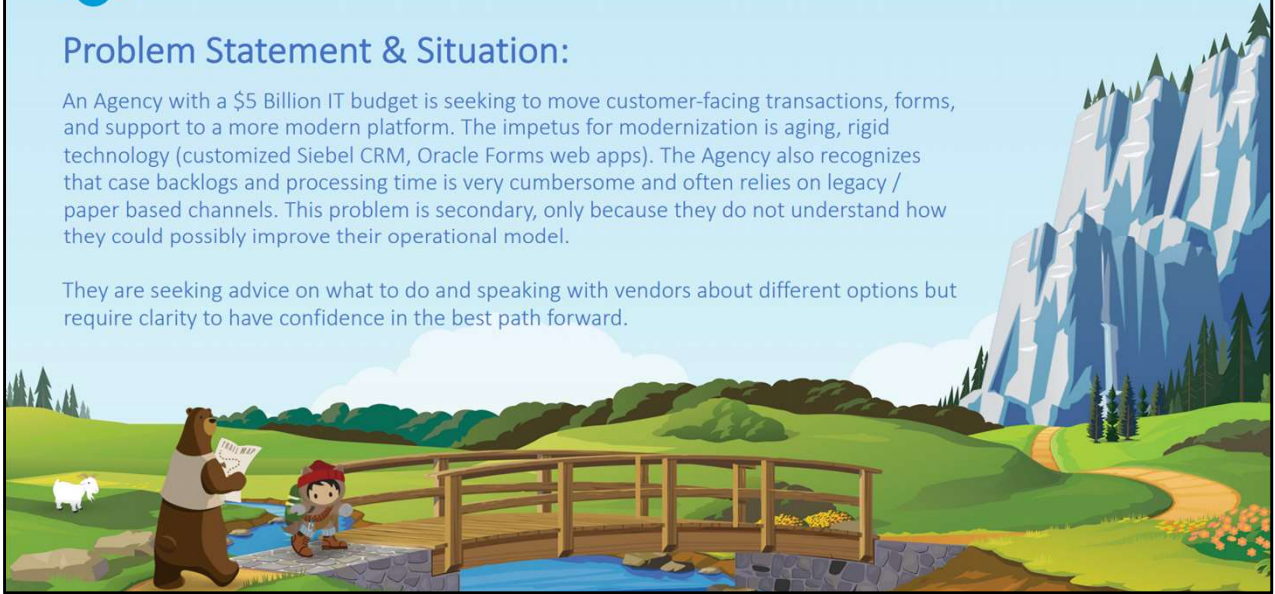


Problem Statement & Situation:

An Agency with a \$5 Billion IT budget is seeking to move customer-facing transactions, forms, and support to a more modern platform. The impetus for modernization is aging, rigid technology (customized Siebel CRM, Oracle Forms web apps). The Agency also recognizes that case backlogs and processing time is very cumbersome and often relies on legacy / paper based channels. This problem is secondary, only because they do not understand how they could possibly improve their operational model.

They are seeking advice on what to do and speaking with vendors about different options but require clarity to have confidence in the best path forward.



Instructions and Questions to Answer



Instructions:

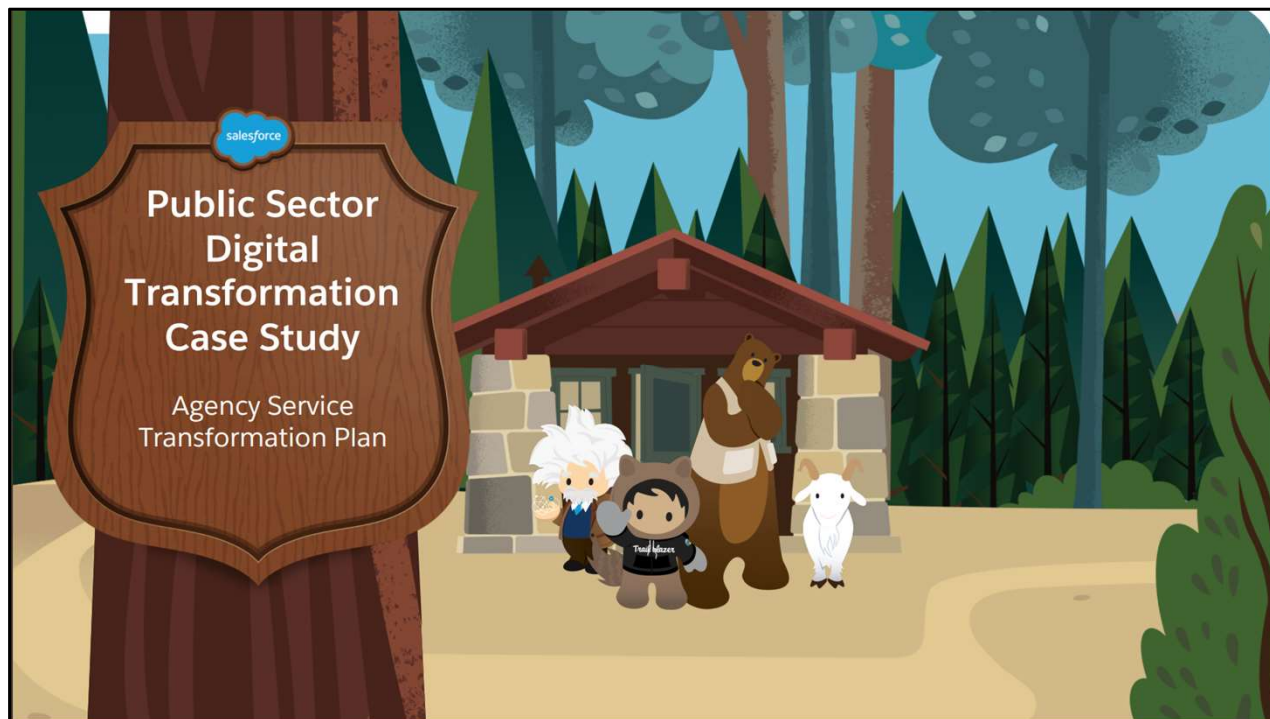
Given the strategic context, please put together no more than 5 slides to articulate the following. This is not expected to be a detailed plan but is expected to generate confidence in a new way of thinking about IT modernization that drives government service improvement while cutting through IT complexity:

Primary Audience: Mission Area Director

Secondary Audience: Technical Advisor in Mission Area

1. What are some of the options available to proceed with IT refresh and why is this not the right path forward?
2. Why is the low code / CRM SaaS option the best for true digital transformation?
 1. How will OOTB capabilities such as omni-channel service, digital forms, and customer / case database be beneficial?
3. What are key components of the digital transformation program that will be needed, should they be sequenced in a certain way?
4. How would you partner with the OCIO organization and establish an agile Digital Service Center to act as the foundation of the digital transformation?





[4th Wall] For the sake of analysis, I'll be using an agency of a similar scale to you in order to ground our recommendations in research about a realistic environment. Oh and Salesforce's art is amazing...no need to compete with that, so this is strictly content, not design

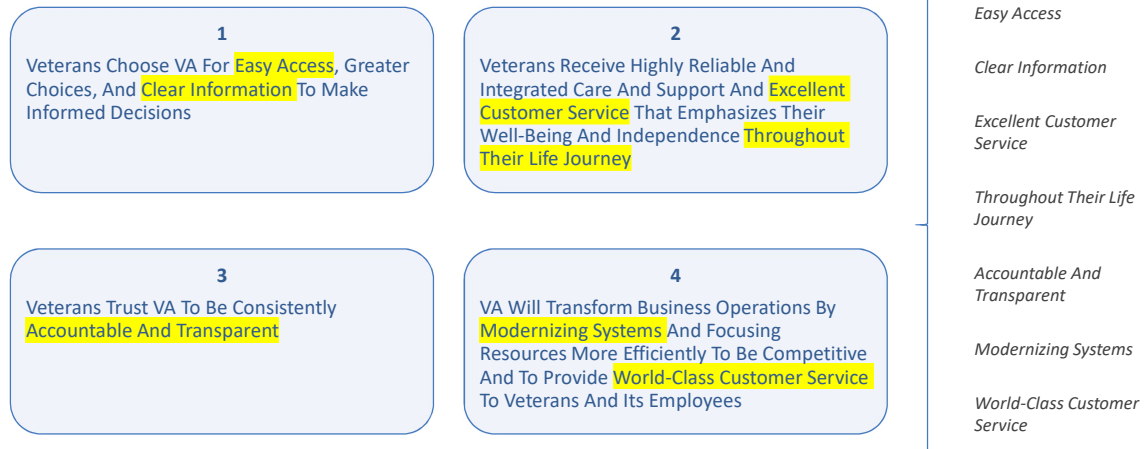
I'm not here to pummel you with 20 reasons why Salesforce is the perfect fit for your situation.

My objective: beginning of a partnership as you further explore what digital transformation means at your agency and what it is going to take to get you from your current posture to the future state.

Alignment Sources

- VA Strategic Plan: Agency Goals
- VA OIT IRM Strategic Plan
- VA Budget Highlights, Congressional Justifications, and CPIC data

Veterans Affairs Strategic Plan, 2018-2024



BOTTOM LINE

- Effective approaches to these objectives have become increasingly commoditized in the private sector
- Easier than ever to pick up those lessons and integrate them into government through low risk, rigorous solutions

IT Context at Veterans Affairs

Budget Highlights

- Veterans Experience Office
- Human Centered Design & User Experience (UX)

VA OIT Investment Portfolio

- *IT Operations End User* (\$1B/year) committed to using cloud, particularly SaaS
- *IT Operations Enterprise Infrastructure* (\$647M/year) selected for cloud migration
- *IT Operations Data Center and Cloud* (\$371M/year) have allocated \$119M for PaaS solutions

Modernization Legislation

FITARA, MGT, 21st IDEA Act

- VA IT Infrastructure lacks DME funding
- *IT Working Capital Fund* & unobligated O&M spending (OMB M-18-12)

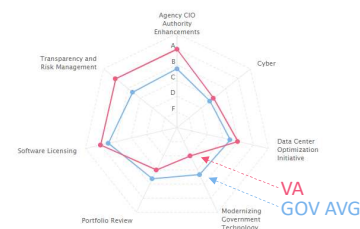
<https://itdashboard.gov/drupal/summary/029>
<https://fitara.meritalk.com/view/va>
<https://oversight.house.gov/legislation/hearings/fitara-90>

VA IT Portfolio (2019)*

Total FY2019 Spending	\$5.4B
Projects on Schedule	83%
Projects on Budget	49%
Major Investments	13
FY2019 Spending on Majors	37%

*2020 data expected Feb/Mar

FITARA Scorecard (Dec 2019)



- [VA Assistant Secretary for Information and Technology and Chief Information Officer] [James Gfrerer]
- One of the strongest CIO authorities environments in government and in many ways was the model for the FITARA legislation empowering CIOs elsewhere
- Critical to identify ways to partner with OIT to solve mission & program priorities
- VEO has invested in customer experience surveys across VA programs, establishing a baseline and multiple years of observations so far.
- VA budget identifies building on HCD & UX as key priorities.

FITARA

- Overall, VA is #4 out of all CFO Act agencies in access to DME for IT. However: Only 5% of VA IT infrastructure investments is budgeted for DME)
- Highlights VA *IT Working Capital Fund* opportunity for unallocated O&M spending (OMB M-18-12)
- DOL WCF: “Modernize Legacy Applications. Among other activities, OCIO will develop an enterprise-level, cloud-based case management platform which save money spent on duplicative systems, improve processing time of adjudication

claims, and improve program integrity through the sharing of case information between agencies.”

21st Century IDEA Act

- (1) is accessible to individuals with disabilities in accordance with section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d);
- (2) has a consistent appearance;
- (3) does not overlap with or duplicate any legacy websites and, if applicable, ensure that legacy websites are regularly reviewed, eliminated, and consolidated;
- (4) contains a search function that allows users to easily search content intended for public use;
- (5) is provided through an industry standard secure connection;
- (6) is designed around user needs with data-driven analysis influencing management and development decisions, using qualitative and quantitative data to determine user goals, needs, and behaviors, and continually test the website, web- based form, web-based application, or digital service to ensure that user needs are addressed;
- (7) provides users of the new or redesigned website, web- based form, web-based application, or digital service with the option for a more customized digital experience that allows users to complete digital transactions in an efficient and accurate manner; and
- (8) is fully functional and usable on common mobile devices.

True Digital Transformation

Builds into the organization the capability to continuously...

- discover customer needs and
- act on those opportunities.

Key Components

- Put customers at the center, validated through observable metrics
- “Build, measure, learn...repeat”
- Partner across stakeholder domains (mission, IT, acquisition, etc)
- Empower mission & programs, closer to customer, to guide features
- Start small, in well-understood domains, including internal customers
- Incorporate cybersecurity at the platform layer (FedRAMP)
- With partners, establish key principles up front that the effort will use as reference points
- Select a digital model that easily incorporates improvements and the above...

- “seeking to move customer-facing transactions, forms, and support to a more modern platform.
- The impetus for modernization is aging, rigid technology (customized Siebel CRM, Oracle Forms web apps).
- The Agency also recognizes that case backlogs and processing time is very cumbersome and often relies on legacy / paper based channels. “
- =====
- HUMILITY to put customers ahead of experts who know best
- B M L...rept, RATHER: than documenting all the requirements perfectly up front—the classic fiction that puts federal IT projects onto a troubled path.
- Build, measure, learn...including by building external reports into your continuous validation process
- FedRAMP: If you build an addition to your home, you need to make sure its locks and windows are high security. But if you’ve built a state of the art wall around the home, your additions do can make additions with less intensive security investments and reviews. FedRAMP certifies that the platform itself has that wall built around it.

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Salesforce CRM Out of the Box

KEY RELEVANT CAPABILITIES	KEY RESULTS
<ul style="list-style-type: none"> • Not starting from scratch: access on Day One to decades of learning what works for today's customers • New features & improvements rolled out at no additional cost, within secure platform • Continuous learning from the entire Salesforce-enabled ecosystem • Omnichannel approach across end user services accelerates customer interactions, reduces customer data entry, improves & simplifies reporting • License model fits an O&M budget portfolio and addresses key risks • Mobile, accessibility, search, secure connection, consistent appearance, FedRAMP fully integrated 	<ul style="list-style-type: none"> • 360-degree visibility into Customer Journey • Personalized, modern, familiar, online access • Flexibility vs Rigidity • Customer Empathy • Reduce customer burden (time & repetition) • Adapt quickly to customer feedback • Rapidly incorporate new improvements • Easy, timely, accurate reporting • Low code, low developer needs, high involvement of mission & program experts • Meets 21st Century IDEA Act requirements out of the box

- SF has years of experience learning how to delight customers, and that is all incorporated into the platform itself, and you get it all out of the box
- The wide network of partners and organizations using SF contribute new learning and improvements back into the platform, which is rolled out to you at no additional cost
- You're signing up for continuous learning from the entire constellation of SF implementations out there, not boxing into just your learning

LICENSE MODEL

- License model provides full functionality up front, replacing high risk DME spending with future predictable O&M spending--smoothing costs into future years
- Can be more attractive to budget/CFO, lower risk, and retains flexibility to move in another direction and avoid vendor lock-in

INTEGRATED COMPLIANCE

- 21st Century IDEA Act (2018)
- FISMA

KEY RESULTS

- Enterprise learning: your customers visits are accelerated by learning from previous interactions and services, simplifying their interactions, reducing burden, and improving satisfaction
- Enterprise reporting: when stakeholder interest and appetite for evidence, transparency, and accountability is high, being able to calculate, learn, and report from customer interactions across the whole enterprise is critical
- Flexible enough to incorporate a variety of customer facing services, allowing the consolidation of potentially redundant spending into a common platform and achieve savings
- Because the security and FEDRAMP is at the platform level, accelerates new enhancements reach your customers rapidly, without depending on new ATO and code reviews necessarily, or at least simplifying them
- Data governance within the platform or through APIs to VA's enterprise data warehouse or data centers

CONCLUSION

- Instead of being reliant on the “technical” staff up front, configuration leverages mission staff and consequently is much closer to the program and customer preferences, experience, and feedback--accelerating and better aiming by reducing the hiccups in requirements management that come from translating mission needs into technical functions.
- At VA OIT, this reinforces your existing strategy that has emphasized extensive program/mission expertise built up in OIT--VA OIT is less isolated from programs than many other agencies, giving it up a leg up on this closely integrated strategy and improving “fit” with salesforce--other agencies may be starting zero in building collaborative relationships with program officers
- VA ahead of other agencies in CIO authorities, meaning it is less an uphill battle to ensure that the whole team is at the table, a key differentiator for what we've seen goes into IT success

Risks of Other Models

MODEL	ISSUES & RISKS
COTS	<ul style="list-style-type: none"> • Risk of gap between product features and true customer requirements • Cost of adapting/customizing to your environment may be significant
CUSTOM SYSTEM	<ul style="list-style-type: none"> • Requirements risk • High upfront costs, requires high early DME funding • High reliance & risks placed on developer resources • Risk of low portability and high vendor lock-in • Pay for maximum capacity (not scalable) • Standalone functionality may require frequent C&A, security reviews
CUSTOM SYSTEM DEPLOYED IN CLOUD-BASED IaaS	<ul style="list-style-type: none"> • Above issues, but addresses scalability

- Highly Specialized Application or Technical Performance
 - When the challenge is highly specific single-use technical performance (think specialized supercomputing)
- When Fragmentation of services is Okay
 - When fragmentation/specialization of services reflects highly fragmented independent customers who are very different from each other
 - In organizations with weak central standards for IT, this flexibility can be desirable for mission organizations
- When fragmented reporting is okay
 - Okay if reporting needs are highly fragmented, but this can make a complete picture of timeliness, service, satisfaction challenging to calculate
- When Redundancy is prioritized
 - When redundancy is more important than cost or other factors (emergency, defense, security...)
- Highly Forgiving User Base
 - When just experimenting, non-consequential fiddling around
 - Highly forgiving user bases