Governor's Advisory Committee on Performance Management
June 27, 2024, 1:00 – 3:00 p.m.

Location: Old Revenue Building, 2 S. Salisbury St., Raleigh
Blue Ridge Training Room #A325

Meeting Agenda

Item	Speaker
A. Call to Order and Opening Remarks	*David Yokum, Chief Scientist, OSBM*
B. Applying Change Management to State Government Projects and Initiatives	*Stephanie Olson, Chief Operating Officer, Office of Strategy and Performance, NC Department of Health and Human Services*
C. Generative AI: Technology, Capabilities, and Applications	*Dr. Richard Marks, Professor at the UNC School of Data Science and Society*

Next meeting: August 29th, 2024, in the Old Revenue Building

- Performance Management Advisory Committee (PMAC) members in attendance:
    - David Yokum for Kristin Walker – Director, Office of State Budget and Management (OSBM)
    - Christie Burris – Chief Data Officer, NC Government Data Analytics Center (GDAC)
    - Geoff Coltrane for Jess Englert – Policy Director, Governor's Policy Office
    - Glenda Farrell for Barbara Gibson – Director, Office of State Human Resources
    - Dr. ClarLynda Williams-DeVane – Deputy Secretary for Operational Excellence, NC Department of Health and Human Services (DHHS)
    - McKinley Wooten for Ronald Penny – Secretary, Department of Revenue
- David Yokum welcomed committee members and handed the meeting over to the first presenters.
- Stephanie Olsen, Chief Operating Officer at NCDHHS, presented on "Applying Change Management to State Government Projects and Initiatives." Kayshia Kruger, Director of Organization Development at ORC and a change management expert, joined online to lend her perspective.
    - Key points from the presentation:
        - Guiding framework is known as ADKAR – Awareness, Desire, Knowledge, Ability, Reinforcement.
        - Planning for change management should start long before you start implementing the change or applying the ADKAR model. When change management practitioners come in and try to do change management midway through a project, it is much less successful.
        - The first role of a change manager is to educate people on change management. Get buy-in, first from management, then others.
        - Project manager can also be change manager but good to keep them separate so that the project management side doesn't take over.
        - It helps to have someone who knows the department learn about change management. It can be particularly helpful for someone on the IT team of your organization to learn about change management.
    - David Yokum asked Ms. Olsen to discuss how HHS structures their change management team and what they are doing to prepare for the transition to a new administration.
        - HHS has one permanent change manager position, one grant funded position, and two positions through Temp Solutions. None of them had formal training in change management before filling the roles. She emphasized that building a structure is difficult if staffing is unstable. Ms. Kruger recommended using interns majoring in organizational psychology.
        - Ms. Olsen said HHS is preparing for the fact that many staff are eligible to retire and planning to retire at the start of the new administration.
            - Their efforts have been focused on preparing new leaders to replace the outgoing staff through monthly lunch-and-learns and one-on-one executive coaching.
- Dr. Richard Marks, Professor at the UNC School of Data Science and Society, gave an overview of the history and current state of generative Artificial Intelligence (AI).

- o Takeaways
  - ▪ Latent Space is complex but important. Latent space is an abstract representation of data that captures its underlying structure, meaning and interrelationships.
  - ▪ Context is king. Without proper context, generative AI can't answer questions correctly.
  - ▪ Changes in generative AI have been deep, broad and fast.
- o Large language models (LLMs) are built on machine learning and transformer models that can learn context and subtle relationships between elements in a sequence.
  - ▪ Words are translated into numbers and the computers "do math" on them to see how they relate to each other across thousands of dimensions.
  - ▪ Dimensions could be color, gender, age, and other things that may or may not make sense to the human brain like "horseness" (how much is it like a horse).
  - ▪ ChatGPT has over 12,000 dimensions.
- o Alignment is a measure of what the model is doing versus what you want it to do and each company has different standards. Common measures include the 3 Hs: **H**elpfulness, **H**onesty, and **H**armlessness. Most companies make harmlessness a high priority.
- o Prompt engineering adds context to user inputs so that the model can produce more helpful outputs.
- o Some models use history, but the more history they use, the more computations are required, and the more expensive they are to run.
- o Dr. Marks recommends One Useful Thing – a blog by Prof. Ethan Mollick that is "trying to understand the implications of AI for work, education, and life."

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