

**STATEMENT OF  
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BEFORE THE  
COMMITTEE ON GOVERNMENT REFORM SUBCOMMITTEE ON  
TECHNOLOGY, INFORMATION POLICY, INTERGOVERNMENTAL  
RELATIONS, AND THE CENSUS U.S. HOUSE OF REPRESENTATIVES**

**May 19, 2004**

Good afternoon, Mr. Chairman, Ranking Member Clay, and Members of the Subcommittee. Thank you for inviting me here to speak on the progress being made by the Office of Management and Budget (OMB) and the Federal Agencies in the development and “operationalization” of the Federal Enterprise Architecture (FEA).

Prior to joining DigitalNet, I was privileged to serve as the Acting Administrator of Information Technology (IT) and e-Gov as well as the Chief Technology Officer (CTO) for the Federal Government in OMB. In my role as CTO, I directed the development of the FEA. I believed then that the FEA had tremendous promise to become the structure for governance of the effective development and management of Information Technology in the Federal Government, and I continue to be an advocate for the FEA today.

My comments will focus on the current status of the FEA and the progress made to date:

- The value of the FEA to Agencies, and, more importantly, citizens
- The impact of the FEA on the business case process at OMB
- Continuing challenges faced by the Agencies and Departments in integrating their enterprise architectures and;
- FEA success factors.

**FEA Progress and Status**

The FEA Models are in the final stages of completion, with only the formal releases of the Data Reference Model (DRM) and the Security Profile remaining. Although new versions will be released over time, the initial framework will be complete, and I believe this is significant progress.

The FEA really consists of two components: the framework outlined in the FEA Models, and the agency Enterprise Architectures (EAs) that are linked to that framework. The first of these components will be ready with the completion of the FEA Models. Both components must be in place to have an actionable FEA – one that becomes a solid

construct upon which to make investment decisions. In our support of Government EA practices, we are finding that Agencies are making progress developing their EAs, but they have significant work ahead to mature and “operationalize” them.

One strong positive note is that the General Accounting Office (GAO) and OMB direction is consistent. In the past couple of years, both GAO and OMB have released complementary maturity assessment guidance related to the FEA. This is highly beneficial to the Agencies who are trying to do the right thing. Although the assessments are necessary to the FEA maturation process, they alone are not sufficient to measure success. The key FEA success criteria are citizen- and mission-centered results.

Finally, OMB is using the FEA to identify high-priority lines of business for detailed analysis and architecting Government-wide solutions (e.g., the line of business consolidation analysis).

### **Value of the FEA to Agencies and the Citizens**

At a practical level, the FEA provides visibility into the details of an Agency’s business and solidifies future business plans. Having this visibility helps the Agency make better business decisions, close performance gaps, and prioritize future investments aimed at improving mission performance. It also helps them reduce the cost of current business processes by eliminating redundancies and improving the efficiency of the IT infrastructure. The outcome is that the citizen receives high-quality, cost-efficient Government services in the following manner:

- ***From an investment standpoint***, the FEA supports establishment of a portfolio approach to categorize and prioritize annual IT budget requests and review IT program performance. The FEA has done more than any other Federal initiative to help Agencies begin to reduce the duplication of IT resources. With total investments in IT resources topping \$60B in FY 2005, and with many Agencies becoming highly dependent on IT resources to accomplish their missions, the FEA represents a foundational element of IT portfolio management. Without the FEA, the Federal Government will not be able to prioritize investments in a collaborative manner such that these investments address the highest priority service needs of the citizen.
- ***From a governance standpoint***, the FEA provides the first holistic view of IT assets across the Federal Government in a way that maps these assets to lines of business and performance outcomes. This is essential to identifying where gaps in Federal services exist, at a level beyond that which individual Agencies can see. In terms of the Reference Models, the Performance Reference Model and Business Reference Model are the governance areas of the FEA and help agencies decide **which** business lines and processes require investments. The Technical Reference Model, Service Component Reference Model, and the Data Reference Model help Agencies decide **how** to select and manage investments to close performance gaps and improve effectiveness and efficiencies of the programs. Additionally, the FEA-related information that annual OMB submissions now provide on IT programs gives unprecedented levels of detail about how IT is being used in support of mission

functions. OMB is therefore in a better position to accomplish its oversight charter and provide IT leadership for the Administration.

- ***From a technology standpoint***, the FEA provides a coordinated approach to EA reporting and analysis by standardizing and unifying approaches between Agencies. The National Institutes for Standards and Technology (NIST) sets the standards that reside in the Agency's standards profiles. Also, the partnership between OMB and the Chief Information Officer (CIO) Council is making rapid progress on maturing these Reference Models and their use in the planning and management of investments. With further development and maturity, the FEA can provide a standard approach to IT solutions planning. Further, the e-Government initiatives (that are intrinsically tied to the FEA) are already providing solutions to citizen and industry service requirements on an accelerated basis.

The FEA also has helped to awaken the Federal sector to the increasingly sophisticated and complex service requirements from citizens, industry, and other Government Agencies. As more services are electronically provided, architectures to enable those services must reach well beyond current approaches, and the FEA is positioned to do that. Without the FEA, there is a real possibility that citizen/industry service expectations would not have been met with effective cross-government solutions for a number of years. This has been avoided, in large part, because of the FEA and its role in supporting all elements of the President's Management Agenda (PMA), but most significantly, Strategy Area Number 4 -- expanding E-Government.

### **The Impact of the FEA to the Business Case Process at OMB**

Although Agencies have been making progress in improving their business cases and individual agency EAs, last year was the first year that OMB issued budget guidance in Circular A-11 that included specifics on the FEA. Doing so was a significant step forward in furthering OMB's ability to analyze the Federal Government's IT investments.

There is a great deal of business case work that is EA work, and vice-versa. FEA-related questions appear in both Part I and Part II of the OMB Exhibit 300 budget request document, which is central to the current approach to Federal capital planning and the business case process. The FY 2005 OMB Circular A-11 required a great deal more information about the intersections of EA and Capital Planning Investment Control (CPIC). A mature and actionable EA provides a great deal of input into the overall business cases within an Agency. There is a very structured crosswalk between elements of the FEA and the business cases. The Business Reference Model information provides data for the justification and description areas of the business cases, while the Performance Reference Model includes specific performance information that is included in the business cases in the areas of the performance table and the project and funding plan. Further, the Technical Reference Model and Service Component Reference Model includes information for use in the Alternatives Analysis, Risk Management, and IT Security sections of the business case.

The FEA information provides the construct for a robust technology analysis, which complements the robust financial analysis performed as part of the budget process.

This balance of financial and technical information is what is needed to make informed IT investment decisions, and the FEA has been structured to provide useful information for this process.

### **Continuing Challenges**

Although significant progress has been made, both OMB and the Agencies face continuing challenges as they mature the FEA:

- *Some Agencies struggle with how to implement the FEA.* As OMB continues its effort to mature the FEA models and strengthens the documentation for FEA implementation methodology, Agencies will also accelerate maturity and implementation, and this problem will be resolved.
- *In building and maturing EAs, gaining participation and ownership by the business areas can be tough.* The business area leaders are the only ones who can articulate the details related to their business and define what success looks like. Without this foundation within the business and performance layers of the architecture, its use is limited.
- *There is limited up-front visibility into the details of other Agencies' EAs, thereby restricting early partnerships and collaboration.* When Agencies have investment needs, they refer to the FEA Models to identify other Agencies supporting the same lines of business. However, without details into other Agencies' EAs, beneficial collaboration opportunities are not always apparent.
- *Agency target EAs are often limited.* Because the traditional IT strategic planning processes look 3 to 5 years into the future, most target EAs lack long-term vision. Leading Agencies are beginning to use techniques such as scenario planning as a thought-stimulating technique to envision how their mission services can be delivered in the future.
- *Some Agencies still have independent EA and capital planning organizations with disconnected governance processes.* Because they are not integrated, the full benefit of the FEA is not achieved and may not be reflected in their investment decisions.
- *The CIO's influence on the budget is dependent on the strength of the Agency integrated governance process and the relationships between the CIO, Chief Financial Officer (CFO), and business leaders.* This is also true in the private sector, with technology being a key business process enabler. The value of the FEA is also dependent on the Agency's recognition of the CIO as having a leadership role regarding the IT budget.

### **FEA Success Factors**

**An Integrated Governance Model.** Laws, new policies, new business needs, and emerging technology drive business decisions. The FEA provides the foundational construct to operationalize those business decisions, reducing duplication and

redundancy, and improving business efficiency and mission performance. Even when the FEA is technically complete, if not integrated with strategic planning, CPIC, security, human capital, and project management, it can not be leveraged at the right time by the right people to make the right investment decisions.

**The OMB Chief Architect.** Unless the OMB has a knowledgeable EA leader, the overall Government-wide momentum gained by the EA Programs over the past several years will be adversely impacted. The individual selected must be knowledgeable of both business and technology, and the position must be filled quickly.

**Chief Information Officers.** CIOs are central to the FEA success and should have the status and authority to use the FEA to influence IT investment decisions.

**Budget Guidance.** OMB now includes FEA guidance as part of the “Spring Guidance” letters issued during the budget process. The same practice should be mirrored within the Agencies. This would ensure that the FEA gains high-level attention as Agencies prepare their budget submissions.

## **Conclusion**

I recognize the significant progress that has been made on development and implementation of the FEA framework. It is commendable, and it provides a solid foundation for the Agencies to integrate their individual EAs, resulting in an actionable FEA.

While much has been accomplished, there is still work to be done. Critical actions are needed to move the FEA forward. For example, I believe hiring a Chief Architect at OMB tops the list. Furthering the line of business consolidation analysis is also very important.

Finally, I’d like to close with a futuristic scenario. Imagine an FEA with not only IT assets linked to lines of business, but also human capital and other fixed assets, such as facilities, equipment, and vehicles. This expansion would revolutionize the budget process!