Integrate IT Strategic Planning with Performance Measurement

Yan Zhao, PhD

ArchiTech Consulting LLC

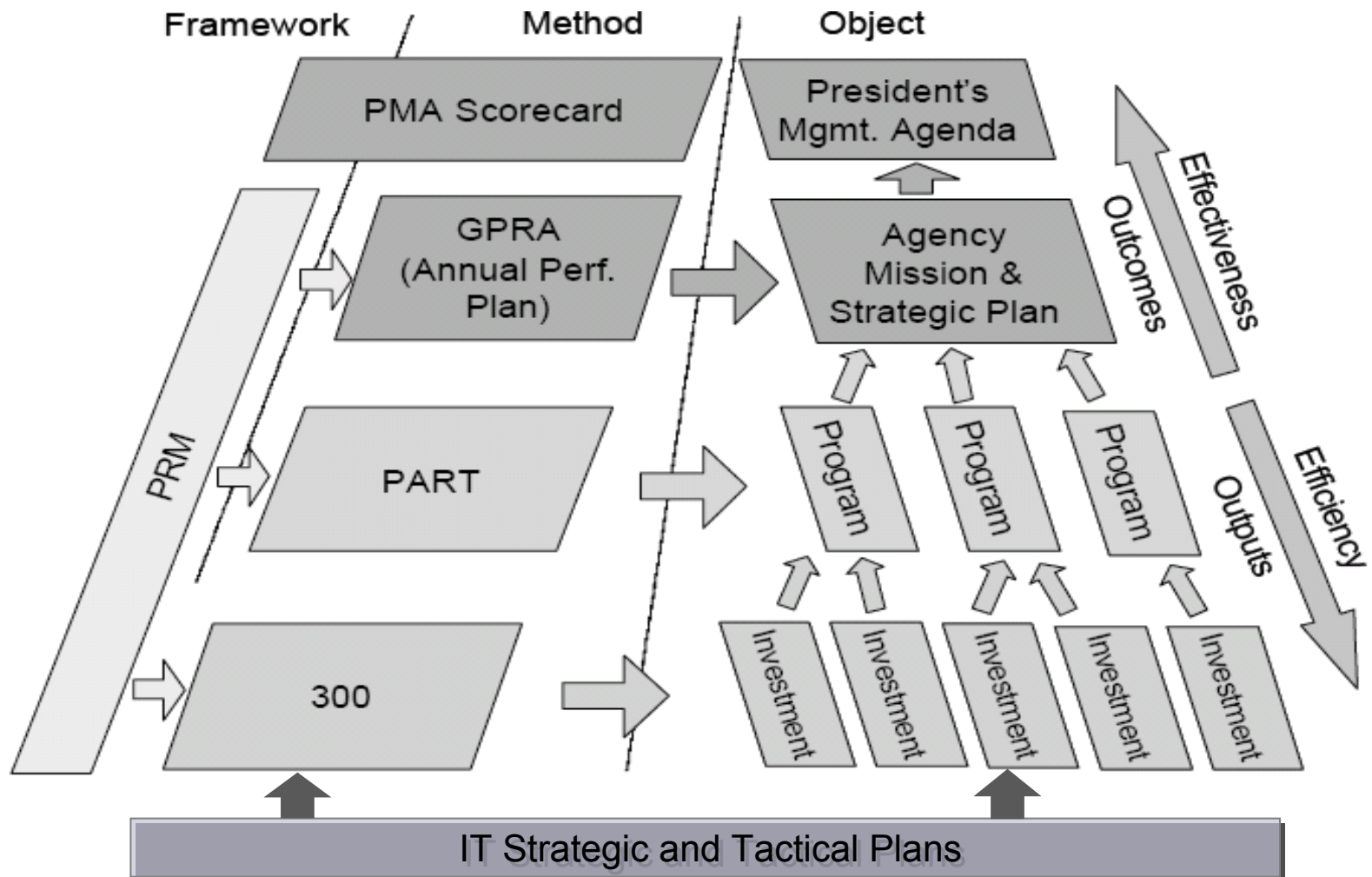**yan.zhao@architechllc.com, 703-408-1339**

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Content Summary

This presentation discusses a full scope practice mechanism and comprehensive components involved for IT strategic planning and performance measurement integration in federal government domain. It contains:
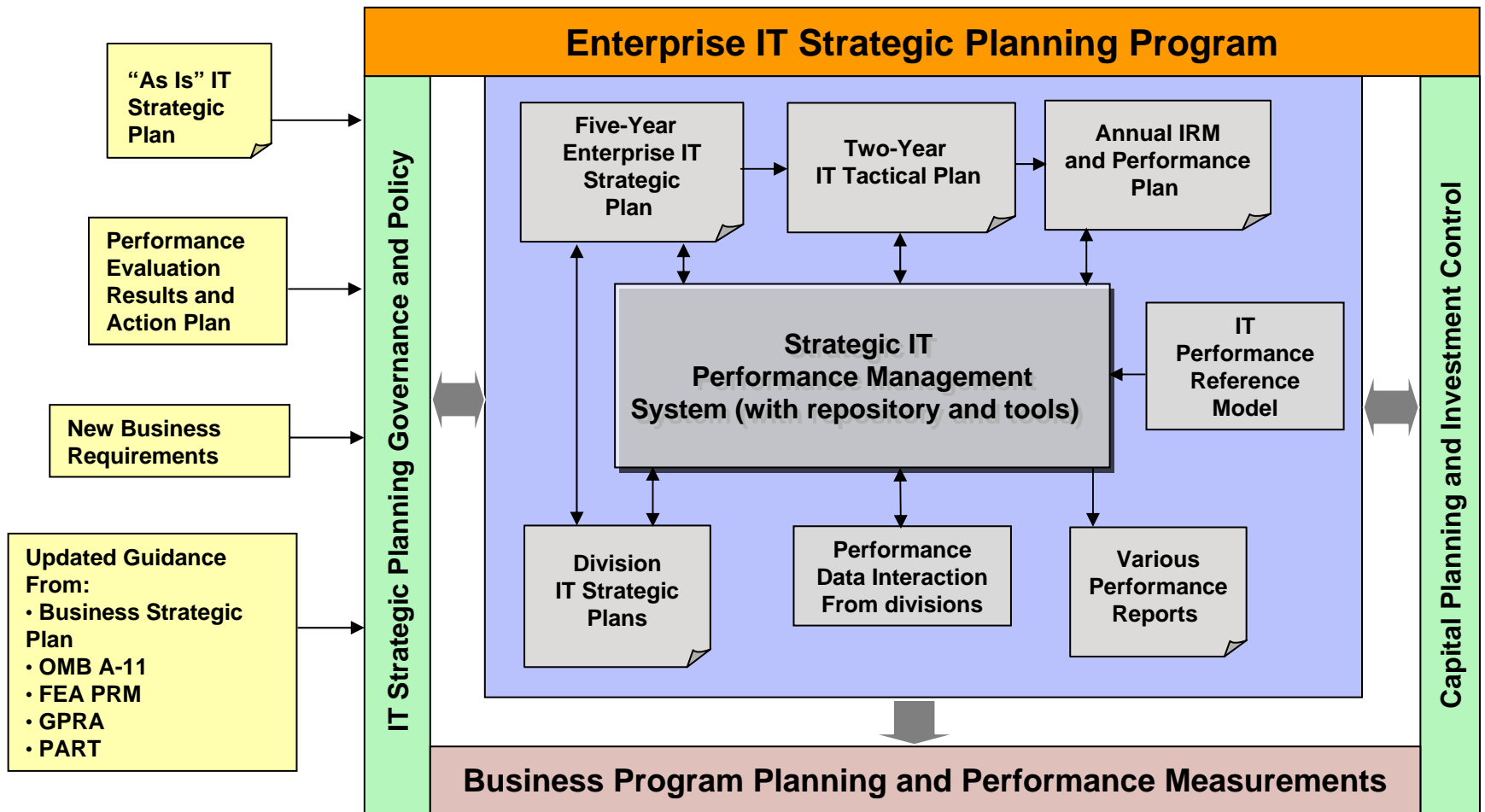
- The landscape of strategic planning and performance measurement
- IT strategic planning structure, model, and lifecycle for practice
- Performance measurement model
- IT strategic planning and performance measurement integration
- Performance management system

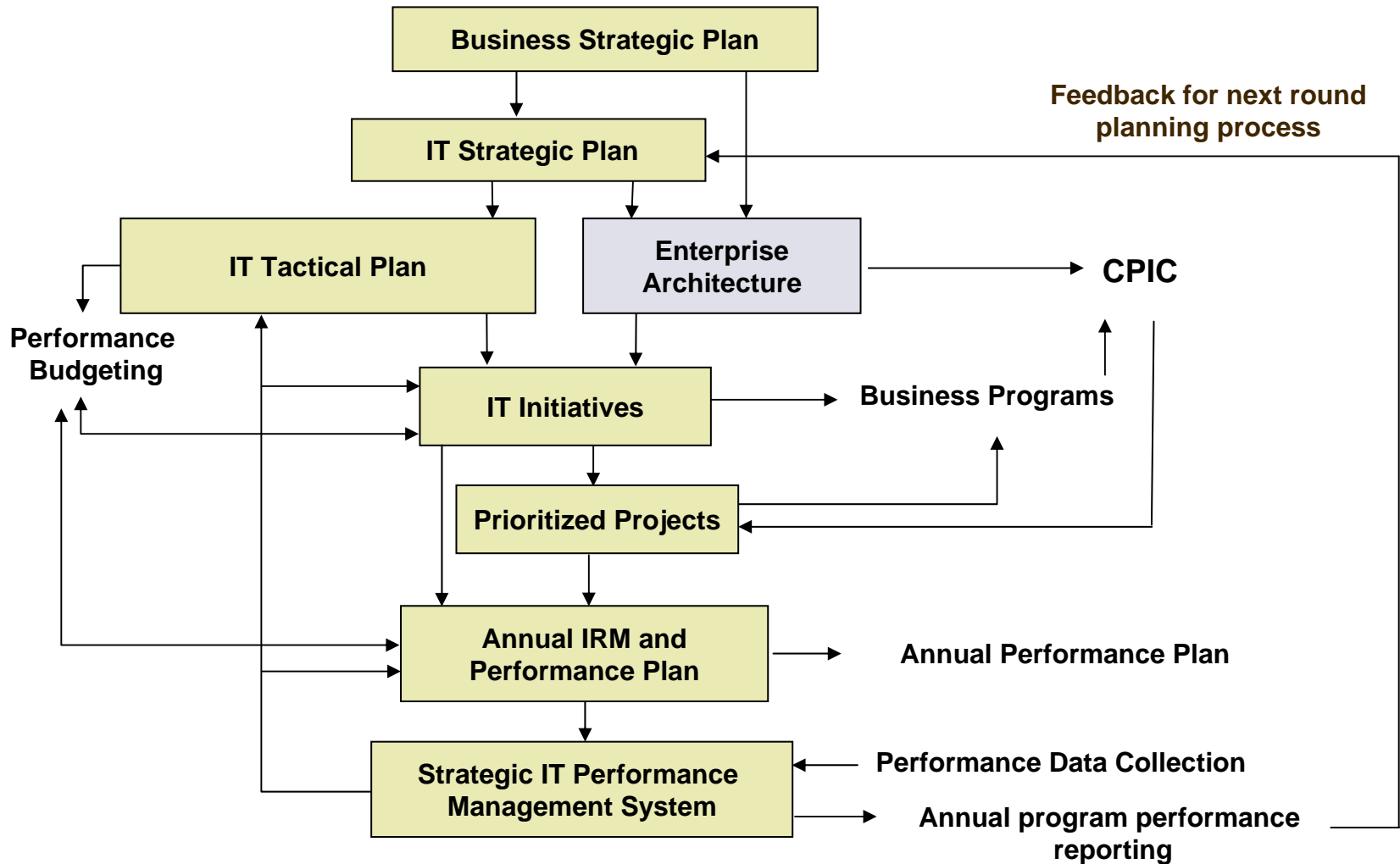# Landscape for Strategic Planning and Performance Measurement

IT Strategic Planning Structure
-- Components and Relationships

Enterprise IT Strategic Planning Program

"As Is" IT Strategic Plan

Performance Evaluation Results and Action Plan

New Business Requirements

Updated Guidance From:
- Business Strategic Plan
- OMB A-11
- FEA PRM
- GPRA
- PART

IT Strategic Planning Governance and Policy

Five-Year Enterprise IT Strategic Plan

Two-Year IT Tactical Plan

Annual IRM and Performance Plan

Strategic IT Performance Management System (with repository and tools)

IT Performance Reference Model

Division IT Strategic Plans

Performance Data Interaction From divisions

Various Performance Reports

Capital Planning and Investment Control

Business Program Planning and Performance Measurements

IT Strategic Planning Model

IT Strategic Planning Lifecycle Framework

Context Understanding

- Business goals, objectives, outcomes, and Strategic Plan
- Existing IT Strategic Plan
- IT baseline and performance results
- External drivers: legislation, policies, technology, standards, etc.
- Internal drivers: Secretary's priorities, business needs, customer/stakeholder requirements, IG audits, etc.

Strategy Development

Five-Year Enterprise IT Strategic Plan

Why

- IT mission and vision
- IT goals and objectives
- Performance goals and measures
- IT strategy model
- IT strategic planning framework
- IT strategic planning program
- Linkage with the Tactical Plan and Performance Management System

How

Performance Measurement and Evaluation

Performance Management System

- Performance reference model
- Performance measurement methodologies
- Performance measurement processes (in performance data collection, analysis and reporting)
- Performance measurement tools (to support performance tracking, analysis, and reporting, as well as decision-making)

Strategy Implementation

Two-Year Tactical Plan
- Strategic plan for IT infrastructure based on EA
- IT initiative update, with performance goals, measurements, and alignment with EA

Performance Budgeting & CPIC processes

Annual IRM and Performance Plan
- IT and management initiatives in scope
- Performance goals, targets, and measures
- Update of operational roadmap

Performance Measurement Model and Examples -- Planned Measures

IT Strategic Objectives	Performance Goals	Performance Measures	Performance Indicators
Provide integrated information services across internal agency, external partners, and the public.	• Goal 1: Improved integration of public service information • Goal 2: xxxxx	• Percentage of data sources integrated • Percentage of systems interoperable	• Data sources integrated: 60% • Systems interoperable: 50%

<center>↓ Guidance   ↓ Guidance   ↓ Guidance   ↓ Guidance</center>

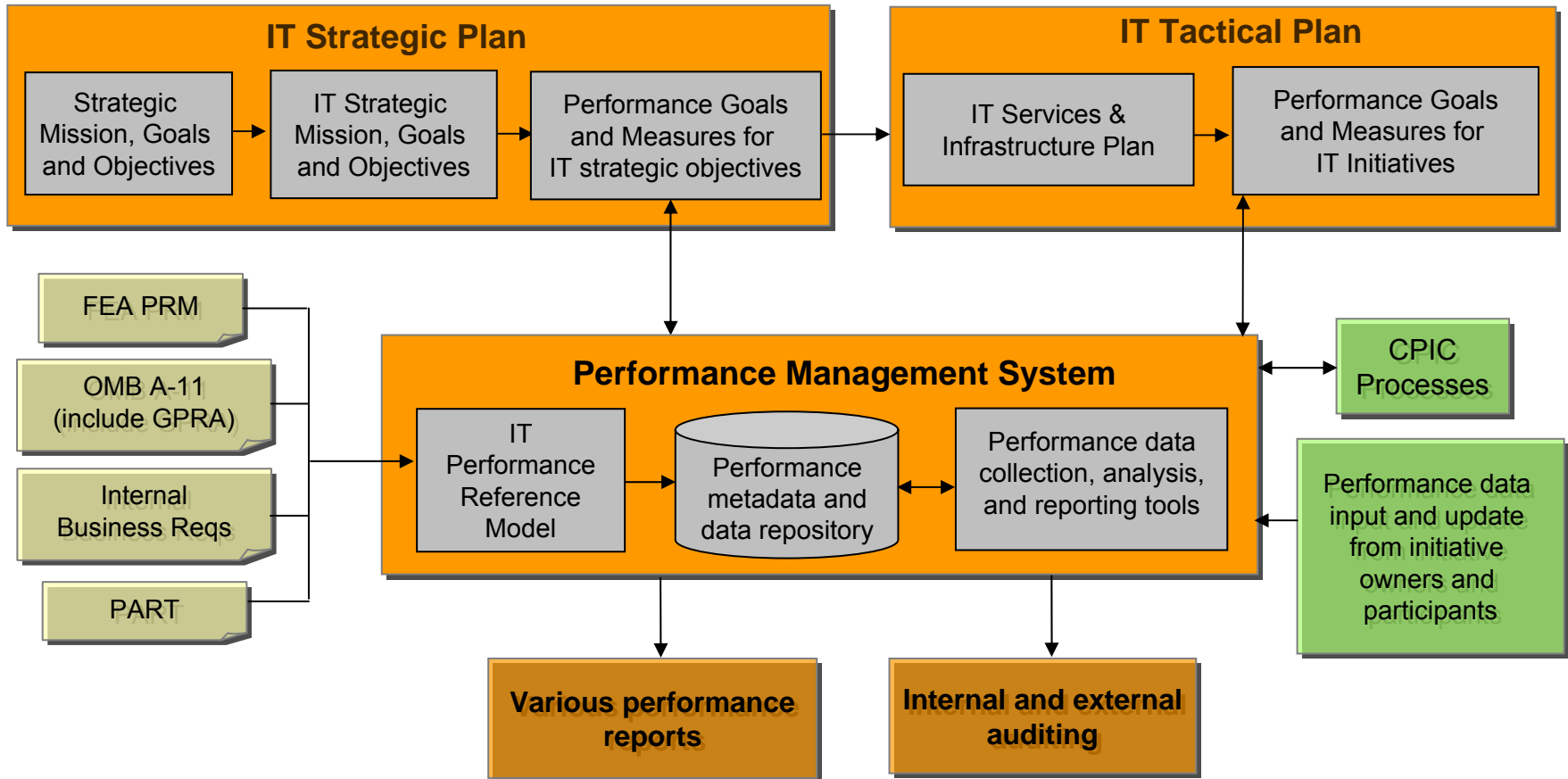| Initiative Objectives	Performance Goals	Performance Measures	Performance Indicators
Initiative A Objective: Integrate Systems and Services	• Interoperable systems and services for selected business areas	• Percentage of systems and services integrated • Percentage of interoperable systems and services	• Systems and services integrated: 60% • Interoperable systems and services: 50%
Initiative B Objective: Integrate Data Management Systems	• A federated data management system	• Percentage of the data management systems joined federation	• Data management systems joined federation: 60%
Initiative C Objective: Consolidated Health Informatics	• Established standard for Federal agencies and departments	• Standard coverage for informatics domains • Stakeholder adoption and acceptance	• Standard coverage: 65% • Stakeholder adoption and acceptance: 80%

Performance Measurement Model and Examples -- Actual Results

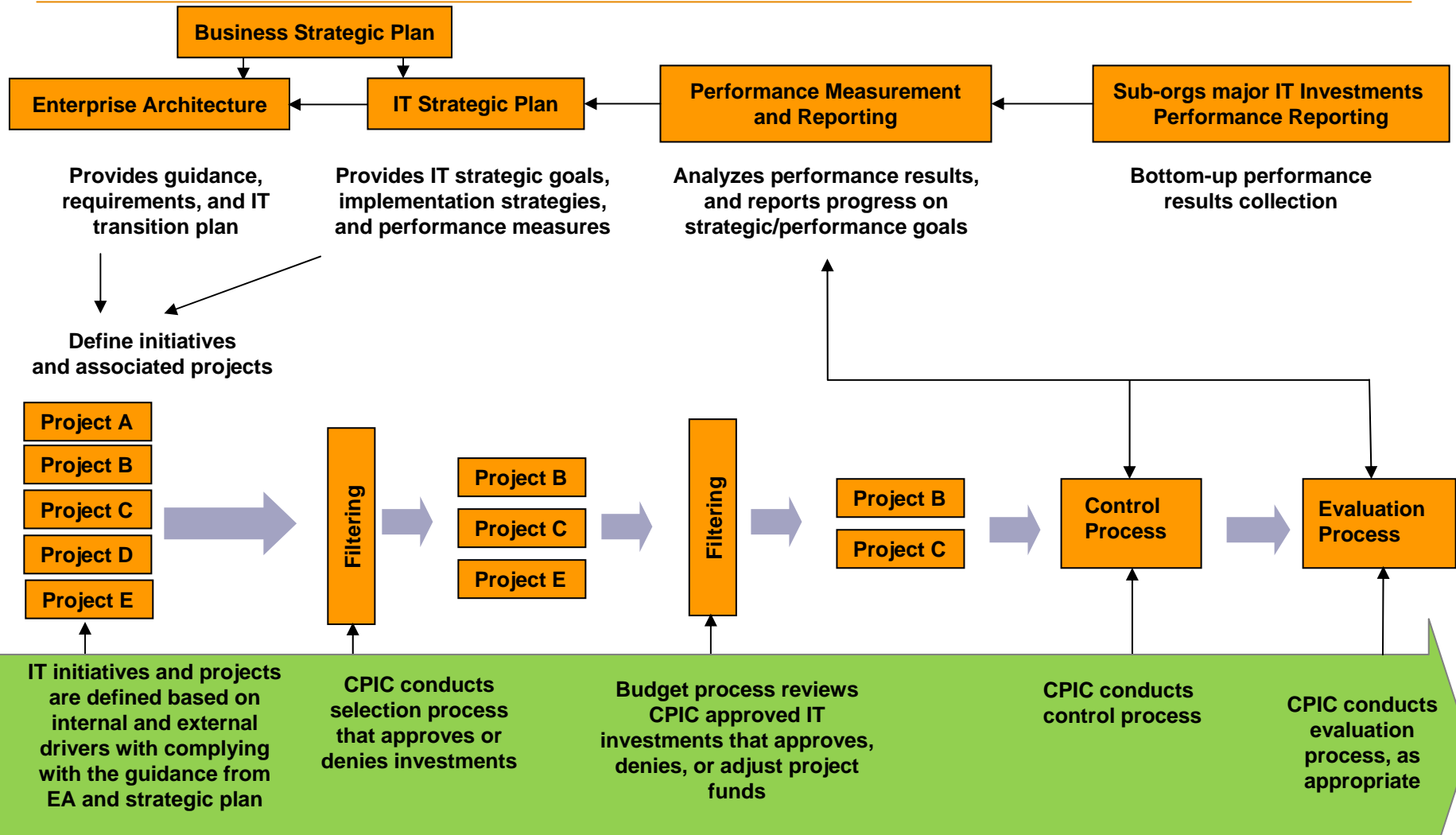| IT Strategic Objectives	Performance Goals	Performance Outcome Measures	Performance Outcome Indicators
Provide integrated information services across internal agency, external partners, and the public.	• Goal 1: Improved integration of public service information • Goal 2: xxxxx	• Percentage of data sources integrated • Percentage of systems interoperable	• Data sources integrated: 60% • Systems interoperable: 50%

Implement   Implement   Feedback   Roll-up

Initiative Objectives	Performance Goals	Outcome Measures	Outcomes Indicators
Initiative A Objective: Integrate Systems and Services	• Interoperable systems and services for selected business areas	• Percentage of systems and services integrated • Percentage of interoperable systems and services	• Systems and services integrated: 51% • Interoperable systems and services: 49%
Initiative B Objective: Integrate Data Management Systems	• A federated data management system	• Percentage of the data management systems joined federation	• Data management systems joined federation: 60%
Initiative C Objective: Consolidated Health Informatics	• Established standard for Federal agencies and departments	• Standard coverage for informatics domains • Stakeholder adoption and acceptance	• Standard coverage: 66% • Stakeholder adoption and acceptance: 81%

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Framework for IT Strategic Plan and Performance Measurement Integration

IT Strategic Plan

- Strategic Mission, Goals and Objectives →
- IT Strategic Mission, Goals and Objectives →
- Performance Goals and Measures for IT strategic objectives

IT Tactical Plan

- IT Services & Infrastructure Plan →
- Performance Goals and Measures for IT Initiatives

- FEA PRM
- OMB A-11 (include GPRA)
- Internal Business Reqs
- PART

Performance Management System

- IT Performance Reference Model →
- Performance metadata and data repository ↔
- Performance data collection, analysis, and reporting tools

CPIC Processes

Performance data input and update from initiative owners and participants

Various performance reports

Internal and external auditing

Integration of Strategic Plans, CPIC, and Performance Measurement

Business Strategic Plan

Enterprise Architecture ← **IT Strategic Plan** ← **Performance Measurement and Reporting** ← **Sub-orgs major IT Investments Performance Reporting**

Provides guidance, requirements, and IT transition plan

Provides IT strategic goals, implementation strategies, and performance measures

Analyzes performance results, and reports progress on strategic/performance goals

Bottom-up performance results collection

Define initiatives and associated projects

| Project A |
| Project B |
| Project C |
| Project D |
| Project E |

Filtering →

| Project B |
| Project C |
| Project E |

Filtering →

| Project B |
| Project C |

Control Process → **Evaluation Process**

IT initiatives and projects are defined based on internal and external drivers with complying with the guidance from EA and strategic plan

CPIC conducts selection process that approves or denies investments

Budget process reviews CPIC approved IT investments that approves, denies, or adjust project funds

CPIC conducts control process

CPIC conducts evaluation process, as appropriate

Performance Management System

- **The Performance Management System consists of:**
  - Performance Measurement Approach
  - Performance Reference Model
  - Performance Measurement Model (Matrix)
  - Performance Measurement Process Model
  - Performance Measurement Tools
  - Performance Management Framework

- **It enables actual performance measurements and tracking of initiatives, programs, and projects, as well as alignment with IT strategic objectives**

Performance Measurement Approach

- **Identify roles and responsibilities for performance measurement**

- **Identify measurement models and processes**

- **Define methods for performance measurement, analysis, and reporting**

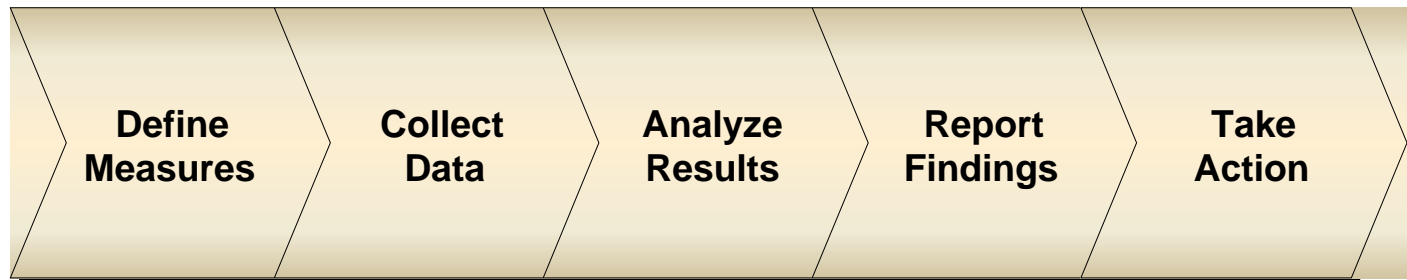- **Identify tools for performance measurement and data management support**

Performance Reference Model

- **A Performance Reference Model can be created based on FEA Performance Reference Model and performance measurement guidance from OMB A-11, GPRA, PART, GAO, internal business requirements, etc. The content for an agency PRM can include:**

  - Measurement areas and categories (what is measured)

  - Multi-dimensional performance indicators

  - Performance matrix

- **The Performance Reference Model for IT can be considered as a sub-model.**

Performance Reference Model (2)

Measurement Areas	Measurement Categories	Measurement Dimensions	Performance Indicators
Performance Measurements for Strategic Objectives	*List of the performance goals (created based on strategic objectives and BRM)*	*List the measurement dimensions for each performance goal*	*List the performance indicators for each performance dimension*
Customer Results Measurements	*List of categories for customer results measurements*	*List the measurement dimensions for each category*	*List the performance indicators for each performance dimension*
Business Programs, Processes, and Activities Supported	*List of the supported programs, processes, and activities*	*List the measurement dimensions for each program, process, or activity*	*List the performance indicators for each performance dimension*
Technology Measurements	*Infrastructure, services, applications, systems, etc.*	*List the measurement dimensions for each category*	*List the performance indicators for each performance dimension*
Capital Planning and Budgeting	*List of categories for capital planning and budgeting*	*List the measurement dimensions for each category*	*List the performance indicators for each performance dimension*
Resource Management	*List of categories for resource management*	*List the measurement dimensions for each category*	*List the performance indicators for each performance dimension*

Performance Measurement Process Model

Define Measures → Collect Data → Analyze Results → Report Findings → Take Action
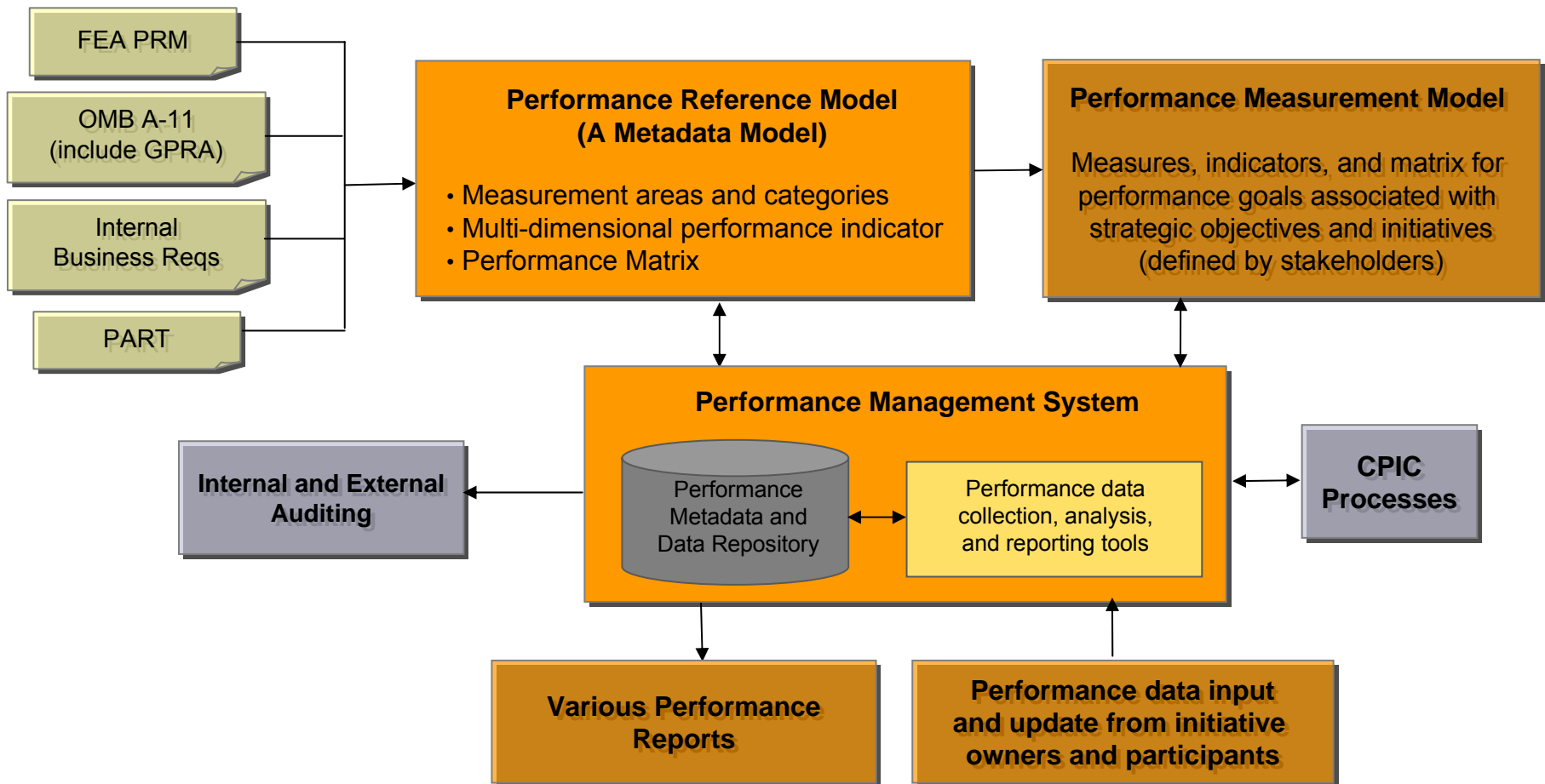
Source: HHS

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Performance Measurement Tools

**The Performance Measurement Tools
can be selected in the following categories:**

- **Performance measurement portal website**
- **Performance data collection tool**
- **Performance data analysis tool**
- **Performance data repository and reporting tool**

**** Different COTS products can be used for
separate categories of tools, also one COTS
product may be applied to multiple categories**

Performance Management Framework

FEA PRM

OMB A-11 (include GPRA)

Internal Business Reqs

PART

Performance Reference Model (A Metadata Model)

- Measurement areas and categories
- Multi-dimensional performance indicator
- Performance Matrix

Performance Measurement Model

Measures, indicators, and matrix for performance goals associated with strategic objectives and initiatives (defined by stakeholders)

Performance Management System

Performance Metadata and Data Repository

Performance data collection, analysis, and reporting tools

Internal and External Auditing

CPIC Processes

Various Performance Reports

Performance data input and update from initiative owners and participants

Conclusion

This presentation discussed:

- **The background of IT strategic planning and performance measurement in federal government**
- **The structure and models proposed for IT strategic planning and performance measurement**
- **The practice recommendations for IT strategic planning and performance measurement integration**