IT Capital Investment Dollars
“Leveraging via Inter-local Agreements”

Jeff Locketz and Iriana Arias-Chizek

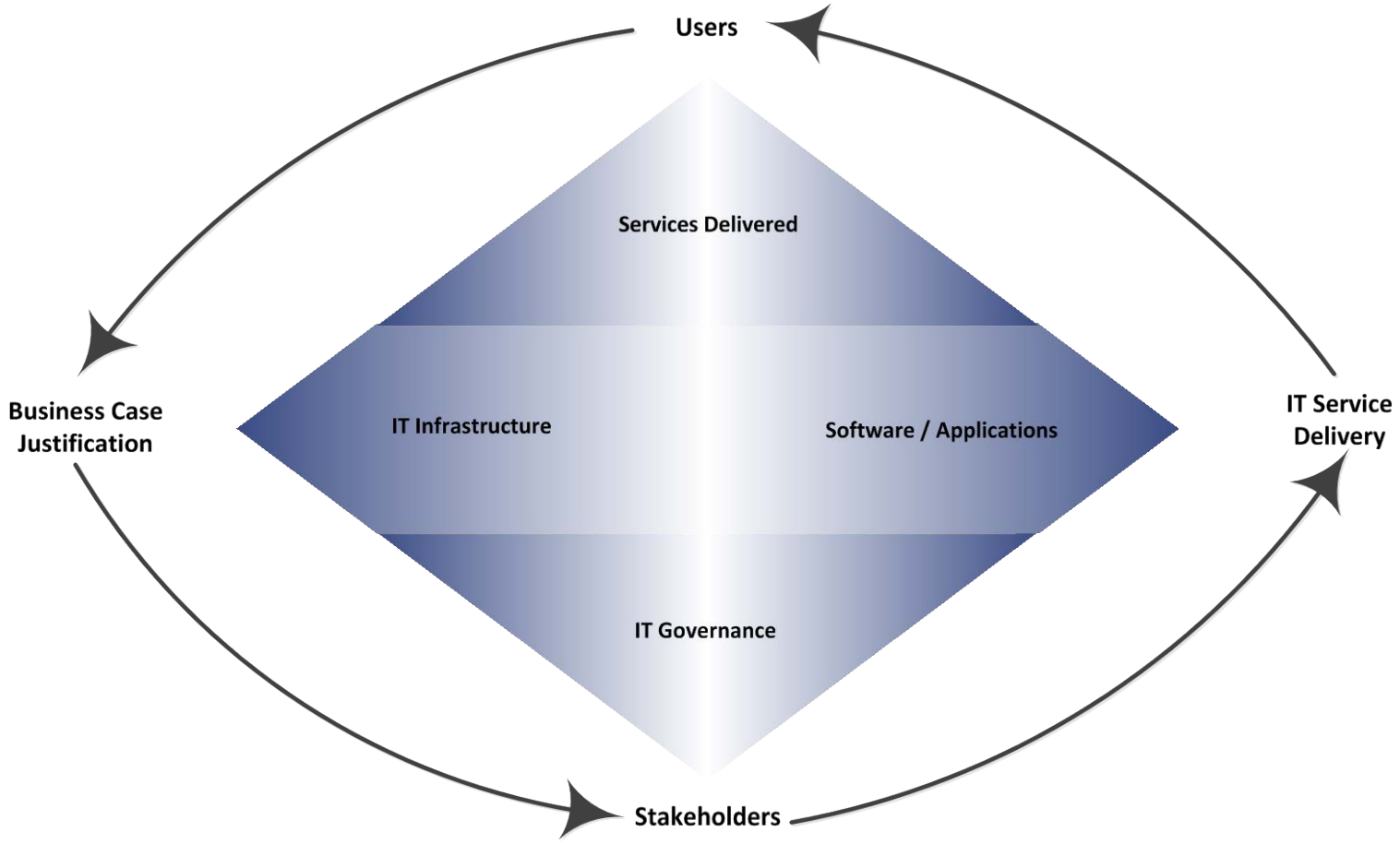
ICMA Conference Presenter

Your Takeaways Today

<u>Government entities are experiencing a high demand for expensive IT solutions to provide required services in a cost effective manner.</u>

- IT Strategic Planning – a tool that can stretch IT budget dollars by:
  - Defining IT goals and objectives.
  - Bringing IT to an ideal state.
  - Identifying viable strategic IT Outsource opportunities.
  - Identifying practical IT Shared Service opportunities (through inter-local agreements) within the IT Outsource opportunities.

A Fully Implemented IT Strategic Plan



IT Outsourced Services

External service providers delivering any and/or all IT-enabled application services and/or infrastructure services.

IT Outsourced Services also includes cloud based solutions.

IT Shared Services

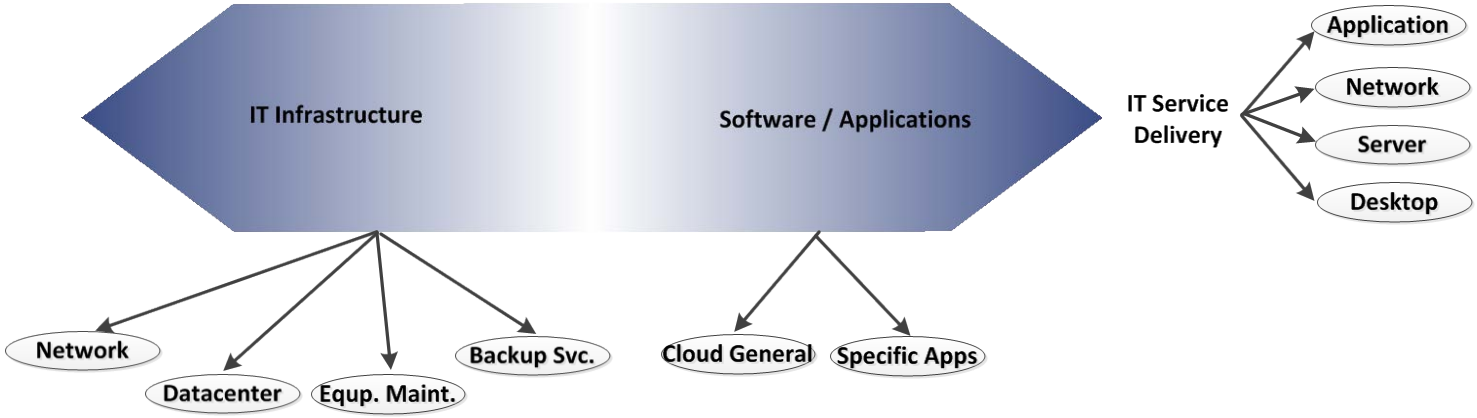
The provision of IT services by one governmental unit/entity or group of governmental units/entities where the IT services are utilized in more than one of the units/entities.

Goals for Outsourcing/Sharing Services

- Organizational cost reduction.
- Reduced implementation time.
- External expertise.
- Disaster recovery, business continuity and risk management.
- Sharing costs of expensive cutting edge technology.

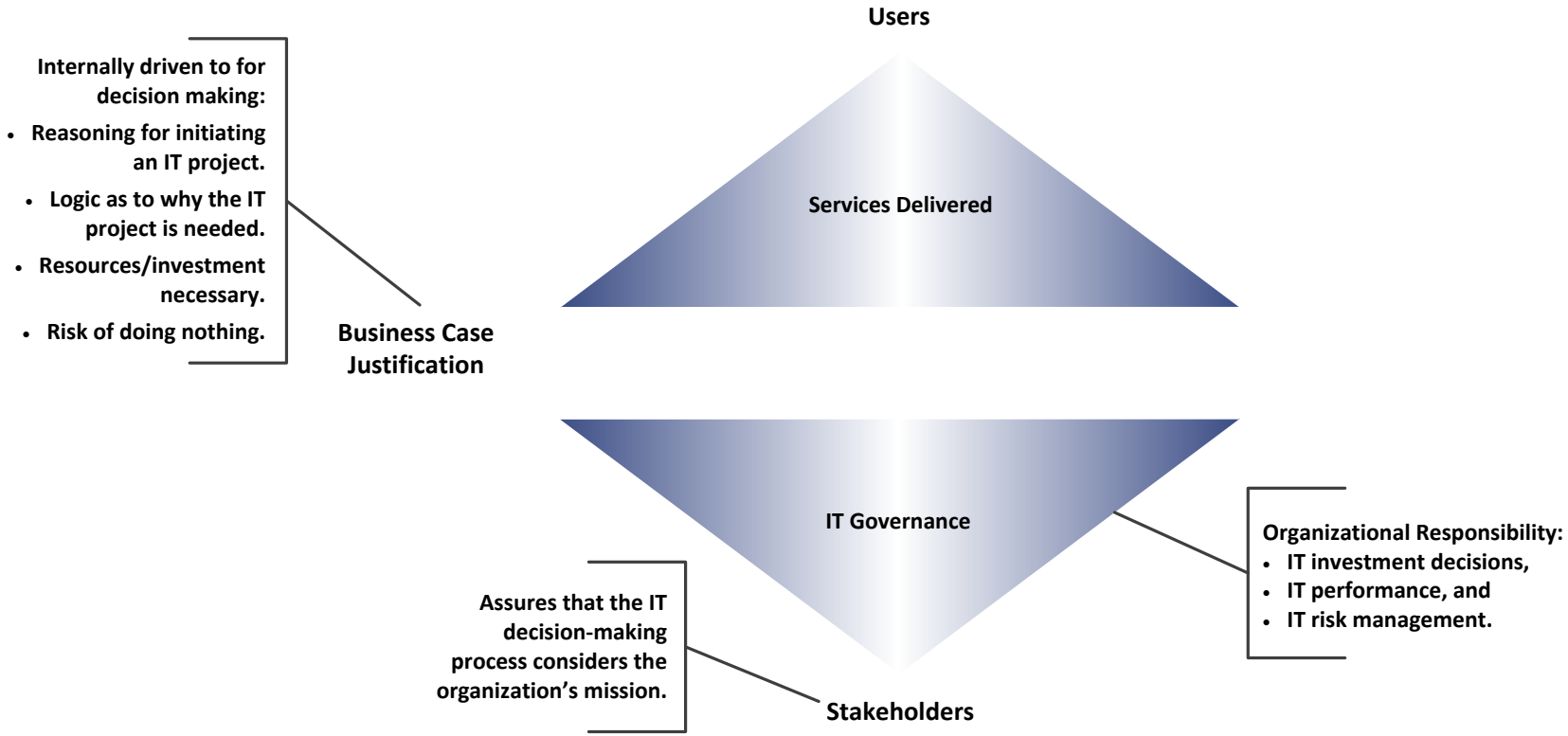
1st Question

- What can be outsourced? Why?



2nd Question

- What can't be outsourced? Why?



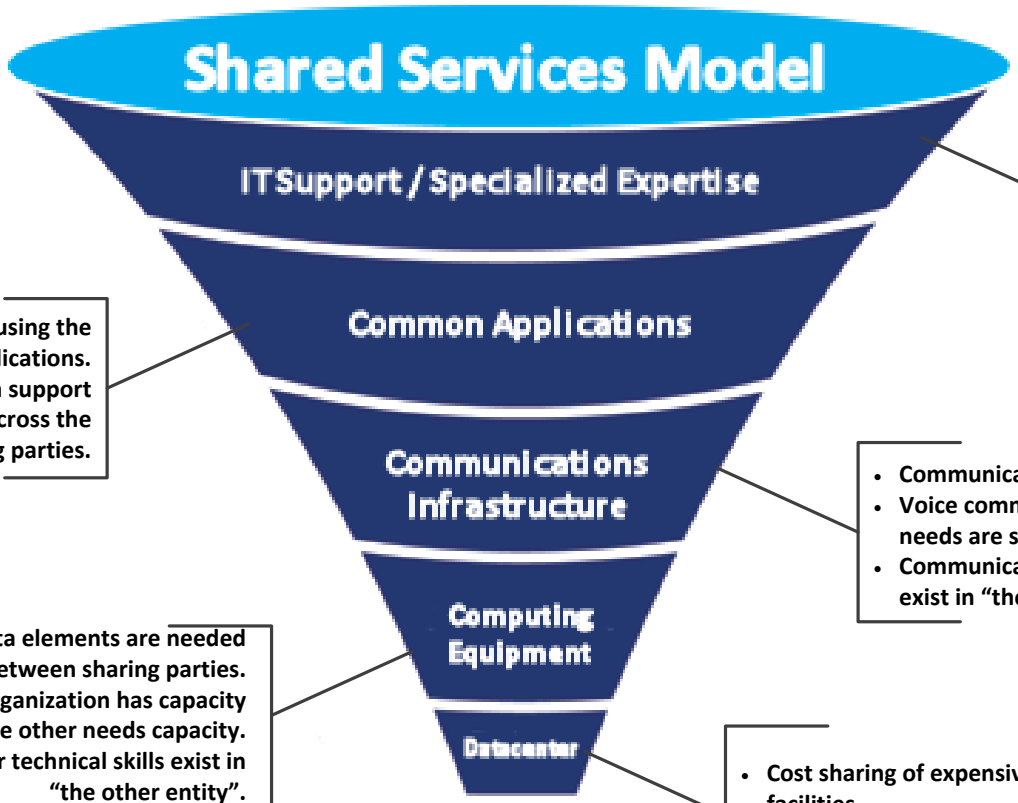
3rd Question

- Why IT outsourcing and IT shared services?
  - Reduces and controls IT operating costs.
  - Provides for IT service alignment with the organization's goals and objectives.
  - Allows the governmental entity/unit to focus on governmental services rather than IT services.
  - Shares risks with outside parties and/or others.
  - Frees resources for other purposes.
  - Frees-up funds for capital projects.
  - Augments resources not otherwise available.

4th Question

- Who should be used?
  - Choose the right partner.
  - Look for:
    - Similar work ethics.
    - Dedication.
    - Philosophy.
    - Like governmental units in proximity, size, and resources need and availability.

When to consider Shared Services?



- One organization has expertise the other one needs.
- Both organizations want to share specialized expertise.
- Reduce cost for full time staff.

- Multiple organizations using the same applications.
- Application support specialization spread across the sharing parties.

- Communications areas overlap.
- Voice communications (VoIP) needs are similar.
- Communications technical skills exist in “the other entity”.

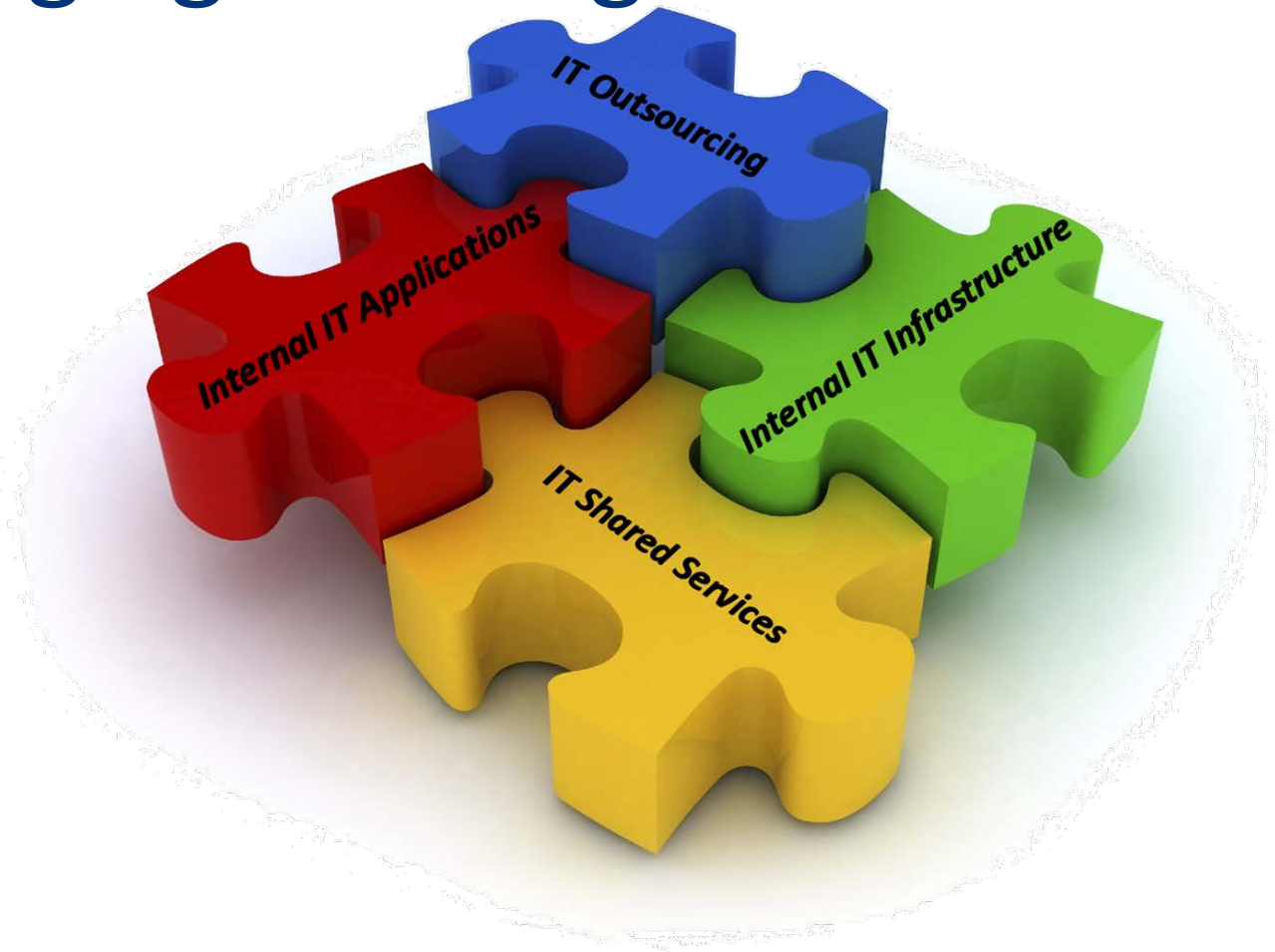
- Data elements are needed between sharing parties.
- One organization has capacity the other needs capacity.
- Server technical skills exist in “the other entity”.

- Cost sharing of expensive facilities.
- Availability of appropriate datacenter facilities.

What are your next steps?

1. Develop and/or update your IT Strategic Plan.
2. Identify and build IT Outsourcing as a strategic objective (the IT Outsourcing pool).
3. Determine potential Shared Services opportunities within the IT Outsourcing pool.
4. Investigate potential entities to share the services.

Bringing it all Together



Your Remaining Questions?

LBL Technology Partners
www.LBLTech.com
Booth 832

Jeff Locketz:
JLocketz@lblco.com
612-381-8830

Iriana Arias-Chizek:
IAriasChizek@lblco.com
612-381-8772

ICMA
99TH ANNUAL CONFERENCE
BOSTON
NEW ENGLAND
September 22-25, 2013

ICMA

99TH ANNUAL CONFERENCE

BOSTON

NEW ENGLAND

September 22-25, 2013