

# IT Strategic Plan FY23-25

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## Introduction

This document represents L&I's response to WaTech's Technology Portfolio Foundation Policy (MGMT-01) requirement that each agency must establish an IT strategic plan in support of the agency business plan and in alignment with the state's strategic plan and refresh it on a biennial basis.

The IT Division's vision, mission, and values described below provide context for L&I's IT Strategic Plan. The vision, mission, and values guided development of each strategic pillar in the plan to ensure the plan aligns with agency and IT standards and meets customer needs.

### *L&I IT Vision*

***Keeping Washington safe and working through easy, innovative, transparent, and great experiences.***

The IT division aims to provide value to L&I by adopting technology that creates a seamless user experience for every user who interacts with the agency. As L&I transforms its business to meet increasing customer demand, IT will be there to support those efforts.

### *L&I IT Mission*

***Ensure reliable day-to-day maintenance and deliver value with new solutions.***

IT is a dedicated resource for L&I and is capable of supporting the products and services needed to run the agency. IT is also able to research, identify, implement, and support new solutions.

### *L&I IT Values*

Values provide insight into what the IT division considers important in the way it operates as an organization, and how it interacts with business partners and the larger ecosystem.

#### ***Care***

- Care for our customers and team members
- Validate concerns and address them authentically
- Follow up to ensure people's needs are met
- Be curious, get involved, remain open minded

#### ***Adapt***

- Do what is right for our customers within our parameters
- Be flexible for our customers to provide desired results
- Provide solutions that are adaptable for our customers and for each other
- Embrace change and adjust to customer needs

#### ***Enable***

- Provide exceptional service and experiences
- Support our customers to obtain their desired results
- Enable L&I employees and customers by:

- Providing the right services, tools, and technologies
- Allowing employees to grow with knowledge and education
- Enable leaders to make strong decisions that help our customers

### ***Tenacity***

- Be persistent in delivering high-quality results for our customers and each other
- Complete projects that enable our customers, team members, and leaders to get their desired results
- Be tenacious about providing high-quality maintenance and operations
- Seek out opportunities to innovate, improve, learn, and grow
- Be tenacious in providing our team members opportunities to innovate, improve, learn, and grow

### ***Partnership***

- Work collaboratively internally and with our customers to obtain all desired outcomes
- Own each other's outcomes
- Own the customers' results
- Hear each other as equals with a common goal
- Listen and question for understanding while addressing our customers' and each other's concerns respectively.

## **Agency Alignment**

L&I's mission is to Keep Washington Safe and Working through its five agency goals. In addition, the agency has defined a set of strategies to guide its work in the 23-25 biennium and beyond (see sidebar). While IT often contributes indirectly to goals and strategies, some of them have direct relevance for how L&I IT operates.

The IT Strategic Plan that follows used the agency goals and strategies to guide the contents of the strategic pillars presented in the plan. These pillars were established to help guide decision-making within the IT division, and provide baseline strategic goals to use in evaluating whether IT work requests align with L&I's strategic direction.

### **23-25 Strategies:**

- Be Innovative and Pursue Best Practices
- Optimize the Workers' Compensation System
- Enhance our Outreach and Customer Experience
- Modernize our Data, Processes, and Technology
- Invest in our Workforce

## Methodology

L&I's Business Integration Office (BIO) prepared the Fiscal Year (FY) 21-23 IT Strategic Plan. The BIO was selected to initiate the plan because they are responsible for shaping business needs into IT work, giving them unique insight into the holistic needs of the agency.

The BIO used two processes to gather and analyze business-driven data that supports the six strategic pillars adopted by the IT division in this plan: The Request for Change and IT Roadmapping processes.

- Request for Change: Any internal agency user can make a Request for Change (RFC). The RFC Intake process results in creation of a business case including business needs, goals, and user stories that, when analyzed, shape themes around business needs.
- IT Roadmapping: The IT Roadmapping process involves interviewing business teams and programs across the agency to find out what services they provide, who their customers and partners are, what systems and tools they use, and what unmet needs they have. The data received through these interviews was analyzed for desired capabilities and strategic themes using a process called Thematic Qualitative Analysis.

Once enough data was collected through the RFC and IT Roadmapping processes, the BIO team collaborated to review the results and create the initial draft of the strategic plan. This draft plan was presented to the following teams for additional insight and guidance:

- *IT Strategy and Architecture* to confirm that the IT strategic pillars align with the agency's technology landscape.
- *IT Leadership Team* to confirm that the pillars align with their goals for IT going forward.
- *Enterprise Data Governance Committee and Data Analytics Team* to validate the two data-related pillars and elicit additional drivers/goals.
- *IT Steering Committee and Office of Strategy and Performance* to validate that the pillars identified by IT align with agency strategic goals.

The 23-25 update to the IT Strategic Plan was based on experience gained over the past two years, taking into account new RFCs received from business partners and the solutions implemented, as well as technology changes that have been implemented and the increased maturity of work practices within the division.






# Executive Summary

The FY23-25 IT Strategic Plan is aimed at supporting L&I as the agency transitions into a digital business, by focusing on areas that support new kinds of technology, new ways of working, and new methods for development.

IT identified five areas of focus and used them to develop strategic pillars that each have their own related goals, initiatives, and high-level success factors defining how IT anticipates its changes will affect the agency.

## Information Technology

Innovation • Partnership • Support

<b>Vision</b>	Keep Washington safe and working through easy, innovative, and transparent experiences				
<b>Mission</b>	Provide reliable and consistent business system support and deliver great value with new solutions				
<b>Strategic Pillars</b>	<p><b>Support IT Workforce</b></p>  <p>Invest in retaining and attracting top IT talent to support the IT division and agency.</p> <p><i>Build successful teams in a remote environment. Get IT staff engaged in modernization initiatives.</i></p>	<p><b>Modern Systems</b></p>  <p>All systems are healthy, updated, and supportable</p> <p><i>All systems are given a routine health check and are no more than two versions behind. All systems have proper IT support.</i></p>	<p><b>Cloud Computing</b></p>  <p>Adopt technology that's flexible, adaptable, and minimizes cost.</p> <p><i>L&amp;I's infrastructure is upgraded to the cloud, related policies are updated, and all SAAS products are adequately resourced.</i></p>	<p><b>Data Management</b></p>  <p>Ensure all data is accurate, up-to-date, secure, and easily retrievable.</p> <p><i>L&amp;I employees will be able to quickly access the data they need, and be confident that the data is updated and correct.</i></p>	<p><b>IT Work Management</b></p>  <p>Reduce technical debt by implementing new frameworks, processes, and tools.</p> <p><i>All IT work is managed within product or service teams, using a highly visible work management tool.</i></p>
<b>What does success look like?</b>					
<b>Critical Success Factors</b>	<ol style="list-style-type: none"> <li style="background-color: #0072bc; color: white; padding: 5px;">1. Ensure IT staff, processes, and technology are prepared to support major modernization and transformation efforts Make sure our environment, people, and processes are prepared for next phase of the WCSM project</li> <li style="background-color: #0072bc; color: white; padding: 5px;">2. Agile Transformation Support ongoing efforts to adopt Agile throughout the IT division</li> <li style="background-color: #0072bc; color: white; padding: 5px;">3. Information Technology Infrastructure Library (ITIL) Adoption Promote standardization of practices, transparency into costs and operations, cost-effectiveness through efficient use of resources, and strategic alignment.</li> <li style="background-color: #0072bc; color: white; padding: 5px;">4. Agency Alignment Ensure alignment between IT and business throughout all planning activities.</li> <li style="background-color: #0072bc; color: white; padding: 5px;">5. Security Adopt functionality that supports efforts to further secure our data and technology</li> </ol>				
Adapt <span style="color: yellow;">◆</span> Care <span style="color: yellow;">◆</span> Enable <span style="color: yellow;">◆</span> Partnership <span style="color: yellow;">◆</span> Tenacity					

Five critical success factors<sup>1</sup> must be supported and taken into account as new initiatives are developed:

- 1. Ensure IT staff, processes, and technology are prepared to support major modernization and transformation efforts**

<sup>1</sup> A critical success factor is “a critical factor or activity required for ensuring the success of a company or organization...they should not be confused with success criteria” - [https://en.wikipedia.org/wiki/Critical\\_success\\_factor](https://en.wikipedia.org/wiki/Critical_success_factor)

Our existing workers' compensation system, known as LINIIS, consists of more than 100 interconnected systems developed since the mid-1980s. The multi-year Workers' Compensation Systems Modernization (WCSM) effort will replace most of our existing applications with modern, cloud-based, commercial off-the-shelf solutions. IT must make sure its environment, people, and processes are prepared to handle the work resulting from this project.

**2. Agile Transformation**

IT has committed to the Agile methodology for software development and is in the process of transitioning all IT teams to product and service teams, including transition to Azure DevOps. Agile software development refers to software development methodologies centered on the idea of iterative development, where requirements and solutions evolve through collaboration between self-organizing cross-functional teams.

**3. Information Technology Infrastructure Library (ITIL) Adoption**

ITIL is a set of practices and a framework for IT activities such as IT service management that focus on aligning IT services with the needs of the business. It promotes standardization of practices, transparency into costs and operations, cost-effectiveness through efficient use of resources, and strategic alignment of business operations with IT.

**4. Agency Alignment**

Historically, business and IT at L&I have not been clearly aligned, which can lead to prioritization issues and unnecessary work. To make sure IT is always working on the highest-value items, the division collaborates with enterprise groups like the Office of Strategy and Performance and the IT Steering Committee to put processes into place to ensure that alignment and proper prioritization is happening at all stages of work.

**5. Security**

As our work becomes increasingly dependent on virtual tools and data, it's imperative that our security is bolstered to protect the data. All IT work must consider its impact on security and take intentional steps to mitigate the risks they find, following the standards and protocols set forth by IT Security Services (ITSS) and WaTech.

# IT Strategic Plan FY21-23 Strategic Pillars

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This section describes each of the six strategic pillars that make up the plan in further detail, including a summary of the major drivers, challenges, and strategic goals.

## 1. Support the IT Workforce

L&I needs to invest in retaining and attracting top IT talent to support modernization efforts.

### *Major Drivers and Challenges*

- L&I is positioning itself to move away from developing custom applications to modernize its systems; eliminate and avoid future technical debt; and move to an operational expenditure cost model. The IT staff needs to be prepared through training and hiring to meet these new challenges.
- L&I is continuing to mature its cloud computing presence and this requires support for staff to continue to grow their skills.

### *Strategic Goals*

- Get IT staff engaged in the migration to cloud services
- Leadership to provide and promote to staff professional development/training opportunities
- Build successful teams in a remote work environment
  - Train managers and supervisors on current methods in increasing employee engagement
  - Promote supervisor accountability for staff relationships, productivity, and work-life balance
  - Establish kudo program to reward excellence

## 2. Modern Systems

Much of L&I's technology landscape is aging, with some mainframe systems reaching their 40-year anniversaries. In order to maintain adequate IT operations and service to all customers, L&I must be dedicated to the health and wellness of its technology while also ensuring it can be adequately supported. Continuing use and maintenance of aging and outdated technology makes it highly difficult to bring in new concepts like containerization and micro services - concepts on which new technology depends. Software vendors update their technologies to follow industry-standard best practices. L&I must do the same or risk the inability to provide critical services. The number of systems using outdated technology also puts a strain on IT teams as they try to support obsolete systems and applications.

### *Major Drivers and Challenges*

- L&I's older systems were designed ad-hoc, using the practices, patterns, and technology that made sense at the time. As time passed, these pieces weren't updated as needed to the latest versions, making it difficult to identify commonalities and build a centralized system.
- Proliferation of aging technology and outdated versions makes it highly difficult to bring in new concepts that many newer cloud solutions depend on, such as containerization and micro services.
- Software vendors have updated their technology to follow industry-standard best practices. L&I needs to do the same in order to update aging technology to the newest versions.
- The volume of systems with outdated technology is putting a strain on product teams as they try to support a diverse technology portfolio. A strategy is needed for when to contain, decommission, and retire/replace existing systems.

### *Strategic Goals*

- Increase the health of all L&I systems and technology.
- Reduce legacy IT systems and outdated technology.
- Increase staff ability to support new technology.
- Reduce technology sprawl by consolidating and updating systems to industry standard versions.
- Reduce the risk of system failures that result in resources focusing on mitigation work rather than maintenance and operations.

### 3. Cloud Computing

Cloud technology has been the focus of the IT industry's attention recently, and is a major consideration in IT infrastructure investment. In the last 10-15 years, there has been significant evolution in cloud technology and cloud services, especially with regard to infrastructure environments and software as a service (SaaS). The cloud technology has several benefits, including no upfront capital expenditure cost investment, flexibility, high availability, and resiliency.

In 2023, L&I IT completed a "lift and shift" project allowing the agency to move its current server infrastructure into the cloud and avoid having the agency's server infrastructure split across two data centers for an extended duration.

#### *Major Drivers and Challenges*

- The industry is moving toward cloud solutions, and most new systems available in the marketplace have at least one component that relies on cloud computing capabilities. In addition, most of our existing purchased systems rely on cloud computing in order to be upgraded, and vendor support for non-cloud solutions is almost non-existent.
- The server migration was urgent because getting into the cloud is a precursor step for modernizing the state's workers' compensation system.
- Existing IT staff are not properly trained in cloud computing technology.

#### *Strategic Goals*

- Increase cloud-computing competence of IT staff.
- Implement planned organizational changes to support a cloud enablement program area.
- Establish a vision and begin the migration to and use of cloud-computing components, including Azure native services, master data management, API management, and more.
- Focus on cloud-based solutions for new systems and build custom solutions only when a process cannot be supported by existing cloud or SaaS solutions.



## 4. Data Management

Executive level appetite for enterprise data management is matched by business unit end users who are eager to improve their use of and access to L&I's data and data assets. Though L&I has made significant investments on data modernization through the purchase of data visualization tools, more investment is needed in data asset management tools such as data quality, master data management, and data integration.

A strategic focus on data management, including an established framework, processes, and procedures will facilitate the appropriate diagnoses of master data and metadata quality issues and improve data accuracy and validity for reporting. Further, a data-centric approach will prepare legacy data for conversion and migration prior to implementing new systems.

### *Major Drivers and Challenges*

- Despite strong desire to use data strategically, the data governance framework in place does not provide sufficient guidance and support to help Data Stewards collaborate and operationalize data policies to create standard data definitions, documentation, and methodologies, and promote the data literacy needed to effectively use the institutions' data assets.
- Business units have their own reactive measures in place to identify and resolve data errors but are often inefficient and not well documented. Additionally, there is no central coordinating group with the appropriate skills, resources, and authority to remediate these challenges.
- Business users require increased data literacy to understand their data assets and build robust reports that can drive strategic decision-making.
- The current processes and design that govern the overall data architecture make it difficult to join tables and data for analysis. Many end users bypass L&I's data warehouse to conduct their analysis by manually joining data from source systems by leveraging their institutional knowledge.

### *Strategic Goals*

- Increase data consistency, availability, and standardization.
- Increase data governance's (i.e., Enterprise Data Governance Committee) role in ensuring data consistency, accuracy, and completeness of definitions.
- Provide standardized data tools to meet varying analytic needs.
- Improve ease of use of and adoption of standard reporting tools.
- Minimize technical diversity by reducing the number of alternative technological choices for solutions.

## 5. IT Work Management

Historically, L&I IT has struggled with work management, including work transparency and visibility, cross-team communication, and prioritization. IT is committed to resolving these gaps by clarifying its practices and implementing the necessary tools, frameworks, and standards.

To address these issues, IT is working toward an organized style of work management that synchronizes Business and IT priorities to ensure the highest value work items are completed first. Several ongoing efforts to move IT toward that goal will continue into the near future. The next phase will be to coalesce these efforts into a single, seamless process that covers the entire lifecycle of a work item from request to delivery, and through the sun-setting of the requested functionality.

### *Major Drivers and Challenges*

- The IT division is trying to manage a high degree of technical debt, especially in preparing for the WCSM project, and needs a more agile, faster way of working.
- IT staff are working under the assumption that certain frameworks and standards are followed, but there has been no formal implementation of those frameworks. This leads to technology sprawl and incompatible ways of performing IT work.
- Some work management tools have been chosen, but there are still unknowns about how the tools will integrate into the current landscape, and how and what they will be used for.
- Currently, there are different practices in place (ITSM, ITIL, Agile, etc.) to manage IT work. These practices have completely different philosophies, and without clarity, they can end up competing with each other and leave employees struggling to keep up, especially when new products come into the agency.

### *Strategic Goals*

- Increase alignment to ITIL framework and standards.
- Improve adoption and use of ITSM, the Azure DevOps tool sets, and the Agile methodology.
- Increase visibility into IT work by providing self-serve dashboards and reports.