

COMMISSION ON SERVICE INNOVATION

Meeting Minutes/Monthly Report

Governance Team: Commission on Service Innovation
Date of Meeting: August 19, 2010 **Location:** Association of Minnesota Counties
Minutes Prepared By: Taylor Joseph **Time:** 9:30 a.m. – 3:00 p.m.

Attendance

Member:	Representing:
Steve Dahl	Minnesota Chamber of Commerce
Mike Kirst	Minnesota Business Partnership
Alok Gupta	McKnight Foundation (does not speak for McKnight)
Paul Mattessich	Wilder Foundation
Jeannie Fox	Minnesota Council of Nonprofits
Sean Kershaw	Citizens League
Kent Sulem	Minnesota Association of Townships
Dave Benrud	League of Minnesota Cities
Randy Maluchnik	Association of Minnesota Counties
Darrel Huish	Minnesota State Colleges and Universities
Al Lehrke	AFSCME Council 5
Steve Giorgi	AFSCME Council 65
Chet Jorgenson	MAPE
Carol Nieters	SEIU
Bob Azman	Minnesota High Tech Association
Steve Cawley (Benard Gulachek substituted in the afternoon)	University of Minnesota
Gopal Khanna	State Chief Information Officer
Sen. Terri Bonoff	State Senator, District 43
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Other Attendees/Staff:	
Rep. Phyllis Kahn	State Representative, District 59B
Dr. Jerry Mechling	Harvard University
Sara Schlauderaff	Office of Enterprise Technology
Mike Mulenburg	Office of Enterprise Technology
Taylor Joseph	Office of Enterprise Technology

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Decisions Made

Decision

1. The Commission approved the minutes from the July 19 meeting.
2. The next meeting will be September 16, and subsequent meeting dates have been set after member preferences were compiled.
3. Members divided into 5 workgroups: Engagement; Shared Services; Problem Definition; Governance; and Culture/People.

Action Items

Action	Assigned to	Due date
1. Workgroups were asked to submit a one-page document for the full commission to review.	Each Workgroup	Next Meeting

Agenda

Topic	Presenter	Time	Decision Item
Welcome; Recap of First Meeting & Adoption of Minutes; Overview of Agenda	Gopal Khanna	9:30	Yes
Key Themes/Final Report	Gopal Khanna/All	9:45	Yes
Identifying Specific Topics and Ideas for the Commission's Work	Dr. Jerry Mechling/All	10:15	No
A. Enhancing public involvement and input as the public uses state and local government services and public schools			
B. A transition plan and governance structure that will facilitate high-quality innovation and change in the future			
C. Centralized and shared services			
Lunch Break		12:15	
Continue – Identifying Topics and Ideas for the Commission's Work	Dr. Jerry Mechling/All	1:00	No
Establishing Advisory Workgroups & Assignments	Gopal Khanna/ All	2:00	Yes
Roadmap & Meeting Schedule	Gopal Khanna/ All	2:25	Yes
Open Meetings and Social Media Opportunities	Staff/ All	2:40	No
Next Meeting Agenda Items	Gopal Khanna/ All	2:55	Yes
Adjourn		3:00	

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Next Meeting

Date:	September 16, 2010
Time:	9:30 a.m. – 3:00 p.m.
Location:	Association of Minnesota Counties 125 Charles Avenue, St. Paul
Agenda items:	Submit proposed agenda items to Mike Muilenburg
	Presentations:
	<ul style="list-style-type: none">• County Consolidation Efforts – coordinated by Randy Maluchnik• LEAN – coordinated by Mike Kirst

Minutes

Welcome; Minutes Adoption; Agenda Overview:

Gopal Khanna, the State Chief Information Officer and lead co-chair of the Commission on Service Innovation, convened the meeting at 9:31 am. A quorum was present.

Mr. Khanna asked members not present at the first meeting to introduce themselves—Darrel Huish, MnSCU, and Paul Mattessich, Wilder Foundation.

Mr. Khanna motioned to approve the previous meeting's minutes. It was seconded and approved unanimously. He gave a rundown of the day's agenda and introduced Jerry Mechling who had returned to serve as discussion moderator.

Identifying the Problem Definition/ Key Topics/ Workgroups:

Dr. Mechling: We have a final report to produce. What should the structure be? We will need to break into specific task groups to tackle certain areas.

Dr. Mechling identified specific areas the report must address:

1. The problem—all group members must work together to reach a consensus.
2. Analysis of the problem—separate task groups will look into specific areas.
 - a. What three to six major areas does the group want to analyze?
3. Recommendation

Dr. Mechling pointed out the three topics the group discussed focusing on in the previous meeting:

1. Collaboration and engagement
2. Shared services/ consolidation
3. Governance—structure and transition

He said in the final report there should be an introductory element defining the problem, and the analysis should not only look at the sub-problem but where Minnesota currently stands.

Dr. Mechling asked the group what should be included in the definition of the problem.

Group Comments:

Mr. Khanna: There are no boundaries in the Commission's charter—state, local or county.

Steve Dahl: Innovation is part of the solution not the problem. Minnesota is a leader in developing and applying innovation.

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Alok Gupta: With a diverse group, agreeing on a specific problem will be difficult, but an agreement should be reached. We need to outline principles of what to address rather than piecemeal ideas.

Sen. Bonoff: When talking about the problem, it's helpful to look ten years out. There's a gap between what we are today and what we want to be in ten years. We need to figure out what is required in that gap.

Darrel Huish: Our pace of innovation or pace of service improvement is not keeping up with the needs or requirements to lower the costs of government.

Dave Bentrud: It's important to get a general sense of the problem. We are talking about a new delivery system for government that's more nimble, responsive and efficient.

Group discussion then turned to identifying specific topic ideas for the Commission's work and also determining what workgroups were needed.

Mr. Khanna: We need to illuminate the barriers that block the route to innovation and let legislators know. We talk about lack of innovation, but we lack incentives and barriers need to be removed. We need to be able to take risks and make mistakes. Innovation comes with failure.

Paul Mattesich: Sen Bonoff's statement was one of the most important statements of the day. We need to think about where we want to be 10 years from now, 20 years from now. We need to look at the changing demographics like retirement and worker-to-dependent ratios. We don't want to rearrange deck chairs on a ship that may sink. We need a combination of existing thinking plus radically different thinking.

Members suggested bringing in leaders from the executive branch to discuss procedure, looking into what other states are doing and determining what the public wants from the government of Minnesota.

Dr. Mechling suggested five workgroups that seemed to encompass the discussion. They were eventually agreed upon.

1. Engagement
2. Problem Definition
3. Shared Services
4. Governance
5. Culture/People

The group took a break from 10:51 to 11:15.

The 15 Year Outlook:

Mr. Khanna: Today, the program execution of government is under stress---cyber security, citizens demanding 24/7 services, strained finances, aging workforce, etc. Fifty to 60 years ago the operational model was the best, but it's not today. It's not efficient or citizen-centric. The Commission needs to help bring government to a new operational reality. We will not have all the recommendations in the next few months, but we can give the legislature ideas on how to best leverage the human capital.

Mr. Khanna asked members to talk about what they would like to see happening 10 -15 years from now if they were leading government.

Dr. Mechling: Minnesota needs to perform well as a society and as a government. Over time most real improvements come through innovation. Over the next ten years there are going to be major gaps that innovation should address?

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He put specific emphasis on technology, economics and demographics.

Dr. Mechling also determined three themes the group should focus on looking forward, based on comments:

1. Productivity
2. Equity
3. Accountability

Member Comments:

Sean Kershaw: Another word that keeps popping in my head is value. The demands of what we can afford have changed, but people's expectations are as high as ever. We must figure out how to get the best value.

Dr. Gupta: I think value is the wrong model. In ten years I want government to be doing more than it is now.

Mr. Kershaw: Our destiny is tied to our demographics. We need to increase our productivity.

Mr. Dahl: Any recommendations we make should go through the filter of value on investment. We need to look at return on investment (ROI), the impact on service quality and the difficulty of implementation.

Mike Kirst: The really big innovations come from a group coming together and looking at all the outcomes for the consumer—look at the end-to-end process rather than silos.

Mr. Kershaw: Transparency is key and cross functionality. We need better data accessibility.

Mr. Bentrud: As we look at change and sharing resources, change takes money. We need seed money for some of these programs because it requires capital to do these things.

LUNCH BREAK

Workgroups:

Members decided on five specific workgroups. They appointed leads for each group and made comments about each group's focus.

Engagement – Sean Kershaw (lead)

Members: Darrel Huish, Bernard Gulachek (Steve Cawley substitute)

Comments:

- Determine what services or agencies need to be greatly changed or eliminated and what new services should be added.
- Customers, government workforce and vendors are all part of engagement.
- Need to utilize social media/networking tools for collaborative communications, not just push communications.
- Keep demographics in mind—75 year olds are probably not on Twitter.
- Engage all age groups across multiple formats.

Shared Services – Steve Dahl (lead)

Members: Carol Nieters, Chet Jorgenson, Dave Bentrud

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Comments:

- Eliminate service overlap.
- Consolidate data into one location for easier access.
- Determine what services can go online—fishing licenses vs. health care.
- 3 Flavors of cross-boundary shared services: state – private sector; governments across jurisdictions; combination of state – local – private sector

Governance – Mike Kirst (lead)

Members: Rep. Phyllis Kahn, Kent Sulem, Randy Maluchnik

Comments:

- Funding innovation investments.
- Determine what to do with savings achieved.
- Look into labor contracts/ laws and personnel issues.
- Determine how to invest in the people providing the services.
- Encourage entrepreneurship in government.

Culture/People: Paul Mattessich (lead)

Members: Jeannie Fox (served as lead this meeting), Al Lehrke, Steve Giorgi

Comments:

- Create a culture of innovation.
- Incentives to change.
- Look at changing demographics over the next decade.

Problem Definition: Alok Gupta (lead)

Members: Sen. Terri Bonoff, Bob Azman

Comments:

- How can government continually improve itself?

Members agreed the groups were subject to change in the future and broke into group discussion for 35 minutes.

Group Feedback:

Mr. Khanna reminded the groups that they are self-driven and encouraged them to get together before the next meeting. He asked each group to develop a one or two page document detailing the State's current status, possible future goals and potential roadblocks relating to each topic.

Each group leader was asked to summarize discussion.

Problem Definition Discussion Notes:

- Outline compelling reasons to change and innovate (i.e. changing demographics, fiscal issues).
- Address what should change and identify where innovation will be most effective.
- Determine how service delivery should change—will incorporate feedback from other groups.
- Paint a picture for opportunity-cost problems.

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Engagement Discussion Notes:

- Make things accessible.
- Get information and provide feedback.
- Go beyond just improving the customer service model.
- Change traditional roles—make citizens producers.
- There is a changing relationship between citizens and governments—not just providing customer service.

Shared Services Discussion Notes:

- The group will meet weekly until the September meeting.
- Share examples of shared services in Minnesota that should be expanded and outside examples that could be incorporated here.
- Look at examples of failed efforts and determine what to do differently or avoid. Examine criteria for what would be a good shared service.

Culture/People Discussion Notes:

- Use people delivering the expertise to make the change. Determine how to engage them and incentivize new ideas. New ideas aren't threatening.
- Determine what is lost through failed investments.
- Look at workforce issues—changing demographics in the workforce. What do Millennials want? How can Minnesota attract and retain the best and brightest workforce.
- What are citizens demanding and how do we meet those demands?

Governance Discussion Notes:

- Focus on opportunities to explore transformational models.
- How can we provide mechanisms for various levels of government to call out innovation ideas faster?
- Explore how to find common ways to surface those ideas.
- Explore the state LEAN initiative.

Mr. Khanna: Members can participate in any team discussion, not just their specific team. We want it to be a thoughtful, inclusive exercise.

Members had a brief discussion on the status of the commission.

Open Meetings and Social Media Opportunities:

Mike Muilenburg reviewed the open meeting law as it related to workgroup meetings. As long as the workgroups are advisory and everything comes back to the full group for vetting, they do not need to be public. They are only making recommendations. Ten or more members should not meet unless it is a publicly scheduled meeting.

Mr. Muilenburg: We can use social media to push out information and obtain feedback. We met with the Citizens League to discuss some options with them. There could be a cost issue, however, and we need to think about potential ways to obtain the funding.

Future Meetings:

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Future meeting dates were discussed and members indicated their preferences. The following dates have since been determined:

- September 16, 2010
- October 21, 2010
- November 18, 2010
- December 16, 2010 (could move to December 9)
- January 13, 2011

All locations are TBD.

Members discussed potential topics for the next meeting, and Mr. Khanna asked them to send agenda ideas to him.

Other Updates:

Kent Sulem gave members an update the Collaborative Governance Council meetings.

After business was completed, a motion to adjourn was seconded and unanimously adopted. The meeting officially adjourned at 2:35 p.m.