.
- 5) IT decision making is often driven by the availability of funds resulting in decisions that lead to inappropriately short-term, non-scalable IT services.
- 6) An array of services are provided at the divisional level with little campus visibility and/or coordination. There are also no routine or structured review processes for evaluating service offerings.

Observations/Recommendations

- 1) There should be campus-wide engagement and discussion about IT decision making processes and IT principles to promote consistency and best practices.
- 2) Campus senior leadership including the Deans should be encouraged to engage IT leadership and align IT strategies with divisional and campus strategies.
- 3) Divisional IT plans should be visible and linked with campus strategic direction.
- 4) A requirements-based approach and business case analysis should be used when making IT investment decisions divisionally and at the campus level.
- 5) The organizational and governance structure between campus leadership, the CIO and divisional IT leaders needs to be reworked and strengthened to ensure more effective IT decision making and communication processes.
- 6) Promote routine campus-wide service and sun-setting evaluations and a more structured process for moving services across an enterprise>federated>edge service layer model utilizing all campus units.

Develop a Comprehensive Understanding of the Current Enterprise IT Investment

Findings

- 1) Current account codes and human resource job categories are insufficiently detailed to get a complete and verifiable grasp of annual campus-wide IT expenses.
- 2) Cost tracking, accounting practices and employee job titles relied on for IT services are inconsistent amongst the divisions.
- 3) The DoIT pricing structure (chargebacks) is perceived by campus as being noncompetitive and expensive.
- 4) The current DoIT budget and funding model negatively impacts DoIT's ability to be flexible to support new services, encourage wider use of central services and more effectively align with campus and divisional strategies.
- 5) The minimum estimate for IT spending in 2010-2011 for all funds (divisions plus DoIT) was determined to be \$84M of salary and fringe benefits for IT related FTEs, \$37M of IT related equipment, software, supplies, maintenance, leases, etc., \$7M for UW-Madison Common Systems Charges, and 1,165 FTEs as IT professionals or individuals involved in some IT related work.
- 6) The 2010-2011 IT investment estimates above are understated by several items which are detailed in a separate appendix. As a consequence the team estimates the annual IT spending may be as much as twice the minimum amounts stated above.

Observations/Recommendations

- 1) Develop better account and human resource codes to capture IT expenditures and headcount.
- 2) Train financial and human resource staff to ensure consistent IT cost accounting.
- 3) Overhaul the DoIT budget process and funding model to promote more flexibility.
- 4) Provide funding to ensure that core services are provided foundationally.
- 5) Encourage annual analysis and reporting of IT budgets and campus-wide spending.
- 6) Create metrics to measure IT costs and services.

Conclusion/Summary

The Current State Assessment team recommends the Future State team consider the following as key to the future of UW-Madison enterprise IT.

- 1) Alignment of campus stakeholders around a common set of IT principles developed by divisional and campus leadership.
- 2) Engagement of IT leadership in strategic planning at the divisional as well as campus level.
- 3) Development of more structured communication processes amongst campus-wide IT leadership.
- 4) Empowerment of IT leadership to ensure IT strategies are aligned and implemented in support of strategic directions.
- 5) Agreement by campus senior leadership to support IT decision making based on IT principles and alignment with strategic directions.
- 6) Agile decision making processes and greater availability of resources to support new IT initiatives.