

BACK IN THE DRIVING SEAT

HOW TO DRIVE DIGITAL TRANSFORMATION WITHOUT THE NEED FOR COVID-19

WITH MANY ORGANISATIONS HAVING BEEN FORCED TO ACCELERATE THEIR DIGITAL TRANSFORMATION EFFORTS IN EARLY/MID 2020 DUE TO THE COVID-19 PANDEMIC, WHAT CAN THE PUBLIC SECTOR DO TO DELIVER SUSTAINABLE, LONG-TERM DIGITAL TRANSFORMATION IN MORE NORMAL TIMES?

The logo for Brightman, featuring the word "Brightman" in a grey sans-serif font. The letter "i" is stylized with an orange dot and a curved orange line above it, resembling a signal or Wi-Fi icon.

Published July 2020

CONTENTS

WHAT IS DIGITAL TRANSFORMATION?	3
WHAT DO YOU WANT FROM DIGITAL TRANSFORMATION?.....	4
5 FACTORS TO DELIVER TRANSFORMATION.....	5
1. LEADERSHIP IS NEEDED NOW MORE THAN EVER	5
2. CULTURAL CHANGE	5
3. WE'VE GOT THE BUDGET, NOW WHAT?.....	6
4. RISK – THE IMPACT OF RISK APETITE ON DIGITAL TRANSFORMATION.....	7
5. ISN'T DIGITAL TRANSFORMATION ABOUT THE CLOUD?	8
WHAT IS IT ALL FOR?	9
WHAT ARE THE MAIN ISSUES WITH DIGITAL TRANSFORMATION?	10
HOW DO YOU MEASURE TRANSFORMATION?.....	11
CASE STUDIES.....	12
Dorset County Council – COVID-19 as an accelerator for transformation	12
Regional Police Force – the benefits of aligning programmes	13
SUMMARY: HOW TO DELIVER AN EFFECTIVE DIGITAL TRANSFORMATION JOURNEY	14

WHAT IS DIGITAL TRANSFORMATION?

One of the key challenges with using ubiquitous terms like digital transformation is defining exactly what is meant by it. So, what exactly do we mean by digital transformation? Organisations talk about “Digital Transformation” across both the public and private sectors. But what is it? Digital Transformation has been the theme of public sector for over a decade, but it has been a slow and painful path. Is this because “digital transformation” is hard to deliver, or simply because it hasn’t truly been qualified and quantified, so each organisation has their own perspective of what digital transformation means to them? After all, well written and executed strategies are few and far between, and if you ask people from different departments what they mean by digital transformation, they will probably give you different answers e.g. ‘it is about complete change from paper to a systems approach to our work,’ or “it’s about IT,” or most recently it could even be “minimising contact between people for social distancing.”

Digital Transformation is **nothing more than business transformation**, with a bit of tech added.

A business strategy that imagines the future and coherently communication everyone’s role within it is needed now more than ever before. Digital transformation cannot be shelf ware. If digital transformation *is* business transformation, it needs to feed down into departmental strategy and beyond.

Digital Transformation should not be run by the IT department either – they are just one piece of the jigsaw; “the business” at large, procurement, commercial, finance, operations, security and legal are also part of it.

Transformation asks people to do something difficult – to change (after all, business transformation *is* change). Compelling reasons therefore need to be communicated for this change to be understood, enacted and ultimately, to be appreciated. The question therefore is this; who transformed your organisation recently? a) CEO, b) CIO, C) COVID-19....

The COVID factor...

Coronavirus has undeniably come along and driven the business case for “paperless” “contactless” and “mobility” most recently; but these reasons were around for a long time before COVID-19 ever entered our vocabulary. Coronavirus has simply accelerated plans that had been sitting on the shelf. We’ve had clients come to us and say they implemented 18-month transformation plans in just 6 weeks.

Were the original drivers of these initiatives (cost saving, efficiency, service improvement) simply too weak to break the status quo? Did we really need a global pandemic to shunt people into action? Those organisations that already understood the benefits of digital transformation have been reaping the benefits ever since the virus struck – their staff have been working from home, with policy and technology already aligned with this new normal. But many didn’t. What was the difference? Is it all about the motivation? – COVID-19 simply added the urgency to cut out the noise and move plans forward. It removed all of the debate and reasons *not* to do it.

WHAT DO YOU WANT FROM DIGITAL TRANSFORMATION?

Many public sector organisations have a clear and compelling business strategy that tells the story of the future. While this is not universal, there are some great examples in public sector; HM Land Registry and DWP are two good examples.

Transformation is also business wide – not IT only. The IT department must understand that its role is to inform and influence, but to ultimately be a good supplier to the organisation at large (one that understands its market, its customer requirements, its competitive landscape and also the future).

What does the government want from digital transformation?

- Services to be easily available online for citizens
- Where departments use the same information a single format for data storage should be used (reducing data duplication and errors)
- Services to be streamlined and easy to use
- Costs to be as low as possible

Behind all of these objectives is a whole set of problems to solve. What infrastructure do we need, what software and applications are best, do we insource or outsource, where will the data be sourced? How much will it cost? How safe is that data, bearing in mind that much of it is sensitive? We can define this in two ways, there's the front-end services for our digital citizens and the back-end service delivery, which is extremely complex. How do we align the need for a smooth, easy-to-use service with the complex back-end required to deliver it?

Transformation has many compelling business reasons, and those reasons will evolve over time. Most recently the coronavirus lockdown provided the strongest business case yet. We have known about the benefits of working from home for many years, and many organisations already had strategies to deliver it – they had articulated the benefits, calculated the ROI, mapped out the requirements, some had even decided which software to use – but still it took the compelling event of a global pandemic to enact these strategies.

Transformation requires a different driver. **If the business case is compelling enough it should not need a crisis to deliver it.** Ultimately, the public sector needs to stay aligned with the way people are increasingly living their lives online; making sure public money is spent in the right way to provide lean services that are really needed, rather than allowing inefficiencies to consume public budgets.

5 FACTORS TO DELIVER TRANSFORMATION

How do we deliver long-term digital transformation of the public sector now that COVID is no longer the driving factor?



1. LEADERSHIP IS NEEDED NOW MORE THAN EVER

There is no doubt about the need for robust leadership through this journey. Where a determined and charismatic leader is in place, one who understands risk and how to manage it, how their people and culture are affected by such a large set of changes, success will follow. Witness the DWP and their excellent journey through transformation here:

<https://dwpdigital.blog.gov.uk/2017/02/17/dwp-digital-delivering-the-government-transformation-vision/>

It is critical to have top level buy-in when embarking on the transformation journey; without this and the ambition to succeed, there is little chance of success. A good leader will ensure that all of the people involved in delivering the change understand the outcome, the timeline, and the journey ahead. It is one thing to get buy-in from the top level but without commitment and drive from the people delivering the transformation, change will be slow and may even fail. A good leader therefore needs to be able to communicate at all levels and bring all the people affected by the change into the fold, make them part of the change and ensure they understand the whole programme ethos, not just their own part in it. Strategy needs to become more than just a word – it needs to become a compelling story that empowers each person to drive transformation in a cohesive way.



2. CULTURAL CHANGE

Digital transformation is much broader than technology. After all, IT is just one aspect of the change. Managing the people and the cultural change is probably more difficult in many ways but is often left out of the change equation altogether. But leave it out at your peril. No change can be undertaken without the people delivering the change buying-in, especially those charged with the day to day use of the transformed systems after the change has been implemented.

Understanding the current culture is especially important when we are asking people to change the way they work. Most of us understand how difficult change is for people to cope with and manage, particularly if they don't understand what it is for or if they think that their jobs will change, or even be lost in the

process. The answer to this is to communicate effectively and ensure that people see the benefits of the change to them and their customers or end users. It is clear that sometimes the culture itself has to change; this is one of the hardest changes to make but it can be done if you take people with you. The organisational culture may be that each department is siloed, and management only comes together at very high levels of the organisation. This is common where people feel they are working for an individual rather than an organisation and think that's where they owe their loyalty. This is why the people working in the transformational team must become a team and not separate entities. They must also be tasked with bringing the internal users along with them; people who are not directly associated with the transformation but who will be affected by it.

A true digital transformation happens when multi-disciplinary digital teams pursue business outcomes, which are driven by business requirements rather than delivery of technology.



3. WE'VE GOT THE BUDGET, NOW WHAT?

The first question to answer is who is going to run the programme? Would it be an IT specialist, a generalist or an operations specialist who has already run a similar programme? Most wise heads suggest that you need a programme manager and a transition manager to be effective. You need both roles because they are different disciplines whose focus will enable the change to go forward.

Then the various stakeholders would need to work out how to become a joined-up entity to deliver the project. This can be an enormous cultural challenge as the objectives of the organisation and the programme, and the departments, must all align. In many cases operational priorities must be factored into the planning of the work, some of which will be unknown at this stage. It should be acknowledged that disruption will be part of the journey and people must understand that this is part and parcel of the journey.

In many cases problems can arise when people in the team don't just have different priorities, but also may be advocates for specific products or services. It is really a time for being open minded about the right deliverables and who will deliver them. A time of collaboration across the board, including suppliers.

Often there is a concise theory about how to achieve a transformation, however in practise the theory is often left standing as you have to deal with the reality of the work. For example, it might be that in theory you should know your

complete estate, all its end uses and users and what you need from products and services to ensure a smooth transition. The reality might be that you will never get a complete handle on the estate and you may have a number of competing products to distract you from decision making.

Many of our customers have mentioned how difficult it is to get information internally (and sometimes externally where your data is held and managed by an outside contractor). The shroud of secrecy must be swept away for a successful transition. No one part of the organisation can stand alone in a transitional state.

Sometimes strategic objectives are not fully developed and understood. For example, in most procurements costs savings are considered a priority. This is generally because the procurement is a standalone exercise. In the case of a transformation, procurement needs to align a number of contracts to ensure that there is continuity and that they require recompeting at differing times to ensure a planned programme for future procurements.

Working closely with the relevant Design Authority, who will liaise and work with the various layers of the organisation to ensure cohesion will ensure that the design works, service design is a critical part of the change process. Many would agree that using standard engineering processes to design the change and the implementation will enhance the cohesiveness and effectiveness of the transformation. Bring the Design Authority into the leadership of the transformation, this will improve the timeline and ensure that the design is fit for purpose.



4. RISK – THE IMPACT OF RISK APETITE ON DIGITAL TRANSFORMATION

As mentioned previously, risk appetite is always going to be a factor in managing a programme of this size and nature. Many IT contracts are outsourced these days, with the level of internal expertise having been reduced and transferred to contractors over time. This often means that the organisation may have lost control over its IT estate, with the source data being held outside of the organisation. Many organisations result from mergers of departments and agencies and the IT estate may be extensive and with many different policies running. It is an uncomfortable situation to change an unknown quantity, but it can be done if the appetite for risk is there. Clearly, it is better to know exactly what the current estate consists of, where it is, what versions of hardware, software and applications are

deployed on each device. But the time required to do a complete analysis may significantly slow the programme and you may never get a true number. It could be worth using Pareto Analysis to come to a reasonable 80% certainty to allow the programme to commence. If the appetite for risk is there and the IT policies are in place and propagated through the organisation, it can be worth using this as a starting point, especially if the plan includes a significant amount of new equipment.

The correct use of a risk register and managing and understanding and even accepting the risks involved is a key element of programme management and will help to drive the programme forward.

Another risk area are the portfolios organisations have, often with small teams to support and manage. How we control these areas in an uncertain environment of change is another key challenge for the leadership to deal with.

The most important aspect of this change is how to achieve a coherent programme, across all the disciplines with all of the inherent issues that already exist let alone what will be uncovered during the transformation process. It is really important to share experiences, to understand the different drivers each department has and find a way to navigate through them, together.



5. ISN'T DIGITAL TRANSFORMATION ABOUT THE CLOUD?

Well, yes and no, it's a subtlety probably created by the government's previous strategy of Cloud First, which has now changed. Digital transformation could involve a move to the Cloud, but equally and more likely there will be a hybrid model, where legacy platforms may stay on premises, some in datacentres and some in the Cloud. This in itself is a specific part of the programme of transformation. It is, however, only a part of the work to be done, even if it is a significant part.

WHAT IS IT ALL FOR?

Why are we doing this transformation? Why would you make any change? Ultimately it is to improve the service to our customers (or end users if you prefer). Whether that is someone in your organisation who is using the system to provide a service to their customers or the end customer itself, wanting to be able to communicate seamlessly with government to complete tasks or submit forms.

We know we (generally) cannot make significant improvements with existing infrastructure so we need to make changes, but in order for those changes to be effective we need to know the user journey, whether a service user or provider. Government can save significant costs, in time and/or money by embarking on this journey. System users can complete their business with government more easily and doing it online allows for a better system of recording, e.g. less data lost in the post for example.

From the point of view of the internal service users or providers, the satisfaction of a job well done, with some task being automated in the revised systems will allow a better sense of job satisfaction as attention can be given to the more complex cases.

WHAT ARE THE MAIN ISSUES WITH DIGITAL TRANSFORMATION?

As with all long-term programmes, many issues will arise over the course of the work. Some could be foreseen and some not. Taking some time to visit those who have been successful and finding out what they did and what they wish they'd done would be enormously beneficial. Hindsight is a wonderful thing, so let's use it.

One issue that many professionals worry about are the non-technical elements. For example, how do you join up the supply chain across all cloud (and non-cloud) platforms? This is an area where we currently see a gap, where the real need is for a very close relationship between the procurement and supply chain professionals and the technical teams, and the current contracts need to be mapped and renegotiated and new contracts procured. This is a large task for a procurement department that has been set up to deliver heartbeat services and products. In particular, the known entities and the programme for those will be well developed. Digital transformation will require major input from the procurement team and that may need to be augmented to be able to deliver what the transformation needs. They need to be a part of the transformation team from day one to be able to align and source the contracts needed. Fortunately, Crown Commercial Services (CCS) have placed a number of framework contracts that can reduce the procurement effort needed once the requirements are truly understood and written down, such as the Crown Hosting for data centres, G-Cloud and DOS frameworks (there are several others relevant to this work).

Some people have mentioned that very tight timeframes and unachievable plans cause delays to the progress of a transformation. This is often the case where there are many unknowns and realistic timeframes for work to be completed must be the aim. People working on a project that is considered in delay, when they always knew that it was unachievable often feel they have failed, even when they flagged the issues at the outset but were overridden to meet some other timeframe or target.

Another issue that has been raised is the control of infrastructure. Without a sponsor of suitable authority, it is notoriously difficult to get people to sign up to a rationalisation programme. Rationalisation is a key element of digital transformation, but no one wants outliers in IT. We need to know what we have and where it is to have effective control over our estate. Without this control the issue of shadow IT can become a real problem. This creates significant risk to our systems and particularly in this age of data protection and GDPR, the security of our data is paramount.

HOW DO YOU MEASURE TRANSFORMATION?

“What gets measured gets managed”, that’s right isn’t it? Well perhaps it’s time to change what is measured, to ensure that the right things are being measured and managed. Those activities not being measured must also be managed.

So many transformational projects are just that, isolated projects that are not part of a broad transformational effort. McKinsey has investigated many transformation efforts over the last few decades and there is a trend that shows that broad organisation-wide transformations work, and piecemeal project-based ones do not. In fact, they show that a broad transformation beats isolated efforts by between 30 – 40% in terms of results. The reality is that most processes within any organisation will touch some other part of the business somewhere. That’s why piecemeal changes do not work for the greater good. If you don’t manage these links then you are not truly transforming, and you are missing so much opportunity.

One of the key elements of managing any transformation is to implement a good governance regime. This is needed to make sure that each workstream or project will be kept on course and that decisions are made in an appropriate timeframe. It is recommended to have a Transformation Office, led by a leader who is on the Executive board. The office will need the right staff and input from the organisation to be effective.

There are a number of tools for measuring progress and results. This is one that is used often within the public sector:
<https://www.prosci.com/resources/articles/measuring-change-management-effectiveness-with-metrics>

This tool uses a scorecard based on organisational performance, individual and change management performance. It provides a framework for measuring activities and outcomes, adoption and usage and allows you to create a story for the transformation. A great communication device that also keeps you on track.

It is often a more difficult for a public sector organisation to navigate change than for a private sector company. There are the many constraints upon the public sector coming from central government and the need for public probity. The public sector cannot “just do it”, as the famous slogan says. It has to meet many and varied criteria not imposed on the private sector. But the important rule that you must have a strategy and it must be compelling and it must be relatable to all parts of the organisation applies equally to any organisation. In the public sector there are organisations that deal primarily with the public and their needs and others who do not. Their approach can be very different.

With the case of COVID-19, a compelling event has occurred that has made the need for digital transformation urgent. If people didn’t really get it before, they really do now.

CASE STUDIES

Dorset County Council – COVID-19 as an accelerator for transformation

Dorset County Council had estimated Digital Transformation would take around 18 months but with the onset of COVID-19 they did this in 6 - 8 weeks, getting nearly 3,000 council staff working from home, against less than 1,000 previously. They subsequently conducted a staff survey asking how staff want to see the future. The ratios, 10:80:10 was interesting, with 10% never wanting to go back to an office, 80% indifferent and 10% desperate to go back to office working.

Help in the Transition:

Dorset CC introduced some measures to help staff with the transition to home working, appointing digital buddies to support less “technology” focused colleagues and creating support groups - not necessarily work related i.e. Facebook groups specifically set up for socialising and ‘water cooler’ type sites.

Webinars:

The take up of Webinars has increased tremendously. Long recognised as a way to reach more people, especially with colleagues’ home working, there has been a notable increase in numbers attending webinars. The cost savings can only be estimated at the moment, but as an example, a recent webinar which had 1,000 attendees would have involved five venues over different dates plus expenses to get the same reach.

Senior Executives Endorsement:

Senior executives have had clear evidence that taxpayer’ s money and staff time is better spent using technical solutions such as Teams meetings/Webinars than time consuming travel to London and elsewhere. The expenses reduction is self-evident, but other benefits manifested, such as accessibility. The use of tools like this has given everyone the opportunity to take part in more events.

Anecdotal stories of Government agencies pulling the plug on building refurbishments since COVID-19 as no intention of workers going back to the office - a new normal has been embraced therefore budgets redirected and transformation accelerated with new funding redirected from estates.

Regional Police Force – the benefits of aligning programmes

Some years ago, a regional police force was attempting a second digital transformation project. The programme's aim was to mobilise officers using smart phones, but also required moving some office/civilian staff to home working whilst making work sites more accessible by using hot desking. This had been attempted previously but was not successful. The main issue was that the technology had been investigated and sometimes procured without properly consulting the end users. Those end users certainly did not buy in to this change which was thrust upon them. As a result, they felt disaffected, disconnected, and alienated. They had no personal interest or investment in the success of the project, far from it. The driver from the sponsor was to get officers out on the beat more and stop them from going back to the station to 'double handle' the job' i.e. officers taking notes in a notebook and then going back to the station to key these into the computer.

What no one really addressed was that police officers liked going back to the station; it was a time to see colleagues, have some banter and download. What is often forgotten is that those on the sharp end need to connect with their colleagues and share experiences, as this has a major effect on their mental health and wellbeing. Technology is only an enabler; without bringing the people affected on board, it will not work in the way intended.

The issue was resolved by inviting the Police's Digital Transformation team to visit the O2 offices with colleagues from estates and HR. At the time O2 had successfully digitally transformed its entire workforce and were innovative when they did this about 8 years ago. The secret to their success was involving all functions in the planning and management of the change. It was a challenge to bring people (Estates and HR, as well as other functions) who wouldn't normally leave the county to wander around O2 corporate offices and see how the chairs were ergonomically placed, how areas had lowered ceilings to improve room acoustics (a common complaint in open plan working is noise) and the various other methods the business as a whole had embraced.

The police team found clear and compelling first-hand evidence of the way to manage their transformation and were ultimately successful.

SUMMARY: HOW TO DELIVER AN EFFECTIVE DIGITAL TRANSFORMATION JOURNEY

Transformation is not a one off (if long) event. It is a continual event, which can instil the understanding of the need for continual improvement as a part of the DNA of the organisation. This is truly transformational in that it means that your people are always aware of the need for improvement and you need to have a system for them to be able to offer their ideas for consideration. One way to help improve processes is to enable automation for continuous progression. This can be done with AI for example.

The first priority for delivering effective digital transformation is to get an inspirational leader with a decisive and clear strategy for the work. The team must work in a collaborative way for maximum benefit. Look to those who have already been successful, talk to them and learn from them. Conduct digital dream workshops with others. If you can dream it, you can do it. Keep things as simple as possible, communicate, and then communicate some more. Educate the team outside of the programme, the users, bring them on board, make them part of the solution not the problem. Be brave, engage your suppliers, be open with them about your needs. You are the experts on your organisation and what you need, they are the experts in solving problems because of the broad experience across organisations. Remove redundancy wherever it isn't needed. There is so much duplication in organisations, not just in storing IT and documents, but in processes. Use standard toolsets where possible, this will free you from long-term contractual tie in from bespoke solutions. You should control the things that are important to you and perhaps, reconsider your outsourcing and skills strategy. In the world of transformation, you may find that you need the skills in house to be able to continue to improve. If not, incentivise your suppliers with continual improvement programmes built into contracts. You may find that collaborating reaps many more rewards than you expect. You will definitely need to overhaul processes and systems that are not designed for the way we work today and implement training programmes to make sure that your staff adopt the new ways of working.

Last but not least, share the long-term plan with your people. No transformation effort is a short-term effort. Engage visionaries and enthusiasts in your organisation to evangelise and bring that enthusiasm to the people who work for you.

With all that in place, you will have the best chance of taking control and delivering the digital transformation that you want. And you won't need a compelling event like COVID to get it over the line...

About Brightman

Brightman helps public and private sector organisations maximise the value from their major IT transformation projects by combining expert business consultancy with hands-on delivery.

IT projects fail when people and culture are not taken into consideration at the outset. Brightman works with all the stakeholders involved in the integration of new technology to ensure high levels of acceptance in order to maximise return on investment.

Brightman is an authorised cloud services supplier on the G-Cloud 10 and Digital Outcomes & Specialists frameworks. Public sector organisations that wish to appoint Brightman will find them via both of those digital marketplace frameworks. Brightman is also an approved Crown Campus supplier.

www.brightman.uk.com