

# **How to Develop a Modernization Strategy Based on Data and Insight**

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**MODERNIZATION:  
MORE THAN AN  
IT ISSUE**



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## Modernization: More than an IT Issue

Much of the modernization that is being planned or is already underway in government agencies revolves around IT because technology is essential to how organizations operate today. Twenty years ago, the situation in many agencies was quite different.

Back then, technology was well established in government agencies, but the IT team itself was often disconnected from the agency mission. IT was often set apart from the agency employees who worked on policy and who delivered services to constituents.

With the technology itself and the IT team now better integrated into agency operations, a holistic approach to modernization is possible. Technology is at the center of these efforts, but modernization isn't focused on point solutions or upgrades. It's not only about the tools and tech that enable cloud computing or data analytics. Rather, modernization is about the seamless integration of all of these components and putting them to work to meet the agency's goals. Not to be overlooked is that modernization also affects the people that are supporting the key systems and applications.

To be successful, modernization efforts need to be driven by the mission of the agency. The improvements that modernization delivers should be as much cultural and behavioral as they are technical. Additionally, modernization simplifies technology used by systems and application components where skilled resources are readily available.

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Technology should be viewed as the enabler of the agency, its employees and its mission. Central to fulfilling an agency's mission, and therefore central to modernization, are three core areas: people, process and technology. Effective modernization helps agencies deliver the critical capabilities of their mission and answer questions such as:

- How can our agency respond when it needs to do things in a radically different way (such as during a pandemic)?
- How quickly and efficiently can our agency deliver services?
- How agile can our agency be in a time of crisis? Can it mobilize its resources quickly?

Today, conversations such as these start with data. Data is what brings agency teams together, whether their roles are technical or policy-focused, to have important discussions. Data is what builds trust across teams as they explore modernization.

Application rationalization is part of agency modernization initiatives. But if application rationalization focuses on technology alone, it's destined to be ineffective. Like modernization, every application rationalization effort must impact the three critical areas of people, process and technology.

Increasingly, government agencies and private-sector businesses alike are finding that application rationalization's true value lies not in cost saving and identifying applications that can be retired, but in the wealth of data that a well-planned and executed application rationalization strategy produces. The data can bring the agency together and help chart a course for modernization.

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**A NEW WAY TO THINK  
ABOUT APPLICATION  
RATIONALIZATION**



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## A New Way to Think About Application Rationalization

In many organizations, application rationalization traditionally focused on IT and on budgets. When IT leaders were told to cut spending, application rationalization helped them identify where they could find savings by, for example, eliminating applications or reducing licenses.

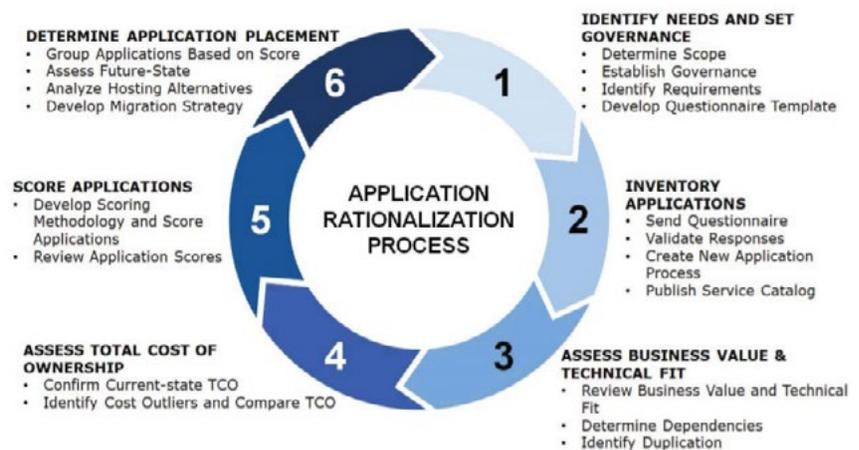
As agencies work to increase efficiency and root out waste, application rationalization can be a powerful tool. It was application rationalization, for example, that helped IT leaders at the Internal Revenue Service (IRS) discover the agency had more than 100 case management systems. While we can safely assume that an agency does not need 100 applications that serve the same purpose, this is the point where traditional application rationalization efforts stopped because their focus was on the technology alone.

Today, with software applications playing a critical role in everything an agency does, application rationalization has much more significance. With IT no longer set apart from the rest of the agency, application rationalization can help change the culture and behavior of an entire agency.

Technology is not only the epicenter of agency operations, it's also essential to the way constituents interact with agencies today. That makes IT an enabler, not a cost center. And application rationalization now helps chart a course for agencies working to modernize, instead of identifying waste.

To help agencies understand the value of application rationalization, the [Chief Information Officers Council](#) created a six-step, cyclical process for application rationalization. The process begins by helping agencies better understand their current application portfolio.

By identifying the applications in the portfolio and their capabilities, agencies are better informed and prepared to hold discussions on where they want to go in the future, including the services they want to provide and the ways they want to deliver those services to the public. The data gathered from the application rationalization process will help agencies evaluate their application portfolio and help support the agency as it charts its course, determines budgets and develops timelines for its modernization initiatives.



The CIO.gov application rationalization playbook is technology agnostic. It does not prescribe specific products or categories of products that are used in the process. There are, in fact, a number of tools that can be used as part of an application rationalization project.

Regardless of the tools and applications your agency uses for its application rationalization and portfolio management initiatives, a priority should be placed on the type of data they generate and how quickly and easily that data can be transformed into insights. In the past, many application rationalization projects have employed the use of spreadsheets and simple questionnaires to gather input. These require a significant amount of effort to deploy, collect, calculate and analyze before they deliver valuable data.

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**APPLICATION  
RATIONALIZATION  
WITH SOFTWARE  
AG GOVERNMENT  
SOLUTIONS**



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# Application Rationalization with Software AG Government Solutions

Government agencies focused on modernization need more than existing application portfolio management tools often provide. They need data that helps agencies understand where they are today and how they can get to where they want to be.

Raw data is valuable, but only to an extent. What these agencies really need are the insights born from their data. Unlike raw data, insights can be easily understood by agency stakeholders beyond IT, including those in finance and risk management positions.

Using these insights, the agency can collaborate across teams and functions on IT planning that encompasses its business processes, enterprise architecture and application portfolio.

Alfabet from Software AG helps government agencies manage their current IT portfolio and collaborate on planning for the future. Through its modern architecture and technical capabilities, Alfabet works with existing tools to manage application portfolios and provides role-specific views to users throughout the organization. This allows specific users to view the insights, tasks, roadmaps, workflows and reports they need to form a cohesive strategy around the agency's technology and processes.

Using an integrated database Alfabet can help agencies easily navigate each phase of the application rationalization cycle as put forth in the CIO.gov playbook, generating valuable information along the way to help guide strategic decisions.

Because technology drives so many aspects of government

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agencies today, maximum visibility around the impact of changes, the return on IT investments and risk potential are a requirement for organizations evaluating projects or exploring new services and innovative ways to deliver them to citizens.

Software AG's ARIS helps deliver visibility into the business processes of government agencies that are modernizing their technology and services. With ARIS, agencies can create, manage and analyze their end-to-end business processes to better understand how modernization impacts daily operations, compliance and risk.

By providing the tools that deliver insights and visibility into application portfolios and business processes, Software AG Government Solutions is helping its government agency partners change their cultures from reactive to proactive and from viewing IT as a cost center to viewing IT as an enabler. Together, Software AG and government agencies are working to modernize, increase agility and be better prepared to respond to both the daily demands of their mission and extraordinary events.

Software AG has achieved FedRAMP authorization for its Software AG Government Cloud, which means agencies can be assured cloud-based solutions like Alfabet and ARIS are properly secured, controlled and operated.

Software AG Government Solutions works with more than 150 government agency customers, helping them modernize their IT portfolio, integrate applications and data sources and more. Discover how Software AG Government Solutions can help your agency increase its visibility and develop insights into application modernization, business process transformation and more at: <https://www.softwareag.com/solutions/government-it-transformation/>