



TRANSFORM
HAWAI'I
GOVERNMENT

2023 ANNUAL REPORT

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2023 HIGHLIGHTS



22 State Departments reached in total in 2023



5 Workshops sponsored to promote Change Management



511 Total Attendees at THG-Sponsored Events



EXECUTIVE SUMMARY



Aloha!

Government modernization is often elusive and progress is difficult to measure, especially since the finish line by definition keeps moving forward.

So often it is assumed that modernization is simply the implementation of an IT upgrade: install new software or new hardware and modernization instantly takes place. If modernization was that simple, we would have a modernized government in every state and the only barrier would be funding.

However, there are myriad components to modernization. As a partner to state government, THG does not shy away from tackling these complex challenges. We work alongside state leaders to ensure the state can experience success in its modernization initiatives.

THG focuses on sweeping, systemic business process transformation projects that include IT solutions to support the new processes that enhance efficiency and streamline operations to better serve citizens. These are not overnight fixes. These major projects take time to plan and are even more challenging to execute well.

The soft side of transformation, which includes organizational change management and communications, is critical. Overlooking these aspects of modernization results in investments that do not yield the return they are intended to accomplish. These projects are put on pause and leave many pondering what may have gone awry.

Learning from Past Projects

As with other states, Hawai'i has had its share of failed modernization projects. The Enterprise Financial System is an example. The state first tried to modernize the EFS more than 10 years ago. The second attempt was made in 2022. Steeling itself with the support of THG, the state began its third attempt to modernize the critical EFS in 2023.

In 2023, THG dedicated significant time, expertise and resources to modernize the 55-year-old EFS legacy system. It was a pivotal year in government modernization for the State of Hawaii. With guidance from THG, there was a shared recognition of the need to pursue modernization more strategically to ensure progress.

Components that have been given cursory attention are now front and center. There is heightened awareness of the need for organizational change management and communications within state government. Communication based on organizational change management principles is now embedded in the EFS project.

Future Outlook

THG plans to continue making EFS a top priority in 2024 because many other programs throughout our state government interface with this backbone system. Focusing on this will help to accelerate modernization and have a cascading effect throughout state government.

Mahalo nui loa,
Christine Maii Sakuda
Executive Director



2023 GOALS

THG set ambitious goals for 2023 and made considerable progress toward each one.



GOAL #1: Major Enterprise Initiatives are Resourced for Success

Governor Josh Green is dedicated to modernizing state government to support Hawai'i citizens, now and into the future. To support the Governor, THG mobilized a team to provide support to the Governor's executive committee members to relaunch the state's EFS project. The executive committee consists of Luis Salaveria, director of the Department of Budget and Finance, and chair of the EFS project; Keith Regan, state comptroller and director of the Department of Accounting and General Services; and Douglas Murdock, state chief information officer and director of the Office of Enterprise Technology Services.

THG helped the state's leaders develop a roadmap for the EFS project and worked closely with the ETS and DAGS teams on communications to support change management processes. It was vitally important to win the hearts and minds of employees by showing what was being done differently in this third attempt.

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Bill Kumagai, of the THG team, who led the roadmap visioning process, has become an ex-officio member of the Governor's executive committee, participating in weekly meetings with them. THG is now integrated into the discussions on the EFS with these leaders. In addition, Bill started having separate meetings with the deputy directors of these departments.



2 Employee Townhall Meetings moderated by THG

Number of attendees participating in the Townhall Meetings:

July 7, 2023: 228 Total Attendees
November 15, 2023: 187 Total Attendees



Re-engaging employees and instilling confidence that the EFS project can be successful were critical to the relaunch and to maintain momentum for this project, which is estimated to take three to five years. Having learned from past attempts to modernize the EFS, people and processes are now top priorities.

THG developed a communications roadmap for EFS and began meeting with Keith Regan and ETS change management and communications professionals regularly to execute this plan. The THG communication team, led by Nathan Hokama, is working with Keith Regan, who has been tasked with overseeing communications for the EFS modernization.

The THG team is also collaborating with the ETS team to expand its website dedicated to EFS, develop newsletters for employees, and prepare messages for external audiences, including media.

THG helped prepare the Governor’s executive committee for virtual town hall meetings as a way to candidly share the progress of the EFS project to provide an update on the EFS project to all interested state employees.

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THG's Christine Sakuda was invited to moderate a panel discussion in July and serve as the moderator for another virtual town hall meeting in November. The sessions gave employees an overview of why it is important to modernize and the benefits of transformation. The executive leaders also explained what is being done differently to modernize the 50-year-old legacy system, including a stronger commitment to give employees a voice in the modernization process by sharing their perspectives and concerns.

In addition, THG and Gartner held a series of four organizational change management (OCM) workshops for state employees in 2023. These sessions were led by Shawn Murphy, director analyst and OCM expert with Gartner Research.

- The first Gartner OCM workshop, held in April, focused on "Organizational Change Management: A Key Component of Modernization"
- The second OCM workshop, "Evolving Your Organizational Culture," was held in July.
- The third OCM workshop, "Best Practices for Overseeing Organizational Change Management Initiatives," was held in September.
- In December, the fourth OCM workshop of the year, showcased case studies in, "Improving the Performance of Organizational Change Management Initiatives."



THG also enlisted the support of Prosci, a world leader in change management, to facilitate an executive sponsorship briefing on change management. THG also underwrote the cost of equipping state employees with skills to manage the people aspects of change.

A three-day change management certification program offered by Prosci in May resulted in six certified Prosci change practitioners, including state leaders and THG team members.

In October, THG invited Prosci to facilitate an executive sponsor briefing to ensure executive leaders of the EFS understood their role in the EFS modernization and to ensure their active engagement throughout the change management process.

4 change management workshops hosted by THG in collaboration with Gartner

140 State employees attended OCM workshops, from **14** different departments

6 individuals who received their change management certification, sponsored by THG



GOAL #3: Mobilize Community, Government, and Industry Constituents to Support IT Modernization

The power and influence of allies who champion the value of modernization initiatives cannot be underestimated.

In 2023, THG had scheduled an August meeting to share the findings of the Anthology Research report findings with government relations professionals (lobbyists) representing the tech industry. THG planned to engage them as partners to jointly advocate for EFS and other modernization initiatives within state government. However, as a result of the Maui fires, this session was postponed. The meeting will likely be held in Q4, prior to the next legislative session.

THG began to reach out to legislators to share its goals for 2024 and how it is working closely with the state on the EFS project.

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THG and its lobbyist Melissa Pavlicek of Hawaii Public Policy Advocates began to share the need for funding for the third attempt to implement the EFS project.

It's important to note that advocacy efforts can take time to see results. In the 2022 legislative session, for example,

THG supported a bill to establish the position of a Chief Data Officer in state government. This bill successfully moved forward in the legislature and was signed into law by Governor David Ige. In October 2023, Rebecca Cai, who previously had served in a similar role for New York State, was appointed as Hawai'i's first Chief Data Officer, a significant step to move Hawai'i forward to have a data-driven government.



4 Board of Director Meetings with State Leaders



5 State Departments and 10 state leaders met with Board of Directors



In 2023, THG began exploring specific strategies and guidelines to address IT workforce gaps. In 2024, THG will continue to look at developing a fellows program, modeled after an initiative that began in the Obama administration.

The Presidential Innovation Fellows (PIF) program brings the innovation economy into government by pairing talented, diverse technologists and innovators with top civil-servants and change-makers within the federal government to tackle some of our nation's biggest challenges. In 2024, THG plans to develop a similar program at the state level.

In 2024, THG plans to develop a program similar to the Presidential Innovation Fellows program at the state level.

OTHER ACCOMPLISHMENTS



THG website: THG engaged with hibrand Consulting and Design Asylum to update its website. The new website features fresh, new photos, copy and a design that accurately captures the way THG is being positioned in the community.

THG social media: Crystal Clear Communications continued to raise the profile and visibility of THG through regular, active posts across multiple social media platforms. The CCC team leverages important national observances as platforms for THG messages and activities.



167 Social media posts



117 State legislators and departments THG followed on social media



191 New followers gained



1,916 Interactions with followers in the government and public community

THG op-ed: In response to a news release on the Anthology Research report, Civil Beat reached out to THG to offer an op-ed as part of Civil Beat’s “Sunshine Project” series. THG wrote a commentary focusing on the aspirational goals of government modernization titled, [Government Modernization Requires An Amazon Prime Mindset.](#)

2nd Annual Hawai’i Cloud Innovation Summit: THG served as the only nonprofit sponsor of the Hawai’i Cloud Innovation Summit, partnering with DataHouse and the TRUE Initiative. The event, held at the Hawai’i Convention Center in August, brought together all sectors of the economy, including government, to focus on digital transformation through cloud technology.

Hawai'i Digital Government Summit: THG served as a sponsor of the Hawai'i Digital Government Summit held at the Sheraton Waikiki in September. Christine Sakuda served as a moderator of one of the breakout sessions on "Real Talk About Change Management." Panelists included Dean Hazama, deputy director, Department of Commerce & Consumer Affairs; Douglas Murata, organizational change manager, Office of Enterprise Technology Services; and Sherri Okinaga, senior vice president, organizational effectiveness division manager for First Hawaiian Bank.

Hawai'i Annual Code Challenge: THG sponsored the Hawai'i Annual Code Challenge (HACC), once again in 2023, a multi-week event from October to November that promoted computer coding and friendly competition among teams of students, state employees, and amateur and professional coders to modernize state functions and services. The winning solutions will be considered by the state in its quest for a more effective, efficient and open government.

HI Now: In collaboration with Hawaii News Now, THG produced two HI Now segments in the third quarter: one on the transformation of Hawai'i State Public Library System to enhance digital equity initiatives and a second one on Washington Middle School's world-class sound recording studio, which required the Department of Education's technology deployment in the schools.

298 people attended the 2023 Hawaii Digital Government Summit, of which **191** were from the government/public sector

