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How U.S. federal agencies and departments accelerate digital modernization

Introduction

The U.S. federal government, along with governments around the globe, has been acutely tested by the COVID-19 pandemic. Some federal agencies and departments were unprepared for the scale of the crisis and had to rapidly correct course. While the whole federal government had to react quickly to maintain public health and economic stability, some agencies demonstrated unprecedented agility as they responded to the COVID-19 pandemic, accelerating technology modernization efforts by years.

A growing number of federal civilian and defense agencies now enjoy the benefit of using cloud-based applications and infrastructure to improve efficiency; increase agility, security, and scalability; leverage real-time information; and boost public trust. The goal is not only to mitigate the COVID-19 crisis but also to increase resiliency and improve their ability to respond to other disruptions in the future.

> " By aggressively embracing technology to support business processes, the Federal Government is better positioned to maintain the safety and well-being of the Federal workforce and the American public while supporting the continued delivery of vital mission services. "
>
> —*Margaret Weichert,*
> *Deputy Director for Management, OMB*
>
> Source: whitehouse.gov

This charter is motivated by a few specific directives.

Accelerated IT modernization: For fiscal year 2022, the White House requested an IT topline of $109.4 billion the highestever That includes $58.4 billion for civilian agencies' IT modernization, $38.6 billion for the Defense Department's unclassified programs and an estimated $12.4 billion for the Pentagon's classified programs. The budget calls for the "modernization of antiquated and often unsecured IT" and a quicker shift to "secure, cost-effective commercial cloud solutions and shared services."

Operationalized analytics: Strategic and systematic adoption of data-driven technologies, such as artificial intelligence (AI), machine learning and advanced analytics, at each stage of government activity is needed to improve the efficiency, effectiveness and consistency of decision making.

Data sharing: Legislation, policy directives and rapidly evolving technologies are focusing attention on the need for sound data management practices and the use of data for mission objectives. These drivers are prompting federal agencies to turn to commercial cloud computing as the go-to solution for modern, secure, and data-centric operations.

Digital talent: Addressing critical skills gaps is a major tenet of the President's Management Agenda, which identifies the recruitment, retention, and reskilling of the federal workforce as a top priority to ensure higher–value service delivery.

Many government agencies are turning disruption into opportunity by embracing digital transformation.

Why traditional government applications fall short

The federal government was one of the earliest creators and investors in new technologies. Some of these systems are more than 30 years old and still in use today, with numerous additional systems added on. These traditional legacy applications and infrastructures can't support the new digital reality because they lack adequate data storage, computing power, flexibility, and real-time data, resulting in inefficiency, delays and errors. In addition, as the **Wall Street Journal** reports, "the government's aging IT systems caused glitches and security risks as federal operations shifted to remote work in the early months of the COVID-19 outbreak." The president has proposed spending $58.4 billion to modernize federal agencies' aging information technology systems.

As mobile and online services become the status quo in our personal and professional lives, governments are challenged to meet the expectations of more-demanding citizens, tech-savvy users, and empowered staff. Government agencies that can't leverage digital tools are ill-equipped to respond to today's economic, social, and environmental challenges.

The ability to meet modern digital requirements starts with data. Rigid, siloed information systems present major barriers to successful government projects. When data is sequestered in departmental or agency silos, people can't access the information and insights they need to drive innovation and deliver effective service.

Government agencies that transform their disconnected business processes into connected, people-centric workflows can use data for mission objectives and innovate more quickly and effectively. Establishing this level of government excellence requires a single source of truth that anchors well-coordinated contributions from multiple departments and agencies. Connecting critical business processes via cloud-based systems unites disparate processes and improves collaboration and agility across agencies. Facilitating these connections makes it easier to respond quickly to citizen and societal needs.
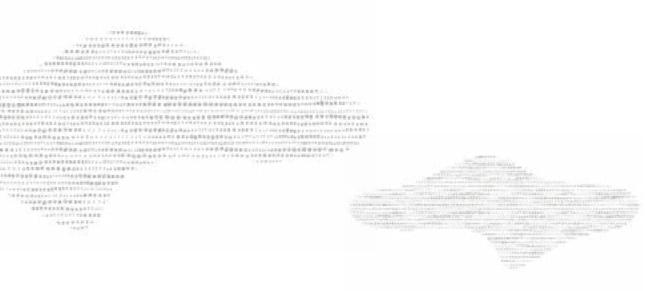
Creating a modern cloud-based IT backbone supports agility, real-time information, and customization of government services, because it

- Aims to improve the experiences of customers

- Provides a broad set of benefits for the public, businesses, and governments

- Is more urgent than ever in the wake of the COVID-19 pandemic

Source: **Forrester Research,**"The Promise (and Perils) of Customer-Focused Government Technology Transformation"

Oracle leads the way to the digital future

The COVID-19 pandemic made digital technology crucial for the delivery of public services. Many federal agencies and departments rolled out digital innovations at an unprecedented speed, furthering the vision of digital government. Being able to easily access cloud applications and infrastructure enables government workers to rapidly shift to remote and hybrid work practices, promote collaboration across public services, release vital resources for frontline planning, and automate key business processes to advance their mission.

Oracle helps the government modernize their aging systems and accelerate their digital transformation journey by redefining best practices and processes resulting in enhanced employee and citizen experiences. Oracle delivers an integrated suite of software-as-a-service (SaaS) applications designed to integrate the front office with the back office to provide more-efficient and streamlined business processes to meet the needs of the federal government. These SaaS applications leverage data from connected devices, centralized databases, field offices, and citizen feedback to fuel continuous innovation. By applying artificial intelligence (AI) and machine learning across all business functions, Oracle Cloud Applications help government entities mitigate risks, eliminate human errors, use real-time data, obtain better business insights, and deliver personalized recommendations to citizens and staff. Oracle's advanced cloud applications and infrastructure meet the needs of today's federal government by providing faster and more predictable performance, better pricing and security, and enhanced compatibility for enterprise workloads.

Oracle has the most complete set of SaaS applications and the most advanced global cloud infrastructure available in the market—designed with built-in cybersecurity. Oracle Cloud Applications provide agencies with the breadth and depth of functionality they need for critical missions. Oracle doesn't just offer an IL4, FedRAMP certified, secure, reliable, cost-effective option that drives cost savings and efficiency, it exceeds those expectations by fueling the innovation necessary for agency modernization. With Oracle Cloud, federal agencies and departments have access to transformational technologies, such as digital assistants, machine learning, and AI, that help them leverage real-time information for planning, eliminating delays in decision-making by delivering prescriptive insights.

The value of integrated cloud applications

Oracle's cloud applications use a single data model to present information through a consistent user interface to ensure that data is not trapped in silos but shared appropriately and securely within agencies. This integrated approach simplifies data management and makes it easier to protect sensitive data, even as business needs change and evolve. Business users within large and small government agencies gain consistent access to cutting-edge capabilities that allow them to respond quickly to citizen needs.

Why is this so critical? The pandemic placed a renewed emphasis on the importance of rapid response. For example, when governments had to quickly acquire respirators or stockpile vaccines, they couldn't wait for their regular procurement cycles and had to make emergency decisions to meet the immediate needs of their communities. Integrated applications allow governments to connect with suppliers and provide these services in a fast, secure, and controlled manner.

Why is digital transformation necessary?

According to **Deloitte**, in a global survey of 800 government officials

- **74%** said that COVID-19 has accelerated their government's digital transformation
- **79%** said that in five years, all successful agencies will have extensive digital capabilities
- **74%** said that digital helped cope with COVID-19
- **77%** are already seeing a positive impact from the digital initiatives introduced during COVID-19

The top rationales for digital transformation include

- – To modernize
- – To enable faster innovation
- – To become more resilient
- – To meet citizen demands/expectations
- – To deliver on the agency's mission
- – To comply with regulations

The foundations of digital transformation

Here are six foundational tenets that federal agencies and departments can employ to modernize and reach their digital transformation goals.

1 Connect

Accelerate insights and boost collaboration with connected operations.

Today, more than ever, finance, HR, budgeting, and operations professionals need full visibility and high performance across their applications to make critical decisions fast. Transparency, collaborative planning, speed, and accuracy are all crucial elements of a connected back office.
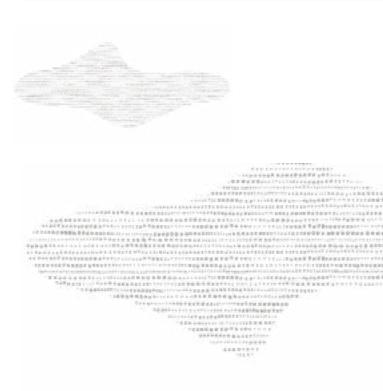
Unfortunately, siloed HR and finance systems create mismatched data, making it difficult to analyze workforce costs, assess the impact of potential changes, and scale the workforce up or down in response to agency needs.

Cloud technology can modernize processes and liberate finance, HR, and operations personnel from mundane tasks, improving resilience and yielding measurable cost savings throughout your government. Integrated cloud-based systems share data to strengthen alignment between government agencies so all your agencies can realize better outcomes, deliver on their missions, and provide superior services to your constituents.

Accelerate your digital transformation with a modern, connected back office

Oracle provides the most complete set of SaaS applications for finance, human resources, enterprise performance management, supply chain, project management, procurement, maintenance, and service.

Explore Oracle Fusion Cloud Applications

2 Plan

Obtain a 360-degree view of data to better anticipate and adapt to citizen demands.

An integrated cloud-based solution synthesizes data and insights to help you understand how well all your agencies are operating at any given moment, enabling more-intelligent planning and decision-making. Intelligence dashboards, AI-driven data analysis, and rule-based financial consolidation enable informed spend forecasting, modeling, and reporting within and across agencies. Analysts can use Oracle's user-friendly tools for contingency planning and recovery scenarios, helping to prepare for the next disruption.

For example, the **Oracle Fusion Cloud Enterprise Performance Management (EPM)** and its Workforce Planning module combine financial, operational, and agency planning with predictive analytics and prescriptive insights from machine learning to improve forecast accuracy and eliminate delays in decision-making.

Technology transformation benefits to citizens

Customers benefit directly when governments employ modern cloud technologies. Benefits include the following:

- Faster and more cost-effective ways to interact with government agencies
- More-responsive decisions and actions with unified processes and analytics
- Access to a high-quality, secure, and reliable technology infrastructure
- Improved sustainability and productivity through shared technology infrastructure

Source: **Forrester Research,**"The Promise (and Perils) of Customer-Focused Government Technology Transformation"

Improve performance with connected planning

Model and plan across finance, HR, supply chain, and programs to streamline the budgeting process, drive better decisions, and advance your mission.

Explore Oracle Cloud EPM

③ Automate

Meet federal financial management requirements and achieve optimal performance.

Federal agencies must embrace modern solutions that meet federal financial management requirements, support the increasing demand for effective programs, and align with ever-changing legislative policies. Intuitive, real-time data visibility and accurate transaction reporting across federal organizations is essential. Cloud applications deliver automated and integrated transactional data within and between agencies, enabling staff to meet regulatory requirements and tailor service delivery to provide an exceptional digital government experience.

For example, [Oracle Fusion Cloud Enterprise Resource Planning's U.S. Federal Financials solution](#) is a suite of modern, scalable and secure cloud applications that support the unique needs of US federal agencies and organizations. It provides efficient and compliant accounting and operational processes that deliver speed, simplicity, and savings and help agencies achieve clean audit opinions.

Modern technologies, such as cloud computing and machine learning, allow federal agencies and organizations to manage vast amounts of data more efficiently, access new insights, and intelligently automate resource-intensive mundane tasks. Federal organizations can overcome resource constraints, increase evidence-based decision-making, and accelerate responsiveness to provide better services that benefit taxpayers and meet digital modernization goals.

Oracle U.S. Federal Financials is compliant with GSA's FedRAMP standards, compliance, auditing, and role-based controls.

Embracing Oracle's AI and machine learning solutions enables agencies to leverage the data they already have, automating processes and creating opportunities for better optimization and improved efficiency.

Deliver decisive insights with federal financials

Modernize your financial system with an integrated financial management solution designed for federal agencies and departments.

Explore Oracle Cloud ERP

4 Source

Qualify and select suppliers for innovation, sustainability, and collaboration.

Government supply chains suffered severe shocks during COVID-19. The pandemic highlighted the fragility of interconnected networks and the degree to which nations are dependent on global procurement to source essential products, such as protective medical equipment.

Going forward, what is the most effective way for governments to rebuild and diversify their supply chains? How can they improve visibility into available goods and services, particularly where shortfalls are likely to occur? Can they formulate contingency planning to put alternative strategies in place?

Painful lessons about shortfalls during the pandemic have motivated governments to adopt nimble and responsive sourcing solutions. Leading agencies are standardizing on unified cloud platforms that share information, such as product records, across both internal agencies and external suppliers.

For example, **Oracle Fusion Cloud Procurement** streamlines procurement processes to increase collaboration with your suppliers, mitigate potential supply disruptions, and reduce spending in response to unexpected events. This gives procurement teams the information they need to replenish stocks and re-establish the flow of goods. Having a unified platform also enables procurement teams to properly qualify suppliers and assess their abilities to meet requirements related to sustainability, regulations, and budgets.

Strengthen the resiliency of supply chains

Continuously improve forecast accuracy, collaboration, and end-to-end visibility with flexible and resilient supply chain planning and execution.

Explore Oracle Cloud SCM

5 Enhance

Enhance the HR experience for a skilled government workforce.

With pressure on agencies due to workforce retirements, the need to reskill personnel to adopt new technologies, and recent executive orders focused on the safety of the federal workforce, federal HR professionals require robust systems to modernize the workplace and help ensure effective, efficient mission delivery. But today many agencies still struggle with elongated and manual processes due to disconnected HR systems and data. Also, legacy systems inhibit HR from recognizing the unique needs of each employee and using specific knowledge about them to personalize their experiences, including opportunities for skills and career development. Federal employees are on the front line more than ever, and to provide a great experience to citizens, HR organizations first need to provide their employees with the right tools. Not using the latest digital technology, such as AI and machine learning, to optimize work introduces errors and negatively impacts the employee experience.

By moving to a cloud-based solution, you can better adapt to change by easily configuring business rules and policies across workforce processes. A modern cloud-based solution also enables you to have one source of truth for HR data to improve decision-making. For example, **Oracle Fusion Cloud HCM** is a complete human capital management solution that connects every HR process from hire to retire and provides every employee with a personalized experience.

Oracle Cloud HCM helps federal agencies recruit and retain top talent and deliver the experiences employees expect with familiar technologies that empower them to do their best work.

With Oracle's FedRAMP authorized solutions built on industry best practices, you can transform your agency at your pace, adopting technology when and where it makes sense for you. Oracle Fusion HCM Analytics can help you guide your people strategy with intelligent analytics, and Oracle Fusion Workforce Health and Safety helps you create a safer workplace by making it easy for employees to report incidents, near misses, and potential hazards.

Recruit, grow, and retain top talent

Discover how HR leaders are moving their organizations forward and refocusing on the employee experience and diversity, equity, and inclusion.

Explore Oracle Cloud HCM

6 Engage

Boost mission performance by delivering personalized and contextual services to citizens.

The pandemic is accelerating the digitization and automation of government while also forcing governments to rethink how to best serve constituents to meet their ever-changing expectations. The fluid and challenging environment during the pandemic required governments to adopt new approaches and advanced digital capabilities, enabling them to deliver constituents the advice, services, and assistance they needed—then and now. To deliver longer-term, advantageous citizen outcomes and ensure their constituents receive the support they need in the moments that matter most, governments must invest in digital innovation, move beyond transactional processes, and develop deeper relationships with their citizens. They must also ensure that the systems—and the people who operate them—are future-proof. With integral data-driven solutions in place, governments can transform the citizen experience and boost mission performance by delivering proactive, personalized, and contextual services to their constituents.

With Oracle Cloud CX, for example, you can use artificial intelligence to gain near real-time insights, personalize engagement, and deliver effective services 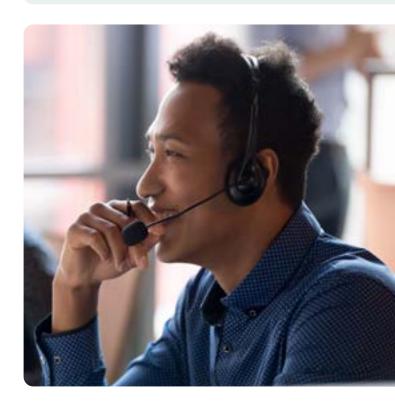to citizens in their moments of need. Additionally, you can increase efficiency and reduce operational cost by optimizing business processes that impact both self-service and assisted service while improving constituent satisfaction by providing more service channels, empowering agents, and

delivering high-value engagements driven by connected service insights.

Make every citizen interaction matter

Boost mission performance by driving better citizen outcomes through the connection of all customer touchpoints, data and processes.

Explore Oracle CX for Government

Oracle's security-first approach

Globally we are facing persistent and increasingly sophisticated malicious cybercampaigns. To keep pace, the federal government is taking decisive steps to modernize its approach to cybersecurity using intelligent and automated security solutions. To that end, the federal government is adopting cybersecurity best practices; advancing toward zero trust architecture; accelerating movement to secure cloud services, including software as a service (SaaS), infrastructure as a service (IaaS), and platform as a service (PaaS); centralizing and streamlining access to cybersecurity data to drive analytics for identifying and managing cybersecurity risks; and investing in both technology and personnel to match these modernization goals.

Oracle Cloud Infrastructure (OCI) is designed using a security-first architecture to provide federal government customers with the stringent security standards necessary to protect data. Oracle has a complete portfolio of cloud services, which includes SaaS, IaaS, and PaaS solutions, all engineered on Oracle Cloud—the most comprehensive, secure cloud in the world, serving more than 1,200 government departments and agencies. As the only autonomous cloud on the market, it enables governments to spend less time at the data center. Oracle's cloud environment features high customer isolation and protections that ensure data residency, sovereignty, and security at the core. Oracle Cloud uses artificial intelligence and machine learning algorithms to manage configurations—monitoring and protecting access to resources based on partitioning as well as encrypting and scrambling all forms of data to

protect the federal government's IT assets.

Oracle Cloud Infrastructure is ideal for running traditional and new cloud native applications that require mission-critical performance and core-to-edge security, and it can help U.S. government agencies dramatically increase operational efficiency and lower their total cost of ownership. By moving to the cloud, agencies can mitigate security risks, reduce operational costs, and respond effectively to ever-changing citizen needs.

Read the ebook

Oracle's SaaS applications use a single data model, so data is the same across finance, HR, supply chain, and so on. This integrated approach simplifies data management and makes it easier to protect sensitive data, even as business needs change. Oracle Cloud Applications, powered by Oracle Cloud Infrastructure, are built using a security-first architecture that gives government agencies and departments the rigorous security standards they need to protect their data.

Drawing it all together

During the pandemic, federal agencies from across the government accomplished things that many federal leaders previously would have said were impossible. But realizing the full potential of digital transformation will require a people-centric vision, continuous innovation, and digital modernization. That's why forward-looking government agencies and departments leverage Oracle Cloud Applications to

- Modernize business processes
- Innovate faster
- Become more resilient
- Meet citizen demands and expectations
- Deliver on their agency's mission

Many organizations are in the midst of digital modernization, and each implementation is unique. Oracle examines each customer's needs and charts a course to help them achieve their vision. It may be a major, enterprisewide implementation or a small, targeted project, such as accelerating the distribution of payments or analyzing the impact of government grants.

We'll help you choose the cloud applications that enable you to respond to demands faster, manage your finances and operations better, and empower your workforce with modern digital solutions.

Find out more about Oracle Cloud Applications for your government organization.

Learn more