



# Managing Creative Destruction!

Ron Bechtold, OSD CIO



# Agenda

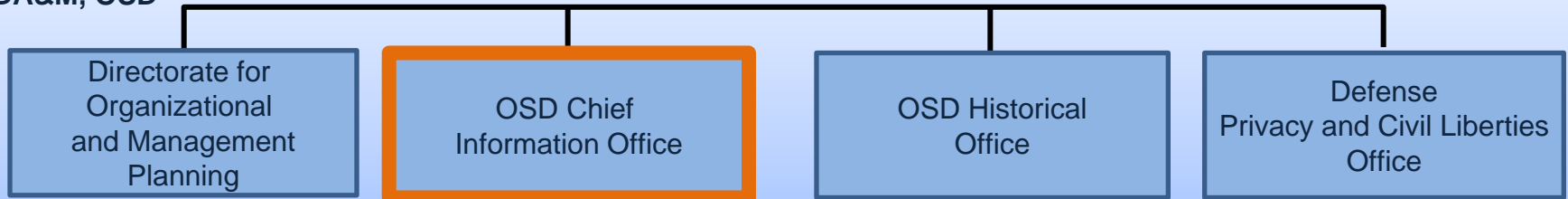
- Background
- Driving Forces
- Data Informed Decisions
- Lessons Learned
- Governance Framework and Standards
- Summary

# Organization

Director, Administration and Management

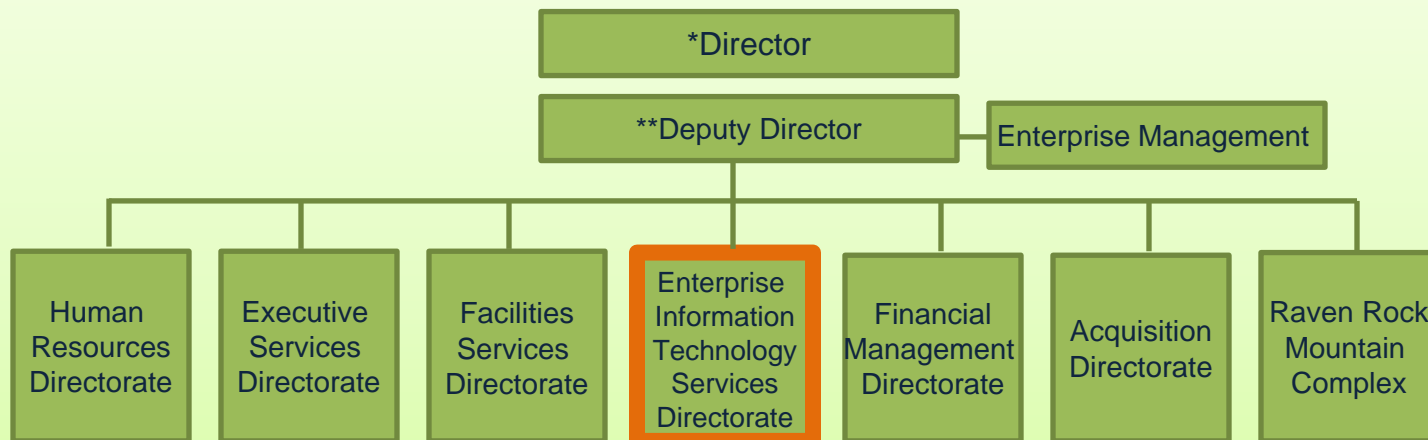
\* Deputy Director

## ODA&M, OSD



## OPERATIONS

Washington Headquarters Services



\*Director, WHS is dual-hatted as Deputy, DA&M

\*\* Deputy Director, WHS is dual-hatted as Director, Enterprise Management



# Major Customer Locations

## Office of the Secretary of Defense

*7000-8000 customers*

## Washington Headquarters Services

*2600-3300 customers*

## Pentagon Force Protection Agency

*1300-1600 customers*

## Consolidated Adjudication Facility

*800-1000 customers*



**Ft. Meade**



**1500 Wilson Blvd**



**External DoD Metro  
Area Office Locations**



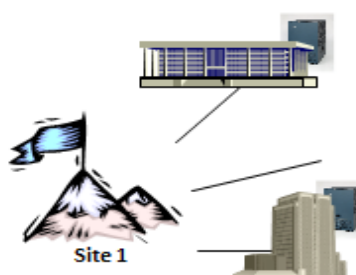
**Pentagon**



**Crystal City**



**Mark Center**



**Site 1**



**Site 2**



**Site 3**



# Driving Forces

- Sec Def Efficiencies  
FY12 --20% reduction  
FY15--40% reduction



## IT Modernization Strategy

- Consolidate Infrastructure
- Streamline Processes
- Strengthen Workforce

## DOD IT MODERNIZATION

### CONSOLIDATE INFRASTRUCTURE



1. Consolidate Enterprise Networks



2. Deliver DoD Enterprise Cloud



3. Standardize IT Platforms

### STREAMLINE PROCESSES



4. Enable Agile IT



6. Strategic Sourcing for IT Commodities



8. Strengthen IT Investments



5. Strengthen IT Governance



7. Strengthen Cyber Security



9. Improve Enterprise Arch Effectiveness

### STRENGTHEN WORKFORCE



10. Modernize IT Guidance and Training





# Data Enabled Business Processes



Numerous Access Databases supporting Organization Units Needs

Forms requiring users to enter same information –manually re-entered to local Access/Excel

External systems and data out of date and don't support business unit needs



End User left to Integrate Disparate parts of Process

# Strategic Decisions



In 2009, SecDef Gates announced intent to reduce the department's reliance on contractors & increase funding for new civilian authorizations. In 2010, SecDef Gates announced plans to reduce funding for service support contractors by 10 percent per year from fiscal years 2011 to 2013.

Responses	Time to Respond	Response
Personnel	3 Weeks	6225
Technology	1 Week	8247
Business Owners	2 Months	4251
Contracts	1 Week	Don't know
Banker	2 Days	Estimate w/assumptions
Security	2 Days	4550

How many contractors do we have in OSD?

The strategic level is where the enterprise sets a direction for what it needs, captures knowledge to make informed management decisions, ensures department wide goals and objectives are achieved, and assesses the resources it has to achieve desired outcomes. – GAO



# Tactical Decisions

In 2011, launched a Desktop Standardization Initiative as an IT efficiency initiative in response to SecDef Efficiency Guidance.

Responses	Semantic Context	Response
SCCM	On network	7,831
Remedy	Issued	9,651
Warehouse	New Systems Available	9,698
Purchased	Bought (3yrs)	19,978
Active Directory	Computer communicated with network last 60 days	13,267

How many computer do we have in OSD to standardize?

How many computer do I need to buy?

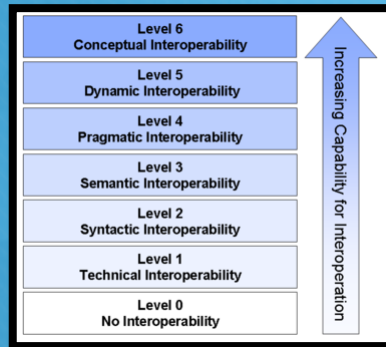
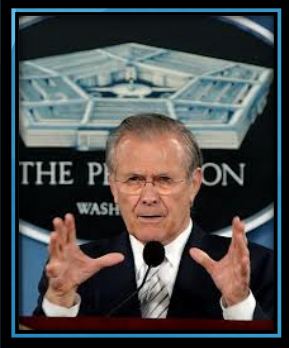


- ☐ Sometime you have to make decisions without perfect information
- ☐ When doing so, look at Risks/Mitigations to help determine why ahead.

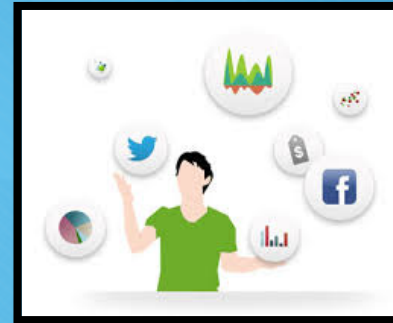


# Spectrum of Data

“There are known knowns; there are things we know we know. We also know there are known unknowns; that is to say, we know there are some things we do not know. But there are also unknown unknowns – the ones we don’t know we don’t know.” --SecDef, Donald Rumsfeld



Big Data



Big Data Analytics

Known/  
Knowns

Unknown/  
Unknowns

Interoperability

Authoritative Data  
Source



DMDC

Risk Based  
Assessments

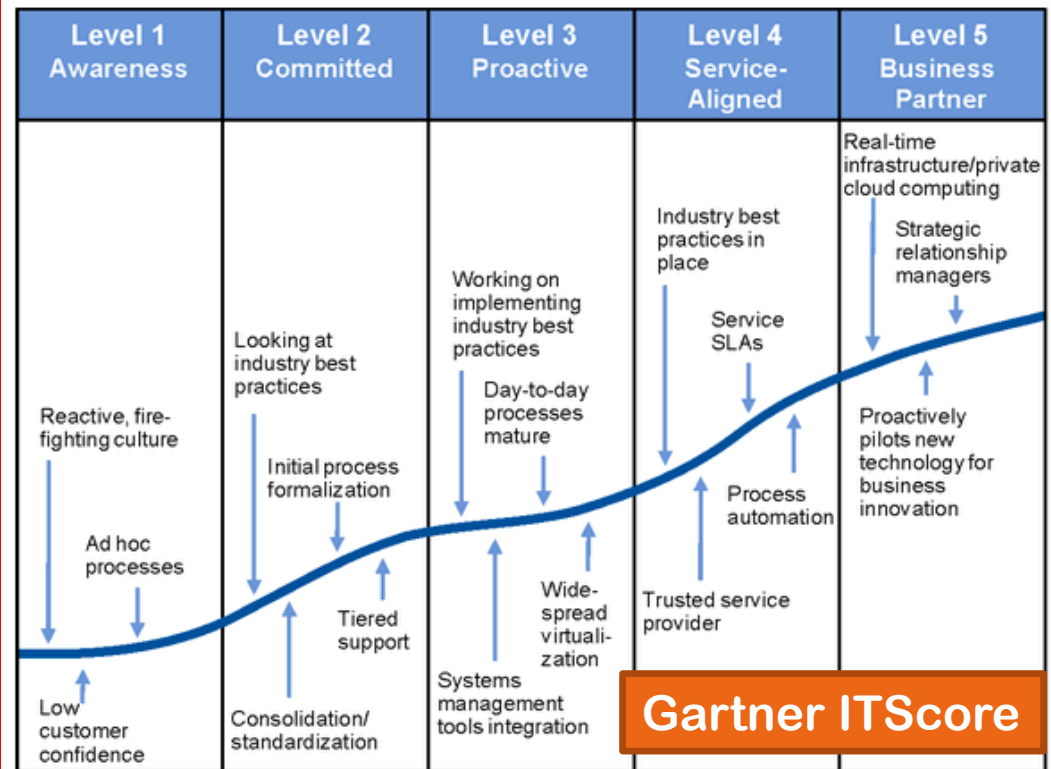


Small Data

# Lesson Learned

Apply Technology Choices based on Maturity of Organization

Match tools to IT  
Maturity Level of Your  
Organization -  
Enterprise Solutions  
Can't Fix Your People  
and Processes, But  
They Can Hinder  
Them!



Gartner ITScore

Source: Gartner (August 2010)

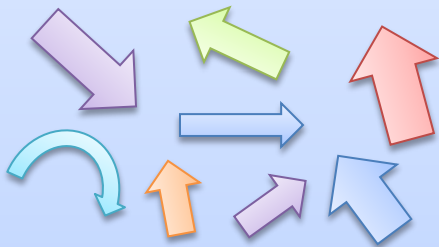
“A Fool with a Tool is Still a Fool” – Grady Booch



# Approach to Manage Change

## Organizational

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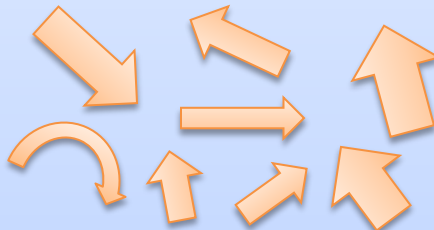


### Current State

- Fragmented
- Non-Standardized
- Security Risk
- Expensive

## Federated

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### Operating Principles

**Aggregate**

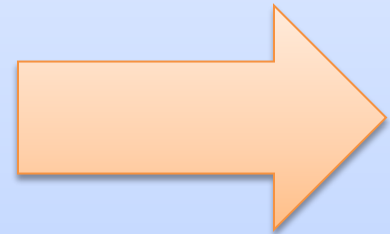
**Consolidate**

**Standardize**

**Modernize**

## Enterprise

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### Future State

- Global
- Standardized
- Protected
- Economical

# Network Strategy

**Strategy: Transition from multiple unit owned networks to single Enterprise service delivery network.**

## WAYS

Establish single, authoritative Enterprise Governance

Achieve Transparency of finances

Develop consistent operational practices

Consolidate IT procurement

Reduce Network duplication

## MEANS

Industry Team

Savings

Enterprise Command

## ENDS

Enable Warfighting capabilities through the network

Dramatically improve Network defense posture

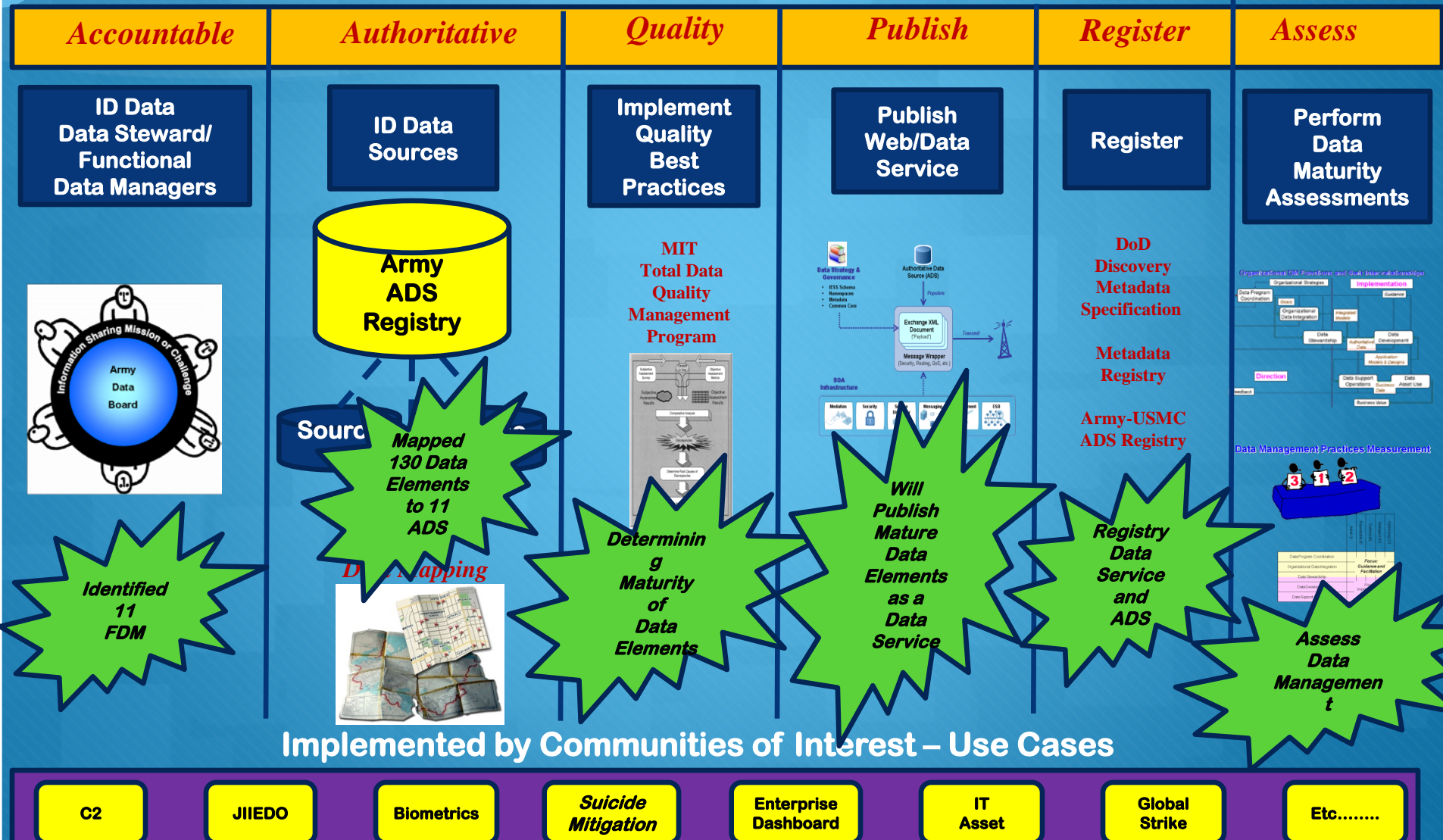
Realize efficiencies while improving effectiveness

Ensure Army Interoperability with DoD

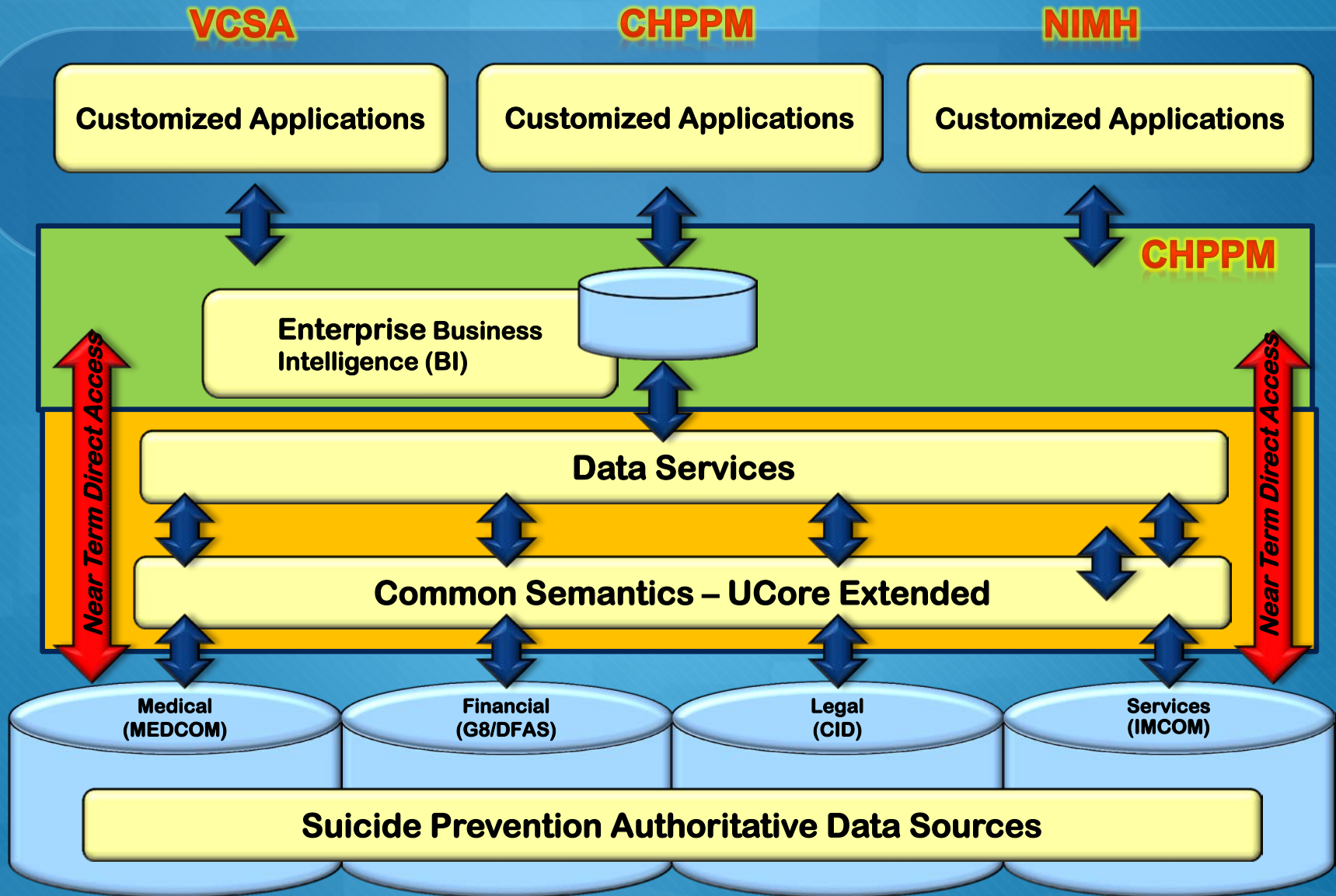


# Data Approach

([https://www.intelink.gov/wiki/Chief\\_Data\\_Officer\\_100\\_Day\\_Plan](https://www.intelink.gov/wiki/Chief_Data_Officer_100_Day_Plan))

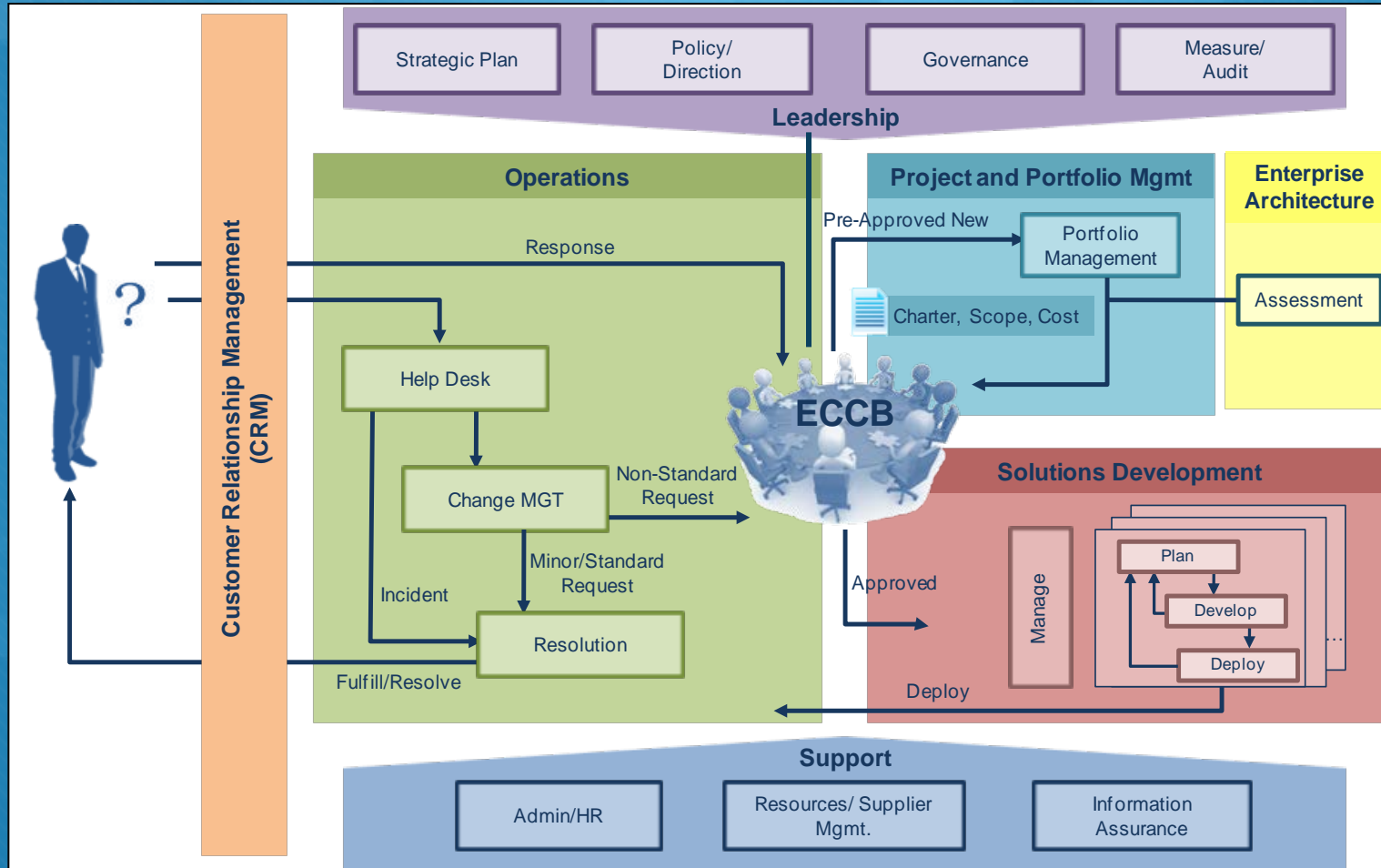


# Suicide Mitigation





# Business Framework



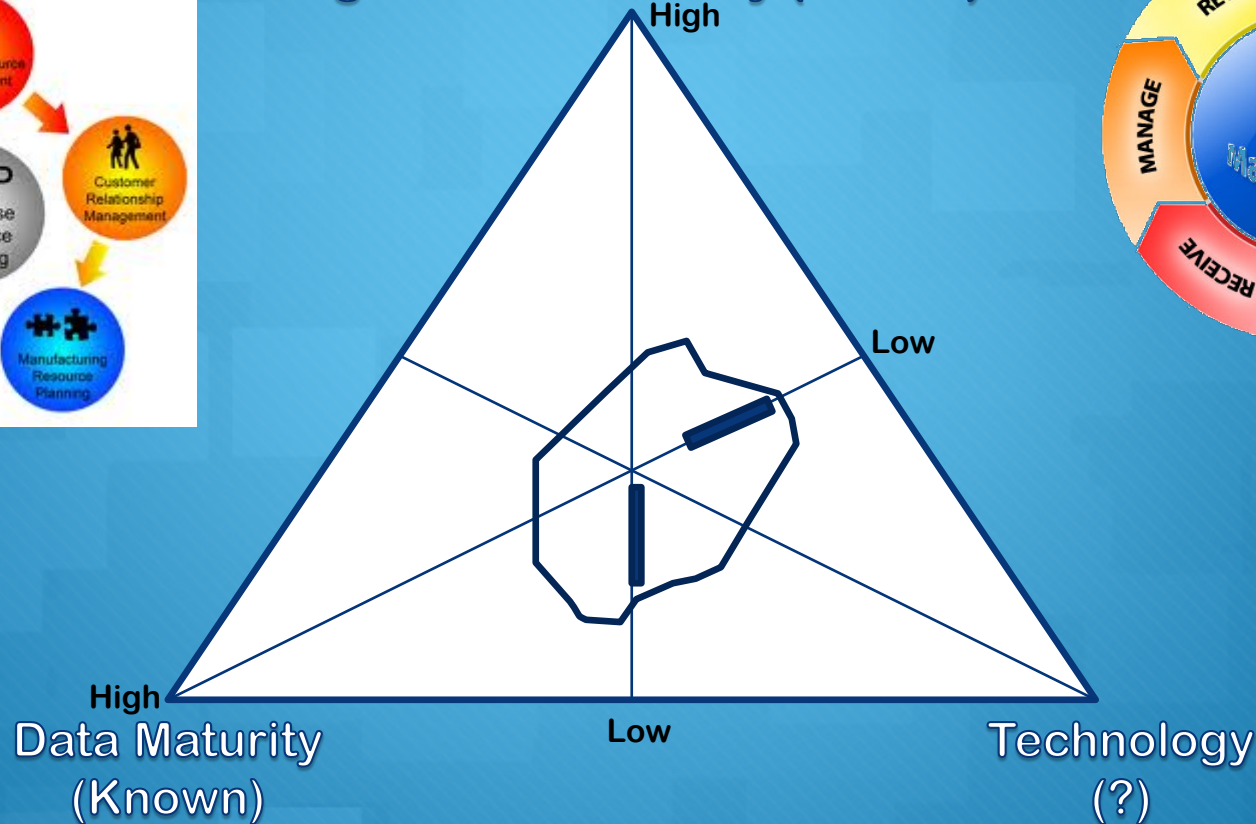
## Baldrige

1. Leadership
2. Strategic Planning
3. Customer
4. Analysis
5. Workforce
6. Operations
7. Results

# Map Decisions to Organizational Maturity



Organization Maturity (Known)







# Standards

- Web Design and Applications
- Web Architecture
- Semantic Web
- XML Technology
- Web of Services
- Web of Devices
- Browsers and Authoring Tools

<http://www.w3.org/>



# Keys to Success - Back to Basics

- Adopt framework based on Organizational Maturity
- Focus Efforts On Your ‘Core Competencies’ – Jim Collins
- KISS – Select Standard-based Tools Based On Your Maturity
- Motivation for Change—”Burning Bridge” –John Kotter, *Leading Change*.