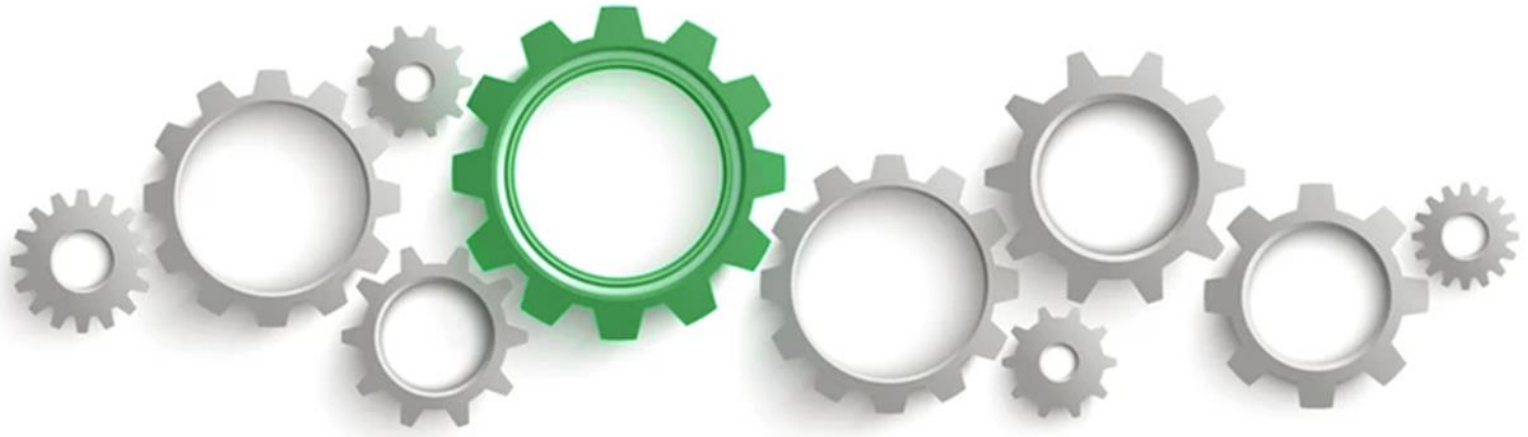




Washington State

Modernizing the Mission: Washington's Innovation & Modernization Program Paves the Future of Statewide Services

PROJECT: Washington State Innovation and Modernization (IM) Program

CATEGORY: State CIO Office Special Recognition Award

PROJECT TIMELINE: January 2023 - Present

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EXECUTIVE SUMMARY

Washington state's **Innovation and Modernization (IM) Program** is a pioneering initiative designed to combat aging IT systems and technical debt in Washington state government. As the first program of its kind in Washington, the IM Program represents a scalable model for how state CIOs can promote innovation, drive modernization, and deliver real outcomes by empowering agencies to pursue short-term, high-impact technology projects.

Through a well-structured governance model and a responsive grant-based funding mechanism, the IM Program has enabled agencies of all sizes to replace outdated systems, adopt AI and low-code/no-code platforms, and dramatically improve citizen engagement. Within five months of its 2023 launch, the program attracted over \$6.6 million in project proposals, four times its available funding. Twelve carefully selected projects were funded, generating measurable improvements in operational efficiency, data quality, access to services, and cost avoidance.

The success of the IM Program demonstrates the Washington State CIO Office's leadership in driving transformation, inclusivity, and a culture of innovation across government.

PROJECT DESCRIPTION

What problem or opportunity does the project address?

Washington state agencies manage over **1,250 legacy applications**, many of which are outdated, costly to maintain, and hinder modernization efforts. The COVID-19 pandemic further underscored the urgent need for remote-ready digital services and rapid deployment of innovative solutions.

Small and medium-sized agencies especially struggled to respond due to limited funding, IT capacity, and flexibility in the traditional budgeting process. The IM Program was created to:

- Reduce technical debt and cybersecurity risks.
- Accelerate legacy system modernization.
- Enable equitable access to innovation funding.
- Foster a scalable innovation ecosystem within government.

Why does it matter?

Legacy systems pose significant barriers to service improvement, efficiency, and security. Without intervention, agencies risk increasing operational costs, compliance failures, and declining citizen trust.

Key metrics:

- **\$3 million** appropriated for the 2023-25 biennium.
- **34 proposals** received in the first five months (totaling **\$6.6 million**).

- **12 projects** approved for FY24 funding.

Each funded project provides direct public benefit, including faster permitting, broader access to public records, AI-powered translation, and better support for marginalized communities.

What makes it different?

Unlike traditional capital funding cycles, the IM Program:

- Offers **rapid and flexible funding** for short-term, high-impact projects.
- Prioritizes **equity** by enabling smaller agencies to compete for funds.
- Encourages **reuse of enterprise solutions** and shared technologies.
- Focuses on both **innovation and modernization**, not just technical refresh.

The program's governance model ensures transparency and cross-agency collaboration. It also fosters a "fail-fast" and continuous improvement mindset rarely seen in government settings.

What makes it universal?

The IM Program aligns with multiple **State CIO Top 10 Priorities**, including:

- Legacy modernization
- Cybersecurity
- Digital government
- Budget, cost control, and management



"Its core design can be replicated in any state seeking to tackle technical debt, boost innovation, and support agencies with limited IT resources."

State CIO & WaTech Director Bill Kehoe

IMPLEMENTATION

What was the roadmap?

WaTech launched the IM Program in FY24 with oversight from a newly formed **IT Investment Board (ITIB)**. The board includes leaders from enterprise architecture, cybersecurity, project management, and agency executives. The process includes:

1. Submission of project proposals.
2. Review and scoring by ITIB.
3. Presentations by agency project teams.
4. Selection and funding recommendations to the **Technology Services Board (TSB)**.
5. Ongoing WaTech project oversight.

Each project must:

- Demonstrate a clear business case.
- Align with enterprise strategy.
- Deliver results within 12 months.

Who was involved?

Key contributors:

- **State Chief Technology Officer** (IM Program lead)
- **WaTech executive leadership** and enterprise architects
- **ITIB members** from WaTech and state agencies
- **Project teams** from 12 funded agencies

Agencies collaborated with WaTech from proposal development to implementation. Early buy-in and support were achieved through stakeholder engagement, clear guidelines, and strong communications. WaTech's role as a trusted partner was critical to building confidence and capacity.

How did you do it?

Resources:

- **\$1.5 million** in FY24 funding.
- Staff time from WaTech's strategy, finance, and enterprise teams.
- Technical evaluation and ongoing project check-ins.

WaTech emphasized low overhead and maximum impact. Projects leveraged scalable platforms like Power Pages, ServiceNow, and cloud-based AI tools. Technical architecture was selected for ease of deployment, reusability, and long-term supportability.

IMPACT

What did the project make better?

Each project addressed a key service gap. Examples:

- **Department of Social & Health Services (DSHS):** AI chatbots improved staff productivity and language access.
- **ArtsWA:** Public access to 40% of art collections, up from 5%.
- **Health Care Authority (HCA):** Faster patient access to mental health services via e-consent.
- **Department of Fish & Wildlife (DFW):** Faster, more efficient digital permitting system.
- **Washington State Patrol (WSP):** Avoided over **\$1 million** in legacy upgrade costs.

Across all projects:

- Reduced manual processes and paper forms.
- Improved data accuracy and accessibility.
- Increased service equity and inclusion.

How do you know?

Program performance metrics include:

- Cost savings and avoidance.
- Reduction in time to access services.
- Increased reuse of enterprise tools.
- Technology adoption rate.
- Positive agency and citizen feedback.

Examples:

- **Ecology's water portal:** \$35,000 annual savings.
- **DFW:** Boosted transparency and improved accountability metrics.
- **DSHS:** AI chatbot testing expanded into broader enterprise application.

IM Program Performance Metrics

Service delivery

Project proposals must have measurable business outcomes and a clear business purpose.

10

projects have measurable business outcomes and a clear business purpose

Fund utilization

Track the increase in projects funded with IM funds.

9

projects leverage the approved IM funds fully

Reduction in legacy systems

Identify/track projects that address legacy systems.

5

projects reported a reduction in legacy systems.

Maximize opportunities for reuse

Agencies leveraged the IM project technology across their organization (or plan to do so)

9

reported ability to reuse in the future.

Innovative Technologies

Number of new innovative technologies implemented.

5

projects reported a implementing innovative technologies.

Cost savings and cost avoidance

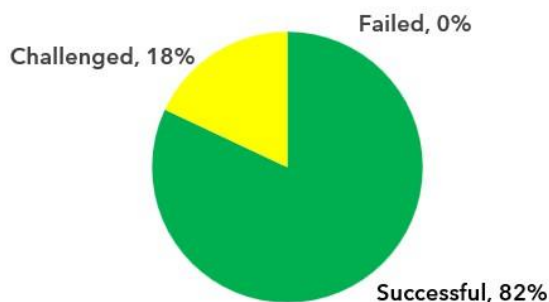
Identify/track projects that address agency technical debt.

5

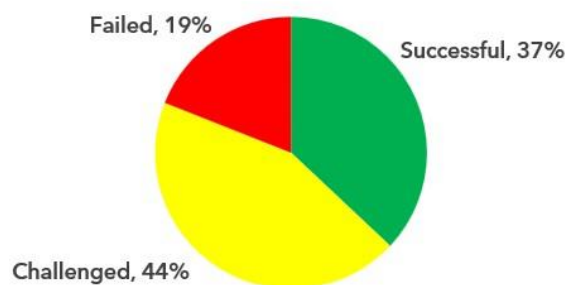
projects reported a reduction in technical debt through cost savings or cost avoidance.

IM Project success percentages versus The Standish Group, industry standard for project success

IM Projects, IM Program
FY2024



CHAOS Report, The Standish Group
2022



The Standish Group has been reporting on the success of IT projects since 1994 and is recognized as the de facto resource for monitoring IT project success rates worldwide along with publishing the industry standards for the project management discipline.

Contributing factors for the IM project success rates:

- **Collaborative partnerships:** Agencies viewed WaTech as a collaborative partner throughout the project life cycle and felt a high degree of trust in the relationship WaTech established early in the project. Agencies appreciated WaTech quickly addressing agency questions and assisting with resolving project issues or risks.
- **Continuous improvement mindset:** WaTech implemented agency feedback from the project teams and the IT Investment Board throughout the fiscal year to address opportunities for improvement. This allowed the IM Program to implement changes which immediately benefited the agency projects.

What now?

The program's early success led to:

- Additional **\$1.5 million** in FY25 funding.
- **21 new proposals** already submitted for FY25 (totaling \$5.7M).
- Continuous refinement based on agency feedback.
- Broader promotion of shared tools and platforms.

WaTech is exploring how the IM Program can further support:

- Cybersecurity modernization.
- Workforce development tools.
- Citizen-centered digital services.

CONCLUSION

The Washington State CIO Office, through the IM Program, exemplifies visionary leadership and strategic execution. By creating a sustainable model for rapid innovation, the CIO Office has transformed how the state approaches modernization, equity, and digital service delivery.

The program is not only a model for other states—it is a beacon of how to turn fiscal constraints into catalytic opportunities for innovation.