



Office of the Governor

Driving Innovation & Performance in Virginia
Briefing to the Council on Virginia's Future



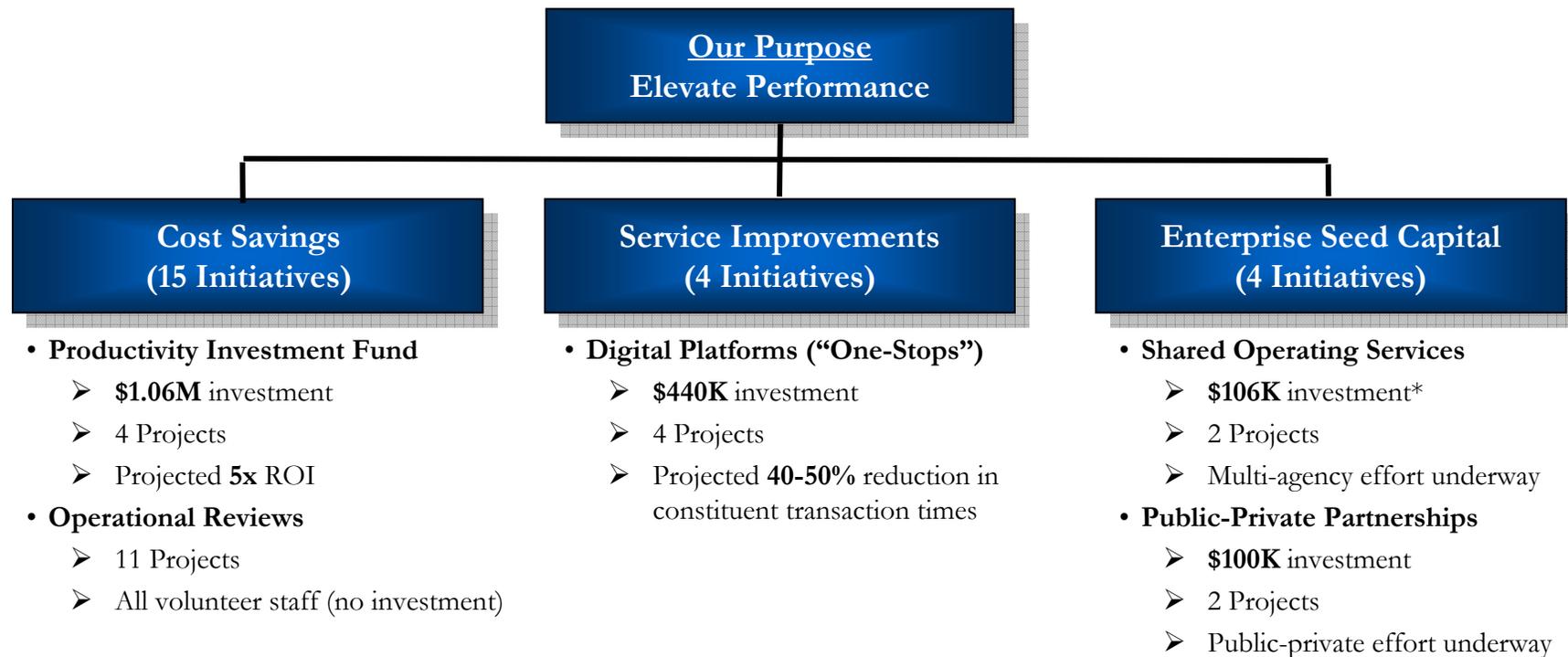
The Honorable Aneesh P. Chopra
Secretary of Technology

September 12th, 2007



Putting in Altogether

A Comprehensive Summary of Effectiveness and Efficiency Agenda



Effective Public & Private Sector Governance
(Enterprise Solutions Oversight Board & Productivity Advisory Committee)

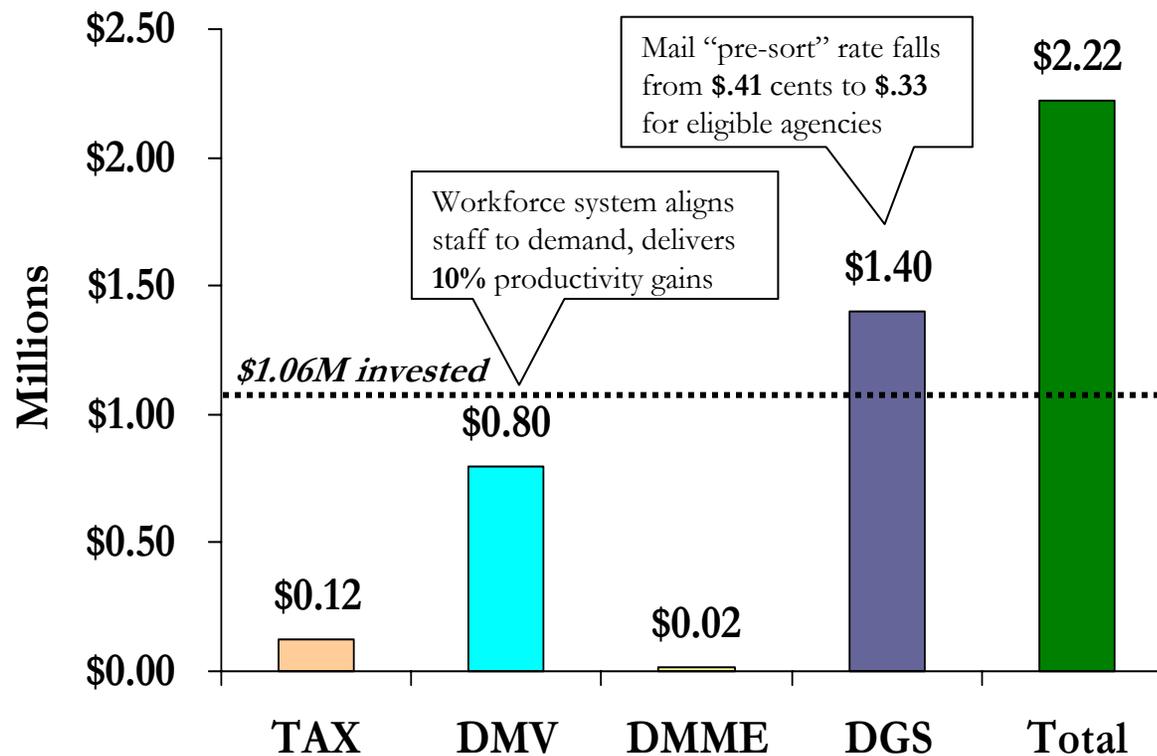


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Cost Savings ~ Productivity Investment Fund

Cost Savings Portfolio Expected to Return 5x ROI Within Three Years

Annualized Savings Potential – Base Case



Productivity Investment Fund in Brief

Capital: Governor Kaine established **\$3M** fund in **January** to simplify government operations; encouraged all agencies to apply by **March, 2007**

Goals: In addition to **operating cost savings**, PIF encourages agencies to **lower constituent transaction time** and advance the Governor's **key performance measures**

Portfolio: In **May**, we invested **\$1.3M** of which **\$1.06M** funded the following savings initiatives:

- DGS: Mail Consolidation
- DMV: Workforce Mgmt System
- Dept of Tax: Image Cash Letter
- DMME: Field GIS

Using the base case, the 3-year return per dollar invested is approximately \$5



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Cost Savings ~ Operational Reviews

Early Diagnostic Effort Through Eleven Reviews Shows Promise

Initial Focus Areas

- Energy
- Fleet
- Travel
- Mail
- Print/Copy/Paper
- Return to Work
- Communications (Voice/Data)
- Water
- Solid Waste
- Receivables
- Staff Augmentation (Temp Labor)

Selection Criteria

- Fundamental to all agencies
- Good ideas can be shared and leveraged across the enterprise for greater efficiency and effectiveness
- Reviewing and coordinating at the enterprise level will facilitate greater bargaining power

Timeline

- Research teams work for 3 – 5 months to deliver a final report that defines for topics in detail:
 - Overall cost drivers
 - Usage level of best practices
 - Opportunity to leverage enterprise scale in the market
 - Recommendations to improve Commonwealth performance and cost-effectiveness
- Reports will be reviewed by oversight group which will then make recommendations to the Governor



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Service Improvements

Pilot Projects Leverage Digital Platform to Improve Service

Pilot Project	Description
<i>Business One Stop</i>	New website designed to streamline myriad forms required to start a new business in Virginia and avoid data entry duplication; of 37 most common forms, 445 data fields include 324 duplicates
<i>Turbo-Vet</i>	New website designed to streamline federal veteran's benefits application; current veteran wait times of 240 days for final answer expected to fall to 100 days through more accurate submissions
<i>Mining Permit e-Forms</i>	New web-based mining permit process to dramatically lower time to complete; current 90 day time period to fall to 14 days , and allow for multi-year renewals, further lowering industry regulation costs
<i>Streamlined Medicaid Application</i>	New web-based Medicaid application for aged, blind and disabled to dramatically lower time to determine eligibility; current 90 day period to fall to 45 days , and allow volunteers to ensure application accuracy before submission

\$440K investment should lower constituent transaction time 40-50%, saving citizens time and money



Enterprise Seed Capital

Seed Capital to Plan for Streamlined Enterprise Operations

Governor's Agenda
Enterprise Initiatives

Mapping Enterprise Opportunities
By Size of Implementation Cost

Portfolio

Shared Operating Services

#Virginia Enterprise Applications Partnership (VEAP)– a shared service approach to lowering “back-office” operating costs; *Champion: Sec. Wagner**

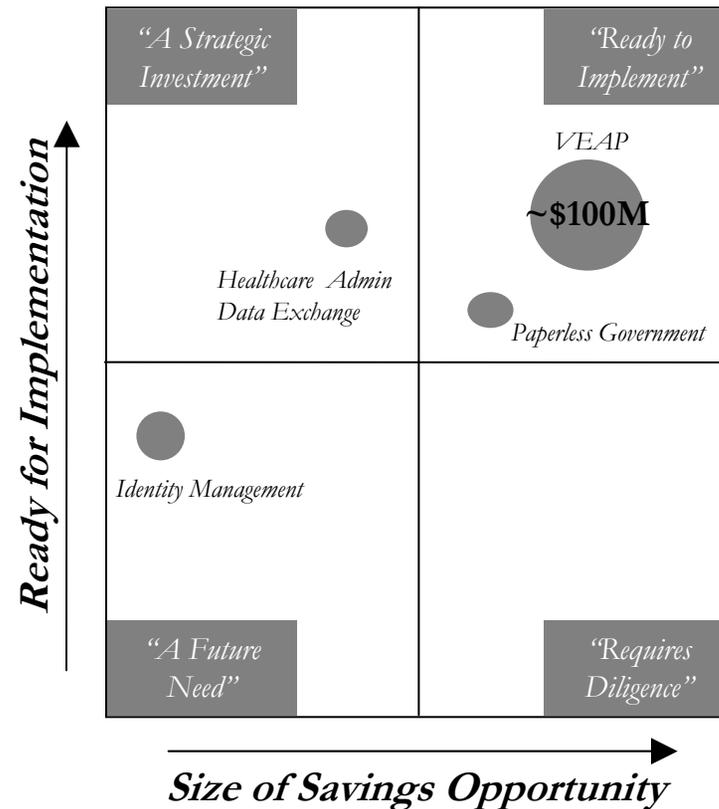
#“Paperless Government” – an enterprise standard to convert paper records into an automated workflow; *Champion: Sec. Wagner*

Public-Private Partnerships

#Healthcare Administrative Data Exchange– a public-private partnership to streamline healthcare administrative costs through data exchange; *Champion: Sec. Chopra*

#Identity Management– a review of existing identity management activities to assess viability of public-private Real-ID leveraged shared service; *Champion: Sec. Chopra*

\$206K investment yielded three viable projects



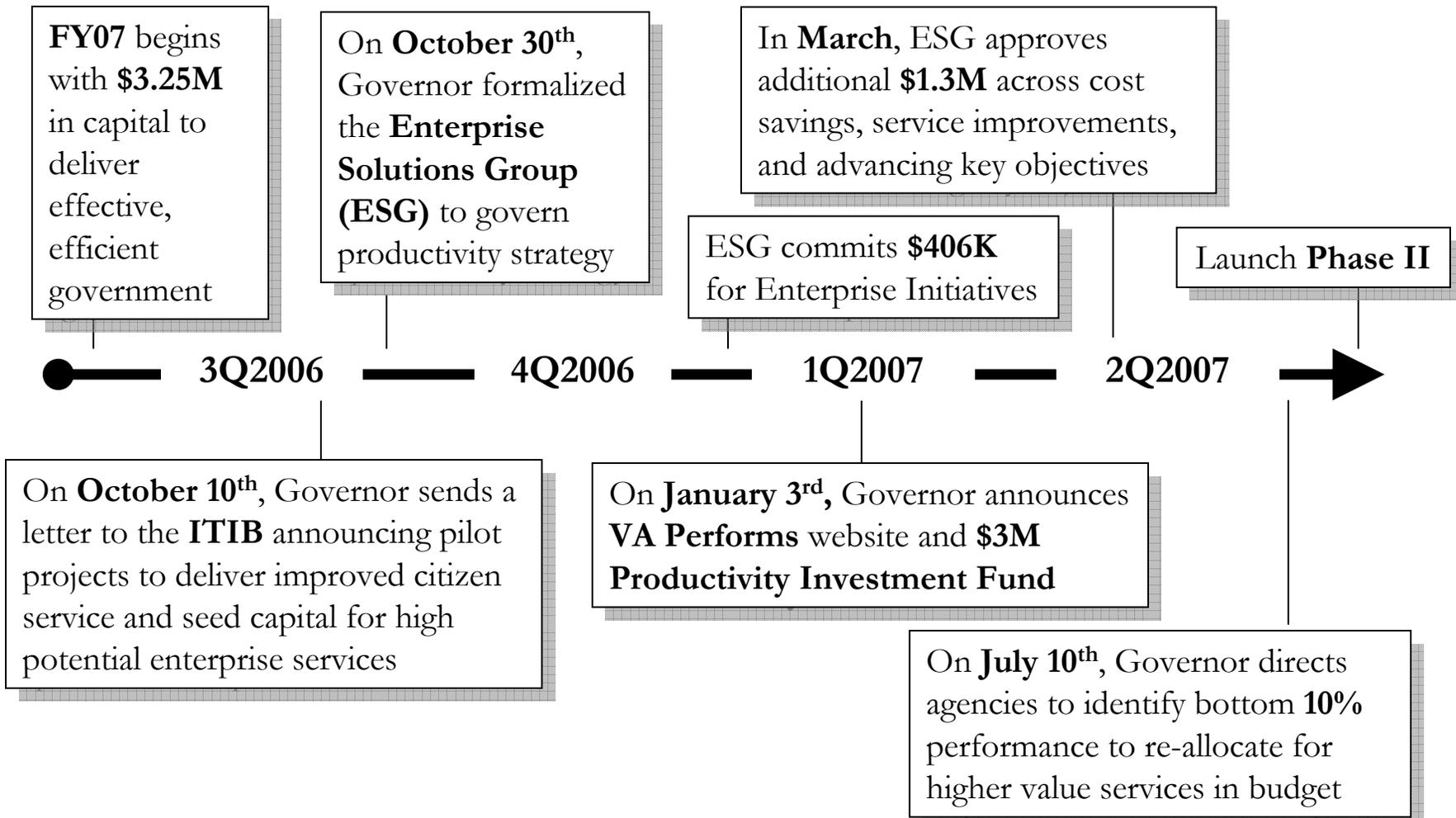
*Separately funded and project launched

● Denotes Size of Investment Cost at Full Implementation



History

Timeline of Events to Deliver Effective, Efficient Government





Office of the Governor

Governance

Linking Public and Private Sector Experts to Simplify Operations

Public Sector

Governor
(Chief of Staff)

ESG Oversight Board
Secretary of Technology (Chair)
Secretary of Finance
Secretary of Administration
CIO, VITA*
Dir., Dept. of Human Resource Mgmt*
Dir., Dept. of Planning & Budgeting*

Enterprise Solutions Group

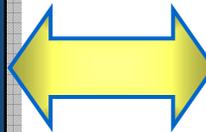
Private Sector

Enterprise Solutions Group
Productivity Advisory Committee



Role of Advisory Committee

Advise on Commonwealth's approach to effective and efficient government operations; network resources where appropriate and facilitate best practice sharing to create a long-term culture of continuous performance improvement



* *Ex Officio*



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Productivity Advisory Committee

Committee Members Represent Local, National Experts

Productivity Advisory Committee

Co-Chairs: *Marge Connelly*, COO, Wachovia Securities

Dr. Kent Murphy, CEO, Luna Innovations

- *Carly Fiorina*, Fmr. CEO, Hewlett-Packard
- *John Nolan*, Retr'd Dep. Postmaster Gen, USPS
- *Scott McKay*, SVP, Genworth Financial
- *Mary Doswell*, President, Dominion Resources
- *John Kamensky*, IBM Business & Govt. Ctr.
- *David Hummelberg*, Mng VP, Capital One
- *Michael D'Amato*, Fmr. Partner, Bain & Co.
- *Bo Willis*, Director, Va Dept of MME
- *Jeneane Rae*, CEO, Peer Insight
- *Dr. Abul Hossam*, Chemistry, GMU
- *Dr. Jeff Young*, Quality, UVA Health System
- *John "Dubby" Wynne*, Fmr. CEO, Landmark

Role of Committee

- Committee shall convene **three** times a year
- Provide guidance on various aspects of project portfolio (e.g., case for action, recommended approach, ROI, etc.)
- Suggest best practices and make introductions where appropriate
- Identify additional opportunities for simplifying government