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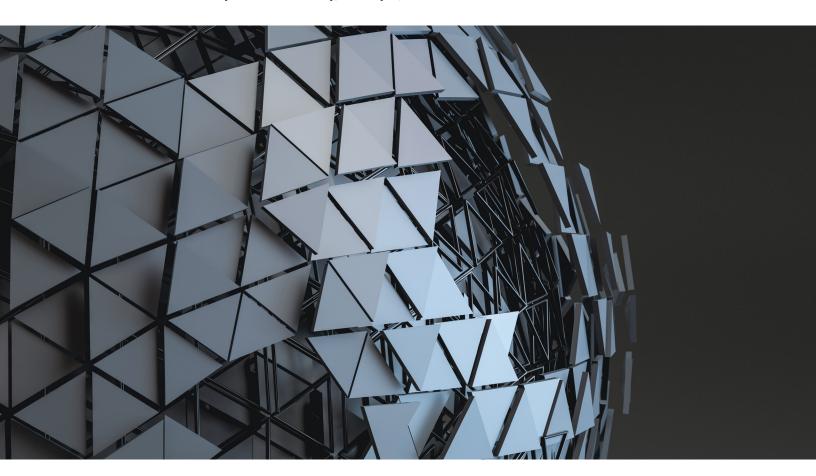
The next chapter: Driving technology leadership in the public sector

Leadership transitions are an opportune time for public-sector CIOs to accelerate technology modernization using our three-vector strategy.

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Over the past several years, while most government organizations have started projects or programs to improve their technology, few have had success with a comprehensive technology transformation. Public-sector organizations are often saddled with mistrust from their business partners, difficulty accessing top talent, and complicated legacy ecosystems that prevent them from quickly making transformative changes. The federal government alone invests more than $85 billion in technology programs each year, yet success has proven difficult (more than 60 percent of programs in yellow or red status), and the government is only falling further behind its private-sector peers.[1]

Public-sector chief information officers (CIOs) have played different roles in tech transformation, from enablers to thought leaders to program leaders. This year's transition is an opportunity for CIOs to take the reins and drive a more transformative overhaul of their public-sector organizations' technology. New leaders will be looking for innovative ways to modernize, and technology is likely to be at the forefront of their minds after the last several years of innovation, accelerated even further by the COVID-19 crisis. The incoming administration's signal that it will invest heavily in IT modernization is further evidence of the opportunity ahead.[2]

However, the window for change is usually quite small, and the momentum behind this transition more fleeting than generally required to plan a technology transformation. That makes it important to learn from past transitions and plan for the technology imperatives for modernization.

In this article, we outline three vectors of technology modernization and provide advice on how to use a transition to accelerate this modernization successfully.

Major technology themes to help set the agenda

We are increasingly seeing that the most successful and innovative organizations focus on ten

technology "plays" within three vectors. From these, transitioning CIOs can choose the ones that are most relevant and important for their organizations:

— *Vector #1: A reimagined role for technology that's focused on the business.* Effective technology functions maintain close ties with other business functions, but top CIOs take that a step further, with technology *driving* the business. That requires reimagining technology's role in support of the business mission through technology-led strategy (play #1), a product- and platform-centered operating model (play #2), and technology functions becoming the steward of fully digitized customer and user journeys (play #3).

— *Vector #2: A technology delivery model built for flexibility and speed.* Modern technology functions set up their delivery models to keep pace with the fast-evolving needs of customers and employees. Using agile delivery methods, technology teams prioritize activities that have the greatest potential to help their organizations realize sought-after performance gains (play #4). Next-generation infrastructure services, often based in the cloud, accelerate delivery and stabilize the technology environment by automating development, testing, and deployment processes (play #5). To improve the quality and efficiency of their work, modern technology functions hire highly skilled technologists to deliver mission-critical work in-house (play #6). They also partner thoughtfully with a variety of vendors (purposefully ranging from niche engineering organizations to large-scale systems integrators to hyperscalers to software-as-a-service [SaaS] firms) for help with closing gaps in in-house capabilities, using contracts that reward vendors for producing business outcomes rather than merely augmenting in-house capacity (play #7).

— *Vector #3: A future-proof foundation of core tech systems that support innovation, collaboration, and security.* Renewing core systems so that they support new digital

[1] IT Dashboard, United States Office of Management and Budget, 2020, myit-2020.itdashboard.gov.
[2] Billy Mitchell, "Biden calls for 'most ambitious effort ever' to modernize federal IT, cybersecurity," FedScoop, January 15, 2021, fedscoop.com.

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functionalities and frequent upgrades can provide significant performance benefits. Such modern systems are arranged according to a flexible architecture consisting of self-contained applications connected with easy-to-configure APIs (application programming interface) (play #8). A modern technology core includes data and analytics systems that provide technology teams across the enterprise with the high-quality information and powerful tools they need to gain insights into customer and employee preferences, design innovative applications, and enrich user experiences (play #9). It also enables technology teams to integrate security and privacy protections as they develop solutions, rather than adding them after solutions development is complete. This approach greatly accelerates delivery while maintaining, or even improving, information security (play #10).

While these vectors and plays have proven transformational for many high-performing technology functions, CIOs have taken different approaches to sequencing the change. Most successful approaches fall into one of two archetypes. One way is to transform the full technology function by driving two to three plays enterprise-wide each year. This approach prioritizes bringing the full organization along in the journey but may delay value realization until a critical mass of plays has been executed. Another approach is the digital-factory model, which comprises a ring-fenced and mostly greenfield team that employs all (or most) of these plays simultaneously on a subset

of the CIO's overall portfolio. The factory gradually takes on more demand, and legacy approaches slowly get absorbed.

Overall tips for your CIO transition

CIOs have a notoriously challenging role. They must balance high aspirations with realistic planning, must keep up with fast-moving technology disruptions, and are expected to become domain experts in their organizations' business—all while getting constant pressure from executive leaders who struggle to understand technology and while providing high-quality employee experience at ever-lower costs. Below, we share three tips for success from CIOs who have experience with transitioning into the role:

1. *Take pause to listen to the business, to understand the IT function's capabilities, and to plan.* Too often, in the haste to make progress, CIOs announce an agenda that sounds good on paper but doesn't reconcile with the needs, capacity, and capabilities of the organization. While it may seem obvious, many CIOs have said they underestimated the value of the time spent on understanding organizational and cultural dynamics by talking and listening to a wide variety of stakeholders about their perceptions of the technology function. Knowing how peer leaders operate and aligning on how technology can enhance value in the short and long term will be important to earn trust quickly.

2. *Thoughtfully prioritize and make a visible change quickly.* Given everything on the CIO's plate, hard choices are inevitable. A clear, prioritized road map is a necessary early step to make the strategy real. It provides the CIO with the capacity and energy to put real focus behind a handful of initiatives, rather than getting bogged down by dozens of efforts. Primary among these priorities should be a couple of "quick wins" in which IT tackles one or two major pain points in a matter of weeks or months so that leaders feel the impact soon. Also critical is paring back aspirations—perhaps only executing two to three of the ten plays in the first year—to match the organization's transformational capacity, with a goal of building capacity and momentum over time.

3. *Build a distinctive top team with modern tech experience.* One of the most important aspects of CIOs' future successes is the quality of the team they assemble, particularly the members of their leadership teams. It is difficult to drive transformation on modern tech topics (such as agile and next-gen infrastructure) with leaders steeped in traditional ways of working and legacy technologies. In the short term, CIOs can partner or outsource where required to fill capability deficits, but ultimately, they need in-house leaders with significant expertise across the breadth of modern technology topics.

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During the transition, the CIO's challenge is how to best sequence a subset of the ten plays to fit the organization's needs and mission. It requires balancing ambition with pragmatic pace and showing quick value while having a long-term view. Done well, CIOs can engender transformative benefits for agencies and citizens alike.

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