

The path home State Government Strategy and Operations



In unfamiliar territory, explorers face many decisions that can impact the duration and outcome of a journey. Operational transformation can present similar considerations for state government officials. Increasing public demand for service levels akin to the private sector, aging citizen populations, and rising healthcare costs are external forces to be reckoned with. At the same time, many state officials are dealing with funding shortages, issues associated with talent attraction and retention, and inconsistent statewide data sharing and technology integration.

Regardless of the government program, transformation is likely to involve doing more with less to help unlock value. Addressing this imperative means consolidating duplicative operations such as information technology, operations and infrastructure, procurement, human resources, finance, licensing, revenue collection, and other functions currently managed by multiple agencies, boards, or commissions. Equally important is evaluating current programs to determine if they achieve policy objectives and their federal or state statutory mandates. Government officials often understand these issues at a macro level, but developing strategies to address them and managing the details without on-demand, experienced resources may impede effective execution.



States can benefit from outside skills and experience to help carry out effective operational transformation.

Understanding, at a macro level, the issues surrounding transformation is one thing; devising strategies and detailed plans for addressing the issues is another thing entirely.

How we can help

The dedicated public sector specialists in Deloitte's State Government Strategy and Operations practice work with state officials to help develop and effectively implement a transformation roadmap. We understand mission-centric organizations and how to apply private-sector tactics where required to enable desired outcomes. Our multidisciplinary approach incorporates analytics, cost reduction, business model transformation, change management, communications, and process transformation. Our services include:

- Operating model review and redesign
- Performance improvement (program and back office)
- Cost reduction and strategic sourcing
- Revenue enhancement
- Agency and program consolidation and integration
- Shared services design and implementation
- Finance transformation
- Cost-benefit analysis

Potential bottom-line benefits

- Savings on addressable spend
- Shorter administrative and financial transaction processing times through improved service delivery models
- Improved citizen satisfaction
- Simplified business processes
- Enhanced financial controls
- New knowledge capture and transfer capabilities
- Streamlined regulatory compliance

Learn more

Overcoming the challenges state governments face today is a multifaceted, highly complex process. To learn more about how Deloitte can help, visit www.deloitte.com/us/stategovtstrategyoperations.

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Ways to get more value now

- **Understand the scope.** Many states face the demand for fundamental change rather than incremental adjustments to their business processes. Understanding and blueprinting the scope of transformation is vital to identifying the skills, tools, and other resources needed to undertake it.
- **Create a new performance management culture.** In an increasingly digital era, citizens can have very different and often higher expectations of government services. Transformation is an opportune time to change organizational culture to respond to those expectations and provide services in new and more responsive ways.
- **Acquire new skill sets.** Fundamental change often requires different skills, which many states may not have or don't have enough of. Additional people and/or training is foundational to enabling desired outcomes.
- **Undertake transformation in phases.** "Big bang" approaches to transformation rarely achieve expectations. A more effective approach is a phased implementation with a clear business case for each phase and distinct baselines before and after, against which value and impact can be measured. This approach can help demonstrate progress and maintain momentum.

The big idea

Transformation of state government today isn't achieved simply by studying the problem or developing new ideas. It's about having the knowledge, experience, skills, and resources—across a broad range of disciplines—to effectively drive toward desired outcomes in measured steps, delivering on the business case, and communicating the value delivered along the way.