

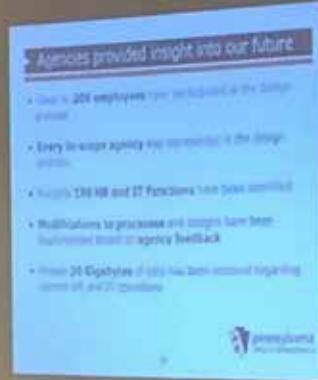
Consolidating Human Resources and Information Technology Services in the Commonwealth of Pennsylvania

A Case Study Developed for the 2017 NASCA Institute on Management and Leadership

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Consolidating Human Resources and Information Technology Services in the Commonwealth of Pennsylvania

In early January 2017, Pennsylvania Governor Tom Wolf sent a memo to his Cabinet announcing a dramatic change: over the next six months, the commonwealth would consolidate Human Resources (HR) and Information Technology (IT) under a shared services model.¹ This would help offset a budget deficit of more than \$600 million in the 2016-2017 fiscal year and an even larger anticipated deficit the following year.² It also represented an opportunity to improve service over the long-term.³ Nonetheless, the pace of the move represented a significant challenge for Secretary of Administration Sharon Minnich, who had been tasked with leading the initiative. Dating back to the 1990s, Pennsylvania had taken intermittent steps toward HR and IT consolidation. Now, in just six months, Minnich and her colleagues would have to build on more than 20 years of work and develop a new model.⁴

Thus, as Minnich and her team swung into action, they faced difficult questions. How would they manage the consolidation while maintaining normal operations? How would they balance the divergent needs of the IT and HR communities and different agencies? How should the consolidation be structured, governed, and measured? Would they obtain the requisite savings without furloughs or layoffs? With Wolf up for reelection in fall 2018, would the change endure? Most fundamentally, could they make IT and HR more efficient and effective and in the process, improve the lives of Pennsylvanians for years to come?

January 2015 - December 2016: A “Perfect Storm”

After taking office in January 2015 amid challenging economic and fiscal conditions, Wolf encouraged his Cabinet to seek ways to amplify efficiency and impact. This included Minnich, who as the head of the Office of Administration (OA), oversaw an agency that was “responsible for oversight and administration of the [commonwealth’s] enterprise functions of HR, IT, continuity of government, and records management.... OA is also home to the Governor’s Office of Transformation, Innovation, Management and Efficiency.”⁵ Minnich recalled that, when she accepted the position in 2015, “the governor spoke to me about the agency [OA] being a customer service agency, and the conversation was, ‘How do you look at our model, and how do you deliver the most efficient and effective services to the agencies so that they can deliver services to constituents?’”

Minnich therefore began examining opportunities to bolster and transform OA. This included creating a task force to help the commonwealth recruit millennials, establishing intern and fellowship programs to attract top students, obtaining legislative changes to modernize the merit system, and rebranding the commonwealth’s state employment website. At the same time, Minnich—who had previously served as the commonwealth’s assistant CIO and had

- [1] According to the “Shared Services Horizons of Value” framework, “shared services merges and delivers certain supportive business operations (such as finance and accounting, information and communication technology, facilities and fleets, procurement, human resources, etc.) that are used by multiple organizations through a shared services center. Shared services creates value by eliminating redundancy and offering efficient and effective services that enable each business division to focus its limited resources on mission-critical and outcome-oriented programs and services.” “2013 Public Sector and Education Shared Services Summit: Navigating to New Value,” Leadership for a Networked World, p. 8, available at http://lnwprograms.org/sites/default/files/2013_Shared_Services_Report.pdf (accessed on August 16, 2017).
- [2] Jan Murphy, “Wolf Administration Plans To Consolidate Offices, Puts Hold On New Leases To Address Budget Woes,” *Penn Live*, January 5, 2017, available at http://www.pennlive.com/politics/index.ssf/2017/01/wolf_administration_consolidat.html (accessed on August 13, 2017).
- [3] Colin Wood, “Pennsylvania Begins Shared Services Phase of Decades-Long Consolidation,” *State Scoop*, April 12, 2017, available at <http://statescoop.com/pennsylvania-begins-shared-services-phase-of-decades-long-consolidation> (accessed on August 13, 2017).
- [4] Ibid.; and Interview with Sharon Minnich, Secretary, Office of Administration, Commonwealth of Pennsylvania, by telephone, April 23, 2017. Hereafter cited as Minnich interview. Unless noted, subsequent quotations from and attributions to Minnich come from this interview and a series of follow-up interviews on June 5, 2017, June 14, 2017, and August 3, 2017. With the exception of the interview on June 14, 2017, which was conducted in person at Harvard University in Cambridge, Massachusetts, all follow-up interviews were conducted by telephone.
- [5] “About OA,” Pennsylvania Office of Administration, available at <http://www.oa.pa.gov/About%20OA/Pages/default.aspx> (accessed on August 13, 2017); and “Secretary of Administration,” Pennsylvania Office of Administration, 2017, available at <http://www.oa.pa.gov/About%20OA/Pages/SecretaryofAdministration.aspx> (accessed on August 13, 2017).

extensive experience as a private sector consultant specializing in procurement and technology—began analyzing Pennsylvania's HR and IT setup.⁶ What she discovered concerned her. Consolidation activities conducted to date had resulted in a disparate service delivery model. IT and HR systems were redundant, inequitable (larger agencies had bigger staffs that could provide more services), and flawed in their delivery to all employees or citizens.⁷ "We historically grew up in stove pipes," Minnich lamented, "so the services we performed were really all the same."

In late 2016, Minnich began exploring whether there was a viable alternative to the status quo. She reflected: "We said, 'Let's take a step back and look at what it would be like if we consolidated on both sides and normalized our service delivery and redesigned it in a way that is logical moving forward.'" At the same time, Wolf, Minnich, and other senior commonwealth officials reviewed the bleak budget projections for the 2017-2018 fiscal year. In meetings with the Secretaries of Budget, Policy, and Legislative Affairs, conversations centered on how the commonwealth could improve service delivery without lengthy legislative or regulatory change. Since OA has IT and HR authority within the current Administrative Code, reorganization of the functions was within the agency's authority. Ultimately, the opportunity to improve services and the necessity of reducing spending spurred the Wolf Administration to pursue consolidation. Minnich recalled, "it was a perfect storm between the two things, so when the governor was looking to put together the budget, it [the consolidation] became a budget initiative."

January 2017 - March 2017: Mapping the "As Is"

After Wolf announced the consolidation in early January, OA began holding meetings with agency HR and IT officials to introduce the consolidation and invite them to participate in working groups to help design the new setup. According to Sean Crager, then the CIO for the Department of Environmental Protection, the initial response from some officials was, "Here we go again," a reference to the fact that there had been numerous previous consolidation discussions with limited follow through.⁸ Nonetheless, that Wolf was firmly behind the effort impressed upon personnel that this change effort had momentum and that participating in the working groups, as Crager added, represented an "opportunity for us to reinvent how we deliver services to our customers." Thus, by late January, the HR and IT working groups began meeting to map the "as is" state, a process that involved surveying and collecting data from agencies to identify services currently provided.

This represented an exciting step but introduced challenges for OA, beginning with how to fulfill its normal functions while also leading the HR and IT shared services initiative.⁹ To ensure that the project received the requisite staff attention, Minnich moved six personnel into a conference room and office space, dubbed the "war room," where they would focus exclusively on the consolidation. The group—which was led by Minnich, Chief of Staff Reid Walsh, Deputy Chief Information Officer Rosa Lara, and Special Assistant for HR Chris O'Neal—created a calendar, formulated a risks and issues log, made various daily to-do lists, and began holding a daily standup meeting where it reviewed priorities.¹⁰ Ensuring that everyone was on the same page was critical because as O'Neal explained, "a real risk when you're running

[6] "Secretary of Administration"; and Minnich interview.

[7] Dating to the 1990s, Pennsylvania had taken intermittent steps to consolidate its HR and IT functions. This included creating shared data centers, e-mail, and telecommunications as well as launching OneHR, an initiative focused on creating cross-agency HR synergies. Wood, "Pennsylvania Begins Shared Services Phase of Decades-Long Consolidation"; and Minnich interview.

[8] On July 1, 2017, Crager became the CIO of the newly created Conservation and Environment Delivery Center. Interview with Sean Crager, CIO, Conservation and Environment Delivery Center, Commonwealth of Pennsylvania, by telephone, July 5, 2017. Hereafter cited as Crager interview. Unless noted, subsequent quotations from and attributions to Crager come from this interview.

[9] In addition to the HR-IT consolidation, there were also other consolidations occurring in the commonwealth. The other consolidations involved the Department of Corrections and the Board of Probation and Parole as well as the combination of four agencies to create the Department of Health and Human Services. Minnich interview; "Governor Wolf Announces Plan To Create Department of Health and Human Services," Commonwealth of Pennsylvania, January 30, 2017, available at <https://www.governor.pa.gov/governor-wolf-announces-plan-to-create-department-of-health-and-human-services/> (accessed on August 13, 2017); and "Governor Wolf Announces New Efficiency Measures, Success of GOTIME in First Year," Commonwealth of Pennsylvania, February 5, 2016, available at <https://www.governor.pa.gov/governor-wolf-announces-new-efficiency-measures-success-of-gotime-in-first-year/> (accessed on August 13, 2017).

[10] Interview with Reid Walsh, Chief of Staff, Office of Administration, by telephone, June 5, 2017. Hereafter cited as Walsh interview. Unless noted, subsequent quotations from and attributions to Walsh come from this interview and follow-up interviews, also conducted by telephone, on July 10, 2017 and August 7, 2017.

so fast is people don't feel like they understand what's going on."¹¹

OA staff strove to ensure that the working groups were progressing. For IT, this required accommodating interest that dramatically outpaced expected participation. As Rosa Lara, Pennsylvania's Deputy CIO, explained, OA had invited agency officials to participate in six of the 15 working group sessions; however, agency officials expressed a strong interest in participating in all of the sessions. Lara recalled, "They came back and said, 'This is probably the biggest thing we're going to do in our entire careers, we don't want to be left out. We want to be in every single meeting.' And so, I said, 'Okay, we'll get a bigger room.'"¹²

Meanwhile, the HR working groups were falling behind. The lag stemmed in part from the fact that while both HR and IT had made incremental progress toward consolidation in the past, IT had been significantly further along. As a result, as Minnich said, the consolidation was "more of a jolt on the HR side."¹³ To jumpstart the HR process, Minnich moved O'Neal into a full-time role in the war room managing the HR working groups. OA also contracted with a change management consultant in part to advise the employee change planning. With this support, the HR working groups caught up to IT and completed the mapping process by late March. Nonetheless, the work was arduous. O'Neal reflected, "We're fortunate that the team didn't mind putting in the extra hours.... But I can't emphasize enough that you don't want to underestimate the amount of time that goes into one of these projects."

April 2017: Where "The Rubber Meets the Road" — From "As Is" to "To Be"

In April, OA and the working groups shifted their focus to planning what the consolidated model would look like (the "to be"). From Minnich's perspective, this was "where the rubber meets the road" because they would have to address thorny design questions and build consensus among agencies about how to pool resources. Aware of these difficulties, OA prioritized framing the dialogue in an empathetic and inclusive manner. This hinged in part on acknowledging peoples' anxiety. Lara explained, "We focused on the emotional connection that people have to lasting change versus change that just gets shoved down peoples' throats." OA leaders also made a point of providing enough guidance to create a jumping-off point to frame each working group discussion but not so much detail that OA was dictating the plan.¹⁴

Buoyed by this collaborative dynamic, as well as an examination of best practices in other states and past reform efforts in Pennsylvania, the working groups identified the core elements of the consolidation. First, all HR and IT employees would transition to the OA complement on July 1, 2017. Second, there would be an enterprise delivery center that would provide IT and HR "functions that are standard across all or most agencies."¹⁵ Finally, for services that

"I think sometimes we let the perfect be the enemy of the good and really complicate things. Given something as massive as this, I had to keep that in mind to keep things simple, because if it becomes too complicated, people just turn off."

— Rosa Lara

Deputy Chief Information Officer, Commonwealth of Pennsylvania

[11] On July 1, 2017, O'Neal became the Director of HR Delivery Centers within OA. Interview with Chris O'Neal, Director of Human Resources Delivery Centers, Office of Administration, Commonwealth of Pennsylvania, by telephone, July 11, 2017. Hereafter cited as O'Neal interview. Unless noted, subsequent quotations from and attributions to O'Neal come from this interview.

[12] Interview with Rosa Lara, Deputy CIO, Commonwealth of Pennsylvania, by telephone, July 6, 2017. Hereafter cited as Lara interview. Unless noted, subsequent quotations from and attributions to Lara come from this interview.

[13] What's more, the IT culture—which depended heavily on project management—was better suited to consolidation than HR, which had previously had a functional mindset and needed to shift to a business approach. Minnich and Walsh interviews.

[14] Interview with Jason Swarthout, Director of Talent Management, Office of Administration, Commonwealth of Pennsylvania, and Deborah Laughman, HR Director, Conservation and Environment Delivery Center, Commonwealth of Pennsylvania, by telephone, July 12, 2017. Hereafter cited as Swarthout and Laughman interview. Unless noted, subsequent quotations from and attributions to Swarthout and Laughman come from this interview.

[15] "HR/IT Shared Services Transformation," Employee Town Hall, Office of Administration, Commonwealth of Pennsylvania, May 2017, available at <http://www.oa.pa.gov/sharedservices/Documents/town-hall-slides.pdf> (accessed on August 13, 2017).

could not be provided at the enterprise level, there would be six delivery centers, each of which would serve a set of agencies whose work focused on a common area (e.g., Public Safety, General Government, Conservation and Environment, etc.).¹⁶

Still, the groups had to address difficult design questions, the most significant of which was which responsibilities should be at the enterprise and delivery center levels. While the groups reached consensus about some responsibilities, there was disagreement about how to treat others, including classification on the HR side and cybersecurity and infrastructure operations in IT. Many agency officials felt that these should be delivery center responsibilities because they required an “agency touch,” whereas others saw them as enterprise roles. In a compromise, the planners matrixed those functions, meaning that they would be physically located in delivery centers but report to supervisors in the enterprise group. As Minnich explained, this represented a way to balance agency needs with the priority of becoming nimbler. She explained, “What the model allowed us to do and what the team creating the model wanted was the flexibility to ramp resources up and down and in between delivery centers based on high-priority projects.” (See Appendix A for organizational charts and more details on the organizational structure.)

Meanwhile, Minnich had to sustain communication with and build support for the plan among her counterparts in the Cabinet. This was challenging in part because of what Minnich characterized as a “Catch 22.” Cabinet officials, she explained, “wanted to know about the [plans] before [their] employees, but the employees are the ones at the table building something.” Minnich therefore instituted weekly status updates and biweekly calls to keep the Cabinet abreast of progress. These briefings also helped to seed subsequent conversations to persuade her colleagues to support the model. This was challenging because some agencies were wary of ceding employees to OA and delivery centers, a concern that Minnich ameliorated by emphasizing that in many instances, agencies would work with the same staff. In addition, larger agencies were concerned about possible service degradation. Minnich therefore had to do a “lot of selling,” including meeting individually with Cabinet officials. The initiative also benefited from backing from Wolf, who, as Minnich added, “reinforced that this is something we had to do.”

By the end of April, just four months after announcing the consolidation, OA and its partners had built and cultivated support for a blueprint. “That was a huge moment,” recalled Walsh, who emphasized the importance of reducing uncertainty. “Nobody,” she said, “likes the unknown.”

May 2017 - June 2017: Preparing to Launch

In May, OA shifted its focus to hiring the new leadership and introducing the consolidation in more detail to employees and other stakeholders to prepare for the transition. Deepening the dialogue with staff was imperative because, as Deborah Laughman, then the HR Director in the Department of Agriculture, explained, many employees had been “apprehensive” about the initiative, including whether it would lead to furloughs or layoffs.¹⁷ (Up to that point, senior agency HR and IT officials had kept staff abreast of developments, including acknowledging when there was uncertainty about what would happen to their positions.) Fortunately, by May, OA was able to announce that the commonwealth had met its saving goals through attrition and a previously implemented hiring freeze and that no layoffs or furloughs would occur.

Still, employees had numerous questions, ranging from how the consolidation would affect their schedules and

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Having them be part of the vision, part of the solution and figuring out what to do is why they’re so excited about the change.”

– Sharon Minnich

Secretary, Office of Administration, Commonwealth of Pennsylvania

[16] The six delivery center areas—which are the same for HR and IT—are General Government; Public Safety; Employment, Banking, and Revenue; Health and Human Services; Conservation and Environment; and Infrastructure and Economic Development. Ibid.

[17] On July 1, 2017, Laughman became the HR Director of the Conservation and Environment Delivery Center.

work locations to what training opportunities would exist under the new model. In May, OA therefore held six town halls in three days where Minnich and other senior officials provided an overview of the strategy and plan.¹⁸ They allowed ample time for questions and created a separate online portal where people could submit queries in case they did not want to ask them in a large audience. (The meetings attracted nearly 1,000 state employees.) Finally, in an effort to assess sentiment about the consolidation, they asked the attendees to write a short response on a post-it note capturing their reactions. “It was very interesting for us to gauge where we needed to focus our efforts more, or where we were already doing a good job communicating,” said Minnich, who added that she was pleased to see that the curve, “was a little bit more on the positive and less on the negative.” There was also an intentional effort to meet with agency employees outside of HR and IT to answer questions and document concerns from those impacted by the change. These meetings allowed OA to speak with over 600 customers in the agencies.

Following the town halls, Minnich and other OA officials held consultations with Cabinet secretaries and staff from agencies as well as customers and other stakeholders affected by the initiative. This provided an opportunity to continue addressing concerns. For example, Seth Mendelsohn, the Executive Deputy Insurance Commissioner in the Department of Insurance, an OA customer, asked whether IT personnel would have the technical knowledge to operate his department’s industry-specific programs. Leaders at the delivery center with which he would be working therefore made a point of initially pairing Mendelsohn’s agency with staff with whom they had previously worked.¹⁹ More broadly, OA maintained an issues and risks log and followed up with all stakeholders to ensure their questions were answered and to signal OA’s commitment to being responsive. Minnich reflected:

We created a running list of those concerns that we are working through one by one to address to make sure that they’re heard. It’s not just a ‘this is what’s going to happen, we’re not listening,’ but it was a lot of, ‘We’re listening. We know we have to address these things, and we will make sure we address them and get back to you with how we are addressing them.’

Meanwhile, OA was working feverishly to prepare for the transition. This hinged in part on positioning the agency—which at the time had about 500 employees—to take on 1,700 new personnel and additional responsibilities. This required addressing topics ranging from how to re-craft the agency newsletter to communicating with union officials to taking out a new cyber-insurance policy. At the same time, OA was working with partner agencies to prepare for the transition. To create a manageable pace of change, OA had decided that it would only pilot one delivery center (Conservation and Environment) beginning July 1 and allow the other delivery centers to phase in their plans more gradually. Still, there were numerous tasks that needed to be completed, including determining who would lead the newly created delivery centers. Some had assumed that those senior HR and IT positions would be awarded to representatives of the largest agencies; however, OA posted the positions so that anyone could apply.²⁰ “We posted [the positions] for a very intentional reason,” Minnich reflected, “because the delivery centers are supposed to serve everyone, and we should be picking the best leaders to lead those organizations.”

Above all, with so many tasks and finite time, OA staff recognized that they needed to employ a triage approach. As Walsh recalled, when issues came up, she would often distinguish between “What are things we need to solve by July 1, and what are things we need to form working groups on to continue to work on as we go through?” Guided by this intense focus, OA and its partners completed the employee transfer and created the pilot delivery center by July 1.

[18] “HR/IT Shared Services Transformation,” Employee Town Hall.

[19] Interview with Seth Mendelsohn, Executive Deputy Insurance Commissioner, Department of Insurance, Commonwealth of Pennsylvania, by telephone, July 27, 2017.

[20] OA had posted, interviewed, and hired new leadership within a two- to three-week period in order to begin the Employee Town Halls with the new team announced.

July 2017 and Beyond: The Pilot and The Path Ahead

In some respects, the move proved anticlimactic. As Crager, who on July 1 became the IT Director of the newly created Conservation and Environment Delivery Center, recalled, the “lift and shift” of employees to OA was a little bit like “Y2K.” “We’re going to get all worked up over something,” Crager explained, “and then you’re going to walk into work. And guess what? You’re still sitting at the same desk. Same guy who’s still sitting next to you.” Nonetheless, there was a sense among OA staff that they had an opportunity to effect groundbreaking change—a sentiment that Crager evoked in his first e-mail to his employees. He wrote, “This is...an opportunity to reach across agency lines to collaborate...so that we can develop and provide innovative and effective solutions to the many challenges that we face daily.... It’s the entrepreneurial spirit of all of you that will help to make this consolidation effort a success.”²¹

To realize this vision, the OA team had to push forward with a new set of priorities. One was sustaining their intensity after an exhausting six months. “I think everyone needed to exhale a little bit,” said Walsh, who noted that the daily huddles and standup meetings were cancelled during the week of the July 4th holiday. “But then we had to get right back into it because the issues and risks are not going away. They are just becoming more real. And you can’t say anymore, ‘Yeah, we’re going to solve that post July 1st.’”²²

A critical focus was ensuring that the Conservation and Environment Delivery Center was ready for its first governance meeting in the middle of the summer. Dating to the genesis of the working groups, OA had emphasized developing a sound approach for governance and metrics. It had wrestled with (among other questions) how formal the meetings should be, a factor that would affect whether it would need to “sunshine” the minutes for public consumption; what it should measure; and how frequently governance meetings should occur, an issue, which, as Minnich emphasized, was critical to keep in mind when asking Cabinet secretaries to participate in a sit-down. Thus, in preparation for the pilot delivery center’s first governance meeting, Minnich and Walsh had the delivery center leaders do multiple dry runs of their presentations, an exercise “to make sure,” as Minnich said, “that they were successful.”

The presentations were well received, yet they led to new questions, including how OA and the pilot delivery center would handle a funding issue for new employees. OA had decided that all employees would continue to be paid from their existing funding streams in the first year while the funding model was finalized and approved by the federal government. The problem that arose in the governance meeting was that in some instances, the funding came from federal sources that required that the employee’s time be devoted to the funded agency. However, in the consolidated model, the employee might not be spending 100 percent of his/her time on that agency’s work. This resulted in a dramatic moment when, as Minnich recalled, an employee came to her and said, “I think we have to stop the transition because we can’t figure out the funding for new supervisors overseeing staff from multiple agencies in the pilot.” Minnich encouraged the team member to take “a step back” and worked with her to identify the intermediate steps that they could take, including keeping the affected employees assigned to their original agency for the immediate future and simultaneously working to develop a long-term solution.

“There’s no way you can sit back and have an organization not evolve with time.”

– Reid Walsh

Chief of Staff, Office of Administration
Commonwealth of Pennsylvania

[21] Text obtained through a personal communication by e-mail with Sean Crager, CIO, Conservation and Environment Delivery Center, on July 5, 2017.

[22] Soon after the July 4th holiday, the war room was disbanded, a recognition that, to some extent, OA was beginning a new normal. However, Minnich and Walsh continued to employ strategies to strengthen cooperation and coordination, including holding less frequent stand-up meetings as well as an off-site retreat with HR and IT leadership. Walsh interview.

The compromise was emblematic of how, as the summer drew to a close, Minnich and her colleagues were doing everything in their power to move forward thoughtfully while still making rapid progress to position the initiative for the long term. As Minnich explained, she and her colleagues had to ask themselves, "How do we get this to continue to move forward so we're at a stabilization point in case there's a switch in administration?"

Nonetheless, even as OA wrestled with how and whether it would achieve its goals, there was a sense that it had developed a multifaceted approach that would maximize its chances of success. One core element of this was recognizing that simplicity is a virtue. As Lara said, "I think sometimes we let the perfect be the enemy of the good and really complicate things. Given something as massive as this, I had to keep that in mind to keep things simple, because if it becomes too complicated, people just turn off." For her part, Walsh emphasized the importance of embracing change. She reflected, "There's no way you can sit back and have an organization not evolve with time. I think that's what we've been really focused on: how do we better deliver services." Finally, Minnich pointed to the benefits of collaboration. She summarized:

I think the one thing that has helped us is this was really team-built. It was driven by our IT and HR leaders. Having them be part of the vision, part of the solution and figuring out what to do is why they're so excited about the change.... I hear that the new leadership teams want to start workshops looking at this issue or that issue. They're starting to naturally do things that they never did before and they may not have done if they weren't the ones developing the business for them. That's the really exciting piece of this. Now there's this natural synergy that's been created that I think will help sustain it.

"Part of this process is to have employees think bigger about what they're doing... [and] how do we step back and try to solve the problems in a bigger way so that we make long-lasting change that's in the best interest of the Commonwealth."²³

– Rosa Lara

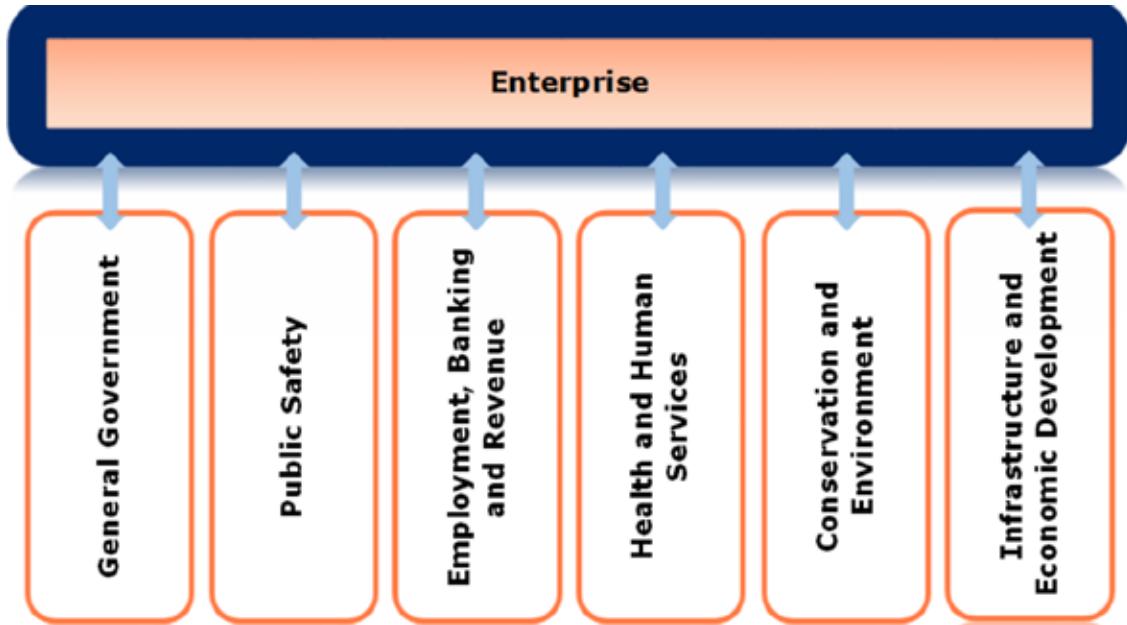
Deputy Chief Information Officer
Commonwealth of Pennsylvania

[23] Colin Wood, "Pennsylvania Begins Shared Services Phase of Decades-Long Consolidation," *State Scoop*, April 12, 2017, available at <http://statescoop.com/pennsylvania-begins-shared-services-phase-of-decades-long-consolidation> (accessed on August 13, 2017).

Appendix A: Organizational Charts

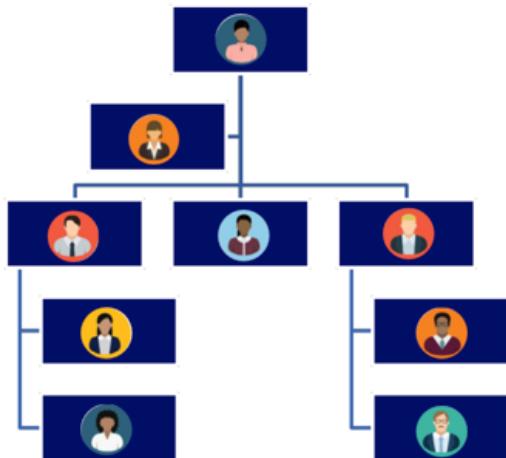
OA created a matrix structure linking the enterprise and delivery centers to balance enterprise-wide coordination and an agency-specific touch. The charts below depict the enterprise and delivery center structures, the difference between a traditional hierarchy and matrix approach, and the latest versions of the IT organization and the HR structure for the pilot Conservation and Environment Delivery Center.

Enterprise and Delivery Center Structure

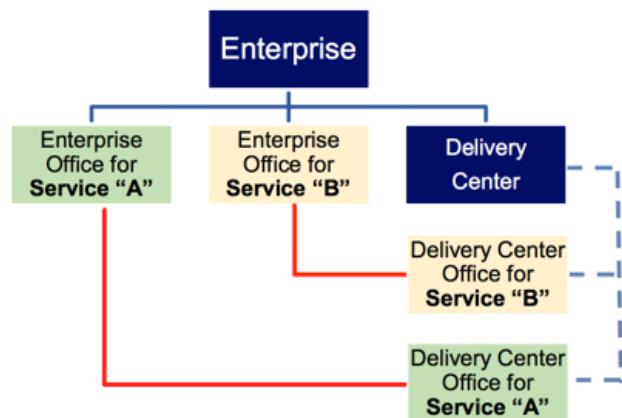


Matrix Structure

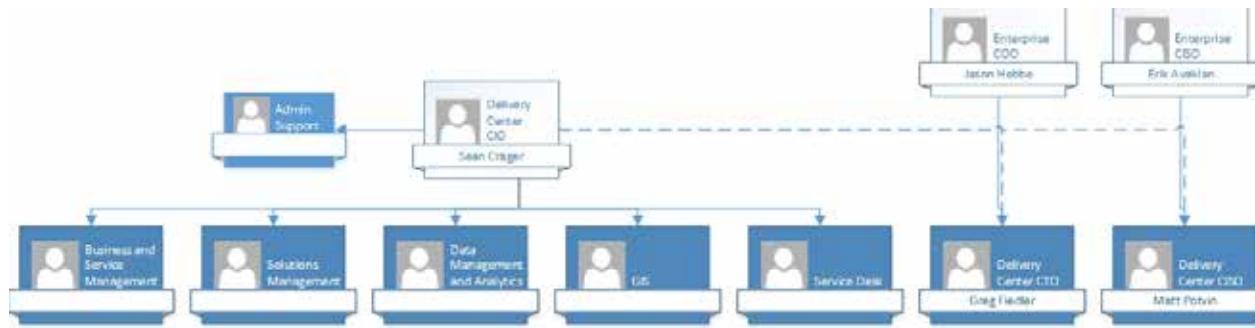
Traditional Hierarchical Structure



Matrix Structure



IT Structure for Conservation and Environment Delivery Center



HR Structure for Conservation and Environment Delivery Center

Conservation and Environment HR Delivery Center

Human Resources Management
(Conservation & Natural Resources, Environmental Protection, Agriculture, Environmental Hearing Board, Milk Marketing Board)



Sources: "HR/IT Shared Services Transformation," Employee Town Hall, Office of Administration, Commonwealth of Pennsylvania, May 2017, available at <http://www.oa.pa.gov/sharedservices/Documents/town-hall-slides.pdf> (accessed on August 13, 2017); and Personal communication by e-mail with Reid Walsh, Office of Administration, Commonwealth of Pennsylvania, August 14, 2017 and August 25, 2017.



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