It is no surprise that digital technology is transforming the way Australians live. Penetration rates of smart devices are among the world’s highest, with more than eight in ten Australian mobile phone owners using smartphones. In the private economy, this explosion of connectivity is revolutionising everything from retail shopping to late-night ride-sharing, to booking weekends away. Possessing ever increasing computational power and access to vast swathes of information at their fingertips, everyday citizens manage their engagement and communication in the way they want and demand that providers keep up. This is forcing a new world order and driving a shift in old world hierarchies. Public sector institutions now face the reality that they need to adapt to these digital demands.

Key government program delivery imperatives are driving those in the public sector to:

• Realign to stakeholders: realign to changing citizen needs and preferred methods of interactions;
• Re-think delivery: change, grow and fundamentally improve the services that governments, through their departments, provide; and,
• Operate effectively: the never ending need to improve efficiencies under the pressure of reducing budgets.

These imperatives are in tension with one another. Through digital transformation within the framework of modern technologies and modern delivery models, governments can strike the right balance and achieve against these balanced imperatives.

REALIGN TO STAKEHOLDERS: SERVING THE PUBLIC

The pressure for digital transformation from the public is increasing. Today’s citizens want their services simple, accessible, flexible and customised, and they expect a digital-quality experience regardless of the provider. Every time there is a new innovation, the bar of expectation is raised.

Citizens rightly expect that interacting with government should be as seamless as using internet banking or ordering a ride through a modern mobile app. Empowered by technology, they are becoming accustomed to managing their own engagement with as little as a thumbprint. Services from common payments, access to aggregated and personalised information, process completion such as obtaining a driver’s licence or other day to day services such as garbage collection or bill paying – their patience for bureaucracy is at an end.
Digital transformation is an agenda item in full flight across the Australian public sector landscape with varying models of approach and adoption throughout the country. There exists a focus, drive and actions, albeit many are not coordinated, to simplify services, eliminate replication and silos.

For customer-facing areas of government, the pressure exists at the user front-end. Here, the possibilities are only limited by human ingenuity. Ten years ago, the term ‘app’ wasn’t even in existence. Willingness to expose and share information from a personal to aggregated level is providing heightened insights and in turn, further increasing the exposure to more data and information. Governments need to constantly evaluate the trends, the way they currently interact with the public and the growing citizen clamour for information. In developing a digital interface for a particular service, the challenge is to create an open architecture that can be quickly adapted to meet the demands of an unpredictable future.

**RE-THINK DELIVERY: EXPLOIT NEXT GEN TECHNOLOGIES, RE-THINK OPERATING MODELS AND PAY ATTENTION TO GOVERNANCE**

The impact of the digital disruption presents new possibilities both considered and yet to be conceived. New business models are emerging – disrupting how organisations operate internally and externally. New technologies are enabling business and presenting new value levers for the public sector.

The true value of digital transformation will be felt through process efficiencies, improved workforce and partner engagement, improved citizen engagement, and improved business understanding. And if governments are going to provide a seamless service to their citizens, a move towards omni-channel and single sign on must be considered. This has implications for how identity is handled, along with the associated privacy and security related concerns.

Along with the promise of new business models and technologies comes the requirement for meticulous attention to governance and operating models. This attention is a critical part of any digital transformation. Common vision and unified leadership is required. New legislation will also be needed, including the harmonisation of legislation between states. Digital transformation will also require new management structures, programme development and procurement patterns. The possibility of a very different future operating model for government departments and services has to be considered. The development of the federal Government DTO and its inclusion into the core agency of Prime Minister and Cabinet is a positive start at a national level. The identification and formation of digital offices across the states is likewise an appreciation of this.

But the Australian tiered public sector introduces another level of complexity as different tiers of government continue to launch their own online presence and service offerings as well as developing mobile and social delivery paths. A lack of coordinated oversight and governance across agencies and government tiers will deliver different customer experiences across the government services and possibly create tensions and redundant technical solutions.

**OPERATE EFFECTIVELY**

To enable a digital transformation journey there needs to be an investment and potentially a transformation in core IT services. Modern technologies like cloud integration, service orchestration, data intelligence, mobility, next generation web and cyber security need to be part of the DNA. Modern delivery models have the opportunity to lower the operating costs of information technology and improve the pace of change of services.
There will always be the drive for efficiencies and a focus on the value of the public purse being consumed by government services. In a disrupted future where service delivery and citizen engagement is able to alter course rapidly, governments need to work in an environment where they can be responsive and take advantage of new models and technologies as they evolve.

By taking on the position of a consumer of services, governments can stay loosely coupled to mode of service delivery and be able to quickly change course during periods of flux and disruption. Investments can then be made in core competencies instead of being wasted on diverse and specialist operations.

PLANNING FOR THE DIGITAL FUTURE

The first step of any digital transformation is to take stock and plot a path. It’s not enough for government to seek to ‘catch up’ to the level of digital sophistication that their citizens or employees expect. By the time this has been done, the digital world will have progressed even further ahead. The task is one of leapfrogging toward an unknowable environment and this requires imagination, insight and flexibility. Trying to match the pace of this change is a daunting prospect but inertia is a path to irrelevance.

Planning into an unpredictable future is problematic. An agile approach is required that delivers quick solutions which are rapidly prototyped, fast to deploy, and simple to extend or dispose – all designed with a citizen focus and input.

There is the need for an approach and architecture that wraps, consumes and delivers digital experiences without having to go through the cumbersome and lengthy process of standardisation and modernisation of the legacy back end. A number of factors need to be considered but two core areas of remediation need to be addressed in particular to enhance the citizen experience – connectivity across the back end and delivery of consistent user experiences across multiple digital channels to businesses and citizens.

Government agencies need to be able to have the experience and expertise to act decisively and deliver rapid, transformational projects. This critical capability needs to be sourced from industry and developed internally in parallel, and delivered jointly.

Orchestrating infrastructure capabilities, utilising cloud brokerage and releasing capacity and capital for digital development is an approach that delivers fast outcome and allows flexibility for change. Designing and implementing open architecture ecosystems removes the shackles of legacy to provide an uncoupled front end for digital development. These two approaches work together to provide a platform that can sustain and enable change and give room for digital evolution.

Digital is the evolutionary pressure being applied and only those agencies ‘fit’ for the future will be able to survive.

HOW CAN CSC CONTRIBUTE

At CSC, we have undertaken our own internal digital transformation and are now helping a number of our clients down the digital path. CSC can jump-start the digital journey of potential partners in government.

CSC’s primary focus is helping government agencies design integrated digital experiences that are centred on the citizen. CSC has substantial capability to help agencies engage in thorough evaluation and planning processes with a digital end state in mind. We can also assist with the consolidation of legacy infrastructure and application platforms. The conversation will differ depending on the nature of the department or agency and its particular needs and drivers. What CSC offers is an assessment of where an agency is now, and how they can keep pace with the rapidly evolving digital future.
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About CSC
CSC is a global leader in next-generation IT services and solutions. The company’s mission is to enable superior returns on our clients’ technology investments through best-in-class industry solutions, domain expertise and global scale. For more information, visit us at www.csc.com.