



Oregon Department of Transportation

ODOT Information Systems

IT Governance and Planning Processes

Version 1.0

Information Systems Management Team

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Purpose

- To document the governance and decision making structure established within ODOT to manage Information Technology (IT).
- To outline the actions employed by ODOT for planning IT investments and activities.

Description

This document outlines the structure and processes used to lead and direct IT within ODOT. Its focus is not to present the products of those processes, but to describe the processes followed in order to produce them. That is, the document outlines who is involved with planning, how and when planning is completed, and the scope of the plan; but it does not show the actual plans or products produced. This draft version is anticipated to be accurate, but it has not been approved by IS Management Team or the IT Executive Steering Committee.

1. Introduction

IT governance is a structure of relationships and processes that direct and control the enterprise to achieve its goals. IT governance is becoming more and more important for achieving the organization's goals by adding value while balancing risk versus return over IT and its processes. IT governance is integral to the success of enterprise governance by assuring efficient and effective measurable improvements in related enterprise processes. IT governance provides the structure that links IT processes, resources and information to enterprise strategies and objectives. Furthermore, IT governance integrates and institutionalizes best practices for planning and organizing, acquiring and implementing, delivering and supporting, and monitoring IT performance to ensure that the enterprise's information and related technology support its business objectives. IT governance thus enables the enterprise to take full advantage of its information technology assets, thereby maximizing benefits, capitalizing on opportunities and gaining competitive advantage.¹

¹ CobiT

2. Governance

The IT Executive Steering Committee was formed by the Information Systems Chief Information Officer (CIO) and key managers on the ODOT Director's management team in 1996. Since that time, ODOT has been striving to develop "business" guidance for information technology. Over time this has developed into a governance structure that includes a number of groups, guiding plans, and documents. This document describes those groups and documents and how they work together to align information technology resources and investment to achieve ODOT-wide priorities.

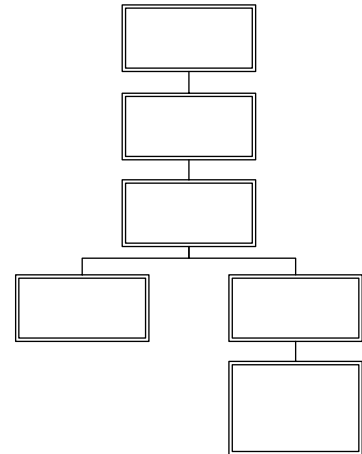
2.1 Guiding Documents

There are a number of documents and statements that clarify, codify, and guide the decision and actions of ODOT Information Systems. These documents fit into the hierarchy of IT planning concepts used within ODOT and Information Systems. That framework is shown in the diagram below.

2.1.1 ODOT IS Mission Statement

The ODOT IS mission is to enable people to deliver ODOT products and services by putting sustainable business and technology solutions in their hands.

Changes to the ODOT IS mission statement are rare and only likely if there is a major change of direction for the organization. In the event changes are needed, proposed changes are evaluated for approval by the Executive Steering Committee.



2.1.2 ODOT IS Vision Statement

The vision statement is a forward thinking and strategically focused statement with top management support. The mission statement describes what we do; the vision statement describes the kind of organization we strive to be. The ODOT IS vision is as follows:

ODOT Information Systems is seen as a world-class, customer-oriented technology service organization. Its customers view ODOT IS as a trusted partner in delivering quality solutions. ODOT IS is known for consistently delivering the right solution at the right cost and at the right time

Changes to the ODOT IS vision are rare and only likely if there is a major change of direction for the organization. In the event changes are needed, proposed changes are evaluated for approval by the Executive Steering Committee.

2.1.3 IT Principles

Information Technology (IT) Principles are statements of preferred organizational direction or practice, applying to the way ODOT structures, uses, and manages its IT resources. IT Principles are equivalent to ODOT policy. To disregard principles creates a risk. The only time they should be overridden is when the risk associated with following the principle significantly outweighs the risk of following the principle. Overriding an IT principle requires written approval of any Executive Steering Committee member.

IT Principles are reviewed by the IS Management Team and the Executive Steering Committee every two years prior to Information Resource Management (IRM) planning. Proposed changes to IT Principles are reviewed and approved by the Executive Steering Committee. The current [ODOT IS Principles](#) can be found in the IS Library.

2.2 Governance Groups

Governance of information technology within ODOT is conducted through three levels of management groups. All three governance levels are charged with responsibility for the success of information technology at ODOT.

The highest level is the Executive Steering Committee (ESC), which is charged with setting policy, direction, and providing high-level oversight. The next level is made up of Communities of Interest (COI). These groups provide tactical level governance for ODOT's information technology investment and initiatives for a given segment of ODOT's business.

The ESC is responsible for determining the number and business composition of Communities of Interest.

At this same governance level, there is an Infrastructure Community of Interest to manage the tactical oversight of the IT infrastructure which is defined as the whole of the hardware, software, organization, procedures, computer-related

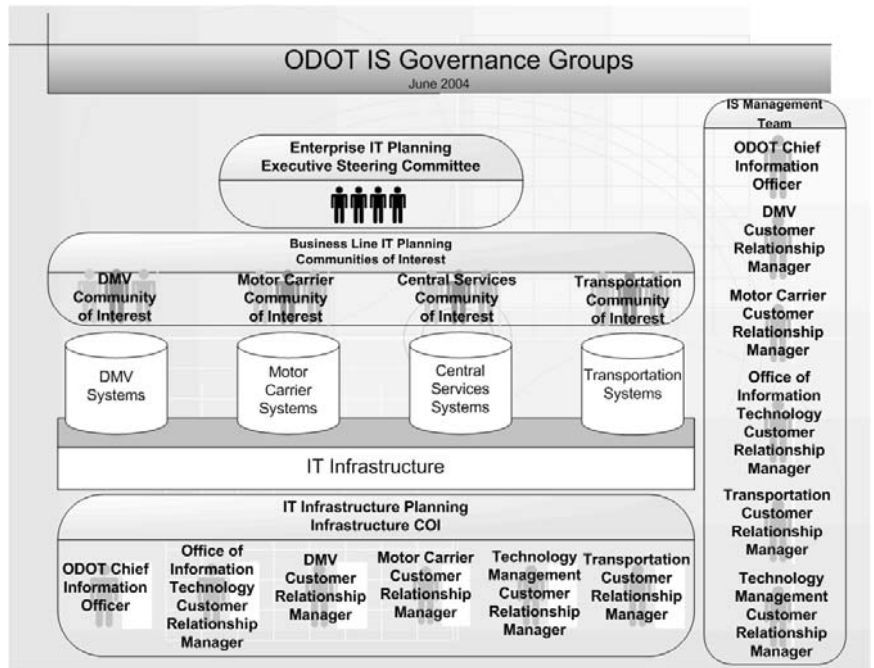


Figure 1 - ODOT IS Governance Groups

communications, documentation and skills required to support the provision of IT services to the business. The components of the IT infrastructure are business assets which must be managed in order to provide the highest value IT services to the business.

The direction provided by the above groups is carried out by the Information Systems Management Team (ISMT) under the direction of the Chief Information Officer. ISMT is responsible for the day-to-day management of the ODOT's IT resources.

2.2.1 Executive Steering Committee

The ODOT Information Technology (IT) Executive Steering Committee (ESC) is chartered to provide executive level governance to ODOT's information technology investments and initiatives. This committee is established to assure that the control of the direction and responsibility for the success of information technology is in the hands of the business managers and users of that technology. The governance process does not replace the role of the IS manager, who is responsible for executing ODOT IT policies and the day-to-day management of ODOT's IT resources.

The ESC is a strategic policy and advocacy committee. It ensures that guidelines are set to improve consistency and quality of technology decisions and to prevent investments in poor technology programs. The Executive Steering Committee is responsible for the direction and coordination of the ODOT's technology, including:

- Approving the ODOT IT strategic and DAS IRM plans
- Establishing a governance structure necessary for multi-branch projects
- Developing and recommending IT capital and operational funding levels for ODOT
- Providing executive ownership for IT infrastructure and multi-branch projects
- Communicating, promoting and making sure that the ODOT's vision for information technology is followed

The ESC reviews plans for major projects for compliance with ODOT's objectives and determines if there are related needs in other areas that can be met as a part of the project. This review will provide information to determine the project budget for technology and will set ODOT-wide priorities for major technology initiatives. Projects authorized through this process are overseen by ESC.

The ESC meets every two to three months to address the duties described in this document. Because the Executive Steering Committee is called upon for information technology policy decisions, the membership consists of those who have the authority to make decisions and enforce policies which may affect many branches and regions within ODOT.

2.2.2 Communities of Interest

There are six IT Communities of Interest in ODOT:

- Central Services
- Driver and Motor Vehicle Services
- IT Infrastructure
- Motor Carrier Transportation
- Transportation

Each of these Communities of Interest has a council of managers that meet to make decisions on information technology. Each Community of Interest council is chartered to make decisions on IT spending, IT project selection, and IT projects priority within the limits of the policies and targets set by the Executive Steering Committee. There is an Executive Steering Committee member and an Information Systems Manager on each Community of Interest Council. This network of Communities of Interest, the Executive Steering Committee, and the Information Systems managers forms the ODOT IT Governance Structure.

Each COI has responsibility for:

- Preparing the IRM plans for their specific area
- Assessing projects against initialization criteria
- Determining priorities for IT projects
- Determining allocation of funds to IT operations, maintenance, and discretionary projects
- Identifying opportunities for system integration and data sharing within the branch
- Developing recommendations for IT standards and policies
- Communicating, promoting and enforcing ODOT's vision for information technology
- Providing executive ownership for projects under its supervision.
- Reviewing progress of active projects in the tactical plan at least once each quarter
- Developing Partnering Service Agreements with the IS Service Delivery Manager to specify mutual expectations and measurements for IT services.
- Providing feedback to the IT Relationship Manager via a report card based tool on the Partnering Service Agreement at least semi-annually
- Providing quarterly status reports of all projects over \$500,000

The DMV User Council represents the **Driver and Motor Vehicle Services Community of Interest** and advocates the needs of following areas within DMV.

- Field Services
- Program Services
- Customer Services

- Processing Services

The DMV COI meets twice a month and is chaired by the director of Driver and Motor Vehicle Services.

Motor Carrier Management Team represents **Motor Carrier Transportation Community of Interest** and advocates the needs of the following areas within Motor Carrier Transportation Division.

- Field Motor Carrier Services
- Motor Carrier Services
- Investigations, Safety, and Federal Programs

The Motor Carrier Transportation COI meets weekly and is chaired by the director of Motor Carrier Transportation.

The **Central Services Community of Interest** is represents the Central Services Division and advocates the needs of the following areas.

- Office of the Director
- Communications Division
- Internal Audit Services
- Civil Rights
- Financial Services
- Information Systems
- Support Services
- Human Resource

The Central Services COI meets as needed and is chaired by the manager of ODOT's Central Services Division.

The **Transportation Community of Interest** represents the Highway Division and Public Transit and advocate the IT needs of the following areas.

- Transportation Regions
- Technical Services Branch
- Office of Maintenance
- Office of Project Delivery
- Rail Division
- Public Transit Division
- Highway Finance Office
- Transportation Data Section
- Rail Division

The Transportation COI meets every other month and is chaired by the Transportation Application Development Customer Service Representative.

The **Infrastructure Community of Interest** is chartered to provide tactical level governance to for components that support the provision of IT services to

the business, including hardware, software, organization, procedures, computer-related communications, documentation and human resources. This Community of Interest is responsible for making sure the technology, processes, and skills are available to provide and support the initiatives and investments of the other Communities of Interest, and the policies and directions of the Executive Steering Committee.

The Infrastructure COI is chaired by the ODOT IS manager for Technology Management. The group meets monthly to address infrastructure management and planning.

2.2.3 CIO Council

The Chief Information Officer Council (CIO Council) was established and appointed by the Governor's Information Technology Executive Council in August 2002. The Chief Information Officer Council (CIO Council) was established to fulfill a role of leadership and act as the point of agency collaboration for state government-wide information resource management. This successful governance group is changing the way information technology (IT) is developed and implemented throughout Oregon State government.

The CIO Council considers the full spectrum of information technology-related issues facing the State of Oregon. The CIO Council then advises the State Chief Information Officer (State CIO) on strategic and policy direction. The CIO Council fulfills a primary ownership role in the following state government-wide IT processes:

- Strategic planning
- Statewide technical architecture and standards
- State government-wide information technology initiatives
- Collaborative resourcing of information technology initiatives

ODOT Chief Information Officer represents ODOT on the CIO Council. The group serves as a forum for state-wide technology issues and projects. ODOT will take the lead or participate with other agencies on initiatives or research in coordination with the CIO Council.

2.2.4 Joint Legislative Committee on Information Resource Management

The Joint Legislative Committee on Information Management and Technology (JLCIMT) was formed to:

- Establish statewide goals and policy regarding information systems and technology, including telecommunications.
- Conduct studies of information management and technology efficiency and security.

- Review the activities of the Oregon Department of Administrative Services, Information Resources Management Council.
- Make recommendations regarding established or proposed information resource management programs and information technology acquisitions.

The committee has a continuing existence and may meet, act and conduct its business during sessions of the Legislative Assembly, any recess, and in the interim between sessions. Decisions and actions of the committee are made upon the affirmative vote of the majority of members of the committee.

The JLCIMT consists four members appointed by the Speaker of the House of Representatives, at least two of whom shall have served on the Joint Ways and Means Committee, and three members of the Senate appointed by the President of the Senate, at least one of whom shall have served on the Joint Ways and Means Committee.

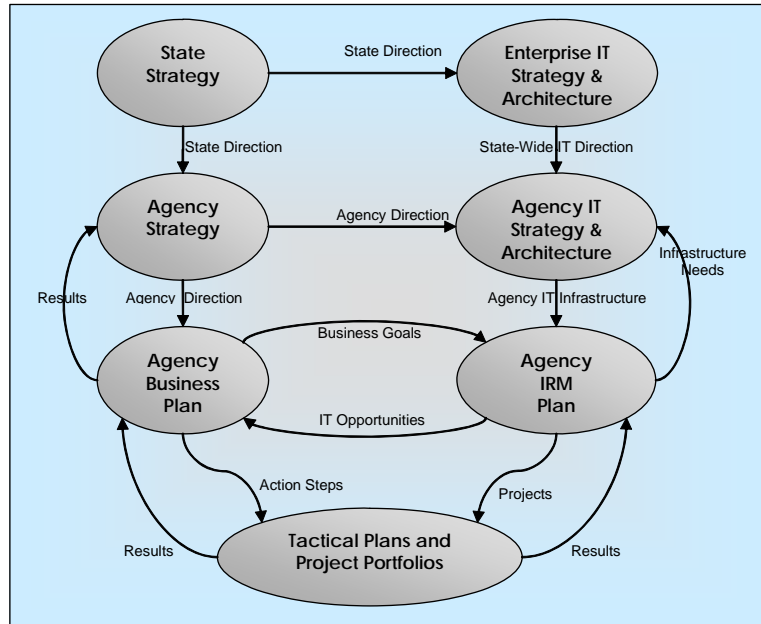
3. IT Plans

IT exists to support the needs of business areas. Without this connection, information technology can be a solution in search of a problem and business goals may not take into account new IT capabilities. As planning processes mature over time, business planning and IT planning should align to meet the same goals. Any endeavor that seeks to improve the organization must take into account all the tools available and deliver an integrated solution. Even today, it is rare to find a business initiative that doesn't contain an IT component that must be coordinated with organizational, human resource, and procedural components.

ODOT IT planning occurs in a framework of other types of planning in state government. IT Strategic planning, IRM planning, business planning and tactical planning are all closely related. In addition to plans, there are enterprise and ODOT IT Architectures design documents used to optimize information systems and IT investments. They create a model to ensure the choice of technologies has the greatest long-term value and benefit to the organization. The following chart shows how each of these elements relates to the state organization hierarchy, business and IT domains, and to each other.

		Subject Area	
Org. Level	Type	Business/Service Delivery	Information Technology
State	Strategic 3-6 years	Strategic Plan for Oregon (Oregon Shines) Appropriate ORS State Performance Measures (Oregon Benchmarks)	Enterprise IRM Strategy IRM Planning Guidelines Enterprise IT Architecture Other state-wide strategies*
Agency		Agency Strategic Plan Agency Performance Measures	Agency IT Strategic Plan Agency IT Architecture Agency Performance Measures
Division	Action 1-3 years	Business Plan Business Continuity Plan Agency Budget Requests Legislative Adopted Budget	Agency IRM Plan Disaster Recovery Plan
Section	Tactical 6-18 months	Tactical Plans/Project Portfolios	Tactical Plans/Project Portfolios

This document focuses on the plans that support Information Technology. The following diagram shows the relationship and information flow between the different planning areas.



3.1 Planning Calendar

IT planning and business planning are related to the other planning activities that occur in state government. The key point of integration for all plans is the biennial legislative and budget process. The chart below illustrates how the budget cycle, business planning and IRM planning relate chronologically.

	Year 1 of Biennium												Year 2 of Biennium												New Biennium				
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Oversight			
Legislative Cycle	E Board Requests												Legislative Session																
Budget Lifecycle	Prepare Agency Request Budget												DAS/Governor Review Prep. Governor Request Budget		Prepare Hearings Support Materials		Legislative Approved Budget												
Business Planning	Review Planning Process		Business Planning				Draft Plan		Finalize Business Plan				Adjust Plan per Reviews		Adjust Plan per Approved Budget						Tactical Planning Portfolio Mgt								
IRM Planning	Review Planning Process		IS Resource & Process Planning				Draft Plan		Finalize IRM Plan				Adjust Plan per Reviews		Adjust Plan Per Approved Budget						Tactical Planning Portfolio Mgt								
ODOT IS Planning	Complete Process Improvement Action Plan		Confirm IT Mission, Vision, Principles		Complete IT Strategic Plan						Test & Revise Business Continuity Plan		Complete TCO Evaluation						Confirm PC Replacement Strategy										
Statewide IS Planning													Update Enterprise IRM Strategy (every 4 years 1998, 2002, 2006, etc)		Update Enterprise IT Architecture (every 4 years 1998, 2002, 2006, etc)														
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	On-going			
	Odd Numbered Year						Even Numbered Year						Odd Numbered Year																

3.2 Strategic Plans

Strategic Planning is the iterative process by which an organization commits to a future destination and the means to get there. At its most basic, strategic planning is a series of decision points supported by the best analysis and information possible. The decision points can be articulated as four simple questions: 1) Where are we? 2) Where do we want to go? 3) How do we get there? and 4) How did we do?

Strategic plans are focused on agency-wide priorities, operations and programs. Strategic Planning is characteristically high level, visionary, and not resource constrained. Strategic plans should cover a 3 to 6 year planning window and should be reviewed as needed.

3.2.1 ODOT IT Strategic Plan

The IT Strategic Plan is about the management and execution of Information Technology at ODOT. The IT Strategic Plan articulates how we operate as an organization today and identifies the key IT focus areas for ODOT Information Systems over the upcoming three years. The plan provides the strategic directions in IT service delivery that will frame the work and includes information on measuring our progress against our strategic intent.

The plan defines the major technology strategies and initiatives that Information Systems must adopt to successfully meet its future challenges. External events that are influencing technology priorities are examined; critical challenges and issues are pointed out; and strategies that should be pursued to achieve that vision are identified.

The strategic plan summarizes the PC Lifecycle Management strategy and uses available Total Cost of Ownership (TCO) analysis in determining direction. The plan also provides the direction for ODOT Information Systems on execution of the ODOT Information Resource Management (IRM) Plan.

The ODOT IT Strategic Plan is prepared in the spring of even numbered years to guide the biennial budget requests and the needs outlined in the IRM Plans.

3.2.2 Enterprise IRM Strategy

The Enterprise Information Resources Management Strategy was approved and adopted by the Information Technology Executive Council on August 7, 2002, updating the previous plan completed in 1998. Two independent plans are included in the plan: the Strategic Management Plan and the Operational Work Plan.

The Strategic Management Plan provides detail concerning the enterprise approach to information resources management, how the expected outcomes of the strategy are linked to the state's business objectives, and what will be accomplished with each of the strategic goals. This plan addresses the long-term

management of information resources and technology in the state of Oregon. The outcome of the plan is twofold. The plan ensures that information resources and technology effectively support the business needs of the enterprise. Secondly, the plan provides a basis for efficient sharing of information resources and technology, and effective system implementation and operation across the enterprise. The purpose of the Enterprise Information Resources Management Strategy is to provide a context and approach for near-term information resource and technology planning and implementation that occur on a routine basis within all organizations across the enterprise. The Enterprise Information Resources Management Strategy has a three-year horizon and is revised annually.

The Operational Work Plan contains a restatement of each strategic goal, accompanied by the recommended objectives for accomplishing each goal. The work plan also includes a timeline, assignment of responsibilities, and cost implications.

This plan provides ODOT and all agencies the state-wide priorities and focus areas. The directions outlined in the plan provide ODOT with planning guidelines and considerations for their own initiatives.

3.3 Action Plans

Action plans bridge the gap between long-term strategy and short-term tactical activities and operation. An action plan identifies possible projects or program changes that are aligned with the strategy and pave the way for success. Action plans do not detail the schedule or resources, but do define sequences, constraints, and dependencies between projects or other planned changes.

3.3.1 Business Plans

Business planning is also known as operations planning, action planning, or performance planning. It defines the specific actions to respond to short-term and longer-term strategic objectives. The business plan specifies what needs to be accomplished within given timelines to achieve strategic objectives or goals. Business planning is focused on division program areas or business units. Business planning has the following characteristics.

- Links strategic plan to daily operations.
- Focuses on the deployment of strategic objectives or goals to each business unit.
- Provides agency objectives and related goals for the timeframe of the plan.
- Is action-oriented, identifying the actions to be taken now so the agency is positioned for the future.
- Is detailed enough to ensure that the plan is executable.
- Considers the current and forecasted future political environment and market-place drivers.

- Takes into account enabling resources (IT, workforce, funding, etc.).
- Have measurable objectives.

Business plans generally cover a 1 to 3 year planning window and are updated every two years.

Not all COI are completing business plans for the 2003-05 biennium, but the target is to have these plans completed and the performance measure in them operation for the 2005-07 biennium. COI business plan will then be the primary input to determine the portfolio of projects to be included in IRM and IS tactical plans.

3.3.2 IRM Plan

In 1991, the legislature passed Senate Bill 1210. This legislation states, “Information is a strategic asset of the state which must be managed as a valuable state resource.” To manage information you must perform planning that shows how you will use information to benefit your organization and how much you are willing to spend to reach that benefit. Information Resource Management (IRM) planning provides guidance to individual government agencies as they develop more detailed information technology tactical plans and initiatives for the agency. The focus of IRM planning is the agency's IT projects and infrastructure.

Information Resource Management (IRM) planning is how ODOT determines what the goals, objectives, and initiatives are for information technology for the next biennium. The plan is compiled by Information Systems, but the planners are the Communities of Interest. Each COI provides information on what their business and IT drivers are and on what their major IT initiatives will be in the next biennium. Initiatives are described in terms of what they are, how they support business objectives, who will benefit and how, what they will cost, who will staff them, and when they must be done. The IRM plan also contains an analysis of the current IT portfolio and identifies how well it is supporting customers. Major changes to IT infrastructure, the parts of the environment that are needed to keep business applications running, are also documented as initiatives.

Early in the planning cycle, the ESC will determine the upper limit for IT spending for the upcoming biennium. Information on spending in prior years helps their decision making process. COIs will identify and prioritize their initiatives. Discussion and negotiation takes place to bring the requests in line with targets. Everyone must look at these requests in terms of the common good for ODOT. Often, pet projects are sacrificed or deferred. The result is a package of initiatives that will then move forward with the budget approval process.

The plan itself is then used by the communities of interest to manage projects in the new biennium. The plan will be adjusted as new projects come to light and

priorities change, just the way the Statewide Transportation Improvement Program is adjusted for changing highway priorities.

The IRM Plan is a 3 year plan used in the legislative and budget process covering the period of time from its completion to the end of the following biennium. IRM plans are updated every two years.

3.3.3 Disaster Recovery and Business Continuity Planning

Business Continuity Planning (BCP) identifies a process to continue mission-critical functions in the event of a crisis through work-arounds until normal business processes or functions are restored. This planning uses a Business Impact Analysis to document and prioritize business functions in order of their contribution to emergency response activities and supports the concept of continuity of operations. This planning is related to disaster recovery planning, which has an IT focus and defines a process by which mission-critical IT processes will be recovered at an alternate site.

By their nature, Disaster Recovery and Business Continuity plans must be kept current, accurate, and ready to implement. Standards and supporting processes for these plans are currently being developed. One of the anticipated processes will be regular (e.g. annual or bi-annual) review to assure that the priorities outlined in the plan still meet the business continuity objectives.

3.3.4 Process Improvement Action Plan

The Process Improvement Action Plan describes process improvements initiatives that will be undertaken by ODOT Information Systems (IS). The Process Improvement Action Plan is a formal, approved document used to describe at a high level the scope of improvements to be addressed during the biennium. The selection of improvement projects is guided by the Software Engineering Institute's Capability Maturity Model (CMM), information from the Formal CMM Assessment completed in December 1999, and knowledge of sectional opportunities.

The plan is drafted by the Process Improvement Committee (PIC) whose mission is to maintain process documentation, to propose, plan, and monitor process improvements, and to contribute to sharing processes and practices across the organization. The goal of process improvement is to enhance the delivery of information technology (IT) products and services within ODOT by establishing repeatable best practices that deliver continuous improvement to the organization.

The plan is developed for the biennium. It is approved by the IS Management Team (ISMT) and becomes the basis for IS-wide process improvement efforts. Changes to this plan must be approved by the ISMT.

3.4 Tactical Plans

3.4.1 Section Tactical Plans

Tactical planning provides detailed action steps on how to meet agency needs on a short term basis and allocate internal and external resources. The focus of tactical planning is division program areas, sections, and business units. Tactical planning is characteristically focused on schedule, resources, and specific projects timeframes, resource estimates, and budgets.

Tactical planning for ODOT IS sections is done on an ongoing basis. The plans generally cover 6 to 18 months and are reviewed and updated every 6 to 12 months. Major revisions and rebalance of the tactical plan portfolio occurs with final approval of the ODOT budget. At that time the projects, initiatives, and commitments of the legislative session are incorporated into the tactical plans for implementation.

Projects on the tactical plans are regularly and routinely evaluated for viability. Occasionally planned or ongoing projects are cancelled because of changed business priorities upon approval of the authorizing COI. When IRM projects are cancelled or redefined, background and justification are well documented for future reference during legislative session.