CIOs Still Facing Acquisition, Workforce Innovation Challenges

But using a Technology Business Management method is helping. Amanda Ziadeh

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As federal agencies try to keep pace with the rate of technology in industry and the cyber threats that come with them, chief information officers are challenged with budget constraints, the federal acquisition process, a lack of agility, and having the right people and governance in place, federal CIOs said during an industry panel last week.

"One of the things we're trying to do at Justice is make sure that we're keeping as current with industry technology and innovation as possible," said Joe Klimavicz, CIO and deputy assistant attorney general for the Justice Department. "But also, building the agility into our services and making sure that we're rock solid with current operations."

Klimavicz spoke Sept. 11 on a panel at the Professional Services Council Tech Trends <u>Conference</u>. He said keeping up with the technology landscape is hard, thanks to exponential data growth, artificial intelligence embedded in almost everything, the amount of connected devices, the increased sophistication of cyberattacks, budget constraints and rising customer expectations.

So, to keep up, the Justice Department has many areas of modernization in the works. Klimavicz said the department consolidated its email systems from 23 to one, saved a cost avoidance of \$350 million over four years with data center consolidation and closures, created a national FOIA portal for citizens, and is driving commercial cloud solutions and managed services.

"In the future, we're going to continue investing in modernizing our systems, closing more data centers," he said. The department closed its second-largest data center in 2015, and its largest this year.

From a cyber perspective, Klimavicz said the department is deploying more and more advanced tools to automate the processes in its cyberloop, and deployed a "very robust" solution to connect to its cloud service providers. "We call it a cloud-optimized [trusted internet connection]," he said. It's a dual stack internet connection method, where there's a complete security stack going to its CSPs and business partners, and smaller stacks to create superhighways.

And, Klimavicz said he's going to continue deploying different cybertools to automate response to cyberattacks and take advantage of AI and machine learning. Eventually, he'd like to automate or eliminate the current ATO process, and find better ways of truly benefiting from all the data and information the department has.

Workforce Continues to be Challenge

"Having folks who are innovation leaders — there's plenty of innovation out there, plenty of new tools, plenty of new processes — but having the people and the governance to put those in place is certainly the biggest challenge I've seen," said Max Everett, CIO of the Energy Department, on the panel with Klimavicz.

That's why Everett thinks the most important skill to have is the ability to learn, because the skills needed are going to change and shift with incoming technologies, capabilities and business requirements.

Budget & Acquisition

But that's not the only challenge. "Our ratio of where we spend money on O&M, on just operating our legacy stuff, is just dramatically skewed," Everett said. And when money is dumped into keeping old systems afloat, it leaves little to innovate. "That's one of the things that we're trying to change," he said.

And then there's the federal budget and acquisition processes, which make life cycle and innovation planning difficult. But Everett said work is being done in this area and there's "a little bit of light at the end of the tunnel."

Everett is also focused on acquisition and contracting, and said agencies like the General Services Administration and Office of Management and Budget are beginning to understand that the process needs to be more agile and are looking at new models to get there. "We've got to be able to bring managed services, cloud services . . . much more quickly to bear," Everett said. "We're never going to succeed in innovation if we cant be more agile."

Technology Business Management

Everett said he's been pushing for TBM to help with the modernization process, and a big tool he's using for innovation is the Technology Modernization Fund.

He wants the funding for obvious reasons, and also because part of the process includes building a business case — which Everett said is the way procuring technology should be done. "We get user requirements, we understand the mission, we understand the costs for providing the services to do that, and then we should be able to build a business case," he said.

That's how the private sector does it, and Everett said government should, too. Knowing the entire tech stack and understanding all costs per service is important, and should be done much more thoroughly than currently is in DOE. "I don't really think most of us in government have fully counted all our costs," he said, and TBM is a great tool for this.

"I would love for federal government to be in the place where Joe and I compete against each other," Everett said, meaning if the Justice Department is doing something more efficiently and cheaper, he should go to Klimavicz. "Until we're at that place, we're really not gonna be in the best place to say that we are managing our money effectively."

Klimavicz said he's also a big believer in knowing what services cost, but TBM alone isn't enough.

"We need to talk about our financial management systems, our acquisition systems," Klimavicz said, considering how much money flows into these departments. "And we need tools and other things other than just the TBM structure to track how that money is actually being allocated."

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