Redesigning Government's **Digital DNA**

Government Survey Report 2018





Executive Summary

Central Government and the public sector have a responsibility to deliver successful digital transformation to improve citizen services, streamline processes and make savings. But do we have the right skills and structures for success?



Executive Summary

Understanding the challenges we face when embarking on a digital transformation project is vital if we want to have any chance of overcoming them.

Many of us are no longer at the very beginning of a digital transformation journey. In fact, the majority of respondents described the momentum of transformation in their organisation as 'steady' or 'at pace'. However, with around half of respondents feeling that 'digital by default' isn't yet being achieved, there are still some serious questions to be asked.

One question was why are organisations slow to adopt automation, a technology reported to be able to transform the public sector over any other. With automation, public sector organisations gain the capability to not only streamline business processes but also coordinate people, systems and data across teams and departments.

Embracing automation in the journey to becoming digital by default is clearly an area of great untapped potential.

As new innovations emerge, there's a greater pressure on departments and organisations to introduce more modern ways of working and new skill sets to the workforce. We need to be willing to redesign the fundamental structures of our organisations, embracing more devolved ways of working. And, we must not only invest in our technology, but in our people, if we want to reach our full digital potential.

Our survey revealed a number of issues across the breadth of public sector organisations that are directly affecting their ability to rapidly transform. These include:

- Digital by Default
- Automation
- Lack of resourcing, skills & knowledge
- Cultural inertia & lack of employee empowerment

Background

Digital transformation is now embedded within most organisational roadmaps. The majority of us have defined our digital transformation goals and objectives at both an organisational and departmental level. This means that we're expecting to overhaul legacy software and infrastructure, replacing them with a mix of customisable, collaborative tools and technologies that represent better value for money, faster, leaner processes, and better digital solutions to solve traditional problems.

These types of transformations represent a significant shift, not only in embedded processes, but in culture. There is often an unrealistic expectation that these digital changes will be implemented and adopted seamlessly, making individuals' workflow faster and easier, and therefore be embraced and understood without incident. In reality, this is rarely the case, and we need to ensure we're exploring how we can build a robust workforce that is not only prepared for change but also able to adapt and supported to make the most of these emerging technologies.

As we're now in the midst of largescale digital transformation across Central Government, it's a good time to explore how things are going, and what issues organisations, departments and individuals are facing. We cannot shy away from the need for persistent and honest feedback and improvement not only

with the tools and technologies, but with the people experiencing and enacting these significant shifts in the way we work.

The critical importance of the people behind the technologies cannot be overlooked. We need to ensure that employees at all levels in our organisations are empowered to develop the necessary knowledge and skills to reflect the changes in our systems and processes.

We also need to make sure we're addressing data security, meeting standards across the board, and understanding the pivotal role of user needs in this type of widereaching transformation. We mustn't underestimate the importance of automation when redesigning business processes, whilst also understanding the iterative nature of developing this part of our work, nor ignore the presence of manual error which is unlikely to ever be fully eliminated.

These are long-term projects, with complex steps but rich rewards. We need to make sure we have clear, understandable and achievable targets. We need to define our return on investments (ROI) targets and share them openly with colleagues across our organisations. We need to develop a more open, collaborative culture and bring each and every employee with us on our digital transformation journeys.



Methodology

This survey report has been compiled from 119 individual responses given by 95 unique Central Government departments, executive agencies, nondepartmental public bodies and regulators. Only 2% of respondents were from other parts of the public sector.

87% of respondents identified themselves as decision makers, implementers, influencers and policy makers, whereas the remaining 13% didn't feel they were actively involved in the digital transformation of services.

With a balance of different levels of influence, we're confident this survey offers a range of opinions and experiences from across the breadth of organisations.

All results have been anonymised and are published here to allow those who took part and others to benchmark themselves against the wider public sector.

Findings and Statistics

What sector do you work in?





Does your organisation have the knowledge & skills to apply:



How important do you see these aspects to your digital transformation?

	None	Little
Working With SMEs	6%	6%
Using Open Source	2%	5%
Knowledge Transfer	1%	4%
Improving Data Security	0%	0%
Meeting Standards	0%	0%
Empowering Employees	0%	4%

Only 1% are taking full advantage of Robotic Process Automation and almost 60% are not using it at all.



Is your existing ICT infrastructure hindering the success of implementing digital services and automating your processes?

Is your existing ICT software hindering the success of implementing digital services and automating your processes?

48% Guided by

available software



73% say staff resources are a major problem when it comes to replacing legacy infrastructure and software

What have been the problems in replacing your legacy infrastructure and software? (multiple choice) 59% Staff Skills 17% Lack of Leadership 73% Staff Resources 31% Vendor Lock-in 54% Finance 13% Lack of Good Advice Others (please comment) Capturing and using data is very important - it Lack of training - staff need to underneeds to be quicker and less errors stand why, how and best practice Commodity Cloud Providers have been very proactive Users want their ICT to make the coffee and in providing appropriate consultancy/resources/access sweep the floor on the way out to expertise where required.

> 86% of respondents said implementing new digital processes was key to achieving their organisational objectives.

50% of all respondents still feel only partial progress is being made in digitising their current processes with even less exploring automation to re-design their services and meet the ever-rising expectations of the British public





Is the introduction of new digital processes key to achieving your business objectives? What level of importance is placed on automation when redesigning your business processes?



74% acknowledge the importance of automation

46% of respondents admit that 'user needs' is the most important factor when measuring the success of their digital transformation projects.

A majority of respondents have implemented digital projects with a target completion date of over 1 year. Is government making use of the best tools to accelerate their digital goals?

What best describes the majority of

49%

Partial Progress

(using some digital

workflows but little

improvement)

your current business processes?

8%

Slow & Manual

(mainly using paper

&/or email)



What is the most important factor to measure the success of your digital transformation?



Others (please comment)

Better service provision and interaction with our business community

Reliably contributes to the delivery/furtherance of the organisations strategic objectives

Enhanced experience and output for the organisation

The organisation delivers for the public





Steady Progress (understand digital workflows and exploring automation)



Advanced Progress (benefiting from efficient workflow, automation and effortless transformation)

Despite the issues surrounding data security and compliance, a significant 43% of respondents still feel that cyber security threats pose a high risk to their organisation.



Survey **Analysis Report**



Security and

threat









1. Digital by default?

49% of all respondents feel that digital by default isn't being achieved in practice.

The majority of respondents are currently engaged in some sort of digital transformation - with many working at a steady or accelerated pace.

This means that many processes are already in place, with teams, departments and organisations working towards shared goals and transformational change. Why, then, do a significant number of all respondents feel that digital by default isn't being achieved in practice?

With over 70% of respondents saying that they either don't feel digital by default is successfully being achieved, or they don't know either way, there's clearly a disconnect between expectations at an organisational level and reality. Perhaps it's time to re-examine what digital by default means in practice, and whether the measures, expectations and tools are still working for organisations as we move further through our digital transformation journeys.

It's encouraging to see that Software as a Service (SaaS) and cloud services are becoming more widespread, and that people are generally confident in their ability to understand and make the most of these relatively new tools. Although AI is still broadly not used, or used at a small scale, it's also worth bearing in mind that AI is not as broadly applicable as SaaS and cloud products. Only 6% of respondents feel they have completely moved away from legacy infrastructure and software

Over 50% of all respondents are not using any of the below in their digital transformation projects.

- Internet of Things
- Robotic Process Automation
- Machine Learning
- Artificial Intelligence

74% see the importance of automation

Automation is broadly considered to be a vital consideration when redesigning business processes. However, when asked what best describes the majority of their current business processes, over 50% said they saw partial or slow progress, revealing that a significant number of organisations are still to explore or see the benefits of automation.

Again, getting ahead of the game and planning for the future in terms of training and skills building is vital in this area - a skills deficit will have serious implications in an organisation's ability to embrace automation. It could result in missing the opportunity to make significant efficiency and economic savings. As the majority of digital projects are medium to long-term, it's not surprising that some respondents didn't have a clear view of their ROI targets. However, this is something that should be addressed to avoid scope creep and will also help to empower individuals by helping

3. Knowledge, skills and people

Our respondents clearly understood the importance of people in the digital transformation journey, with 72% stating that knowledge transfer is of high importance. Staff skills and resources were cited as the main reason there are issues with replacing legacy infrastructure and software.

When it comes to knowledge and skills, we're still seeing a clear correlation between widespread usage and understanding. As we move forward in our digital transformation journeys, we should be looking ahead, and making plans to increase training and understanding around tools, software and systems before they need to be implemented. If we neglect to do this, we run the risk of chasing a skills deficit for many years to come, unable to take full advantage of available tools and technologies as they become relevant and available.



2. Understanding automation

them understand the overarching objectives and goals of the organisation in relation to their own. Having a clear understanding of the organisational structure and roadmap can significantly improve the ability of teams and departments to set realistic goals and targets for their part in the wider digital transformation journey.

74% state that staff resources are a problem when replacing legacy infrastructure and software.

It is critical for government organisations to partner with suppliers who encourage knowledge transfer and digital enablement. By upskilling the workforce, organisations can be fully equipped for the changing digital landscape.

4. Security and threat

82% say improving data security is an important aspect to their digital transformation

Despite over 85% of respondents citing cyber security threats as significant in their organisation, only 6% felt that security was an important factor to measure the success of their digital transformation.

We must not lose sight of the importance of continually safequarding against growing and ever-changing threats.

Keeping an open and transparent dialogue between organisations and departments about security issues will help teams feel responsible for their own role in cyber security and, as a result, help buoy up the security of the organisation overall.

It's important that we invest in expertise and training to ensure we're guarding against security threats. Government organisations must move towards practices that provide built-in security, not just security that functions around apps and data.

In light of a string of recent public sector data breaches and the arrival of GDPR, a concerningly high 43% of respondents still feel that cyber security threats pose a high risk to their organisation.

Although many organisations view security as working against improving the user experience, it should be understood that the best security and the best user experience must (and can) co-exist.



Nearly half of our respondents have stated that using Open Source is of 'high' importance.

Around half of the people surveyed felt that they were constrained by what software was available to them, rather than being able to take an open source-first approach. Open source is the most collaborative option, offers huge combined savings both in time and money not only for our organisations, but to our whole sector. With over 85% of people identifying the introduction of new digital processes as key to achieving business objectives, it's imperative that we make the right choices that will benefit not only our immediate teams, departments and organisations, but our sector as a whole.

Again, we need to emphasise the importance of empowering employees to make decisions. Those who are working directly with the tools are most likely to know what works and what doesn't. They're the experts in their fields, and they should be treated as such - regardless of their grade or seniority. Taking a bottomup approach to some of this decision making will not only result in better workplace relations, it will most likely also result in choosing the best tools for the job.

6. Cultural change, trust and autonomy

With over 50% of respondents stating that cultural resistance plays a factor in hindering change, it's clear that prioritizing cultural change across the public sector is critical to accelerating digital transformation. If we're experiencing inertia or resistance to change across our sector, it could significantly hinder our ability to reach our goals and meet our targets.

As the way we work with technology changes, we also need to be willing to change the way we work as individuals. Streamlining processes, offering more cloud-based solutions and offering smarter ways of working means our workforce can, and should, change. If we're genuinely committed to putting the user first, we must also remember that our teams are users too. Embracing flexible working, committing to empowering employees to work the way they want to and allowing everyone to use the tools that work best for them will ultimately result in a happier, and more productive workforce. If our success is measured by our

Allowing teams to decide what is best for them from the whole range, rather than being constrained by a limited number of suppliers is the best option, but when this isn't possible, it's imperative that we're carefully considering the length and types of contracts and communicating regularly with teams to make sure the tools and relationships with suppliers are working well.

commitment to user needs and staff utilisation (both identified as the most important in this survey) then we need to remember to look to the workforce, as well as the technology, to truly embrace the opportunities that digital transformation can offer.

Over 50% of respondents state that cultural resistance to change exists within their organisation.

Conclusion

We cannot underestimate the importance of *people* in the digital transformation journey.

Much of the insight we've gained through this survey has highlighted how people are central in the drive towards digital transformation. We must make sure we are providing our staff with the right resources and tools to do their jobs effectively and efficiently. We must be willing to think differently, work differently, and drive this complex change from the heart of our organisations.

As we work in more digitally-focused ways, we will continue to face different challenges. Our survey has revealed some fundamental changes required that demand immediate attention, if we're to succeed in experiencing lasting digital change.

The survey has revealed that digital progress is not moving at scale and at pace as stipulated by the Government Transformation Strategy. But why is this?

We are failing to take hold of the opportunities open to us. We're missing the benefits of innovative digital tools such as AI and automation. The architecture we're currently using needs to evolve to re-shape the way we deliver citizen services. We must move away from our rigid, proprietary systems to infrastructure that enables us to work

Recommendations

Recommendation 1 We Must Commit To Automation

Automation can power smarter, speedier and more secure ways of working; however, these benefits are not being fully grasped by many government organisations. This survey has revealed that the potential of automation technology remains

There is an urgent need for

organisations to optimise their

The importance of empowering

internal capacity by upskilling staff.

employees' and 'knowledge transfer'

scored highly in the survey. In light

of this, we must be willing to invest

in training our staff. Upskilling can

more flexible. Looking at our teams

dramatically enable the digital

workforce to become agile and

largely untapped in our pursuit

for digital change. A key driver of efficiency, automation is a solution that must be better explored lest we fall behind in our journey to transformation. However, the survey has revealed that the challenge is

Recommendation 2

We Must Commit To Knowledge **Transfer And Skills**

objectively, and encouraging open, transparent conversations about roles and responsibilities could be key to opening up new opportunities in the digital transformation space.

Engaging with a specialist and experienced technology partner can kick start the journey to lasting change. In view of the survey, it's particularly important for us all to

together - without boundaries. We need to bravely commit to the tools that will propel us forward towards our digital goals.

not one dimensional; the solution is not simply to adopt automation tools but to ensure staff possess the knowledge, understanding and skills to use this valuable technology.

ensure that shared learning and knowledge transfer is important to them also. Technology partners should strongly believe in the benefits of training your staff to become skilled digital professionals, empowering our employees and ensuring we maintain a competitive edge.

Recommendation 3 We Must Commit To Open Source Technology And Cloud Software

Although Open Source Technology has the capacity to enhance collaboration and enable information sharing, it hasn't been widely adopted. Only 18% respondents stated that Open Source Technology was important when undertaking a digital project. Clearly, we're missing out on the opportunities that Open Source has to offer.

It may be felt that Open Source will lead to more vulnerabilities from

hackers and other malicious users. But, in reality, with Open Source, potential threats can be quickly exposed. In fact, it's far riskier to remain where we are, constrained by our rigid, proprietary systems than to adopt Open Source Technology.

We must also accelerate our commitment to cloud technologies. Cost effective, scalable and secure, the investment in cloud software is increasing exponentially. Cutting

costs and boosting computing power and storage, there has ever been a better time for government departments to invest in cloud infrastructure and Open Source technology.

Recommendation 4 We Must Be Ready For Change

The rate at which new technologies appear and become mainstream is faster than ever.

Organisations need to be architected in a way that allows them to embrace new technologies and new ways of working as fast as possible. It will enable government to provide new services, not just make existing services digital. It will also drive efficiencies.

Organisations also need to embrace new ways of delivering software services so new technologies can be delivered quickly and securely. This is where the iterative delivery models of DevSecOps and Agile comes in.

Although these may be fairly new terms to most government organisations, DevSecOps and Agile principles affirm public sector values. Rooted in collaboration, security and flexibility, DevSecOps and Agile values are designed on the understanding that customer expectations are changing, and we need the ability to adapt to change quickly – and continuously.

We need to partner up with technical experts who have the right skills with tried and tested experience in DevSecOps and Agile methodology. Based on these dynamic tools, we can realistically move through a digital project's life cycle, quickly reaping rewards.

Finally, we must remember that this really is only the beginning. Although we estimate that many of our digital projects may be completed in the next 5 years, this doesn't mean the end of our digital transformation journeys. We will replace one project with another, and many projects starting now will require continual iteration throughout the lifecycle of the project, and beyond. This isn't a quick fix, rather it is a dedication and commitment to fundamentally changing digital time. We can also enjoy the collaborative and securityfocused drive needed to achieve our full digital potential.

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Zaizi

Our goal is to adapt your company to deal with the evolving world. We're a leader in delivering end-to-end digital services and we can make you efficient, cost-effective and, ultimately, achieve better results.

GovNewsDirect

GovNewsDirect specialise in facilitating innovative and engaging partnerships between the private and public sector.

The analysis and conclusions contained within this report are the opinions of GovNewsDirect and Zaizi, with specialist contribution from Carrie Kleiner. Carrie wrote The Government Digital Service's first editorial strategy and went on to become the Head of Content and Editor-in-Chief at UK Parliament.



