SURVEY RESEARCH

Digital Service Transformation
Purpose

The Center for Digital Government was commissioned by Accela to field a survey with state and local government officials on the topic of digital service transformation.

The purpose of this research is to provide insight into how key government technologies are being used and perceived by state and local governments. Additional topics of interest include government approaches to digital transformation, digital service delivery by stakeholder and service area, perceptions of Software-as-a-Service solutions, the SaaS migration process, and SaaS offerings in specific service areas.

Methodology

The Center for Digital Government fielded the survey to state and local government technology leaders nationwide.

The 16 survey questions were designed in partnership with Accela and yielded 153 responses.

Responses were gathered in September 2018.
Enacting a Digital Transformation

Approaches and accomplishments
Key Findings

✓ Only one-quarter of respondents have an enterprise-wide approach to digital transformation

✓ Municipalities have the highest rates of adoption of most SaaS tools
  ✓ Finance and payment systems are the most commonly adopted SaaS tools

✓ Most respondents see SaaS as important to achieving their digital goals
How would you describe your jurisdiction's approach to digital transformation?

- It has been incremental (e.g., through pilot tests, or only when an older solution needs to be replaced or when a new service area emerges, etc.) - 26%
- Initiatives are directed from the top down (e.g., digital transformation has been or is a leadership-driven culture change, etc.) - 25%
- It is or has been siloed (e.g., digital transformation initiatives have been directed by department heads rather than enterprise-wide, etc.) - 16%
- It is an enterprise-wide initiative (e.g., an action plan was adopted that provides clear direction for all stakeholders, etc.) - 15%
- Other - 7%
- Do not know - 5%

My jurisdiction does not have an approach to digital transformation as it is not a priority for my jurisdiction. - 3%

It is or has been bottom-up (e.g., individual employees or managers push for digital tools, processes, or solutions without a clear leader or initiative, etc.) - 3%

It is or has been led by public-private partnerships (P3s) - 1%

n = 153
For the following service delivery areas, please select your jurisdiction's status with respect to Software-as-a-Service (SaaS):

<table>
<thead>
<tr>
<th>Service Area</th>
<th>State</th>
<th>County</th>
<th>Municipality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance and payment services</td>
<td>26%</td>
<td>45%</td>
<td>46%</td>
</tr>
<tr>
<td>Asset management</td>
<td>32%</td>
<td>31%</td>
<td>41%</td>
</tr>
<tr>
<td>Environmental health and public safety</td>
<td>24%</td>
<td>25%</td>
<td>33%</td>
</tr>
<tr>
<td>Business licensing</td>
<td>30%</td>
<td>20%</td>
<td>26%</td>
</tr>
<tr>
<td>Citizen licensing services</td>
<td>30%</td>
<td>18%</td>
<td>22%</td>
</tr>
<tr>
<td>Planning and building</td>
<td>14%</td>
<td>20%</td>
<td>33%</td>
</tr>
<tr>
<td>Occupational licensing</td>
<td>26%</td>
<td>15%</td>
<td>22%</td>
</tr>
<tr>
<td>Ride sharing, such as Lyft/Uber</td>
<td>14%</td>
<td>13%</td>
<td>26%</td>
</tr>
<tr>
<td>Recreational ride sharing, such as bikes or scooters</td>
<td>10%</td>
<td>5%</td>
<td>37%</td>
</tr>
<tr>
<td>Alcohol beverage control/Brewery regulation</td>
<td>14%</td>
<td>5%</td>
<td>15%</td>
</tr>
<tr>
<td>Cannabis regulation</td>
<td>14%</td>
<td>5%</td>
<td>9%</td>
</tr>
<tr>
<td>Short-term rental regulation</td>
<td>10%</td>
<td>11%</td>
<td></td>
</tr>
</tbody>
</table>
Has your government migrated digital services from on-premise to Software-as-a-Service solutions?

46% said yes
32% said no
22% Didn’t know

Average percentage of digital services that rely on on-premise solutions: 64%

n = 153

Q15: Have you migrated digital services from on-premise solutions to Software-as-a-Service solutions?

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How important is Software-as-a-Service to your government’s digital transformation and digital service delivery initiatives and goals?

- Very important: 39%
- Somewhat important: 33%
- Neither important nor unimportant: 18%
- Somewhat unimportant: 5%
- Very unimportant: 5%

n = 153
How important is Software-as-a-Service to your digital transformation and digital service delivery initiatives and goals?

<table>
<thead>
<tr>
<th>Importance Level</th>
<th>State</th>
<th>County</th>
<th>Municipality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very important</td>
<td>35%</td>
<td>40%</td>
<td>24%</td>
</tr>
<tr>
<td>Somewhat important</td>
<td>46%</td>
<td>33%</td>
<td>37%</td>
</tr>
<tr>
<td>Neither important nor unimportant</td>
<td>26%</td>
<td>18%</td>
<td>12%</td>
</tr>
<tr>
<td>Somewhat unimportant</td>
<td>8%</td>
<td>2%</td>
<td>4%</td>
</tr>
<tr>
<td>Very unimportant</td>
<td>10%</td>
<td>5%</td>
<td>0%</td>
</tr>
</tbody>
</table>
The role of SaaS in government services
Key Findings

✓ Digital service delivery is a priority for many jurisdictions

✓ SaaS solutions are in use in all areas of digital service delivery for one-third of respondents

✓ Just under half of public safety employees use SaaS

✓ Efficiency is seen as a top benefit of SaaS usage
  ✓ Cities are particularly interested in efficiency from SaaS usage

✓ Asset management, public safety, and business licensing are seen as the service delivery areas that will most benefit from SaaS
How would you describe your jurisdiction’s approach to digital service delivery?

<table>
<thead>
<tr>
<th>Description</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>It is a major priority for my jurisdiction, and digital solutions are the</td>
<td>46%</td>
</tr>
<tr>
<td>preferred options when adopting new service delivery solutions.</td>
<td></td>
</tr>
<tr>
<td>It is not a priority for my jurisdiction, and digital solutions have been</td>
<td>22%</td>
</tr>
<tr>
<td>incrementally adopted.</td>
<td></td>
</tr>
<tr>
<td>It has been a major priority for my jurisdiction, but digital service</td>
<td>19%</td>
</tr>
<tr>
<td>delivery solutions are not preferred over other solutions.</td>
<td></td>
</tr>
<tr>
<td>Do not know</td>
<td>6%</td>
</tr>
<tr>
<td>It is not a priority for my jurisdiction, and my jurisdiction has been</td>
<td>6%</td>
</tr>
<tr>
<td>slower to adopt digital service delivery solutions than other jurisdictions.</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>1%</td>
</tr>
</tbody>
</table>

“My rural constituents have been begging to cross the digital divide. I have brought legislation to provide a solution. The giant telecoms kill all attempts to remove the regulatory protection they have enjoyed for decades.”

n = 153
How much do SaaS solutions represent the tools used in your service delivery areas?

- Business Licensing: 35%
- Land and Property Use: 34%
- Citizen Licensing Services: 33%
- Occupational Licensing: 32%
- Regulatory Affairs: 30%

n = 153
What percentage of your services interact with users through SaaS solutions?

- Public sector employees in a public safety role: 45%
- Citizens: 40%
- Business organizations: 37%
- Property builders/land developers: 36%
- Licensed professionals: 35%
- Public sector employees in a regulatory role: 34%
- Public sector employees in a land use role: 33%

n = 153
What benefits have you experienced, or would you expect to experience, from shifting to SaaS?

- Improved efficiency: 63%
- Reduced time to deliver new services: 58%
- Improved citizen experience: 54%
- Improved or expanded data analytic capabilities: 48%
- Reduced costs: 42%
- Higher levels of customer service: 39%
- Improved cybersecurity: 38%
- Full auditability for meeting compliance standards: 35%
- Higher transparency: 35%
- Do not know: 5%
- Other (please specify): 5%

We have not experienced, nor do we expect to experience, any benefits from...

n = 153
What benefits have you experienced, or would you expect to experience, from shifting to Software-as-a-Service solutions when it comes to digital service delivery?
Has SaaS shifted your organization's approach to digital transformation and digital service delivery?

- Yes: 46%
- No: 27%
- Do not know: 27%

n = 153
What service delivery areas would most benefit from SaaS solutions?

- Asset management: 45%
- Public safety: 42%
- Business licensing: 41%
- Citizen licensing services: 39%
- Land management: 29%
- Property management: 27%
- Occupational licensing: 26%
- Legislative affairs: 25%
- Recreational ride sharing regulations, such as bikes or scooters: 18%
- Short-term rental regulation: 16%
- Ride sharing regulations, such as Lyft/Uber: 14%
- Alcoholic beverage control/Brewery regulation: 14%
- Human services: 13%
- Utility billing: 13%
- Social services: 13%
- Facility scheduling: 13%
- Cannabis regulation: 12%

n = 153
Respondents are using a variety of approaches to digital services delivery and SaaS adoptions.

Finance and payment systems are most commonly utilizing SaaS tools, but asset management is seen as most likely to benefit.

Most see SaaS as key to digital transformation and service delivery success.

Speed and efficiency in service delivery are top benefits of SaaS.

Municipalities are leading the way with more SaaS tools adoptions and more benefits to SaaS perceived.
Appendix

Survey demographic information
Jurisdiction Types

- State: 39%
- County: 28%
- Municipality: 32%
- Other: 1%
Respondent Jurisdiction Populations

- Between 50,000 and 99,999: 13%
- Between 100,000 and 249,999: 20%
- Between 250,000 and 499,999: 7%
- Between 500,000 and 999,999: 14%
- Between 1 million and 3 million: 22%
- Greater than 3 million: 25%
Agency Functions of Respondents

- Information Technology: 35%
- Health/Human Services: 13%
- Administrative/Operations/Human Resources: 12%
- Justice/Public Safety: 11%
- Finance/Taxation/Budgeting: 11%
- Public Works/Transportation/Utility: 10%
- Community/Economic Development: 3%
- Other: 2%
- Consumer/Regulatory Affairs: 2%
Respondent Job Role

- Information Technology: 56%
- Operations/Administration: 24%
- Elected Official/Legislative: 6%
- Finance/Procurement/Budget/Auditor: 5%
- Engineering/Technical: 4%
- Planning/Community Outreach: 3%
- Human Resource/Workforce/Training: 2%
- Other (please specify): 1%
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