State of Nevada
Division of Children and Family Services (DCFS)

# Deliverable 3.5.3.7 Recommendations

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Author: KPMG
Submitted To: DCFS – State of Nevada

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# TRANSMITTAL LETTER

KPMG LLP
303 Peachtree Street,
NE, Atlanta GA 30308

Telephone +1 404 556 8198
Kpmg.com

December 31, 2024

Srinivas Bokka
DCFS IT Applications Manager
State of Nevada
Division of Children and Family Services
4126 Technology Way,
Carson City, Nevada 89706

Davor Milicevic
DCFS IT Manager
State of Nevada
Division of Children and Family Services
4126 Technology Way
Carson City, Nevada 89706

Dear Mr. Bokka and Mr. Milicevic,
On behalf of KPMG LLP (KPMG or Firm), I am pleased to submit the enclosed Deliverable Document for Deliverable 3.5.3.7 Recommendations.

Please do not hesitate to contact me at 404-556-8198 or vrkrishnan@kpmg.com if I can provide any additional information or answer any questions.

Very truly yours,
KPMG LLP

Venkat R Krishnan

Managing Director, State and Local Solutions

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# Revision History

| DATE | VERSION | DESCRIPTION | AUTHOR |
|---|---|---|---|
| 11/25/2024 | 001 | Deliverable drafted | KPMG |
| 12/27/2024 | 002 | Internal reviews and edits | KPMG |
| 12/31/2024 | 1.0 | Deliverable draft submitted to DCFS | KPMG |

Modifications to the approved baseline version of this artifact must be made in accordance with the DCFS Artifact Management Standards.

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# Introduction

# INTRODUCTION

KPMG LLP (KPMG) has been retained by the State of Nevada Division of Child and Family Services (DCFS) to provide recommendations that informs decisions moving forward related to approach, solution types, and associated cost estimates for the UNITY Modernization effort. Harnessing KPMGs knowledge of the CCWIS solution landscape, in-depth leading practice research, and in close collaboration with DCFS, KPMGs attained a detailed understanding of Nevada's vision for the modernization, its priorities and requirements. This in turn provided the well-rounded perspective for KPMG that laid the foundation of sound recommendations for DCFS's modernization journey.

- **Purpose of this deliverable**
  - Synthesize possible options for how DCFS can move ahead with its modernization goals and efforts
  - Summarize three possible alternatives that combine selected options across the continuum of scope, approaches and implementation options
  - Recap the cost estimates and benefits associated with each of these possible three alternatives
  - Document  a recommendation for specific next steps to lay the foundation for a modernized CW system for NV DCFS
  - Summarize Leading Practices relevant to type of effort that DCFS is embarking on.

- **Goal for this deliverable**
  - Informational artifact that documents alternatives considered, their estimated costs and benefits, a recommendation for immediate next steps as well as leading practices in addition to the approach, methodology and reasoning that led to the stated recommendation.

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# Executive Summary

# PRIORITIZED ALTERNATIVES FOR ANALYSIS

## 1 Status Quo, Phased

- Roadmap of enhancements
- Incremental enhancements
- Prioritized enhancements
- Smaller, focused scope

**Pros**

- Lower initial costs
- Less disruptive
- Gradual adaptation
- Smaller learning curve

**Cons**

- Elongated timelines
- Increased integration complexity for new
- Inconsistencies
- Fragmented performance

## 2 Single Procurement, Custom, Phased CCWIS

- Single vendor
- Custom solution
- Phased CCWIS
- Custom built JJMS

**Pros**

- Streamlined integration
- Comprehensive approach
- Management efficiencies
- Economies of scale

**Cons**

- Higher initial investment
- Dependency on 1 vendor
- Increased risk
- Longer, more intensive
- Not aligned with industry lessons learned

## 3 Multi-Procurement, COTS, Big Bang CCWIS

- *Proc.#1*: CCWIS & CM for Duals
  - Low Code
  - Big Bang CCWIS
- *Proc.#2*: DW and Analytics
- *Proc.#3*: JJMS

**Pros**

- Enables best-in-class
- Diversifies dependencies
- Decreases risk
- Targeted procurements
- Increased adaptability

**Cons**

- Increased complexity managing more vendors
- Potential challenges in seamless integration

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# ALTERNATIVES IMPLEMENTATION AND TRANSFORMATION COST ESTIMATES

*Implementation & Transformation*

| | 1 | 2 | 3 |
|---|---|---|---|
| *Alternatives* | **Status Quo, Phased**<br>• Roadmap of enhancements<br>• Incremental enhancements<br>• Prioritized enhancements<br>• Smaller, focused scope | **Single Procurement, Custom, Phased CCWIS**<br>• Single vendor<br>• Custom solution<br>• Phased CCWIS<br>• Custom built JJMS | **Multi-Procurement, COTS, Big Bang CCWIS**<br>• *Proc.#1*: CCWIS & JJ Case Mng.<br>  ➢ COTS/MOTS<br>  ➢ Big Bang CCWIS<br>• *Proc.#2*: DW and Analytics<br>• *Proc.#3*: JJMS |
| Cost Est. | **$49-59 million** | **$99-121 million** | **$64-79 million** |
| Timeline. | 3-4 years | 3-5 years | 2-3 years |
| *Assumptions* | • 5 phases for CCWIS<br>• Functionality derived from legacy system | • 4 phases for CCWIS<br>• All functionality Custom Built | • Big bang for CCWIS and JJ Case Management<br>• Some overlapping of phasing between procurements projects |

JJMS: JJMS functionality not included in cost / timeline estimates

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# ALTERNATIVES' ASSESSMENT

| | Strategic Alignment | Complexity | Timeline | Implementation | Benefit | Risk |
|---|---|---|---|---|---|---|
| *Alternative 1* **Status Quo, Phased** | Moderate | Medium | Medium | Lowest | Medium | Low |
| **Single Proc, Custom, Phased CCWIS** | Strong | High | Longest | Highest | High | Very High |
| **Multi-Proc, COTS, Big Bang CCWIS** *Alternative 3* | Very strong | Very high | Medium | Medium | Very high | High |

***Alternative 1*** is the least complex, least risky and the cheapest of the three. Though it has a lower strategic alignment.

***Alternative 2*** has a strong strategic alignment but is the riskiest, with highest estimated costs and longest timeline. While lower in complexity than Alternative 3, this alternative raises concerns regarding dependencies on one vendor and deviating from the other CCWIS implementations across the country which tend to be big bang.

***Alternative 3,*** though the most complex of them all, anticipates higher realized benefits, lower risk, stronger alignment with the strategic intent while delivering the entirety of the solution on a faster timeline and smaller budget than Alternative 2.

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# A MULTI-PROCUREMENT STRATEGY RECOMMENDED

To avoid the pitfalls and risks associated with a single vendor set up, KPMG recommends that DCFS proceeds with a multi procurement approach as follows:

## 1 Procure: CCWIS & Case Management for JJ Vendor

- ***Open procurement***: COTS or Low Code Custom Built*
- Probably some cost savings if CCWIS goes custom

## 2 Procure: Specialized DW and Analytics Vendor

- Can lag the CCWIS procurement if needed

## 3 Procure: JJMS Vendor

- Open procurement: COTS or Low Code Custom Built* (most likely)
- Dependency on completing a comprehensive, structured planning effort for JJ modernization
- Can lag the CCWIS procurement if needed

* Though there are cost differences between a COTS and Custom-Built approach, procurement should be designed as open to allow for more competition, more diverse responses and more options for DCFS.

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# SUMMARY LEADING PRACTICES

Below are steps that DCFS would want to consider to align with Leading Practices

## 1 Strong Modernization Vision Beyond just the Immediate Technology Effort

Experiences from around the country and from multiple domains warren that, to realize the full benefits, complex modernization efforts benefit from being driven by a strong vision and guiding principles clearly defined not only at the technology effort level but inclusive of priorities and goals for the program(s), their supporting operations and policies.

## 2 Strong Vision and Comprehensive, Structured Planning prior to Procurement

Defining a strong modernization vision and deploying a comprehensive, structured planning effort across the entire transformation scope prior to RFP will better inform the procurement effort, integration needs, will help avoid rework, unmet stakeholder needs and increased risk to the success of the entire effort.

## 3 Strategic Partnership between Program and Procurement

Successful procurements rely on strategic partnerships between the Program and the Procurement division so that the effort is driven by business needs, modernization vision and goals while informed by state policies, guidelines, best practices and expertise of the Procurement division.

## 4 Comprehensive Organization Change Management that Starts Early is Best Practice

By promoting user adoption, managing resistance, ensuring effective communication, providing training and support, aligning organizational culture, addressing the human side of change, and measuring sustainability, OCM services help create a smooth transition that maximizes the benefits of modernization. Efforts that deployed a strong OCM function displayed a focus on both the technical and human aspects of change which led to higher project success rates, enhanced performance, and long-term organizational growth and adaptability.

# SUMMARY LEADING PRACTICES

## 5 A strong Project Management Office (PMO) enhances the likelihood of project success

A strong PMO enhances the likelihood of project success, delivering transformational outcomes that drive alignment with the vision and goals. Lessons learned from large transformation efforts across the country show that a strong PMO is indispensable due to its strategic role in aligning projects with business goals, ensuring resource optimization, mitigating risks, promoting standardization, and facilitating effective communication.

## 6 A Transformation Office (TO) increases the chances of success by strategically coordinating across efforts

By providing strategic alignment and driving the agenda for continuous improvement, a Transformation Office enhances the likelihood of delivering successful transformation outcomes. It acts as the linchpin connecting strategy to execution, ensuring that modernization efforts are carried out systematically, sustainably, and aligned with a comprehensive transformation roadmap and the organization's long-term vision.

## 7 Enterprise / Business Architecture (EA/BA) promote effective transformations. The first time around

A strong EA/BA function provides a structured framework that ensures alignment with strategic goals, optimizes resource utilization, mitigates risks, and enhances agility and efficiency. By fostering cohesion, integration, and continuous improvement, EA/BA enables organizations to execute their modernization initiatives effectively, delivering sustained value and supporting long-term growth and competitiveness.

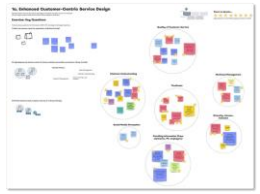
## 8 Quality Assurance (QA) paves the path to a robust, efficient, and effective system

QA ensures that the system meets high-quality standards, mitigates risks, enhances system performance and reliability, enforces compliance, facilitates user adoption, and drives continuous improvement. Efforts benefiting from a strong QA function have experienced increased transparency and boosted stakeholder confidence. QA helps ensure that modernization initiatives are completed on time, within budget, and deliver the intended benefits, increasing changes for a robust, efficient, and effective effort.

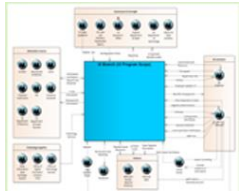
# Approach and Methodology

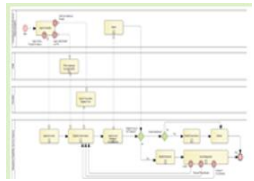
# APPROACH & METHODOLOGY (1/4)

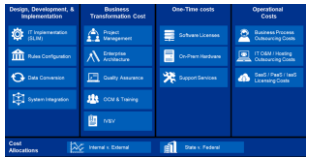
This deliverable is part of a larger series of deliverables and work-products prepared by KPMG as part of our engagement in the UNITY Modernization Planning effort



High Level Implementation Roadmap








Market Analysis

# APPROACH & METHODOLOGY (2/4)

- Identifying alternatives for how DCFS can move ahead with its Modernization effort has been an exercise in the art of the possible driven by the Modernization vision put forward by the Leadership team at the beginning of this effort as well as prioritization of challenges uncovered in the current state analysis, and identification of potential limitations and opportunities.

- **Opportunities for the future were identified for consideration through**
  - Challenges flagged in the current state assessment
  - Leading practices from other states and other public programs
  - Market and solution research
  - KPMG's experience and expertise.

- **Opportunities for improvement have included**
  - Potential business process changes
  - Streamlined functionality
  - Automation expectations for the Modernized UNITY, policy changes, and service level enhancements.

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# APPROACH & METHODOLOGY (3/4)

- **High level alternatives created considered**
  - Vision and guiding principles set forward by Leadership team at the onset of the project
  - Goals and priorities defined for the UNITY Modernization effort
  - Opportunities to address prioritized challenges identified in current state analysis
  - Market trends, market solutions, lessons learned.
- **Main drivers for defining alternatives**
  - Solution type (e.g., status quo, Commercial Off the Shelf (COTS)*, Custom built**)
  - Implementation approach.
- **Recommendations considered**
  - Alignment to Strategic Objectives
  - Complexity
  - Implementation Timeframe
  - Cost Impact
  - Critical Success Factors

* Example of COTS solutions include but are not limited to: Cardinality, RedMane, Binti, Diona

** Example of Custom-Build solutions include but are not limited to: Salesforce or MS Dynamics

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# APPROACH & METHODOLOGY (4/4)

- KPMG leveraged deliverables and other work products from previous phases of the project as well as the vision and guiding principles defined by the leadership team at the onset of the effort as starting points for the development of prioritized alternatives.
- KPMG follows and participates in CCWIS implementations across country and has a good understanding of the current landscape of solutions. We used our collective knowledge and experience in this area to inform the technology modernization options and alternatives' definitions.

## Variables driving alternatives definitions

- **Single vs. Multiple Procurements / Vendors**
- **Implementation Approach: Phased vs. Big Bang**
  - Considers feasibility and impacts of phased implementations against the "Big Bang" approach to determine the optimal balance between immediate benefits and long-term success.
- **Solution Type: Status Quo vs. Customization vs. COTS**
  - Weighs in the benefits of tailored custom solutions against the potential cost efficiencies and faster deployment of COTS solutions.

Cost estimates in themselves were not direct drivers for recommending an alternative over another. Though, factors like complexity, timelines (which ultimately impact cost estimates) were considered and integrated into a larger series of categories considered in the analysis in order to drive toward the most suitable alternative.

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# Alternatives Analysis

# ALTERNATIVES SUMMARY

## 1 Status Quo, Phased

- Roadmap of enhancements
- Incremental enhancements
- Prioritized enhancements
- Smaller, focused scope

- Lower initial costs
- Less disruptive
- Gradual adaptation
- Smaller learning curve

- Elongated timelines
- Increased integration complexity for new
- Inconsistencies
- Fragmented performance

## 2 Single Procurement, Custom, Phased CCWIS

- Single vendor
- Custom solution
- Phased CCWIS
- Custom built JMS

- Streamlined integration
- Comprehensive approach
- Management efficiencies
- Economies of scale

- Higher initial investment
- Dependency on 1 vendor
- Increased risk
- Longer, more intensive
- Not aligned with industry lessons learned

## 3 Multi-Procurement, COTS, Big Bang CCWIS

- *Proc.#1*: CCWIS & CM for Duals
  - Low Code (COTS/Custom)
  - Big Bang CCWIS
- *Proc.#2*: DW, D&A
- *Proc.#3*: JMS, Add'l DW

- Enables best-in-class
- Diversifies dependencies
- Decreases risk
- Targeted procurements
- Increased adaptability

- Increased complexity managing more vendors
- Potential challenges in seamless integration

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# ALTERNATIVE 1: STATUS QUO WITH MODULAR ENHANCEMENTS

### *Solution Strategy*

- A status quo approach entails **continuing with the existing system** in use as-is and making necessary incremental changes over time to meet the same functional requirements as new solutions will be expected to demonstrate.
- With this alternative, the emphasis is on simply making those **targeted updates or fixes** that allow the agency to reach the proposed goals (e.g., continue to function, increase efficiency, standardization and/or provide for gap functionalities).
- This alternative assumes that the current system **is not end of life, can support enhancements and is scalable and flexible enough** to support the modernization effort and estimated future business needs
- **Bringing current state into CCWIS compliance** needs to be achieved if federal compliance and funding is important to DCFS.

### *Phasing Strategy*

- Alternative 1 proposes a status quo approach with **phased enhancements** that will allow DCFS to stagger the work needed to bring the current UNITY system into alignment with the goals set forward for the modernization effort. This phased deployment could be organized by:
  - Prioritizing a *certain functional / non-functional area* and then addressing the delta functionalities under that area
  - Prioritizing *specific enhancements* that focus on the most fragile or more in-need of modernization areas regardless of the functional/non-functional area they belong to.
- This option allows DCFS to be **more in control** of which areas to target and when.

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# ALTERNATIVE 1: THE BOTTOM LINE

**Alternative 1 Approach Summary**

- Retain the current system framework but implement modular enhancements periodically to address critical needs and integrate new functionalities.

**Benefits***

- Provides flexibility in updating specific modules without overhauling the entire system. It allows for risk management by focusing on smaller, manageable enhancements over time. Lower risk, lower initial costs and faster completion with quick wins compared to a full system replacement.
- Prioritize enhancements based on immediate needs and impact on overall efficiency, ensuring continuous improvements and adaptation to changing requirements.
- Less disruptive to current operations due to incremental changes.
- Requires less training and change management.
- Allows maximum control over the pace and timeline.

**Drawbacks**

- Potential for prolonged modernization timelines.
- Increased complexity in integrating new modules with existing systems.
- Possible inconsistency in module upgrades leading to fragmented system performance.
- Potential shortages for knowledgeable, experienced staff or increased stain on existing key resources.

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* Benefits are further detailed in Deliverable 3.5.3.5. Cost and Benefits Analysis

# ALTERNATIVE 2: ONE VENDOR, CUSTOM, PHASED

## *A. Solution Strategy*

A custom design approach as proposed in Alternative 2 is an approach tailored to **specifically meet the unique needs and requirements** of a child welfare agency.

## *B. Procurement strategy*

Alternative 2 proposes a **single procurement approach** for the entire modernization scope including CCWIS and JJ Case Management as well as the more JJ specific functionality, JJMS, in addition to the Data Warehouse (DW) and Analytics scope. Such an approach most often leads to a large, multi-million-dollar contract awarded to a single vendor. Multiple states around the nation are known to have deployed this approach for the CCWIS functionality only, thus not including the more specific JJ scop, JJMS, in this one-vendor approach. While, for example, Tennessee's implementation includes some of the JJ functionality in CCWIS, to our knowledge, a full integration between CCWIS and the full JJ scope is a particularity of the NV approach.

## *C. Phasing strategy*

Alternative 2 proposes:

- four phases for releasing the CCWIS functionality:
  - 3 phases for CCWIS functionality inclusive of the integrated support for the JJ Case Management and
  - 1 phase for Reporting
- And one additional phase dedicated to JJMS – the JJ specific functionality covering assets and resource management.

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# ALTERNATIVE 2: THE BOTTOM LINE

***Alternative 2 Approach Summary***

- **Develop or modify low-code software applications** to better align with agency-specific processes and requirements. The result is a solution that is developed specifically to respond to the agencies' requirements.
- Aligned with a **traditional procurement approach** which typically involves documenting a full set of requirements, packing them into a procurement with the entire scope contracted to a single vendor.

**Benefits**

- Allows agencies to align with local policies, workflows, regulations, data collection, and reporting needs, alongside ensuring CCWIS compliance.
- Integration with existing systems is expected to be smooth by creating custom interfaces and data exchanges.
- High flexibility capable of evolving over time to accommodate changes in policy, practice, or technology.
- Allows for custom reports and analytics for effective monitoring & decision-making specific to the agency's goals.
- A phased approach allows for pieces of the full functionality to be released in productions sooner and staggers efforts, adoption, training.

**Drawbacks**

- For smaller projects, there are still benefits to keeping solutions simple and more streamlined. For large complex modernization efforts - like the UNITY Modernization, consolidation of a considerable amount of responsibility into a single partner creates several challenges, including vendor lock-in where states become highly dependent on the concentrated knowledge and experience that the vendor has of the particular solution.



* Benefits are further detailed in Deliverable 3.5.3.5. Cost and Benefits Analysis

# ALTERNATIVE 2: THE BOTTOM LINE

**Drawbacks (continued)**

- Adds additional scope related to:
  - Creating interfaces to support interim states
  - Additional testing/ regression testing
  - Other redundancies (communication, training etc.),

  thus elongating timelines and increasing costs.

- Because this strategy is most likely to lead to **escalated rates and change orders**, many federal agencies such as the Administration of Children and Family (ACF) and the Centers for Medicaid and Medicare Services (CMS) have explicitly advocated for more modular technical solutions and a separation of services into multiple vendor types such as differentiated business modules, systems integration, and business advisory.

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# ALTERNATIVE 3: MULTI-PROCUREMENT, LOW CODE, BIG BANG CCWIS

### *A. Solution Strategy*

A Commercial Off-the-Shelf (COTS) or a Customer-Built.

### *B. Procurement Strategy*

Alternative 3 is proposing a multi-procurement approach as follows:

- **Procurement Scope # 1**: CCWIS & JJ Case Management
- **Procurement Scope #2:** Data Warehouse & Analytics
- **Procurement Scope 3:** Procure the JJMS along with any additional requirements

### *C. Phasing Strategy*

Implement the full scope by dividing it into **three (3) phases** with the following characteristics:

- **CCWIS and JJ Case Management:** Execute a "Big Bang" implementation encompassing both CCWIS and case management for Juvenile Justice.
- **DW and Analytics:** Dedicated phase for Data Warehouse and Analytics aligned with Procurement Scope #2
- **JJMS:** Dedicated phase for JJMS.

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# ALTERNATIVE 3: THE BOTTOM LINE (2/2)

**Alternative 3 Approach Summary**

A multi procurement approach that targets low code solutions (COTS or Custom-Build) and best fit vendors for each of the three sections of the procurement effort as well as a big bang strategy for the CCWIS part of the scope to align with market trends and lessons learned.

**Benefits***

- Enables selection of the best-in-class vendors for specific needs, ensuring high-quality solutions for each component and a tighter alignment with Federal and State
- Diversifies dependence across multiple vendors, mitigating risks associated with vendor performance.
- Allows for targeted procurement strategies, potentially reducing costs and increasing adaptability to emerging needs and technologies.
- Seamless integration with the broader system architecture.
- Separate procurement focused solely on the Data Warehouse and Data Analytics to ensure specialized vendors can address data-specific needs.

**Drawbacks**

- Involves coordinating multiple vendors, which can increase management complexity and require robust project oversight.
- Potential difficulties in ensuring seamless integration across different vendor solutions.


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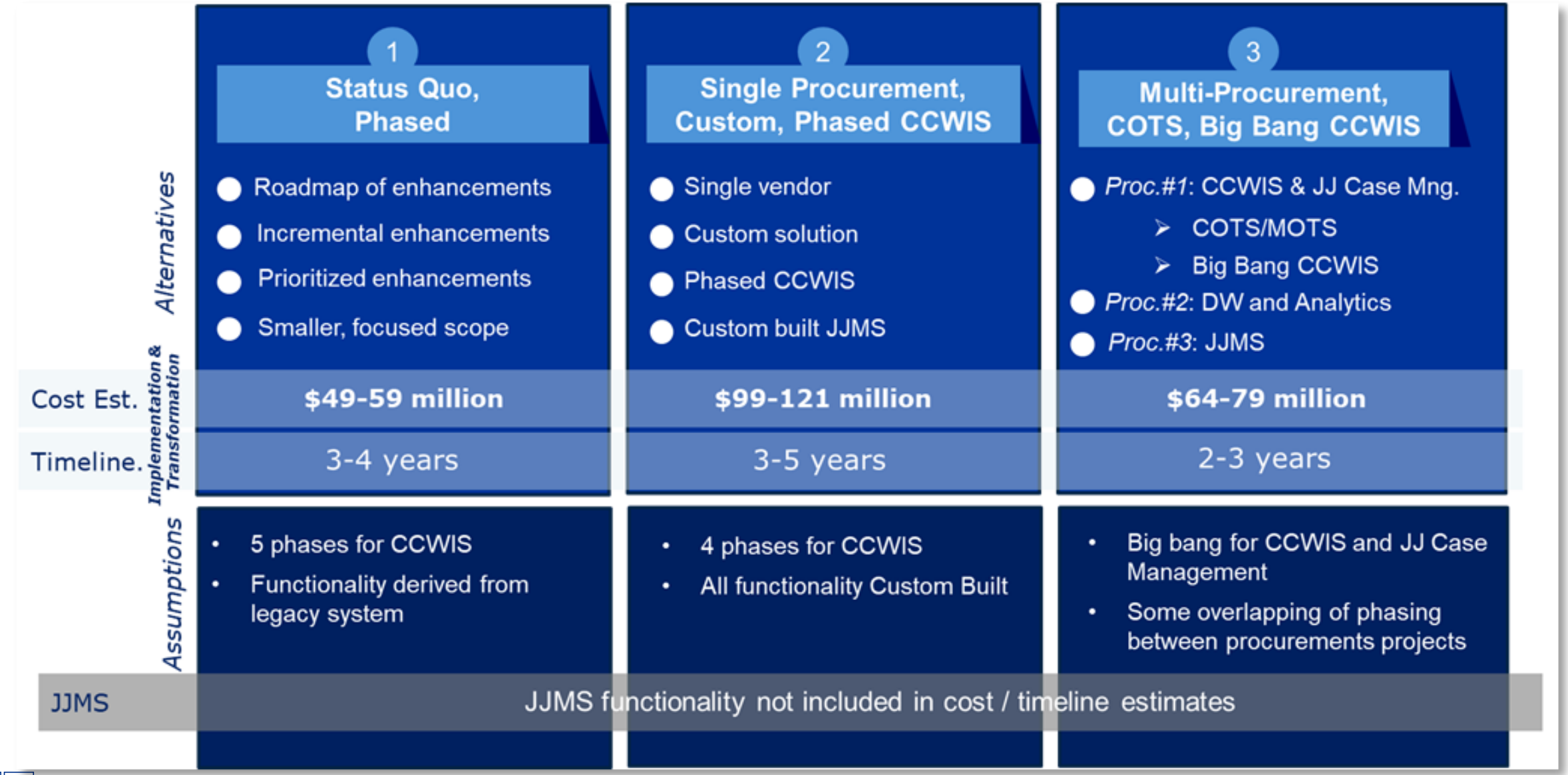
* Benefits are further detailed in Deliverable 3.5.3.5. Cost and Benefits Analysis

# SUMMARY OF ALTERNATIVES DDI ESTIMATED COSTS & TIMELINES



# ALTERNATIVES: ASSESSMENT

| | Strategic Alignment | Complexity | Timeline | Implementation | Benefit | Risk |
|---|---|---|---|---|---|---|
| *Alternative 1* **Status Quo, Phased** | Moderate | Medium | Medium | Lowest | Medium | Low |
| **Single Proc, Custom, Phased CCWIS** | Strong | High | Longest | Highest | High | Very High |
| **Multi-Proc, COTS, Big Bang CCWIS** *Alternative 3* | Very strong | Very high | Medium | Medium | Very high | High |

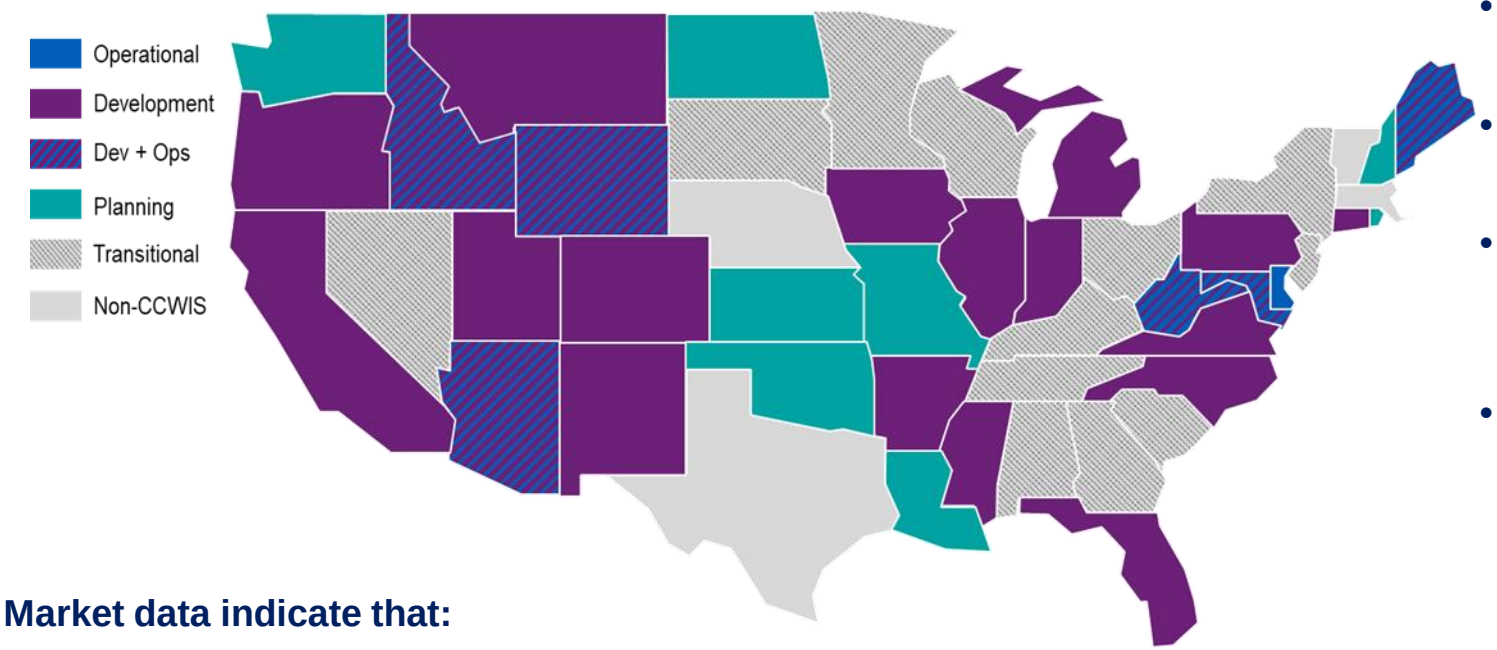
***Alternative 1*** is the least complex, least risky and the cheapest of the three. Though it has a lower strategic alignment.

***Alternative 2*** has a strong strategic alignment but is the riskiest, with highest estimated costs and longest timeline. While lower in complexity than Alternative 3, this alternative raises concerns regarding dependencies on one vendor and deviating from the other CCWIS implementations across the country which tend to be big bang.

***Alternative 3*** – though the most complex of them all, anticipates higher realized benefits, lower risk, stronger alignment with the strategic intent while delivering the entirety of the solution on a faster timeline and smaller budget than Alternative 2.

# Recommendations

# SOLUTION APPROACH – MARKET FINDINGS




- As of the date of this report, 45 states have declared CCWIS:
- - 4 states have operational systems, pending ACF compliance (ID, WV, ME, DE)
- - 17 states are in some stage of development (AK, VA, CO, CT, DC, FL, IL, IN, IA, MI, MS, MT, NC, OR, PA, UT, WY)
- - 13 states are in planning (AK, HI, KS, LA, MO, NH, ND, NV, OK, PR, RI, VT, WA)

**Market data indicate that:**

- At least 4 states are employing the status quo approach (WI, NJ, NY, CO)
- 13 states currently in various stages of development have chosen a Custom-Build, either Salesforce or MS Dynamics (AZ, CA, CT, DE, DC, FL, ID, IL, IN, ME, MI, NH, TN)
- At least 4 states are considering COTS solutions: AK, MS, MD, IN
- At least 3 states are considering in-house developments (VT, NY, MA)

**Takeaway**

- Mix of low code Custom-built and COTS solutions implemented around the country

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# SOLUTION APPROACH – MARKET FINDINGS

- ACF has expressed preferences for modular approaches, but we are currently not aware of any COTS solutions that have been CCWIS certified at a module level (or in general) to thus support this preference
- There is no vendor to provide a CCWIS solution that fully offers “pre-built” / “out of the box” functionality in support of the JJ scope (CM or full)
- There are states (e.g., TN) that are implementing JJ functionality within the CCWIS, but this functionality is more limited than the one Nevada has in mind
- We are not aware of a vendor that offers COTS JJ solution.

**Takeaway**

- No examples found of states fully encapsulating JJ full functionality into CCWIS

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# PHASING STRATEGY: DETAILS

| Deployment Methodology* | Definition | Advantages | Challenges |
|---|---|---|---|
| **Big Bang** | The system is made available to the entire organization at once, switching to the new system simultaneously | • Rapid switch minimizes prolonged transitional states<br>• Ensures all users are on the same system version from the start<br>• Avoid challenges of managing two separate systems simultaneously in use<br>• Training can be done all at once | • Higher risk since any major issue can affect the entire organization<br>• Limited time to address problems that arise<br>• Can be overwhelming for users due to sudden change |
| **Phased** | ***By Function:*** the system is rolled out gradually in stages or phases, organized by functional area, rather than all at once<br><br>***By Geography:*** the system is rolled out gradually in stages or phases, organized by geography, rather than all at once | • Issues can be identified and resolved in early phases before wider deployment.<br>• Easier to allocate resources incrementally<br>• Allows for more focused training efforts | • Full system implementation takes longer<br>• Complex planning<br>• Inter-dependency management is complex, working to ensure different phases integrate seamlessly<br>• Managing two active systems is challenging and complex |

* This is not an exhaustive list of ways in which an organization can proceed when thinking about phasing approached. Options listed are reflected of the strategies that are closest to possible ways in

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# PHASING STRATEGY: MARKET FINDINGS

- KPMG is aware of at least 3 states (Florida, Tennessee, California) who changed deployment approaches in their CCWIS modernization:
  - FL started with a phased approach but switched to Big Bang due to costs and complications associated with keeping the legacy system active as the modules are brought up to production in the new system
  - TN originally planned a phased approach but switched to Big Bang prior to contracting with an SI in order to avoid building interfaces between CCWIS and the fragile legacy system
  - CA originally tried a phased approach but switched to Big Bang due to infeasibility of managing two active systems

**Takeaway**

- States moving away from a Phased CCWIS implementation due to complexities

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# A MULTI-PROCUREMENT STRATEGY RECOMMENDED

To avoid the pitfalls and risks associated with a single vendor set up, KPMG recommends that DCFS proceeds with a multi procurement approach as follows:

## 1 Procure: CCWIS & JJ Case Management Vendor

- ***Open procurement***: COTS or Low Code Custom Built*
- Probably some cost savings if CCWIS goes custom
- Big bang approach to align with industry trends

## 2 Procure: DW and Analytics Vendor

- Can lag the CCWIS procurement if needed

## 3 Procure: JJMS Vendor

- Open procurement: COTS or Low Code Custom Built* (most likely)
- Dependency on completing a comprehensive, structured planning effort for JJ modernization
- Can lag the CCWIS procurement if needed

* Though there are cost differences between a COTS and Custom-Built approach, procurement should be designed as open to allow for more competition, more diverse responses and more options for DCFS.

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# Leading Practices

# SUMMARY LEADING PRACTICES

Below are steps that DCFS would want to consider to align with Leading Practices

## 1 Strong Modernization Vision Beyond just the Immediate Technology Effort

Experiences from around the country and from multiple domains warren that, to realize the full benefits, complex modernization efforts benefit from being driven by a strong vision and guiding principles clearly defined not only at the technology effort level but inclusive of priorities and goals for the program(s), their supporting operations and policies.

## 2 Strong Vision and Comprehensive, Structured Planning prior to Procurement

Defining a strong modernization vision and deploying a comprehensive, structured planning effort across the entire transformation scope prior to RFP will better inform the procurement effort, integration needs, will help avoid rework, unmet stakeholder needs and increased risk to the success of the entire effort.

## 3 Strategic Partnership between Program and Procurement

Successful procurements rely on strategic partnerships between the Program and the Procurement division so that the effort is driven by business needs, modernization vision and goals while informed by state policies, guidelines, best practices and expertise of the Procurement division.

## 4 Comprehensive Organization Change Management that Starts Early is Best Practice

By promoting user adoption, managing resistance, ensuring effective communication, providing training and support, aligning organizational culture, addressing the human side of change, and measuring sustainability, OCM services help create a smooth transition that maximizes the benefits of modernization. Efforts that deployed a strong OCM function displayed a focus on both the technical and human aspects of change which led to higher project success rates, enhanced performance, and long-term organizational growth and adaptability.

# SUMMARY LEADING PRACTICES

## 5 A strong Project Management Office (PMO) enhances the likelihood of project success

A strong PMO enhances the likelihood of project success, delivering transformational outcomes that drive alignment with the vision and goals. Lessons learned from large transformation efforts across the country show that a strong PMO is indispensable due to its strategic role in aligning projects with business goals, ensuring resource optimization, mitigating risks, promoting standardization, and facilitating effective communication.

## 6 A Transformation Office (TO) increases the chances of success by strategically coordinating across efforts

By providing strategic alignment and driving the agenda for continuous improvement, a Transformation Office enhances the likelihood of delivering successful transformation outcomes. It acts as the linchpin connecting strategy to execution, ensuring that modernization efforts are carried out systematically, sustainably, and aligned with a comprehensive transformation roadmap and the organization's long-term vision.

## 7 Enterprise / Business Architecture (EA/BA) promote effective transformations. The first time around

A strong EA/BA function provides a structured framework that ensures alignment with strategic goals, optimizes resource utilization, mitigates risks, and enhances agility and efficiency. By fostering cohesion, integration, and continuous improvement, EA/BA enables organizations to execute their modernization initiatives effectively, delivering sustained value and supporting long-term growth and competitiveness.

## 8 Quality Assurance (QA) paves the path to a robust, efficient, and effective system

QA ensures that the system meets high-quality standards, mitigates risks, enhances system performance and reliability, enforces compliance, facilitates user adoption, and drives continuous improvement. Efforts benefiting from a strong QA function have experienced increased transparency and boosted stakeholder confidence. QA helps ensure that modernization initiatives are completed on time, within budget, and deliver the intended benefits, increasing changes for a robust, efficient, and effective effort.

# ORG CHANGE MANAGEMENT (OCM): ROLE IN MODERNIZATION

Implementing a large-scale system modernization is more than just a technical endeavor; it fundamentally changes how an organization operates. Many other states have realized during their modernization journey the importance of OCM to this effort. Based on lessons learned from similar efforts, it seems that these efforts are most successful if started early and managed as independently as possible from the day-to-day operations of technical modernization.

The role of OCM in a Modernization Effort:

**1. Enhance User Adoption and Engagement: Facilitating Smooth Transitions**

- *User Adoption: G*uides and supports users through the change process, ensuring they are prepared and willing to adopt
- *Engagement Strategies:* Targeted communication and engagement strategies, ensure employees are informed, motivated, and involved throughout the transition.

**2. Mitigating Resistance to Change: Addressing Concerns and Fears**

- *Resistance Management: I*dentifies potential sources of resistance and implements strategies to address and ease
- *Inclusive Approach:* Involving stakeholders early and often, fosters a sense of ownership and reduces resistance.

**3. Ensuring Effective Communication: Promoting Clear and Consistent Messaging**

- *Communication Planning: D*evelops comprehensive communication plans for clear, consistent, and timely messaging
- *Transparency*: Through transparency, builds trust and keeps everyone aligned on the progress and benefits.

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# ORG CHANGE MANAGEMENT (OCM): ROLE IN MODERNIZATION

**4. Providing Training and Support: Building Competence and Confidence**

- *Training Programs:* designs and delivers targeted training programs to equip employees with the skills and knowledge needed
- *Continuous Support*: ongoing support and resources ensures that users feel confident and capable, minimizing disruptions

**5. Aligning Organizational Culture with New Processes: Fostering a Culture of Adaptability**

- *Cultural Alignment:* helps align the organizational culture with new processes, practices, and mindsets
- *Change Readiness*: assesses and enhance the organization's change readiness, fostering a culture of innovation and continuous improvement.

**6. Managing the Human Side of Change: Balancing Technical and Human Aspects**

- *Human-Centric Focus:* recognizes the importance of the human side of change, ensuring that emotional, psychological, and social factors are addressed alongside technical changes.
- *Support Networks*: Roles like change champions, peer mentors create a relational structure that reinforces positive behavior.

**7. Measuring and Sustaining Change: Tracking Progress and Ensuring Longevity**

- *Change Metrics:* establishes key performance indicators (KPIs) to measure the effectiveness and progress of change
- Sustainability: ensures changes are embedded into the organization's ops and culture, making them sustainable in time

**8. Enhancing Overall Project Success: Contributing to Project Outcomes:**

- *Holistic Approach:* Integration of change management with PM, ensures a holistic approach (business, tech, human)
- *Success Metrics: R*obust OCM leads to higher success rates in implementations, with outcomes at or above expectations.

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# ENHANCED PROJECT MANAGEMENT OFFICE (PMO): ROLE IN MODERNIZATION

A PMO serves as the nerve center of any large-scale modernization effort. Strong PM services are called out as one of the leading factors for success or failure. Logistics associated with the PM functions for such complex modernization efforts require a strong mix of business and technical skills and a constant and significant effort and ability to react quickly.

The role of the PMO in a Modernization Effort:

**1. Strategic Alignment and Governance: Ensuring Strategic Focus**

- *Alignment with Business Goals: E*nsures the project stays aligned with the overarching strategic goals of the organization.
- *Governance Framework: E*stablishes robust governance structures, including policies, standards, and procedures, ensuring that all project activities are conducted in a controlled and compliant manner.

**2. Integrated Planning and Resource Management: Coordinated Planning Efforts**

- *Comprehensive Planning: I*ntegrates detailed planning across all phases of the transformation effort, ensuring that milestones, timelines, and deliverables are clearly defined and adhered to.
- *Resource Optimization: O*versees the allocation and optimization of resources, including talent, technology, and finances, ensuring that the project is adequately staffed and equipped at all times.

**3. Risk Management and Issue Resolution: Proactive Risk Mitigation**

- *Risk Identification and Mitigation:* Proactively identifies potential risks and formulates strategies to mitigate them, reducing the likelihood of project delays or failures.
- *Issue Escalation and Resolution: A*cts as a central point for issue escalation and resolution, ensuring that any problems encountered are swiftly addressed and do not derail the project.

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# ENHANCED PROJECT MANAGEMENT OFFICE (PMO): ROLE IN MODERNIZATION

**4. Standardization and Best Practices: Promoting Consistency**

- *Standardized Processes:* Enforces the use of standardized project management methodologies and best practices, ensuring consistency and quality across all project activities.
- *Best Practices Adoption: F*acilitates the adoption of best practices in PM, tailored to the unique requirements of the org..

**5. Communication and Stakeholder Engagement: Effective Communication Channels**

- *Stakeholder Communication: M*anages communications across all levels of the organization, ensuring that stakeholders are informed, engaged, and aligned throughout the project lifecycle.
- *Transparency:* Provides transparent reporting on project progress, challenges, and achievements, ensuring accountability and building trust among stakeholders.

**6. Performance Monitoring and Reporting: Tracking Progress and Performance**

- *Performance Metrics:* Establishes key performance indicators (KPIs) and metrics to monitor project progress, performance, and adherence to the planned schedule and budget.
- *Regular Reporting:* Generates and distributes regular reports and dashboards, providing insights and data-driven updates to stakeholders, enabling informed decision-making.

**7. Knowledge Management and Continuity: Capturing and Leveraging Knowledge**

- *Knowledge Repository:* Creates and maintains a knowledge repository containing documentation, lessons learned, and best practices, ensuring that knowledge is captured and disseminated.
- *Continuity Planning:* Ensures continuity in project management practices and knowledge transfer, mitigating impacts from staff turnover and ensuring long-term project sustainability.

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# TRANSFORMATION OFFICE (TO): ROLE IN MODERNIZATION

As a dedicated function, TO oversees and drives transformation projects by ensuring alignment with strategic goals, managing cross-functional efforts, and fostering a culture of change and continuous improvement.

The role of TO in a Modernization Effort:

**1. Strategic Alignment and Vision: Ensuring Cohesion with Strategic Objectives**

- *Vision Alignment:* Leveraging BA, *e*nsures all modernization efforts align with the org.'s strategic vision and long-term goals.
- *Goal Integration:* Integrates transformation initiatives into *the broader business strategy.*
- *Enterprise Roadmap Development and Updates: C*ontinually updates the transformation roadmap, allowing for dynamic adjustments based on shifting priorities, new insights, and emerging technologies.

**2. Centralized Coordination and Oversight: Streamlined Project Management**

- *Cross-Project Coordination:* A central hub, orchestrates the efforts of multiple projects to ensure they are synchronized
- *Comprehensive Oversight:* As a central hub, balances resource constraints and scope across the portfolio rather than segmenting it out at the initiative level.

**3. Continuous Improvement and Innovation: Driving Sustainable Change**

- *Continuous Improvement:* Fosters a culture of continuous improvement, regularly evaluating and refining processes and practices, updating the roadmap and the way that initiatives work together towards the end goal
- *Innovative Practices:* It encourages innovation by exploring new technologies, methodologies, and strategies to enhance modernization efforts.

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# ENTERPRISE / BUSINESS ARCHITECTURE (EA/BA): ROLE IN MODERNIZATION

EA/BA are foundational components in the success of large-scale modernization. They provide comprehensive frameworks that bridge the gap between an organization's strategic vision and its operational execution, ensuring that modernization efforts are systematically aligned with business goals and optimized for efficiency and effectiveness.

Initial stages of the transformational journey can have the most profound impact on the program's ultimate success. It's during this stage that the strategic decisions are made, and the future state is determined. The quality of the outcome is in direct relation to the clarity with which the program's vision is addressed and the strategic objectives are defined.

The role of EA/BA in a Modernization Effort:

**1. Strategic Alignment and Vision Realization: Ensuring Cohesive Objectives**

- *Unified Direction: E*nsure aligned with the organization's strategic goals, provides clear blueprint that links business strategy with technology implementation.
- *Goal Translation:* Translate high-level strategic visions into actionable plans and designs.

**2. Comprehensive Framework and Governance: Structured Approach**

- *Holistic View:* BA offers an in-depth understanding of business processes, capabilities, and org. structures. EA provides a comprehensive view of the organization's IT landscape, including applications, data, and technology infrastructure.
- *Governance and Standards: E*stablish governance frameworks, standards, and best practices.

**3. Improved Decision-Making and Risk Mitigation: Enabling Informed Choices**

- *Data-Driven Decisions:* Provide critical insights and metrics that empower leaders to make informed decisions.
- *Risk Assessment and Mitigation:* Reduce likelihood of project delays or failures through identification of potential risks and dependencies early, developing strategies to mitigate them.

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# ENTERPRISE / BUSINESS ARCHITECTURE (EA/BA): ROLE IN MODERNIZATION

**4. Enhanced Agility and Flexibility: Supporting Adaptation**

- *Modular Design: P*romote modular and scalable designs that can adapt to changing requirements.
- *Future-Proofing: F*uture-proof the organization by designing architectures that are flexible and extendable, accommodating future growth and new technologies seamlessly.

**5. Resource Optimization and Efficiency: Maximizing Value**

- *Resource Allocation: O*ptimize the utilization of resources ensuring that investments are aligned with strategic priorities.
- *Elimination of Redundancies:* Identify & eliminate redundancies & inefficiencies, streamlining operations and reducing costs.

**6. Integration and Interoperability: Ensuring Cohesive Systems**

- *System Coordination:* Ensures the IT landscape is integrated, with seamless interoperability b/w systems and applications.
- *Process Alignment:* BA ensures business processes are aligned and harmonized across organizational units

**7. Stakeholder Communication and Engagement: Facilitating Collaboration**

- *Clear Communication:* EA and BA provide visual representations and models that make complex systems and processes understandable to all stakeholders, fostering better communication and engagement.
- *Alignment: They ensure that all stakeholders*—from executives to operational teams—are on the same page, working towards a common goal with a shared understanding of the modernization effort.

**8. Continuous Improvement and Innovation: Driving Ongoing Excellence**

- *Continuous Improvement: F*oster a culture of continuous improvement by regularly refining architectures and processes.
- *Innovation:* Provide a structured framework for incorporating new technologies and innovative practices.

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# QUALITY ASSURANCE: ROLE IN MODERNIZATION

By systematically evaluating processes, systems, and outputs, QA services provide vital oversight and control that mitigate risks, enhance quality, and ensure the delivery of a fully functional and high-performing system. By providing transparency and boosting stakeholder confidence, QA services help ensure that modernization initiatives are completed on time, within budget, and deliver the intended benefits

The role of QA in a Modernization Effort:

**1. Ensuring High Standards of Quality: Consistent Quality Delivery**

- *Standards Enforcement: E*nforces adherence to predefined quality standards and best practices
- *Defect Detection and Resolution*: They identify defects early in the development process, enabling timely resolution and preventing the propagation of issues into later stages.

**2. Risk Mitigation and Management: Reducing Project Risks**

- *Early Risk Identification: P*roactively identify potential risks and vulnerabilities, allowing for early intervention and mitigation.
- *Prevention of Costly Errors:* By catching defects early, minimizes the risk of costly rework, project overruns, and failures.

**3. Enhancing System Performance and Reliability: Optimal Performance Assurance**

- *Performance Testing: C*onducts thorough performance testing, ensures system can handle expected loads and perform efficiently under diverse conditions.
- *Reliability Assurance:* Verifies reliability and consistency of the system, reducing the likelihood of unexpected downtimes.

**4. Compliance and Regulatory Adherence: Enforcing Compliance Standards**

- *Regulatory Compliance:* Ensures adherence to all relevant industry regulations, standards, and legal requirements, mitigating compliance risks and potential penalties.
- *Security Validation:* Validates security measures are effective, protecting sensitive data and ensuring user privacy.

# QUALITY ASSURANCE: ROLE IN MODERNIZATION

**5. Facilitating Smooth User Adoption: User Experience Optimization**

- *Usability Testing:* QA services conduct usability testing to ensure that the system is intuitive and user-friendly, facilitating smooth adoption by end-users.
- *Training and Documentation:* QA contributes to the development of comprehensive training materials and user documentation, supporting users in navigating the new system.

**6. Basis for Continuous Improvement: Driving Ongoing Enhancements**

- *Continuous Feedback Loop:* Establishes a feedback loop for continuous assessment and improvement, ensuring that the system evolves to meet changing needs and opportunities.
- *Metrics and Reporting:* Tracks key quality metrics and generate detailed reports that inform decision-making and highlight areas for improvement.

**7. Boosting Stakeholder Confidence: Building Trust and Assurance**

- *Transparency:* Provides transparency through regular reporting and communication, fostering trust in the process.
- *Confidence in Outcomes:* Builds stakeholder confidence by ensuring high-quality deliverables

**8. Cost Efficiency: Maximizing Return on Investment**

- *Efficiency Gains: QA* services enhance development efficiency by identifying and resolving issues early, reducing the time and resources needed for rework.
- *Long-Term Savings:* By preventing major issues and ensuring reliable system performance, QA services contribute to significant long-term cost savings and a higher return on investment.

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# APPENDICES

# APPENDIX 1: GLOSSARY

| # | Term | Definition |
|---|---|---|
| 1 | ACF | Administration for Children & Families |
| 2 | BA | Business Architecture |
| 3 | CMS | Centers for Medicare and Medicaid Services |
| 4 | COTS | Commercial Off the Shelf |
| 5 | CW | Child Welfare |
| 6 | D&A | Data & Analytics |
| 7 | DDI | The Development, Design, and Implementation phase |
| 8 | DW | Data Warehouse |
| 9 | EA | Enterprise Architecture |
| 10 | IT | Information Technology |
| 11 | JJ | Juvenile Justice |
| 12 | JJMS | Juvenile Justice Management System |

| # | Term | Definition |
|---|---|---|
| 13 | MOTS | Modified Off the Shelf |
| 14 | KPI | Key Performance Indicator |
| 15 | OCM | Organizational Change Management |
| 16 | PM | Project Management |
| 17 | PMO | Project Management Office |
| 18 | PREA | Prison Rape Elimination Act |
| 19 | QSM | Quantitative Software Management company specializing in software estimation tools |
| 20 | SLIM | Software Lifecycle Management tool that combines practices of Software Asset Management (SAM) and digitized procurement. |
| 21 | TO | Transformation Office |

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