Cultivating Lasting Transformation:
A Go-Forward Plan for Modernizing Government Service Delivery

Two years' worth of transformation in just two months. That's how one technology executive described the changes most organizations experienced during the early stages of the pandemic.[1] This was especially true in the public sector, as long-awaited digital transformation seemed to happen overnight.

State and local governments have learned how to innovate during a time of crisis. Now, as they look forward and try to capitalize on their momentum, they must apply these lessons to deliver better, more equitable services long after the current public health crisis is over.

To determine the path forward, public officials and IT leaders recently convened for a *Government Technology* roundtable sponsored by KPMG, a leading professional services firm that works with governments to transform their operations and service delivery models and provide industry leading strategies for digital transformation. Panelists discussed the most effective strategies governments can implement to deliver a best-in-class experience that meets constituents' needs — all while adjusting to a new normal. Their thoughts provide insight into what modern government looks like today, and what it may look like in the years to come.

Navigating Disruption: How the Pandemic Transformed Government Service Delivery

Like many of their counterparts throughout the country, government officials who participated in the roundtable said their organizations underwent rapid system modernization and have integrated more virtual services into their operations.

One of KPMG's clients, a human services agency in Washington, D.C., adopted a mobile-first strategy and quickly rolled out an integrated eligibility and enrollment system for its social service programs. This new system replaced many of the traditional in-person services that required constituents to stand in line, provide paper-based documentation and correct application errors in the agency's service center, said Arthur Higbee, managing director for KPMG's transformation delivery service business.

Elsewhere, another state's public hospital system launched virtual visitations and virtual physician meetings. One of the state's health and human services agencies also transitioned from a primarily on-site, paper-based environment where most applications were on premises to a fully remote and mobile work environment.

"[The pandemic] has necessitated some pretty creative solutions to overcome the ability to physically be with people. ... It has had a huge positive impact because it's led to some implementations of systems that will be useful from here on out," said Paul Whitchurch, deputy chief information officer (CIO) for the Virginia Department of Behavioral Health and Developmental Services.

Many agencies have become more experience-driven by implementing digital tools to enable their workforce to serve constituents from anywhere. However, the challenge — and opportunity — for state and local governments will be building on these lessons to make lasting changes that reshape service delivery for the better.

Developing a Go-Forward Strategy for Government Modernization: Challenges and Opportunities

Several operations and technology strategies can help state and local governments modernize, according to the panelists:

Implement business process improvements

Modernization will require organizational transformation not just for legacy systems, but legacy processes. Suresh Soundararajan, CIO at the Virginia Department of Health, said agencies need to start thinking and collaborating differently to maximize their resources.

"Most of our organizations are not organized. We are sometimes too vertical, which limits us in a lot of ways. We have to start thinking about how to be horizontal — think about services, structure ourselves and say, 'One is going to cross hands with the other,'" Soundararajan said. "If we clean up some of our internal processes, citizen services are going to get better."

Focus on budget, cost control and IT management

Nick Lombardi, the assistant CIO for the Massachusetts Rehabilitation Commission, said a key issue for agencies is that federal stimulus funding only focused on technology implementation and not ongoing maintenance. Agencies

will have to figure out how to maintain the technology they implemented during the pandemic, from both a cost and resource capacity perspective.

Christina Melton, director of experience design and transformation delivery at KPMG, said that focusing on incremental change, upskilling their workforces and implementing automation will help state and local governments stretch their budget dollars. She added that design thinking can help governments implement a more human-centered, constituent-first approach as they decide what tools to implement and which service delivery challenges to tackle first.

"It's not just about the [one] change — it's about the entire transformation," Melton said.

Embrace a platform approach

Several officials said their agencies would incorporate a platform approach to maximize value and streamline IT management.

Platform-based services and technologies can help agencies tackle increased data complexity, centralize IT management and increase visibility into their IT environment by connecting multiple applications in one place. This will also help agencies increase their agility and flexibility and more easily upgrade systems and applications.

Rethink in-person

According to Higbee, the pivotal question for agencies going forward will be, "Does this need to be in-person?"

Inflexible legacy technologies and entrenched internal policies are no longer justifiable reasons to compel workers back into the office, many of the panelists said, especially when employees now have digital tools to effectively serve constituents from anywhere.

"We need to have a very good reason to bring people in person now. We didn't need that before," Higbee said.

Think security first

The regulatory landscape has become more stringent and privacy-focused. Constituents are also more concerned about use of their data, so agencies will need to balance digitization with data privacy and ensure they have comprehensive governance policies in place.

Their security strategy should be multi-layered and flexible enough to evolve as the threat landscape changes. This will likely entail implementing security automation and real-time threat detection and intelligence tools, robust employee cybersecurity training, and artificial intelligence-driven incident response and disaster recovery systems to mitigate the impact of a breach.

Lean on strategic partners

Some officials said their organizations have established more collaborative relationships with technology and consulting partners and have leaned on them for training, to expand their team's skill set, and improve data and digital literacy within their organizations.

Soundararajan said this support can also help agencies build a culture of innovation and attract workers who are interested in public service but also want to work for forward-thinking organizations.

Foster stronger IT leadership and collaboration

IT will serve as the catalyst for transformation within government, but these teams can't enact change on their own. Greater collaboration between IT and the entire enterprise will be imperative to help governments modernize their service delivery model.

Along with harnessing design thinking and human-centered design, agencies should also consider implementing a development security operations approach (DevSecOps) to integrate security into every stage of the development life cycle and create a framework that allows IT and security teams to work more effectively together. Joint innovation task forces or regular cross-functional team meetings can also nurture more collaboration between technical, business and operational teams and ensure everyone is working in tandem to achieve the organization's strategic goals.

Revamp your talent strategy

Sourcing talent will continue to be a challenge for state and local governments. Therefore, they will need to be flexible in how they determine the requirements and credentials for different roles.

Melton said they should consider looking for people who can learn quickly and have diverse skills that are applicable to a variety of positions within their organizations. For example, soft skills like critical thinking, analysis, problem solving, empathy and the ability to effectively communicate are transferable across different roles within government.

Paving the Way for Modern Government

Despite some initial bumps, agencies have proven they can remain resilient during an unprecedented crisis. However, the question will be how they can accelerate transformation in a way that's sustainable.

David Whitham, assistant CIO for Health and Eligibility and Massachusetts Medicaid at the Massachusetts Executive Office of Health and Human Services, said although state and local governments have faced disruption head on, they don't necessarily have to transform into disruptive organizations to improve constituent services. Rather, one of the most innovative things governments can do is deliver a consistent experience.

"We always have to be careful about being disruptive on the government side because our job is not to be disruptive — our job is to be expected," Whitham said. "Perhaps we become too predictable when we become bureaucratic, but our goal is to make the changes in a thoughtful and meaningful way. That balance between speed and assurance is going to be interesting over the coming years."

This piece was written and produced by the Center for Digital Government Content Studio, with information and input from KPMG.

[1] https://www.microsoft.com/en-us/microsoft-365/blog/2020/04/30/2-years-digital-transformation-2-months/

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