

IT DEPARTMENT PROPOSAL

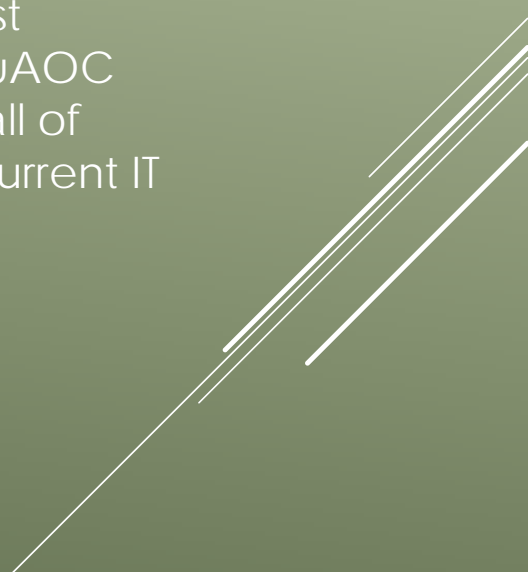
Submitted by Bea Sweet

September 9, 20##

INTRODUCTION:

In fulfillment of my role as part-time Director of IT for uAOC, I submit this important and timely proposal for your review and consideration.

The IT department of uAOC has served us very well over the past number of years and continues to provide excellent service to uAOC and its various sub-charities and partner entities. However, as all of these organizations continue to expand, an evaluation of the current IT staffing and support model must be examined.



UJAOOC'S CURRENT IT MODEL:

The current IT model consists of two key areas:

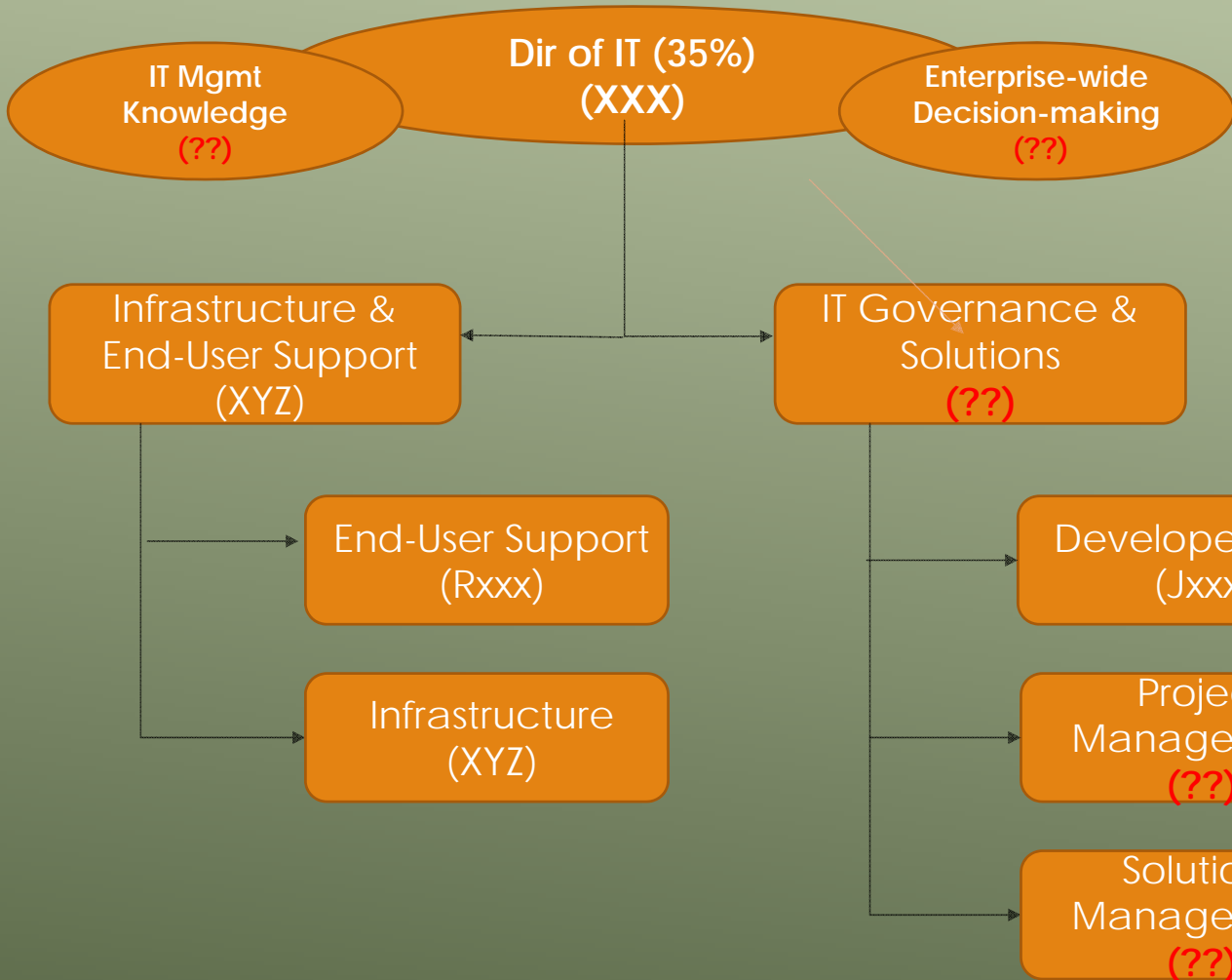
- Infrastructure and End-User Support Services (XYZ)
- IT Governance and Solutions (P/T Dir of IT)

Infrastructure & End-user Support Services (XYZ):

- Maintain and support IT infrastructure
 - Set standards and protocols
 - Procurement and asset management
 - Operations related purchasing
 - Maintenance and support of enterprise applications
 - Development and support of enterprise new applications
 - Development and support of Wide Area Network (WAN) and I-Net
 - Local Area Network (LAN) and desktop support
 - Infrastructure – maintenance, backup and data restoration
 - Infrastructure and servicing of telecommunications
 - Service/helpdesk support to 75 end-users
 - Maintenance and support of directory and messaging
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IT GOVERNANCE & SOLUTIONS (P/T DIR of IT):

- Strategic and long-range planning
 - IT investment decisions
 - Project management
 - Security & privacy
 - Setting of policies & standards
 - Meeting broader customer/constituent needs
 - Develop and maintain IT business solutions to align with business objectives
 - Set standards and practices
 - Set standards for software
 - Web solutions
 - Sharepoint development
 - Solutions licensing and budget
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(??) – Current gaps

PROPOSED 20## COSTS - \$405K

We are all aware of the ever increasing expectations of our IT department today, as they endeavor to keep up to our rapidly changing electronic world!





Just as demanding as servicing the infrastructure needs and end-users of uAOC and partner entities, the IT department today must be poised as a strategic partner - assisting business functions in meeting their objectives.

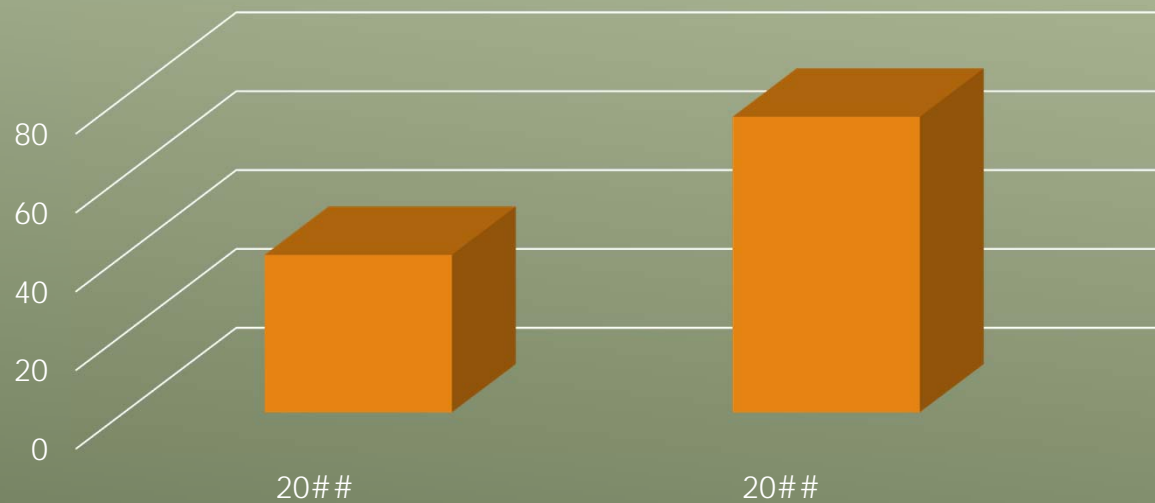
The increasing reliance on mobile systems has increased the need for security, the IT department requires robust security measures and protocols to mitigate these ever increasing risks.






Keeping up with innovation and the life cycle management of these multiple solutions and platforms requires robust project management as well.

IT USERS ANALYSIS

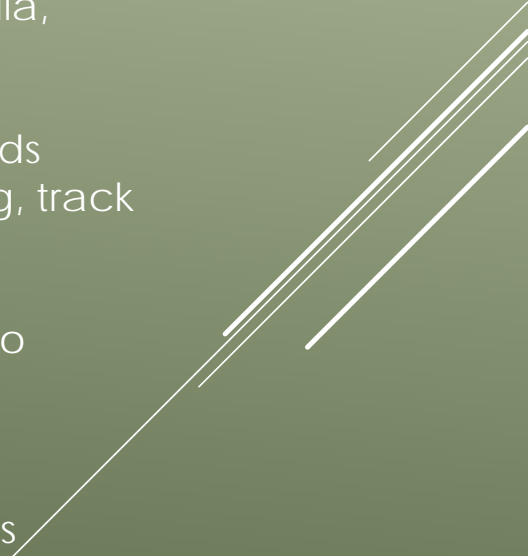


In the past 10 years we've seen the IT user numbers serviced by uAOC's IT department grow from 40 in the office to 75 able to work from multiple locations!

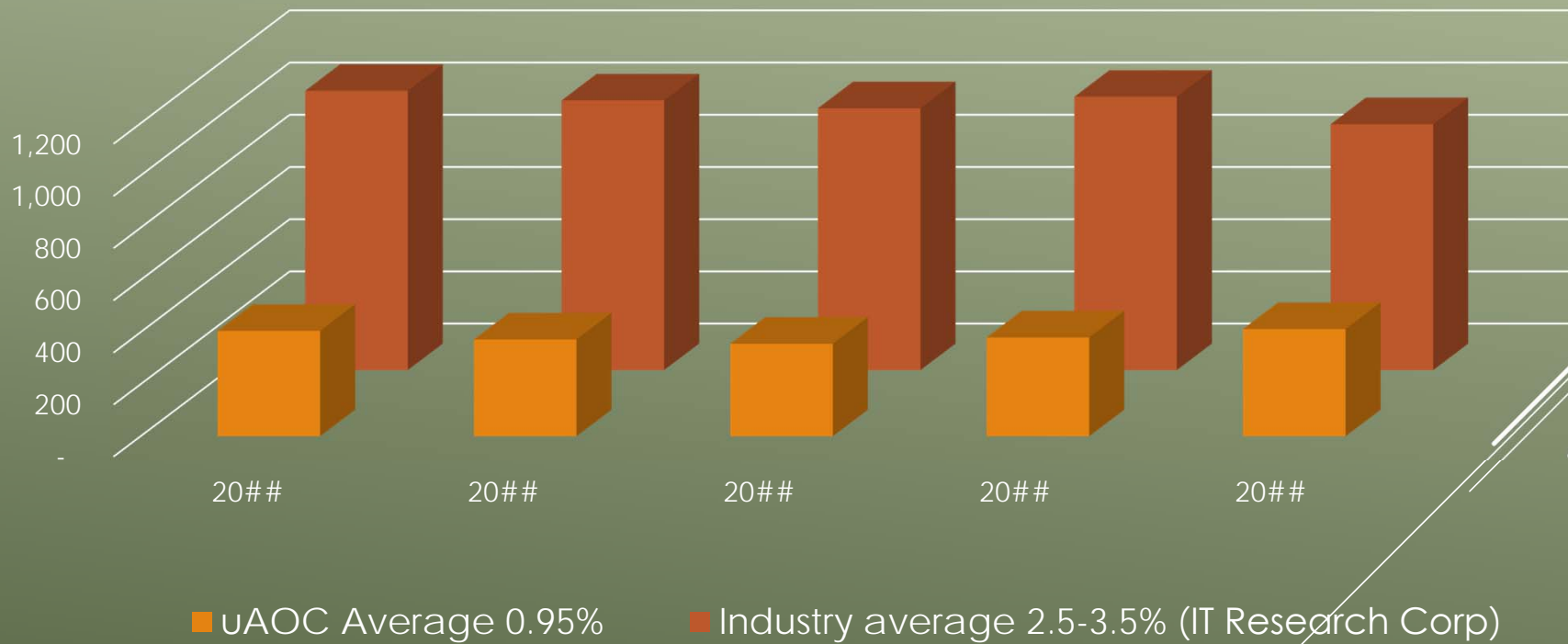
Let's look at the value added over past 10 years:

- End-user support grown to 75 users using multiple platforms (ie desktops, laptops, cell phones)
 - Multiple secure portals for engaging our constituency:
 - Portals supporting our 300+ Global and XX workers worldwide
 - Portals now serving our 400 chapters
 - Portals now serving our Pension employers and Pension members
 - New website now fully bi-lingual
 - Value-added to our chapters (ie TAP, on-line remittance, on-line reporting)
 - Robust reporting platforms
 - Metrics reporting for all functional areas
 - Analysis reports as required
 - Multiple secure donation/payment options provided to constituency
 - Office 365 – able to access and share files from any location
 - Xxxx phone system – collaborative capabilities with multiple devices
 - Added storage capacity for multi-media files
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Let's look at the future value potential:

- End-user support to 100 users using multiple platforms (ie desktops, laptops, cell phones, tablets)
 - Secure platforms for engaging our constituency:
 - Portals supporting our 300+ Global and XX workers worldwide
 - Portals serving our 400 chapter and communities
 - Portals serving our Pension employers, Pension members and retirees
 - Ongoing website development and improvements (ie social media, payment processing, interactive capabilities)
 - Value-add to our chapters
 - Further tools/services to support their ongoing electronic needs
 - Ability to enhance relationships with each - capabilities to log, track and strategically interact with all our chapters
 - Robust reporting platforms
 - Real time metrics and Key Performance Indicators available to managers on multiple devices
 - Real time financial reporting
 - Strong tools to manage donor database and prospective donors
 - Office 365 – team-sites, improved process flows, business practices
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uAOC IT AVERAGE COSTS AS PERCENT OF OVER ALL REVENUES



SO WHAT CAN WE DO?
WHY NOW?




PROPOSAL A (added cost \$150K):

Enhanced IT management for increased servicing and value added:

- Infrastructure and End-User Support Services (XYZ)
 - **NEW** Sr Project Manager/Business Analyst (HIRE late 20##)
 - **NEW** IT Steering Committee
 - **NEW** Additional consulting/tools for P/T Dir of IT
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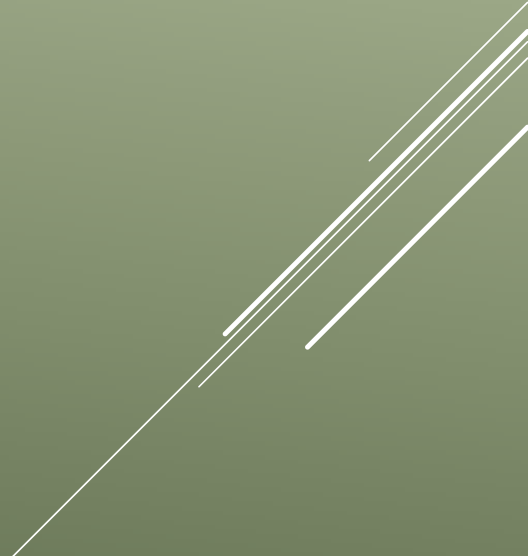
PROPOSAL A

SR PROJECT MANAGER / BUSINESS ANALYST ROLE:

- Collaborate with business stakeholders to research and implement IT solutions (currently being filled by CRM consultant)
 - Facilitation of solutions planning, estimating and implementation
 - Assist business functions with aligning solutions to their goals and objectives
 - Provide in-depth business & technical strategy for enterprise-wide systems solutions, identify business gaps and correlate to potential solutions
 - Execute on IT project plans across the various business functions – critical as we approach another large upgrade/implementation
 - Demonstrate a sound understanding of how the overall business solution is positioned, deployed and supported enterprise-wide
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PROPOSAL A

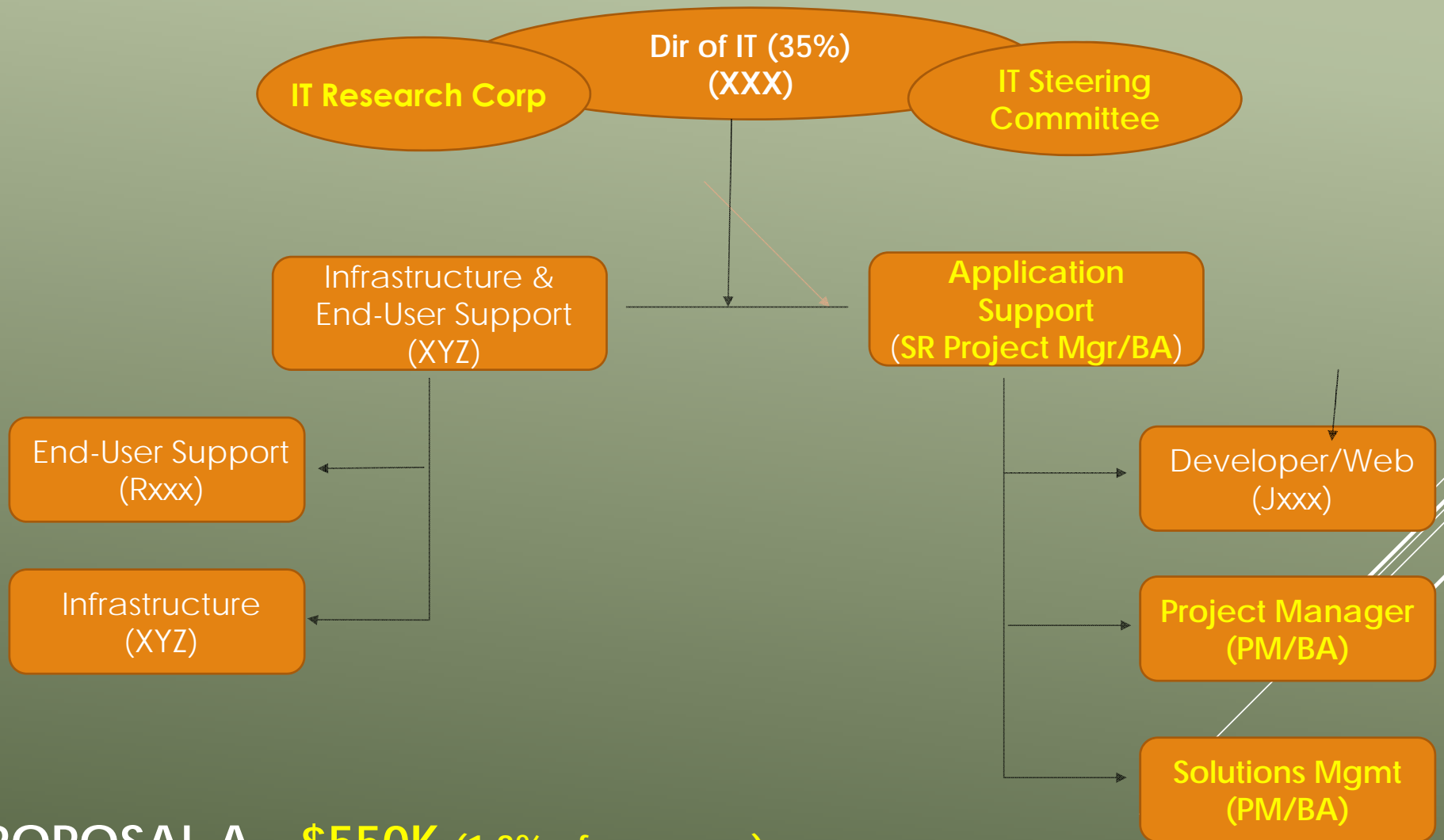
IT STEERING COMMITTEE

- Committee: 3 LT members, Sr Business Analyst, Jxxx Nxxx
 - Organization-wide strategic and long-range IT planning
 - Approval of IT investment decisions
 - Setting of policies, practices & standards - Governance
 - Planning for broader customer/constituent needs
 - Optimize IT to better serve the organization
 - Benchmarking with other organizations – costs, initiatives
 - IT Budget sign off – prioritizing across the organization
 - Vendor approvals
 - Innovation strategy
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PROPOSAL A

IT Research Corp (2-year contract)

- Cost avoidance – analysis of total IT costs, ROI & Benefits, Scope, Risks
- Contract savings – 10-25% savings in 3 out of 4 clients
- Quicker decision making – unlimited access to 1000+ analysts
- Peer networking with other IT leaders
- Research documents, toolkits, benchmarks, presentations
- Vendor analysis tools/research
- IT Benchmarking/IT Key metrics against best-in-class organizations
- Assistance with IT staffing and resourcing decision making
- IT maturity and process improvement steps
- Contract Negotiating – best-in-class price, terms, conditions, service levels, clauses, etc
- Project delivery best practices for timelines, delivery, costs



PROPOSAL A - \$550K (1.3% of revenues)

PROPOSAL A - PROS & CONS

PROS


- Strong project leadership for upcoming implementations
- Business Analyst knowledgeable with our systems, knowledge remains
- Cross-functional view and management of IT solutions
- Streamlines IT roles enabling XYZ staff to focus on end-user support and infrastructures
- Management access to objective management tools, info and knowledge
- Steering Committee - tools to set long-term strategy, building knowledge into staff
- IT Research Corp support reduces IT management time – tools, templates, benchmarking
- Robust analyst in-house and diversified knowledge base to support all IT questions/decisions
- Continuity of knowledge of organizational business strategies and systems

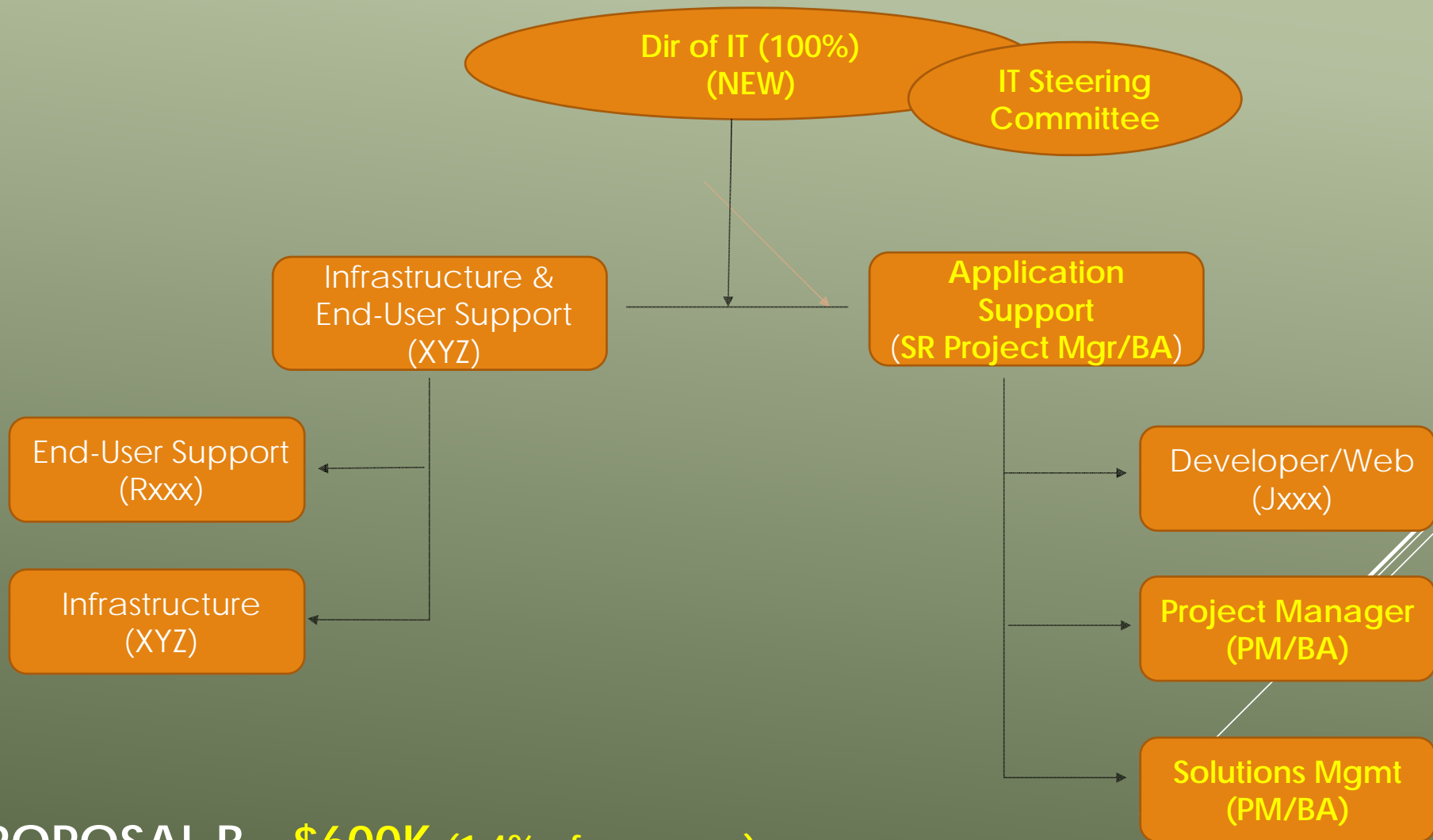
CONS

- Cost for IT Research Corp support (\$50,000 per year)
- IT Research Corp ROI contingent on P/T Dir of IT capacity to leverage tools
- Capacity of P/T Dir to build IT future for uAOC over next two years

PROPOSAL B (added cost \$200K):

Enhanced IT management for increased servicing and value added:

- Infrastructure and End-User Support Services (XYZ)
 - **NEW** Sr Project Manager/Business Analyst (HIRE late 20##)
 - **NEW** IT Steering Committee (Lead Team members)
 - **NEW** Full-time Dir of Information Technology (100%)
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PROPOSAL B - \$600K (1.4% of revenues)

PROPOSAL B - PROS & CONS

PROS

- Strong project leadership for upcoming implementations
- Business Analyst knowledgeable with our systems, knowledge remains
- Cross-functional view and management of IT solutions
- Streamlines IT roles enabling NNS staff to focus on end-user support and infrastructures
- Robust IT management skills and knowledge (based on IT Dir years experience)
- Robust support for IT questions/decisions and planning
- Greater capacity to serve and plan for uAOC and its entities current and future IT needs

CONS

- Dir of IT costs must be sustainable, are they needed long-term
- Dir of IT knowledge and experience could be limiting
- Lose objectivity in decision making for the organization's IT needs

PROPOSAL A - \$550K

	20##	20##	20##*	20##	20##
CRM/NAV Project	100	75	0		
IT Operations	450	475	500		
Totals	550	550	500		

**IT Research Corp contract ends 20##*

PROPOSAL B - \$600K

	20##	20##	20##	20##	20##
CRM/NAV Project	100	75	0		
IT Operations	500	525	600		
Totals	600	600	600		

U AOC'S IT PROJECTS/UPGRADE FUND (\$000'S)

	20##	20##	20##	20##
Opening Balance	65.0	65.0	(180.0)	(240.0)
Transfers from Operational IT budget	45.0	60.0	70.0	80.0
CRM Upgrade	(45.0)	(175.0)	(25.0)	
NAV Upgrade		(30.0)	(30.0)	
SR ANALYST/PROJECT MGMT		(100.0)	(75.0)	
Net Balance in Fund:	65.0	(180.0)	(240.0)	(160.0)

RECOMMENDATION:

In light of all of the above information, I recommend we proceed with Proposal A for the next two years and re-evaluate then, for the following reasons:

- CRM/NAV implementations next two years (Sr Analyst)
 - Increased solutions management for all business functions
 - Strong project management on staff
 - Greater support for all business functions
 - End to end management for implementations
 - Access to robust IT management resources (IT Research Corp)
 - IT analysts vast knowledge in CRM/NAV/ERP installations
 - Budgeting tools/models for better IT management
 - Benchmarking with other mid-size organizations
 - Vendor contract reviews, recommendations
 - Cost savings – ERP implementation, Operational
 - IT Strategic planning tools and resources
 - IT staffing assessment and needs analysis
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