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BEFORE THE GOVERNMENT REFORM COMMITTEE'S SUBCOMMITTEE ON
TECHNOLOGY, INFORMATION POLICY, INTERGOVERNMENTAL RELATIONS

AND THE CENSUS

JULY 21, 2004

Mr. Chairman and distinguished members of the Subcommittee:

It is my pleasure to be here today to testify on issues of critical importance to achieving world class performance within government agencies. I have been involved in Information Technology issues during my entire 27 year government career. I now work in the private sector to find ways to help make government IT programs succeed. I applaud this subcommittee for making these issues a priority.

I had the honor and privilege to work for the public for over 27 years as a career civil servant. I held senior Information Technology positions in the U.S. Secret Service, served as the Department of Treasury CIO from 1997 until 2002, and also served as the Vice Chair of the Federal CIO Council from 1998 until 2002. I also had the privilege to head up the IT team during the reinventing government program and served on the Administration's team during the crafting of the Information Technology Management Reform Act --- the Clinger-Cohen legislation. I finished my government career as the senior IT advisor to then Governor Ridge in the White House Office of Homeland Security following the terrorist attacks of 9/11. In all these roles, the empowerment of federal CIO's was a key issue that impacted program success.

My message today is simple: If the government is to take full advantage of the power of Information technology, it must make achieving world class Information Technology implementation a priority on the agenda of the Heads of our government agencies. I believe progress to date has been good, but far short of what is needed and far short of

what the Clinger-Cohen legislation envisioned. Many CIO's today find themselves being held responsible and accountable for results, but lack the authority to impact the programs they are expected to implement.

I participated in the GAO study of these issues and tried to ascertain why the government continues to struggle with certain aspects of Clinger-Cohen implementation. Is it all culture and governance, or are there other underlying issues? With this in mind, I will address the 5 key questions posed by the Subcommittee.

First, what are the responsibilities of a federal CIO that are most critical to the success of their organization?

The CIO must be responsible to bring best in class IT practices into government agencies. This implies responsibility for gaining a detailed understanding of the key critical mission objectives of the agency and defining how IT can help realize these objectives. If we are to hold CIO's accountable for program performance, then we need to empower them to make strategic decisions about resources. This means responsibilities for IT capital planning, IT investment decisions, IT budget execution and IT program and portfolio management. I would also suggest that an important responsibility for a CIO is to become "credible" in the agency and part of the senior team making strategic business decisions. This means becoming credible to the senior political executives, the senior career executives, middle management and subordinates. Only when a CIO is seen as a "key" player, can he or she be influential in getting results. A CIO will gain this

credibility by understanding the business objectives of the agency and understanding how IT can add value in meeting these objectives.

On the question of reporting structure, the answer is easy. A CIO that reports to the Agency Head immediately gains the empowerment of being on the senior leadership team if the CIO has a “seat at the table”. A “seat at the table” means being a part of the strategic decision-making, not merely a line on an organization chart. Can other organizational models work? Yes, but only when the CIO gains the “empowerment” to effectuate change and is seen as part of the senior leadership. For example, during my tenure as CIO at Treasury I reported on a dotted line to the Secretary for all IT matters but administrative reporting was through an Assistant Secretary. Yet this worked. Why? Because the Assistant Secretary made it clear to all subordinate bureaus that all IT budget and program decisions needed to be approved by the CIO. In this case it wasn’t structure that empowered, it was process. But I must also point out that empowerment doesn’t guarantee results. Empowerment provides the opportunity for results --- a competent CIO gets the results.

In reference to the question of time duration to be effective, I believe a CIO cannot achieve any meaningful results if they are in the role less than 2 years. Major IT programs in the government take at least 2 years to mature based on budget and procurement cycles. On the other hand, I also believe it is the best interests of government agencies to bring in fresh ideas over time. I believe it is a good practice to rotate CIO’s into the key CIO Council Executive Committee positions to encourage the

development of alternative viewpoints on policy and program initiatives. I believe CIO's should be rewarded for innovative and creative enterprise approaches such as heading up government wide initiatives. Unfortunately, I have seen cases where agency cultures create disincentives for individual agency CIO's to participate and support enterprise solutions such as the eGov programs. This needs to be addressed if we are to continue to make progress in streamlining government operations and tearing down the traditional organizational stovepipes.

In addressing the question of characteristics and qualifications of CIO's, I would like to point out that the Federal CIO Council invested a great deal of time identifying many of the technical and business skill sets required to be a successful federal CIO. Universities now teach these skill sets. But rather than reiterate these well-documented qualifications, I would like to point out that a good CIO needs to understand technology but more importantly, understand how to apply technology to solve business problems. A good CIO will have good technical skills, find ways to stay current on technology, understand business processes and business skills such as financial management, and know how to build relationships. A good CIO builds relationships with the Congress, top managers in the agency, the private sector, their peers in their own organization and their subordinate staff. I would suggest to you that a very important trait is the ability to communicate both orally and in writing. CIO's will gain their credibility based on things they say and do, messages they write and presentations they give.

What challenges do CIO's face? They are numerous and dynamic from interoperability to information sharing to privacy act compliance. The delicate balance of privacy versus national security requires sound judgments in database sharing. Information security looms large in a world of increased threats from terrorist organizations. But in my opinion, the most challenging issue of a CIO is the need to use technology to challenge and change traditional agency cultures and the traditional institutionalized processes. The challenges of culture and governance far outweigh the challenge of making a technology decision. We have seen major programs continually plagued with cost overruns and time delays. We see new, powerful approaches such as Performance-Based Acquisition to address these systemic problems. The concept is simple, contracts that require contractors to share in the risk and reward and team as partners in helping agencies achieve its mission objectives. Yet, implementing these new concepts requires not just the CIO. It requires a new way of thinking by program officials, acquisition and procurement executives, and IT managers. In my opinion, this fundamental culture change has a long way to go and we continually see performance based approaches looking like traditional contracting approaches. It will take constant, consistent pressure to move the government into the world of best practice IT implementations. But it will happen. It has to. The customers of government, the citizens of the United States, will demand services from their elected officials equal to the best in class they experience in the private sector. If UPS or Federal Express can tell you where and when your package is located at any point in time during a shipment with the click of a mouse, why can't the government tell you when your tax return will arrive?, how to change your mailing

address without going agency by agency? When your street will be cleared from the snowfall? Citizens now expect fundamental government information in real time.

Courage and the desire to embrace change ring as two important determinates for CIO success. We must do this. Our country's security, international competition, and our economy demand that we find ways to bring world-class IT implementations into government agencies.

I thank the Subcommittee for giving me this opportunity to make my points and I look forward to working with you in any way I can to help move these important issues forward. I will be happy to answer your questions.