

Transformation Office

Progress and Priorities

September, 2024



The Transformation Office's objective is to improve government efficacy and the Virginian's experience

The transformation office achieves its objective supporting secretariats/agencies through:

- **Program management** and **support** of agency initiatives
- **Process analysis** and **improvements** for high-impact functions & services
- **Data analysis** and **insight generation** for identified opportunities
- **Change management framework** establishment
- **Best practices** dissemination across Secretariats
- Strategic support and management of **third-party staff augmentation**



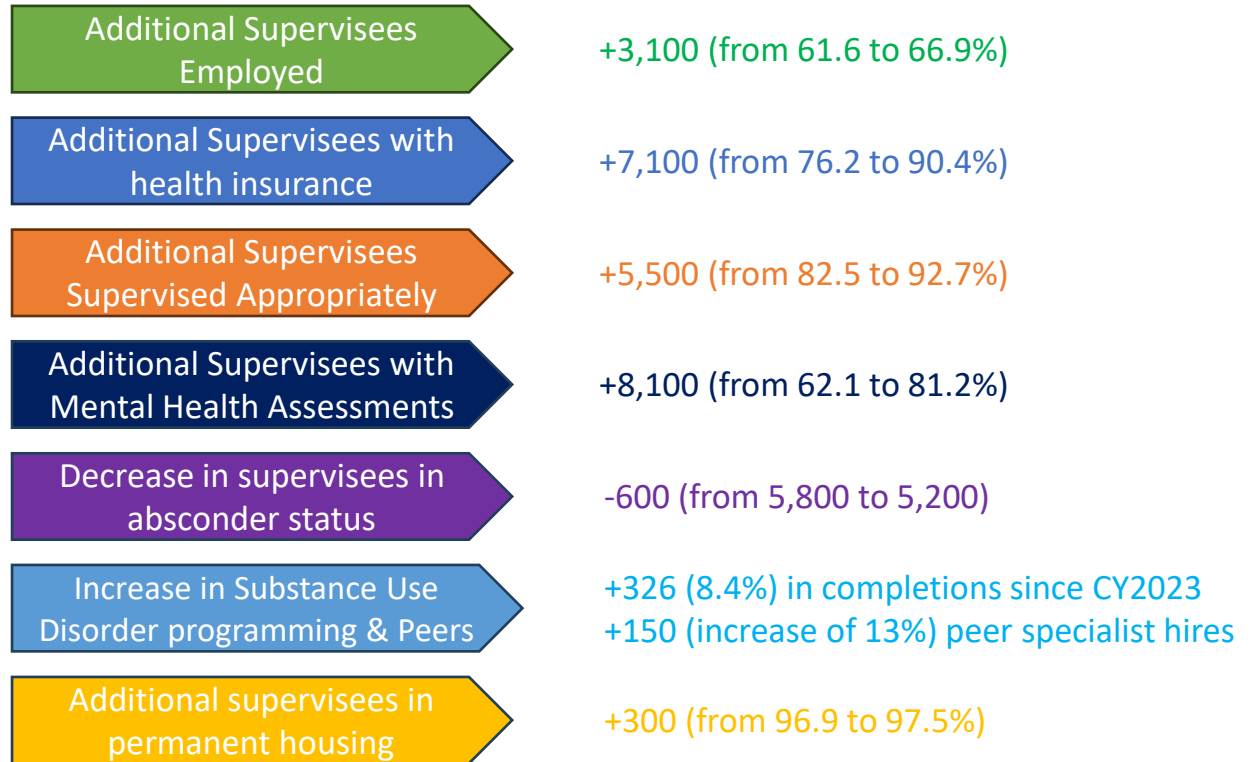
Senate Finance Committee Transformation Overview – Agenda

1. Review of recent Transformation Office case studies
 - a. Prisoner Reentry
 - b. Virginia Works Standup
2. Other Transformation Office initiatives
3. Projects ongoing and under review
4. Procurement initiative summary
5. Current funding status



Transformation Case Study – 2023-2024 Reentry Program (*Stand Tall*)

- Built and led cross-agency program since **April 2023**
- Created **scorecard** and **monthly review** to track factors linked to success with VADOC team
- Established **11** cross-agency partnerships to pilot and scale best practices
- Created permanent reentry leadership roles in **VADOC** and **DSS** to sustain transformation



Improving reentry success by increasing linked outcomes like employment



Transformation Case Study – Virginia Works (DWDA)

Supported Secretary of Labor with Stand-Up of Virginia Works

- Pursuant to SB1470/HB2195 (2023) Facilitated the change management, onboarding and transfer of applicable workforce programs and staff to the new agency
- Baselined current programs to include provided services outcomes.
- Completed agency stand-up 2 months ahead of schedule (January 2024)

Ensured Agency's Sustainable Success

- Established workforce metrics across 69+ programs to track performance
- Developed employee-led improvement "sprints" to develop and drive initiatives to improve agency services and processes
- Supported development of an improved workforce portal for job seekers and employers, Virginia Works Tech HUB

Virginia Works created to manage and improve all Commonwealth workforce development programs to provide Virginians with best-in-class offerings



Transformation examples across the Commonwealth



DMV

- Reduced customer wait times from 37 minutes to 10 minutes and serve times to 10 minutes through program management
- Leveraged DMV's data to build dashboards that enabled strategic day-to-day management across its service centers
- Built program management tracker utilized by DMV to complete over 90 initiatives that improved the Virginian's experience at DMV



VEC

- Eliminated inherited backlog of 700,000 unemployment work items and cleared additional 665,000 items.
- Achieved timeliness standard for non-monetary determinations made (87.1% vs. 4.8% baseline) and increased first payment timeliness to 83.5% (vs. 75%).
- Leveraged third-party staff augmentation and expertise, process review and optimization, and RPA implementation.
- Built dashboards to track key success metrics, and utilized program management tracker to complete dozens of initiatives



Transformation examples across the Commonwealth



Right Help Right Now

- Facilitated the creation of the multi-agency *Right Help Right Now* transformation to improve accessible, same-day behavioral healthcare
- Improved access with the creation of 70 new mobile crisis teams and increased licensed clinical social workers by 51.4%
- Reprocured Medicaid Managed Care Organization contracts prioritizing behavioral health as a key outcome



Veterans Network

- Provided program oversight to ensure DVS veterans' outreach effort remained on time and on budget
- Starting November 11, 2024, VVN will be a free online hub of resources and services for veterans, service members, and their families
- VVN provides direct access to resources from trusted veteran service organizations, nonprofits, and state agencies
- Resources and services offered will range from job training and employment to health care and wellness



Transformation examples across the Commonwealth



Early Childhood Care and Education

- Supervised the build-out of the blueprint to improve Early Childcare and Education (ECCE) – “Building Blocks for Virginia.” to address \$281 million federal funding cliff in the FY25 budget
- *Building Blocks* ensured no drop-off in ECCE coverage while maintaining the Commonwealth’s best-in-class parental choice model
- Managed a team of internal experts and external consultants to meet the FY25 budget submission timeline



IT Program Management COE

- Supporting the Virginia Information Technology Agency (VITA)’s effort to build a blueprint to improve the Commonwealth’s management of critical IT modernization programs
- Building centralized expertise in VITA to help less experienced agencies manage these projects in a cost-effective manner
- Providing funding and personnel support for this initiative



Transformation Office projects ongoing and under review

Assessing multiple requests from Secretaries as we evaluate the Transformation Office's next round of projects

Ongoing Projects:

Prison Reentry Improvements

Virginia Works Standup

Procurement Phase 2

Data analysis/analytical support for deferred maintenance

Supporting agencies/secretaries with QMRs/Objective and Key Results

Partnerships (Petersburg, SW, Newport News)

IT Major Program Delivery Improvement Strategy

Projects Under Review:

DMV Facility Study

Behavioral Health Phase 2: TDO / ECO Strategy

Regulatory Expansion of VPT Program

State Park Enterprise Strategy

Emergency Stockpile Distribution



Identifying procurement savings across agencies

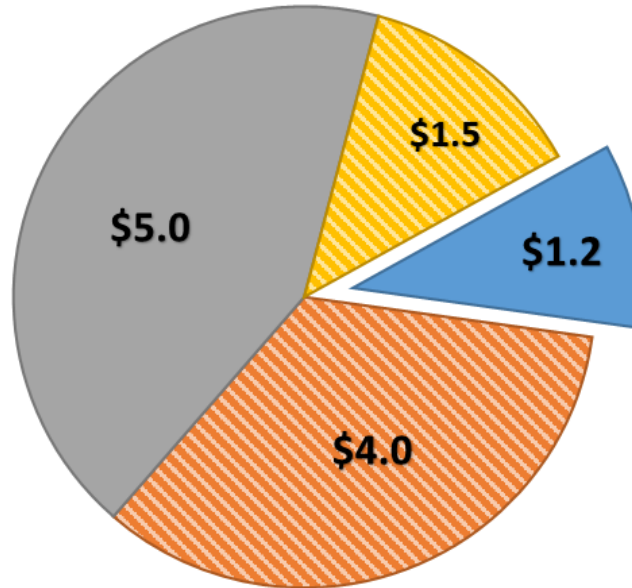
■ Executive Branch IT and non-Professional Services (Phase 1)

■ Healthcare Plan Administrators and VDOT Construction (out-of-scope)

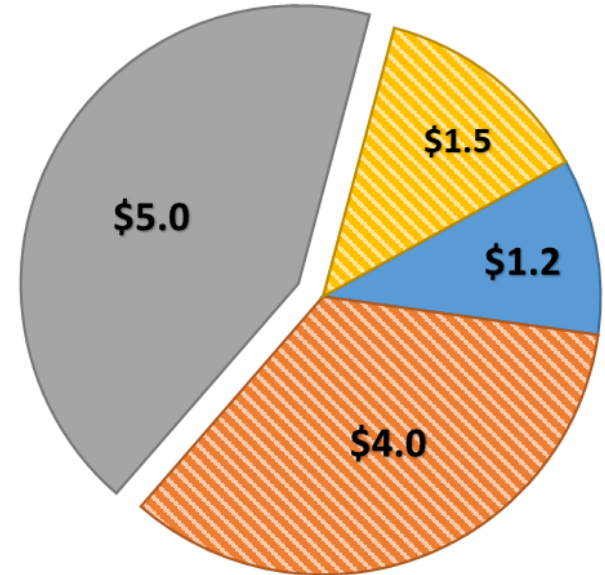
■ All Other Agency Contracts (~5,000 unique contracts)

■ Higher Ed and Independent Agency IT and non-Professional Services (out-of-scope)

FY24: Phase 1
Identified \$105m initial savings



FY25: Phase 2
Apply evaluation tools to 5,000 other agency contracts



Savings Identified and Secured in FY24

Category	Savings Over Contract Term
Non-Professional Services	\$ 46,988,000
Telecom	\$ 12,750,000
IT Hardware	\$ 26,266,666
IT Software	\$ 13,497,418
Pharmaceutical Contract	\$ 2,664,000
Credit Card Fees	\$ 3,800,000
Total	\$ 105,966,085



Current status of Transformation funds

Transformation Office Report	\$ (000s)	Lead	External	Status / Outcomes
Spent / Committed				
Procurement Transformation	\$3,740.0	DGS	BCG, Civic Initiatives	Established category management approach to improve performance and secure \$105M+ in savings
VEC Transformation	\$400.0	VEC	Accenture, BrownGreer, SLLOK	Cleared 1M+ work items, eliminated claims backlogs, and increased timeliness from 20% to >80%
Behavioral Health - transformation	\$1,040.0	HHR	McKinsey	Built transformation approach, vision, and infrastructure; provided staff aug and program oversight
Economic Development (VEDP)	\$970.0	VEDP	McKinsey	Partnered with VEDP and the Secretary of Commerce to build Virginia's workforce strategy
Executive search	\$550.0	Gov	Korn Ferry, Fahrenheit	Hired 9 transformational executive leaders for key posts in the Commonwealth
Project Management (PMO) pool	\$870.0	Gov	Impact Makers	Provided key managers for Transformation projects, from RHRN to Partnership for Petersburg
Early Child Care & Education	\$380.0	Gov	BCG	Led task force to ensure continued access to child care for 27,000 children amidst the expiration of federal dollars while delivering best-in-class model
DHRM Employee Survey	\$410.0	DHRM	Thundercat Technology	Consistent, standardized survey available for agency use; a cost saving measure for agencies as they will not solicit outside contracts
Richard Bland - Governance Evaluation	\$200.0	Gov	BCG	Conducted stakeholder engagement, assessed various governance options to inform potential governance model; report published 8/15/24
Department of Tax Support	\$130.0	Tax	Ernst & Young	Assisted DPB and Tax with budget planning
IT Modernization	\$300.0	Gov	Insight Global	Provided program support, including hiring 2 people, to improve IT modernization project delivery
Transformation Office Resources	\$930.0	Gov		Staffing costs through end of the Administration
Reentry (<i>Stand Tall</i>)	Staff	VADOC		Established cross-agency program to improve reentry success
DEB Deferred Maintenance Backlog	Staff	DEB		Provided data visualization and analytical support for deferred maintenance
Virginia Veteran's Network	Staff	DVS		Provided program oversight of Virginia Veterans' Network implementation
DMV Transformation	Staff	DMV		Established and transitioned program to reduce customer wait times by more than 70%
VDH Financial Transformation	Staff	VEC		Stabilized and standardized critical financial functions at VDH
Workforce Development Transformation	Staff	DWDA		Stood up workforce development agency
ABC Financial Support	Staff	ABC		Assisted ABC leadership with financial planning
Lab School Initiative	Staff	DOE		Provided managerial support to DOE
Virginian's Experience Improvements	Staff	VITA		Assessed Virginian's experience across 5 channels; helped HHR with call centers and budget report
Partnership for Petersburg	Staff	SOC		Provided technical and managerial support
Subtotal Spent / Committed	\$9,920.0			
Unallocated - project(s) TBD	\$5,080.0			

