



# **Department Of Education: Federal Student Aid (FSA) CIO Transformation**

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*Organizational Design Inputs*

**October, 2002**

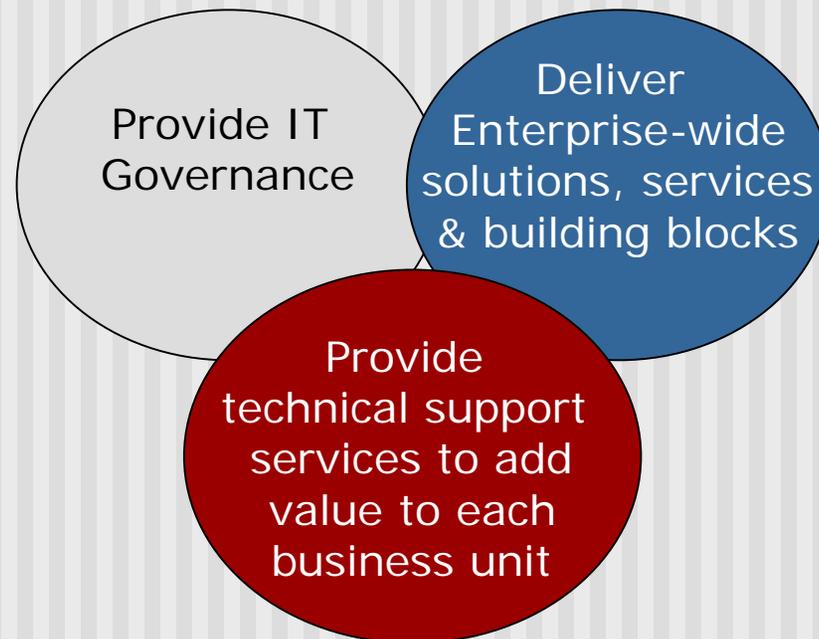
- ***The Case for Change***
- ***CIO Strategic Direction***
- ***CIO Transformation Considerations***
- ***Proposed Next Steps***

## ***The Case for Change...***

- As FSA has advanced through its modernization efforts, a number of changes have occurred in the manner in which the organization conducts business. The advancements that have been made effect both the manner in which FSA conducts business as well as the skills and behaviors required of the workforce.
- The Chief Information Office was originally designed to promote the effective use of technology to achieve FSA's strategic objectives through sound technology planning and investments, integrated technology architectures and standards, effective systems, development, and production support.
- Technological enhancements including EAI, ITA, BTA security & privacy, technology quality and standards and data consistency strategies have all occurred during the last two-to-three years.To address these changes, FSA CIO must also evolve to better meet the requirements of their customers, the business units.
- Development of a new Customer Service Delivery Model, as well as an organizational restructuring, will assist the CIO in meeting these demands.

## *CIO Strategic Direction*

### Overarching CIO Strategic Objectives



## ***CIO Strategies***

- Business/IT Alignment
- Manage efficiency of non discretionary spending
- Deliver reliable products and services
- Foster a culture of accountability and integrity
- Operate systems worthy of trust
- Leverage IT assets
- Employ emerging technologies to improve business performance
- Maximize effectiveness of CIO workforce

## How Everything "Fits Together"



## *Looking Ahead*

- A number of changes may be driven by:
  - Optimization/One-ED/Budget Reductions
  - Streamlined processes/workload balance
  - Closer alignment to FSA business units
  - Incorporation of Modernization initiatives and enhancements
  
- Looking to form a matrix organization
  - Team-based
  - Collaborative environment
  - Customer-focused services and results
  - Person on-point for each business unit

## ***CIO Transformation Drivers & Potential Measures***

<b>Business Drivers</b>	<b>Organizational Capability</b>	<b>Metrics</b>
<ul style="list-style-type: none"> <li>• Removal of FSA from the GAO High Risk List</li> <li>• Prepare for and support the One-ED efforts</li> <li>• Comply with legislation (Clinger Cohen Act, GPRA, GPEA)</li> </ul>	<ul style="list-style-type: none"> <li>• Ability to effectively monitor IT project outcomes and enable IT efficiencies</li> <li>• Ability to evaluate IT program performance</li> <li>• Ability to provide IT strategic direction to FSA</li> <li>• Ability to influence enterprise-wide IT policy</li> <li>• Ability to manage FSA's strategic enterprise-wide IT investment process</li> </ul>	<ul style="list-style-type: none"> <li>• Achievement of CIO Performance Measures</li> <li>• Number IT projects deviating from cost, schedule and performance expectations*</li> <li>• Number of IT projects that demonstrate enterprise-wide value</li> <li>• Contribution to efforts removing FSA from the GAO High Risk List</li> </ul>
<ul style="list-style-type: none"> <li>• Respond to GAO and IG Findings</li> <li>• A more collaborative relationship between FSA and the DOED OCIO</li> <li>• Improve support of FSA Business Units</li> </ul>	<ul style="list-style-type: none"> <li>• Ability to provide IT solutions to business problems and opportunities</li> <li>• Elimination of IT redundancies</li> <li>• Clearly defined roles and responsibilities between IT and Program Areas</li> <li>• Effective contract management and monitoring</li> </ul>	<ul style="list-style-type: none"> <li>• Number of customers satisfied with IT solutions</li> <li>• Percentage of IT projects using the established IT standards</li> <li>• Percentage of Balanced Scorecard targets achieved</li> <li>• Number of projects successfully implemented with the OCIO</li> </ul>

## ***CIO Transformation Objectives***

***The objectives of the CIO Transformation are focused on strengthening CIO ability to bring the right technology to FSA at the right time***

- Foster a culture of accountability and integrity
  - Clearly define roles and responsibilities
  - Create a communicative culture by establishing activities for managers to promote staff engagement and awareness in the organization's strategies and objectives
  - Improve employee performance management through IDPs, regular feedback sessions and EDPAS
  - Maximize effectiveness of the CIO workforce
- Align work processes to eliminate redundancies between FSA CIO and OCIO
- Deploy new FSA CIO strategic service delivery model
- Maximize workforce competencies, skills and contributions
- Ensure FSA compliance with Clinger Cohen Act, GPRA and GPEA and respond to GAO/IG findings through:
  - Managing and maximizing IT investments
  - Promoting IT efficiencies
  - Ensuring IT effectiveness
- Improve customer satisfaction
- Minimize impact of change by facilitating employee participation and executive ownership

## ***CIO Organizational Aspirations (DRAFT)***

- To be a strategic “partner at the table”
  - Provide business/IT alignment
  - Leverage enterprise IT assets
  - Adhere to standards set forth by the Department
  - Ensure compliance with legislation
  - Make sound IT investments
- To be proactive and innovative
  - Employ emerging technologies to improve business performance
- To provide value-added, customer-oriented services
  - Know our customers’ business
  - Enhance our customer service delivery model
  - Enable FSA goals and objectives; suggest and support solutions
  - Clarify roles, responsibilities, expectations; establish service level agreements
- To deliver reliable products and services
  - Establish common expectation for service excellence
  - Foster a culture of accountability and integrity
  - Maximize effectiveness of CIO workforce
  - Operate systems worthy of trust

## *To Keep in Mind*

- President's Management Agenda is calling for “flatter” organizations with more flexibility
  - Consider term appointments
  
- The Department's Strategic Plan :
  - Identify core work competencies and develop strategies to close skill gap
  - Ensure security of IT infrastructure
  - Implement performance based data management
  - Consolidate data collections and storage

## ***“Best Practice” research demonstrates...***

A consistent and efficient CIO detailed design is:

- Is lean, flat and strives for no more than five levels of management from the CIO
- Represents reasonable span of control based on workload i.e., strives for an 1:8 supervisor to employee ratio
- Maximizes utilization of FSA expertise and resources and balances contractor support in order to deliver products and services in the most efficient way
- Provides opportunities for development of required technical skills
- Clearly defines accountability and roles for processes and facilitates measurement of outcomes
- Recognizes differences between and the need for, both leadership and technical expertise/guidance

# ***Additional design considerations & desired outcomes***

## **Operations**

- Design a customer-centric organization
- Increase coordination and communication internally and externally
- Increase accountability (structure, processes, performance measures)

## **Strategy**

- Increase strategic planning, innovation, forward-thinking and proactive vs. reactive mode
- Provide customer-centric services, enhance the value-add of the CIO organization to the business units and DOED OCIO

## **Organizational**

- Draw clearer distinctions of roles and responsibilities at all levels
- Develop culture of accountability and integrity
- Maximize workforce efficiencies

## *Anticipated Paradigm Shifts*

### From

“Not my problem”



“What does my boss need?”



“What’s my title?”



“This is how we’ve always done it.”



“Who is ultimately responsible?”



“ I can do what I want because it  
is my money”



**Bottom Line: Stovepipe**



### To

“What can I do to help?”

“What does the customer need”

“What’s my role?”

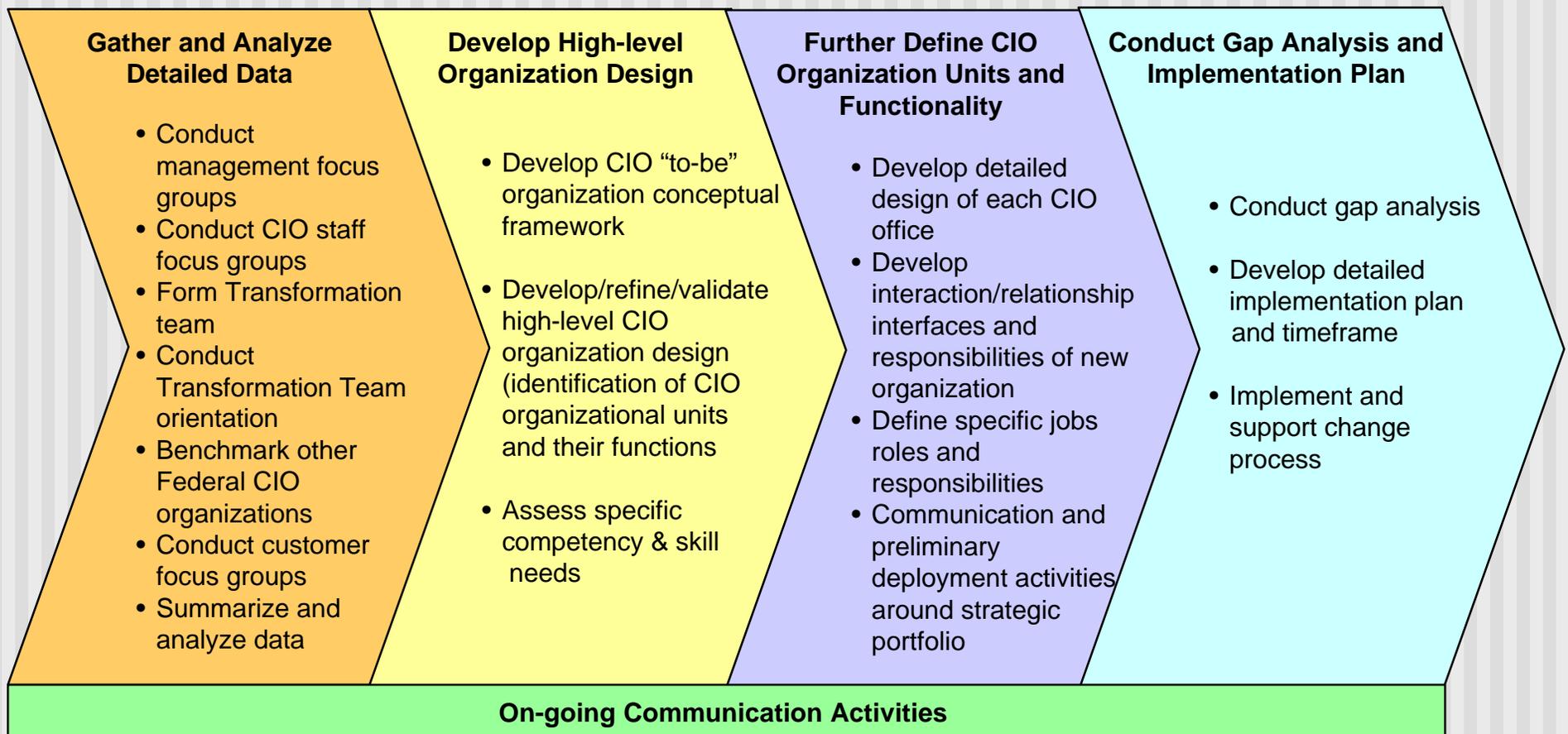
“Let’s explore better ways.”

“We’re all in this together.”

“Will this effort support the Dept’s strategic  
objectives?”

**End to end service model/  
Delivery System**

## *The Proposed Path of our Transformation Process...*



## ***The next phase of the Transformation consists of ...***

- Complete detailed data gathering (as-is assessment)
- Finalize themes and conclusions from data gathering
- Develop a CIO Conceptual Framework
- Conduct Working Sessions with CIO middle-management and employees
- Determine existing competencies and skills within current CIO organization
- Continue socializing progress, ideas and concepts with Terri Shaw and DOED OCIO
- Confirm Strategic Portfolio (14 services)
- Begin deployment planning for Strategic portfolio