NEXT SESSION

Buying Into a Customer-Centric Future: How Al and Big Ideas can Revolutionize Government Ways of Working

John Johnson, Daniel Forrester and Joe Mariani

Professional Programs Manager, University of Maryland, College Park, Project Management Center for Excellence

Founder, THRUUE, Inc.

Leader, Emerging Technologies Research, Deloitte's Center for Government Insights

This session will be recorded.

University of Maryland Project Management Symposium









Buying Into a Customer-Centric Future:

How AI and Big Ideas can Revolutionize Government
Ways of Working

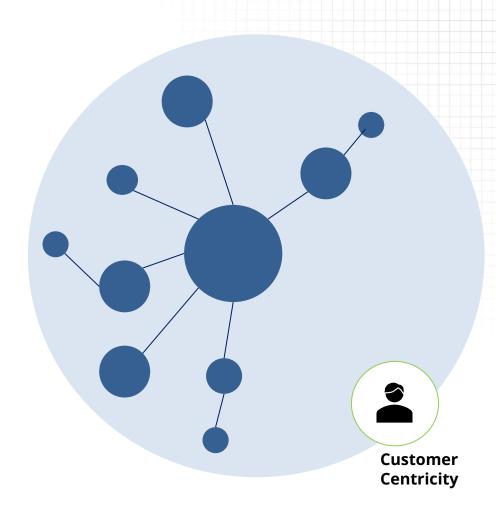
John Johnson, UMD
Daniel Forrester, Thruue
Joe Mariani, Deloitte

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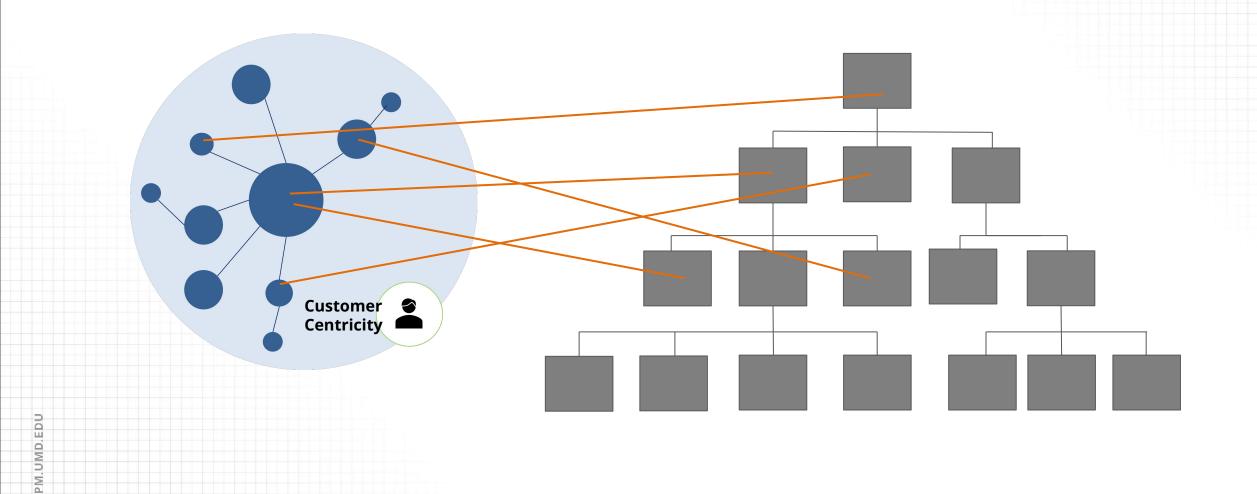
Enabling Business a Customer-Centric Government

- Government has yet to embrace new ways of working
 - Agile and/or Modular Acquisitions
 - Modular acquisitions to manage risk
 - Working with Scope Buffer
 - Leveraging OTAs and Alternative Pathways
 (MTA, Software Acq)
 - Embracing Integrated, Empowered Teams
 - Requirements, design, build, and test on the same team
 - Enabling fast-tracking and rapid prototyping
 - User-centered design



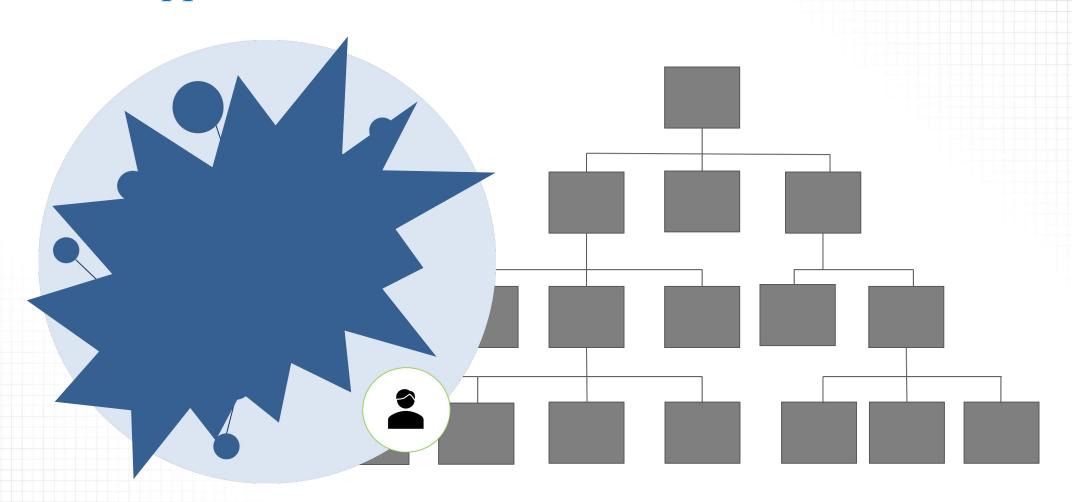


Organizations use hierarchy for stability & execution



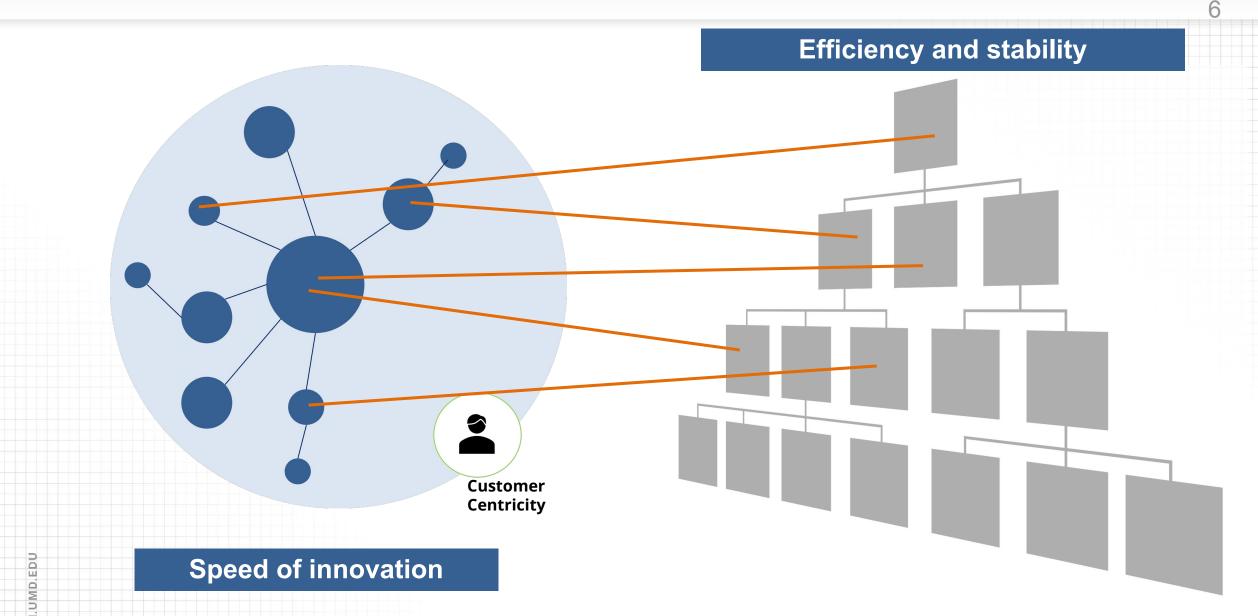


Guess what happens?

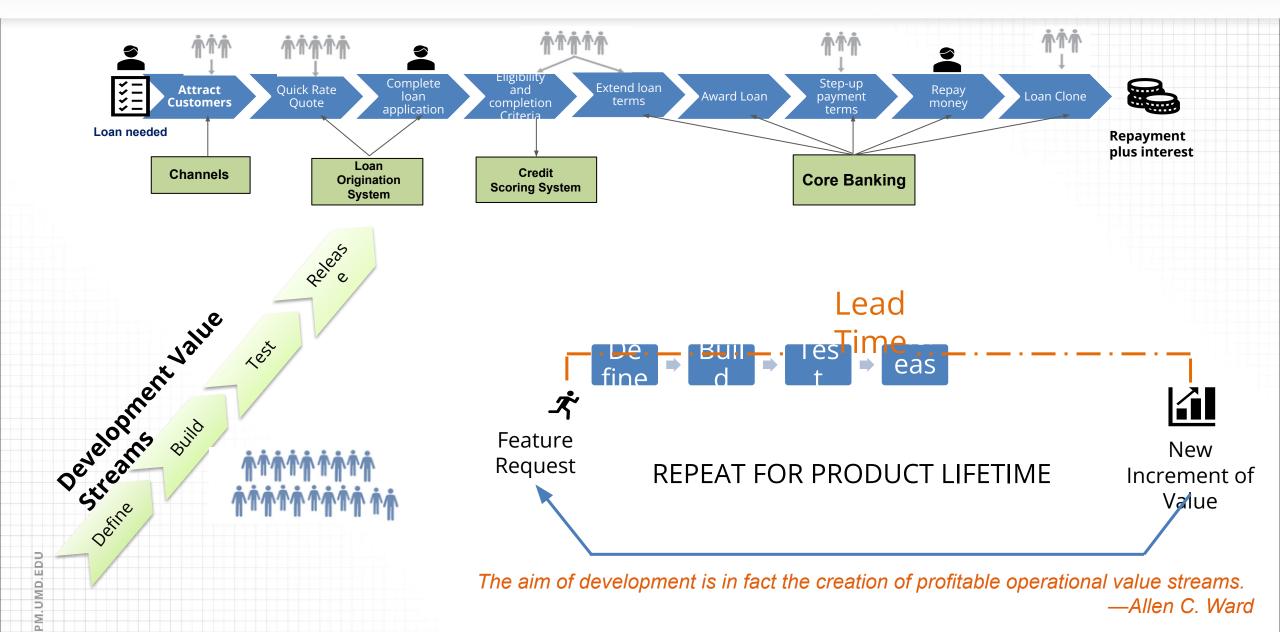




We need a dual operating system for Business Agility



Value Streams



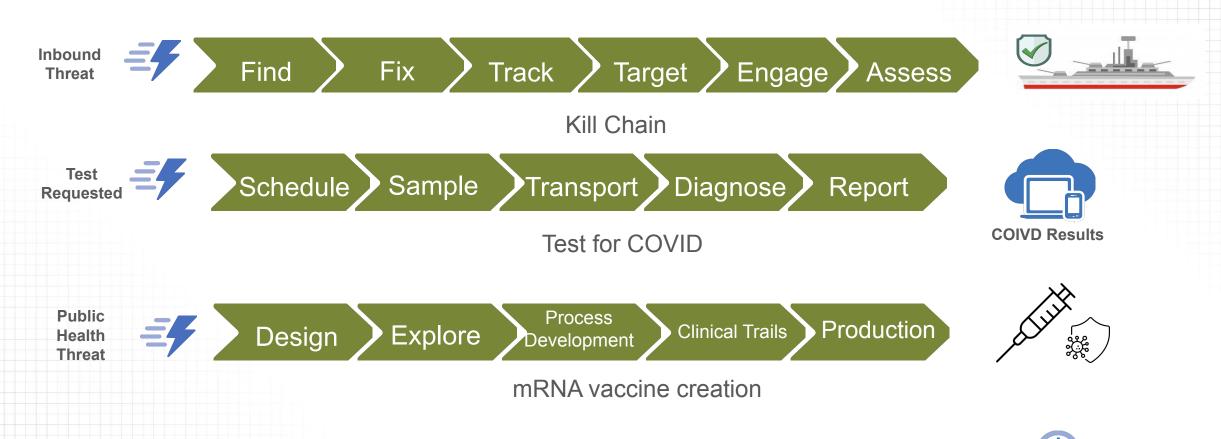
Audited financials



Government Value Streams

Prep

financials



PM.UMD.EDU

Suspicious

Activity

Revise

financials

Audit

letter

Board

signoff

\ddress issues

Conduct

the audit

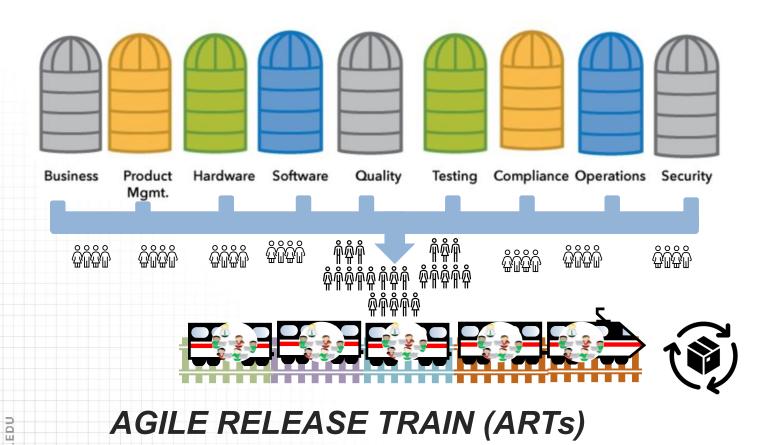
Engage

auditors



Organize Around Value in an Agile Release Train (ART)

• This requires people with different skills to come together as a unified, enduring, cross-functional Agile Release Train (ART)

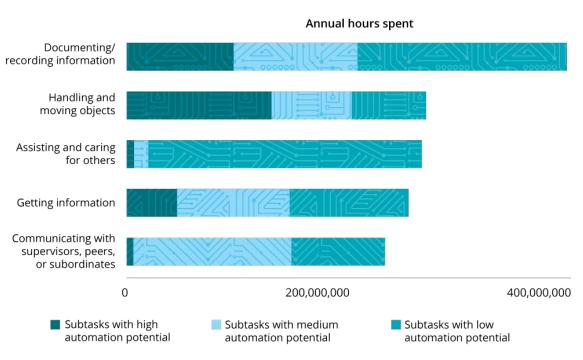


- Fewer handoffs, faster value delivery
- Easier to build in quality
- Built-in alignment between the business and software development
- Optimizing the system as a whole

Challenges for Creating Cross-Organizational and Cross-Functional Teams

For contracting officers

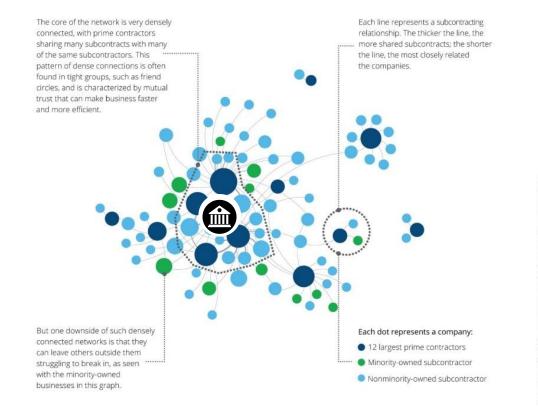
Our analysis of how the Federal workforce spends its time shows that AI can help save substantial time on common tasks. This can free up contacting officials to spend less time shuffling paper and more time thinking about the right procurement strategies.



Source: Deloitte analysis of OPM Fedscope and DOL O*NET data. Copyright © 2023 Deloitte Development LLC. All rights reserved.

For small businesses

Our research in the Defense Industrial Base has shown that small and minority-owned businesses exist literally at the edge of the market. So far tools like OTAs have failed to bring in more small and non-traditional vendors. But AI can help by making contracting more streamlined and requiring less of the specialized knowledge resident in big primes.



Is Agile in Government Possible?

Actually, it's encouraged by law...

FAR Subpart 39.103

This section implements 41 U.S.C. 2308.

Modular contracting is intended to reduce program risk and to incentivize contractor performance while meeting the Government's need for timely access to rapidly changing technology...



Agile Acquisition 101 (Increment 2)

https://www.youtube.com/watch?time_continue=30&v=Md3IrifEb4I

- Follows federal acquisitions standards
 - Definitive value of delivery of capabilities
 - Delivered within a set period of performance
 - In-line with an IGCE
- Modular Acquisitions highly encouraged by FAR 39
 - Incentivizes contractor performance
 - Reduces program risk
- NDAA 2018 encourages continuous Agile approach for software, suggesting the use of DevOps and weekly "spirals, spins, or sprints"

Modern Agile in Government: 18F

- After 10 years of not building one line of working code, the State of California turned to 18F to support it's child welfare services case management system.
- 18F worked with California's Department of Social Services and Office of Systems Integration to:
 - modular contracting,
 - agile development,
 - user-centered design, and
 - open source practices
- In 2015, the State of California began a process to modernize their child welfare services case management system.
 - Used by more than 20,000 social workers
 - Track and manage the more than 500,000 cases of child abuse and neglect annually



https://www.youtube.com/watch?v=INSmF7-xisU

In one year, California had major improvements to its legacy system...

"Better than the last 15-20 years!"

Read more here



So We Held A Conference



COALITION FOR A CUSTOMER-CENTRIC GOVERNMENT

THROUGH BETTER
PRODUCT MANAGEMENT

MAY 12, 2022



Peraton



And We Built a Free Course...

https://epm.umd.edu/workshop-program/product-government-course/





Product Government Kickoff Conference Event



Joshua MarcuseHead of Strategy and Innovation
Google



Dan WardSenior Principal Systems Engineer
MITRE

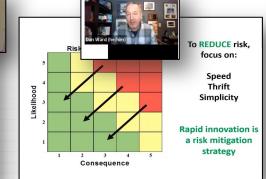


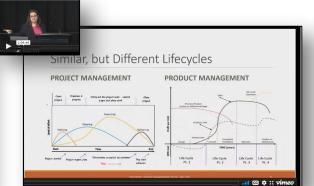
Robin Pulverenti Projects Leader ICF International



And You, the Early Adopter



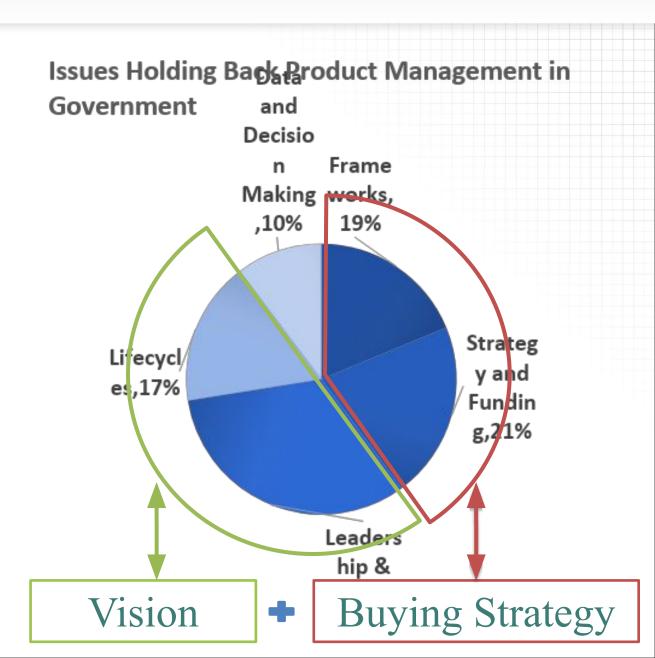






Conference Analysis

- Hybrid Environment
 - Gather.town and MiroBoards
 - Walls and Poster Board
- Collected input across three major topics:
 - Opportunities
 - Success Factors
 - Challenges





Setting a Vision



Transcendent, belief driven and aspirational

"A world beyond cash" (Mastercard)

Earth is now our only shareholder. Patagonia



Expansive Future Value Proposition

"When I look, several decades out...to be able to be anywhere in the world in four hours for \$100"

Boom Sonic Jets



Clock ticking
Outcomes

"By the end of the decade" Kennedy

Celtics Spotlight on the wall - Coach Doc Rivers



Exploiting Technology Convergence

- Autonomous cars
- Al-driven households
- MRNA and Vaccination

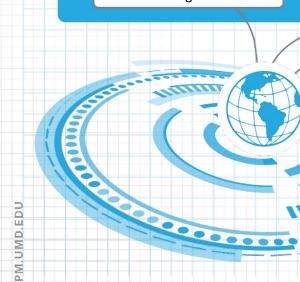


Big-Ideas Right"

"Lap-top in every home"

"Live among the population"

"Culture is our strategy"



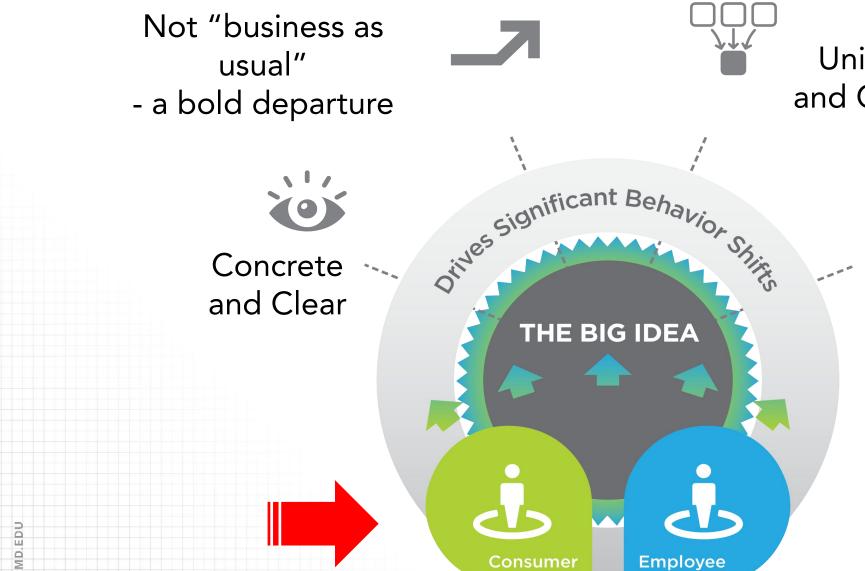


The first job of every leader: "Getting the Big Ideas Right"

"The first job of a leader and leadership team is to get the "Big Ideas" right. Big ideas don't fall from the tree like the apple did on Newton's head – they take time and reflection to get right."

- General David Petraeus



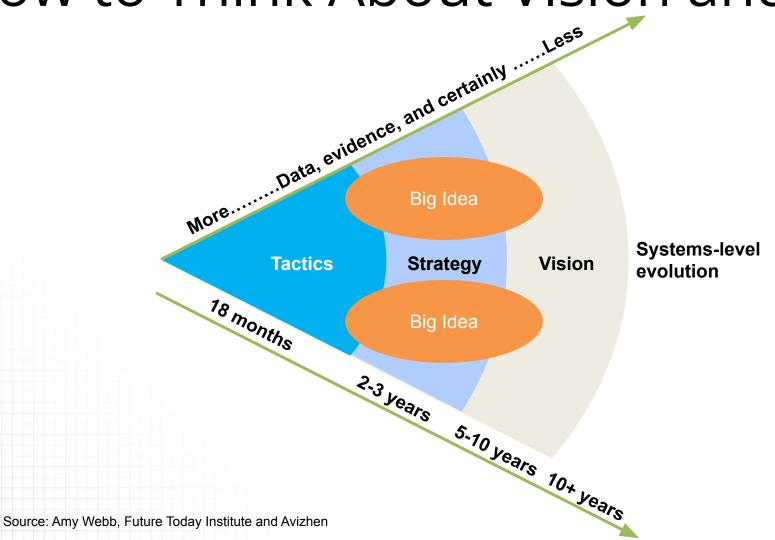


Unifying and Central

> Takes time to get right "patience" factor

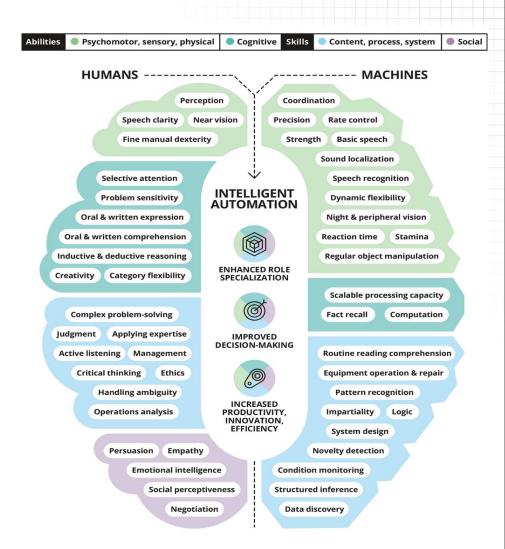


How to Think About Vision and "Big Ideas"



AI as an Accelerant for Vision

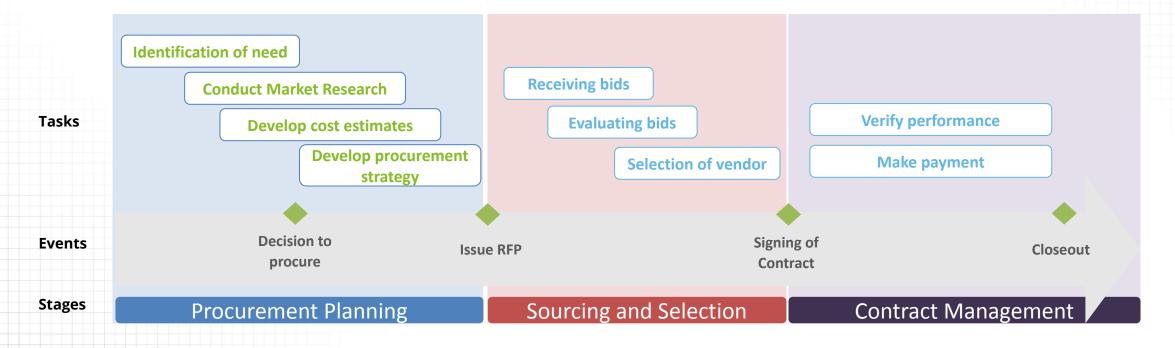
- Big Ideas
 - Cross tactics, strategy, and vision
 - Must be broken down into a roadmap
 - Ex. Kennedy's Moonshot
- Overcoming cultural barriers requires sense-making
 - Need a clear sense of problems to solve
 - What are the concrete tangible steps?
 - AI can augment our sense-making
- We can do this now for Procurement
 - Buy strategies and procurement reform has looked too hard
 - AI can accelerate common understanding and learning
 - Buying Strategy Challenge and overcome these cultural barriers





Buying in government isn't a transaction

Contracting is a series tasks, events, and stages all interwoven to achieve a goal



How can AI help? It's already helping!

Al is helping to reduce the workload (and risk) of contracting officials across the contract lifecycle

- ML analyzes the purchase history of 10.5 million items to predict government demand (Public Procurement Service, South Korea)
- ChatBot to answer common questions from vendors (El Paso, TX)

- AcqBot is a form of generative AI able to generate compliant SOWs and RFPs form simple prompts (DoD)
- BUYSMARTER analyses agency-wide buying patterns to identify opportunities to consolidate contract vehicles (HHS)

Al used to automatically categorize government spend data (NSW, Australia)

Procurement Planning

Sourcing and Selection

Contract Management

Contracting lifecycle

What does success look like?

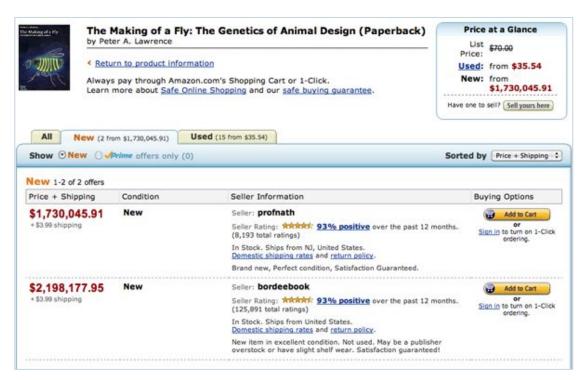


Not this. This is failure

We can't just bolt new technology onto existing processes



That is why delivering mail via cruise missile didn't work



We've already seen similar failure in the world of algorithms

Need to find opportunities for AI to transform contracting tasks not just speed them up

Existing uses of Al Performance monitoring to Suggesting different contracting Automatically assessing predict cost, schedule, options with different trade-offs vendors' past performance performance risks to choose from from government records Transforming tasks Suggesting contracting officials with Evaluating historical protests to Price monitoring in other suitable vehicles for your needs predict problematic clauses markets to avoid overpayment Demand prediction **Generating SOWs** Enhancing Spend categorization existing tasks Suggesting vehicle Chatbots consolidation

Sourcing and Selection

Opportunities for Al

Contract Management

Contracting

lifecycle

Procurement Planning

Where to from here?

Al can help contracting drive government modernization and bring real value to the public. But what can we do to make this a reality?

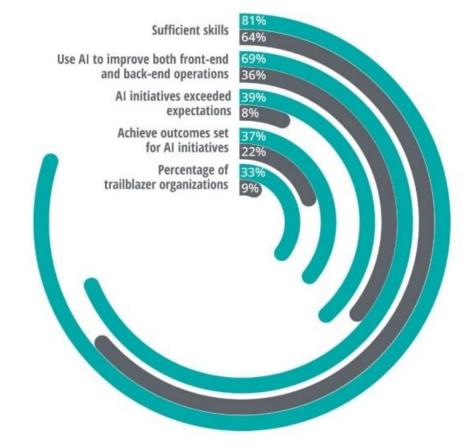
Set a vision.

Leadership is key to finding the resources, aligning different parts of the organization, and overcoming inevitable hurdles.

Don't go it alone.

Almost no organization has all the needed skills and talents for an at-scale adoption of Al within the organization. Reaching out to academia, industry, and even other government agencies can be key to success. Agencies with diverse ecosystems are more likely to have what they need to achieve their goals for Al

■ Diverse ecosystem
■ Narrow ecosystem



Product Visioning and Strategy



WITH DANIEL FORRESTER

PODCAST

III

Imagine

https://www.edx.org/course/generating-vision-long-term-big-ideas-that-motivate-employees-and-stakeholders

Lean more with Deloitte's Al in Government research collection



See the broad impact AI can have on government

Scaling Al in government



<u>Trustworthy open data</u> for trustworthy AI



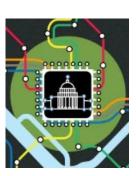
Trustworthy Al in Government



How government can accelerate Al entrepreneurship



Al for smarter legislation





Thank You!



John C. E. Johnson,
Professional Programs
Manager,
PM Center, UMD
iohni85@umd.edu



Daniel Forrester,
Author & Entrepreneur
daniel@thruue.com



Joe Mariani,
Research Senior Manager,
Deloitte Center for
Government Insights
imariani@deloitte.com

Evaluate Session

