

**WACTC-Tech Task Force**  
**STRATEGIC TECHNOLOGY PLANNING & GOVERNANCE**  
**September 27, 2018**  
**10:00 a.m. – 2:00 p.m.**  
**Edmonds Community College**

**In Attendance:** Brian Culver, Chad Stiteler, Dennis Curran, Eva Smith, Grant Rodeheaver, Katie Marks, **Marisa Herrera**, Mark Jenkins, Tammy Frankland, Teresa Holland-Rich, Jeff Schuett (Guest – Gartner)

**Not In Attendance:** Chato Hazelbaker, Elliot Stern, Glenn Colby, Kari Desser

**Introductions, Review of Goals and Objectives, Expected Outcomes, Definition of Success**

- Jeff Schuett introduced himself and a bit about Gartner
- Everyone around the room introduced themselves
- Task Force is giving update to WACTC Tech as to where we currently are October 4-5 (this will not be our final recommendation)
- Objectives for the day
  - Create an action plan for the Community & Technical College Technology Governance model
  - Governance Philosophies: A Foundational Conversation
  - Identify Current state: The Old City
  - Define the Future State: The Shining City on the Hill
  - .....

**Orientation – What’s Coming Today?**

- What is the Journey to the shining city on the hill?
  - The right structure
  - What do we need from community colleges and what don’t we need
  - Measuring progress
  - Designing A solution: Art versus Science
    - This is as much science as it is art
    - Some will be centralized and some will be decentralized
  - How long does it take to implement a PeopleSoft ERP solution in Higher Education?
    - About Two and a Half CIOs
    - ERP Implementations are large, complex and life0changing for an organization. The key to success (and survival) is to get aligned properly and focus on collaboration.
- The Adaptive Governance Framework
  - IT Governance – Defined
    - IT governance is an evolving enterprise capability that applies a tailored approach across the enterprise to set decision rights, accountabilities and empowering leadership (outcome: leadership commitment toward enterprise outcomes).

- Establishes policies and practices to achieve business outcomes (outcome: preservation and growth of shareholder value).
- Directs investments in accordance with policies and in support of business objectives (outcome: investment discipline and coherent strategy execution).
- Monitors business value and IT performance gained from investments (outcome: business value capture and IT effectiveness).
- Directs resource allocation against business priorities and outcomes (outcome: maximized benefit from applied resources).
- Monitors adherence to decisions and policies (outcome: assurance and transparency on decision making).
- Ensures that processes, behaviors, and procedures are in accordance with policies and within tolerances to support decisions (outcome: balanced risk management risk versus return).
- Provides evidence to stakeholders that oversight applied (outcome: assurance on good governance practices).

#### ○ Governance in 2018

- Digitalization has taken center stage for private and public enterprises.
- A focus on agility, innovation and collaboration is reshaping key capabilities such as governance.
- The traditional command-and-control-based IT governance capability has neither the scope nor the agility to meeting the needs of digital business.
- Organization must be able to transform information and technology governance practices to support digital innovation and real-time ecosystems.
- Educators, administrators, business and technology organization must be closely aligned, more than ever before (whether they want to or not).
- Old models and strategies used on ERP Deployments do not work in 2018
- The postmodern ERP environment is here

#### ○ One Size does not fit all

- The day of a “one size fits all” approach to IT governance are numbers as the following trends influence governance practices:
  - Digital business model innovation at speed
  - Increased pervasiveness of technology throughout the enterprise
  - Convergence of IT, IoT, OT and CT (consumer technology) to create new business opportunities
  - Emergence of business ecosystems and platforms as part of the business model
  - Blurring of boundaries between the enterprise and its stakeholders
  - Mixed modes of operation and delivery (i.e. bimodal IT)
- FACT: the “distributed” model of the Community & Technical Colleges structure demands a flexible governance structure, anyway
- Spokane & Tacoma
  - work groups, governance committee, oversight (they are part of this model) – fiscal year close (there were issues and clean up that they had to work on, Spokane is still struggling to close); this is one system; all lessons learned are from Spokane and Tacoma

#### ○ Introducing Adaptive Governance

- Digitalization has taken center stage for private and public enterprises. A focus on agility, innovation and collaboration is reshaping key capabilities such as governance. A traditional “one size fits all” command-and
  - Control-based
  - Outcome-based
  - Agility-based
  - Autonomy-based
- Establishing the Right Level of Portfolio Governance
  - We should be influenced that we need to do what is necessary to get to migration – part of the decision making process
  - Oracle will come out with a module later on that is more compatible, etc.
  - How do you deal with the other products that will come out
- Adaptive Model Examples
  - Traditional Business
    - Head office
    - Back office
    - Infrastructure & operations
  - Digital business
    - Front office
    - Innovation
    - Platforms and ecosystems
- Value-based Adaptive Governance Mechanisms
  - Role, Rule, Process, Structure – Values in the middle
- Adaptive IT Governance Mechanisms
  - Rule-based mechanisms
    - Based on IT policies, compliance, technical standards, architecture principles, mandates and other enforceable business rules. They are the most recognizable mechanisms because they hark back to the origins of governance. Examples of rule-bases mechanisms include the enterprise mobile-device policy and any compliance activity.
  - Structure-based mechanisms
    - Based on the interplay of the structures that drive decision making. Structures can be on a functional level (board, committee, etc.) or on an organizational level (e.g., auditing). The investment council, architecture review board and board of directors are examples of structure-based mechanisms.
  - Process-based mechanisms
    - Based on the processes that drive decision making. These processes assure that the right controls, checks and balances are addressed before a decision is made. Examples of process-based governance mechanisms are the business case process, architecture design review process, portfolio management process and risk management process.
  - Role-based mechanisms
    - Based on the interplay of roles – on the functional or organizational level – that drive decision making. Role-based mechanisms include business relationship manager, senior supplier, senior user and product owner.

- Values-based mechanisms
  - Pervasive, applying to structure, role and process-based mechanisms. They consider values inside and outside the enterprise as drivers of decision making, addressing the ethical, moral, cultural, behavioral, sociological, political and economic aspects of society and technology (including AI and robotics). Values-based mechanisms are essential influencers of technology decisions from societal and human perspectives. They are not “hard-coded” in the organization like directives or policies; they are instilled in the culture and expressed by behavior, ways of working, beliefs and ethics. For example, A “Don’t be evil” philosophy drove Google’s internal and external behavior for many years. Now Google’s parent company, Alphabet, is advocating “Do the right thing.”
- Configure Your IT Governance to Be able to scale and adapt to enterprise needs
  - An enterprises’ IT governance capability must be able to scale and adapt to modern enterprise needs driven by the:
    - Pace of (digital) business and business model innovation
    - Increased customer and citizen experience requirements
    - Blurring of enterprise boundaries (business ecosystems)
    - Convergence of technologies such as IT, Internet of Things (IoT), artificial intelligence (AI) and computer telephony (CT)
  - In this modern context, IT governance for the enterprise is not a one-size-fits-all approach across the enterprise. It is tailored to the specific, and often changing, needs of the business.
- Governance Recommendations
  - Application leaders responsible for ERP and customer experience initiatives should
    - Educate their business partners on the importance of establishing a vision
    - Avoid long-term application maintenance issues by staying as close to the vendor’s default functional capabilities and data object model as possible.
    - Improve the ERP adoption program by establishing an executive mandate and communication plan that defines why the system exists and how it should be used.
    - Keep an eye on where Oracle is going with their Oracle ERP Cloud solution.
- Recommendations on How to succeed with AG
  - To implement a sustainable adaptive governance capability that boosts strategic execution and operational performance, you should
    - Use adaptive IT governance and underlying mechanisms to establish an enterprise IT governance capability that delivers the right governance outcomes across control, outcome, agility and autonomy against enterprise needs.
    - Hold back from jumping directly into agility and autonomous governance if no foundation for control and/or outcome-based governance has been established.

- Implement the adaptive IT governance capability to-down, establishing board and executive leadership commitment on distributing decision rights and accountability across the enterprise and ecosystem to empower those that are closest to value creation.
- Sustain adaptive governance by continuously assessing the fit for purpose of the governance outcomes and underlying governance mechanisms to reach desired outcomes.
- Be flexible and develop a partnership with the business and campuses.
- Why Things Fall Apart
  - Top Reasons for IT Governance Breakdowns
    - Wrong focus areas
      - The wrong focus areas are addressed, leading to a governance function that is misaligned and therefore unable to address the right concerns to raise performance and deliver business outcomes.
    - Designed by IT for IT
      - The governance function has been designed by IT without consulting the business. As such, it only addresses the IT organization and its performance, rather than the business it serves. In short, there is no enterprise focus.
    - Management vs. governance
      - Because the governance board is responsible for addressing management topics, it focuses less on governance, which causes confusion on issues of ownership and delegation across the management vs. governance scope (e.g., spending vs. investments).
    - Wrong board members
      - Members of the governance board have no mandate to make decisions and therefore cannot contribute to topics on an enterprise level. Governance boards need senior members who have scope, breadth, leadership qualities and the power to make decisions and understand their implications.
    - No evaluation of performance
      - A governance board cannot be effective without a means to evaluate its performance – the decisions it has made, the processes it has applied, the outcomes it has achieved and the areas in which it needs improvement.
    - No portfolio approach
      - The governance board evaluates decisions on a piecemeal basis rather than taking a portfolio approach to evaluating and rebalancing investments and risk decisions.
    - No business case process
      - Business cases drive decision making and provide clarity on resourcing a risk. A governance board makes decisions based on business cases that evaluate proposed investments against expected benefits.
    - No IT principles

- A governance board needs to operate using clear principles that drive decision making and provide transparency.
- Questions for the Group
  - Do the people in this room have the power?
  - Who do they need to security it?
  - The assumption is the college presidents are the power, and final decision-makers, and they are not in attendance today. How does this dynamic get addressed?
- PeopleSoft Continuous Delivery
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- Oracle's Support for PeopleSoft Continuous Innovation Releases
- Washington Community & Technical Colleges might be one of the last new PeopleSoft Deployments on the planet (there are about 500 schools in the US on PeopleSoft)
- Things to consider – have to have governance for all of these aspects
  - ERP Life Cycle Phases
    - Strategize & Plan
    - Architect
    - Select
    - Deploy
    - Operate & Evolve
- How Implementing a new ERP solution impacts business performance
  - Adoption curve
  - How deep is the dip?
  - How longer before performance returns wo what it was?
  - When are benefits realized?
- Phases after a new ERP solution goes live
  - Stabilization Phase

## Current State: What Does the Old City Look Like

- Recap of current situation for Gartner
  - What is the old City?
    - The way your governance model looks today
      - Business structure
      - Support model
      - Processes and procedures
      - Governance
      - Roles and responsibilities
- Current structure, governance, timing and needs
  - Assess the current state
    - Evaluate your portfolio governance practices and maturity in the organization. This is an ideal time to determine which areas are well-governed in the organization and which re not. Ask business and IT leaders key questions, including:
      - How effective are the current portfolio governance practices (for example, multi-tiered integration points or single, stand-alone practices)?
      - How active are governance members and leadership?

- What areas for improvement exist in portfolio governance practices?
- How do improvements balance the right levels of flexibility and control?

## IT Governance Best Practices (Working Lunch) – Tim Faith (Gartner)

- Thoughts on the Governance Draft Document
  - Tim sending his document with notes
    - Executive summary very good
      - The intent is for technology ongoing support and future integration
      - Call out other sub-structures and IT framework
        - ERP structure needs to come under the overall operating structure
        - ERP should be closely aligned with business
        - Different styles that build on each other
        - ERP governance is a living breathing body that continues on
      - IT is intended to be in service for many things
      - ERP structure is a business structure
      - Calling out the different governance levels
      - Operating structure is overall – a member of the planning and governance may be the lead of a sub-structure
      - Processes and Tools
        - Agree on agility (Not only IT but the right person to talk to if they need to be engaged with this decision)
          - We need to be adaptive and quickly accelerate decisions and not get bogged down in the processes
          - Having the sub-structures will feed into the agility
      - Guiding Principles
        - Some of these are measured, some are not
        - How do you make them a priority
        - How do you make things agile and nimble
          - Quality decisions has to be in there as well
          - Not sure how we do that in our environment
          - Depending on the size of the app would determine the process
            - Do we engage whole committee or just some of
            - Gather the necessary requirements to determine how you need to engage with the committee
      - Requirements and functional needs
        - Look at them according to business outcome – will help you know if you are successfully managing
        - If someone comes to IT and asks “What took IT so long to do X” – look at what they are expecting it to do and what are they actually trying to do – part of the road map to measure
      - Organizational Structure
        - Who has the authority to make the final decisions?
        - The Task Force will probably not be the group to make the final decisions but the vetting group
        - You can give yourself the authority in the recommendations to eliminate certain recommendations

- Present the good recommendations based on certain things and whoever makes the decision will go off of that
- Give them the fewest amount of good recommendations to make their decision on
- You want the structure and framework to determine the credibility
- If there is a gap in the governance who can fill it

## Flagging the Gaps

- What is current structure missing?
  - Wash out what needs to be added/done
  - What cultural and organization changes need to happen
  - How are things going to be measured
  - Be bold on what you want to do
    - Put it out there
  - Lay out a project plan for governance
    - It's going to take a bit of time to get there
  - Set the expectations with the commissions that this is a journey
    - Plan is going to be very important
  - Keep Gartner involved
  - The key to success is to learn from the differences

## Planning the Journey

- Sorting out how to close the gaps identified
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- Determining right mix of Campus/Board Ownership, Cadence, Levels, Philosophy, Metrics and Measurements
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## Building the Action Plan

- Action items with owners and timing
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- Cadence to review with Gartner
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## The To-Do List: Things to think about

- What about next week – what do we present (when Jeff signed off the audio went away)
  - Will get the information from Grant and forward to all members

**\*\*Are we going to get the PowerPoint from Jeff?**