

A newly released Governing Institute/Accela survey shows that state and local government leaders want to expand digital services, and they're seeking faster and less expensive ways to roll them out.

Nearly half of respondents in the survey, which polled 150 government officials nationwide, called digital service delivery a "majory priority" and the preferred option when adopting new service delivery solutions. More than 70 percent also viewed Software-as-a-Sevice (SaaS) as an important strategy for reducing cost of new digital services and shortening delivery time.

## DIGITAL SERVICE DRIVERS

Four key forces are creating urgency around digital service transformation. Here are some drivers for change:

☑ CITIZEN EXPECTATIONS — Citizens interact with businesses and service providers online 24/7 and their expectations for government transactions are shaped by those digital experiences. Industry surveys have found that 85 percent of U.S. citizens have the same, or even greater, expectations of government services than they do of the private sector.¹ Citizens want to use their preferred digital devices and easily access data. To meet evolving expectations, agencies must constantly anticipate citizens' needs and quickly provide innovative digital solutions.

**EMPLOYEE PRODUCTIVITY AND ENGAGEMENT** — Gallup found that only 29 percent of 61,000 state and local government employees were actively engaged at work.<sup>2</sup> Using digital services to automate manual processes and eliminate paper-based workflows enables government workers to focus on more engaging tasks, while boosting productivity and innovation. These improvements ultimately impact job satisfaction, which helps state and local agencies attract and retain employees.

SPEED OF BUSINESS — To spur economic development and generate revenue, jurisdictions need to help developers and business owners launch their endeavors as quickly as possible. That means enabling 24/7 digital services that use automated workflows to streamline application and permitting processes and shorten turnaround times.

■ EMERGING MARKETS — Regulating new types of businesses — short-term rentals, legalized cannabis, ride-sharing and more — is a challenge that's impacting a growing number of communities. Agencies need automated, digital services that expedite licensing and

permitting to support and encourage growth of these businesses, and to meet citizen demand for the services they provide.

# GETTING STARTED WITH DIGITAL SERVICE TRANSFORMATION

To successfully implement digital services, it's critical for state and local agencies to gain support among leadership and users, and follow strategies that let them deploy quickly, iterate and improve. Consider following these best practices.

▼ RECRUIT AN EXECUTIVE CHAMPION — Make sure the executive leader who is endorsing an IT improvement understands the possibilities and requirements of digital service transformation and is prepared to drive the initiative. Identify and cultivate relationships with other forward-thinking leaders and build a coalition of peers who are change-makers in the organization.

■ DEVELOP A DIGITAL STRATEGY — Effective digital strategies align with community priorities, focus on governance, and include both IT and business-oriented staff. They also should incorporate new funding and procurement models that let jurisdictions take advantage of agile and Software-as-a-Service (SaaS)-based modernization approaches, such as moving technology expenses from capital budgets to operating budgets, and adopting more iterative models to purchase and deploy technology.

☑ ENGAGE CITIZENS AND FRONTLINE STAFF — To ensure adoption, solutions need to be user-focused. Early in the transformation process, engage customers and other stakeholders to understand their needs and challenges. Invite them to review early implementations and then fine-tune the solution to help ensure lasting success.

▼ UNDERSTAND GOALS AND EXAMINE PROCESSES — Beware of simply automating your existing manual processes. Examine workflows step-by-step to see what is actually required. Look at processes in the context of policy goals and desired outcomes versus prescribing exactly what the technology should do.

✓ **LEVERAGE EXISTING SOLUTIONS** — Explore ways to translate existing processes into new spheres. For instance, the City and County of Denver adapted existing business processes for licensing security guards to regulate short-term rentals.

SHIFT YOUR MINDSET FROM CUSTOMIZED TO PACKAGED SOLUTIONS — Custom solutions take months to develop, are extremely costly, and are hard to maintain and update over time.

### TOMORROW'S TECHNOLOGY TODAY: DENVER'S DIGITAL TRANSFORMATION

Software-as-a-Service (SaaS) is a significant component of state and local government strategies to implement digital services. In the Governing Institute/ Accela survey, 72 percent of respondents said SaaS is important for meeting their transformation goals. They cited increased efficiency, faster delivery of new services and improved customer service as top SaaS benefits.

The City and County of Denver used a SaaS strategy to launch digital services for permitting and licensing related to cannabis, short-term rentals and other emerging markets.

"We know how to regulate and license, but one of our challenges is giving customers the online experience they've come to expect. If it's not intuitive, if it doesn't meet their expectations, it's our experience that they're going to avoid the licensing," says Dominic Vaiana, deputy director of operations for Denver's Department of Excise and Licenses. "Working with [SaaS] partners that have the expertise to deliver that online environment is critical for ensuring that customers can make it through the permitting and licensing process."

Vaiana also points to other important SaaS benefits, such as cost savings, speed of deployment and reliability.

"We don't have unlimited budgets. Using an SaaS approach that's funded with operational dollars is more affordable than buying, managing and maintaining infrastructure in-house," he says. And using a pre-built SaaS solution that incorporates best practices enables the city to deliver new services quickly while eliminating errors and downtime related to developing solutions from scratch.

Today's SaaS solutions can provide scalability, security and compliance features that agencies struggle to implement on their own. And without the cost of managing and maintaining data center infrastructure, cities like Denver can focus more resources on innovation and finding better ways to serve customers.



Instead, look for off-the-shelf solutions that offer significant benefits in terms of deployment time, maintainability, total cost of ownership and built-in best practices.

▼ TEST AND FINE-TUNE EARLY — Make sure digital transactions — from the moment users log on to the moment they obtain a license or resolve an issue — are seamless and meet high-level expectations. Consider agile approaches that enable experimentation, iteration and continuous improvement your organization can adapt to evolving user needs and other changes.

▼ FOLLOW THE DATA — Automating and digitizing processes also provides an opportunity to improve data sharing across departments and jurisdictions. As you transform, consider how existing or newly collected data could be used to improve processes and services.

▼ INVEST IN YOUR STAFF — Train and reskill existing staff and revise job descriptions as needed to ensure workers can make the best use of digital services and meet all work requirements.

▼ JOIN INNOVATION PROGRAMS — Initiatives such as the Startup in Residence (STiR) program embed startup companies into local governments to help agencies tap into innovative ideas and technology expertise. These programs can help organizations "workshop" solutions and get quick wins.

## PROPELLING INNOVATION AND TRANSFORMATION

Citizens, employees and other stakeholders expect government agencies to provide modern digital services. At the same time, the technologies and business requirements around these services are evolving faster than ever.

Shifting from custom-built applications to off-the-shelf solutions and considering SaaS options can position agencies to thrive in this dynamic environment. They'll shorten deployment time, take advantage of best practices and cut costs by reducing the need for new IT hardware.

Movement in this direction is already underway. Respondents to the Governing Institute/Accela survey overwhelmingly view SaaS as important to meeting their digital service goals, and 46 percent said they are already adopting SaaS-based solutions.

Ultimately, this approach enables agencies to be less reactive and more proactive in meeting stakeholder demands — which translates to higher performing government and more satisfied citizens.

This paper was produced by the Governing Institute Content Studio, with input from Accela.

#### ENDNOTES

- 1. Citizen Satisfaction with Digital Government Services Doubles in Two Years, Accenture Report Shows. https://newsroom.accenture.com/news/citizen-satisfaction-with-digital-government-services-doubles-in-two-years-accenture-report-shows.htm
- 2. Gallup, Inc.. State of Local and State Government Workers' Engagement in the U.S. 2016.



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