



# A New Operating Model: Strategies as State and Local Governments Navigate What's Next

## Introduction

The rapid transition to digital service delivery and remote workforces in Spring 2020 shattered stereotypes of government as slow and unresponsive. The response to the COVID-19 pandemic highlighted ongoing efforts by state and local governments to leverage technology to better serve citizens accustomed to doing business digitally in all areas of their lives. As we look beyond the pandemic, new strategies are needed to maintain the momentum as communities return to normal – or the “next normal” – in the months and years to come.

Government leaders recognize that many of the dramatic shifts of the past year are here to stay, with 86 percent of government leaders agreeing these changes are permanent in some form, according to Marcus Moffett, Cisco CTO for U.S. Public Sector. However, they are only now beginning to develop a clearer picture of what that future will look like.

In Bloomington, Indiana, city officials began efforts to look beyond the pandemic in December, says Deputy Mayor Mick Renneisen. “It was the first chance in nine months to sit down, take a breath and say, ‘What are we learning?’” he says. “I hope people will take the time, reflect on what we learned and not go back to old practices.”

This white paper draws from the experiences of government IT leaders to identify ways to shift culture and operations to prepare for a new operating model for governments – a model more responsive, flexible and anticipatory than the one it replaces.

## Moving Into the ‘Next Normal’

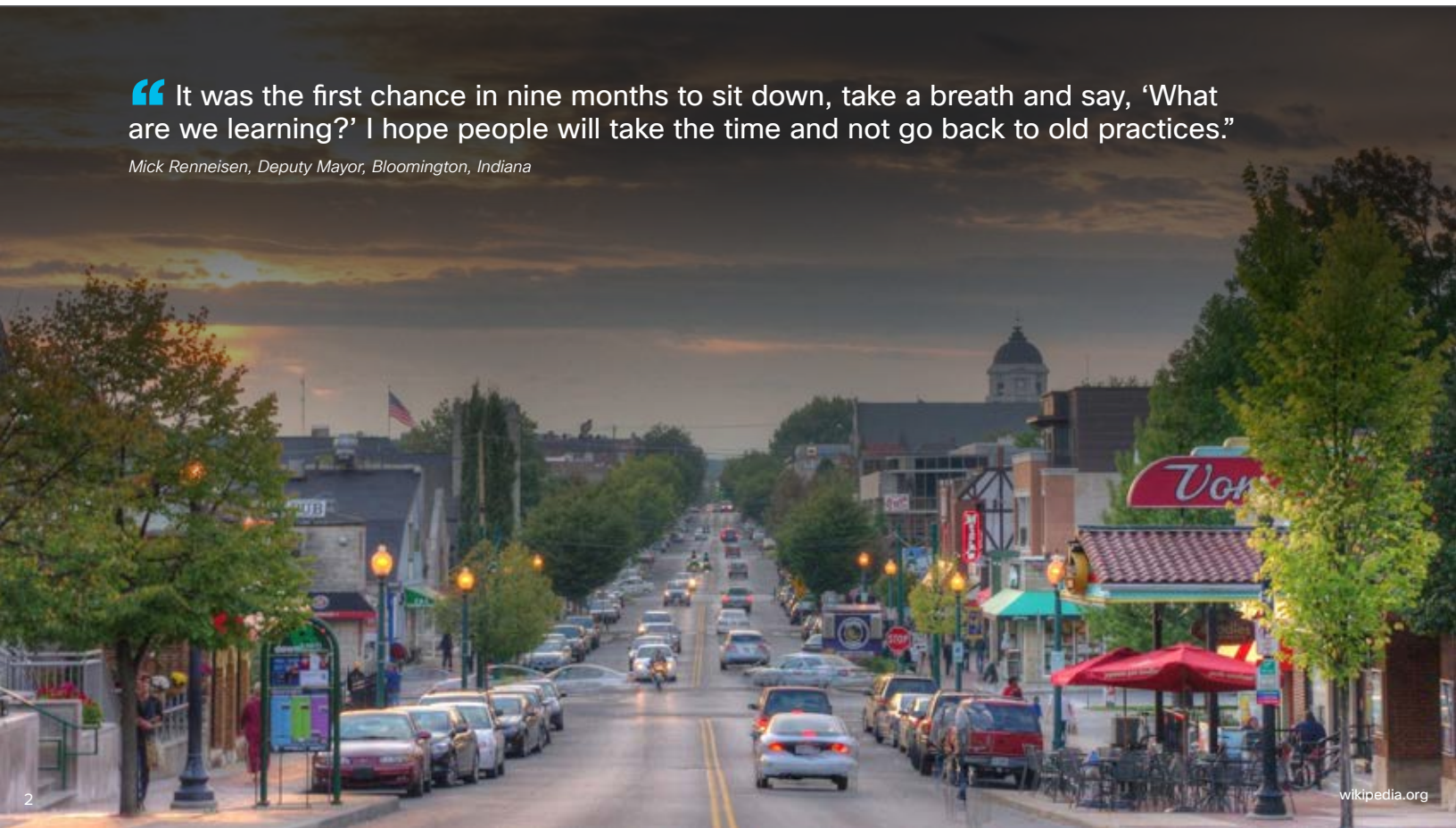
One of the city of Buffalo’s claims to fame is its city hall, a towering 32-story Art Deco building that dates to the 1930s. When the pandemic prompted stay-at-home orders in the state of New York, officials had to quickly find ways to shift operations out of one of the nation’s largest municipal buildings.

“Everything was in that building,” says Oswaldo Mestre, the city’s chief service officer. “We wanted to create a sense of normalcy that the government is still here for you ... but open doesn’t mean you have to walk into a building.”

Governments shifted employees to remote work and began offering more digital services, often within weeks. But in many cases, their response to the pandemic hinged on existing modernization plans. In Pittsburgh, for example, a six-point strategic plan allowed the city’s department of innovation and performance “to respond to the technology needs of a significant number of our workforce migrating to remote work,” says Mayor William Peduto. The pandemic also reinforced the

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*Mick Renneisen, Deputy Mayor, Bloomington, Indiana*





importance of a planned citywide fiber network to connect all facilities. “Many of those facilities house our essential workers, so we know it’s critical to be on a single, reliable network,” Peduto says.

The shift also accelerated technology adoption. “The pandemic restricted how we operate to the point we had to accelerate adoption of technology out of necessity,” says Gina Ellis-Strother, the chief administrative officer of the Charleston County (S.C.) Park & Recreation Commission.

## How Governments Responded

**Ensuring continuity of essential services.** Governments immediately leveraged existing technology to maintain critical operations. Elkhart County, Indiana, used its existing videoconferencing technology to move hearings from its 19<sup>th</sup>-century courthouse online.

“When the pandemic hit, we needed to react quickly,” says Matthew Dietz, the county’s IT director. When some attorneys protested the shift, County Circuit Court Judge Michael A. Christofeno “stopped them straight away,” he says. “Let’s be clear. I can do this. If I can do this, anybody can do this,” he said.<sup>1</sup>

**Increasing delivery of digital services.** Inside Bloomington’s bustling city hall, “We thought we had a lot of physical traffic doing city business,” Renneisen says. “Once we shut the doors, we found out most of the business we were doing could be done in other ways than a physical meeting.”

Governments across the country scrambled to move many business functions online, with varying degrees of success. The shift led many to recognize how much the capability to conduct digital transactions varied across different departments.

“We didn’t realize how disparate services were until the pandemic hit,” Renneisen says. “We must streamline so we look like one city and not 15 separate departments.”

Scaling services was another challenge as governments faced unprecedented calls for assistance.

“We knew we couldn’t staff enough people in Kansas to answer the volume of inquiries,” says DeAngela Burns-Wallace, secretary of the Kansas Department of Administration. As state health and labor departments rapidly launched remote call centers, cloud-based AI chatbots helped provide real-time answers to questions.

Even services that are physical were made more responsive to citizen needs through digitization. After the Wilmington

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*Bob Bennett, Senior Fellow, Center for Digital Government*

Public Library District had to close in its rural Illinois community, it constructed a small building and installed smart lockers to safely distribute high-demand materials like books, movies and hotspots. The district also extended free Wi-Fi from that outdoor building to the parking lots and added a quick public access station with a multi-function laser printer so patrons could print, scan and copy materials, even from their phones. They also added a brochure wall with directions for digital offerings and applications for much-needed social services.

“It gave us the opportunity to turn it into a 24/7 pickup location, and it made us think about what else we can provide people when we’re closed,” says Maria Meachum, the district’s director.

### **Managing a newly remote and distributed workforce.**

In Camden, New Jersey, Delaware River Port Authority employees were always required to work on-site so there was never a need for a telework policy, says Robert Hicks, the authority’s chief operating officer. “We had to quickly transform our architecture to something that was ready and achievable.”

“While some state and local governments had ramped up telework policies before the pandemic, many lacked the policies, procedures and technology required for remote work,” says Bob Bennett, a senior fellow with the Center for Digital Government. “They had to rapidly change that – and they did so pretty effectively,” he says.

For example, in Alaska the timelines for planned projects to implement collaborative platforms and improve remote access were collapsed “from four months to about a week,” says CIO Bill Smith.

Employees took on new roles in new settings, demonstrating to their constituents that, “We didn’t just call it a day and go home,” Meachum says. Instead, “We figured out ways to work through bigger problems than we ever have before. I hope knowing we can be creative starts to draw more people to government work.”



**Ensuring equitable access to connectivity and digital services.** The closing of schools provided a stark reminder of how many households lack reliable and affordable internet access – as many as 24 million nationwide, according to McKinsey<sup>2</sup> – but the issue also impacted government employees and constituents.

“My administration has worked to bridge the digital divide, but the pandemic blew the lid off of the reality of digital equity,” Peduto says.

Access also complicated another rapid shift during the pandemic – virtual public meetings. In Bloomington, the shift to remote public hearings resulted in “more attendees than we’ve ever had in person,” Renneisen says. At the same time, the lack of broadband access citywide remains a barrier. “We wish we’d been able to accomplish that before this happened,” he says.

Despite these challenges, governments are poised to build on the unprecedented momentum of the past year.

“We’re going to learn from COVID-19. We’re going to evolve as a workforce,” says Texas Department of Transportation (TxDOT) CIO Anh Selissen.<sup>3</sup> “I’m excited about the evolution of IT because I think it’s going to be transformative.”

## Strategies For Leaders

Digital transformation can be seen not only as a response to the pandemic, but also as preparation for whatever may come next. In Saint Paul, Minnesota, digital transformation efforts focused on equitable and personalized citizen services that began in 2018.

“This allowed us to quickly respond to emergent needs created by COVID-19,” says Mayor Melvin Carter.

“ Recognizing that we are entering a multiyear period of increased financial pressure and reliance on digital services, it is critical we not only implement digital tools, but that we work to collect better data about our residents’ needs and use that information to build more efficient responses to those needs.”

*Melvin Carter, Mayor, Saint Paul, Minnesota*

The city’s 2021 budget includes further investments in resident-facing digital services, in part to respond to new budgetary realities.

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The pandemic has also prompted more governments to see “IT as critical infrastructure, just as they would streets, water and sewer,” says Ryan Fernandes, director of technology for the city of Weston, Florida. “Slowly but surely, we’re getting a better seat at the strategic table.”

Ellis-Strother agrees. “This experience has boosted our confidence in incorporating new technology because we understand the benefits we can gain by doing so,” she says. “We are now building more comprehensive plans on ways to modernize our business and are committed to reviewing, prioritizing and funding these projects more often.”

Among the strategies government IT leaders can use to guide this ongoing transformation:

**Consider elastic and flexible operations.** Governments and their private sector counterparts are increasingly focusing on resilience in the face of future disruptions, from widescale natural disasters to periodic snow days. A November 2020 survey of global CEOs by PwC suggests that large majorities believe that remote collaboration (78 percent), automation (76 percent) and fewer people working from offices (61 percent) are permanent changes. Six in 10 also said their business models will be more digital going forward.<sup>4</sup>

“As we evolve systems and improve employee or citizen access, we move to more resilience in our enterprises,” Alaska’s Smith says. “Our imperative now is providing services to citizens that critically need them, and we’ll create more agile government through that experience. The capabilities we introduce and improve as a result of the current situation will pay dividends for a long time to come.”

Creating resilient systems “requires that we continue to modernize the platform and infrastructure underneath these systems,” according to Selissen. That involves leveraging new technologies and thinking about government systems in new ways.

“The context that’s starting to emerge is that the cloud is the new data center; software-as-a-service is the new application; the internet is the new network that gives us connectivity; and the edge is where the person or device is,” Moffett says.

In Kansas, Burns-Wallace says the pandemic accelerated efforts to outsource aging state-run data centers.

“It starts with knowing what your single focus is in terms of the citizen. There should be one place where you deliver services. How many clicks could they be hitting before they get to the right place?”

*Oswaldo Mestre, Chief Service Officer, City of Buffalo, New York*

“There is still more work to be done, but this has proven we can leverage cloud technologies, don’t have to be in the data center business and can provide world-class operational services for our agencies to best serve our constituency,” she says.

In similar fashion, the Delaware River Port Authority is moving to digitize its asset management system, adding mobile capabilities for its field workers. According to Hicks, even the Ben Franklin Bridge, a nearly 100-year-old suspension bridge connecting Philadelphia to New Jersey, will be retrofitted with web-based controls for its decorative lighting system.

“Virtually everything we’ve done is becoming more web-based, and it’s in our strategic plan to become more efficient and productive,” he says.

**Focus on transformation, not modernization.** Technology advances will remain limited if government leaders do not insist on breaking down organizational silos and simplifying the user experience.

“It starts with knowing what your single focus is in terms of the citizen. There should be one place where you deliver services,” Buffalo’s Mestre says. “How many clicks could they be hitting before they get to the right place?”

Moffett describes these efforts as creating “the digital citizen.” “We are working with governments on how to start building more interagency partnerships to enable applications around what citizens want versus how we operate,” he says.

Progress is being made in a critical underlying process – creating a single identity across government services, as Colorado is doing with its myColorado Digital ID. In Los Angeles, the city’s Angeleno Account is going live across services from dozens of city departments via the city’s 311 service, according to CIO Ted Ross.<sup>5</sup> But to start, all governments can begin by fostering collaboration among different agencies.

“Opening a window or two to share data can help you build some of those infrastructures,” says Bennett of CDG.

Agencies can also examine business processes, some of which may still rely on paper records and hidebound procedures.

“We should be under no illusion that the processes that were done have been done well or are current,” says Mestre. “People evolve. Cities evolve.”





**Drive shifts in workplace culture that help attract, train, manage and retain the next generation of government workers.**

The shift to remote work with current employees may help governments attract new ones by promoting a better work-life balance.

“In the ever-more challenging search for talent in technology, we need to provide more flexibility for potential employees,” Alaska CIO Smith says. “The beauty of pursuing remote work capability is that it improves our ability to attract high-level talent while increasing our resilience in providing services.”

The PwC survey found that most (61 percent) global CEOs are increasing their focus on staff well-being, saying it is urgent to retaining employees.<sup>6</sup> An emphasis on flexibility and well-being can create a workplace culture that fosters a sense of trust, which in turn can help attract and support the next generation of workers.

“The most progressive and empathetic leaders are going to custom-fit their operations,” says Fernandes in Weston, Florida.<sup>7</sup>

While there are advantages to flexible working conditions, Renneisen says it is important to find ways to allow for the unplanned “collisions” among staff that spark informal conversations in physical offices – what he calls the, “Hey, you got a minute?” conversations.

Along with greater flexibility and work-life balance, the next generation of government workers expects to use technology in new ways, according to Bennett.

“We’ve never hired people who were anything but young and eager,” he says. “What is going to change is their expectation that they can use data and advanced analytics to inform decisions and help validate solutions before they deploy them.”

Training will also be key. “We are in the process of building additional technical training opportunities for our current staff to ensure they have the opportunity to grow with us,” says Burns-Wallace.

Along with technical expertise, it is vital to capture the lived experiences of veteran employees in systematic ways, says Mestre. “The minute they walk out the door, it’s gone,” he says. “How do we take that information and bring it into a knowledge base not just to transfer to one person, but many people?”

**Identify opportunities to leverage data to anticipate, not just deliver, government services.**

There’s no doubt that digital services can make governments more responsive. In Bloomington, for example, paper citywide surveys were once mailed to constituents every five years.

“The Parks and Recreation Department was in the practice of doing a survey every five years. The city now produces a survey that includes questions about all 15 city departments and asks residents to complete it digitally every other year,” Renneisen says. “As we learn more about the willingness of our residents to give feedback, we’ll use it even more.”

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*Bill Smith, CIO, State of Alaska*



Advanced analytics, artificial intelligence and machine learning technologies will allow governments to leverage their data in new ways.

“Data will be a critical and strategic asset that will afford insights and opportunities to recalibrate and sustain better outcomes,” says Saint Paul’s Mayor Carter.

However, for data to be actionable, it must be understandable to decision-makers, Mestre says.

“How do I get my mayor and other department heads to consume a dashboard? They have to be able to analyze that,” he says.

Developing public-facing dashboards to provide richer information to citizens also can help build support for government initiatives and foster public trust.

Looking ahead, advanced data techniques will open the door for “no touch” government services – which, despite the name, have nothing to do with health concerns. Instead, governments can track constituent data in real time to proactively deliver services – such as automatically providing benefits after a major life event like a birth, death or layoff, rather than requiring citizens to apply for services.

**Work in new ways with business units.** The pandemic prompted IT leaders to forge stronger connections with other departments and constituents. Moving forward, new development methodologies such as DevOps represent ways in which technologists can work more closely with the end users in different agencies.

“It’s about getting IT out of the box and inserting them in the business,” Moffett says. To that end, TxDOT began monthly meetings with stakeholders and created a customer relations team to ensure IT staff could address rapidly changing operational issues during the pandemic.

“We need to seek to understand what our customers need right now,” says Texas’ Selissen.

**Protect systems from attacks.** Even before the pandemic, ransomware attacks against local governments and schools, including high-profile and disruptive attacks in cities like Baltimore and New Orleans, increased by nearly 65 percent in 2019, according to one study.<sup>8</sup>

The shift to remote work at scale and the rapid standing up of new systems and services only increased the opportunities for cyberattacks, making it a top priority for government leaders.



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*William Peduto, Mayor, City of Pittsburgh*

“Cybersecurity and continued investments to protect our vital technological infrastructure will also continue to be of paramount importance as we continue to rely more on systems to keep us connected,” says Mayor Carter of Saint Paul, Minnesota.

In Pittsburgh, cybersecurity improvements planned before the pandemic provided a foundation on which to implement two-step verification and conduct remote cybersecurity training for the city’s 3,300 employees once they shifted online, Peduto says.

Attacks can also be used as opportunities to change behavior, says Selissen, whose agency rolled out stringent new security protocols to 12,000 employees and 7,000 contractors in a matter of weeks after a ransomware attack.

“We’re leveraging it to really teach people the seriousness of what can happen when you fail a security issue,” she says.

For many governments, cloud-based solutions represent an opportunity to “push the liability away,” as Fernandes puts it. “We would rather shore up with the multimillion-dollar company’s security than the small city security budget.”

**Find creative ways to address digital access issues.**

With more than half the state’s population lacking reliable internet access as it prepared to reopen schools in August 2020, West Virginia suspended its usual procurement rules and brought together multiple vendors to create 850

wireless access points across the state, freely accessible by any K-12 or college student.

“We had roughly 30 days,” state Chief Technology Officer Joshua Spence said in an interview.<sup>9</sup> “There was no contract. There was no equipment. There was basically just a list of locations and a concept.”

Infrastructure needs are prompting governments to explore new digital access strategies, such as hotspots for telemedicine and education. Longer term, public-private ventures leveraging government infrastructure hold promise. For example, Kansas City included fiber and Wi-Fi infrastructure as part of the reconstruction of a downtown streetcar line, says Bennett, who previously served as the city’s CIO.

“It was one of the things we wanted to do to tie communities together,” he says. “It redefined how our downtown was perceived.”

If governments are to become more digital, ensuring equal access to services is key.

“The way we are responding to this system shock and the decisions we make today will affect the cities we become tomorrow,” Peduto says. “Pittsburgh is a city for all, so when we create strategies and policies we do so with equity as one of our guiding principles. It’s as easy as saying ‘How does this system upgrade or modernization improve the delivery of critical service? How does this affect our Black and Brown communities? How does this affect other critical communities?’ If an improvement is not for all, it’s not for us.”

## Conclusion

Before the pandemic, Bloomington was poised to expand its city hall building — plans that are now on hold.

“I can’t imagine using the space we already have. I suspect we will see up to 30 percent of our staff consider continuing to work remotely as a result of what we have learned during the pandemic,” Renneisen says.

Governments have navigated unprecedented amounts of change in the past year. As their leaders look to an unpredictable future, one source of added resilience does not involve technology at all.

“A situation like this demonstrates who is and isn’t a strong leader,” says Hicks. “It’s a good opportunity to take a look at yourself in the mirror.”

Another key, Peduto says, is to establish and focus upon a leading goal “that can serve as a North Star or guiding principle to ensure you are responding to the needs of the city and the community.”

Governments should also seek to support and strengthen the government workforce. “We must stay close to our people, remain connected, and lead with empathy and compassion,” says Cisco Senior Vice President Nick Michaelides. “Technology is the enabler, but people and processes are — and will be — the secret sauce to leverage this full stack to deliver quality citizen and workforce experiences.”

Burns-Wallace of the Kansas Department of Administration agrees. “Do not be afraid to innovate,” she says. “Do not be afraid of the cloud. We have proven it works, is secure and takes us much further than we can by ourselves. Think outside the box.”

### Endnotes:

1. <https://www.cisco.com/c/en/us/solutions/collateral/industries/government/elkhart-county-cs.html>
2. <https://www.mckinsey.com/industries/public-and-social-sector/our-insights/reimagining-the-postpandemic-economic-future>
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4. <https://www.pwc.com/gx/en/news-room/press-releases/2020/ceo-survey-covid-update.html>
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