

Organizational Restructuring Options and Impacts: Information Technology

Santa Barbara County
Board of Supervisors
May 25, 2010



1

Background and Context

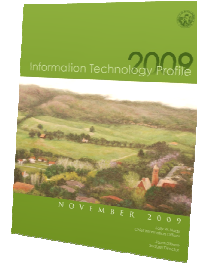
- Blue Ribbon Task Force Report in June 2006:
 - Ensure that core business functions that cut across the organization (like IT) were more efficient when centralized
 - Strengthen the oversight of Countywide information technology
 - Manage the technology investment
 - Implement an overall strategy and organizational structure



2

Background and Context

- ITD established in FY 2008-09
- Key new services managed by ITD
 - Special studies and analysis on countywide IT effectiveness and costs (2009 IT Profile)
 - Enterprise applications: Inter/Intranet, ARRA website, Onshore Oil Mgmt, RPM.net
 - Desktop support
 - OES support
 - Project Management Office: coordinate IT projects across the county



Summary of Organizational Options

- Option 1 (Recommended): Maintain ITD as a Department
- Option 2: Shift ITD to the General Services Department, unfund CIO
- Option 3: Shift ITD program to General Services Department, move CIO to CEO
- Option 4: Wait for new CEO to make recommendations regarding reorganization



Option 1

Summary: Maintain ITD as a department

Recommended based on the ability to achieve immediate cost-savings, while preserving dedicated administrative support for long-term goals

- **Pro 1:** Continue adding value, while achieving cost-savings
 - \$787,000 in General Fund removed: short-term cost savings achieved
- **Pro 2:** Maintain strategic coordination of IT
 - Executive oversight by IT professionals, focused exclusively on IT
 - Countywide consolidation opportunities
 - Better management of County's overall IT investment
- **Pro 3:** Parity with other local governments
- **Con 1:** Uncertain timeframe for countywide cost-savings



Option 2

Summary: Shift ITD to the General Services Dept, unfund CIO

- **Pro 1:** Achievable short-term cost savings
 - Additional staffing reductions can lead to lower rates for user departments
- **Pro 2:** General Services administrative expertise and ability to manage internal service funds
- **Con 1:** Lower profile of IT policy, management and services
- **Con 2:** Less support for the upkeep of new services
- **Con 3:** Costs of organizational change



Option 3

Summary: Shift ITD to General Services, move CIO to CEO

- **Pro 1:** Ability to attain benefits in Options 1 and 2
 - Maintains the strategic pursuit of IT
 - Leverages General Services administrative expertise and ability
- **Con 1:** Lower impact of cost savings; additional resources needed
 - Achieves cost savings compared to FY 2009-10 but would be an expansion compared to the recommended budget
- **Con 2:** Greater disconnect between CIO and day-to-day technology functions



Option 4

Summary: Wait for new CEO to make recommendations regarding reorganization

- **Pro 1:** New executive direction
 - Arrival of new CEO is likely to bring new perspective and management direction for the County
- **Con 1:** Potential delay of cost savings, if any, above what has been recommended in Option 1



Summary of Options

Factors	Option 1 (Recommended) Maintain IT as a high strategic priority, with ITD as a department. Unfund 5.4 FTE	Option 2 Shift IT to a lower priority, move IT into GSD. Unfund 6 FTE (including CIO)	Option 3 Maintain a moderate degree of IT priority; Move the CIO to the CEO; Move IT into GSD. Unfund 5 FTE	Option 4 Wait for the arrival of a new CEO
Ability to achieve long-term cost-savings identified in the IT Profile	Moderate (CIO and executive support is provided to achieve long-term cost-savings; but timeframe is uncertain)	Low (No CIO support is provided to achieve long-term cost-savings)	Moderate (CIO and executive support is provided to achieve long-term cost-savings; but timeframe is uncertain)	NA
Ability to maintain consistency with strategic plans, including the Task Force Report	High (Strategic plans call for IT organizational structure, executive expertise, and governance in technology to ensure accountability)	Low (Strategic plans call for IT organizational structure, executive expertise, and governance in technology to ensure accountability)	Moderate (Strategic plans call for IT organizational structure, executive expertise, and governance in technology to ensure accountability)	NA
Short term cost-savings, compared to FY 09-10 (estimate for FY 10-11)	(\$787,000)	(\$968,000)	(\$693,000)	NA
Ability to achieve the short-term cost-savings noted above	High	High	High	NA



Recommendations

- Receive a report from the County Executive Office entitled "Information Technology in Santa Barbara County: Organizational Restructuring Options and Impacts" (Attachment 1).
- Direct staff to maintain the Information and Technology Development Department as a separate department for Fiscal Year 2010-11

