



SECTION D - CHALLENGES





D1 - OUR CHALLENGES

As we go forward into the new fiscal year, we are taking actions to ensure that we learn from our past experiences in FY 2007. Our passion for excellence, complemented by our focus on the 12 Clinger-Cohen Core Competencies, will enable our staff to address these challenges through continuous process improvement.

SATISFY CUSTOMER EXPECTATIONS	Our top challenge is to satisfy our customer’s expectations and deliver IT systems and services that meet their needs. In the most basic terms, we must strive to “do what we say we’ll do, when we say it will be done”. Given the enormous complexities of the technologies we manage and the pace of technological change, this basic challenge is not easy and remains a fundamental hurdle for all IT organizations. We made significant progress during the last year, and, as we continue to mature our technology management processes, people, and tools, we believe we can significantly improve customer satisfaction.
BE AGILE	We must modify our approach to service delivery to incorporate a strategy of “incremental delivery”. When IA business areas are trying to improve their operations and respond to continuous change, we must seek to provide solutions that are more quickly available, to allow feedback and adaptation from customers. Incremental delivery will consist of multiple smaller components, delivered in six months or less. These frequent but smaller iterations will focus development on the most important system features and, with business area participation, converge toward the target system more successfully.
COMMUNICATE CLEARLY AND MORE OFTEN	We must strive to improve our communications both internally, and with our customers, and other external stakeholders. We will do so by leveraging new electronic communication channels in addition to communicating in writing and through personal interactions. This is paramount to improving relationships in all areas. We must listen closely to our customers and provide frequent, accurate information to them regarding technology initiatives that affect them. Communication within OCIO-IA is essential to coordinating the delivery of our services and motivating our dedicated workforce.
PRIORITIZE ENTERPRISE IT PORTFOLIO	Another important challenge ahead is to work with our customers to accurately prioritize our enterprise IT portfolio, and assure that we are collectively investing in and working on the most important projects and initiatives, which align with priority IA business objectives, within limited resources.
EXPAND FUNDING OR CUT SERVICES	OCIO-IA has achieved a great deal with the smallest relative IT budget in the Department, yet the scope of our services and much needed improvements to our infrastructure will demand greater funding in order to meet the needs of our customers. We must continue to develop excellent business cases and demonstrate solid returns on investments for our customers.



<p>REVAMP COST ACCOUNTING METHODOLOGY</p>	<p>To ensure that we are maximizing the results of the funds we manage, we must thoroughly examine our spending. We need to modernize our cost accounting processes to help ensure that we are good stewards of the funds we receive and can track IT costs by organization and project.</p>
<p>IMPROVE IT SECURITY AND PRIVACY</p>	<p>One of the most challenging problems in managing large networks is the complexity of security administration. We must protect information, yet ensure that the right information is available to authorized users anywhere and anytime. During the past fiscal year, under the Internet Reconnect Preparedness (IRP) project, we implemented many critical security tools and policies. As we move into the new fiscal year, we will be focusing on additional best practice security models such as Role Based Access Control (RBAC) and the proven Defense-in-Depth (DID) approach based in Department of Defense, Law Enforcement, and Intelligence communities. We shall ensure we are fully compliant with the Privacy Act and other regulations to ensure privacy.</p>
<p>LEVERAGE PEOPLE TO THEIR FULLEST POTENTIAL</p>	<p>A key workforce challenge is making sure that the right people with the right skills are in the right roles. We are blessed with many talented employees, but in the rapidly changing technology environment, we often create new roles and modify or eliminate unnecessary or obsolete functions. We must constantly examine the required skills and assure that our staff is properly trained, motivated, and empowered to provide the best possible services to our customers.</p>
<p>REWARD PERFORMANCE</p>	<p>Attracting and retaining qualified employees is essential to any organization, but special circumstances within OCIO-IA and the public sector in general make this a very important challenge in the years ahead. Studies suggest the percentage of government IT workers nearing retirement age will increase dramatically in the near future. In 2008, over 45% of government IT workers will be over the age of 50. 17% of our organization will retire in the next year. Competition with private sector opportunities also makes it difficult to fill key IT positions. We must find creative ways to broaden our incentives and become more competitive in our career offerings. We must also reward performance and correct issues with employees not performing to acceptable standards.</p>
<p>EMPOWER PEOPLE AND THEN LET THEM SUCCEED</p>	<p>We must strive to empower our employees to solve problems, eliminate obstacles and incorporate fresh ideas in their day-to-day work. We are no longer a small team, but have grown significantly and must recognize that growth requires a greater degree of leadership, business acumen, and need for continuous communication. We must examine limitations and controls and assure that they are not arbitrary or outdated, but are appropriate in our current organization.</p>



D2 - NEW FY 2008 eGOV PRIORITIES

The FY 2008 eGov Scorecard rating criteria will include performance measures in several areas not previously emphasized:



- Migration of existing telecommunications subscriptions to the new government-wide Networkx contract.
- Converting wireless subscriptions to the new DOI wireless communications contract.
- IA will continue to address the requirements and place specific emphasis on Emergency Management. The current rating is "Green".
- Freedom of Information Act (FOIA). IA is addressing the FOIA backlog items. The current IA rating is "Green."
- Records Management (including electronic records). IA is addressing the requirements in this area, specifically providing NARA all information on the records schedules.
- The IA privacy plan is to address all the elements to obtain a rating of "Green". Currently, IA has a rating of "Red" due to delays in processing of privacy notices, and has placed this area on a watch list in order to improve the score.
- The IA security plan is to complete all the elements to obtain a rating of "Blue". Currently, its rating is "Green", but IA will continue to review ways to improve this area.
- IA is addressing all the elements of the Enterprise Infrastructure and will continue to emphasize the areas that need addressing. The current rating is "Green".
- IA will review the Enterprise Architecture (EA) value measurement internally to determine if bureau specific indicators can be developed. The current rating is "Green" and the goal is to continue this rating.



- IA will continue to address the requirements for IT workforce management, which currently has a rating of "Green."
- The current rating for IA IT Capital Planning and Investment Control is "Green," and the team will continue to work on obtaining a best practice in this area.
- The current overall IA rating is "Red". IA has identified the areas of concern and assigned staff to improve IA scores.

OCIO-IA will lead the coordination with all IA stakeholders in fulfilling our obligations in these areas and the performance measures are high. The goal is to obtain a rating of "Green" or "Blue."

The eGov Scorecard FY 2007 final results and FY 2008 goals are listed below.

eGov Scorecard				
DOI Goal #	New for FY 2008	Area	FY 07 Score (Final)	FY 08 Score (Goal)
1	-	IT Security & Privacy	Yellow	Green
2	-	Enterprise Architecture	Green	Green
3	-	Enterprise Infrastructure	Yellow	Green
4	New	E-Government Alignment and Implementation Plan and Emergency Management	-	Green
5	-	IT Capital Planning and Investment	Green	Green
6	-	IT Workforce Management	Yellow	Green
7	New	Records Management	-	Green
8	New	Freedom of Information Act (FOIA)	-	Green
8 elements	3 New	Overall	Yellow	Green



D3 - FINANCIAL

OCIO-IA is addressing two financial challenges:

1. Maintain a legacy IT environment that supports critical mission operations with 85% of the current budget allocation. Despite operational efficiencies gained in past years, aging legacy IT necessitates additional funding to migrate to newer, current technologies.
2. Infuse newer technologies with continuous technology refreshment, which is currently 15% of the budget in ongoing projects or new planned investments.

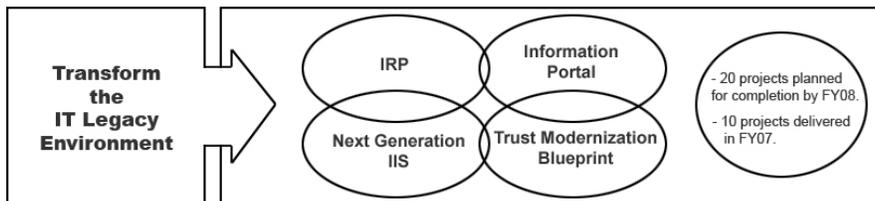
Despite increasing the IT budget over the past four years, IA IT spending is only 4% of the overall budget (lowest percent in DOI). As a remedy, OCIO-IA shall:

- Seek incremental budget enhancements for specific “fee for service” customer IT services
- Retire or shut down unsupported IT systems or services
- Continue to deliver IT products and services successfully for customers through IT projects to engender additional trust in OCIO-IA

TRANSFORMING THE IT INVESTMENT PORTFOLIO

Line of Business	OMB Phase				Total Investments (#)	Total Funding (\$ M)
	Pre-Select Phase	Select Phase	Control Phase	Evaluate Phase		
DOI Mandated (IT Infrastructure)	0	0	0	10	10	11.05
Bureau of Indian Affairs	2	4	1	17	24	22.60
Policy & Economic Development	0	2	0	3	5	1.50
Education	0	0	1	2	3	7.46
Management	2	0	1	2	5	2.76
CIO	0	2	0*	13	15	38.36
Total Investments (\$ Millions)	4 (\$ 0M)	8 (\$ 5.05M)	3 (\$ 0.57M)	47 (\$ 78.11M)	62 (\$ 83.73M)	\$ 83.73M

* \$ 9.184M for IRP and Information Portal





D4 - LEGISLATIVE

While we expect Congress to place a greater focus on Indian issues, we anticipate that OCIO-IA may be more directly impacted by a legislative settlement related to the Cobell litigation, reintroduction of the Indian Telecommunications Act, and unfunded mandates from Congress and other sources.

- The courts may impose additional standards and monitoring requirements which could impact overall costs for providing future Internet connectivity.
- In the most recent Congress, numerous legislative proposals imposed significant new pressures upon IA to carry out its role in administering IA-funded programs. Examples include quicker turnarounds on eDiscovery, stiffer reporting requirements for grant and program administration dollars, and electronic reporting procedures connected to drug prevention expenditures.
- Substantial administrative pressures for compliance, reporting, and grant actions will stem from new legislation in the areas of drug enforcement, education, and telecommunications.
- Additionally, we are challenged by numerous unfunded mandates under OMB directives. Types of currently unfunded mandates that may affect our five year planning horizon include: HSPD-12 (Homeland Security Presidential Directive-12), IPv6 (Internet Protocol version 6), eDiscovery Act, and new security standards for routine document routing.



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We Know Who We Serve