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Denver's new 311 service, introduced in July 2006, demonstrates the way the city is changing how it uses information technology (IT). Michael Locatis, who was appointed CIO by Mayor John Hickenlooper, brings private sector management skills to his job. Under his leadership, the Technology Services department is focused on finding ways to simplify operations, save money, and deliver better customer service to the businesses and citizens of Denver.

The innovative 311 service is a three-digit number (similar to 411 and 911) that citizens can call when they have nonemergency needs, such as fixing potholes, renewing business licenses, and paying taxes. The 311 system includes a call center to manage all 311 calls and to link all existing (and future) government IT systems to a PeopleSoft customer relationship management (CRM) system. Information gathered during service requests is stored in a knowledgebase to facilitate future requests.

Denver's 311 system's seamless service delivery will be particularly critical during large city events or natural disasters. The boon to customer service is the biggest benefit, but the new 311 system will also generate significant cost savings. Currently, nonemergency 911 calls are a major expense for the city, and such calls will be efficiently managed by 311 agents. Based on the success achieved by the pilot testing of 311, Locatis is already working to help create new applications for the system beyond the Denver city limits.

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Feature Story

Mile-High E-Government

By Aaron Lazenby

Denver's mayor answers the call for better service.

Denver's Wellington E. Webb Municipal Office Building—a hypermodern beacon in a town of neoclassical municipal buildings and Old West charm—is where Michael Locatis and his Technology Services department hang their hats. An appointee of Mayor John Hickenlooper—and the first person to hold the title of CIO in Denver, Colorado—Locatis came to city government from Time Warner, where he was senior director of enterprise information technology. Hickenlooper's appointment of a longtime private sector manager sent a signal about the direction of Denver's technology policy—things were going to be different.

Across the street in the Denver City and County Building, Hickenlooper, who was elected as mayor of Denver in 2003, is leading a movement to change the way government works in the city. His reform-minded leadership influences all of the policy generated from his office, and he is just as informed by his time in the private sector as Locatis. "I believe there's no better preparation for executive elected office than running a big restaurant," says Hickenlooper, a restaurant owner and former bartender. "There's never enough money, there's never enough time, you have a lot of talented people who have to work together very closely, and you have to be able to respond to the public, which isn't always happy."

But Mayor Hickenlooper's key principles for governing the city have led to a broad-based transformation in the way Denver uses information technology. The upcoming launch of an innovative 311 system shows the administration's commitment to using information technology to save money, simplify operations, and deliver better service to the citizens and businesses of the Mile High City.

"The power of the current mayor is the momentum he's brought to government culture with his unique private sector perspective," says Locatis. "I think that allows us to get the change we want and build support for that change."

Hickenlooper came to office espousing five principles that guide his administration's policy—creating new jobs, increasing the quality of customer service from city agencies, improving the quality of life for citizens, making the Denver city government a better place to work, and promoting fiscal discipline. And while the 311 system may not generate new jobs, it does influence the other four goals. "We have five big goals in the city," says Kelly Brough, deputy chief of staff in the Denver Office of Accountability and Reform. "We view 311 as the key way to effect these goals. I think everyone here understands that there's no bigger project in 2006 than 311."

In simplest terms, 311 is a three-digit phone number that citizens use to address nonemergency needs. If a pothole needs filling, citizens can call 311 to report it. During election season, callers can dial 311 to find out where to vote. Need to pay your taxes or renew a business license? Callers to 311 can complete common transactions over the phone.

"We have 2,000 government listings just for Denver," says Brough of the blue pages in the local phone book. "So citizens have no idea where to call. We're telling them to call one place, and we'll navigate the system for them."

The system features a newly created call center to field all 311 calls and to connect all existing (and future) governmental IT systems to an Oracle's PeopleSoft customer relationship management (CRM) system. Citizens make a call to 311 (or send an e-mail, submit a request through city Web sites, or send a fax), and a customer service agent creates a case number to track the request. The question is either answered by the agent or pushed on to the appropriate city agency, depending on the complexity of the problem. In a situation where multiple agencies need to be involved, all parties can access and update information about the case. Citizens can track the progress of their request and can confirm that the problem has been addressed. Information collected during service requests is stored in a knowledgebase to help agents deal with similar requests in the future with a minimum of effort.

Denver's 311 system is scheduled for an official launch in July 2006, as of this writing, but Locatis' office has been quietly testing the system since February. At that time, calls to six city agencies—including Clerk and Recorder, Animal Control, and Street Maintenance—began to be forwarded to the 311 call center to test call volume and performance. 311 Program Manager Steve Stroud reported no complications in the initial rollout but found several circumstances in which a centralized point of contact benefited Denver citizens.

"Right outside in Civic Center Park, we had a big immigration rally and we took hundreds of calls," says Stroud. "Calls that would have gone to the mayor's office came straight to our team. We handled all of those calls, and the mayor's office didn't have to do anything other than create the talking points."

After the July go-live date, callers won't even have to look for the mayor's phone number. They'll just dial 311 and have their questions answered.

This kind of seamless service delivery is especially critical during significant city events or natural disasters. In a situation when potentially thousands of citizens need to connect with information from various city agencies, a 311 call center provides an essential, centralized point of contact between the government and its constituents.

For example, on election night there might be a notable increase in callers to the city's Election Commission as voters look for their local polling place or complain about campaign violations. Instead of making citizens search for the Election Commission's phone number—and forcing the commission's office to deal with a seasonal deluge of calls—311 call center representatives can answer basic voter questions and route only the most complicated issues to the appropriate organization. Likewise, in a natural disaster the 311 call center can use existing systems to help callers find services or locate missing family members, allowing mission-critical service providers to focus on their core tasks—not on answering the phone.

To address such circumstances, Locatis' team secured 25 additional laptops, phones, radios, and call scripts to deal with emergencies. Extra cubicles and conference rooms are wired to handle the additional head count needed to operate the phones. That means the 311 system can be expanded, on the fly, to deal with dramatic increases in call volume.

"We hope to combine some of our efforts with 911 to handle their overflow," Stroud says of the plan to deploy 311 to assist emergency operators during a crisis. "If there were a disaster, we could almost immediately turn on 911 capabilities in our 311 call center, allowing us to double or triple our call capacity to support 911."

Good Business Sense

While improving the quality of customer service is a critical aspect of the Denver 311 system, it's not the only benefit. There will likely be significant cost savings that come with citizens' increasing awareness and use of 311. For example, nonemergency 911 calls represent a major expense for cities' emergency call centers. 911 operators are in short supply, require expensive training, and demand a higher salary than 311 agents. So if someone dials 911 to report a missed garbage collection, it not only diverts resources away from real emergencies but also costs the city hard cash.

"Forty percent of the calls that go to 911 are nonemergency calls, but it requires 60 percent of our 911 resources to handle that 40 percent," says Stroud. "A nonemergency call takes more legwork and follow-up than an emergency call. Emergency calls get passed off to appropriate agencies very quickly."

One of the major initiatives around 311 is educating citizens about which number to call in a given situation. If done effectively, city emergency service availability and response time should improve—and for a lower cost. According to a 2005 Department of Justice report, the City of Baltimore saw nearly 5,000 fewer calls per week to 911 after the implementation of a 311 system.

Additionally, the mayor's office was able to make significant business process changes that will likely bring major savings to the city. "A 311 system changes the way a city runs itself," says Jeffrey Ford, professor at Ohio State University's Fisher College of Business, who worked with one of his graduate classes to develop a 311 plan for the City of Columbus, Ohio. "Cities become much more performance-oriented and delivery-oriented. There is more accountability, and it becomes very clear which departments or divisions are not working well."

As the Denver 311 project was being designed, city departments had to detail the steps of every type of transaction each agency handled. This was a necessary process to help the 311 team identify how information would be processed as it passed through the system, and in some cases how the case should be handed from one organization to another. But this business process mapping allowed the mayor's office to take a close look at how city agencies do business and consequently to create business process efficiencies as part of the 311 implementation.

Vice President of Oracle Public Sector Mark Johnson says this process can result in unexpected benefits for the organization. "The City of Denver has truly embraced change. They are moving forward and transforming the culture for their users, their managers, and their employees and making these best practices a reality."

"When we say '311' in Denver, we mean something very different than just a phone number," emphasizes Brough. "It encompasses a significant effort to improve productivity. We need to come out on the other side of this with metrics and measures that we can use to improve our operations."

Setting Standards

Creating cases in the 311 system will allow Locatis' group to generate reports on organizational performance. For example, the system will allow them to measure the average time it takes to complete a common task, such as removing a stray dog from city streets. Cases that take longer than average can be reviewed for inefficiencies, and high performers can be analyzed to learn about potential process improvements.

The creation of performance metrics for city departments marks a cultural shift for the Denver city government. With a clear view of how efficiently different agencies deliver service, the mayor's office can work to improve underperforming organizations and reward staffers who improve the operational performance of their agency.

"Coming from the private sector, I can see a certain level of dysfunctionality, of people not collaborating," says Hickenlooper. "Our employees could be having more fun and delivering a better product to the taxpayer—and maybe even getting compensated at a higher rate. And it's not just in the public sector. I think in any large bureaucracy, people avoid risk and miss seizing opportunities."

In fact, 2006 marks the beginning of bonus compensation for Denver city employees—an almost unprecedented move for a local government. "The rollout of 311 will give us more measures for employee performance," says Brough. "So if you're an employee and you see a way for us to deliver service more efficiently and save the city half a million dollars, you're going to get a bonus for that."

Expanding Influence

New applications for the system surface every day, even as the IT staff works to hit their July deadline. "If Locatis walks into a 311 project meeting with a cup of coffee in his hands, you know there is a new twist," says one staffer.

Hickenlooper notes the same enthusiasm in his CIO. "He's already out there talking about what we can do for the region, here's what we could do in regions all over the United States," the mayor says of Locatis, punctuating his thought with a tire-screeching sound. "But let's take it a little more slowly."

The mayor, however, may not be able to put the breaks on 311's runaway success. This summer, Denver hosted the pilot meeting of the 311 Regional Advisory Council, an organization of as many as 40 Denver-area municipalities, counties, and special districts working on a plan to extend 311 to the entire region. The vision is to allow all callers in Colorado's Front Range region to dial 311 and get answers to their questions based on their geographic location. So, a caller in Aurora who needs a business license will get the right information when she dials. But if that caller is visiting Littleton and needs to find a restaurant, she'll be automatically directed to the appropriate call center.

This vision of a regional 311 plan and the supporting advisory council was inspired by reports of the plan and lessons learned by the Denver team in the early stages of the 311 implementation. "We're bringing best practices and methodologies to local municipalities so they can determine standards for the region," says Stroud. "It's not too early to get other regions to start thinking about their strategies and help them save months and months of resource dollars trying to research something we've already researched."

But this potential impact of 311 on the greater Denver area only drives Mayor Hickenlooper and his staff to deliver a successful system in July. "With 311, it's easy to know whether or not you've succeeded," says Hickenlooper. "The whole point is to put more accountability in place. We'll be able to really delve into the bureaucracy and hold up to the light the processes we use to deliver service—whether it's filling potholes, removing graffiti, or changing streetlights."

Aaron Lazenby is the features editor for *Profit: The Business of Technology*.

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Snapshot

The City and County of Denver, Colorado
www.denvergov.org
Population: More than 557,000
Budget: US $773 million in 2006
Oracle products and services: Oracle Database; Oracle's PeopleSoft Enterprise Portal, Customer Relationship Management, Enterprise Performance Management, Financial Management, Human Capital Management

Going Public: Government Takes a Few Lessons from the Private Sector

In the 1990s, before he was elected as Denver's mayor, John Hickenlooper helped lead the revival of Denver's lower downtown (LoDo) when he opened the Wynkoop Brewing Company—Colorado's first microbrewery. LoDo is now home to countless restaurants, galleries, and the Colorado Rockies Coors Field. So when Hickenlooper took office in 2003, he sought to bring the same degree of change to city government that he had brought to the city itself. Hickenlooper brought two important perspectives to the mayor's office: an entrepreneurial spirit and a willingness to look to the private sector for solutions.

His vision immediately influenced his IT policy. Early in his term, Hickenlooper hired Denver's first CIO, Michael Locatis, from Time Warner. Locatis was assigned to consolidate Denver's 20 disparate IT departments, each serving different functions within city government.

In turn, Locatis hired former Denver International Airport CIO Molly Rauzi as his deputy CIO to assist with the transformation. In less than a year, Locatis' team centralized more than 200 technology employees into a single IT group—Technology Services. Now the right combination of IT resources—be it applications developers, DBAs, or desktop support—can be deployed to solve technology problems across the organization. This year the Public Technology Institute recognized Denver's IT transformation with the Technology Solution Award for the most innovative and creative technology solutions implemented by local government. "If you told me we were going to do that successfully in 12 months, you could have knocked me over with a feather," says Hickenlooper.

Hickenlooper's efforts also helped earn him a place among the finalists for the 2006 World Mayor Award.

Hickenlooper's entrepreneurial experience guides much of the policy his office initiates. Locatis sees this transformation as leading to more than simply increasing the efficiency of his IT departments. For Locatis, such decisions underscore a desire to improve operations across city government. "The story of Denver transcends IT," says Locatis.

This type of transformation may be a result of the strong private sector influence on the current administration. Key members of Hickenlooper's team came from outside government, something that experts herald as an exciting trend.

Jeffrey Ford, a professor at Ohio State University's Fisher College of Business, sees this as a positive development. "People who come from a business background tend to be more results- and performance-oriented," he says. "I think part of what you're seeing now is people who have been in the private sector moving into the public sector and bringing with them new best practices and new ways of thinking and operating."

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