State of City and County IT 2015:
The IT Organization and Operations National Survey

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Public Technology Institute

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The Information Technology (IT) Organization and Operations National Survey

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The resource for technology executives in local government

Dear Local Official:

Public Technology Institute proudly presents this executive summary that outlines the results of the **State of City and County IT 2015: The IT Organization and Operations** national survey.

This is the eighth year that PTI and Deltek, a PTI research partner, have conducted this survey. In August, 2015 technology executives representing cities and counties of all sizes were asked to respond to the survey. Two hundred and seventy-four executives from cities and counties of all sizes across the nation, completed all, or part of the survey. We thank these dedicated officials for their time and unique insights into the challenges facing local government IT executives.

The intent of the survey is to better understand the IT operational issues that are impacting local government technology executives. In particular, the survey explored:

- IT department budget and funding
- IT department organizational issues and opportunities
- IT staff and training needs
- Operational and technology trends
- Relations with the vendor community

PTI uses the results of this survey to enhance and strengthen our research agenda, including the design of web-based training, seminars, white papers, books and conference sessions.

<u>NOTABLE 2015 SURVEY FINDINGS</u>

IT Budgets and Spending:

Forty-seven percent (47%) of the IT executives who responded to the 2015 survey stated that their local government **IT department budgets** will *remain the same* over the next year. Forty-four percent (44%) responded that their department budgets will *increase* and nine percent (9%) reported that their budgets will *decrease*. In the table below, we compare the 2015 data with 2014 and in 2013 survey data.

IT Department Budget	2015 Survey	2014 Survey	2013 Survey
Remain the same	47%	56%	59%
Increase	44%	29%	30%
Decrease	9%	15%	11%

Regarding **IT staff travel and education** budgets, seventy-four percent (74%) of survey participants responded that these budgets (for attending conferences and seminars) will *remain the same*. Fifteen percent (15%) responded that travel and education budgets will *increase* and eleven percent (11%) responded that travel and education budgets will *decrease*. In the table below, we compare the 2015 data with 2014 and in 2013 survey data.

IT Staff Travel and Education Budget	2015 Survey	2014 Survey	2013 Survey
Remain the same	74%	69%	63%
Increase	15%	11%	14%
Decrease	11%	20%	23%

Seventy-six percent (76%) of survey participants responded that their **staff development and training** budgets will *remain the same*, while fourteen percent (14%) stated these budgets will *increase* and ten percent (10%) stated theses budgets will *decrease.* In the table below, we compare the 2015 data with 2014 and in 2013 survey data.

IT Staff Development and Training Budget	2015 Survey	2014 Survey	2013 Survey
Remain the same	76%	66%	6%
Increase	14%	14%	15%
Decrease	10%	19%	19%

When asked "**How do leaders in your government look at your IT agency/department when it comes to budget cuts?**", sixty-three percent (63%) of survey participants responded that the IT department is seen as an investment for saving money in other business areas (*down* from sixty-seven percent (67%) in PTI's 2014 survey). Thirty-seven percent (37%) of survey participants responded that the IT department is seen as a target for cuts (*up* from thirty-three percent (33%) in the 2014 survey).

Answer Options	2015 Survey	2014 Survey
Investment for saving money in other business areas	63%	67%
Target for cuts	37%	33%

The table below reflects responses to the question "**Considering the recent history of budget cuts, what do you consider the current level of spending to be in key IT infrastructure areas?**"

Answer Options	Very inadequate	Inadequate	Adequate	More than adequate
Architectural planning and systems design	11%	34%	53%	2%
In-house IT staffing	20%	43%	35%	2%
Contractual staffing	10%	25%	63%	3%
Solicitation development	10%	26%	58%	5%
Data center facility	7%	27%	61%	5%
Information security	14%	41%	44%	1%
Desktop/laptop PCs	3%	10%	77%	10%
Printing/imaging equipment	4%	7%	78%	11%
Wired LAN/WAN infrastructure	4%	17%	72%	7%
Wireless LAN/WAN infrastructure	7%	24%	63%	5%
IT support/call center	10%	31%	55%	4%

There are notable increases in the *very inadequate* category when comparing the data above to our 2014 data. Not surprising, one of the biggest jumps between the 2015 and 2014 data surrounded cyber and physical security. Very few jurisdictions believe they have sufficient resources to adequately address cyber and physical security, yet this operational issue continues to rank as the number one priority among local government officials, across the enterprise, in multiple 2014-2015 PTI surveys.

Big Data:

The following list outlines how our survey participants addressed the following question: "**How much value does "Big Data" have for local government operations**?"

- Thirty-nine percent (39%) of our survey participants responded that they cannot tell just yet how important Big Data will be (*down* from forty-four (44%) in 2014 and *down* from fifty-nine percent (59%) in 2013).
- Thirty–one percent (31%) of our survey participants responded that Big Data will become increasingly important (*up* from twenty-seven percent (27%) in 2014 and eighteen percent (18%) in 2013).

- Seven percent (7%) of our survey participants responded Big Data is all hype (*down* from eight percent (8%) in 2014 and *up* from one percent (1%) in 2013).
- Twelve percent (12%) of our survey participants responded that there may be something to Big Data (*up* from eleven percent (11%) in 2014 and *up* from two percent (2%) in 2013).
- Ten percent (10%) of our survey participants responded Big Data is a valuable part of the operational strategy (*up* from nine percent (9%) in 2014 and *up* from three percent (3%) in 2013).

In the table below, we compare the 2015 data with 2014 and in 2013 survey data.

Answer Options	2015 Survey	2014 Survey	2013 Survey
Cannot tell just yet how important Big Data will be	39%	44%	59%
Big Data will become increasingly important	31%	27%	18%
Big Data is hype	7%	8%	1%
There may be something to Big Data	12%	11%	2%
Big Data is a valuable operational strategy	10%	9%	3%

PTI surmises that more and more jurisdictions are recognizing the value of data and are using more data to drive key decision-making.

Strategies for Becoming a Smart City or County

For those IT executives who **have begun thinking about or developing an IT strategy for becoming a smart city/county**, respondents were asked to check all the components that applied to their situation.

- A roadmap that communicates the IT vision for a smart city/county (sixty percent (60%) in 2015, *down* from sixty-three percent (63%) in 2014).
- An accountable IT leader who will champion the operational and strategic implementation (fifty percent (50%) in 2015, *up* from forty-five (45%) in 2014).

- Shifting the view of data management from the agency to the city-/county-wide level (thirty-three percent (33%) in 2015, *down* from forty-one (41%) in 2014).
- An IT governance structure that enables interagency and inter-jurisdictional information sharing (fifty-seven percent (57%) in 2015, *down* from sixty-four percent (64%) in 2014).
- Incorporating the smart city/county standards and guidelines into project and portfolio evaluation (thirty-one percent (31%) in 2015, *down* from thirty-six percent (36%) in 2014).

*Special Note: In 2014 PTI published **Smarter Cities for a Bright Sustainable Future: A Global Perspective**. This book was published to introduce officials to case studies about how local governments have developed strategies, programs, and initiatives to become smarter cities and counties. Ordering information is available at www.pti.org.*

New for 2015: Cloud Adoption

The table below reflects the responses to the question "**How integral is the cloud to your operations in the following areas?** (Respondents selected the following levels of importance for each area).

Answer Options	Very important	Somewhat important	Not very important	Not important at all	Don't know
Application delivery	26%	38%	17%	18%	1%
Platform services	15%	32%	25%	27%	1%
Storage capacity	15%	35%	25%	24%	1%
Security tools	17%	36%	24%	22%	1%
Disaster recovery/COOP	27%	42%	16%	15%	0%
Total replacement of on-premises data center	8%	17%	30%	42%	3%

With all the stated advantages and guarantees, there still remains certain unease when one considers all the possible "what-ifs" with cloud adoption. That is especially true given all the increased threats to our nation's technology infrastructure. This is where the "hybrid cloud" can make the most sense. In a hybrid cloud, an organization may manage some applications in-house and some externally in a private cloud, or it could be a series of clouds coupled with internally managed systems. In some cases, a hybrid cloud might provide a lot of added security through redundancy.

IT Operations and Staffing

The table below reflects the following responses to the question "**Rate your level of satisfaction in being able to attract and hire staff in the following fields**":

Answer Options	Not sure/Not applicable	Very dissatisfied	Dissatisfied	Satisfied	Very satisfied
Senior leadership/deputies	32%	12%	22%	31%	3%
Managers	26%	11%	25%	35%	2%
Architects/system designers	31%	15%	28%	24%	2%
Network administrators	14%	18%	23%	43%	2%
Security and risk assurance	26%	21%	29%	23%	1%
Developers and programmers	33%	14%	26%	25%	2%

The table below reflects the responses to the question: **"Rate your level of concern regarding the potential to lose significant in-house staffing in the following ways over the next year."**

Answer Options	Not sure/Not applicable	Very low	Low	Average	High	Very High
Hiring away of staff by private-sector employers	6%	15%	20%	23%	28%	8%
Hiring away of staff by other public-sector employers	5%	15%	25%	31%	18%	6%
Retirement of staff	9%	28%	15%	23%	15%	10%
Staff quitting	5%	25%	31%	24%	10%	5%
Eliminating positions due to budget cuts	7%	39%	28%	15%	7%	4%

There may be new opportunities with the large numbers of retiring employees from all levels of government to create schemes such as part-time or shared positions to keep the retiring experienced IT manager and the knowledge base within your department.

Vendor Relations

The table below reflects the responses to the question: "**In general, what is your overall satisfaction level with the community of technology vendors that currently serve the local government marketplace?"**

Answer Options	2015 Survey	2014 Survey
Very satisfied	23%	20%
Satisfied	69%	68%
Dissatisfied	8%	12%

TABULATED 2015 SURVEY RESULTS

Question: Approximately what percent of your city or county's annual revenue is spent on information technology across the enterprise?

Answer Options	Response Percent
1% or less	43%
2%	29%
3%	15%
4%	5%
5% or more	8%

Question: Considering the current economic conditions, how do you expect the following will be impacted over the next year?

Answer Options	Decrease	Stay the Same	Increase
Your Overall IT Agency/Department Budget	10%	47%	43%
IT Staff Travel and Education Budget (attend conferences, seminars)	11%	74%	15%
Staff Development and Training Budget	10%	76%	14%

Question: How do key leaders in your government look at your IT agency/department when it comes to budget cuts?

Answer Options	Response Percent
Mostly as a target for cuts	37%
Mostly as an investment for saving money in other business areas	63%

Question: Have you begun thinking about how IT can facilitate a "smart city/county" strategy for your jurisdiction?

Answer Options	Response Percent
No, but I should	24%
Yes, we are just beginning	47%
Yes, we are well along in our strategy development	14%
No, it's not relevant to my jurisdiction	15%

Question: If you have begun thinking about or developing an IT strategy for a smart city/county, which of the following components have you considered? (Check all that apply.)

Answer Options	Response Percent
A roadmap that communicates the IT vision for a smart city/county	60%
An accountable IT leader who will champion the operational and strategic implementation	50%
Shifting the view of data management from the agency to the city-/county-wide level	33%
An IT governance structure that enables interagency and inter-jurisdictional information sharing	57%
Incorporating the smart city/county standards and guidelines into project and portfolio evaluation	31%

Question: How much value does "Big Data" have for local government operations?

Answer Options	Response Percent
It's all hype	7%
There might be something to it	12%
Can't tell just yet	39%
It will become increasingly important	31%
It's a valuable part of the operational strategy	10%

Question: How integral is the cloud to your operations in the following areas?

Answer Options	Very important	Somewhat important	Not very important	Not important at all	Don't know
Application delivery	26%	38%	17%	18%	1%
Platform services	15%	32%	25%	27%	1%
Storage capacity	15%	35%	25%	24%	1%
Security tools	17%	36%	24%	22%	1%
Disaster recovery/COOP	27%	42%	16%	15%	0%
Total replacement of on-premises data center	8%	17%	30%	42%	3%

Question: Considering the recent history of budget cuts, what do you consider the current level of spending to be in key IT infrastructure areas?

Answer Options	Very inadequate	Inadequate	Adequate	More than adequate
Architectural planning and systems design	11%	34%	53%	2%
In-house IT staffing	20%	43%	35%	2%
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Wireless LAN/WAN infrastructure	7%	24%	63%	5%
IT support/call center	10%	31%	55%	4%

Question: In the following operational areas (functions or departments), how would you rate the potential for using IT to produce operational savings in your local government?

Answer Options	Not sure/not applicable	Very low	Low	Average	High	Very high
Police/Sheriff	7%	4%	6%	27%	44%	12%
Emergency Management	9%	8%	8%	30%	37%	8%
Education	44%	3%	6%	24%	20%	3%
Transportation/Streets	11%	5%	16%	33%	27%	8%
Public Health	38%	3%	7%	27%	22%	3%
Waste/Sanitation	23%	5%	12%	32%	23%	5%
Parks and Recreation	12%	4%	10%	41%	30%	3%
Libraries	36%	3%	6%	23%	27%	5%

Question: Rate your level of concern regarding the potential to lose significant in-house staffing in the following ways over the next year.

Answer Options	Not sure/Not applicable	Very low	Low	Average	High	Very High
Hiring away of staff by private-sector employers	6%	15%	20%	23%	28%	8%
Hiring away of staff by other public-sector employers	5%	15%	25%	31%	18%	6%
Retirement of staff	9%	28%	15%	23%	15%	10%
Staff quitting	5%	25%	31%	24%	10%	5%
Eliminating positions due to budget cuts	7%	39%	28%	15%	7%	4%

Question: Rate your level of satisfaction in being able to attract and hire staff in the following fields:

Answer Options	Not sure/Not applicable	Very dissatisfied	Dissatisfied	Satisfied	Very satisfied
Senior leadership/deputies	32%	12%	22%	31%	3%
Managers	26%	11%	25%	35%	2%
Architects/system designers	31%	15%	28%	24%	2%
Network administrators	14%	18%	23%	43%	2%
Security and risk assurance	26%	21%	29%	23%	1%
Developers and programmers	33%	14%	26%	25%	2%

Question: Vendor Relations: In general, what is your overall satisfaction level with the community of technology vendors that currently serve the local government marketplace?

Answer Options	Response Percent
Very satisfied	23%
Satisfied	69%
Dissatisfied	8%

Question: In general, what level of understanding does the vendor community have regarding the specific needs of your local government or IT agency?

Answer Options	Response Percent
High level of understanding	18%
Adequate level of understanding	70%
Low level of understanding	12%

Question: In general, how has the post-recession economy affected the overall level of competition for your IT procurement opportunities?

Answer Options	Response Percent
Significant increase in competition	9%
Some increase in competition	45%
No change	39%
Some decrease in competition	6%
Significant decrease in competition	1%

Question: When it comes to procuring IT goods and services, do you generally award your business to what you consider be to the best value or lowest priced bidder?

Answer Options	Response Percent
Best value	46%
Lowest price	6%
It depends on the type of solicitation	45%
Not sure/Don't know	0%
Additional comments:	3%

About PTI

Created by and for cities and counties, the not-for-profit Public Technology Institute promotes innovation and collaboration for thought-leaders in government, and advances the use of technology to improve the management and delivery of services to the citizen. www.pti.org.

About Deltek

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