

# Agency Strategic Plan 2011–2015



**July 2010**

TEXAS DEPARTMENT OF  
INFORMATION RESOURCES





# Agency Strategic Plan for Fiscal 2011–2015

July 2, 2010

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# Statewide Vision, Mission, and Philosophy

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## A. Statewide Vision

We must set clear priorities that will help maintain our position as a national leader now and in the future by

- Ensuring the economic competitiveness of our state by adhering to principles of fiscal discipline, setting clear budget priorities, living within our means, and limiting the growth of government;
- Investing in critical water, energy and transportation infrastructure needs to meet the demands of our rapidly growing state;
- Ensuring excellence and accountability in public schools and institutions of higher education as we invest in the future of this state and ensure Texans are prepared to compete in the global marketplace;
- Defending Texans by safeguarding our neighborhoods and protecting our international border
- Increasing transparency and efficiency at all levels of government to guard against waste, fraud, and abuse, ensuring the Texas taxpayers keep more of their hard-earned money to keep our economy and our families strong.

## B. Statewide Mission

Texas state government must be limited, efficient, and completely accountable. It should foster opportunity and economic prosperity, focus on critical priorities, and support the creation of strong family environments for our children. The stewards of the public trust must be men and women who administer state government in a fair, just, and responsible manner. To honor the public trust, state officials must seek new and innovative ways to meet state government priorities in a fiscally responsible manner.

Aim high. . .we are not here to achieve inconsequential things!

## C. Statewide Philosophy

The task before all state public servants is to govern in a manner worthy of this great state. We are a great enterprise, and as an enterprise, we will promote the following core principles:

- First and foremost, Texas matters most. This is the overarching, guiding principle by which we will make decisions. Our state, and its future, is more important than party, politics, or individual recognition.
- Government should be limited in size and mission, but it must be highly effective in performing the tasks it undertakes.
- Decisions affecting individual Texans, in most instances, are best made by those individuals, their families, and the local government closest to their communities.
- Competition is the greatest incentive for achievement and excellence. It inspires ingenuity and requires individuals to set their sights high. Just as competition inspires excellence, a sense of personal responsibility drives individual citizens to do more for their future and the future of those they love.

- Public administration must be open and honest, pursuing the high road rather than the expedient course. We must be accountable to taxpayers for our actions.
- State government has a responsibility to safeguard taxpayer dollars by eliminating waste and abuse and providing efficient and honest government.
- Finally, state government should be humble, recognizing that all its power and authority is granted to it by the people of Texas, and those who make decisions wielding the power of the state should exercise their authority cautiously and fairly.

# Relevant Statewide Goals and Benchmarks

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The Texas Department of Information Resources adopts the following General Government priority goals and benchmarks from *Strengthening our Prosperity: The Statewide Strategic Planning Elements for Texas State Government*.

## A. Priority Goal

To provide citizens with greater access to government services while reducing service delivery costs and protecting the fiscal resources for current and future taxpayers by

- Supporting effective, efficient, and accountable state government operations;
- Ensuring the state's bonds attain the highest possible bond ratings; and
- Conservatively managing the state's debt.

## B. Benchmarks

- Total state taxes per capita
- Total state spending per capita
- Percentage change in state spending, adjusted for population and inflation
- State and local taxes per capita
- Ratio of federal dollars received to federal tax dollars paid
- Number of state employees per 10,000 population
- Number of state services accessible by Internet
- Total savings realized in state spending by making reports/document/processes available on the Internet and accepting information in electronic format
- Funded ratio of state pension funds
- Texas general obligation bond ratings
- Issuance cost per \$1,000 in general obligation debt
- Affordability of homes as measured by the Texas Housing Affordability Index



# DIR Mission and Philosophy

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## A. Agency Mission

The mission of the Department of Information Resources (DIR) is to provide technology leadership, solutions, and value to all levels of Texas government and education, to enable and facilitate the fulfillment of their core missions.

## B. Agency Philosophy

The services we provide will focus on excellence through quality of service, responsiveness, innovation, professionalism, and teamwork and we will operate in an open, ethical, efficient, and accountable manner, with high regard for all customers.

We will foster and promote technology leadership by

- Providing quality service to our customers and
- Encouraging strategic partnerships between the public and private sectors.

We will foster and promote technology solutions by

- Ensuring that business needs drive technology solutions and
- Ensuring the public trust by securing technology assets and maintaining privacy of sensitive data and information.

We will foster and promote value to our customers by

- Encouraging use of managed technology infrastructure and shared services, and
- Delivering value to Texas citizens through the official state portal.



# Agency Scope and Functions

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## A. Statutory Basis

DIR was created in 1989 when the Texas Legislature enacted Chapter 2054, Texas Government Code (the Information Resources Management Act). Since that time, the scope of responsibilities increased within Chapter 2054 with the addition of subchapters F, I, J, and K that address TexasOnline responsibilities, and subchapter L that addresses the consolidation of data center services.

Two additional sections of the Texas Government Code address security requirements and communications technology services. These are

- Chapter 2059 authorized creation of a network and security operations center and the provision of network security services by DIR for state agencies and others.
- Chapter 2170 authorized DIR to provide communications services to state agencies.

## B. Historical Perspective

The State of Texas recognized the impact of automation as early as 1967 and began a series of organizations and councils with increasing responsibility for information technology (IT) planning and assets. These early beginnings led to the formation of DIR in 1989. Significant events in DIR's history include the following:

- |      |   |
|------|---|
| 1989 | The Legislature enacted the Information Resources Management Act, creating the Department of Information Resources to replace the Automated Information and Telecommunications Council (AITC). The Act established, for the first time, a comprehensive information resources management cycle including components related to strategic and operational planning, budgeting, procurement, and performance evaluation. The Act required DIR to <ul style="list-style-type: none"> <li>• Develop a state strategic plan every two years for information resources management</li> <li>• Compile an annual performance report on the state's use of technology</li> <li>• Monitor national and international technology standards</li> <li>• Develop, publish, and ensure compliance with policies, procedures, and standards related to information resources management by state agencies, and</li> <li>• Establish an information resources technology evaluation center for use by DIR and other state agencies.</li> </ul> |
| 1992 | The cooperative contract program began, with \$24 million in sales in the first year.   |
| 1993 | The 73rd Legislature required DIR to establish the state disaster recovery facility and operations data center in cooperation with Angelo State University.   |
| 1997 | The 75th Legislature adopted Sunset legislation continuing DIR for 12 years, created the Year 2000 Project Office within the agency, and added internal quality assurance assistance to DIR's duties.   |
| 1999 | The 76th Legislature established the Electronic Government Task Force to implement the state's Internet business portal.  |

- 2000 Cooperative contract program restructured so that customers order products and services directly from the vendor instead of through DIR; program is rebranded as the “GoDIRect Program.”
- 2001 The 77th Legislature transferred the Telecommunications Services Division from General Services Commission to DIR and established the Telecommunications Planning and Oversight Council to oversee planning and reporting functions of the division. Laws were also passed establishing the Program Management Office and a statewide security program within DIR, and the TexasOnline Authority to oversee TexasOnline project managed by DIR. DIR’s Executive Director was statutorily designated as the state’s Chief Information Officer.
- 2005 The 79th Legislature enacted H.B. 1516 and H.B. 3112, implementing most of DIR’s technology recommendations in its 2004 Biennial Performance Report, and ensuring a statewide enterprise approach to information resource management and cybersecurity.
- H.B. 1516 required state agencies to use DIR’s contracts to purchase commodities and to use the state data center if DIR determined that use was cost-effective. The legislation also established the Texas Project Delivery Framework for use by state agencies, a method for selection, control, and evaluation of IT projects. H.B. 3112 required DIR to provide cybersecurity services to state agencies.
- 2006 DIR amended the contract with its TEX-AN provider, resulting in significant technology enhancements and reduced costs for its diverse customer base.
- DIR created a shared, statewide Internet Protocol (IP) communications platform for TEX-AN in partnership with its service providers.
- Representatives from DIR and the other 26 agencies participating in statewide Data Center Services (DCS) Program developed the Request For Offer, conducted the procurement, and executed the agreement.
- TexasOnline, with more than 800 online services available, achieved financial “breakeven,” that is, the vendor recouped its initial capital investment in the portal. At that point, all assets were then transferred to the ownership of the State of Texas.
- 2007 On March 31, the Texas DCS contract commenced. The contract established enterprise-managed services for the state by transitioning employees, hardware, leases, and licenses to the vendor team. As part of this effort, equipment from the agency data centers began to be migrated to two locations—one in Austin, one in San Angelo.
- 2008 The Network and Security Operations Center was opened. The Center provides security services to state agencies, including security event alerting and reporting, event correlation, and non-intrusive vulnerability scans.
- 2009 The 81st Legislature strengthened DIR’s cybersecurity program by authorizing DIR to develop rules regarding vulnerability testing of network hardware and software.
- DIR entered into a new contract to manage TexasOnline, effective January 1, 2010, that expands the services to customers, utilizes new Web 2.0 tools, and delivers significantly increased revenue to the state.

## C. Affected Populations

DIR's key service populations include the Office of the Governor, the Texas Legislature, oversight agencies, state agencies, institutions of higher education, local governments, school districts, political subdivisions, assistance organizations, and the citizens of Texas.

The following table provides an inventory of DIR's service population served by each strategy listed for the agency in the 2010–2011 General Appropriations Act (GAA) and a brief description of the types of services provided to them.

### DIR Service Population

Customer Groups	Services Provided	GAA Strategy
State leadership, state agencies, local government, education	Produce the biennial State Strategic Plan for Information Resources Management and related performance reports and analyses, issue statewide recommendations, provide a technology trends and management practices education forum for state agency personnel, including information resources managers (IRMs), and conduct interagency and intergovernmental workgroups.	A.1.1 Statewide Planning
State agencies, local government, education	Develop rules and guidelines that establish statewide technology standards and best practices for agencies to manage and align their technology with their business environments and to guide effective project delivery.	A.1.2 Rule/Guideline Development
State agencies, local government, education	Develop statewide security standards for information resource assets and support the state's Homeland Security efforts through technical analysis, training and awareness efforts, and proactive prevention, threat reduction, and response to information resources security threats.	A.1.3 Statewide Security
State agencies, local government, education	Manage a procurement infrastructure for information technology commodities and services, which maximizes the state's volume buying power and enhances the quality of purchases by negotiating, managing, and monitoring information and communications technology contracts.	B.1.1 Contract Administration
State agencies	Implement, monitor, and maintain consolidated data center services.	B.2.1 Data Center Services
State agencies, local government, education, citizens	Manage Texas.gov, the State of Texas electronic government portal.	B.2.2 TexasOnline
State agencies, local government, education	Implement and maintain shared information technology services, comprising either voluntary services as an option to agencies or services provided through a Technology Center.	B.2.3 Shared Services/ Tech Centers
State government	Maintain and increase the capabilities of the Capitol Complex Telephone System .	C.1.1 CCTS
State agencies, local government, education	Maintain statewide network services and provide a shared infrastructure to support converged Internet Protocol (IP) communications services.	C.2.1 Network Services
State agencies, local government, education	Provide converged network security service, including telecommunications networks, that encompass network assessments and monitoring, as a proactive means to identify and remediate vulnerabilities and external network threats for participants of the state's Network and Security Operations Center and security services for other eligible entities when requested and approved.	C.2.2 Network & Telecom Security Services

Exemplary customer service is a primary goal of every DIR initiative. DIR determines its customers' needs through a variety of avenues such as the state portal, point-of-service surveys, and ongoing customer assessments, as well as through extensive collaboration with other agencies on every major statewide technology initiative. Customer feedback—from individual citizens, public school and university educators, and fellow state agencies—is also a key driver in the design of DIR's services and products. A more detailed description of DIR's service population is included in the Service Population Demographics section.

## **D. Main Functions**

Since inception, DIR has been responsible for the state's strategic direction for technology along with the development and enforcement of technology policies and standards for state agencies. Since that time the agency has been given ever increasing responsibility for the management and delivery of information technology services. DIR's main service delivery functions include Data Center Services, Information and Communications Technology (ICT) Cooperative Contracts, Communications Technology Services, Texas.gov (formerly TexasOnline.com), and Information Security. Additionally, DIR continues to produce the State Strategic Plan for Information Resources Management<sup>1</sup> and the Biennial Performance Report on the Use of Information Resources Technologies in State Government,<sup>2</sup> and develops rules and guidelines that establish statewide technology and security standards and best practices.

### **1. Data Center Services**

The establishment of the state disaster recovery facility and operations data center at Angelo State University in 1994 marked the beginning of the evolution of Texas data center services. Although strongly recommended by the Texas Legislature, agencies were slow to adopt the use of the data center at Angelo State. In 2005 data center consolidation was required.

The Texas data center service program provides server, mainframe, bulk print and mail, security, and disaster recovery for some of the largest state agency processing environments. Started after H.B. 1516 required consolidation, the program includes management of legacy agency data centers and consolidation of these environments to the State Data Center in San Angelo and the Austin Data Center, a hardened facility built to support consolidation. At program inception, participating agency infrastructures encompassed a wide range of technology investment and correspondingly different levels of service, security, and disaster recovery capability.

As of June 1, 2010, bulk print and mail operations have migrated to the data center, enabling the 12 agencies receiving these services to use state-of-the-art equipment and obtain high-volume bulk mail discounts. Additionally, the 14 original mainframes have been replaced with nine new models, offering significantly faster processing capacity and greater redundancy. Approximately 10 percent of the state's complex server environment has been consolidated, including all servers for DIR, the Texas State Library and Archives Commission, the Texas Veterans Commission, the Texas Facilities Commission, and the Texas Higher Education Coordinating Board.

### **2. Information and Communications Technology Cooperative Contracts**

As the demand for technology increased throughout state government so did the value of leveraging the state's buying power for technology commodities. DIR began its cooperative contracts program in 1992, with three contracts and \$24 million in purchases from the contracts the first year. The program was opened to local government organizations and the public school system, and rapidly grew. To better manage the growth and inherent strain on the organization, DIR restructured the program in 2000 to a model that removed the agency from the middle of

transactions, letting customers and vendors deal directly with ordering, payment, and shipping. In 2005, the Texas Legislature mandated the use of DIR contracts by all state agencies, further adding to the leverage DIR has with vendors. While state agencies must purchase from the program, they represent only 26 percent of the total purchases made through the contracts.

Currently there are more than 700 active contracts for a wide array of technology goods and services. During fiscal 2009, the program generated more than \$170 million in savings for customers.

DIR's ability to provide the high value, right product mix, and contract monitoring is enhanced by a business intelligence system that examines customer spend and demand for specific goods and services, benchmarks contract pricing, and provides the tools to monitor vendor performance. Using this information, DIR has been able to transform ICT Cooperative Contracts from a simple transactional-based procurement option to a knowledge-based procurement system. This system includes thorough market research, analytics, and pricing benchmarks that prepare DIR's contract management team with the tools and information to negotiate the best deals for customers.

Over the course of the next five years, new product and service categories will be added to the already strong portfolio offered through ICT Cooperative Contracts, and the value of the program to customers will continue to increase. Dramatic changes to the way DIR manages this business line are not anticipated at this time.

### **3. Communications Technology Services**

Responsibility for the state's telecommunication system was transferred to DIR in 2001 from the General Services Commission. Included in the system are the Capitol Complex Telephone System (CCTS) and TEX-AN, the voice and data system designed for state and local government organizations. In 2004, the Health and Human Services Commission's wide area network was transferred to DIR, allowing for greater broadband availability and an upgrade to the technology used.

To meet the diverse communications needs of its customers, DIR created a shared, statewide Internet Protocol (IP) communications platform for TEX-AN in partnership with its service providers. The services provided include call center support, Voice over IP, Interactive Voice Response, Automatic Call Distribution, Outbound Call Dialer, and other data and video offerings.

The first major initiative to leverage the IP-based platform was the statewide 2-1-1 information and referral communications platform, called 2-1-1 Texas. This is a public service call number offered throughout the state that provides community, state, and federal health and human services information for both everyday needs and in times of crisis. This platform was also utilized to expand support for the Health and Human Services Commission Integrated Eligibility and Enrollment Program.

The current TEX-AN contracts will expire August 31, 2010. DIR intends to award contracts to one or more vendors to assist DIR in enhancing, operating, and maintaining comprehensive communications solutions for DIR customers.

### **4. Texas.gov**

Development and ongoing management of the state's web portal was assigned to DIR from the portal's inception in 2001. Starting with legislative guidance that required a public/private partnership with a self-funded model, DIR worked with the initial vendor to build a robust site that was recognized by Brown University as the top government site in the nation in 2006. During the course of the initial contract, more than \$61 million dollars was generated in general revenue for the state.

Expiration of the initial contract afforded DIR the opportunity to set new expectations for the portal's transformation. In June, 2010, the redesigned site debuted as Texas.gov, with greater functionality for users, a new payment processing system and search engine, and new governance. In addition, the revenue sharing for the new contract is anticipated to add an estimated \$180 million to the state's general revenue fund over the seven-year life of the contract.

## **5. Information Security**

At DIR, the need for an enterprise approach to security was recognized and the first Chief Information Security Officer was named in 2004. In 2005 the Texas Legislature mandated that DIR provide cybersecurity services to state agencies.

Today, DIR provides a uniform set of information security policies, guidelines, and an array of security services to Texas state agencies, local governments, and higher education.

## **E. Public Perception of DIR**

DIR is perceived as an agency that enables other government entities to achieve their core missions by providing knowledge, value, and resources associated with technology. Although the general public has only an indirect exposure to DIR through the state's portal, Texas.gov, their use of the services indicates an experience that provides value.

As the state's technology leader, DIR establishes policies and guidelines for information resources management, produces the strategic plan for the state's technology resources, and reports on progress to the Legislature. With technology touching almost every aspect of government, this leadership role is critical.

DIR's primary service population for all five lines of business are total and segmented groups of state and local government and the public and higher education community. Usage of Information and Communications Technology Cooperative Contracts and TEX-AN indicates a high level of perceived value by all facets of the primary service populations. Voluntary usage of contracts and services continues to exceed mandatory usage by an average of three to one.

The general public, although not necessarily aware of DIR's involvement with the program, is very aware of and frequently uses Texas.gov and its predecessor TexasOnline. With more than 1,000 services available, the official state portal has more than 1.25 million unique visitors monthly. The site enables state agencies to interact with their constituents electronically and allows government customers to conduct many of their transactions with the state online. It also serves as a central source of information during major emergencies in the state and region, supporting citizens, emergency responders, and assistance personnel in the state.

DIR works closely with customers to understand their needs and to deliver technology that matters. Through outreach efforts, work groups that tackle new initiatives, and direct customer contact, DIR strives to provide what customers need, when they need it, at a competitive cost, with value added. Generally, customers perceive that DIR is accomplishing this.

# Organizational Aspects

## A. Size and Composition of Workforce

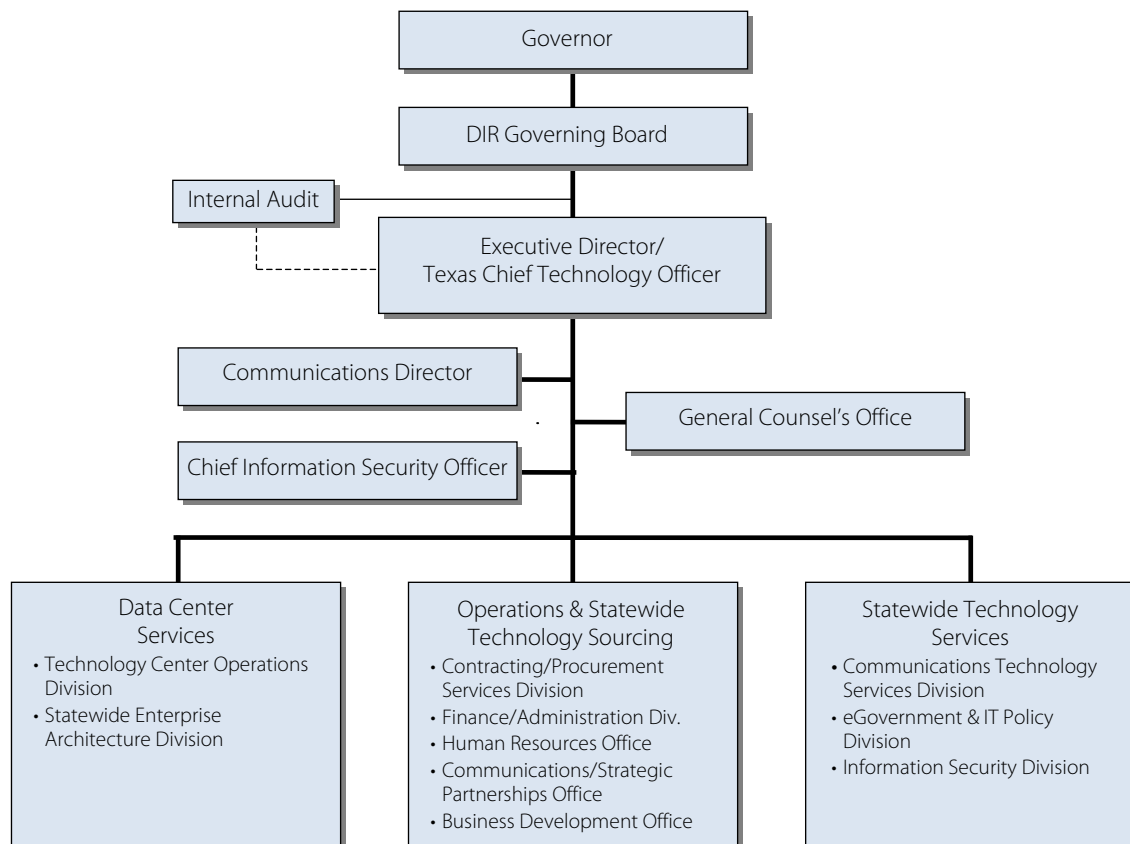
DIR has 234.5 budgeted full-time equivalent positions. The composition of the agency's workforce based on required reporting categories is shown below.

### DIR Workforce Composition—Actual

Reporting Category	Anglo Male   Female	Black Male   Female	Hispanic Male   Female	Other Male   Female	Total
Official / Administration	7   10	2   0	3   0		12   10
Professional	49   50	2   8	3   11	2   4	56   73
Technicians	17   5	2   3	7   4		26   12
Administrative Support	1   5	0   4	0   6		1   15
Service/Maintenance	1   3	0   0	1   3		2   6
<b>Agencywide</b>	<b>75   73</b>	<b>6   15</b>	<b>14   24</b>	<b>2   4</b>	<b>97   116</b>

Source: DIR Human Resources Office (May 1, 2010)

## B. Organizational Structure



## 1. Governing Board

DIR is an executive agency governed by a ten-member board with seven voting members and three *ex officio*, non-voting members. The voting members are appointed by the Governor with the advice and consent of the Texas Senate and serve for staggered six-year terms. One appointed member must be employed by an institution of higher education as defined by Section 61.003, Texas Education Code. The *ex officio* members come from two groups of three agencies, each who serve on the board for two-year terms on a rotating basis.

House Bill 675, as enacted by the 80th Texas Legislature, allows an *ex officio* member of the DIR Board to designate a senior agency manager to serve in the member's place. This legislation also changes one *ex officio* member from the commissioner of workers compensation to the commissioner of insurance.

## 2. Executive Director's Office

In addition to the state's Chief Technology Officer, who serves as the Executive Director of DIR, the office includes three Deputy Executive Directors, the General Counsel, the Director of Communications, and administrative support staff. The Executive Director's Office provides overall technology leadership and direction to the state and the agency as well as coordination of key statewide initiatives. Additionally, the Internal Auditor and the state's Chief Information Security Officer have a reporting responsibility to the Executive Director.

## 3. Operations and Statewide Technology Sourcing

Operations and Statewide Technology Sourcing includes supply chain management and internal business services. Internal business services includes the Finance and Administration Division, Communications and Strategic Partnerships Office, and the Human Resources Office. Supply chain management services include the Contracting and Procurement Services Division and the Business Development Office.

### (a) Contracting and Procurement Services Division

The Contracting and Procurement Services (CPS) Division develops information and communications technology commodity item solicitations, evaluates vendor responses, negotiates with selected vendors, and manages contracts that offer cost-effective technology products and services to the state's public entities. The CPS Division provides leadership and oversight for every facet of strategic contracting and coordination for the agency's relationships with historically underutilized businesses.

### (b) Business Development Office

The Business Development Office is charged with creating and implementing an integrated marketing communications/business development plan to best serve the needs of DIR customers. The office collaborates with DIR business owners to plan and execute marketing/business development strategies to maximize savings for customers by increasing relevancy and market reach. The office builds strategic relationships with private and public entities to identify new marketing/business development opportunities.

## 4. Statewide Technology Service Delivery

Statewide Technology Service Delivery has three divisions that support statewide initiatives as well as DIR internal operations. These divisions are the Communications Technology Services Division, the e-Government and IT Policy Division, and the Information Security Division.

**(a) Communications Technology Services (CTS) Division**

The CTS Division provides a wide variety of communications services that support statewide voice, video, and data services via the state’s communications system, the Texas Agency Network (TEX-AN). This division also manages the Capitol Complex Telephone System (CCTS), which delivers voice and data communications support within the Capitol Complex. State agencies are required to use TEX-AN and CCTS unless a waiver is granted. The division is permitted to offer communications technology services to other political subdivisions such as cities, counties, councils of government, independent school districts, and institutions of higher education.

**(b) eGovernment and IT Policy Division**

The eGovernment and IT Policy Division works in partnership with DIR’s divisions as well as other organizations within and outside of DIR. The division is made up of three teams: eGovernment, which manages the Texas.gov contract; Enterprise Policy and Planning, which encompasses policy and research, statewide project delivery, and statewide accessibility; and Technology Service Delivery, which includes IT Application Delivery, IT Services, IT Production Delivery, and Special Projects.

**(c) Information Security Division**

The Information Security Division is responsible for overseeing and assisting state agencies and universities on statewide information security issues. Core activities of the office include developing security standards, policies, and procedures; performing periodic security assessments, including controlled penetration and vulnerability assessments; providing technical assistance to agencies; addressing security aspects of major information resources projects; providing security awareness training opportunities; and acting as a centralized point-of-contact for statewide and agency information security issues.

**5. Data Center Services**

Data Center Services oversees the implementation of the Data Center Services (DCS) contract.

**(a) Technology Center Operations Division**

This division coordinates service delivery for the 28 agencies participating in the DCS program and oversees the data center services contract. The division includes financial, technical, and governance teams. The financial team interfaces with agencies and the service provider to collect and validate resource consumption and deliver accurate and complete invoices to customers. The technical team includes service representatives assigned to support one or more agencies and project leads for transformation and consolidation. The governance team works with agency representatives on the governance committees and coordinates issue resolution.

**(b) Statewide Enterprise Architecture Division**

This division has broad responsibility for researching technologies, understanding customer business strategies, and developing statewide information technology enterprise architecture roadmaps. The division coordinates extensively with other DIR divisions and stakeholders to identify opportunities for creating standards and enterprise architectures that improve the effectiveness and efficiency of enterprise information systems.

## C. Geographical Location

DIR is located in four buildings in the Capitol Complex: the W.P. Clements, Jr., Building, the Central Services Building, the Sam Houston Building, and State Garage R. DIR also houses a statewide network and security operation function at a secure facility in north central Austin.

## D. Location of Service Populations

DIR's services are available to every public entity in Texas, including state agencies, cities, counties, universities, school districts, and other political subdivisions. The service population is divided by the boundaries of their jurisdictions instead of by DIR regions or divisions.

DIR maintains ongoing contact with its customers using both technology tools and personal contact to engage this diverse population. General contact includes information sharing on products and services available through Information and Communications Technology Cooperative Contracts, the state data center, Texas.gov, and TEX-AN, and information gathering to enhance services offered. Forums to reach DIR customers include

- Webinars, webcasts, and other internet-based media channels;
- Campaigns via customer relationship management tool (direct mail, e-mail, bulletins, surveys);
- Educational events;
- Customer service representatives;
- Work groups, focus groups, councils, and committees;
- Conferences;
- Partnerships with governmental entities and trade associations that reach DIR's targeted audiences; and
- Vendors' promotion of DIR's Information and Communications Technology Cooperative Contracts Program.

## E. Human Resource Strengths and Weaknesses

DIR's talented workforce remains its greatest resource and a cause for concern. Over the next five years, key staff members will be eligible for retirement. Replacing those who retire with the institutional knowledge and broad experience DIR currently has may be more difficult given an improving economy. In addition, attracting and retaining employees with strong information technology knowledge may become more difficult as hiring in the technology sector gains momentum and private sector salaries outpace those available in state government.

There are a number of skills that are critical to the agency's ability to execute its business functions and legislative mandates effectively and efficiently. These skill sets include contract management, negotiations, communications technology services, systems analysis, government accounting, network management, project management, and web administration, including information security analysis and data center operations management and consolidation.

DIR is dedicated to its role as the chief information resources agency for the state, and strives to hire and retain employees whose knowledge of and experience in information and communications technology is exceptional. Developing long-term strategies for acquiring and retaining staff to achieve program goals continues to be of critical importance. In accordance with the agency's Workforce Plan (see Appendix E), DIR will continue to identify the critical skills and competencies needed to achieve desired program results and will refine hiring and training strategies that can be implemented with available resources.

## **F. Capital Asset Strengths and Weaknesses**

### **1. State Data Center System**

DIR oversees management of the Austin Data Center and Texas State Data Center in San Angelo. These facilities are used by state agencies and universities and are operated by a private vendor under contract to DIR.

### **2. Capitol Complex Telephone System (CCTS)**

DIR provides a communications system on the Capitol Complex. The CCTS delivers communications technology services to support the needs of the Governor's Office, state agencies, the Texas Legislature, and legislative agencies in the Capitol Complex. It provides a private branch exchange, voice mail systems, automatic call distribution services, and long distance services.

### **3. Austin Metropolitan Area Network**

The network facilitates cost-effective communications access to shared services supported by DIR such as data center and Texas.gov. In addition, it provides the foundation for the TEX-AN voice and data services provided to publically funded entities in Austin.

### **4. TEX-AN**

DIR manages a robust and resilient platform utilizing multiprotocol label switching that delivers quality service for data, voice, and video transport. This platform provides Internet Service Gateways (ISGs) in 18 locations across the state, including all local access transport areas. DIR's customers include the agencies served by the former Health and Human Services Consolidated Network, which provided the legacy platform that was transferred to DIR. Additionally, the agency has continued to work in partnership with interested agencies to further leverage value for the enterprise network solution.

### **5. Network and Security Operations Center (NSOC)**

The NSOC provides a secure and resilient facility for delivering enhanced statewide communications services, as well as security monitoring and assessment services.

## **G. Agency Use of Historically Underutilized Businesses (HUBs)**

DIR's HUB Program has the dual role of increasing HUB participation at the state level through the Information Communications and Technology Cooperative Contracts Program and at the agency level through DIR internal procurement. At the state level, the program provides significant opportunities for participating agencies to increase their HUB utilization. DIR's internal policy is to use HUBs for goods and services whenever feasible.

As of June, 2010, of the 758 ICT cooperative contracts that are managed by DIR and utilized by state agencies and local governments, 192 are prime HUB vendors. Additionally, 393 HUB resellers are available through the contracts for a total of 585 HUB avenues. HUB participation through the ICT Cooperative Contracts Program consisted of \$343 million in HUB sales in fiscal 2009.

Internally, DIR uses the CPA's Centralized Master Bidders List, and each appropriate HUB vendor is given an opportunity to respond to a Request for Offer (RFO). DIR posts RFOs for 30 days, exceeding the state's requirement of 14 days in order to give vendors sufficient time to conduct a good faith effort to include HUBs.

DIR is committed to promoting and increasing HUB contracting opportunities, which include the following good faith efforts:

- Implementation of internal procurement initiatives that include stricter bid requirements than those set by the Office of the Comptroller’s Texas Procurement and Support Services (TPASS);
- Development of prime contractor and HUB subcontractor relationships through DIR’s Mentor Protégé Program;
- Increased awareness of DIR procurement opportunities through the agency’s website, Electronic State Business Daily, local commerce events, and statewide forums;
- Attendance by the HUB coordinator at pre-bid conferences to provide subcontracting instructions;
- Host or co-host two annual economic opportunity forums;
- Coordination of networking opportunities for vendors to meet key DIR staff;
- Attendance at economic opportunity forums and HUB-oriented trade fairs with bid opportunities;
- Identification and assistance for HUB contractors who need certification or re-certification.

The following table illustrates the fiscal 2009 HUB activity as reported for DIR by TPASS.

Measure	Description	Activity
Outcome Measure	Percentage of total dollar value of contracts and subcontracts awarded to HUBs	17.62%
Output Measures	Number of HUB contracts and subcontracts awarded	603
	Number of HUB contractors and subcontractors for bid proposals	286
	Number of Mentor Protégé Agreements executed	5
	Number of HUB forums and outreach efforts attended	24
	Dollar value of HUB contracts and subcontracts awarded	\$7,466,784

The following table illustrates the fiscal 2009 HUB activity through ICT Cooperative Contracts.

Measure	Description	Activity
Outcome Measure	Number of HUB avenues	454
Output Measures	Percentage of dollars awarded to HUBs through Cooperative Contracts	26%
	Number of HUB forums and outreach efforts attended	24
	Dollar value of HUB contracts awarded	\$281 Million

## H. Key Organizational Events and Areas of Change and Impact

Four key events have occurred during the last biennium that have changed and impacted the business operations at DIR. Each has brought positive opportunities that DIR will leverage for the benefit of customers and citizens alike.

### 1. Change in Leadership of Board and Agency

In August 2009, Cliff Mountain’s term as Board Chair ended. In early September, Governor Perry named Charles Bacarisse as the presiding officer of the Texas Department of Information Resources. Chairman Bacarisse has a long association with DIR including positions on the TexasOnline Authority and as a member of DIR’s Board prior to this appointment.

In September, 2009, DIR's executive director resigned and Karen W. Robinson was chosen as the interim executive director. In May, 2010, Ms. Robinson was named Executive Director and Chief Technology Officer of the state by the Board.

## **2. Data Center Services Contract Restructuring**

Although progress has been made in the consolidation and transformation of data center services in Texas state government, the project has experienced significant service delivery issues. DIR is evaluating options to change the service delivery model to improve customer service and realize the objectives of consolidation established by state leadership. To lead the changes, DIR hired a Deputy Executive Director of Data Center Services.

Additionally, the state has established a new governance model to increase agency authority and accountability for decisions. The new process—built by a joint agency-DIR workgroup—is based on a representative model, where participating agencies elect representatives for governance committees. The structure includes a Business Executive Leadership Committee, comprising five agency business executives plus DIR's Executive Director and Deputy Executive Director; an IT Leadership Committee, comprising five agency IT Directors and DIR's Director for Technology Center Operations; and five solution groups, comprising DIR and subject matter experts. Collectively, these groups make enterprise decisions and resolve issues regarding the DCS program.

## **3. Texas.gov**

Knowing that the initial contract for TexasOnline expired in August, 2009, DIR worked collaboratively with customers during the last biennium to establish a new contract. Together, DIR and customers built the vision for the new portal, outlined the parameters for the site, and issued an RFO for services. TEXAS NICUSA was awarded the contract to commence in January, 2010.

The nationally recognized Texas state portal, TexasOnline, became Texas.gov in May, 2010. The introduction of the new name, new site design, new navigation that focuses user activity, enhanced searchability, and improved usability marked implementation of the next generation of the state's web portal.

The changes introduced in May were based on customer and citizen input. The name change is a result of market research indicating a perceived trust in .gov websites that does not exist in .com sites.

New features and functionality are also planned for the near future. Texas.gov will provide transformative web technologies for agencies and other eligible customers such as enterprise content management used to provide low-or-no-cost Internet and Intranet websites, an application marketplace that provides a platform and a forum for exchange and operation of newly developed applications, and identity management services that provide the basis for secure access to services by citizens, businesses, and governmental entities.

The new contractual agreement will contribute an estimated \$180 million to the state's general revenue fund over the seven-year life of the contract.

## **4. TEX-AN Next Generation (NG)**

DIR has initiated the reprocurement process for the TEX-AN NG, the next generation of the state's voice and data communications network. The strategic focus is on the development of secure, cost-effective, high quality, advanced communications business solutions for customers. The goal for the reprocurement is to meet the needs of customers by simplifying communications technology services acquisition, establishment, and support. This will enhance value from the use of shared services and increase performance through improved reporting on the services provided.

As the agency seeks next-generation technology and managed services through the reprocurement process, it will need to adapt its business functions to support its new business model. Delivering managed service solutions requires DIR to refocus its efforts from end-to-end service delivery to serving as a trusted advocate for its customers regarding the contracting, acquisition, delivery, and ongoing operations and support of communications technology services. With the reprocurement of the TEX-AN contract, DIR seeks to continue to redirect and refocus its efforts towards functions that yield the most productive results in order to better serve its customers.

## **I. Use and Anticipated Use of Consultants**

DIR has used consultants to provide technical expertise for complex procurement and contracting activities. It is anticipated that consultants will continue to be used in the next biennium for Data Center Services and TEX-AN procurement-related activities.

## Fiscal Aspects

### A. Size of Budget

#### Budget, Fiscal 2006–2011

Fiscal 2006–2007 Biennium	Fiscal 2008–2009 Biennium	Fiscal 2010–2011 Biennium
\$136,011,783	\$435,813,887	\$535,050,078

#### 1. Pass-Through Funds

Approximately 65 percent of DIR's appropriations for the fiscal 2010–2011 biennium consist of "pass-through" funds designated for payment of consolidated data center services (DCS) for the 28 state agencies participating in the DCS program. For the fiscal 2010–2011 biennium, the "pass-through" appropriations totaled \$347,199,579, representing almost a \$70 million, or 25 percent increase over the 2008–2009 biennium.

Under the terms of the DCS contract with IBM, DIR is responsible for making payments for the data center services provided to the 28 participating state agencies. DIR's appropriations represent funds collected from the participating state agencies to make the contract payments.

#### 2. Funding Model

Beginning in fiscal 2008, over 99 percent of DIR's operations are funded through fees collected from customers via interagency contracts and appropriated receipts. The fees vary depending on the nature and scope of the services provided to customers, and are established based on DIR's costs of providing the services.

In addition, DIR is appropriated a small amount of General Revenue for the operations of the TexasOnline program. The General Revenue funding DIR receives for operations of the TexasOnline program represents a small portion of the general revenue collected through the program.

#### Budget and Method of Financing, Fiscal 2010–2011

Method of Financing	Fiscal 2010 Estimated	Fiscal 2011 Appropriated
Appropriated Receipts–Clearing Fund	\$8,172,782	\$6,923,738
Appropriated Receipts–Telecommunications Revolving Fund	\$16,949,854	\$10,511,782
Appropriated Receipts–Statewide Technology Account	\$1,273,434	\$1,273,434
Interagency Contracts–Clearing Fund	\$3,671,706	\$3,139,767
Interagency Contracts–Telecommunications Revolving Fund	\$66,876,036	\$65,765,464
Interagency Contracts–Statewide Technology Account	\$181,790,908	\$167,115,818
<b>Total</b>	<b>\$278,734,720</b>	<b>\$254,730,003</b>
General Revenue (limited to TexasOnline)	\$792,677	\$792,678

## B. Method of Finance

DIR is funded via interagency contracts and appropriated receipts.

### Method of Financing by Percentage, Fiscal 2010–2011

Method of Financing	Fiscal 2010 Estimated	Fiscal 2011 Budgeted
Interagency Contracts	90.3%	92.4%
Appropriated Receipts	9.4%	7.3%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>
General Revenue	0.3%	0.3%

## C. Per Capita and Other State Comparisons

DIR estimated that Texas state government, including public institutions of higher education, spent approximately \$2.4 billion on information technology in fiscal 2008.<sup>3</sup> DIR will update total IT spending figures for state government in its upcoming biennial performance report (November 2010). Estimates of government technology spending in 2009 indicate that the top-spending states—California, Florida, Texas, Pennsylvania, and New York—are all predicted to spend between \$900 million and \$6 billion annually.

State technology spending is predicted to continue to grow, from \$30 billion across all states in 2007 to \$42 billion in 2012. Some slowing of growth is predicted due to the conclusion of state consolidation and modernization efforts. The primary drivers of technology spending in the states—consolidation, integration, security, and privacy issues—are predicted to continue into the future.

## D. Budgetary Limitations

The General Appropriations Act establishes separate accounting funds, along with unique criteria and restrictions, which apply to each of DIR’s revenue-generating business lines. The budget structure required to meet the GAA requirements and compliance with the associated restrictions can limit DIR’s ability to meet the comprehensive funding needs for all agency activities. For example, the costs associated with certain activities mandated by legislation that are not revenue generating, such as security, technology policy and planning, etc., must be funded as “indirect” costs via allocation to the revenue-generating business lines.

## E. Degree to Which Current Budget Meets Current and Expected Needs

DIR’s current budget is generally adequate to meet the current and expected needs of agency operations with the following exceptions:

- DIR’s FTE cap is insufficient to provide adequate staffing for all of DIR’s operations.
- The requirements associated with adjusting the Data Center Services cost recovery administrative fee limits DIR’s ability to fully recover the DCS program’s operating costs.
- The insufficient funding received for the TexasOnline program limits DIR’s ability to provide functions which could generate additional state revenue.

## F. Capital and/or Leased Needs

DIR projects do not meet the thresholds for Capital Budget reporting.

# Service Population Demographics

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## A. Historical Characteristics

DIR was created in 1989 to provide leadership in information resources management to state agencies and institutions of higher education. Initially this took the form of policies, procedures, and standards for the use of technology in state government.

In 1992, DIR established an information and communications technology cooperative contracts program to leverage the buying power of the state. The original three contracts generated \$24 million in purchases from 250 state agencies and institutions of higher education. With the passage of the Interlocal Cooperation Act, DIR was allowed to expand its potential customer base to include local governments and the public education community, which increased the ability to leverage the state's buying power.

In fiscal 2000, the state's web portal, TexasOnline, went live, providing e-government opportunities for state agencies and local governments. Customers were able to offer multiple services through the portal. In fiscal 2001, the telecommunications group transferred to DIR, expanding the agency's customer base to include more local and public education customers and providing additional service to existing customers.

In fiscal 2005, the Texas Legislature in H.B. 1516 broadened the definition of information technology commodities to include hardware, software, and technical services. The legislation also authorized state and local government entities from other states to purchase information technology commodity products and services through DIR cooperative contracts.

H.B. 1516 also established the data center services program by directing DIR to establish a technology center for data center services and prioritize agencies for participation based on the size of their infrastructure. Initially 27 state agencies were included. The number expanded to 28 in 2009, with the establishment of the Texas Department of Motor Vehicles, which was formerly a division of one of the original participating agencies.

In 2007, DIR published the first state enterprise security plan for state agencies.

As a result of legislative action and the expansion of its portfolio of services, DIR's service population has diversified and expanded. DIR services are available to all public entities in Texas, including state agencies, cities, counties, universities, school districts, and other political subdivisions, as well as other eligible out-of-state entities.

## B. Current Characteristics

Each of DIR's business lines has customers made up of a subset of state agencies, institutions of higher education, local government, public schools, assistance organizations, and the citizens of the state.

Data Center Services has a customer base of 28 state agencies that together comprise approximately 80 percent of all state agencies' computing output. While the services can be extended to include additional customers, expansion of services is not contemplated during the 2012–2013 biennium.

The Information and Communications Technology Cooperative Contracts Program has a potential eligible customer base of 3,716 state agency, local government, and public education entities across the state. Of the 3,716 eligible entities in Texas, 2,781 were active customers during fiscal 2009. Use of the program is mandatory for state agencies and voluntary for the other eligible customers.

**ICT Cooperative Contracts: Market Penetration by Customer Type (Fiscal 2009)**

Customer Type	Eligible	Active	Penetration
Public Education	1,307	1,157	88.5%
Local Government	2,261	1,483	65.5%
State Agencies	148	141	95.2%
<b>Total</b>	<b>3,716</b>	<b>2,781</b>	<b>74.8%</b>

The Communications Technology Services program provides voice and data connectivity to state agencies, public education entities, local governments, and assistance organizations. Of the more than 625 customers who use the services, only 25 percent are state agencies that are required to participate.

The Information Security program provides services to all state agencies and works in conjunction with the Communications Technology Services program to ensure network security. Although customers are primarily state agencies, some services are available to local governments on a limited basis.

Texas.gov has two groups of customers—the state agencies and local governments who use the site to provide citizen services, and the businesses and citizens of Texas who use the site as the primary access point to state services. State agencies comprise 89 percent of all services provided, with the remainder available from local government. On average, Texas.gov is currently accessed by 1.25 million unique visitors per month.

## C. Future Trends

### 1. Short Term

DIR expects two significant changes in program operations to positively affect the customer base over the next two years. The new Texas.gov will offer application and website development to state and local governments, extending the services and increasing the potential pool of users. A new search engine and the addition of social media channels will increase usage by the citizens of the state. Additionally, reprocurement of the TEX-AN contract will provide upgraded technology and a broader list of services that, in turn, should increase the number of users.

Growth in the Information and Communications Technology Cooperative Contracts Program will come through new products and services that meet the needs of new and existing customers. Anticipated growth in new customers will come in the health, assistance organization, and community college segments. Growth in the health and assistance organizations will result from the availability of new products and services; growth in the community college segment will result from increased student enrollment creating an increased need for support services.

The need for information security will continue to grow and the demands for support from all customer areas will increase, both the direct assistance of the Network and Security Operations Center and the security-related ICT Cooperative Contracts.

No changes are anticipated in the data center services program customer base.

## **2. Medium Term**

Steady growth is anticipated in the medium term as technology advances continue. Population growth will fuel the need for additional classrooms, city services, and university online courses, all of which will engage technology for service delivery.

For Texas.gov, the potential for growth comes from the local government community who currently only comprise 9.5 percent of services offered. Strong growth is anticipated with the addition of development tools to the already robust list of services available to customers and a strong outreach effort to embed Texas.gov into the minds of citizens.

Data center services will likely remain steady in the number of participating agencies. However, there will likely be growth in the demand for services from the 28 agencies engaged in this program as their technology operations grow to accommodate new customers and new programs.

The new TEX-AN procurement will provide significant enhancements to the options available to customers in a managed services structure. This stable program should see significant increases in customers over the medium term as local governments are turning to outsourcing and managed services to continue to balance budgets.

The ICT Cooperative Contracts Program has the potential to add new customers within the state boundaries, however, the majority of program growth will come from existing customers as new product lines are added and demand for technology continues.

Information Security will continue to have strong demand and growth will be limited only by DIR's ability to extend services beyond the core state agency customers.

## **3. Long Term**

Steady growth in the service population is anticipated for the long term for Texas.gov, TEX-AN, the Information and Communications Technology Cooperative Contracts Program, and, as resources are available, Information Security. Data Center Services may be in a position to expand the number of agencies participating and add a local government option for disaster recovery.



# Technological Development

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## A. Impact of Technology on Current Agency Operations

DIR has worked to adapt and deploy technology solutions that support the agency's goals and objectives. DIR has implemented these solutions in concert with statewide strategies described in the 2008–2012 State Strategic Plan for Information Resources Management, which include

- *Integrating Managed Service Delivery*  
DIR has leveraged managed services supplied by the state's data center. These services, provided through a secure, shared network infrastructure, deliver the computing and disaster recovery services that DIR utilizes.
- *Transforming ICT Procurement and Contracting Practices*  
Over the past two biennia, DIR has implemented and enhanced technology solutions for its Information and Communications Technology Cooperative Contracts Program. This has encompassed the development of tools to support sourcing strategies, such as spend analysis, analytics, and business intelligence, to generate greater cost savings and improve the quality of the state's investment in technology commodities. Other technology solutions have included the launch of the redesigned DIR Store on the agency's website, which provides new search functionality, and the implementation and enhancement of a Contract Management Information System.
- *Safeguarding the Technology Environment*  
Through services provided by the Network and Security Operations Center, DIR has conducted technical security and network vulnerability assessments for the agency, including complex controlled penetration tests, wireless network assessments, and web application vulnerability assessments. In addition to these assessments, DIR conducts comparable tests of the managed service providers who deliver statewide services to eligible entities on behalf of DIR. During fiscal 2009–2010 biennium, DIR initiated administrative rule review and amended Texas Administrative Code 202 and updated associated policies. Additionally, during fiscal 2010, DIR initiated criminal history background checks on all DIR employees and contractors and required all employees and contractors to successfully complete a computer security awareness course.
- *Facilitating Electronic Access to Government*  
Through the launch in fiscal 2010 of its redesigned agency website, DIR has sought to expand its reach to customers. DIR is committed to making website information accessible to all users and has leveraged its website redesign initiative to accommodate access that supports enabling software or assistive devices.
- *Managing within Funding, Staffing, and Regulatory Frameworks*  
DIR's technology investment decisions reflect the state's strategic direction to leverage its shared services and technology infrastructure. Additionally, to reduce cost and cycle time and to increase value, DIR has implemented a Software-as-a-Service (SaaS) model within the agency to provide a data repository and web-available interface for its business lines and program areas.
- Functions supported through this service include sales metrics for ICT Cooperative Contracts, a Contract Management Information System, Technology Asset Management, a Help Desk Incident Tracking System, and management of the Texas.gov contract.

More information on specific technologies implemented in the agency is provided under item C of this section.

## **B. Impact of Anticipated Technological Advances**

DIR continuously monitors technological advances and opportunities within the public and private sectors to determine if emerging technologies can be utilized to meet business needs.

In fiscal 2009, DIR collaborated with all levels of Texas government to outline a strategic direction for statewide use and management of information technology. DIR continues to align with the goals and strategies developed through this planning process and the agency's use of emerging technologies is consistent with the strategies described in the 2010–2014 State Strategic Plan for Information Resources.

Technology initiatives that are planned or underway at DIR are described under item D in this section (page 30). A list of DIR technology initiatives as they relate to each Statewide Technology Goal is presented in part B of the Technology Resources Planning section (page 52).

## **C. Degree of Agency Automation, Telecommunications, etc.**

DIR's local area network supports end-user computing, printing, client-server, and web-based applications. Workstations, printers, and help desk services are provided through a seat management contract. The local area network supports shared access to a variety of standard software application packages including an office product suite, electronic messaging, database management system, business analytics and intelligence tools, and business and accounting applications. Internet connectivity is provided through DIR's connection to the statewide network infrastructure. In addition, wireless access to the network is provided within DIR's facilities.

As described under item A of this section (page 27), DIR has adopted technology solutions that demonstrate business value and align with the state's strategic direction for information resources management. Some of these technology initiatives include

- *Migration of Texas.gov to the state data center*  
The migration of Texas.gov to the state data center aligns with the state's goals for enhancing capabilities of the shared infrastructure providing greater consistency, efficiency, and value in managing technology resources.
- *Upgrading DIR's website*  
The upgrade of DIR's website has transformed the user experience and site information architecture to align with customer needs and business goals. Additionally, the upgraded website rebrands the site with a new look and feel, provides content management tools, and enables integration with the standard enterprise platform.
- *Migration of DIR's local area network platform*  
DIR's local area network was migrated to an alternative networking solution in order to reduce overhead, increase speed of asset and application access, and enable usage of industry-standard tools. Managing this single platform will enable DIR to leverage new technologies and toolsets, including enhancing current features and delivering major improvements, including Web 2.0 technologies.
- *Upgrading base productivity tools*  
Base productivity tools were upgraded to take advantage of newer productivity tool functionality. The upgrade streamlines and enhances support activities and provides updated toolsets to enhance the productivity of all agency personnel.

- *Standardization of print services*  
DIR has contracted for managed print services to reduce imaging costs, improve operational effectiveness, and efficiently utilize floor space. This initiative maximizes the support efforts of the agency's technical staff and controls costs for support of the hardware and supplies.
- *Upgrading DIR technology*  
The upgrade of DIR technology provides DIR with tools to improve productivity and services. Examples include new and/or improved web conferencing, training and event registration, timekeeping, listserv, finance, inventory, security, and privacy solutions. Utilization of these state-of-the-art technologies enhances the productivity of agency personnel.

In other technology initiatives, DIR has adopted current and emerging technology solutions that demonstrate business value and align with the state's strategic direction for information resources management. Some of these other technology initiatives include

- *Use of VoIP technology within the agency*  
Voice over Internet Protocol (VoIP) technology is used within DIR to deliver converged voice and data services. DIR utilizes the statewide communications infrastructure that provides voice, video, and data, including integrated voice response, telephony, wide area network, virtual private network, and call center solutions that are provided to more than 600 state and local government agencies. Benefits realized through use of these services include the ability to adapt to changing customer requirements and agility in incorporating new and emerging technologies.
- *Providing cloud computing solutions*  
By leveraging a secure cloud computing solution, DIR provides comprehensive customer relationship management across service areas such as Data Center Services, TEX-AN, and Texas.gov. This customer relationship management solution establishes a single view of a customer for use by each individual line of business to manage any or all customer-facing activity. DIR's web-based cloud computing platform enables rapid application creation and deployment, and utilizes a web interface that is securely hosted and is accessible by authorized workers locally or remotely.
- *Implementing open source solutions*  
Open source solutions are used for issue management and document collaboration. Issue management and document collaboration applications are used to manage and track project progress and maintain documentation for selected projects, enabling DIR to deliver quality and support customers efficiently.
- *Leveraging web-based tools*  
A web-based tool was employed by DIR for collection of agency responses to questions in the 2009 Information Resources Deployment Review. This tool was able to work with any standard web browser. Agency feedback on use of this tool has been positive.
- *Enabling a mobile workforce*  
Through business continuity planning, DIR enables a mobile workforce providing timely and efficient services by enlisting the use of secure wireless communications, laptop computers, and other portable devices.

In an effort to align with the state's strategic direction for information resources management, the agency continues to explore and utilize commodity technology products and services provided by the Information and Communications Technology Cooperative Contracts program.

## D. Anticipated Need for Automation (Purchased or Leased)

DIR has a number of initiatives currently in progress or planned over the next biennium that will enhance the agency's ability to serve its customers and deliver efficient and flexible workplace solutions.

DIR's secure cloud computing platform, as a web solution, provides a comprehensive foundation for building applications to address smaller process-oriented automation opportunities. There are several areas, including project management, help desk management, survey management, event management, and workflow management that can be improved with appropriate and low cost automation via this platform.

Successful expansion of DIR's cloud computing platform may require the additional purchase of licenses for data sources that are external to the agency. This platform is expected to be used internally only; however, some functions may leverage data created by external agencies or vendors. Additionally, any expansion of agency personnel may require the acquisition of additional licenses.

Initial deployment of DIR's Business Intelligence platform has been successful in adding visibility to agency performance in select operational areas. Due to its initial success, this platform will be expanded to incorporate broader operational and financial areas of the agency. This will result in a broader range of qualified operational data to assist in making informed strategic and tactical decisions. This will also provide a platform that can be used to establish and track automated key performance indicators so that agency performance can be optimized. Expanding the role of the Business Intelligence platform may also require acquisition of additional licenses as more users become consumers of data universes being added to the platform. If more development resources are added, this may require acquiring additional development licenses as well.

Expanding the scope of the Business Intelligence platform will significantly increase the degree of automation in the area of financial and operational analysis. Currently, some analysis is spreadsheet-based, but—by utilizing the platform's extract, transform, and load (ETL) functions in conjunction with its dashboard and reporting features—many spreadsheet-based data sources will be replaced with automated sources.

DIR continues to proactively enhance, standardize, and control all aspects of its internal technical resources in order to support lines of business and streamline internal support activities.

Additional technology initiatives that are planned or underway within DIR include

- *Statewide Enterprise Resource Planning (ERP) pilot*  
DIR is participating in a multi-agency pilot for implementing a statewide ERP solution. Within DIR, the ERP solution will provide new feature functionality that will provide better, faster accounting cycles and a more intuitive user interface that will reduce dependence on institutional operational knowledge. In addition, new modules will be evaluated for cost-effective automation of existing manual processes, such as timecard submission and dashboard reporting. This initiative will also enable the decommissioning of older stand-alone applications that can be replaced by functionality contained within the new ERP solution. This will eliminate manual interfaces and double entry in some cases, which will improve the overall effectiveness of the agency.
- *Migration of the agency's website to the Texas.gov platform*  
The migration of the DIR website to the Texas.gov platform will allow DIR to leverage current and future innovations provided by the platform.

- *Operating system standardization*  
 DIR continues to move from several existing operating systems to a single (current) operating system. This stabilization initiative will enable implementation of other projects and tools providing streamlining and enhancement of support activities. In addition, management of a single operating system will allow focus to be placed on effective deployment of patches and security updates.
- *Asset control*  
 DIR is deploying tools for use in protecting network-enabled assets from malware. These tools also promote security and recovery of assets illegally acquired. Also to be deployed are end node security tools to enable enforcement of security policies when devices are not connected to the network, as well as clientless monitoring of nodes while connected to the network.
- *Image and PC standardization*  
 Standardization of images and computing devices provides DIR with the capability to monitor requests for new software, manage routing of requests, and manage licensing compliance of “approved” software. These tools will enable efficiency in management of software licensing issues and distribution of software. Additionally, they will simplify the rollout of new desktop hardware.
- *Infrastructure and integration support*  
 The effort to deploy tools and procedures that identify, track, and facilitate the disposition of technology-based issues and questions is in progress. These tools include Case Management, Project/Portfolio Management, Asset Management, Knowledge and Forum Management, and Incident Management tools. These tools will be based on standard enterprise platforms and will integrate with the DIR website and the customer relationship management solution.
- *Enhancing Communication Technology Services customer support services*  
 Enhancement of CTS customer support services will be accomplished by reviewing current services, including help desk capabilities, to streamline the methods of detecting, tracking, and resolving customer issues. This initiative will reduce the number of incident tracking systems in use and enable capabilities to enforce service level agreement compliance and report network and security incidents.
- *Texas.gov Content Management system pilot*  
 DIR will implement an Enterprise Content Management (ECM) system within Texas.gov through participation in a multiple agency pilot. A content management system is a powerful tool for enterprises and lines of businesses that publish and maintain a large amount of content from multiple authors.



# Economic Variables

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## A. Identification of Key Economic Variables

Sales tax receipts and federal funding continue to be the most significant economic variables affecting DIR's ability to generate sufficient revenue to fund agency operations. While Texas has not been as adversely affected by the global economic crisis as other states, Texas has experienced significant drops in state sales tax revenue since August 2009, and local governments are currently lagging seven percent behind 2009 in monthly sales tax allocations. Federal legislation and funding levels are putting additional burdens on states to provide services to those most vulnerable in the current economic climate.

Local government and school districts that also depend heavily on property tax for income are affected by the slump in the housing market resulting in lower values.

While dollars into the state and local coffers have decreased, the demand for services is increasing. Unemployment hit a 22 year high in August 2009 at 8 percent and has stabilized at 8.2 percent. The number of Texans receiving Medicaid services grew 11 percent from April 2009 to April 2010 with almost three million now receiving these services. Temporary Assistance for Needy Families (TANF) rolls have grown by almost 10 percent in the last year. The projected 7.5 percent growth in resident population under 17 years of age will tax school budgets with the related demand for more classrooms and teachers.

With declining revenue and increasing costs, the funds available for the purchase of technology goods and services will be tight over the next biennium, and have the potential to impact DIR's funding streams.

## B. Extent to Which Service Populations Are Affected by Economic Conditions

State leaders have already asked agencies to trim five percent off of 2010 and 2011 budgets and have requested 10 percent cuts in the fiscal 2012 and 2013 Legislative Appropriations Requests. Some agencies may delay major technology projects and computer refreshes in response to the request to reduce budgets.

Local governments are not faring any better. For example, in Texas counties, on average, 70 percent of revenue is dedicated to criminal justice activities. As revenue declines, the tough decisions between cutting services, increasing taxes, or cutting administrative costs are being faced at every level. School districts are also facing budget declines, which may impact funds available for purchases of technology commodities and services.

One bright point is that many government organizations look to technology as a means of delivering services in a cost-effective manner, and some projects may be accelerated to reduce the cost of doing business.

## C. Expected Future Economic Conditions and Impact on Agency and Service Populations

The pressure on the global economy is expected to ease over the next two years. Texas was one of the last states to face the impact of the economic decline and is projected to be one of the first

states to recover. As this recovery happens, there is a strong possibility for pent-up demand for technology products and services whose purchase was delayed for budgetary reasons.

Service populations have depended on the value DIR brings to technology products and services during the economic downturn and should continue to appreciate the cost savings in the future. Because DIR is essentially a self-funded agency, close attention to administrative fees collected, costs associated with contract management and service delivery, and value to customers will be essential.

It will also be essential for DIR to keep abreast of industry trends in technology purchasing. According to the National Association of State Chief Information Officers (NASCIO), the top ten priority technologies, applications, and tools for 2010 include the following:

- Virtualization (storage, computing, data center, servers, applications)
- Networking, voice and data communications, unified communications
- Document/content/records/e-mail management
- Cloud computing, software as a service
- Security enhancement tools
- Enterprise resource planning
- Geospatial analysis and geographic information systems
- Business intelligence and business analytics applications
- Identity and access management
- Social media and networking

Staying ahead of government demand for these technologies and tools by providing value-added contracts will continue to be important as the economic conditions improve.

## **D. Agency Response to Changing Economic Conditions**

DIR recognizes the constraints that economic conditions place on our service population and has actively reduced the administrative rates on the majority of contracts. In the Information and Communications Technology Cooperative Contracts Program, the administrative fee has been reduced from 2 percent to 1.25 percent. The reduction in administrative fee creates additional savings for the customers using the contracts. Likewise, the administrative rates for TEX-AN services were reduced by a total of \$5.9 million retroactive to the beginning of fiscal 2010.

Internally, DIR closely monitors revenue collections to ensure sufficient funds are available. As a self-funded agency, the ability to react to changing economic conditions and balance the needs of both the customers for best value and DIR for funding is fundamental to continued financial success.

# Impact of Federal Statutes and Regulations

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Historically, there has been little federal involvement in information technology and telecommunications that has impacted Texas state government and the Texas Department of Information Resources. We believe that there will continue to be little at the federal level that impacts state government, but there are bills in Congress relating to privacy, cyber and data security, and identity theft notification. Most of the bills are not drafted to impose responsibilities on state government, but we monitor these bills in case they are amended to affect us as they go through the legislative process. Though we do not anticipate an impact on Texas government, it is possible that “net neutrality” regulations that may be proposed by the Federal Communications Commission could impact us. Because the regulations have not been proposed and are likely to be litigated if they are proposed, DIR cannot assess the impact at this time.

House Resolution (H.R.) 4507, introduced in the United States House in January 2010, would amend the Homeland Security Act of 2002 to authorize establishment of the Cyber Security Domestic Preparedness Consortium to provide training to state and local first responders in defending from and responding to cyber security attacks. The bill also creates a cyber security training center accessible by state and local first responders. H.R. 4098, pending in the United States Senate, entitled the “Secure Federal File Sharing Act” could potentially affect state peer-to-peer/file sharing policies. The bill generally bans peer-to-peer file sharing software on federal computers unless a waiver is granted. One basis for a waiver is that the software is necessary for use between federal and state government to perform official government business.



## Other Legal Issues

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While DIR cannot anticipate changes in state law, we believe it possible that the Texas legislature may consider open government, privacy, and information technology security during the 2012–2013 session. Burgeoning use of social media (Facebook, Twitter, MySpace, YouTube, etc.) by state employees and elected and appointed officials to communicate with the public and to conduct official business may result in clarifications to existing public information and open meetings laws that were created before social media existed. Regardless of whether existing open government laws are amended, it is likely that the Texas courts will issue decisions that impact the use of information technology and social media by state employees and officials.

Increased use of cloud computing (the storage and processing of data by large numbers of users on banks of computers located at remote sites, perhaps in another state or country) may create legal and security issues, such as ownership of the data, what state or country's laws govern disputes arising on the cloud, and who is responsible if data is lost or corrupted. This is an emerging area of the law, and we may see international, federal, and state law created to address these issues, as well as other issues not yet identified.

The costs and complexity of complying with electronic discovery under federal and state evidence rules and discovery orders has created discussion throughout the country of moving to a clear “reasonableness” test for production of documents in response to discovery in litigation. Action in this area may clarify retention and production obligations.

June 17, 2010, the United States Supreme Court unanimously, through a majority opinion and two concurring opinions, issued City of Ontario, California v. Quon. The Court held that Mr. Quon, an officer in the Ontario, California, Police Department, had a “reasonable, but limited, expectation of privacy” in text messages he sent on a City-issued communication device and that the process used by the City to look at some messages Mr. Quon sent and received during business hours was reasonable. The Court further held that because the search of the text messages was reasonable, there was no violation of Mr. Quon’s Fourth Amendment rights. (The Fourth Amendment guarantees an individual’s privacy, dignity, and security against arbitrary and invasive governmental acts, without regard to whether the government is investigating a crime or performing another function.)

The Court urged readers not to broadly apply the holding to facts in other situations, because technology is quickly changing and acceptable workplace monitoring practices are not yet firm:

Prudence counsels caution before the facts in this case are used to establish far-reaching premises that define the existence, and extent, of privacy expectations of employees using employer-provided communication devices. Rapid changes in the dynamics of communication and information transmission are evident not just in the technology itself but in what society accepts as proper behavior. At present, it is uncertain how workplace norms, and the law’s treatment of them, will evolve.



# Self Evaluation and Opportunities for Improvement

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## A. Agency Effectiveness and Efficiency

### 1. Metrics

DIR continues to meet or exceed the established targets for all of the Legislative Budget Board outcome measures. Beginning in fiscal 2008, DIR developed and implemented a set of metrics to measure success at meeting key management objectives. These metrics are designed to supplement the information provided by the LBB performance measures by tracking and measuring financial and business line performance.

The business line metrics measure progress toward meeting key performance objectives unique to each of DIR's business lines with an overarching goal of assessing DIR's ability to provide quality services to its customers. The financial performance metrics measure financial results against pre-established targets in each of the business lines. The metrics vary by business line, but include measures such as availability of service, growth in services and number of customers, and achievement of cost savings.

Through consideration of both the financial and service delivery related metrics, DIR has implemented reductions in the administrative fees charged for the ICT Cooperative Contracts and the Communications Technology Services Programs while increasing the value of services to state agencies and other governmental entities.

### 2. Data Center Services

The State Auditor's Office Report on the Department of Information Resources and State Data Center Consolidation issued in August, 2009, included a number of findings related to DIR's guidance to agencies and oversight of the DCS program. In response, DIR has implemented improvements to better service the state agencies participating in the program.

In addition to addressing the specific findings, DIR commissioned an assessment of the Data Center Services program. This assessment confirmed the value of consolidation and recommended a number of changes in DIR's approach to achieving this goal. The recommendations included involving agencies in program governance, changing the technical approach to consolidation, and offering more service options to better align with customer agency needs. DIR has implemented a new governance model (described under item 2 on page 19) and started to implement consolidation by application rather than by server. DIR is investigating a broad array of options to provide the flexibility and improved service delivery required by agencies.

## B. Agency Characteristics Requiring Improvement

DIR is continually seeking ways to improve its technology leadership, products, services, outreach, and communications. DIR has focused extensively on methods to enhance the quality of its service delivery and customer services. Specific areas that have been targeted include

- Improvement of service delivery in all business lines by providing comprehensive communications to customers that reflect the breadth and depth of services available and their impact on various technology solutions.

- Reducing the length of the procurement cycle for the ICT Cooperative Contracts Program in order to make the contracts available to customers in a more timely manner.
- Improvement of service delivery issues associated with the current Data Center Services contract.

## C. Key Obstacles

### 1. Resource Limitations

#### (a) Funding Structure

DIR is supported primarily from administrative (cost-recovery) fees that are included in the price of products and services provided to the state. The administrative fees are intended to allow DIR to recover its cost of operating the business lines and other statutorily mandated activities.

The statutory requirements governing the criteria for establishing the fees, the allowability of expenditures, and the flexibility for the use of fund balances are unique for each of the business lines. In some instances these requirements have served to limit DIR's ability to fully recover the costs of operating the program.

For example, Section 2054.380 of the Texas Government Code allows DIR to charge a fee to state agencies that participate in the state data center in an amount to cover the direct and indirect costs of providing the data center services. However, the General Appropriations Act, in Rider X of DIR's bill pattern, directs DIR to receive written approval from the Office of the Governor and the Legislative Budget Board on a biannual basis to adjust the fee as required to recover the costs of operating the program. This requirement has served to limit DIR's ability to recover the costs of operating the DCS program.

Additionally, If the current economic conditions continue to deteriorate, revenue received by DIR through cost-recovery fees may drop as purchases from DIR contracts or use of DIR services decrease. A decrease in fee revenue would directly impact the funding available to operate effectively and impact DIR's ability to maintain current the quality of service provided to customers.

#### (b) TexasOnline Resources

TexasOnline is the only program that currently receives a small amount of general revenue. The TexasOnline funding methodology/source does not allow the state to align the investment in contract oversight activities proportionately with the growth in portal services and transactions. This limitation impacts DIR's ability to maximize revenue generated for the state.

The recently executed contract for the next generation of TexasOnline includes new toolsets that will make TexasOnline the first choice for government web applications. It incorporates appropriate web tools to drive eGovernment transformation; enhances the user experience and improves usability, accessibility, and searchability; expands the platform infrastructure and capability to allow for rapid and simple deployment of new applications; and expands capacity for financial transactions.

With the expanded services, additional resources will be needed to realize the full potential of this function, both from citizens' access to government and from the revenue generated. Revenues for the new contract are expected to reach an estimated \$180 million as compared to the \$61 million in the original contract. The structure of the contract provides additional revenue based on usage, and to develop and drive additional usage, resources are needed to reach optimum levels.

### **(c) Cap on Full Time Equivalent (FTE) Positions**

Despite the expansion in the scope and breadth of DIR's responsibilities over the last five years, its FTE cap has remained the same. This creates challenges in ensuring that all business lines are appropriately resourced, and creates the need to rely on contractors.

## **2. Technology Evolution**

The field of information and communications technology evolves rapidly. With new and innovative technologies constantly emerging and existing technologies converging, DIR must be sufficiently flexible to adapt to these rapid developments; for example, in its ability to evaluate new technologies for statewide implementation. These rapid changes will also require new statewide administrative rules, standards, and guidance. DIR must strive to synchronize standards, rules, and guidelines with new developments in the technology industry.

## **D. Opportunities**

### **1. TEX-AN Contract Reprourement**

DIR has initiated the reprourement process for TEX-AN NG, the next generation of the state's voice and data communications network. The strategic focus is on the development of secure, cost-effective, high quality, advanced communications business solutions for customers. The goal for the reprourement is to meet the needs of customers by simplifying communications technology services acquisition, establishment, and support. This will enhance value from the use of shared services and increase performance through improved reporting on the services provided.

As DIR seeks next-generation technology and managed services through the reprourement process, it will need to adapt its business functions to support its new business model. Delivering managed service solutions requires DIR to refocus its efforts from end-to-end service delivery to serving as a trusted advocate for its customers regarding the contracting, acquisition, delivery, and ongoing operations and support of communications technology services. With the reprourement of the TEX-AN contract, DIR seeks to continue to redirect and refocus its efforts towards functions that yield the most productive results in order to better serve its customers.

### **2. New Texas.gov**

The new Texas.gov has introduced a number of electronic opportunities that can enable DIR customers to better serve the citizens of Texas including content management, Web 2.0 capabilities, and web development tools. In addition, the new site has enhanced the ability of citizens to discover, do, connect, and ask about government services.

## **E. Working with Other Government Entities to Achieve Success**

DIR works closely with other governmental entities on a daily basis in each line of business. State agencies are customers of Texas.gov, data center services, communications technology services, information security services, and Information and Communications Technology Cooperative Contracts. Through focus groups, work groups, governance groups, one-on-one conversations, and educational events, DIR interacts with state agencies to define policy and standards, govern programs, determine services offered, mitigate security risks, and stay on the leading edge of ICT procurement. By understanding customer needs, DIR enables technology solutions that assist state agencies in meeting core missions. Moving forward, DIR will continue to seek input from state agencies early and often as programs and policies are developed and implemented.

DIR works extensively with local governments, including city, county, and regional governments and the K-12 education community to understand their unique needs, develop solutions, and deploy services that enable technology solutions that support core missions. Through direct

contact, regular distribution of information, and participation in conferences and related association trade shows, DIR reaches out to these customers. DIR understands the importance of this customer base and will continue to include local governments' input into the products and services offered.

## **F. Key Resources**

DIR's talented workforce remains its greatest resource. There are a number of skills that are critical to the agency's ability to operate effectively and efficiently and to execute the agency's business functions and fulfill its legislative mandates. These critical skills include those in the areas of customer service, contract management, negotiations, systems analysis, government accounting, network management, project management, web administration, security analysis, data center operations management and consolidation, and business operations.

DIR has been fortunate to attract a workforce that possesses the skills necessary to fulfill the agency's mission, a dedication to serving the citizens of Texas, and the knowledge and creativity to push the boundaries to find solutions that work.

## **G. Employee Attitudes**

The recent survey of employee attitudes indicates a high rate of employee investment in the organization and a general sense of responsibility to the organization. The report gave DIR scores for fourteen different factors that focus on the concepts most frequently used by leadership to drive organizational performance. The agency's average score across all factors was 3.68, which is considered high and reflects the strengths of the organization. An overview of the survey results are presented in Appendix F.

DIR is satisfied with the results of this recent survey, but sees opportunities for enhancing employee attitudes toward the organization, its leadership and its teams. One area of opportunity is to improve internal communications, giving the entire organization an overview of what each business line is working on and sharing information about teams and their members. In January, 2010, an internal newsletter began publication and has been well received by staff.

# DIR Goals, Objectives, Strategies, Measures

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## A. Goals

### Goal A – Promote Efficient Information Resources Policies/Systems

Promote a statewide environment that encourages efficient use and management of information resources and assist the state leadership in achieving its goals through advice and recommendations on information resources issues

### Goal B – Manage Cost-Effective Delivery of ICT Services and Commodities

Assist state agencies and other governmental entities in achieving their objectives through the most cost-effective acquisition and delivery of ICT commodities and services

### Goal C – Telecommunications

Assist governmental entities in secure and cost-effective usage of network services

### Goal D – Historically Underutilized Businesses

Encourage and effectively promote full and equal opportunities for small and minority businesses in state contracting through education, communication, training, awareness, and outreach

## B. DIR Objectives and Outcome Measures

### Goal A, Objective 01 – Planning and Alignment

Enhance the statewide enterprise management of information resources by producing the biennial Statewide Information Resources Strategic Plan and performance reports, issuing statewide recommendations, reviewing national and international standards with recommendations for state applicability, providing information resources education that facilitates continuing education certification requirements for IRMs, and securing state assets

- Outcome 01 Percentage of DIR recommendations enacted
- Outcome 02 Percentage of information resources strategic initiatives in which major agencies participate
- Outcome 03 Percentage of attendees favorably rating DIR's education events
- Outcome 04 Percentage of IRMs meeting continuing education requirements

### Goal B, Objective 01 – Improve Acquisition

Maximize the state's buying power for ICT commodities and services

- Outcome 01 Percentage of eligible Texas local government entities using DIR services

### Goal B, Objective 02 – Consolidated/Shared Services

Provide consolidation/shared ICT services to state agencies and other government entities in Texas and other states

- Outcome 01 Percentage of customers satisfied with voluntary shared services
- Outcome 02 Percentage of monthly minimum service level targets achieved for data center services
- Outcome 03 Percentage of visitors satisfied with TexasOnline

Outcome 04 Percentage of customers satisfied with Data Center Services Contract Management

### **Goal C, Objective 01 – CCTS**

Provide a Capitol Complex Telephone System basic station rate that is 5 percent or more below the estimated average local exchange carrier price for basic business service

Outcome 01 Percentage of customers satisfied with CCTS

### **Goal C, Objective 02 – Telecommunications**

Provide secure telecommunications services that deliver business value through use of traditional utility methods (legacy TEX-AN) and through converged IP communications services (enhanced TEX-AN) that, on a statewide basis, are below average industry prices when compared to a sampling of rates published by service providers registered with the Texas PUC for Intralata and Interlata providing like voice traffic, data, and other media services to customers in Texas

Outcome 01 Percentage of customers satisfied with TEX-AN

Outcome 02 Percentage of agencies migrating/transitioning to the voluntary shared network infrastructure

Outcome 03 Percentage of agencies' critical security vulnerabilities reduced

### **Goal D, Objective 01 – Historically Underutilized Businesses**

Meet and/or exceed the state's HUB utilization goals as follows: 20 percent for professional services; 12.6 percent for commodities; 33 percent for other services

Outcome 01 Percentage of expenditures to HUBs of the total expenditures for professional services

Outcome 02 Percentage of expenditures to HUBs of the total expenditures for other services

Outcome 03 Percentage of expenditures to HUBs of the total expenditures for commodities

## **C. Strategies and Output, Efficiency and Explanatory Measures**

### **Goal A, Objective 01, Strategy 01 – Statewide Planning**

Produce the Biennial Statewide Information Resources Strategic Plan and related performance reports and analyses, issue statewide recommendations, provide a technology trends and management practices education forum for state agency personnel including IRMs, and conduct interagency and intergovernmental workgroups.

Efficiency 01 Average response time per information request

Efficiency 02 Average cost per statewide information resources recommendation produced

Output 01 Number of statewide information resources recommendations produced

Output 02 Number of briefings, workgroups and focus groups conducted by DIR

Output 03 Number of education programs produced

### **Goal A, Objective 01, Strategy 02 – Rule and Guideline Development**

Develop rules and guidelines that establish statewide technology standards and best practices for agencies to manage and align their technology with their business environments and to guide effective project delivery.

Efficiency 01 Average cost per rule, guideline, and standard produced

Output 01 Number of rules, guidelines, and standards produced

Output 02 Number of agencies that utilize Framework guidance and tools for non-major information resources projects

Output 03 Number of state agency personnel trained on Framework tools, templates, and project delivery methods

**Goal A, Objective 01, Strategy 03 – Statewide Security**

Develop statewide security standards for information resource assets and support the state’s Homeland Security efforts through technical analysis, training, and awareness efforts, and proactive prevention, threat reduction, and response to information resources security threats.

**Goal B, Objective 01, Strategy 01 – Contract Administration of ICT Commodities/Services**

Manage a procurement infrastructure for ICT commodities and services that maximizes the state’s volume buying power and enhances the quality of purchases by negotiating, managing, and monitoring ICT contracts.

- Efficiency 01 Average cost recovery rate for cooperative contracts
- Explanatory 01 Total DIR gross sales
- Explanatory 02 Number of exemptions for ICT commodities and services
- Output 01 Total contract savings and cost avoidance provided through DIR contracts

**Goal B, Objective 02, Strategy 01 – Data Center Services**

Implement, monitor, and maintain consolidated data center services.

**Goal B, Objective 02, Strategy 02 – TexasOnline**

Manage contract for TexasOnline, the State of Texas e-government portal

- Output 01 Number of services available through the portal
- Output 02 Number of transactions conducted through the portal

**Goal B, Objective 02, Strategy 03 – Shared Services/Technology Centers**

Implement, monitor, and maintain shared ICT services, comprising either voluntary services as an option to agencies or services provided through a Technology Center

**Goal C, Objective 01, Strategy 01 – Capitol Complex Telephone**

Maintain and increase the capabilities of the Capitol Complex Telephone System

- Efficiency 01 Percentage of CCTS complaints/problems resolved in 8 working hours or less
- Efficiency 02 CCTS trouble tickets as a percentage of lines in service

**Goal C, Objective 02, Strategy 01 – Network Services**

Maintain statewide network services and provide a shared infrastructure to support converged IP communications services

- Efficiency 01 Average price per intrastate minute on TEX-AN
- Efficiency 02 Average price per interstate minute on TEX-AN
- Efficiency 03 Average price per toll-free minute on TEX-AN
- Efficiency 04 TEX-AN trouble tickets as a percentage of lines in service
- Efficiency 05 Average price of data services

**Goal C, Objective 02, Strategy 02 – Network and Telecommunications Security Services**

Provide converged network security services, including telecommunications networks, that encompass network assessments and monitoring as a proactive means to identify and remediate vulnerabilities and external network threats for participants of the state’s network security and operations center and security services for other eligible entities when requested and approved

- Efficiency 01 Average cost of security assessments
- Output 01 Number of security assessments

**Goal D, Objective 01, Strategy 01 – Maximize Participation**

- Explanatory 01 Number of dollars spent with HUB vendors
- Output 01 Number of HUB Contracts/Subcontracts Awarded
- Output 02 Number of bids obtained from HUB vendors
- Output 03 Number of Mentor Protégé Agreements Executed
- Output 04 Number of HUB Forums, Outreach Efforts, and Training Attended

**Goal D, Objective 02, Strategy 01 – Partnerships**

DIR will continue to develop and implement initiatives that support good faith efforts through partnership with Texas Association of HUBs; sponsoring networking events that allow HUBs to network with prime vendors; advertising and informing HUB vendors about DIR's future contracting opportunities; attendance at pre-bid conferences; establishing HUB relationships with various minority organizations.

- Output 01 Dollars expended with HUB vendors through cooperative contracts

# Assessment Summary and Initiative Alignment

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## A. Technology Assessment Summary

As the economic downturn and declining budgets have placed financial pressure on agencies, DIR must continue to adapt viable technology and business solutions for both the government enterprise and for the agency's business lines. In response to some of the key factors that will affect the agency, DIR must ensure that it effectively addresses the needs of agency customers as it seeks to expand both its customer base and service delivery channels.

DIR continues to minimize risk and align with the goals and strategies described in the 2010–2014 State Strategic Plan for Information Resources. DIR will seek opportunities to adapt and deploy technology solutions that support the agency's goals and objectives, including

- Expanding capabilities of the Enterprise Customer Relationship Management (CRM) solution – by leveraging the private web-based cloud computing solution to build applications to address process-oriented activities within and across agency business lines.
- Standardization of images and computing devices – reduces complexity of delivering IT services. Common hardware, technical familiarity, common images and upgrade techniques will simplify efficient distribution and management of hardware and software.
- Upgrading DIR's employee intranet site – by improving the look, feel, operation, and integration. DIR's employee intranet provides access to frequently used forms, technology tips, employee news, and other resources enhancing the ability of employees to perform their job.
- Enabling a mobile workplace – by enlisting the use of wireless communications, laptop computers, and other portable devices. DIR has a number of initiatives currently in progress or planned over the next biennium, which will enhance the agency's ability to serve its customers and deliver efficient and flexible workplace solutions.
- Deployment of an enterprise business performance tracking solution – to enable DIR to define requirements for monitoring, measuring, managing and reporting performance indicators and tracking methods within the enterprise.
- Enhancement of CTS customer support services, including help desk capabilities – by streamlining customer service support activities and reducing the number of incident tracking systems.
- Implement a content management system within Texas.gov – through participation in a multi-agency pilot of a statewide content management solution. A content management system is a powerful tool for enterprises and lines of businesses that publish and maintain a large amount of content from multiple authors.
- Actively promote the best practices and knowledge base gained in technology areas, as well as, information on DIR services to its customer agencies. This could include providing initial consulting services to technology challenged customer agencies.

### Statewide Technology Goal 1

Strengthen and expand the use of enterprise services and infrastructure

- 1a) DIR will continue to leverage managed services supplied by the state's data center. These services, provided through a secure, shared network infrastructure, deliver the computing and disaster recovery services that DIR utilizes.

Through utilization of the statewide communications infrastructure, DIR will continue to realize benefits that include the ability to adapt to changing customer requirements and agility in incorporating new and emerging technologies. The statewide communications infrastructure provides voice, video, and data, including integrated voice response, telephony, wide area network, virtual private network, and call center solutions to more than 600 state and local government agencies.

DIR is reviewing Communications Technology Services customer support services, including help desk capabilities, to better detect, track, and resolve customer issues. The initiative will streamline customer service support by reducing the number of incident tracking systems and enhancing capabilities to enforce SLA compliance and report network and security incidents.

To accommodate the shift in the statewide portal infrastructure from a more “transactional” portal to a “transformative” portal, DIR will leverage the statewide portal, Texas.gov, as an integral part in delivering services and enhancing efficiency and productivity. DIR will assess and deploy tools and services provided through Texas.gov as a means to effectively deliver e-government services and engage citizens. Tools and services to be examined include enterprise collaboration and content management tools. In planning and developing the agency’s application portfolio suite, DIR will review and evaluate the products and services offered through Texas.gov for reusable solutions or components for enhanced service delivery.

Through participation in a multi-agency pilot of an enterprise content management solution, Texas.gov will leverage a powerful tool for publishing and maintaining the portal’s large amount of content from many authors.

DIR participates in the Texas Comptroller of Public Accounts’ multi-agency initiative, ProjectONE, which will provide an integrated ERP solution to replace disparate legacy financial and human resources management systems. DIR will implement the new ERP system for financial applications and HR/payroll and will adhere to new statewide standards that support transparency and accountability.

DIR will maximize the use of ICT Cooperative Contracts for all agency technology purchases. DIR will continue to obtain best value through a rigorous negotiation process that not only considers price, but also encompasses additional value-added services.

- 1b) DIR leverages a private cloud computing solution to provide a comprehensive foundation for building applications to address smaller process-oriented automation opportunities. DIR will continue to explore several areas, including CRM, project management, help desk management, internal business performance tracking, survey management, event management and workflow management that can be improved with appropriate and low cost automation via this platform.

Expansion of customer relationship management capabilities will allow DIR to share customer information across its lines of business. This consistent view of customer information will enable building of customer-oriented relationships that ensure customers receive consistent and appropriate services, efficiently and effectively.

Initial deployment of DIR’s Business Intelligence platform has been successful in adding visibility to agency performance in select operational areas. Due to its initial success, this platform will be expanded to incorporate broader operational and financial areas of the agency. This will result in a broader range of qualified operational data to assist in making informed strategic and tactical decisions. This will also provide a platform that can be used to establish and track automated key performance indicators so that agency performance can be optimized.

Standardization of images and computing devices provides DIR with tools with capabilities for monitoring requests for new software, managing routing of requests, and managing licensing compliance of “approved” software. These tools will enable efficiency in management of software licensing issues and distribution of software. In addition, they will simplify the rollout of new desktop hardware.

## **Statewide Technology Goal 2**

Secure and safeguard technology assets and information

- 2a) DIR consistently evaluates its approach to enterprise security to ensure alignment with the state’s approach and with other state and national strategies. Ongoing alignment efforts include
- Utilization of solutions, through a suite of security-related product and service offerings.
  - Conducting technical security and network vulnerability assessments for the agency, including complex controlled penetration tests, wireless network assessments, and web application vulnerability assessments. These assessments leverage services provided by the Network and Security Operations Center.
  - Deploying tools for use in protecting network-enabled assets from malware. These tools also promote security and recovery of assets illegally acquired.
  - Deploying end node security tools to enable enforcement of security policies when devices are not connected to the network, as well as clientless monitoring of nodes while connected to the network.
  - Conducting criminal history background checks on all DIR employees and contractors.
  - Requiring all DIR employees and contractors to successfully complete a computer security awareness course.
- 2b) DIR will explore opportunities to invest further in identity management services and solutions by leveraging new technologies and integration approaches. To this end, DIR will work with state agencies to
- Determine and analyze requirements for identity management
  - Investigate how other state and federal agencies have approached and implemented identify management
  - Investigate how the email messaging initiative could provide a starting point for a common approach to identity management.

## **Statewide Technology Goal 3**

Serve citizens anytime, anywhere

- 3a) By leveraging shared services and technology infrastructure, DIR’s technology investment decisions promote citizen engagement through online services and emerging technologies. Through Texas.gov, DIR will identify and employ services and functionality, including emerging social media technologies, that are appropriate to the agency’s lines of business and that deliver expanded and enhanced access to its customers. Additionally through Texas.gov, DIR will review and evaluate applications on the Texas.gov Application Marketplace, which will provide an online community for other customers and developers to share knowledge, ideas, suggestions, services, and products.

With the launch of its redesigned agency website in fiscal 2010, DIR expands its reach to customers. This upgrade of the agency’s website has transformed the user experience and site information architecture to align with customer needs and business goals. DIR is committed to

making website information accessible to all users and has leveraged its website redesign initiative to accommodate access that supports enabling software or assistive devices.

DIR continues migration of the agency's website to the Texas.gov platform. This initiative stabilizes multiple sites (Texas.gov and DIR's website) to a common platform allowing DIR's website to leverage current and future innovations provided by the platform.

Progress continues on the effort to deploy tools and procedures that identify, track, and facilitate disposition of technology-based issues and questions. These tools include Case Management, Project/Portfolio Management, Asset Management, Knowledge and Forum Management, and Incident Management. These tools will be based on standard enterprise platforms and will integrate with the DIR website and the CRM management solution.

- 3b) DIR will work with the Texas.gov service provider to explore methods for expanding access to public information and address policy and technology considerations of compiling, disclosing, and publishing real-time public data online. In addition, DIR will seek to leverage Texas.gov templates and tools to assist agencies with reporting public information.

## **Statewide Technology Goal 4**

Pursue excellence and foster innovation across the enterprise

- 4a) Through information systems and hardware refresh planning, DIR will continue to implement collaboration tools, and other workplace technology solutions to extend employee interaction and enable distance learning, web conferencing, and other technologies. In addition, open source solutions that provide issue management and document collaboration have been used to manage and track project progress, and maintain documentation for a number of selected projects.

Leveraging Texas.gov as an integral part in delivering services and enhancing efficiency and productivity, DIR will seek to deploy tools and services provided through Texas.gov as a means to deliver select workplace productivity applications. Tools and services to be examined include enterprise collaboration and content management tools.

To enhance the ability of employees to perform their jobs, DIR is planning to upgrade the agency's employee intranet site to improve the look, feel, operation, and integration of the site.

DIR will continue to enlist the use of secure wireless communications, laptop computers, and other portable devices to enhance the agency's ability to serve its customers and deliver efficient and flexible workplace solutions.

- 4b) DIR's web-based private cloud computing platform enables rapid application creation and deployment, and utilizes a web interface that is securely hosted and is accessible by authorized workers locally or remotely. DIR will examine opportunities for expanding the use of this platform including deployment of CRM, project management, help desk management, internal business performance tracking, survey management, and workflow management tools.

DIR continues to move from several existing operating systems to a single (current) operating system. This stabilization initiative will enable deployment of other projects and tools.

In planning and developing the agency's application portfolio suite, DIR will review and evaluate the products and services offered through Texas.gov Application Marketplace as reusable solutions or components for electronic service delivery. In addition, DIR will employ applications toolkits when appropriate and will pursue opportunities to exchange ideas, applications, and services through the Application Marketplace.

4c) DIR is currently working with the Records Management Interagency Coordinating Council (RMICC) and other agencies to develop guidance on electronic information and records management through initiatives such as

- Development of an extension to the Texas Project Delivery Framework that incorporates life-cycle management of electronic records throughout the project life cycle
- Development of a Desktop Productivity Software Migration Guide that provides comprehensive guidance to help agencies select the most cost-effective desktop productivity software applications to accomplish their missions and provide public access to government information currently and for the long term
- Evaluation of legacy data and content for business value, deploying consistent data and information retention policies and implementing information life-cycle management practices to slow overall storage growth and reduce costs and risk
- Definition and enforcement of information retention practices that reduce the amount of data held in primary storage while remaining compliant with State records management laws
- Integration of the development of data retention, archiving, and purging strategies in the scope of business application projects
- Analysis of the cost and potential risks of operating information systems without adhering to legally compliant archiving and purging data strategies
- Development of a best practices guide for digitization and preservation projects
- Identifying, prioritizing, and developing best practices for managing other types of digital information.

Additionally, DIR governs its data assets in accordance with the Texas Administrative Code Title 1, Chapter 202 enabled through maintenance and use of the DIR Data Classification Policy.

4d) DIR will promote the use and sharing of information through collaboration with external stakeholders by participating in forums that are established to promote information sharing and interoperability.

In the effort to establish common architectural standards and best practices, DIR will develop common standards that will facilitate and promote the agency's' ability to leverage shared resources and to integrate with other agencies who provide services. Additionally, DIR will advance interoperability by applying common technical standards to application development, procurement, and managed services contracts statewide.

DIR is considering offering a shared mapping portal as a component of Texas.gov and will work closely with stakeholders including the Texas Geographic Information Council in the planning and design of a mapping portal.

The Texas Education Agency (TEA) and DIR, as directed by §39.205 of the Texas Education Code, are adopting performance and interoperability standards for financial accounting and attendance reporting software used by school districts. DIR, in cooperation with TEA, will negotiate and award a set of contracts for software that complies with the adopted standards. The software should enable school districts to easily share and report relevant data in a timely manner for purposes of financial management, operational decision-making, and transparency of district operations to the public.

## B. Technology Initiatives Alignment

The following table maps the agency's current and planned technology initiatives to the agency's business objectives and to the strategies of *Advancing Texas Technology*.

Technology Initiative	Related Agency Objective	Related SSP Strategy	Current or Planned	Anticipated Benefit(s)	Innovation, Best Practice, Benchmarking
TEX-AN Reprocurement	Goal C, Objective 2, Strategy 1	1-1	Current	TEX-AN will provide enhanced customer benefits through a state-of-the-art communications technology network.	TEX-AN will seek to incorporate innovations identified as part of the rebid process.
Operating Systems Standardization	Goal B, Objective 02, Strategy 03	1-2	Current	Move from several existing Microsoft operating systems to single (current) Microsoft Windows 7 operating system. Stabilization initiative will enable implementation of other projects and tools.	This would be leveraging a best practice to streamline and enhance support activities. Managing a single OS version will allow focused activities towards keeping patches and security updates current.
Image and PC Standardization	Goal B, Objective 1, Strategy 01	1-2	Current	Move to "frictionless" and "low touch" environment through standardization of images and computing devices. Take advantage of tools that monitor requests for new software, manage routing of requests, and manage licensing compliance of "approved" software. Invest in newer and more powerful computing devices.	This is a best practice to help the agency better manage software licensing issues, more effectively manage the distribution of software, and simplify the rollout of new desktop hardware.
Asset Control	Goal B, Objective 02, Strategy 03	1-2, 2-1, 4-3, and 4-4	Current	Deploy "white listing" tools to protect network-enabled assets from malware. Tools also promote security and recovery of assets illegally acquired.	This is a best practice in terms of upgrading the security of the network.
Asset Control	Goal B, Objective 02, Strategy 03	1-2, 2-1, 4-3, and 4-4	Planned	Deploy end node security tools so that security polices can be enforced when devices are not connected to the network, as well as clientless monitoring of nodes while connected to the network.	This is a best practice in terms of upgrading the security of the network.
Platform Standardization	Goal B, Objective 02, Strategy 01	1-2	Current	Promote enterprise adoption of standard platforms for collecting data, storing data, manipulating data, and access to Software-as-a-Service tools. Includes call center/contact center solutions.	This is a best practice in terms of promoting standardization and interoperability.

Technology Initiative	Related Agency Objective	Related SSP Strategy	Current or Planned	Anticipated Benefit(s)	Innovation, Best Practice, Benchmarking
Infrastructure and Integration Support	Goal B, Objective 02, Strategy 01	1-2, 2-1, 4-3, and 4-4	Current	Deploy tools and procedures to identify, track, and disposition technology-based issues and questions. Collection and support enabled through multiple channels. Includes Case Management, Project/Portfolio Management, Asset Management, Knowledge and Forum Management, and Incident Management tools. Should be based on standard enterprise platform (Platform Standardization Initiative) and should integrate with DIR website.	This is a best practice in terms of enterprise management strategies.
Infrastructure and Integration Support	Goal B, Objective 02, Strategy 01	1-2, 2-1, 4-3, and 4-4	Planned	Integrate existing divisional solutions into an enterprise view of the customer and the customer experience.	This is a best practice in terms of enterprise management strategies.
Continuity of Operations Plan Program	Goal A, Objective 1, Strategy 3	1-1	Current	Document and adopt Continuity of Operations Plan and Pandemic processes that will provide DIR with processes in case of emergency and/or incident.	This is a best practice to provide a detailed plan including time tables, roles/responsibilities, contact processes/list, and other physical or logical material to plan for a major emergency incident before it happens.
Enterprise Web Services	Goal B, Objective 02, Strategy 01	1-2, 2-1, 4-3, and 4-4	Current	Deliver a Platform-as-a-Service offering with Software as a Service and supporting services for statewide enterprise (adoption on a voluntary basis).	This is a best practice, due to offering Software as a Service as an innovative solution.
Statewide ERP Pilot	Goal B, Objective 02, Strategy 03	1-2	Current	Participate in multiple agency pilot for implementing a statewide ERP solution based on PeopleSoft.	This will provide the ability to decommission an unsupported legacy financial application, as well as automate many currently manual financial and HR processes.
Texas.gov Content Management System Pilot	Goal B, Objective 02, Strategy 03	1-2	Current	Participate in a multiple agency pilot for implementing a statewide CRM solution.	This is a best practice due to offering Software-as-a-Service as an innovative solution.
Enhance CTS Customer Support Services	Goal C, Objective 2, Strategy 1	1-1	Current	Streamline customer service support by reducing the number of incident tracking systems and enhancing capabilities to enforce SLA compliance; and track and report network and security incidents.	This is a best practice to help the agency better manage CTS support and enhance customer satisfaction.



## Agency Planning Process

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This Agency Strategic Plan began with a review of DIR's mission and philosophy by the Management Team with changes made to better reflect the current activities and direction of the agency. The goals, objectives, strategies, and performance measures were reviewed to ensure continued alignment with the State Strategic Plan. No changes were made as these elements remain consistent to the enterprise vision.

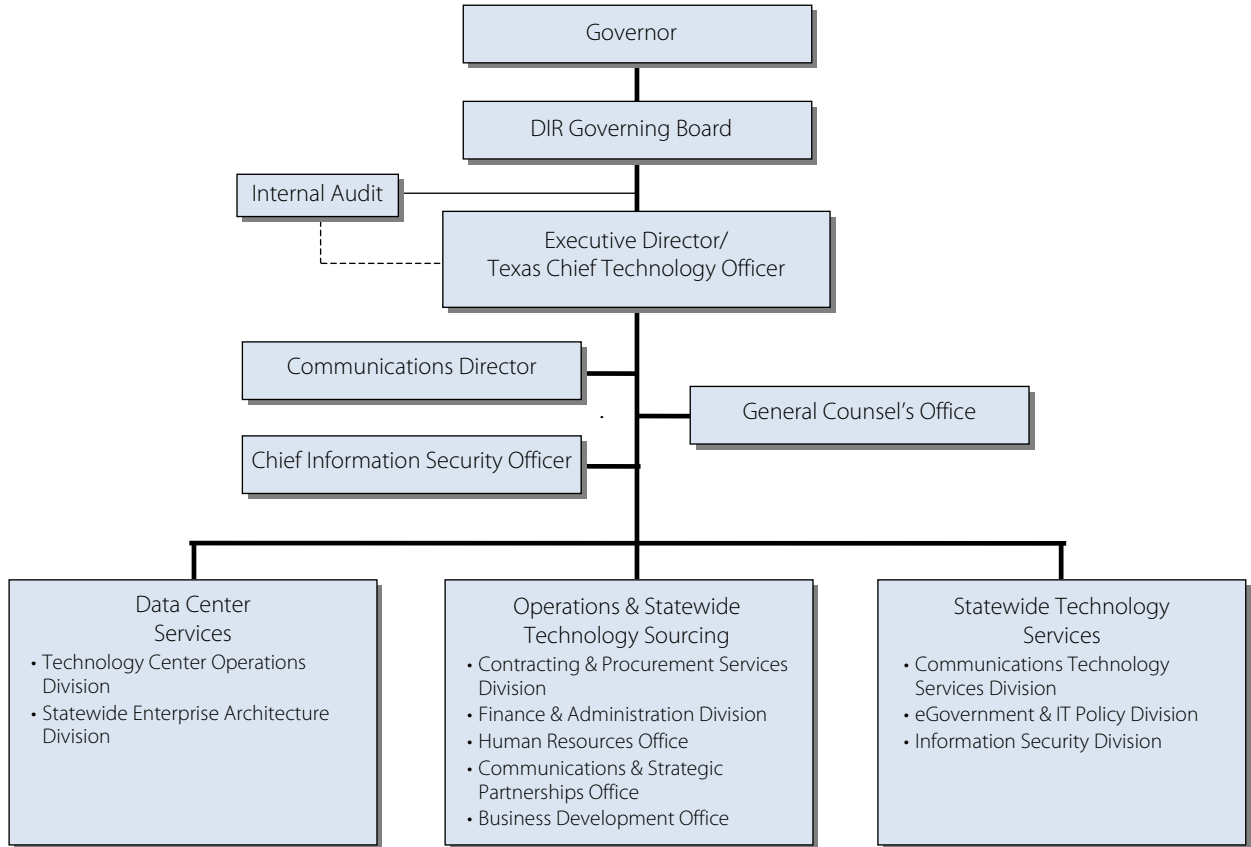
Subject matter experts throughout the agency were asked to update areas of the external/internal assessment and required appendices. The Executive Team reviewed and commented on multiple drafts of the report prior to publication.

The Agency Strategic Plan is one of three strategic documents produced by DIR each biennium. The first is the State Strategic Plan for Information Resource Management, which sets the direction, goals, objectives, and overarching strategies for the delivery of technology at the enterprise level. The second is DIR's Agency Strategic Plan. The mission, goals, objectives, strategies, and agency activities reflected in this report support the direction set in the State Strategic Plan. Finally, DIR produces the Biennial Performance Report, which reports to the legislature the progress on meeting statewide technology goals and objectives.

The State Strategic Plan and Biennial Performance Report are both done on the enterprise level, requiring significant input from stakeholders. The Agency Strategic Plan reflects that stakeholder input and internalizes the direction set forth in the statewide strategic plan.



# Current Organizational Chart





## Five-Year Projections for Outcomes

### Five-Year Projections for Outcomes

Goal	Objective	Outcome Measure	2011	2012	2013	2014	2015
A	01	01 Percentage of DIR Recommendations Enacted	75.0%	N/A	75%	N/A	75.0%
		02 Percent of Information Resources Strategic Initiatives in Which Major Agencies Participate	75.0%	75.0%	75.0%	75%	75.0%
		03 Percentage of Attendees Favorably Rating DIR's Education Events	90.0%	90.0%	90.0%	90.0%	90.0%
		04 Percent of IRMs Meeting Continuing Education (CE) Requirements	80.0%	80.0%	80.0%	80.0%	80.0%
B	01	01 Percent of Eligible Texas Local Government Entities Using DIR Services	68.0%	70.0%	70.0%	70.0%	70.0%
	02	01 Percent of Customers Satisfied with Voluntary Shared Services	95.0%	95.0%	95.0%	95.0%	95.0%
		02 Percent of Monthly Minimum Service Level Targets Achieved for Data Center Services	92.0%	92.0%	92.0%	92.0%	92.0%
		03 Percent of Visitors Satisfied with Texas Online	95.0%	95.0%	95.0%	95.0%	95.0%
C	01	01 Percent of Customers Satisfied with CCTS	99.0%	99.0%	99.0%	99.0%	99.0%
	02	01 Percent of Customers Satisfied with TEX-AN	96.0%	96.0%	96.0%	96.0%	96.0%
		02 Percentage of Agencies Migrating and Transitioning to the Voluntary Shared Network Infrastructure	60.0%	60.0%	60.0%	60.0%	60.0%
		03 Percentage of Agencies' Critical Security Vulnerabilities Reduced	70.0%	70.0%	70.0%	70.0%	70.0%
D	01	01 Percentage of Expenditures to HUBs of the Total Expenditures for Professional Services	20.0%	20.0%	20.0%	20.0%	20.0%
		02 Percentage of Expenditures to HUBs of the Total Expenditures for Other Services	33.0%	33.0%	33.0%	33.0%	33.0%
		03 Percentage of Expenditures to HUBs of the Total Expenditures for Commodities	12.6%	12.6%	12.6%	12.6%	12.6%
	02	01 Percent of HUB Avenues Available through Cooperative Contracts	34.0%	34.0%	34.0%	34.0%	34.0%



# Performance Measure Definitions

## Goal A – Promote Efficient IR Policies and Systems

### Objective 01 – Enhance the statewide enterprise management of information

#### Outcome 01 Percentage of DIR recommendations enacted

Definition	DIR makes recommendations to the state leadership on statewide IR issues that affect agencies. This measure reflects the percentage of recommendations adopted compared to the number of recommendations made.
Data Limitations	The data is based on the current reporting period only.
Data Source	Recommendations included in required legislative reports and legislation enacted as a result of the recommendations.
Methodology	The number of recommendations enacted through legislation is divided by the total number of recommendations made by legislative reports. Some recommendations may be modified by the legislature before adoption, but are counted in the totals. Recommendations made and legislation enacted are counted manually.
Purpose	DIR reviews technical issues affecting state agencies and provides reports to the Legislature such as the “Biennial Report on Information Resources Management” and other reports. The recommendations in the reports address IR policy issues.

#### Outcome 02 Percentage of information resources strategic initiatives in which major agencies participate

Definition	Measures the major agencies’ participation in IR strategic initiatives
Data Limitations	IR strategic initiatives may not be applicable to all agencies
Data Source	Major agencies are the 40 agencies with the highest IR expenditures as identified by the Comptroller. The initiatives are contained in the “State Strategic Plan”, “Biennial Report on IR Management”, and other legislative reports.
Methodology	The percentage is calculated by using the following formula: which initiatives each of the top 40 agencies is participating in divided by (total number of initiatives multiplied by the 40 agencies).
Purpose	This measure documents that agencies are participating in applicable statewide initiatives.

#### Outcome 03 Percentage of attendees favorably rating DIR’s education events

Definition	This measure is a rating of the favorable response from attendees at DIR’s education events.
Data Limitations	Limited by the attendees completing the evaluation sheets
Data Source	Evaluation sheets are distributed for each education event . Evaluation sheets require attendees to record the level of usefulness of the event based on a scale, and indicate whether the event will be recommended to other staff.
Methodology	The total number of favorable ratings is divided by the total number of evaluation responses received for the event. Attendees include all participants, not just IRMs.
Purpose	DIR sponsors a variety of education programs and events. This measure helps monitor the usefulness to the attendees of the specific training event.

#### Outcome 04 Percentage of IRMs meeting continuing education requirements

Definition	Measure reflects the percentage of agency IRMs that meet the CE requirements defined in the Continuing Education Guidelines.
Data Limitations	Accuracy of reports submitted by IRMs
Data Source	Reports are submitted by agency IRMs to DIR in the IRM continuing Education Reporting system.
Methodology	Number is determined by analyzing reports submitted by IRMs and determining which IRMs are meeting CE requirements. Analysts manually compare reports submitted with the requirements to determine if IRMs are meeting the requirements. The number of agencies determined to be in compliance is then divided by the total number of agencies for which DIR CE rule applies.
Purpose	Each agency IRM must meet CE requirements which are determined by the agency IR budget level. The measure shows agency IRMs meeting continuing education requirements and in compliance with DIR rules.

## Strategy 01 – Statewide Planning

Produce the Biennial Statewide Information Resources Strategic Plan and related performance reports and analyses, issue statewide recommendations, provide a technology trends and management practices education forum for state agency personnel including IRMs, and conduct interagency and intergovernmental workgroups.

### **Efficiency 01 Average response time per information request**

Definition	This measure reflects the average response time for information requests from the legislative branch and the Governor's Office.
Data Limitations	None
Data Source	"Legislative Assistance Group" e-mails are used to count the number of requests for information requiring a response. The Employee Timekeeping System is used to determine the amount of time DIR employees spent of legislative/gubernatorial requests.
Methodology	A manual count of requests for information is taken from the "Legislative Assistance Group" e-mails. The total time spent on such requests is determined from the Employee Timekeeping System. The total time spent is divided by the number of requests to arrive at the average response time.
Purpose	DIR responds in a timely manner to state leadership in order to provide information and assist in the decision-making process. This measure shows the responsiveness of the agency to legislative and gubernatorial requests.

### **Efficiency 02 Average cost per statewide information resources recommendation produced**

Definition	This measures the average cost of making recommendations to the state leadership in IR issues.
Data Limitations	None
Data Source	The Employee Timekeeping system is used to determine the total time spent on producing the recommendations. The recommendations in the "Biennial Report on IR Management: and other legislative reports are counted manually.
Methodology	The total time spent developing recommendations is divided by the total number of recommendations, then multiplied by an average hourly rate, which includes average hourly analyst salary, benefits, an overhead.
Purpose	This measure shows the average cost for producing a recommendation. It is related to recommendations contained in enacted legislation.

### **Output 01 Number of statewide information resources recommendations produced**

Definition	This measure is a manual count of statewide IR recommendations contained in the "Biennial Report on IR Management" and other legislative reports.
Data Limitations	None
Data Source	"Biennial Report on IR Management," other legislative reports, and other research sources. Reports required by the legislature vary and are sometimes requested ad hoc.
Methodology	The number of recommendations in the Biennial Report and other legislative reports is counted manually.
Purpose	This measure is a manual count of recommendations produced by analysts' research on IR issues. This number is used to calculate the outcome measure, "Percentage of DIR Recommendations Enacted."

### **Output 02 Number of briefings, workgroups and focus groups conducted by DIR**

Definition	Measure of DIR's hosting of briefings, workgroups, focus groups and agency-member committees within its enterprise governance structure, as well as other forums which benefit agencies by addressing information technology issues.
Data Limitations	None
Data Source	Count originates from DIR program communication plans as well as focus groups and other workgroups advertised in DIR ListServ notices.
Methodology	Manual count
Purpose	Purpose is to ensure that DIR actively solicits collaborative input and promotes participation across all levels of government on statewide IR issues.

### **Output 03 Number of education programs produced**

Definition	Measure is a count of educational events sponsored by DIR
Data Limitations	None
Data Source	Projects identified in the DIR spreadsheet titled, "Sponsored Educational Events"
Methodology	Manual count of all educational events sponsored by DIR

Purpose DIR sponsors events in order to help educate agencies on technology and technology issues, and to maintain the IRM education requirements.

## Strategy 02 – Rule and Guideline Development

Develop rules and guidelines that establish statewide technology standards and best practices for agencies to manage and align their technology with their business environments and to guide effective project delivery.

### Efficiency 01 Average cost per rule, guideline, and standard produced

Definition	This measure represents the average cost of reviewing and producing DIR rules, guidelines, and standards
Data Limitations	None
Data Source	The Employee Timekeeping System contains categories for employees to record time spent on rules, guidelines and standards. The actual number of rules, guidelines, and standards produced is counted manually from the “Guidelines and Standards Produced” and “IR Industry Standards Reviewed” spreadsheets.
Methodology	The total time includes review and production time of rules, guidelines and standards. This number is then multiplied by an average hourly analyst salary, benefits and overhead rate. This number is then divided by the total number of rules, guidelines and standards produced to arrive at the average cost per rule, guideline, and standard reviewed and produced.
Purpose	This is one of DIR’s main objectives in setting state direction in the use of IR and in the agencies implementing efficient systems. Allows analysis of cost over time, based on the complexity and volume of national and international guidelines and standards

### Output 01 Number of rules, guidelines, and standards produced

Definition	Measure is a manual count of the number of rules, guidelines, and standards the agency publishes.
Data Limitations	None
Data Source	Manual count of the number of rules, guidelines and standards dealing with separate technologies or technology management practice. Rules are documented in Board minutes. Guidelines and standards are listed on a spreadsheet titled “Guidelines and Standards Produced.”
Methodology	Manual count of rules, guidelines and standards produced during the quarter.
Purpose	DIR promotes the efficient use and management of information systems by publishing statewide rules, guidelines, and standards. Rules, guidelines, and standards establish statewide direction for agencies implementing IR technologies. These directly impact agency IR projects and management of such projects.

### Output 02 Number of agencies that utilize Framework guidance and tools for non-major information resources projects

Definition	This measure will track voluntary reporting of Framework for non-major IR projects.
Data Limitations	Count is dependent on voluntary reporting of Framework use for non-major IR projects.
Data Source	Data collected through a survey tool.
Methodology	Count of non-major projects that utilize one or more of the Framework tools required for major information resources projects.
Purpose	Agencies are not required to submit Texas Project Delivery Framework Documents to the QAT/Comptroller of Public Accounts for non-major IR projects.

### Output 03 Number of state agency personnel trained on Framework tools, templates, and project delivery methods

Definition	This measure is a count of agency personnel that participate in Framework and project delivery training and educational events.
Data Limitations	Count may be inaccurate if attendees do not register as state employees by identifying the agency they are representing. This may reduce the actual count reported.
Data Source	Information is collected from attendance roster at Framework and project delivery educational events and summarized in the spreadsheet titled, “Framework and Project Delivery Educational Events.”
Methodology	Manual count of all state personnel attending Framework and project delivery educational events.
Purpose	Reflects state agencies’ interest in Framework and project delivery educational events by monitoring state agency staff attendance.

## Strategy 03 – Statewide Security Standards

## Goal B – Manage Cost-Effective Delivery of ICT Services and Commodities

### Objective 01 – Improve Acquisition of ICT Services and Commodities

#### **Outcome 01 Percentage of eligible Texas local government entities using DIR services**

Definition	The percentage of eligible government entities voluntarily using DIR services .
Data Limitations	None
Data Source	Transactions from eligible entities are calculated via contracts and purchase orders gathered from DIR financial systems and vendor reports listing each entity that has used DIR services.
Methodology	The number of eligible local government entities executing transactions divided by the total number of eligible local government entities. Eligible entities are defined as political subdivisions and other local government entities authorized to use DIR contracts by Texas Government Code Sections 2054.0565(b); 2054.003(9); 2170.004(5). Eligible entities include: city and county governments, school districts, junior colleges, special districts, municipal water districts, and public libraries.
Purpose	Measures DIR's penetration of the local government market.

### Strategy 01 – Contract Administration of ICT Commodities and Services

#### **Efficiency 01 Average cost recovery rate for cooperative contracts**

Definition	This measure represents the average cost recovery rate applied to all sales from cooperative contracts except those for telecommunications and data center services.
Data Limitations	Accuracy of data input of vendors' sales reports
Data Source	Monthly financial statements and vendors' sales reports
Methodology	Total gross sales from cooperative contracts (contracts for IT commodities and services) minus the cost of goods sold equals net sales. Gross sales divided by net sales equals the cost recovery rate. This calculation does not include data center and telecommunications services.
Purpose	Measures efficiency of program

#### **Explanatory 01 Total DIR gross sales**

Definition	Measure represents the total gross sales from all non-telecommunication and non-data center contracts for IT commodities and services.
Data Limitations	Accuracy of data input of vendors' sales reports
Data Source	Monthly financial statements and vendors' sales reports
Methodology	Sum total of all sales from all IT commodity and service contracts (cooperative contracts), excluding telecommunication contracts and data center consolidation contracts
Purpose	Measures the use of DIR's contracts

#### **Explanatory 02 Number of exemptions for ICT commodities and services**

Definition	Number of exemptions state agencies received for the purchase of IT commodities and services
Data Limitations	None
Data Source	Exemptions requested by state agencies
Methodology	Manual count
Purpose	Measures DIR's ability to meet state agency needs for IT commodities and services.

#### **Output 01 Total contract savings and cost avoidance provided through DIR contracts**

Definition	Measure compares the difference in the final negotiated price for products and services with the appropriate benchmark price.
Data Limitations	Availability of appropriate benchmark prices. Benchmark prices are derived from various sources.
Data Source	The final negotiated bid price for contracts across all product lines and the sources for benchmark comparisons.
Methodology	The sum of the final negotiated prices for goods and services is subtracted from the sum of the appropriate benchmark prices. The final negotiated price includes the DIR administrative fee.
Purpose	Demonstrates savings and cost avoidance to agencies and local governments

### Objective 02 – Consolidated/Shared Services

#### **Outcome 01 Percentage of customers satisfied with voluntary shared services**

Definition	This measure reflects the percent of customers (users) that complete the customer satisfaction survey and report a favorable experience using voluntary shared services.
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Data Limitations	Depends on obtaining sufficient commitments necessary to initiate implementation of one or more shared services. Depends on obtaining a significant number of customer responses
Data Source	Quarterly survey
Methodology	The percentage is calculated using the following formula: (respondents rating the overall service as satisfactory or better) divided by (all respondents) times 100%.
Purpose	This measure documents the extent to which a random sample of customers rate the service as satisfactory or better. It is an important indicator of how well DIR is serving its voluntary shared services customers.

**Outcome 02 Percentage of monthly minimum service level targets achieved for data center services**

Definition	Measures overall service level outcomes for consolidated data center systems
Data Limitations	In response to changes in State of Texas business needs and priorities as communicated by state agencies, DIR retains flexibility under the Agreement to increase or decrease the number of service level measures that it designates as “critical” and that are included in the Critical Service Level Matrix. Under defined condition, the State may be entitled to financial credits, if the service provider repeatedly fails to meet individual service level standards that DIR designates as “critical”.
Data Source	Monthly service level performance reports for service level targets on the Critical Service Level Matrix. The provider for consolidated Data Center Services will prepare the reports. Minimum service level targets are specified on the Critical Service Level Matrix in the Agreement.
Methodology	The initial Critical Service Level Matrix of thirty (30) critical service levels is defined in the Data Center Services (DCS) Agreement. The DCS contract library contains documentation of: the matrix, modifications to the designation of a particular measure as “critical”, and changes to the financial credits associated with not meeting a particular “critical” measure. The percentage is calculated by using the following formula: (number of monthly critical minimum service levels met during the period) divided by (total number of monthly critical service levels measured during the period) times 100%.
Purpose	This measure documents the extent to which data center services meet minimum expectations for an array of metrics addressing system availability, problem resolution, and completion of designated scheduled deliverables. Service level measures designated as “critical” by DIR are those deemed most important based on input from the agencies, and with respect to which the State may become entitled under the Agreement to receive financial credits, if the service provider repeatedly fails to satisfy the service level standard.

**Outcome 03 Percentage of visitors satisfied with TexasOnline**

Definition	This measure reflects the percentage of visitors that complete the customer satisfaction survey and have a favorable experience.
Data Limitations	Depends on the number of visitors that complete the survey instrument
Data Source	Customer satisfaction survey instrument available continually on the TexasOnline individual services
Methodology	TexasOnline will provide the customer satisfaction survey instrument on each application. Results will be collected online and analyzed quarterly for trends. The number of survey responses will be compared against the total number of satisfied survey respondents.
Purpose	The percentage of visitors that are satisfied with their experience using TexasOnline shows that the site is providing a valuable service. It is imperative that the satisfaction level remains very high to ensure quality of service. Declining satisfaction rates may be indicative of problems with the TexasOnline site and services offered.

**Outcome 04 Percentage of Customers Satisfied with Data Center Services Management**

Definition	This measure reflects the percent chief executives from DCS customer agencies participating in the DCS Program (DIR customers) that respond to the customer satisfaction survey question and report a favorable rating for the job DIR is doing in carrying out Data Center Services management.
Data Limitations	Depends on obtaining survey responses (ratings) from the chief executives of the agencies participating in the DCS Program (DIR Customers) as part of the annual CS executive-level customer satisfaction survey.
Data Source	Annual customer satisfaction survey conducted (online, by telephone, or in-person) by an independent market research firm.
Methodology	The percent is calculated using the following formula: ( respondents rating the DCS contract management job DIR is doing as good or excellent) divided by (all respondents giving a rating) times 100%.
Purpose	This measure documents the extent to which a survey of all chief executives from participating DCS agencies rate DIR’s contract management of the DCS Program as good or excellent (positive rating).

**Strategy 01 – Data Center Services**

Implement, monitor, and maintain consolidated data center services.

## Strategy 02 – TexasOnline

Manage contract for TexasOnline, the State of Texas e-government portal

### **Output 01 Number of services available through the portal**

Definition	This measure reflects the number of online services available through TexasOnline
Data Limitations	None
Data Source	Monthly TexasOnline Report provided by vendor
Methodology	New services are brought online through various governance mechanisms. The number and list of services are tracked by the vendor.
Purpose	This measure shows the growth in the number of online services available through the TexasOnline portal.

### **Output 02 Number of transactions conducted through the portal**

Definition	This measure reflects the number of payment transactions processed through TexasOnline.
Data Limitations	None
Data Source	Monthly TexasOnline Report provided by vendor
Methodology	Each online payment transaction is captured by TexasOnline’s payment service and routed through the banking and credit card systems.
Purpose	This measure indicates the number of payment transactions handled online that previously would have been handled in person or via mail.

## Strategy 03 – Shared Services/Technology Centers

## Goal C – Telecommunications

### Objective 01 – CCTS

Provide a Capitol Complex Telephone System basic station rate that is 5 percent or more below the estimated average local exchange carrier price for basic business service

#### **Outcome 01 Percentage of customers satisfied with CCTS**

Definition	This represents the relative amount of customers who are pleased with the level of customer services performed in their area.
Data Limitations	Dependent upon customer response to survey cards
Data Source	Information is based on response to survey cards distributed to customers after a CCTS Work Order or Trouble Ticket is completed. The numbers are compiled in the “Customer Service Program Quarterly and Annual Statistics Report” (an Excel spreadsheet)
Methodology	The CCTS manager is responsible for obtaining input from the customer service representative, who collects all customer survey responses.
Purpose	Measure is an important indicator of how well DIR is serving its customers.

## Strategy 01 – Capitol Complex Telephone

### **Efficiency 01 Percentage of CCTS complaints/problems resolved in 8 working hours or less**

Definition	The percentage of Trouble Tickets completed within 8 working hours
Data Limitations	None
Data Source	The CCTS Help Desk receives a trouble call that requires a technician to be dispatched. A Trouble Ticket is filled out with information on the call including time started, trouble code, etc. When the problem is fixed, the Trouble Ticket is completed with arrival time, time completed, parts used, etc. This information is entered into the CCTS Trouble Ticket Management system.
Methodology	The CCTS Manager uses the CCTS Trouble Ticket Management system report on Trouble Tickets by Technician to manually count from the report of the entries of Trouble Tickets that took less than 8 hours. This number is subtracted from the total number of Trouble Tickets which is calculated by the report. The count of those that took less than 8 hours is given a percent of the total number of Trouble Tickets completed for the reporting period obtained.
Purpose	Measure counts the number of Trouble Tickets completed within 8 working hours for the reporting period. Fast turnaround time is important to maintain high customer satisfaction.

**Efficiency 02 CCTS trouble tickets as a percentage of lines in service**

Definition	The percent of Trouble Tickets as compared to the number of basic lines in service.
Data Limitations	Trouble caused by many factors can be out of the control of CCTS management (e.g. , lightning, cable cuts).
Data Source	The number of Trouble Tickets is derived from the CCTS Trouble Ticket Management System reports. The number of Trouble Tickets is divided by the number of basic lines (“standard stations”) billed each month.
Methodology	The CCTS manager will divide the number of Trouble Tickets completed for the reporting period by the average number of stations on the system.
Purpose	Measure counts the number of CCTS Trouble Tickets reported as a percent of total basic lines in service. This measure is important to gauge the number of stations requiring repairs during the course of a year and thus increasing demands for technicians as well as maintenance trends, as the system expands.

**Objective 02 – Telecommunications**

**Outcome 01 Percentage of customers satisfied with TEX-AN**

Definition	The percent of customer satisfaction achieved for TEX-AN operations.
Data Limitations	If survey response return rate is small, limited input may skew the statistics
Data Source	The numbers are taken from the “Customer Service Program Quarterly and Annual Statistics” report. Cards are distributed to TEX-AN users who attend user group meeting (generally held every two months). Surveys are also mailed after service orders are completed (potentially mail, e-mail, or web based).
Methodology	Customer satisfaction information is received and calculated by the customer service representative. Results are entered into a tracking database and based on the response cards distributed to TEX-AN users. Results are averaged based upon the number of returned response cards.
Purpose	Indicator of customer satisfaction with TEX-AN services provided by staff and vendors.

**Outcome 02 Percentage of agencies migrating/transitioning to the voluntary shared network infrastructure**

Definition	DIR provides shared network infrastructure and services which may be leveraged by agencies to achieve efficiencies through demand aggregation. The shared network infrastructure is the enhancement of the TEX-AN backbone that provides a converged (voice, data, other media and services) telecommunications network.
Data Limitations	Small agencies and large agencies carry the same weight in percentage calculations
Data Source	DIR’s billing system accounts for agency utilization of the shared network services infrastructure.
Methodology	The percent is calculated by taking the number of agencies that migrate and transition to the shared infrastructure by dividing it by the total number of state agencies using TEX-AN as of September 1, 2006. The result is multiplied by 100.
Purpose	This measure documents the percentage of agencies migrating and transitioning to the shared network infrastructure.

**Outcome 03 Percentage of agencies’ critical security vulnerabilities reduced**

Definition	This measure will focus on the effectiveness of the assessments performed by DIR and to mitigate security vulnerabilities. It will also assist in the increase of awareness to threats to information resources.
Data Limitations	Number of critical security vulnerabilities existing on agency networks. Timeliness and accuracy of agency remediation reports
Data Source	Data will be obtained from remediation reports submitted by the agencies in response to DIR vulnerability assessments
Methodology	Number of critical security vulnerabilities remediated divided by the total number of critical security vulnerabilities identified
Purpose	While many vulnerabilities are discovered during the course of an engagement (DIR assessment), DIR will focus on vulnerabilities that lead to system compromise or retrieval of sensitive or proprietary information.

**Strategy 01 – Network Services**

**Efficiency 01 Average price per intrastate minute on TEX-AN**

Definition	The number of minutes for intrastate day traffic for all agencies divided into the corresponding totals of the dollar amounts billed.
Data Limitations	Services may not be strictly comparable to those generally marketed by telecom vendors (e.g., switched vs. dedicated access).
Data Source	The number of minutes for day Intrastate is obtained from the total for all agencies from the Telemanagement System for the months for the reporting period. This total amount is divided into the corresponding totals of the dollar amounts billed.

**Methodology** The number of minutes for day intrastate services is divided into the dollar amounts billed for Intrastate calls. The data is derived from the Telemangement System.

**Purpose** Intended to show the absolute value of the price charged for Intrastate (=Interlata = Intralata). Due to the marketing of Telecom vendors, these statistics provide a familiar point of reference for benchmarking to the general market.

**Efficiency 02 Average price per interstate minute on TEX-AN**

**Definition** The number of minutes for Interstate day traffic for all agencies divided into the corresponding totals of the dollar amounts billed

**Data Limitations** Services may not be strictly comparable to those generally marketed by telecom vendors (e.g. switch vs. dedicated access).

**Data Source** The number of minutes for day Interstate is obtained from the total for all agencies from the Telemangement System for the months for the reporting period. This total amount is divided into the corresponding totals of the dollar amounts billed.

**Methodology** The number of minutes for day Interstate services is divided into the dollar amounts billed for Interstate calls. The data is derived from the Telemangement System.

**Purpose** Intended to show the absolute value of the price charged for Interstate. Due to the marketing of Telecom vendors, these statistics provide a familiar point of reference for benchmarking to the general market.

**Efficiency 03 Average price per toll-free minute on TEX-AN**

**Definition** The number of minutes for 1-800 traffic divided into the corresponding totals of the dollar amounts billed.

**Data Limitations** Services may not be strictly comparable to those generally marketed by telecom vendors (e.g. switched vs. dedicated access).

**Data Source** The number of minutes for 1-800 traffic is obtained from the total for all agencies from the Telemangement System for the months for the reporting period. This total amount is divided into the corresponding totals of the dollar amounts billed.

**Methodology** The number of minutes for 1-800 traffic services is divided into the dollar amounts billed for Toll-Free calls. This data is derived from the Telemangement System.

**Purpose** Intended to show the absolute value of the price charged for 1-800 (all categories including off-to-on) voice traffic. Due to the marketing of Telecom vendors, these statistics provide a familiar point of reference for benchmarking to the general market.

**Efficiency 04 TEX-AN trouble tickets as a percentage of lines in service**

**Definition** The percentage of Trouble Tickets for non-duplicative troubles, reported as a percentage of total lines in service.

**Data Limitations** Troubles caused to the data circuits are out of control of the division (storms, fiber cuts, etc.)

**Data Source** AT&T is required to provide monthly reports on the Trouble Tickets reported. This is compared to the total lines in service as billed by the company.

**Methodology** The number of non-duplicative circuit Trouble Tickets reported is divided by the number of circuits billed.

**Purpose** Measure counts the number of Trouble reports versus lines in service. For each reporting period a trouble on a circuit is reported only once. This measure is important to gauge the number of circuits having problems during the course of the year. This impacts agencies' ability to provide services to citizens.

**Efficiency 05 Average price of data services**

**Definition** The price for providing a data circuit from end to end for a TEX-AN customer (based on T1 circuits)

**Data Limitations** Rates do not include all costs (fringe benefits to state employees, rent space, power, etc.). Administrative overhead fees change from year to year based on the total needs of DIR.

**Data Source** Data rates are published annually in the TEX-AN rate book and online

**Methodology** Rates are determined based on cost of goods sold (bill from vendors) plus the overhead added by the agency. These rates are then billed to the customers

**Purpose** Data rates for TEX-AN services can be compared against agreed upon negotiated rates based on user and industry input.

**Strategy 02 – Network and Telecommunications Security Services**

**Efficiency 01 Average cost of security assessments**

**Definition** This measure determines the average costs to perform a security assessment.

**Data Limitations** Agency participation in security assessments is voluntary

**Data Source** Hours logged into the Employee Timekeeping Systems and vendor billing within Remedy System.

Methodology Number of security assessments performed or sponsored by DIR, divided by the hours logged into the Employee Timekeeping System, multiplied by hourly rate which includes equipment, average hourly security analyst salary, operating expenses, and training. To this result, add vendor costs divided by the number of security assessments

Purpose Allows analysis of cost over time, based on network complexities

**Output 01 Number of security assessments**

Definition DIR will perform or sponsor security assessments of state agencies' and other authorized state entities' networks

Data Limitations Participation by agencies is voluntary

Data Source Count of agencies participating in DIR sponsored network security assessments

Methodology Manual count of individual security assessments including follow-up or additional assessments of the same state entity

Purpose To assess network vulnerabilities and make recommendations regarding appropriate corrections

## Goal D – Historically Underutilized Businesses

Encourage and effectively promote full and equal opportunities for small and minority businesses in state contracting through education, communication, training, awareness, and outreach

### Objective 01 – Historically Underutilized Businesses

Meet and/or exceed the state's HUB utilization goals as follows: 20 percent for professional services; 12.6 percent for commodities; 33 percent for other services

Outcome 01 Percentage of expenditures to HUBs of the total expenditures for professional services

Outcome 02 Percentage of expenditures to HUBs of the total expenditures for other services

Outcome 03 Percentage of expenditures to HUBs of the total expenditures for commodities

### Strategy 01 – Maximize Participation

Explanatory 01 Number of dollars spent with HUB vendors

Output 01 Number of HUB Contracts/Subcontracts Awarded

Output 02 Number of bids obtained from HUB vendors

Output 03 Number of Mentor Protégé Agreements Executed

Output 04 Number of HUB Forums, Outreach Efforts, and Training Attended

### Objective 02 – Historically Underutilized Businesses

DIR's ICT Contracts Program will maximize HUB participation and increase awareness of opportunities

Outcome 01 Percentage of HUB avenues available through ICT Contracts

### Strategy 01 – Partnerships

DIR will continue to develop and implement initiatives that support good faith efforts through partnership with Texas Association of HUBs; sponsoring networking events that allow HUBs to network with prime vendors; advertising and informing HUB vendors about DIR's future contracting opportunities; attendance at pre-bid conferences; establishing HUB relationships with various minority organizations.

Output 01 Dollars expended with HUB vendors through cooperative contracts



# Workforce Plan

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## I. Agency Overview

### A. Mission

The mission of the Department of Information Resources (DIR) is to provide technology leadership, solutions and value to all levels of Texas government and education, to enable and facilitate the fulfillment of their core missions.

### B. Strategic Goals and Objectives

#### Goal A Promote Efficient Information Resources Policies and Systems

Promote a statewide environment that encourages efficient use and management of information resources and assist the state leadership in achieving its goals through advice and recommendations on information resources issues

##### Objective 01 Planning and Alignment

Enhance the statewide enterprise management of information resources by producing the biennial Statewide Information Resources Strategic Plan and performance reports, issuing statewide recommendations, reviewing national and international standards with recommendations for state applicability, providing information resources education that facilitates continuing education certification requirements for IRMs, and securing state assets

##### Strategy 01 Statewide Planning

Produce the biennial Statewide Information Resources Strategic Plan and related performance reports and analyses, issue statewide recommendations, provide a technology trends and management practices education forum for state agency personnel including IRMs, and conduct interagency and intergovernmental workgroups

##### Strategy 02 Rule and Guideline Development

Develop rules and guidelines that establish statewide technology standards and best practices for agencies to manage and align their technology with their business environments and to guide effective project delivery

##### Strategy 03 Statewide Security

Develop statewide security standards for information resource assets and support the state's Homeland Security efforts through technical analysis, training, and awareness efforts, and proactive prevention, threat reduction, and response to cybersecurity threats

#### Goal B Manage Cost-Effective Service Delivery of ICT Commodities and Services

Assist state agencies and other governmental entities in achieving their objectives through the most cost-effective acquisition and delivery of ICT commodities and services

##### Objective 01 Improve Acquisition

Maximize the state's buying power for ICT commodities and services

##### Strategy 01 Contract Administration of Commodities and Services

Manage a procurement infrastructure for ICT commodities and services that maximizes the state's volume buying power and enhances the quality of purchases by negotiating, managing, and monitoring ICT contracts.

Objective 02 Consolidation/Shared Services

Provide consolidation/shared ICT services to state agencies and other government entities in Texas and other states

Strategy 01 Data Center Services

Implement, monitor, and maintain consolidated data center services

Strategy 02 TexasOnline

Manage contract for TexasOnline, the State of Texas e-government portal

Strategy 03 Shared Services/Technology Centers

Implement, monitor, and maintain shared ICT services, comprising either voluntary services as an option to agencies or services provided through a technology center

**Goal C Telecommunications**

Assist governmental entities in secure and cost-effective usage of network services

Objective 01 CCTS

Provide a Capitol Complex Telephone System basic station rate that is five percent or more below the estimated average local exchange carrier price for basic business service

Strategy 01 Capitol Complex Telephone

Maintain and increase the capabilities of the Capitol Complex Telephone System

Objective 02 Telecommunications

Provide secure telecommunications services that deliver business value through use of traditional utility methods (legacy TEX-AN) and through converged IP communications services (enhanced TEX-AN) that, on a statewide basis, are below average industry prices when compared to a sampling of rates published by service providers registered with the Texas PUC for Intralata and Interlata providing like voice traffic, data, and other media services to customers in Texas

Strategy 01 Network Services

Maintain statewide network services and provide a shared infrastructure to support converged IP communications services

Strategy 02 Network and Telecommunications Security Services

Provide converged network security services, including telecommunications networks, that encompass network assessments and monitoring as a proactive means to identify and remediate vulnerabilities and external network threats for participants of the state's network security and operations center and security services for other eligible entities when requested and approved

**Goal D Historically Underutilized Businesses**

Encourage and effectively promote full and equal opportunities for small and minority businesses in state contracting through education, communication, training, awareness, and outreach

- Objective 01 Meet or Exceed HUB Utilization Goals  
Meet and/or exceed the state’s utilization goals as follows: 20 percent for professional service; 33 percent for other services; 12.6 percent for commodities
- Strategy 01 Maximize Participation  
Promote and increase DIR’s internal contracting opportunities
- Objective 02 Provide HUB Avenues through Cooperative Contracts  
DIR’s ICT Contracts Program will maximize HUB participation and increase awareness of opportunities
- Strategy 01 Maximize Cooperative Contracts HUB Avenues  
DIR will continue to develop and implement initiatives that support good faith efforts through partnership with Texas Association of HUBs; sponsoring networking events that allow HUBs to network with prime vendors; advertising and informing HUB vendors about DIR’s future contracting opportunities; attendance at pre-bid conferences; establishing HUB relationships with various minority organizations

### **C. Business Functions**

DIR is responsible for delivering a shared technology infrastructure to more effectively plan and manage the state’s investment in information and communications technology. Through implementation of managed service delivery offerings that include data center services, communications technology services, and the state portal—TexasOnline—DIR plays a lead role in guiding the enterprise transformation to a shared, secure statewide technology infrastructure.

DIR manages a procurement infrastructure for information and communications technology commodities and services, which maximizes the state’s volume buying power and enhances the quality of purchases by negotiating, managing, and monitoring ICT Cooperative Contracts.

DIR provides converged network security services, including telecommunications networks, that encompass network assessments and monitoring, as a proactive means to identify and remediate vulnerabilities and external network threats for participants of the state’s network security and operations center and security services for other eligible entities when requested and approved.

Additionally, main functions that DIR supports to implement the agency goals and objectives include responsibility for

- Producing the State Strategic Plan for Information Resources Management and related performance reports and analyses, issuing statewide recommendations, providing a technology trends and management practices education forum for state agency personnel including IRMs, and conducting interagency and intergovernmental workgroups.
- Developing rules and guidelines that establish statewide technology standards and best practices for agencies to manage and align their technology with their business environments and to guide effective project delivery.
- Developing statewide security standards for information resource assets and supporting the state’s Homeland Security efforts through technical analysis, training, and awareness efforts, and proactive prevention, threat reduction, and response to cybersecurity threats.

### **D. Anticipated Trends and Changes that Will Impact Organization**

DIR anticipates that the following business trends will affect the workforce needs of the agency:

## 1. Short-Term Trends (1 to 2 Years)

DIR will work with the 28 DCS agencies to support successful transformation and consolidation of agency data center and disaster recovery operations to improve efficiencies and performance. Sharing data center services will leverage economies of scale and improve security and disaster recovery capability, while maintaining or improving existing service levels and reducing costs. As agencies migrate to the data centers over the next two years, benefits will accelerate through opportunities to share infrastructure and consolidate hardware. The state will have increased visibility into data center services, and common shared processes will allow stronger management controls and enable greater efficiencies.

DIR will position the next-generation TEX-AN to provide innovative methods for delivering comprehensive communications solutions that will allow agencies greater choice. DIR will serve as a trusted partner and advocate for each agency customer. A governance structure will be established that ensures operational visibility and performance management oversight across all service providers. As the state's communications technology sourcing agent, DIR will be accountable for the service delivery and performance of the communications technology solutions delivered through its contractors, and will ensure customers are receiving the best value that meets their business needs.

DIR will position TexasOnline to drive e-government transformation in the state. The emphasis will be on serving citizens in real time with interactive and collaborative applications. The state portal will also seek to promote technological innovation. Incentives must be developed to fund new and innovative applications, including those that do not generate revenue.

DIR's Information and Communications Technology Cooperative Contracts Program has evolved into a high-performance procurement model. By leveraging state purchasing power to drive down costs, the program provides a very competitive procurement channel to thousands of public sector entities across Texas. DIR will focus on business intelligence and analytics to transform the ICT Cooperative Contracts Program and provide further cost savings to customers. DIR will continue to evaluate new contracting opportunities to meet customer demand. Additionally, DIR will enhance and simplify the manner in which customers utilize its contracts.

DIR remains committed to promoting activities and best practices around security and privacy issues in the state. DIR will work with state agencies, institutions of higher education, and other stakeholders to implement each of the strategies of the *State Enterprise Security Plan* and to improve capabilities to identify and reduce cybersecurity risks. DIR will continue to deliver, enhance, and expand the services provided through the NSOC. Additionally, DIR will support the state's Homeland Security efforts through technical analysis, training, and awareness efforts, and proactive prevention, threat reduction, and response to cybersecurity threats.

## 2. Medium-Term Trends (2 to 5 years)

Transformational technology delivery systems will continue to expand. Subscriptions to software services hosted by vendors will reduce capital spending, untether applications from specific hardware, eliminate the need to maintain equipment, and lessen dependence on product licenses.

There are financial incentives, through cost savings and cost avoidance, to share hardware among multiple users, referred to as "cloud" computing. Additionally, users will experience no degradation of hosted application response time due to increasing levels of high-speed bandwidth making cloud computing not only feasible, but also desirable. Governmental entities that share common business processes, such as school districts, could benefit from using such Software-as-a-Service models.

Consumerization of technology and end users' preferences will drive software, hardware, and service acquisitions. Use of personal e-mail packages, instant messaging, and mobile devices to mix personal and business activities will increase the risk to agency information resources by jeopardizing the reliability of security controls that protect sensitive information. Concurrently, there will be increased citizen expectations for government transparency and accountability for the security and privacy of their personal information.

Ongoing revenue reductions and budget crunches will prompt government agencies to look for public-private partnerships to implement projects to fulfill their missions.

Online tools such as wikis, blogs, and social networking will be used increasingly to develop teaching strategies that combine multiple learning methods and approaches to deliver training that is contextual and relevant to employees' work.

Institutions of higher education will need to develop adaptable computer science and engineering curricula to meet the continuing skill shortages in information technology workers. Public (K-12) schools will need to offer and provide incentives for science and mathematics programs so that students are prepared for college coursework in information technology.

As state and local government and public and higher education become increasingly dependent on the web for online services, access to information, and collaboration through Web 2.0 technology, they will be introducing opportunities for cyber criminals in the United States or halfway around the world. For most business and government organizations, major computer security incidents that have significant financial, accountability, and operational impacts will continue to proliferate.

### **3. Long-Term Trends (more than 5 years)**

Over the next five to ten years, Texas workforce demographics will change considerably. Baby boomers will be eligible to retire and many will do so. The young people expected to replace these workers have grown up in an age where technology has been in the forefront of their educational and social environments. To attract and keep these younger workers, agencies will need to adopt new techniques, technologies, and processes.

Health information technology will continue to be implemented and integrated among medical facilities and personnel, government agencies, research universities, and insurance companies. Individuals may assume more responsibility for their own records and access them from hosted storage facilities over the Internet. Security issues will continue to be a top concern along with protection of individual privacy.

## II. Current Workforce Profile (Supply Analysis)

### A. Critical Workforce Skills

DIR's talented workforce remains its greatest resource; however, the agency continues to be called upon to do more with less. The challenge will be to do so through a self-funded business model and state salaries that are noncompetitive with the private sector. There are a number of skills that are critical to the agency's ability to operate effectively and efficiently and to execute the agency's business functions and fulfill its legislative mandates. These critical skills include those in the areas of customer service, contract management, negotiations, information and communications technology systems analysis, government accounting, network management, project management, web administration, security analysis, and data center operations management and consolidation and business operations.

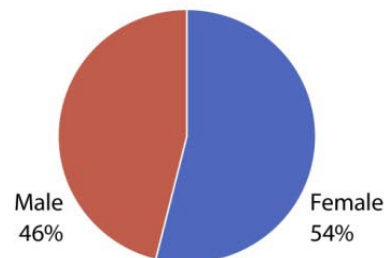
### B. Workforce Demographics and Utilization

As of April 1, 2010, DIR had a total head count of 213. The agency is authorized to have 234.9 full-time equivalent employees (FTEs). The adjacent charts profile DIR's current workforce and include both full-time and part-time employees. The agency's workforce is composed of eight percent more females than males. Eighty-six percent of employees are age 40 and older, while fifty-three percent have fewer than five years of DIR service.

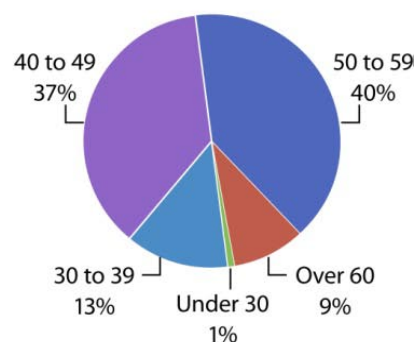
The DIR Workforce Utilization Analysis graphic (next page) compares DIR's percentages of African American, Hispanic, and female employees to the statewide civilian workforce, as reported by the Texas Workforce Commission's Civil Rights Division. The agency continues to meet or exceed the vast majority of diversity targets. Females continue to be well represented in all job categories except for technical staff. African Americans meet or exceed targeted levels in four of five job categories, while Hispanic Americans meet or exceed targeted levels in all categories except the professional category. DIR will continue to concentrate its efforts on improving diversity targets in areas that are currently under-represented: the number of females in technical positions and the number of African Americans in the Service/Maintenance category, and the number of Hispanic-Americans in the professional category.

#### DIR Workforce Demographics

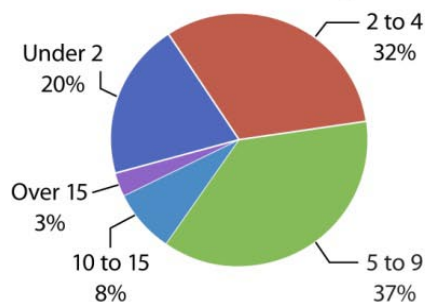
##### Gender of Workforce



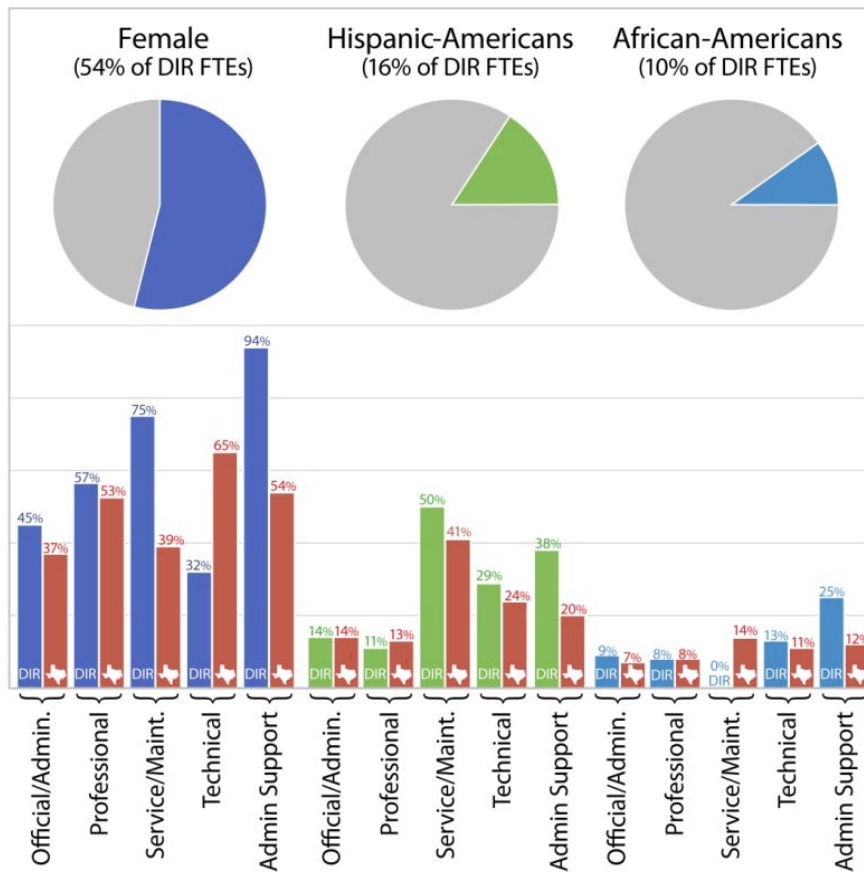
##### Age of Workforce (in years)



##### Tenure of Workforce (in years)



## DIR Workforce Utilization Analysis



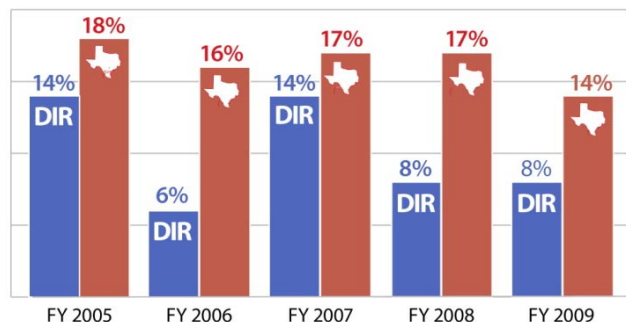
Source: State Civilian Workforce Composition, Texas Workforce Commission's Civil Rights Division; Bureau of Labor Statistics, *Geographic Profile of Employment and Unemployment, 2002* for the State of Texas; and the Equal Employment Opportunity Commission reports (EEO-4 2001 and EEO-1 2002).

### C. Employee Turnover

The loss of experienced, talented employees is costly and affects the agency's ability to function at maximum efficiency. In addition to lost productivity, high turnover rates increase costs in the areas of recruitment and selection, training, and orientation.

In fiscal 2005, DIR's turnover rate was 14 percent compared with state average of 18 percent. In fiscal 2006, DIR's turnover rate decreased significantly to 6 percent compared to fiscal 2005 which was 14 percent. Also this turnover rate was significantly lower than the 16 percent state turnover rate. However, In fiscal 2007 the turnover rate increased to more than double the previous fiscal year 2006 rate—from 6 percent to 14 percent. The turnover rate in fiscal 2008 decreased to 8 percent in part due to the downturn in the economy. The turnover rate for 2009 remained the same at 8 percent. Retirements accounted for 47 percent, voluntary terminations accounted for 41 percent and involuntary terminations accounted for 12 percent. Technical

DIR Employee Turnover Rate for Fiscal 2005–2009



positions accounted for 56 percent of DIR's turnover in fiscal 2009. The positions were System Analyst (3), Contract Manager's (2), Telecommunication Specialist (4) and Programmer (1). This trend reflects the need for a focus on retention.

#### **D. Retirement Eligibility**

A maturing workforce and increased competition for skilled employees requires employers to work harder to retain institutional knowledge and makes retaining and recruiting new talent imperative.

Predicting future turnover based on retirement eligibility is difficult because an employee's eligibility to retire, in and of itself, is not an accurate indicator of his or her election to retire. Other factors, such as income requirements and eligibility for insurance and social security benefits play a major factor in the decision to retire.

During fiscal 2006 and 2007, twelve employees retired. In fiscal 2008, approximately twenty employees became eligible to retire under the *rule of age 60 plus five years of service* and under the *rule of 80* (age plus service equals 80). Eight employees retired in fiscal 2009. In fiscal 2010, forty-four (44) employees are eligible for retirement. Sixty-eight employees are eligible for retirement in fiscal 2011. These factors make knowledge transfer imperative.

### **III. Future Workforce Profile (Demand Analysis)**

Continued reliance on information and communications technology to enhance effective, efficient government services, changes in telecommunications business and support technologies, and the implementation of a shared technology infrastructure will result in the need to change the mindset of how technology is used in the state's business processes.

DIR will be pressed to promote effective information and communications technology project planning and management and access to cost-effective ICT products and services with its small workforce. As agencies conduct more business online, DIR will also need to continue to place an increased emphasis on ensuring the security of the state's network infrastructure.

#### **A. Critical Functions**

- Increased emphasis on analysis from an enterprise-wide strategic perspective
- Increased emphasis on project management
- Increased emphasis on contract management and oversight
- Increased emphasis on security and privacy issues
- Expansion of marketing, sales, customer service
- Increased emphasis on HUB outreach
- Increased emphasis on accessibility

#### **B. Expected Workforce Changes**

- Training of Communications and Technology Services staff to integrate new technologies into current processes
- Inclusion of contract management and negotiations skills in professional and management staff
- Cross-training of employees in critical functions
- Increased emphasis on project management capabilities
- Increased emphasis on accessibility

- Improving economy
- Need for mobile workforce

### **C. Anticipated Increase/Decrease in Number of Employees Needed to Do the Work**

- Increased and changing demands to be addressed by reallocations of FTEs within the agency
- Use of contract workforce when appropriate
- Agency needs to develop skills through training and focused hiring practices
- Agency needs to focus efforts on retaining and developing staff while focusing on knowledge transfer.

### **D. Future Workforce Skills Needed**

To meet the agency's goals and objectives over the next few years, the following competencies, in addition to the critical skills listed previously, are essential:

- Change management and process re-engineering
- Advanced technical skill sets (programming, database administration, data design, network administration)
- Advanced project management
- Advanced financial analysis skills
- Advanced ICT security analysis
- Advanced contract management and negotiation skills
- Advanced data center operations management and consolidation skills
- Advanced business analysis skills
- Advanced data modeling/taxonomy management skills
- Advanced supervisory and employee development skills
- Advanced multi-tasking skills
- Advanced management and leadership skills

## **IV. Gap Analysis**

While DIR staff has most of the skills to do the work of the agency and the current gap in proficiency levels is not great, over the next five-year period, the current trends could change.

DIR's ability to attract candidates with the level of experience and desired skills for senior-level technology positions has improved in recent times; however, losing senior-level technology staff to better-paying jobs in the private sector remains a risk factor. It will continue to be difficult to train employees for higher-level duties and responsibilities and meet existing performance expectations.

DIR's division directors were asked to re-evaluate current functions and identify the appropriate staffing and skill levels necessary to meet their needs over the next four years. Skills were rated on a scale from one to four to indicate current and desired proficiency levels. The results are shown in the following table.

## Employee Proficiency Levels

Skill	Official/Admin			Professional			Technical			Admin Support		
	Have	Need	GAP	Have	Need	GAP	Have	Need	GAP	Have	Need	GAP
Business analysis	4	4	0	4	4	0	3	4	1	2	2	0
Change management	3	2	1	3	3	0	2	3	1	2	2	0
Computer skills	4	4	0	3	3	0	3	4	1	2	3	1
Contract management	4	4	0	4	4	0	3	4	1	2	2	0
Customer service	3	4	1	3	4	1	3	4	1	2	3	1
Database management				2	3	1	3	3	0			
Governmental accounting	3	3	0	3	3	0						
Governmental experience	4	4	0	4	4	0	2	2	0	2	2	0
ICT analysis	3	3	0	3	4	1	3	3	0			
ICT security analysis	2	4	2	1	2	1	3	4	1			
Legal	4	4	0									
Management/supervisory	3	4	1	3	4	1	1	1	0			
Marketing	3	4	1	2	3	1	1	2	1	1	2	1
Negotiations	4	4	0	4	3	1	3	3	0			
Network management				4	4	0	4	4	0			
Network security				3	3	0	3	3	0			
Outreach/PR	3	4	1	3	4	1						
Planning	3	4	1	3	4	1	3	4	1	2	2	0
Programming				3	3	0						
Program management	3	4	1	3	4	1	3	4	1	2	3	1
Purchasing				3	3	0						
Systems analysis	2	3	1	2	3	1	2	3	1			
Systems management				4	4	0	4	4	0			
Telecom. technical analysis	2	2	0	3	4	1	3	4	1	2	2	0
Web administration/development				1	4	3	4	4	0			
Writing	3	4	1	2	3	1	1	2	1	1	2	1

### Legend

- Have: Average competency level for incumbents of targeted job categories
- Need: Average competency levels needed for future employees in targeted categories
- GAP: Difference in skill level between current and future competency levels

### Have/Need Ratings

- 0: No knowledge
- 1: Minimal knowledge, familiarity with skill
- 2: Working knowledge, proficiency in skill
- 3: Professional level, mastery of skill
- 4: Acknowledged expert in skill, able to mentor and train other employees

As DIR faces challenging business trends and strives to fulfill its legislative mandates, qualified senior- and mid-level staff will be in great demand. The agency will compete with private and public sector employers for a dwindling number of workers.

## V. Strategy Development

To address many of the deficits between current and future workforce demands, DIR has developed goals for the workforce plan. These goals are based on a range of factors identified through analyzing the agency's mission, objectives, strategies, and current workforce. DIR's workforce goals and action plan are as follows.

### Goal 1: Develop a Competent, Well-Trained Workforce

**GAP** Current employees lack required levels of critical skills.

**RATIONALE** The continued training and development of current employees is critical to the success of the agency.

DIR needs to prioritize required critical competencies, identify training opportunities to develop or enhance these skills, and budget resources for training. DIR needs to decide when it is appropriate to supplement internal staffing skills with contracted short-term expertise.

- ACTION STEPS**
- Establish and maintain skills matrices to address needs that occur or are anticipated due to changes in program strategies, activities, and technological enhancements.
  - Develop and implement a program that requires senior staff to mentor less experienced employees.
  - Focus training efforts on areas with the greatest risk of potential loss of knowledge and in the areas of identified knowledge gaps.
  - Update training plans as needed and no less than annually in conjunction with performance expectations. Training plans must be developed as a joint effort between management and staff.
  - Ensure general cross-training among staff.
  - Ensure the most appropriate or combination of training mediums are used to deliver training to employees (e.g., computer-based training, educational reimbursement for college credit courses, and subject-matter-expert-initiated briefings, seminars, conferences, user groups).
  - Conduct training needs assessment and design training plans to address gap deficiencies.

### Goal 2: Hire and Retain the Right Employee to Do the Job

**GAP** Improving job markets will make it hard to attract and retain staff. DIR will need to use creative methods to counter the higher salary of private sector competitors; i.e., flexible work schedule, telecommuting, etc.

**RATIONALE** DIR is the primary technology agency for the State of Texas and technology is the key to finding appropriate, effective solutions for delivering government services and managing costs. DIR must be able to attract and retain experienced, qualified, mid- and senior-level technology staff.

- ACTION STEPS**
- Develop and implement recruitment strategies that highlight careers in public sector technology.
  - Develop and implement a defined career ladder that provides advancement opportunities.

- Continuously promote the state’s comprehensive benefits package.
- Reach out to nontraditional recruitment sources including student outreach, retired civil servant, retired military personnel, and retired private sector workers.
- Perform in-depth research on turnover data to pinpoint why employees leave the agency; try to address problem areas.
- Use surveys and focus groups as tools to evaluate agency culture and operations, focusing on those areas where employee input shows the greatest potential for improvement.
- Ensure that employees have current job descriptions and performance plans, defined career ladders, and timely appraisals.
- Cross-train staff in other functional areas, broadening their experience and value to the agency. Allow staff seeking new challenges to work on agencywide and developmental projects.
- Design and implement a progressive recruiting plan.
- Train supervisors on hiring best practices
- Provide timely feedback on performance and proactively develop and implement development strategies.
- Familiarize staff with pay raise guidelines and processes, including state-mandated time restrictions or salary/budget caps.
- Utilize pay incentives, as budget permits, to retain and attract staff. Salary tools include merit increase, one-time merit increase, salary adjustment, and bonus. Ensure that performance incentives are built into compensation.
- Establish a sound work-life balance.
- Allow staff to work flexible schedules or compressed work weeks, and to telecommute or job share when appropriate.
- Conduct continuous analysis in order to make on-the-spot adjustments in retention strategies.
- Develop family-friendly policies to aid staff retention.
- Maintain a team atmosphere, encouraging input and interaction at all levels, balancing business and personal goals as much as possible.
- Promptly post and fill vacant positions.
- Utilize resources to ensure that the agency is casting as broad a net as possible to enhance recruitment efforts, including national electronic and print media.
- Continue to be willing to create and hire intern-level positions.
- Provide timely orientation of new employees into the organization.
- Ensure availability of the means for providing non-monetary incentives and rewards.
- Provide ongoing coaching and feedback, encouraging career growth and maximizing communications.
- Strive to maintain an organization that is diverse and an organizational culture that provides growth opportunities and challenging, meaningful work and that promotes open communication and effective working relationships.

- Ensure availability of training opportunities and incentives such as tuition reimbursement.

### **Goal 3: Perform Succession Planning**

**GAP** While focusing on hiring and retaining staff is important, the agency may not be adequately prepared for unexpected or unforeseen events that result in the loss of key employees.

DIR needs to use succession planning to develop and maintain strong leadership and to ensure that the skills and competencies required for the current technology environment are readily available. It is projected that DIR could lose up to 68 employees through fiscal year 2015. The transfer of knowledge will be a critical element of succession planning.

**RATIONALE** DIR is the primary technology agency for the state and technology is the key to finding appropriate, effective solutions for delivering government services and managing costs. DIR must be able to attract and retain experienced, qualified, mid- and senior-level technology staff.

- ACTION STEPS**
- Compile a list of positions that require successors, addressing short-term and long-term needs. Key positions such as executive management staff should be included.
  - Investigate the use of succession planning software or outside consulting.
  - Establish a process by which to assess those employees who are likely successors for each job; consider a ranking system for each position to determine the order of succession, including at least two individuals for each position.
  - Determine positions for which there is no likely successor and identify how the position will be filled (external hire, contract, and temporary).
  - Establish the means by which successors will be trained and prepared for positions they may potentially assume.
  - Refrain, as much as possible, from allowing key staff members to travel using the same mode of transportation at the same time for business trips.
  - Discourage staff from participating in unsafe activities.
  - Update the succession plan, adding employees as necessary to replace those who filled vacancies or moved on.



## Results of Employment Engagement Survey

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The response for the 2009 Survey of Employee Engagement Results was 72 percent, which indicates that employees are actively engaged in improving the organization and generally have a sense of responsibility to the organization.

The survey constructs are designed to broadly profile organizational strengths and areas of concern so that interventions may be targeted appropriately. Scores above 3.50 suggest that employees perceive the issue more positively than negatively, and scores of 3.75 or higher indicate areas of substantial strength. Conversely, scores below 3.50 are viewed less positively by employees.

DIR's average score of 3.65 is high, with eight of the fourteen constructs at or above the 3.75 score. The highest scoring constructs are Physical Environment, Benefits, Supervision, Information Systems, and Job Satisfaction. Only the score for the Pay construct fell significantly below the 3.50 mark.

Since the last Survey of Organizational Excellence in 2006, DIR has seen significant improvement in the scores for Supervision, Team Effectiveness, and Strategic and Internal Communications. There were no constructs that decreased from the earlier survey.

DIR will continue to provide a fair and ethical workplace and work to enhance employee job satisfaction throughout the next biennium.



# Endnotes

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DIR publications are available online in DIR's Document Library.

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- 1 State of Texas, Department of Information Resources, *Advancing Texas Technology: Solutions for State Government*, State Strategic Plan for Information Resources Management, Austin, Texas: November 1, 2009.
- 2 State of Texas, Department of Information Resources, *The Texas Transformation: Technology-Driven Value*, Biennial Performance Report on the Use of Information Resources Technology in State Government, Austin, Texas: November 15, 2008.
- 3 See note 2 (*The Texas Transformation*), page 51.

