STEALING A PAGE FROM THE PRIVATE SECTOR DIGITAL PLAYBOOK
In your own life, how often do you visit brick-and-mortar institutions compared to a decade ago? We make deposits and withdraw funds, but not necessarily at the bank. We shop, but not always at the mall. We watch live sports, but they may be on a smartphone instead of a television. Yet while the rest of our lives become digital, we still stand in line at the local DMV to register our cars and renew our driver’s licenses. Nearly all routine government transactions could be done digitally — they just aren’t yet.

But citizens’ digital expectations have been shaped by their experiences with the likes of Apple, Google, Zappos and Amazon. In a digital world, these companies strive to delight their customers with convenient, intuitive and personalized experiences. With the competition just one click away, customer satisfaction has become a strategic imperative. Fueled by this powerful incentive, the standard for digital customer service will continue to rise exponentially.

Yet the digital experience on government websites is inconsistent. While there are pockets of excellence, the end-to-end service experience is often cumbersome, reflecting the underlying federated structures of public agencies and their IT infrastructures. Agencies may no longer measure response times in weeks or months, but non-routine transactions can still take hours or days to complete.

That’s not good enough. Citizens expect government to provide digital services that are the same or better than those offered by commercial banks, online retailers and social platforms. That puts government in rarefied compa-
ny, where it must keep pace with the world’s digital innovators and leaders. And too often, government services miss the mark.

Closing the gap demands that governments become truly digital-first organizations. This doesn’t mean government should run like a business. Rather, we suggest combining the public sector’s unique mission with private sector discipline and digital strategies.

If digital transformation seems like a daunting proposition, there are three good reasons for optimism: (1) digital-first strategies are well suited to a “start small” approach — governments can make progress quickly with highly impactful digital initiatives and a modest outlay; (2) private sector digital playbooks are surprisingly adaptable to government — by leveraging this cheat sheet, governments can progress with confidence and avoid early adopter pitfalls (it’s like having the answers to the test); and (3) governments are uniquely positioned to enlist the help of public and civic-minded organizations in a joined-up effort to improve public services — the potential for “crowdsourcing” help is only just beginning to be realized.

PUBLIC AND PRIVATE SECTORS AREN’T SO DIFFERENT WHEN IT COMES TO DIGITAL

Businesses and governments share many of the same challenges in their drive to become digital organizations: federated departmental structures with discrete functions, department heads with a high degree of autonomy, islands of data and technology, a fragmented view of the customer and a lack of clear accountability for the end-to-end service experience.

But one advantage the private sector has is a head start. Many businesses began the shift toward digital a few years earlier than their government counterparts. Therefore, they’ve solved some of the same challenges governments will face, and their experiences provide a starting point for action-oriented government leaders. Private sector best practices for digital transformation offer insight to public officials on:

• How to organize to deliver effective digital services
• How to better share data across the organization
• How to empower workforces with better insights
• How to grow talent to fuel digital transformation

DOT.COM EXPECTATIONS

73% of citizens say better digital services would improve their satisfaction with government.

69% of citizens say better digital services would improve their willingness to engage with government.

58% of citizens say they’re satisfied with government digital services.

Source: 2016 Accenture Public Services Digital Pulse Survey

DOT.GOV REALITIES

82% of counties plan to introduce or upgrade customer relationship management systems.

50% of state and local IT leaders prioritize improving service delivery.

32% of states rank portals and eGovernment among their top 5 priorities.

Sources: 2015 Center for Digital Government Digital Counties and States Surveys and Public CIO Survey
PROGRESSION OF GOVERNMENT MODERNIZATION

State and local government has been a laboratory for experimentation and innovation, and for figuring out how to more effectively conduct the public’s business. e.Republic Labs, part of the company that owns Government Technology, serves to chronicle and catalyze this public sector innovation. The graphic below shows the progression of government modernization over the decades.

Source: e.Republic Labs 2014
Reverse-Engineering Private Sector Successes

IN HIS BOOK, *Where Good Ideas Come From*, Steven Johnson proclaimed that most innovation was not accomplished through eureka moments, but rather through the discovery of new or adjacent possibilities for existing ideas. There is no better place to see this practice in action than the public sector. Everything from virtualized infrastructure to mobile applications have found an adjacent possible in government. Where are these new practices originating? The private sector. In this section, we will look to the private sector to identify digital innovation plays that can be adapted for government.
devices are revolutionizing workplace computing, with more employees using laptops, tablets and smartphones instead of traditional desktops. These devices provide a foundation for next-generation applications that can empower workers to be more productive and engaged.

**Play #3: Deliver one new powerful insight to solve a real business problem.** Use the latest analytics tools and platforms to generate a valuable insight that helps improve operational performance or citizen experience. Analytics technology has evolved considerably over the last five years and can be acquired as-a-service at any scale from one or two users to the whole enterprise. Deliver these analytics insights to your workforce in the field where they can take necessary actions immediately.

**Play #4: Leverage the power of the crowd.** A growing trend in the private sector is the use of crowdsourcing, which involves distributing work or tasks to an external audience. One of the most notable crowdsourcing examples is Wikipedia, which allows anyone to contribute or edit content on the largest collectively built online encyclopedia. Wikipedia has amassed more than 5 million English content pages with more than 800 new pages added each day from users all over the world at no cost. Many companies are leveraging this same model for feedback and user testing across their digital platforms. Sites such as UserTesting.com allow anyone to crowdsource their website user testing process and receive rapid feedback. Many government agencies are also moving in this direction. The 2015 Center for Digital Government (CDG) Digital States Survey found 94 percent of states leveraged user satisfaction surveys to inform their digital programs.
a digital agency while you build your internal team, and assemble your playbook from existing starting points such as the U.S. Digital Services Playbook.

Play #2: Create an analytics center of excellence. Centers of excellence (CoEs) are structures designed to diffuse best practices, research and support around a specific topic. Commercial organizations and an increasing number of governments have created analytics centers of excellence with the goal of solving real business problems with insights from data. Working with its business partners in the agency, the analytics CoE has the expertise and tools to merge data sets, analyze patterns and present insights through intuitive visual user interfaces.

Play #3: Create a DevOps team to develop and enhance digital apps quickly. Development and operations teams (DevOps) are commonplace within private sector companies as the execution arm of strategic visions or technology roadmaps. The DevOps team employs agile development methods and works closely with the digital studio and the analytics CoE.

DevOps teams vary in size and structure, but most formal teams have commonly defined roles. Following are the most common roles that exist in these teams in the public and private sectors:

- **Executive Sponsor** – The executive sponsor is traditionally a C-level position, typically the chief technology officer, involved to provide top-level sponsorship over digital experiments and serve as a communication bridge to other government executives.
- **Team Lead** – The team lead provides day-to-day leadership and overall vision for the DevOps team. Team leads are typically skilled in agile development and operations.
- **User Experience (UX) Lead** – The user experience lead designs and simplifies the user experience for all digital processes and workflows.
- **Technology Lead** – The technology lead diffuses technology knowledge to the rest of the group, and identifies the opportunities and limits of technology platforms to solve specific business problems.
- **Analytics Lead** – The analytics lead helps the digital team make decisions using data. Whether it’s a new program or overhaul of an existing service, the analytics lead provides valuable data that can be used as context in every digital team action.
- **Community Engagement Lead** – The community engagement lead constantly challenges the group and conducts user testing to build digital products and services around the needs of users.

DevOps teams can use automation and continuous integration to quickly and precisely release new features and functions to “live” environments via:

- Automation tools that coordinate agile releases into core product sets
- Check-in/check-out, version control and library services for source code
- Deployable containers of application functions
- Automated releases into “live” environments based on workflow for release approvals
- Automated rollback of releases, if needed
- Long-term archiving and retention of release and deployment history

Government Proof Point

The federal government takes advantage of crowdsourcing in the form of Challenge.gov. The open innovation portal exposes challenges within federal agencies and provides the public with the opportunity to help solve them. Anyone can participate regardless of their role or if they’re on a federal contract. Each challenge comes with a prize for the best proposed solution, which is often significantly cheaper than solutions submitted during a formal procurement process.

The federal government launched its own digital innovation team two years ago with the mission of “making the government’s digital services simple, effective and easier to use for the American people.” Dubbed 18F – a reference to the street address of the U.S. General Services Administration headquarters in Washington, D.C. – the team uses agile methodology, lean startup techniques and user-centric design to help federal government agencies transform services and processes. Among other things, 18F has helped retool technology procurement processes and partnered with the White House chief data scientist to build a platform to support the evolution of precision medicine.
EARLY BRIGHT SPOTS IN INNOVATION

ACROSS THE COUNTRY, government agencies are wrestling with new needs born from a society shifting from physical to digital. These bright spots take on many shapes and forms, but there are many worth taking note of as you begin your journey.

CIVIC INNOVATION
The public sector has adopted the private sector’s continuous drive for innovation — known as “civic innovation.” Today, there are approximately 27 dedicated chief innovation officers in government, and this number is increasing as many existing titles are gaining new, innovation-oriented focus areas. Many cities have also partnered with organizations such as Code for America to embed innovation and digital transformation within their offices.

PHILANTHROPIC NUDGES
Bloomberg Philanthropies is at the vanguard of philanthropic involvement in redesigning how government makes communities better for the people who live there. Bloomberg is unrivaled in terms of resources and reach, but philanthropic participation in civic innovation is growing at both the national and local levels.

GOVERNMENT PROOF POINT
The California Department of Social Services worked with Code for America to overhaul procurement of a new child welfare system. Instead of taking a traditional big-bang approach, the department will procure the massive system one piece at a time. The modular approach is designed to reduce the project’s risk and cost while delivering a more agile and effective solution.
For instance, the Governing Institute has partnered with the City Accelerator, a special initiative of Living Cities and funded through the Citi Foundation, to help cities improve the lives of their low-income residents. Participating cities were competitively chosen to create multi-city collaborations around three issue sets — alleviating poverty, improving citizen engagement and funding public infrastructure. You can follow the work of the Accelerator here.

The initial cohort of the City Accelerator was modeled after the work of the New Urban Mechanics (NUM). The NUM model emerged early in the civic innovation movement, bringing an entrepreneurial spirit to public problems and providing structure to the messy business of experimenting with new ways of doing things.

Boston launched the original urban mechanics shop in 2010; Philadelphia started its version two years later. A third office — a university-based collaborative in the Utah Valley — came online two years after that.

GROWTH OF ANALYTICS

Data sharing and analytics are key components to improving internal operations and customer services. Growing these disciplines has been a focus for public sector technology executives over the past several years.

The 2015 Digital Cities and Counties surveys, conducted annually by CDG, showed significant activity around analytics in local government. Seventy percent of city respondents and 54 percent of county respondents said they are either using or planning to use data analytics.

Another 2015 CDG survey of state, city and county government officials found 77 percent view data analytics as a way to improve decision-making or boost internal efficiency.

Government Proof Point

Chicago’s analytics platform uses data sets pulled from the city’s open data portal to predict which of the city’s 15,000 restaurants are most likely to expose patrons to foodborne illnesses. The information is provided to the Department of Public Health each morning and guides the efforts of the department’s 30-person inspection staff. Inspectors are now discovering critical health violations an average of seven days earlier.

Several government agencies have updated their Web portals and developed apps that incorporate analytics to provide citizens with a more personalized digital government experience. These efforts mimic private sector digital retailers that optimize the customer experience by serving customers via the device of their choosing and recognizing their habits. Early deployments are building a roadmap for others to follow.

Data analytics aren’t just improving citizen access to digital services, they’re making government services more effective and efficient. Although government analytics efforts are relatively new, states and localities are beginning to show results from their commitment to these initiatives.

Government Proof Point

Utah’s new analytics-based, mobile-first portal is designed to work equally well on any device, be it smartphone, tablet or traditional computer. The state employed analytics to ascertain how citizens used the portal and applied that data to reorganize it. The redesigned site has a ‘no-wrong-door’ approach, meaning the website will help citizens with all services, even if their request is not a state-level request.

“For us, the important aspect of analytics is all of the dirty details about who visits the site from what locations, on what devices,” Sarah Watts, general manager of Utah Interactive, the official eGovernment partner for Utah, told Government Technology. “What do they do on the site? Are they searching? What are they searching for? Did they find it? All of those analytics inform the design choices we make every year to try to further improve the site’s usability.”
"THINK BIG, start small, build scale" is a universal transformation mantra across private industry and public service. But things often unravel at the last stage. To build scale, you typically need to address broader institutional change and this requires enterprise-level leadership and strategies. Digital transformation is no exception.

There are three sustaining strategies that will provide the environment for your digital transformation to take root and accelerate:

- Enterprise information management
- Enterprise customer service management
- Multi-speed IT

ENTERPRISE INFORMATION MANAGEMENT

Simply put, government agencies will need to get better at sharing data. This will be crucial for both improving internal decision-making and transforming customer experience. Enterprise data sharing initiatives are taking shape in the public sector, often built around analytics efforts.

States such as Indiana and North Carolina have created analytics centers of excellence to house technical resources and work out the policies for enterprise-wide

ENTERPRISE DATA SHARING INITIATIVES ARE TAKING SHAPE IN THE PUBLIC SECTOR, OFTEN BUILT AROUND ANALYTICS EFFORTS.

A 2014 executive order from Indiana Gov. Mike Pence required state agencies to comply with data sharing requests from Indiana’s Management and Performance Hub (MPH), a collaboration of the governor’s office, budget office and IT department that runs the state’s analytics program. The governor’s order helped create a data sharing culture among state agencies. The MPH also hired a lawyer with experience in both technology and public policy to help alleviate data sharing concerns at the agency level.
Your EIM strategy should strive to:

1. Identify data sharing requirements based on prioritized business needs.
2. Assign data ownership and governance to key stakeholders.
3. Establish a data sharing culture and protocol, and provide the tools for codifying data sharing agreements, security requirements and standard data definitions.
4. Implement the tools and standards that will support data exchange, master data management and business intelligence/analytics across the organization.

**GOVERNMENT PROOF POINT**

Phaedra Chrousos, co-founder of several Web-based startup companies, became the first chief customer officer for the U.S. General Services Administration in late 2014. She’s charged with delivering a consistently high-quality experience across the massive federal agency’s diverse customer initiatives — ranging from procurement to IT projects to public building services. Chrousos says her core mission is using customer insights to craft operational strategies, services and policies. Her four-person team collaborates closely with agency leadership and uses a variety of methods — including conducting interviews and surveys, analyzing customer interaction data and holding focus groups — to benchmark progress and identify opportunities for future projects.

**ENTERPRISE CUSTOMER SERVICE MANAGEMENT**

Enterprise-level governance of the customer service experience is a relatively new consideration for government. But this concept — and creation of executive titles empowered to oversee all aspects of customer interaction — is more mature in private industry. Often it is the chief marketing officer who holds this responsibility, although a 2014 study conducted by the Chief Customer Officer Council found 22 percent of Fortune 100 companies had specifically identified chief customer officers or similarly titled executives.

Growth of these roles acknowledges the customer-centric nature of today’s society. Driven by the democratization of data and the leverage provided by social media platforms, customers have more influence over companies than ever before. Private sector chief customer officers are responsible for customer retention,
GOVERNMENT PROOF POINT

Minnesota will continue to run large, mission-critical systems and hire traditional IT talent to support them. But it’s also adopting hosted development platforms that let IT staff create a growing number of applications without writing traditional code or setting up servers.

The new approach is driving changes in the state’s IT workforce. “We’re looking for folks who may not have been trained in a technical space, but they have a real passion for the work they’re doing and they find themselves drawn into technology,” Tom Baden, Minnesota’s CIO, told Government Technology. “That’s an area where I’m seeing a real positive inflow into IT.”

Because these new IT employees are coming from state program areas such as health and human services, they have a deep understanding of end-user needs, potentially leading to more effective solutions. “Another part of this,” adds Baden, “is having really solid infrastructures, so the focus can be more on the solution set.”

satisfaction, loyalty and engagement, according to the CCO Council. Government may not have all of these goals, but the dynamic is similar. Public officials certainly are concerned with citizen engagement and satisfaction — and it’s becoming more important for governments to factor citizen insights, relationships and experiences into strategic decision-making. All of this is leading to the emergence of enterprise-level customer service officers in public agencies.

AN EFFECTIVE CUSTOMER SERVICE MANAGEMENT STRATEGY SHOULD:

1. Set the bar high and champion a citizen-centric approach that listens to the customer.

2. Codify your new standard for customer experience. This should be done more in terms of principles than specifics. This may lead to points of emphasis or aspirational goals such as, “We want to be best in class at answering citizen questions.”

3. Establish a governance model for customer service that extends to the point of service delivery. It should also establish the discipline of baselining, measuring and improving customer service over time.

4. Standardize and rationalize the tools and platforms that support customer service, understanding that a federated set of tools is often viable as long as a consistent view of customer service performance data is accessible.

MULTI-SPEED IT

To support the digital transformation, your government will need to get good at managing two tracks of technology: 1) the large, complex legacy operational systems that are slow to change; and 2) the nimble, agile “new IT” that supports digital applications.

Results from CDG’s most recent Digital Cities Survey indicate municipal leaders are implementing the multi-speed approach. Survey data shows almost equal attention on updating large, complex operational systems and conducting agile, app-focused IT. For example, 56 percent of cities reported already engaging in social, Web and portal composite applications, while 53 percent also are planning to upgrade or replace legacy applications in the next several years.

State and local agencies have increased their adoption of platform-based solutions such as Salesforce.com that streamline and standardize application development. This activity is helping governments develop and deploy services quicker. It’s also refocusing IT activities and viewpoints. Instead of concentrating on internal development, more IT staff resources are being pointed toward understanding and meeting user needs — whether those users are internal government business staff, or citizens and businesses. As a result, these services tend to increase user satisfaction.

A MULTI-SPEED IT STRATEGY SHOULD:

1. Enable rapid delivery of digital applications with frequent functional updates to users, and include agile delivery techniques that emphasize validation and iteration over documentation.

2. Allow new digital platforms to coexist alongside legacy systems by creating service-oriented interfaces that support the necessary connections and interactions.

3. Evaluate and select new digital platforms based on business needs and the future vision.

4. Provide a migration path for legacy systems, albeit at a slower pace than digital platforms.
Technology never stands still. Government organizations that deliver superior performance and customer experience will embrace these changes. Reality demands that IT leaders continue to get the most from existing systems. But they also must move in the right direction — harnessing new technologies and service-delivery models with each deployment, and always keeping the big picture in mind.

Citizens — conditioned by the digital experiences they receive from private industry — are demanding new levels of service. Yes, they expect government to nail the fundamentals, like the assurance of privacy and security, thoughtful organization of information and fast response to service requests, but they also place growing value on the integration of services with social media, single sign-on capability and personalization.

The tools and techniques are at hand to transform how government and citizens interact. Analytics can help public agencies anticipate demands on the public purse and optimize service delivery. Emerging chief customer officer positions are changing government perspectives on customer experience, while approaches such as multi-speed IT and internal design studios equip agencies to respond more quickly and creatively to evolving needs. We are at the threshold of what a number of players are calling the era of cognitive computing, where machines think and understand the same way we do. From these advances, coupled with our growing ability to tap the wisdom of crowds, we can expect new insights that challenge conventional wisdom.

The infrastructure and apps that support government service delivery will never be done, but the iteration available today provides a powerful platform for governing. Public officials and agencies have at their disposal the resources to create incredibly good experiences for citizens, businesses and public employees alike. That triple play has been described in technical language, in business language and in wonky policy language. But perhaps we can push all of that aside in favor of something approximating an Internet meme: Build it to scale and make ‘em smile.
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