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HOW TECHNOLOGY IS SUPPORTING STABILIZATION AND GROWTH IN DETROIT

In the high-profile bankruptcy of Detroit, tensions can run high as different stakeholders have their own views on how best to lift the city out of its financial crisis and improve quality of life. One area where all of those stakeholders agree, however, is the need for the City of Detroit to improve its information technology infrastructure so that the City can better track and collect its funds, operate more efficiently, and deliver more effective and timely public services. There have been positive developments already, and the City's leadership is poised to bring Detroit's systems and information up to meet contemporary standards and resident expectations.

The Importance of Technology Leadership

Detroit's information technology (IT) needs have been acknowledged as crucial to its stabilization from the outset of the emergency management period. In the Financial Stability Agreement signed by the Mayor of Detroit, City Council, Governor of Michigan, and financial review team on April 5, 2012, there was agreement on support for essential IT projects like the integration of budgeting, accounting, and financial reporting systems, as well as the implementation of a new grants management system. Improvement of information technology systems is also a pillar of the Plan of Adjustment (POA)—the planning document that, when finalized, will serve as the City's fiscal roadmap out of bankruptcy. Early versions of the POA note the urgent need for upgrading infrastructure and software in nearly all City departments, and calls for nearly $150 million in IT investment over the next ten years.

Detroit is taking its IT recovery seriously. In February 2014, the City hired its first CIO, Beth Niblock, who previously served as CIO of Louisville, KY (named top "Digital City" in 2011 and 2012 by the Center for Digital Government).

Even before Ms. Niblock's arrival, Detroit had begun to lay the groundwork for sound decision making and planning for its IT projects. In 2013, the City's Information Technology Services Director Chuck Dodd worked with City stakeholders to establish the Technology Management Office and an ITS Steering Committee. These centralized bodies were developed to review acquisition proposals from departments, including business case details, and ensure that enacted projects align with the City's technology priorities, policies, and standards.

Cloud-Based Technology Solutions

Cloud-based elements are certainly part of Detroit's future IT state. The City has already procured a cloud-based grants management system to meet its urgent grant tracking and reporting needs, a solution that will also provide

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insight into additional funding opportunities that align with local priorities. A sophisticated public website, open data portal, and engaging mobile applications that benefited Louisville are all things that would benefit Detroit, and work in this direction has begun. While striving to inspire confidence in the public with innovative connections to local government, the IT Department must also concentrate on its software infrastructure across administrative, finance, and public safety functions, as well as system fundamentals like hardware upgrades, data center back-up, and document management. Some of these priorities lend themselves more easily to cloud-based solutions than others.

With remote hosting and data storage, cloud-based software solutions can be attractive to a city in financial straits like Detroit because they require minimal technical and human resources. These cost and effort considerations are certainly important, but there are business case components that play a factor as well. With local administration in such dramatic transition, the City can contractually obligate cloud-based vendors to mitigate risks like data security and system access. High-quality and readily available customer service is another important element as training needs throughout the City are high, and vendors that can provide that support can add value.

Along with these advantages, the cloud brings some challenges that Detroit will have to address as it modernizes. Sensitive and/or private information is part of any city's data portfolio, and precautions must be taken to protect that data. In Detroit, where so many systems are in flux, it is essential that any vendor with data storage responsibilities have the ability to provide that data in an transferable format in case related systems change and reintegration is needed. Also, because the City's boilerplate contract language was not developed with SaaS-type vendors in mind, the standard terms and conditions don't always translate to that type of service, and require additional attention in procurement.

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Takeaways for Other Local Governments

Detroit is a carefully watched crucible for municipal turnaround strategies, but how are the information technology strategies from Detroit relevant to other cities across the nation? Detroit provides a unique glimpse into change management —driven by technology—under extraordinary circumstances. Here are some practical takeaways from Detroit that are relevant to other local governments:

1. **Strong Leadership –** Technology is being used to redesign services and how they are delivered to internal stakeholders and communities. Strong leadership is critical to avoid poor implementation of technology and loss of community confidence. Finding the right leader(s) to execute an efficient and effective plan is critical.

2. **Open Information –** Communities seeking information from public portals expect clean, reliable, and accessible data, so the technology being used should support this end. Today's technology options require smaller initial outlays while delivering reliability and requiring virtually no internal resources to maintain. Look for technology from providers with a history of success and experience implementing their technologies in local government environments.

3. **Immediate Impact –** The self-contained nature of cloud-based solutions can be attractive in crisis environments because they do not require the same human or technical capital to run or implement. Though Detroit's situation is unique, human and technical resource constraints are common challenges for all local governments. Cloud-based solutions are easy to implement and learn, and often include strong vendor support that reduces the burden on local government IT resources.

4. Procurement – Local governments with limited resources find cloud applications attractive, but most do not anticipate the contracting challenges that may arise when dealing with a cloud provider. Developing contemporary boilerplate terms and conditions that are relevant to cloud-based solutions can be a timesaver in the long run and help you significantly decrease implementation timelines. Oftentimes legal departments are unfamiliar with the subscription-based model of cloud-based technology and their contracts, which can delay project timelines by months.

What's Ahead

With new IT leadership and a citywide commitment to reform, Detroit is building a strong IT foundation and incorporating innovative strategies, all at an accelerated pace and a tight budget. The IT planning, stabilization, and innovation carried out today will help shape the Detroit of tomorrow. As the City's restructuring unfolds in the courts and on the ground, local governments can expect more practical takeaways as we learn more about Detroit's priority setting and decision making at this critical moment in the City's history.

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eCivis is the leading cloud-based grants management system in the nation for state, local, and tribal governments. Our innovative solutions address both programmatic and fiscal grant funding requirements throughout the grant lifecycle, helping clients easily overcome the challenges and heavy workload that come with finding and managing grants.

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