

Creating 21st Century Digital Experiences in Federal Government

RESEARCH BRIEF

servicenow



Executive Summary

Improving the way citizens interact with the federal government is no longer an option — it's a necessity. The stakes for perpetuating the status quo of cumbersome and outdated processes are too high when you consider the critical services agencies provide, such as veterans benefits, health care, housing assistance and much more.

As demand grows for government services to mirror the anytime, anywhere availability of private sector services, agencies have made an effort to pivot from manual and paper-based workflows to more automated tools. Part of the challenge, though, is maintaining necessary existing technology while upgrading to newer, more user-friendly options.

For example, the Veterans Affairs Department (VA) and U.S. Citizenship and Immigration Services (USCIS) are gradually expanding their online offerings while managing legacy systems that users depend on. They're creating more digital options that empower both the public and government employees to conduct business on their terms using the platforms that work best for them.

To drive these changes on a broader scale, Congress passed the 21st Century Integrated Digital Experience Act (IDEA) in December 2018. The law aims to increase efficiencies by promoting data-driven, secure, personalized and mobile-friendly websites. By establishing minimum standards for modernizing federal websites, the law encourages agencies to digitize manual processes and accelerate the use of electronic signatures.

To better understand this shifting paradigm, GovLoop and ServiceNow surveyed more than 130 federal government employees involved with customer experience efforts in their agencies. Respondents shared their views and challenges regarding customer experience (CX), adoption of 21st Century IDEA and overall prioritization of CX.

ServiceNow specializes in helping agencies reap the benefits of improved digital solutions. In this report, you'll hear from ServiceNow experts Christopher Anello, Federal Enterprise Architect, and Hayri Tarhan, Director of Solution Consulting for Federal Civilian Agencies, as they explain how digital transformation positions agencies to provide 21st century services to the public and improve overall mission outcomes.

To set the stage, let's start by establishing how CX is taking shape in government, the challenges federal agencies face and how they are prioritizing better experiences for their customers.

The State of Customer Experience in Government: Drivers, Priorities and Progress

CX DRIVERS IN GOVERNMENT

Some of the biggest forces driving transformational change across government are evolving expectations — both internally and externally.

Beyond the walls of government, constituents expect certain self-service options, whether they're dealing with a federal agency or a private company. With a simple click or swipe, they can order groceries, schedule a ride-sharing service or book travel reservations. The experience is seamless, intuitive and exactly what citizens should expect when interacting with their government.

Customer experience (CX) is the sum of all interactions in different places, via different channels and over time that customers have with your agency.

Source: coe.gsa.gov

Meanwhile, agencies are also facing the demands from within. Employees want the ease of digital workflows — not mounds of printed documents — and modern tools that save time and empower them to provide meaningful, consistent experiences for government customers.

“The industry has shifted over the past few years toward digital transformation,” Anello said.

But the progress in government has varied by department — and even within offices at those departments. We surveyed more than 130 federal members of the GovLoop community about CX prioritization at their agencies, and their responses shed light on the disparities.

HOW ARE AGENCIES PRIORITIZING CX?

The spotlight on customer experience is expanding, thanks to laws such as 21st Century IDEA, which aims to enhance and standardize government's digital offerings, and the President's Management Agenda, which focuses on agencies providing a modern, streamlined customer experience across government.

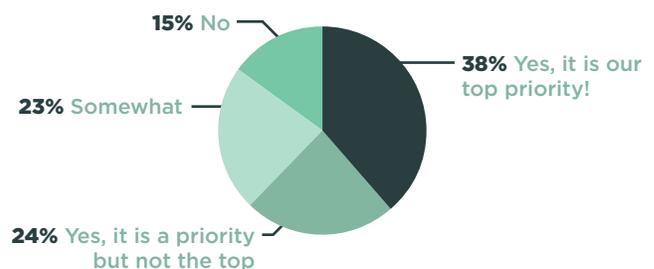
In light of this governmentwide focus on CX, we asked respondents how their agencies are prioritizing customer experience. Sixty-three percent said that CX is a priority, and of that 38% said it is a top priority (See Figure 1). Overall, 23% said that CX is somewhat of a priority at their agency.

The remaining 15% expressed that improving customer experience is not a priority. But why? There's no shortage of powerful testimonies and tangible results that make the case for investing in customer experience; more specifically, improved digital experiences.

For example, during a town hall in early 2019, [VA Secretary Robert Wilkie](#) highlighted the agency's welcome kits for new customers. The packages include clear and concise information for veterans on topics including mental health, education, finding jobs and even buying a home. The kits' format is critical now that half of veterans are under 65 years old for the first time since 1975, Wilkie said at the event.

FIGURE 1

Improving the citizen experience is a governmentwide initiative that agencies are expecting to address. Is it a priority at your agency?



Wilkie also praised the VA's White House hotline for veterans, which runs over email and phone 24 hours a day, seven days a week since launching in 2018. "When you talk, we listen," he said, noting that the hotline has fielded over 175,000 messages since its debut. "The VA wants to be an integrated part of your activities and your issues, especially mental health."

Wilkie embodies what respondents said they lack to truly drive CX: leadership. To the 15% who said CX is not a priority at their agencies, we asked "why?" The main reason is that CX is not a priority for leadership, according to 33% of those surveyed (See Figure 2).

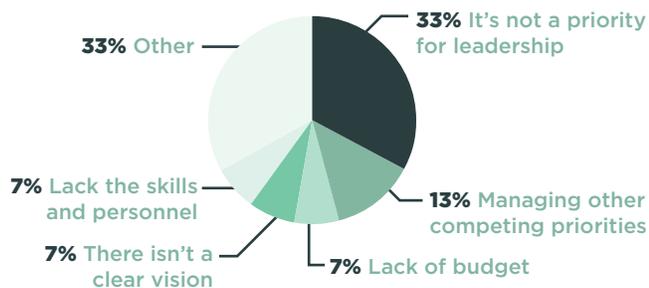
ServiceNow's Tarhan explained that leaders tend to focus on the mission from the perspective of what they need and want. "My recommendation is to take a step back and look at digital transformation as a critical enabler of mission success," he said.

Viewing CX as a mission enabler — rather than a side project or requirement — can improve experiences for employees and customers. It can transform the way employees engage with one another and ultimately with customers.

Competing priorities is another barrier to fully embracing CX, as was noted by 13% of people surveyed. Other responses included lack of budget, skills and a clear vision. Most agencies don't have a dedicated budget for CX, and there isn't a governmentwide strategy or benchmark to improve customer experience. But as part of the President's Management Agenda and associated Cross-Agency Priority goals, federal agencies are zeroing in on providing a modern, streamlined and responsive customer experience across government.

FIGURE 2

If CX isn't a priority, why not?



PROGRESS IN ADAPTING 21ST CENTURY IDEA

We explored further to find out not only if agencies are prioritizing CX, but whether they are implementing aspects of 21st Century IDEA. As noted earlier, the law focuses on three key aspects of improving how users interact with government through better digital experiences:

- Increase the use of electronic signatures
- Modernize websites
- Digitize government services and forms

When asked if they are actively discussing the law at their agencies, more than half — 55% — said they aren't sure or haven't heard of the law (See Figure 3).

For those who are actively discussing the law, we asked how many are actually implementing 21st Century IDEA. Only 29% of them responded with certainty that they are currently adopting aspects of the law (See Figure 4). Another 58% said they are not sure.

FIGURE 3

Is your agency actively discussing the 21st Century Integrated Digital Experience Act (IDEA)?

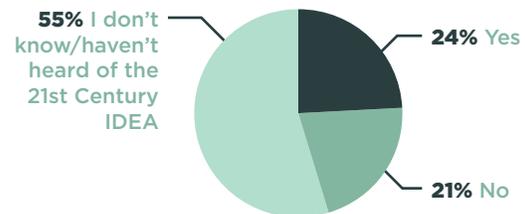
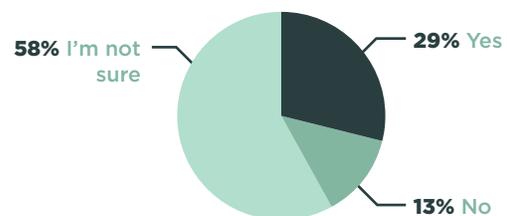


FIGURE 4

The 21st Century IDEA aims to digitize the delivery of customer service, while reducing costs and improving the usability of federal websites. Is your agency currently implementing any aspects of the law?



175,000+

The number of messages the VA's White House hotline has fielded since its debut, running 24/7 through email and phone.

21ST CENTURY IDEA TIMELINE

JUNE 20, 2019 →

Electronic Signatures

Submit plan to Congress and OMB to accelerate electronic signatures, receive guidance from OMB on process to prioritize services to digitize

- Increased efficiency
- Faster time to service
- Improved processes

DECEMBER 20, 2019 →

Website Modernization

Ensure new and redesigned federal websites meet modern standards

- Accessible to those with disabilities
- Consistent in appearance
- Industry standards for security
- Mobile-friendly
- User-centric

DECEMBER 20, 2020

Digitize Gov Services & Forms

Digitize new and existing forms and access non-digital processes

- Web-based
- Mobile-friendly
- Personalized
- Non duplicative

The 180-day deadline, which was in June 2019, has come and gone for agencies to submit plans to Congress and the Office of Management and Budget (OMB) for accelerating adoption of electronic signatures. We launched the survey in June as well, to get a sense of progress toward adopting the law. Only 32% said they were confident that they would meet the law’s initial deadline (See Figure 5). The table below outlines those deadlines, along with objectives:

Nineteen percent said they are somewhat confident that their agencies met the first deadline back in June. The same number of respondents said they were not confident that they met the deadline.

FIGURE 5

The 21st Century IDEA sets benchmarks to be met within 180 days of the bill passing. Are you confident your agency will be able to meet those deadlines?



There are a few things worth noting that add context to these data points, specifically around why the deadlines might not have been met. First, the law is less than a year old. The president signed 21st Century IDEA into law Dec. 20, 2018. Second, OMB is charged with providing implementation guidance for the law, and as of September 2019, it had not been released.

“Although [the] law was enacted, OMB has yet to issue execution policy,” one survey respondent said. “That policy is key and will provide the guidance needed to move forward and fully implement IDEA.”

Other factors to consider are the very sentiments that respondents shared. “[Respondents] have competing priorities,” Anello said. “They have limited budgets, and they have to keep the lights on and keep the government running. For some agencies, their funding is stretched pretty thin as far as what new initiatives they can take on.” And until there’s a direct mandate from OMB outlining how agencies should implement the law, there will likely be little movement.

The survey data alone doesn’t show how many agencies started on their digital transformation journeys before 21st Century IDEA became law. But GovLoop has seen early adopters across government who invested in CX before they were required to.

“They realized where the market is going, where citizens are changing and they wanted to align with that shift,” Anello said of early adopters.

\$40 *is the average cost of an in-person interaction...*

...while the average digital transaction costs just **22¢**

The Internal Revenue Service (IRS), for example, reported that in-person interactions cost over \$40 on average, while digital transactions cost just \$0.22 on average. And the agency is making big investments to support those types of efficiencies. The IRS estimates costs of about \$2.3 billion to \$2.7 billion over six years to fully implement its modernization initiatives. This includes providing more web tools and online applications for taxpayers, advancing analytics and enhancing cybersecurity.

But all agencies aren't on the same trajectory. Funding a multibillion-dollar modernization initiative may be out of reach because of budget constraints. That doesn't mean, however, agencies can't begin charting their course to improve CX through digital transformation. And that starts with having a plan. To craft that plan, agencies should have an idea of their end goal or what they want to accomplish through digital transformation, what they want to digitize and how they will get there.

Digital transformation and customer experience are deeply intertwined.

Digital transformation is a way to enhance employee functions or citizen services so that users can easily access them from anywhere, at any time and with the any device. Regardless of how digital transformation is carried out at your organization, the focus must be on the human experience.

"Agencies should be thinking more about their desired outcomes in terms of engaging with citizens," Tarhan said. "For citizens who want more online services, what does that really look like? You can only find out by asking them, and I encourage agencies to do just that."

On the back end, investing in capabilities such as electronic signatures is a vital part of improving workflows and ensuring services are efficient and seamless for users. ServiceNow is a part of the ecosystem of companies that provides digital services and capabilities that agencies rely on.

"We know that several ServiceNow customers already had digital signatures inside their organization for internal processes, so they've already taken initiative that's helped them adhere to the law," Anello said. His advice for agencies: "Instead of viewing the law's requirements as a bunch of boxes to check, use it as an opportunity to rethink how your business processes should work and re-design them. Focus less on the technology and more on the desired results."

Here are some of the open-ended responses we received about the progress agencies have made in implementing 21st Century IDEA:

"Slowly. No progress that I am aware of so far."

"I think it's been going well. We have been striving and working hard to maintain all our accessible websites, forms and to use electronic signatures."

"We are trying to use UX principles to redesign digital interfaces and tools already. But our funding has been significantly slashed for new projects and leaders are trying to cut corners and costs like user testing to stay under budget and schedule."

"Working to sign all of our Veterans up in My Healthy Vet and secured messaging. We are also dramatically increasing the number of Veteran conferences taking place via Telehealth."



How Will 21st Century IDEA Impact Agency Apps and Websites?

There's no doubt that 21st Century IDEA will have a transformative impact on federal agencies. At the core of that transformation are the software applications that support numerous agency operations, such as self-service portals for citizens, human resources platforms for employees and a host of digital services that power citizen-to-government relationships.

But to what extent do agencies foresee the law impacting the very lifeblood of their digital transformation journeys? We asked respondents how many applications or citizen services they expect will be impacted as a result of implementing the law. We received a variety of open-ended responses ranging from single digits to hundreds of thousands. Here are some of those responses:

"600,000 [p]atent applications are received per year through hideous, antiquated information systems. There are multiple OMB cleared forms (>59 collections) that the applicant must fill in that are hard to read and comprehend. The webpage hides the most sought-after information or makes it extremely difficult to understand."

"All services for our [service members] and their families."

"Most of the applications I manage are internal, however, there is a strong desire to make the data (I work in wildfire) more available to the general public. Moving to a Service Oriented Architecture is the first step and the big lift but, once that is done, much of our application data would become front-facing to the public."

These insights from respondents make clear that the overall impact of the law will have benefits both internally and externally. You have to see digital transformation as an end-to-end lifecycle of delivering services, Anello said. Let's say an agency starts with a citizen engagement website and form submission process. Think of all the small steps that go into delivering that service to the citizen, which includes providing the form to customers and a method for submitting it. On the back end, there's internal routing to ensure that form goes to the right people and can be processed.

"We often find that customers have independent applications that every silo of the organization uses to do their piece of the work until a service is delivered," Anello said. "And every time there's a handoff between systems, the process breaks. Employees have to pick up where the breakdown occurred and move things along to the next system." These process breakdowns can be numerous, which result in citizen frustrations aimed at the employees doing the work and creating unnecessary wait times for government services.



TAKING STOCK OF WHAT YOU HAVE

Thankfully, there is a governmentwide movement to not only optimize or improve the efficiency and delivery of applications but also to take better stock of what agencies own and determine which apps are truly needed. This effort dovetails nicely with 21st Century IDEA for several reasons.

Before agencies can fully embrace today's technologies and digital features, they must first understand what they currently have. Application rationalization provides the way forward for agencies (*Check out the administration's new Application Rationalization Playbook [here](#)*). "The rationalization process will involve reducing an application portfolio by:

- 1. Assessing the need for and usage of applications; and**
- 2. Discarding obsolete, redundant, or overly resource-intensive applications," according to the federal government's Cloud Smart strategy. "Decreased application management responsibilities will free agencies to focus on improving service delivery by optimizing their remaining applications."**

Agencies must ensure the apps they modernize and standardize are going to impact their operations positively. The law also called this out. "The head of each executive agency shall regularly review public-facing applications and services to ensure that those applications and services are, to the greatest extent practicable, made available to the public in a digital format," according to provisions in 21st Century IDEA.

"This is an opportunity for agencies to take a look at all the apps that are affected, and they don't have to feel pressured to change all of those applications at once," Tarhan said. "It's about creating priorities

and selecting a strategy that enables you to show progress over a period of time."

The thought of having to rip and replace every application is both daunting and cost-prohibitive for many agencies. Tarhan recommends identifying a single engagement platform that can provide better digital experiences without having to update every application.

In addition to applications, the law will also impact websites and other digital services. Among the requirements, agencies must develop a list of their websites and digital services that are most viewed or utilized by the public or are otherwise important for public engagement. Agencies are required to prioritize which of those websites and digital services require modernization. Here's what respondents said specifically about the law's impact on agency websites:

"We have over 4,500 active Patents web pages. The top 10 hit the majority of users and have hundreds of related links and information systems associated with them."

"I work mostly on internal web-based applications that are behind logins, but our agency hopes to create new public sites that the public can use to view statistics via a GUI [graphical user interface] to our databases to acquire information and statistics on wildland fires."

"All websites public and private."





Harnessing the Power of Automation

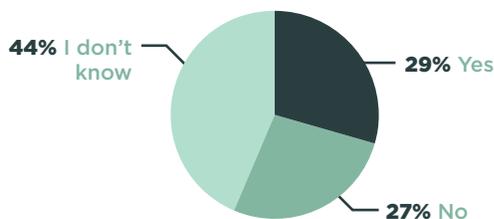
Agencies can only fully realize much of what we've discussed throughout this report if they are willing to take a hard look at their current workflows and embrace automation.

So what does that mean, exactly? Well, think back to the example in the last section about the form submission process for customers interacting with government. Creating a stellar experience means there must be a seamless connection between what users experience on the front end and what employees must do on the back end to fulfill that request. It doesn't matter if a customer has dynamic forms that they can fill out and complete at their leisure — all from their mobile devices — if once they complete the forms the overall process is long, drawn-out and not transparent.

To make the integrated digital experience a reality, workflows and automation need to be tightly integrated with citizen-facing websites. We asked survey respondents if they are currently using a platform to consolidate IT into a single view for increased visibility about overall usage and performance (See Figure 6). Twenty-nine percent said yes, while 27% answered no. Forty-four percent were not sure.

FIGURE 6

Are you currently using a platform to consolidate IT tools into a single view for increased visibility into usage and performance?



"Workflow and automation are really the heart of the digital experience," Tarhan said.

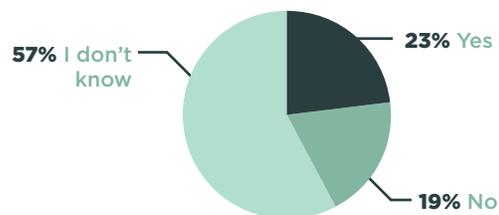
Whether you're thinking about forms or approval processes, you must center everything on a single engagement layer, with workflow at the core. That means not just taking a static PDF and putting that document online. Agencies must first map out their processes to understand how they can be optimized, digitized and then automated.

We also asked respondents about the tools they are using to improve CX, specifically customer relationship management tools, or CRM. Most people — 57% — weren't sure if they were using a CRM, but for those who were aware, 23% said they are using one while 19% said they weren't (See Figure 7).

A CRM system is a tool for collecting and managing the information and interactions that your agency has with customers, suppliers and other entities. It can help track the success of CX activities, maintain relationships with customers, group customer types to develop personalized communications and more.

FIGURE 7

Does your agency currently use a customer relationship management (CRM) tool to improve the citizen experience?



We followed up by asking survey respondents who said they don't have a CRM whether they plan to invest in one. Only 35% said they will definitely not implement a CRM, while the remaining 65% is either exploring the benefits or is at various stages of implementation (See Figure 8).

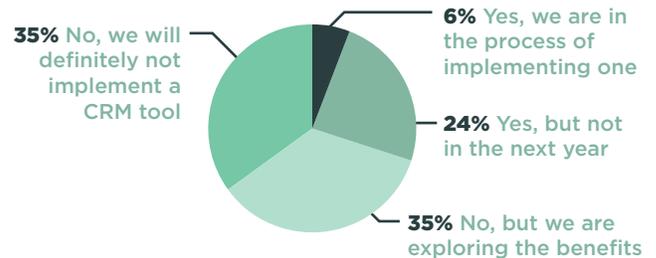
Although a CRM system is a powerful tool for improving digital experiences across your agency, the future of customer service lies beyond systems focused on managing customer contact and individual interactions.

Tarhan explained that what's most important is that agencies have a system of action, based around workflow, that can handle requests and create a

seamless digital experience. CX doesn't start and stop with CRM systems. In addition to focusing on engagement with the customer, agencies must also prioritize workflows to deliver quality services.

FIGURE 8

If not, do you have plans to implement a CRM tool?



How ServiceNow Helps Support Digital Transformation

ServiceNow is partnering with government agencies to meet the mandates of 21st Century IDEA and, more importantly, help them realize the benefits of improved digital solutions.

“This goes beyond meeting the letter of the law but truly investing in digital transformation and changing the way agencies serve customers,” Anello said.

ServiceNow offers agencies a centralized service portal for managing all websites, applications and services. The portal benefits agencies by providing automated support for routine matters and consolidating IT tools into a single view. It gives teams increased visibility into usage and performance of their websites, services and applications.

“The service portal cuts across all the various applications in an agency that engages with citizens to provide a single experience and a service catalog of all the various services,” Tarhan said. “An integrated search, workflow and a single seamless experience for citizens, regardless of what that interaction looks like, is incredibly powerful. Because we store all of that into a single platform, we can report on continuous improvement with full transparency.”

That's really what digital transformation is about — data integration and process transformation. And it's also

the core focus and charter of ServiceNow. “We are well-suited because we're focused on how data and work travel through the federal government. Our federal employees need easy-to-use tools that empower them to not only embark on their transformational journey but also to take ownership of it.”

ServiceNow Customer Service Management, for example, connects customer service teams to the rest of the organization through automated workflows. It helps them get ahead of customer issues and deliver personalized, self-service experiences, according to ServiceNow. Customer service agents are equipped to fix the root cause of issues and respond faster to concerns.

These are the types of exercises that ServiceNow maps out with its government customers. “At ServiceNow, we are the workflow company,” Anello said. **“That's what we do: digital workflows for employees, customers and specifically IT as well.”**

More than 100 federal agencies already have ServiceNow's platform installed, so they have technology to help them digitize workflows. The key is ensuring all employees are aware of these types of platforms and understand how they can take advantage of them to improve the way they work.

Conclusion

There is a powerful connection between digital transformation and improving how the public interacts with the government. For federal agencies, the 21st Century IDEA is expected to play a big role in promoting that connection.

It's likely that your agency is in some phase of digital transformation, or at least doing it on a small scale. As agencies mature in their journey, the benefits of improving employee workflow and making government services more accessible will continue to flourish.

The ultimate goal is to improve mission outcomes, both within the walls of government and for external customers. The answer is investing in digital experiences that have impact now and long into the future.



ABOUT SERVICENOW

ServiceNow makes work, work better for people. Our cloud-based platform and products streamline and simplify how work gets done.

Learn more at: www.servicenow.com



ABOUT GOVLOOP

GovLoop's mission is to "connect government to improve government." We aim to inspire public-sector professionals by serving as the knowledge network for government. GovLoop connects more than 300,000 members, fostering cross-government collaboration, solving common problems and advancing government careers. GovLoop is headquartered in Washington, D.C., with a team of dedicated professionals who share a commitment to connect and improve government.

For more information about this report, please reach out to info@govloop.com.

*Photo by WOCinTech Chat
licensed under CC by 2.0*



1152 15th St. NW Suite 800
Washington, DC 20005

P: (202) 407-7421
F: (202) 407-7501

www.govloop.com
[@GovLoop](https://twitter.com/GovLoop)