Better IT in Tennessee

Centralized IT services coupled with a cloud-based platform help the state speed procurement cycles, shorten employee on-boarding cycles and more effectively manage device inventory.

Tennessee has long recognized the value of centralized IT — as early as 2004 the state moved to central data centers and a single network infrastructure used by all state agencies. The next logical step was to consolidate IT staff, services, applications, management and support — a move that came from recognizing the high cost of funding separate IT services in the 23 executive branch departments.

The resulting Enterprise IT Transformation (EIT) initiative transitioned 21 agencies representing 1,000 employees to the Strategic Technology Solutions (STS) division in the Tennessee Department of Finance and Administration.

The transition included developing the organizational structure to support the new delivery model, creating appropriate governance and strategy processes, recruiting shared resources at the enterprise level, and building an effective team to deliver improved customer service and IT outcomes.

STS now centrally supports a range of IT services for more than 32,000 state employees, and delivers and manages 42,000 PCs and 14,000 mobile devices. As of late 2018, only the state Medicaid agency and education and transportation departments maintain their own IT services due to the scale and complexity of their operations.

"A centralized model allows us to align our services with how employees and citizens want to use them, not just how IT wants to deliver them," says Stephanie Dedmon, Tennessee's chief information officer (CIO).

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>
> — **Stephanie Dedmon,** CIO, State of Tennessee

A New Management System to Support IT Service Delivery

A centralized delivery model meant STS also needed a new way to manage its diverse IT services. STS already had an on-premises system to support IT services, but that system required extensive and costly customization. With a growing number of applications and services to support, division leaders wanted a new IT services management solution that could:

- ☑ Scale for statewide implementation of IT services
- ☑ Automate routine tasks and processes within each service
- ☑ Provide end-to-end visibility and updated capabilities for all IT services
- ☑ Allow for flexible configuration without customization

These requirements led Tennessee STS to choose the cloud-based IT service management platform from ServiceNow.

Initially implemented in 2016, the impact of the new platform solution was immediately apparent. The monthly average of provisioning work orders increased from 5,446 to 11,782. The monthly average of system change requests increased from 402 to 636 and the number of hardware assets tracked increased from 28,354 to 69,741. This platform solution now manages the full portfolio of IT services delivered by STS.

The value of Tennessee's centralized approach to IT service delivery and management is illustrated by three major activities: equipment procurement, spares tracking, and employee onboarding and offboarding.
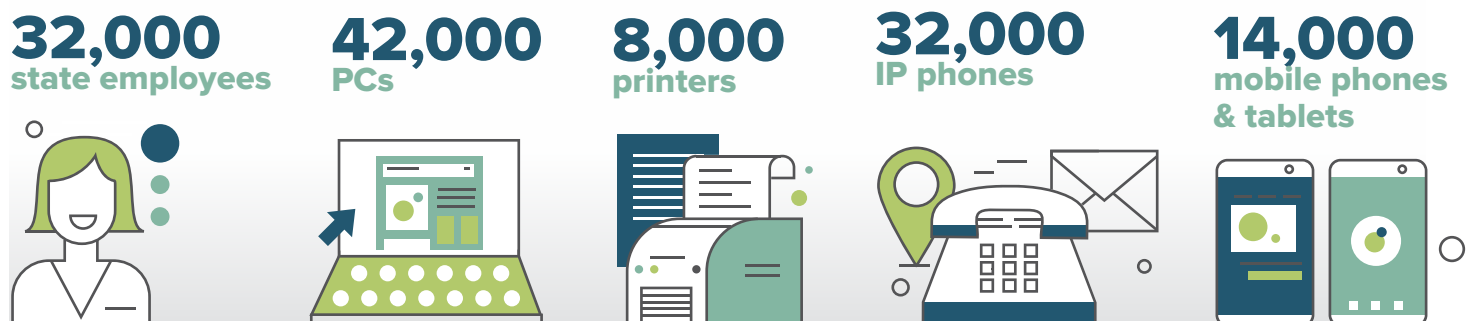
Faster, Less Confusing Procurement

Getting the right hardware and software to the right employee at the right time is the goal of IT procurement, but it can be hard to achieve. The new IT service management system allowed Tennessee to develop an enterprise-level procurement service that delivers several benefits.

Streamlined processes. STS replaced siloed agency procurement activities with a standardized process at the enterprise level. Over a two-year period, Tennessee reduced the time required to process the purchase order for a new hardware request from 45 days to three days, and for software from 30 days to five days. If the requested device or software license is in STS inventory, these shortened timeframes also apply to delivery.

STS accelerated the request processing times by using the service management

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SNAPSHOT: STRATEGIC TECHNOLOGY SOLUTIONS, STATE OF TENNESSEE

A division within the Tennessee Department of Finance and Administration, STS delivers, manages and supports IT services for:

32,000 state employees

42,000 PCs

8,000 printers

32,000 IP phones

14,000 mobile phones & tablets

IMPROVING CITIZEN SERVICE DELIVERY

STS has applied the platform model of integrated systems and automated processes to help the Tennessee Department of Human Services (DHS) improve its citizen interactions. Previously, DHS relied on manual processes and a mix of limited technology tools to record, manage and respond to citizen requests for services. This resulted in unacceptable call center wait times, delays in email responses, and many citizen complaints and escalated calls.

Partnering with STS, department leaders implemented the ServiceNow Customer Service Management solution. Today DHS delivers a clear, consistent and responsive inquiry experience for both citizens and department employees across all communication channels. This solution helped DHS cut inquiry resolution times by 70 percent and significantly reduce duplicate inquiries, both of which lower agency operating costs.

Based on this success, STS is working with other Tennessee departments to explore adoption of a similar approach for customer service management.

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system to create a standard service catalog, streamline procurement workflows, manage an inventory of frequently requested items and track service-level agreements (SLAs) for performance.

Better communication with requesters. Improved visibility across all procurement activities reduces IT staff time spent tracking the status of their requests. Department employees simply enter their request number in the service management system to view status information.

"We saw a big increase in our customer satisfaction just from better communication about the status of requests," says Andy Kidd, director of business operations for STS.

"In the past, employees sent the request into what seemed like a black hole, then they didn't hear anything about it until the procurement was done and the device or software was in hand. Now customers can easily see where their request is in the process and we can enter comments about its status."

Improved strategic planning and budgeting. A new program for software asset management will help STS better track software licenses through the complete cycle of procurement, deployment

and disposal. Licenses have been tracked in spreadsheets and databases, a time-consuming and labor-intensive effort. Under the new program, software licenses will be managed with automated processes in a ServiceNow module, which will also improve software usage analysis.

"The big question is whether we're using the right software and negotiating license agreements based on actual usage data," says Kidd. "We expect to find cost savings by analyzing our entire software portfolio and being more strategic about what we buy in the future."

System metrics will also help IT staff better plan for changes in demand levels, especially surges that occur when agencies rush to spend budget balances before fiscal year-end. Before integrating with the ServiceNow service management platform, some requests could not be purchased in time to use available funding.

Creating a Spare Equipment Depot

A better procurement process for new equipment also helps Tennessee more efficiently manage its inventory of spares

to replace broken devices or support unexpected hiring. STS uses an application within the IT service management system to track its inventory, which averages 450 workstations and laptops.

"We now see metrics on the most requested devices, so we're able to manage costs by keeping a leaner inventory," says Tracie Brunk, STS senior manager. "We're also more responsive for urgent and small orders, such as when an agency has several new hires."

The inventory information encourages agency users to adopt standard-configuration devices, which can be delivered sooner and at a lower cost than the high-end devices often requested in the past. And with turnaround times of two to three days, there is little employee downtime.

Automating Employee Onboarding and Offboarding

When a new employee was hired in the past, the hiring manager or HR had to place multiple calls and requests to obtain a computer, phone, email account, network access and other IT services. These separate requests meant

a new employee might work for as long as three weeks before receiving a computer or access services.

Today, approval of the new hire in Tennessee's enterprise resource planning (ERP) system triggers an automated process to request all needed IT services. Only one request is entered in the service management system, compared to as many as seven service tickets in the past. The hiring manager can also monitor progress on the service request without calling multiple IT personnel.

Automating these processes has reduced the employee activation time to five days from what once could take weeks.

"Because no one has to remember to start the process, we no longer have the situation where IT is notified on Friday about a new employee who is starting on the following Monday," says Dedmon.

Tennessee's process for employee offboarding is also automated, beginning with a notification from the ERP system to start an automated workflow in the IT service management system. This ensures timely deletion of the employee's Active Directory listing, preventing access and improving security to the state network and email.

Making a Successful Change

Drawing from the Tennessee STS experience, Dedmon offers three recommendations for other government IT organizations considering a model of central services and management.

> ❝ **Rather than just setting up a process once and then leaving it alone, our services model and management system gives us the value of making continual process improvements.**

— **Andy Kidd,** Director of Business Operations, Tennessee Strategic Technology Solutions

1 **Develop a migration roadmap.** Centralizing IT services is a complex effort that involves many dimensions. Develop a roadmap that details how the infrastructure elements, applications, personnel and other resources will shift from the individual agencies to the central IT organization. IT leaders in other states and the management system vendor can offer valuable insights into a successful roadmap for migrating to new ways of delivering and managing IT services. Clear governance principles, especially for applications and data, are also an important part of this roadmap.

2 **Involve the agencies.** Create an advisory team of power users from various state agencies to provide input on how to best automate their business activities. Involve these users in the work to define requirements, plan the project, and test and rollout the new processes and systems.

3 **Assign service owners.** Centralized services bring a new IT staff role — the service owner — who has lead responsibility for all aspects of what the service offers and how it is delivered. Identifying and including service owners on the project team from the start of planning will lead to better choices for the migration activity and the service management solution. Once the migration is complete, the service owners will also be better able to use the management system capabilities to improve their offerings.

Data and Automation Enable Continuous Improvement

Tennessee's IT service owners will continue to automate more tasks through the service management system.

"We now receive metrics for activities and processes that we couldn't easily track before," says Brunk. "Now we know how much time each group requires for its part of a process, which allows us to identify where we can accelerate and improve it."

Kidd agrees, noting, "Rather than just setting up a process once and then leaving it alone, our services model and management system give us the value of making continual process improvements."

These metrics and process improvements will serve Tennessee well as it furthers IT services based on a centralized model for delivery and management.

This piece was developed and written by the Government Technology Content Studio, with information and input from ServiceNow. The state of Tennessee's participation in this case study is not an endorsement of ServiceNow's solutions.

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