Investing In Your Future:

7 leading practices to build the business case for modernization

State and local governments are undertaking significant modernization efforts, often driven by security and business continuity risks posed by old systems.

But even with a massive influx of federal funding and a pandemic that has highlighted the urgent need for digital transformation, governments will need to prioritize where to allocate finite resources. Whether it's integrating artificial intelligence-driven tools to support constituent self-service, developing business intelligence dashboards for more data-driven decision-making or purchasing security automation platforms to increase their resilience, governments must build the business case for modernization and formulate a strategic plan for how to execute their transformation.

Making the case for modernization is happening in different ways in different jurisdictions, according to government officials and IT leaders who participated in a recent *Government Technology* roundtable focused on modernization priorities in the public sector. Their insights demonstrate jurisdictions will have to approach modernization differently depending on their existing culture, IT architecture and resources — and quite frankly, how deeply their respective organizations are invested in making transformational change.

Still, the following leading practices can help state and local governments build buy-in for modernization, effectively execute their transformation strategy and advance their technology maturity.

1 / Identify your needs

State and local governments should start by identifying their organization's most pressing service-related and operational needs. Conducting a technology assessment, gathering input from department leaders, and seeking feedback from rank-and-file employees and constituents via online surveys are just some methods organizations can use to identify service and technology gaps and operational bottlenecks.

Rami Zakaria, Sacramento County's chief information officer (CIO), says at the beginning of every year his team assesses the county's major IT systems through the lenses of usability, whether they meet current security standards and customer needs. From there, Zakaria's team presents a technology improvement plan to the board of supervisors.

"It's built very much like the capital improvement plan that we do for buildings and for airports. Out of that, we come up with our major list of projects that need to be done," Zakaria says.

Other jurisdictions might consider starting with a similar technology assessment to pinpoint what changes they need to make to their IT infrastructure to achieve service delivery goals.

2 / Consider a risk-based approach

As part of their technology inventory, IT leaders should also consider employing a risk-based approach, where they assign a score to each application based on the security risk it poses and the maintenance costs associated with it.

The city of San Diego has adopted a risk-based approach. Jonathan Behnke, the city's CIO, says his team does an annual risk assessment in which it evaluates each application's cybersecurity risk and risk to the business in terms of disruption. The team then assigns risk scores to each application to guide its prioritization strategy. Behnke's team presents a confidential report to the city council that includes these scores, which allows leaders to get a better sense of the security and operational risks the city faces.

"We really feel the report to the city council helps city departments get visibility into our priorities and presents a holistic picture for our modernization goals in the city," Behnke says.

3 / Build leadership and organizational buy-in for change

As San Diego and Sacramento demonstrate, it's important to build a data-driven case for modernization to engage leadership at the outset.

IT leaders should also consider establishing regular planning meetings with cross-functional stakeholders to build deeper engagement and cultivate

greater executive support. This could take the form of steering committee meetings with leaders from different departments as well as a few rank-and-file employees who can provide insight into their day-to-day workflow and how technology might improve it.

Getting different groups involved from the beginning can help ensure the organization makes the right strategic investments.

4 / Create your modernization roadmap

As agencies work to develop their modernization roadmap, they should identify which specific types of technologies will be most impactful to achieve their modernization goals.

For example, integrated platforms, cloud-based collaboration tools for remote work, hybrid cloud architecture solutions and threat detection tools will likely be integral for any digital transformation effort. In many cases, organizations may need to start by moving certain IT assets and systems from on-premises environments to a cloud or hybrid cloud environment. This will create a strong IT foundation for modernization. Zacc Allen, CIO for the Virginia Department of Corrections, says his organization has embraced this approach.

"We're moving out of our on-prem data center and putting more things in the cloud, becoming cloud-ready and using microservices," he says.

As part of the modernization process, jurisdictions should also have a plan for addressing current technical debt. In San Diego, leaders are denying budget requests to support end-of-life systems to encourage agencies to replace old technology. In Texas, the legislature has enacted a bill that requires each state department to create a strategic plan for digital transformation and how they will use technology to drive automation and new efficiencies.

5 / Modernize procurement processes

New technologies demand modern procurement processes, so governments may have to revamp and accelerate their procurement processes to keep pace with modernization needs.

More organizations are adopting e-procurement systems to automate and bring more visibility to the procurement process and shorten purchasing cycles. These technologies can help agencies better manage procurement end-to-end, from issuing RFPs and payments to contract management and spend analysis. Adopting an e-procurement platform as part of a shared services model can also help states and localities optimize the procurement process across departments and ensure the organization is holistically moving in the same direction as far as digital enablement.

6 / Integrate security from the beginning

While many agencies will procure new solutions, in some cases they may create their own in-house applications using open-source technologies or low-code/no-code tools.

In these instances, it will be important for agencies to consider employing a development security operations (DevSecOps) approach. DevSecOps can bring IT and security teams together and help governments develop a holistic security plan for new technologies and technology integrations.

With this approach, agencies can ensure security is prioritized from the ideation and planning stages all the way through the design, implementation and change management stages. With greater collaboration, technology and security teams can also accelerate the development life cycle without increasing security risks, helping their organizations remain as nimble as possible as they continually build their digital capabilities.

7 / Execute your strategy

Strong IT governance, continuous improvement, and ongoing stakeholder and employee engagement will be critical as state and local governments execute their modernization strategy.

Governments should set KPIs to measure progress after technology implementation. Success metrics will vary by organization, but they may include things like a month-over-month increase in customer contacts with self-service portals or reducing call center wait times by 20% after implementing new virtual agent and chatbot solutions.

Organizations should also continually engage key stakeholders via quarterly (or more frequent) roadmap planning meetings and project status check-ins. In addition, they should regularly seek employee and constituent feedback about what's working and what's not.

"I still remember, two or maybe three years ago, talking about the never-digital folks — that we had to be so concerned about keeping those who will never be digital in the front of our mind — and how much that's changed," says John Hoffman, deputy state CIO at the Texas Department of Information Resources. "Now, we have to think about those who are 100% digital and who want everything to be online as a transaction with their government. We have to make sure we're focused on them, as well."

Ultimately, it's also crucial for governments to adopt a more agile approach to modernization. They must fail fast, test, learn and adapt throughout their modernization journey to ensure the technologies they've implemented continue to meet both constituents' needs and their own operational needs. As Zakaria of Sacramento County says, making this effort will pay dividends in the long run.

"Digital transformation is an endless journey," he says, "but it's very worthwhile because it looks at how we do business and how we can do business better."

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

Produced by: gt CENTER FOR DIGITAL GOVERNMENT

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