



DIGITAL GOVERNANCE SERIES

Digital Transformation: 7 Leadership Strategies for Counties to Move Forward

Now is a critical time for rural counties to digitally transform how they do business. Counties have been automating labor intensive business processes for decades; think timesheets, payroll, and tax bills. However, digital transformation is not about simple automation of labor-intensive processes. It requires reevaluating how we deliver services, interact with our residents, and function as an organization; then leveraging innovative technology to make those deep organizational “transformational” changes.

The Need for Digital Transformation Now

The pandemic has forced and accelerated the need for local governments to reevaluate their citizen service-delivery models and backend business processes. This has propelled many digital transformations based on two main drivers.

First, residents’ growing demand for increased levels of services and the sophistication of those services. Residents receive this from all other sectors in their lives including online shopping, banking, recreation, education, and healthcare. They rightfully expect similar service and convenience levels from their local governments.

Second, is the county bottom line. County staff costs are typically the largest budget line item across our departments, and they increase annually. Counties simply cannot add staff to meet all the current citizen expectations and service level demands. Core service levels must be maintained, even when staffing levels are dramatically reduced, as has been experienced during the pandemic and other local emergencies like wildfires, earthquakes, and storms. This is an ongoing challenge as local governments across the nation are currently struggling to fill staffing positions due to increasing numbers of retirees and low unemployment rates.

Digital transformations can help to address both of these rural county challenges.

Digital Transformation Example in Counties

A good example of digital transformation is lobby management systems. These can be implemented wherever residents need to physically come into a county department’s public counter, take a number, and wait for service.

New lobby queue management platforms enable walk in residents to self-register at a kiosk and select the service they need. Constituents are then told the estimated wait time for when they will be called to the counter and be notified when it’s their turn. On the back end, the request is logged, tracked, and appropriate county staff are automatically notified.

Systems like these can even allow residents to schedule counter appointments from home, eliminating the dreaded lobby waiting time and uncertainty. When long counter wait times are occurring, residents can be

sent a text to their phone telling them when their turn is ready, allowing them to visit other departments and/or remain elsewhere while waiting. The email and text appointment reminders and confirmations associated with these systems, also help increase appearance rates.

Overall, transforming processes like this one free up valuable staff time, increase efficiency and improve customer experience. It also enables the capture of data and customer service metrics for the department to further improve their overall quality and efficiency, increasing service levels and lowering costs.

Rural counties have many dozens of areas where digital transformation can be pursued. A few include permitting, inspections, court scheduling, plan reviews, property assessments, safety-net services, public information requests, budgeting, boards and commissions, and performance management.

7 Ways County Leaders Can Drive Digital Transformation in Their Organizations

Whether you're a technology aficionado or not, digital transformation is required across counties and necessitates active county leadership and support to make it happen. Our citizens and budgets are demanding it. Strategies for county leaders to drive digital transformations across their organizations include:

- 1) **Implement an active Enterprise IT Governance structure.** An enterprise IT governance structure is a formal organizational framework that enables transparent and coordinated vetting of technology projects, investments, and business process changes. Effective IT governance has numerous other benefits as well.
- 2) **Promote a prudent level of risk-taking to drive innovation.** Transformation at any level is challenging, and staff must feel safe and have the permission to take risks. Only with measured risk-taking can true transformation be made.
- 3) **Take field trips** – virtually or onsite to learn from peer organizations. Local governments up and down California, as well as across the nation, have implemented innovative digital transformation projects. There is no need for a rural county to reinvent the wheel. County award programs from the California State Association of Counties (CSAC) and the National Association of Counties (NACo) hold a treasure-trove of examples.
- 4) **Stop evaluating technology projects on a singular Return-on-Investment basis.** The era of high transaction automation that shows clear full-time equivalent staff reduction savings is mostly completed and now behind us. While digital transformation can produce real cost savings, it is much more nuanced, encompassing meeting citizen expectations, service quality, service-level resiliency, employee satisfaction, incremental efficiencies, cyber risk mitigation, cost avoidance (e.g. not hiring more staff), and the larger organizational strategy.
- 5) **Start using data more strategically.** Former Hewlett-Packard (HP) CEO, Lew Platt, once famously said: "If HP knew what HP knows, we'd be three times more productive." Our county organizations have vast amounts of data. Start leveraging the data to drive better decisions and transformations. Counties are very good at counting "stuff"; we need to improve on analyzing the stuff we count, how we process it, its effective impact, and how satisfied our residents are with the "stuff."

- 6) **Create the space and give the permission required for change to occur.** The number one challenge county departments face when embarking on any digital transformation project is having the organizational capacity to pursue it. A project that potentially could increase customer service levels, operational effectiveness, and save significant staff hours annually may require 500 hours of staff labor over two months to implement. Our busy departments with heavy workloads, staff vacancies, and other challenges can find it almost impossible to make this upfront labor investment, no matter how exponentially large the potential benefits are. Department's need the permission to take a few things off the table or not add new items to the table while they pursue a transformation project. Creative short-term supplemental staffing solutions can add the required capacity too.

- 7) **Promote digital transformation as real leadership work and a priority.** With endless constituent demands and project work urgencies, government leadership and culture can default to a perspective that real work is processing the “widgets” in our queues. So, how do you drain the swamp when the alligators are biting at your ankles? There must be a balance between working “in the business” with “working on the business.” One size does not fit all situations, but many business experts place this at a healthy 80/20 ratio. Adequate on-going time and capacity needs to be prioritized and allocated for working on organizational health, effectiveness, performance, and transformation. Our counties are real businesses delivering a very wide variety of constituent services and need to be viewed in that perspective.

Digital transformation is much more impactful than simple process automation or reengineering efforts of the past. New affordable and easier to use technologies and services, many cloud-based, have enabled even the smallest, most budget strapped non-technology-oriented organizations to pursue and implement transformations. Pursuing the above strategies can enable our rural counties to meet many of our current citizen service demands and labor challenges. It requires deliberate intent and clear top-down prioritization by county leadership to make it happen. As author Karen Martin, said “When everything is a priority, nothing is a priority.”

AUTHOR



Steve Monaghan is Nevada County's Chief Information Officer (CIO) responsible for planning, organizing, and directing the county's overall information technology efforts and investments. His efforts have resulted in significant recognitions and awards for his leadership in the IT industry and, during his tenure, Nevada County has received numerous awards for technology leadership and excellence. In addition, Steve created the CSAC/CCISDA County Technology Executive Credential program, serves on the Advisory Board for the California State University, Chico Cybersecurity for Executives program, and serves as a member of RCRC's Broadband Advisory Committee. Find additional information about Steve here and connect with him directly at steve.monaghan@co.nevada.ca.us

