5.4 PROGRAM: BUSINESS PROCESS RE-ENGINEERING (BPR)

Objective: Update and re-engineer the business processes of legacy mission-critical applications, and have them delivered through one portal.

Description: The BPR program partners with State departments to identify, prioritize, and update business processes in need of re-engineering, including content management, enterprise architecture (EA), and ERP efforts. A major focus for many departments 2012–2014 was moving from inefficient, paper-based processes to streamlined, digital processes.

Impact: The BPR initiatives aid departments in streamlining, updating, and increasing the efficiency of business processes within the State. Additionally, website modernization efforts connect Hawaiian citizens to government and make it easier for them to get valuable information and access services. Through the Transformation Internship Program (TIP), the State works to train, attract, and retain a talented business and IT workforce as an investment in the local community.

Related Projects and Initiatives:

Business Process Re-engineering Support

In an effort to help departments operate more efficiently and provide citizens with better services, OIMT has been working with departments to lend staff resources and technical support to develop applications and re-engineer their business processes.

Throughout 2012–2014, OIMT, along with the Information and Communication Services Division (ICSD), has provided departments with several useful applications. An example is the Legislative Tracking System, an application developed in-house by ICSD that allows departments to easily and electronically track proposed legislation and testimony during legislative sessions.

Most recently, OIMT partnered with the Department of Health (DOH) to identify issues in its vendor payment process that caused payments to be delayed. OIMT and DOH identified contract execution as a contributing factor to the delays. As a result, DOH worked with the Attorney General's (AG's) office to create a "contract genie" with pre-defined and pre-approved contract fields, which has resulted in expedited vendor payments.

State CIO Bhagowalia share Aloha with TIP team at their graduation ceremony

BUSINESS PROCESS RE-ENGINEERING INITIATIVES

	Department	Project	Benefit
1	Department of Accounting and General Services	Public Works Division	Create a web based system to allow construction design consultants to access plans and other documents of our current State facilities.
2	Department of Agriculture	Quality Assurance Information Management System (QAIMS):	The QAIMS will enable staff to better protect consumers, businesses, and manufacturers from unfair practices, based on a measurement process or subject to a standard of quality. The goal is to minimize losses and inaccuracies due to incorrect or fraudulent commercial measuring equipment, processes, or substandard products. Also to provide services and enforce laws that help to improve the market quality of agriculture commodities, promote fair trade and honest business practices.
3	Department of Agriculture	Contract Management System (CMS)	The goal is to provide an integrated information system to administer contracts statewide.
4	Attorney General	Advice memo Automation	The goal of this project is to create an electronic database that will store advice memos currently stored in paper files in the Department of the Attorney General, Land/Transportation Division. The project will encompass scanning all hard copy files into soft copy format, and to index the documents for easier search/retrieval. This will allow for better search and indexing capabilities making the files more accessible and useful to the staff.
5	Department of Budget and Finance/ Department of Accounting and General Services	Electronic Treasury Deposit Receipts (eTDR)	The purpose of the (eTDR) project is to automate and streamline the recording and reporting of deposits in the state's financial systems. The new system will improve the efficiency and timeliness of recording the deposits and eliminate the manual processing of paper forms and multiple data entry. The system is currently being tested.
6	Department of Defense	File Conversion into Electronic Format	The goal of this project is to convert paper files into an electronic format. This will eliminate over 20 file cabinets and create to create space for a study hall for the Youth Challenge Academy Cadets.
7	Department of Health	Contract GENie	The goal of this project is to reduce the overall time needed to process a contract from the date of award to the date of execution. Project Goal: 90% of all new contracts will be executed within 60 days of contract award.
8	Department of Health	Vital Records Ordering and Tracking System (VROTS)	Reduce the amount of walk-in vital records and mail order requests by increasing online orders. This would increase customer satisfaction by providing order information and status tracking. Providing this service will streamline issuance processes enabling more services to be available online.
9	Department of Human Resources and Development	Online Unskilled Labor Registration Class System for Applicant Processing and Hiring	Expand efforts to track all state employment interests independent of appointment type. This tool will provide Departments and agencies with a standard online tool to manage registration class applicants and provide the ability generate applicant lists to meet hiring objectives.
10	Department of Human Services	DHS BESSED INVO Database Consolidation	Integrate multiple data systems across various BESSED offices to result in a standard process and system to track SNAP fraud cases and investigations.
11	Public Safety Division	Dashboard for Decision Making	Improve performance of the organization by making better decisions using key targets and indicators to measure performance.
12	Multiple	SCR 40	A working group was created to: (A) Examine state contracting and issues relating to payment when invoices are submitted; (B) Identify areas that can be simplified and standardized between government agencies, the State Procurement Office, the Department of Accounting and General Services, the Department of the Attorney General, and the parties contracted to deliver services; and (C) Develop the scope of a "dashboard" demonstration project that utilizes designated contract areas in the Department of Health, Department of Human Services, and Department of Public Safety to test business process improvements or other approaches to streamline the contracting process, with the goal of clarifying problem areas and solutions for government agencies and the parties contracted to provide services.

"In the short time that we worked with the interns, they were able to come up with tangible analysis and well-documented reports for us to consider."

—Tracy Ban
Administrative Services Officer, Budget and Finance (B&F)

BPR representatives after a workshop

Business Transformation Representative Group

Established in 2013, the Business Transformation Representative Group includes representatives from several State departments. The members are individuals with a keen interest in BPR who are dedicated to transforming operations within their departments. The members of the BPR group work with the Office of the CIO to exchange ideas and lead BPR efforts within their respective departments.

For many of the BTR participants, the biggest value is the collaboration with staff from other departments. Says Tracy Ban, Administrative Services Officer for Budget and Finance (B&F), "One of the real benefits of being part of the group is seeing what other departments are struggling with and trying to change. When there are new solutions or business processes that come out of a department, it's often useful for others."

BPR representatives working collaboratively during a conference

"We are trustees of the public's trust and public funds. It is incumbent upon us to continuously seek ways to improve our processes through technology to maximize the limited human and capital resources we have at our disposal. We owe it to the taxpayers and the vulnerable and needy families, individuals and children we strive to serve on a daily basis."

—Pankaj Bhanot
Division Administrator, Department of Human Services
Governor's State Manager of the Year

The Department of Human Services' Business Process Re-engineering Project

The State of Hawai'i Department of Human Services (DHS), Benefit, Employment and Support Services Division (BESSD) in December 2011 embarked on a bold initiative to transform its business processes involving eligibility determination for public welfare benefits. DHS/BESSD undertook this effort in the face of a great economic depression, reduction in the public workforce, hiring freezes, low morale among the BESSD employees, budget cuts, crushing increases in caseloads and demand for public benefits and services, large backlogs of applications, operational inconsistencies, unhappy customers, and a federal injunction against DHS to improve the statewide timeliness rate of disposition of federal Supplemental Nutrition Assistance Program (SNAP) applications to 95% (from 66%) by December 2012. Governor Abercrombie's New Day Plan emphasized the urgency to make structural or transformational changes to improve government efficiency, which was also echoed by Sanjeev "Sonny" Bhagowalia, the first Chief Information Officer of Hawai'i, in his Business Transformation Strategy, i.e., *"...to identify and prioritize business process re-engineering projects with the overall goal of streamlining business processes, increasing efficiencies, reducing duplication of effort, and improving delivery of services."*

This unprecedented effort to transform the existing business processes involved moving away from the case management model wherein a caseworker shepherds customers through all the steps necessary, to a new task-based process management model of determining eligibility for public welfare benefits. In a case management model, a caseworker handles a customer's case from the day they applied to the day they exited the system. The success of a customer depends heavily on the customer's ability to meet the eligibility requirements in a timely manner, and on the caseload size and the competency of the caseworker. In process management, the success of a customer depends on a team of caseworkers executing key processes to move cases along as quickly as possible.

The key goals and objectives of the DHS/BESSD's Business Process Re-engineering (BPR) Plan were to:
1. Create Capacity
2. Improve Timeliness
3. Improve Accuracy
4. Increase Program Participation
5. Increase Client Satisfaction

The key guiding principles behind the BPR were:
1. Customers have different needs and one size does not fit all.
2. Eliminate repeat visits and attain same-day processing of applications.
3. Reduce rework of cases through consistent tools and standard practices.
4. Real-time data and resource management.

BESSD's Management team, led by Pankaj Bhanot, Division Administrator, established the BPR Steering Committee to oversee the planning and implementation
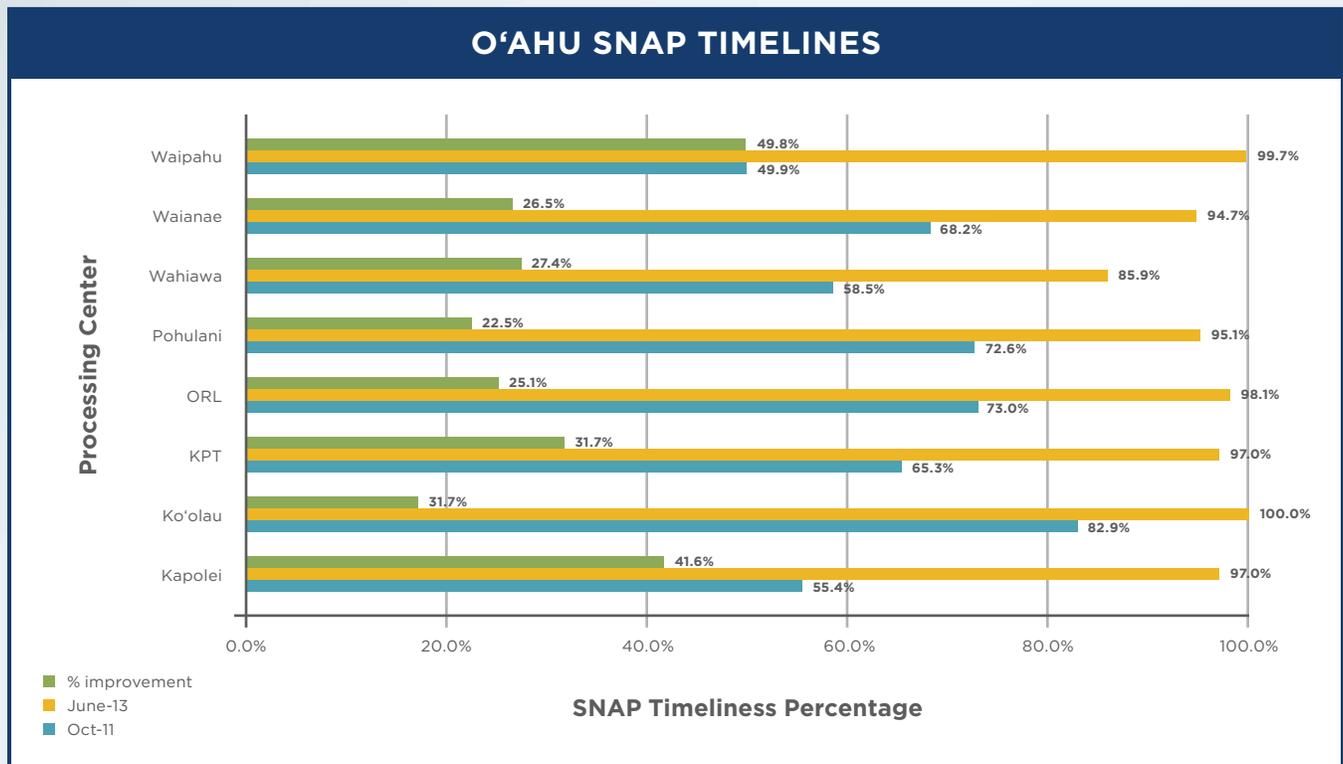
of the BPR. The membership on the Steering Committee included staff from all levels — clerical, professional, and managerial staff. Julie Morita, Oʻahu Branch Administrator, was appointed to lead the BPR effort; Scott Nakasone, Assistance Division Administrator, was the technical advisor; and Lorie Young, Financial Assistance Program Administrator, was the Change Agent. BESSD also received support from the Food and Nutrition Services of the U.S. Department of Agriculture, New Mexico Department of Human Services, Washington Department of Social and Health Services, Idaho Department of Health and Welfare, Arizona Department of Economic Security, and other states. BESSD also hired Change and Innovation Agency, a premier consulting group, to assist in the development and implementation of the BPR Plan.

BESSD implemented the BPR in phases. The first processing centers were rolled out in Maui (the lowest-performing center at 29%), North and South Hilo (the best-performing centers at 80%) in December 2011, and the remaining centers were rolled out by November, 2012. BESSD's mantra was to *"...just do it, select the most favorable conditions for innovation, involve staff early, and implement in phases."*
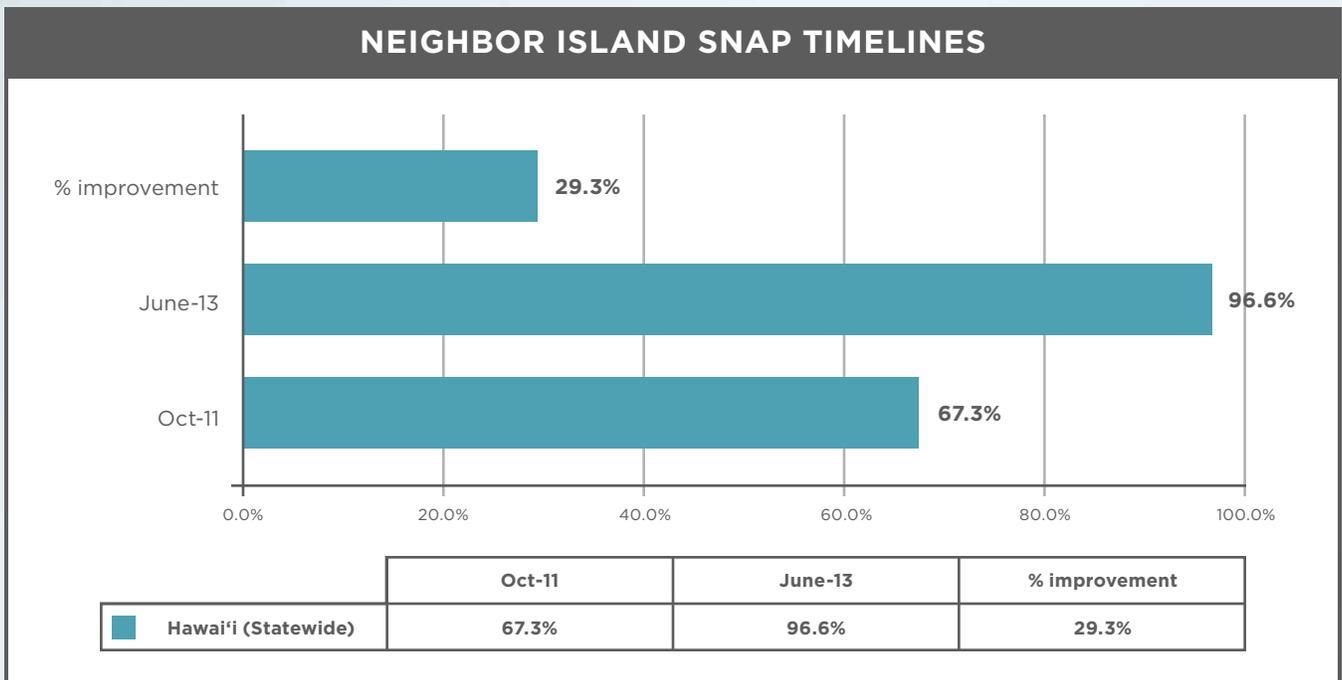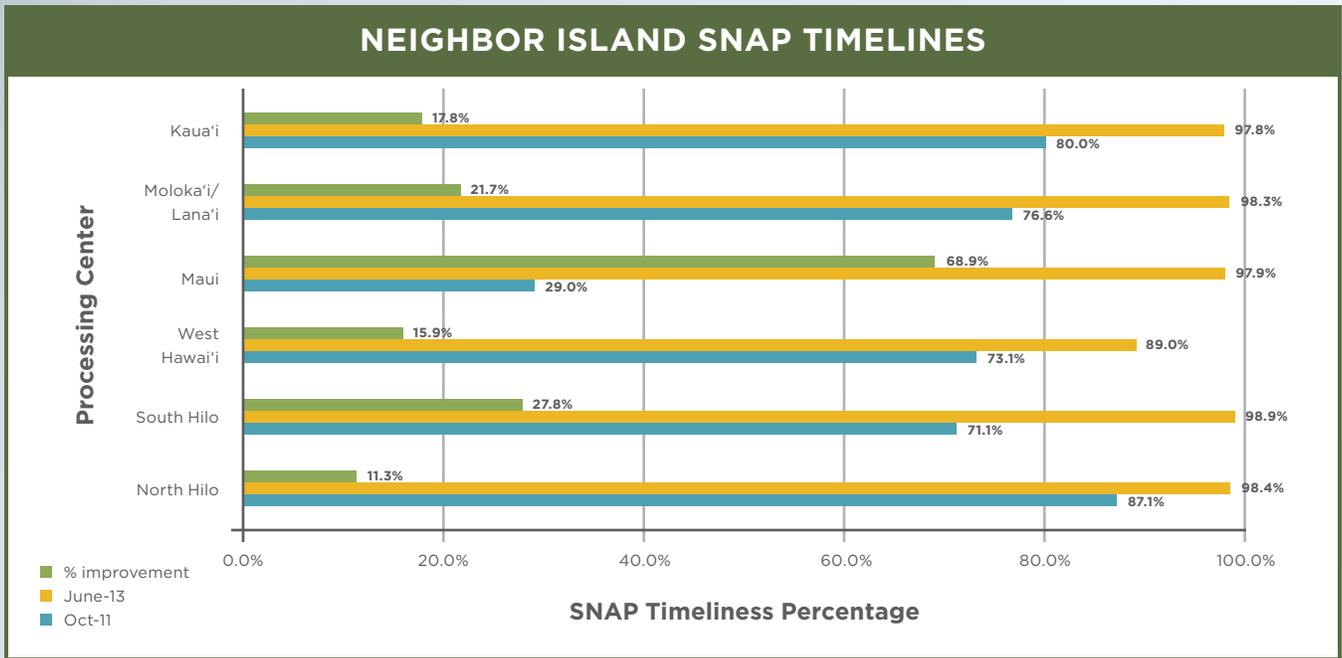
BESSD's BPR effort resulted in the following measurable outcomes:

1. Improved timeliness. Within 12 months of implementation, BESSD's statewide timeliness rate went up to 95% from 67% in October 2011. BESSD's current (June 2013) timeliness rate is at 96.6%.

OʻAHU SNAP TIMELINES

Processing Center	% improvement	June-13	Oct-11
Waipahu	49.8%	99.7%	49.9%
Waianae	26.5%	94.7%	68.2%
Wahiawa	27.4%	85.9%	58.5%
Pohulani	22.5%	95.1%	72.6%
ORL	25.1%	98.1%	73.0%
KPT	31.7%	97.0%	65.3%
Koʻolau	31.7%	100.0%	82.9%
Kapolei	41.6%	97.0%	55.4%

SNAP Timeliness Percentage

NEIGHBOR ISLAND SNAP TIMELINES

Processing Center

Kaua'i
- % improvement: 17.8%
- June-13: 97.8%
- Oct-11: 80.0%

Moloka'i/ Lana'i
- % improvement: 21.7%
- June-13: 98.3%
- Oct-11: 76.6%

Maui
- % improvement: 68.9%
- June-13: 97.9%
- Oct-11: 29.0%

West Hawai'i
- % improvement: 15.9%
- June-13: 89.0%
- Oct-11: 73.1%

South Hilo
- % improvement: 27.8%
- June-13: 98.9%
- Oct-11: 71.1%

North Hilo
- % improvement: 11.3%
- June-13: 98.4%
- Oct-11: 87.1%

Legend:
- % improvement
- June-13
- Oct-11

SNAP Timeliness Percentage

NEIGHBOR ISLAND SNAP TIMELINES

- % improvement: 29.3%
- June-13: 96.6%
- Oct-11: 67.3%

	Oct-11	June-13	% improvement
Hawai'i (Statewide)	67.3%	96.6%	29.3%

2. Increased access to and participation in SNAP. SNAP participation in FY 2012 increased by 9.08% compared to FY 2011, the single largest increase in the nation. The State of Hawai'i was awarded a bonus of $724,139 by the U.S. Department of Agriculture for the most improved SNAP participation rate in the nation.

3. Maintained the high accuracy rate in calculation and issuance of SNAP benefits. Hawai'i's error rate for FY 2012 is lower than the federal acceptable threshold. BESSD is working closely with the Quality Control Staff to lower the error rate further in the ensuing federal fiscal year.

4. Reduction in per-case cost to determine SNAP eligibility. The post-BPR cost per case to determine SNAP eligibility has come down to $13.89 per case, i.e., 3.22% of the total administrative cost. The national average in 4.76%.

5. Same-day processing of transactions. Almost 75% of clients are now able to get their eligibility-related matters handled on the same day. During the pre-BPR days this percentage was "zero," as all cases were given an interview date in the future.

The process management has proven to be faster, more flexible, responsive, accurate, accountable, efficient, and rewarding.

BESSD, with support from Patricia McManaman, DHS Director, and Chief Information Officer of Hawai'i, rolled out two information technology (IT)-oriented solutions to support and sustain the BPR gains. The first is the ePathos solution. ePathos is a cloud-based process and operations management solution that allows BESSD processing centers to monitor, measure, and manage wait time and work flow in real time; compare and enhance performance; reallocate your resources, locally and system-wide; and ensure excellent customer service. The second IT solution currently rolled out on the Island of Hawai'i is the document imaging and content management (DICM). DICM allows BESSD processing centers to create electronic case records; more flexibility in utilizing human resources and addressing backlog of applications; easy transfer of cases; and possibility of online application and forms.

BESSD future *kaizen* (means continuous improvement in Japanese) efforts to fortify and sustain the gain of BPR include integration of the Hawai'i Automated Welfare Information (HAWI) system (current TANF, GA, AABD, LIHEAP, and SNAP eligibility system) into the KOLEA system (Medicaid eligibility system recently implemented pursuant to the Affordable Care Act); and Customer Relationship Management solution phone system and device integration and interactive voice response, intelligent call routing, call support and tracking, application and case integration, and online and email contact center. BESSD is poised to embark on these efforts in early 2014 and is expecting to complete the implementation by December 2015.

Transformation Internship Program (TIP)

Tip.Hawai'i.Gov

TIP is a unique opportunity for undergraduate and graduate students to gain training and experience in state government and assist in organization change management, business process re-engineering and/or information technology systems and solutions. Established by OIMT in 2012, the program enrolls 35–40 students each semester and during summer breaks to prepare students for challenging IT-related jobs — enhancing Hawai'i's business and IT workforce. Participating schools include: University of Hawai'i, Hawai'i Pacific University, Brigham Young University, University of Southern California, University of Washington, and University of Phoenix.

Through TIP, students gain experience in areas such as strategic planning, human capital management, organizational change management, and fiscal planning. Students are assigned to program teams, enabling them to work with State employees and transfer their classroom activities to actual work experiences.

A major focus for the interns was working with the Business Transformation group on BPR initiatives. The students worked on open data projects (including creating data.hpu.edu) as a means to visualize data, and worked directly with State departments to complete business process mappings.

EXAMPLES OF THE INTERNS' CONTRIBUTIONS TO STATE DEPARTMENTS INCLUDE:

State Department	Project(s) Worked On	Contribution
Budget and Finance (B&F)	• Death Benefits Validation for Employee Retirement System (ERS) and Hawaiian Employer Union Health Benefits Trust Fund (HEUHBTF)	• Interviewed the two agencies to discern their needs and concerns for validating when benefit recipients were deceased and benefits should stop. • Coordinated a meeting between the two agencies and Department of Health (DOH) to facilitate better information exchanges. • Produced a comprehensive report of their findings and recommendations.
Hawai'i Criminal Justice Data Center (HCJDC)	• Document Management and e-Discovery	• Gathered document management and process automation requirements.
Department of Health (DOH)	• Customer satisfaction surveys and process assessments	• Conducted customer satisfaction surveys for birth, marriage, and death licensing processes to issue certified copies. • Assessed major challenges with the processes, including backlog and time delays.

Students have learned valuable skills from participating in the program. Steve Smith, CIO for the University of Hawai'i, notes that students have told him "they've had a very positive experience with the program and that it's been a real help to them, and something they're happy to have on their resume."

Governor Abercrombie and CIO Bhagowalia at the TIP Spring 2013 Session

Lieutenant Governor Tsutsui with interns at the TIP Summer Session Kickoff

The Governor and State CIO with TIP Summer 2012 interns

Data.hpu.edu

Figure 1. Enterprise Program Management Office (ePMO)

OIMT has been working to create the foundation for an Enterprise Program Management Office (ePMO) to provide governance and oversight for major program initiatives including Enterprise Resource Planning, Tax System Modernization, and Health IT. The office will work to deliver IT projects on time, on budget, and in scope using proven industry standard tools and practices.

The ePMO will bring training options to IT programs and projects, including program and project management, business process re-engineering (BPR), contract administration, leadership, negotiation and teamwork. As the ePMO grows, additional services will be offered such as facilitation, subject matter expertise on communications, risks, technology architecture and acquisition.

The Office also will work collaboratively with departments to provide centralized services such as document management and SharePoint repository services. Coming soon will be a project management information system called Alanui (The Way). With Alanui, project collaboration and communications across departments and agencies will be more efficient and effective.

Aligning people, process, and technology, the ePMO enables the State to transform through increased skill sets, visibility, and best practices for government IT and BPR projects.

Office of Information Management and Technology
Newsletter

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Opening Message

From Sanjeev "Sonny" Bhagowalia, CIO

Aloha,

As we begin a new year, I am both optimistic and grateful for the dedication of so many state employees working on the IT transformation and its promise for the future.

The preparation and planning during the past two years have introduced a number of changes, and we are now ready to move ahead on a number of fronts. We will be selecting a vendor to launch ERP – enterprise resource planning – that will streamline the way we work and deliver government services. And we are upgrading a number of systems in tax, human resources, and finance, as we eventually migrate to one technology platform.

During this multi-year transformation, we will do our best to coordinate among teams of state workers and agencies, and provide updates and responses to your questions.

As part of our communications effort, we will continually update our website and provide you with the latest status of various projects and information about how they will affect processes and functions in state government. To pull everything together, we developed this newsletter covering all the major business transformation initiatives. Future editions will feature all areas of our work, such as IT network, security, and other infrastructure improvements. We hope you will find it useful as we continue our enterprise transformation.

We will stay in touch. But if you have any questions, please let us know. Our strength comes from unity of purpose and effort.

Mahalo and aloha.

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