DIGITAL GOVERNMENT TRANSFORMATION

Canada Survey Data Analysis
Public Sector Research Group

October 2015
Citizens are increasingly relying on e-services when applying for and receiving benefits. And they expect user-friendly, secure and confidential web services.”

— Corinne Charette, Senior Assistant Deputy Minister, Industry Canada

**Top driver**
- Citizen demands

**Top 3 barriers**
1. Too many competing priorities
2. Lack of an overall strategy
3. Insufficient funding

**Insights**
- Citizen demand is the primary driver of transformation, 94 percent agencies also identify improving citizen experience as an objective of organization’s digital strategy, but only 7 percent say citizen engagement in co-creation of digital services is high
- Not a single organization reported that they were ahead of the private sector in terms of digital capabilities.
- Most agencies find procurement of digital services challenging

**Maturity**

<table>
<thead>
<tr>
<th></th>
<th>Digital Maturity Rating</th>
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</thead>
<tbody>
<tr>
<td>Global (n=1202)</td>
<td>26% Developing 60% Maturing 13%</td>
</tr>
<tr>
<td>Canada (n=61)</td>
<td>25% Developing 64% Maturing 11%</td>
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### Have a clear and coherent digital strategy?

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<tbody>
<tr>
<td>Global</td>
<td>46%</td>
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<td>Canada</td>
<td>36%</td>
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### Objectives of digital strategy % agree

1. Improve customer/citizen experience and engagement, and transparency  
   - 94%
2. Increase efficiency  
   - 90%
3. Create or access valuable information or insights to improve decision making  
   - 78%
4. Create or access valuable information or insights for innovation  
   - 78%
5. Fundamentally transform our organization processes and/or organization model  
   - 69%

### Digital opportunity vs investment

- 82% View digital technologies as an opportunity
- 44% Increased investment in digital initiatives in the last fiscal
- 90% 51%

### Confidence and Satisfaction

- 31% Confident about organization’s readiness to respond to digital trends
- 28% Satisfied with organization’s current reaction to digital trends
- 36% Confident globally
- 37% Satisfied globally
95% find workforce and skills to be a challenging area to manage in their organization’s transition to digital

54% say that leadership understands digital trends and technologies

39% say that their leaders have sufficient skills to lead the organization’s digital strategy

Does a single person or group have the responsibility to oversee/manage your organization’s digital strategy?

Canada

Global

Workforce-skills lacking

<table>
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<tr>
<th>Skill</th>
<th>Global</th>
<th>Canada</th>
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<tbody>
<tr>
<td>Agility</td>
<td>59%</td>
<td>72%</td>
</tr>
<tr>
<td>Entrepreneurial spirit</td>
<td>52%</td>
<td>53%</td>
</tr>
<tr>
<td>Technological savviness</td>
<td>46%</td>
<td>46%</td>
</tr>
<tr>
<td>Collaborative processes</td>
<td>41%</td>
<td>40%</td>
</tr>
<tr>
<td>Business acumen</td>
<td>39%</td>
<td>42%</td>
</tr>
<tr>
<td>User experience design</td>
<td>36%</td>
<td>39%</td>
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</table>
84% say that digital technologies and capabilities enable employees at their organization to work better with customers/citizens.

94% say improving customer/citizen experience and transparency is an objective of their organization’s digital strategy.

How are digital trends impacting your organization’s customer/citizen service quality?

- Canada: 84% improving
- Global: 78% improving

What is the biggest driver of digital transformation?

- Global: 64% customer/citizen demands
- Canada: 24% customer/citizen demands
- Global: 38% cost and budget pressures
- Canada: 24% cost and budget pressures
- Global: 14% federal/central government directives
- Canada: 11% federal/central government directives
- Global: 11% others
- Canada: 12% others

What is the level of customer/citizen involvement in co-creating digital services for your organization?

- Canada: 16% don’t know, 55% low, 22% neither high nor low, 7% high
- Global: 11% don’t know, 53% low, 23% neither high nor low, 13% high
89% find culture to be a challenging area to manage in their organization’s transition to digital.

69% say that digital technologies and capabilities enable employees at their organization to work better with other employees.

67% globally say digital trends improve collaborative culture.

65% globally say digital trends improve innovative culture.
87% find procurement to be a challenging area to manage in their organization’s transition to digital.

71% say that government procurement needs to change significantly or very significantly to accommodate digital transformation.

27% say that they are satisfied with the community of vendors that currently serves the digital government marketplace.

### Top 3 obstacles to better procurement practices in the digital age

<table>
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<tr>
<th>Canada</th>
<th>Global</th>
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<tbody>
<tr>
<td>1. Rules/regulations</td>
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<tr>
<td>2. Lack of flexibility</td>
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<tr>
<td>3. Procurement skill sets</td>
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### In what ways does procurement need to change to enable digital transformation?

- **Agile development process**
  - Canada: 45%
  - Global: 51%
- **Less restrictive terms and conditions**
  - Canada: 28%
  - Global: 31%
- **Modular development**
  - Canada: 20%
  - Global: 25%
- **Less control from the center**
  - Canada: 16%
  - Global: 21%
- **Shorter contract periods**
  - Canada: 10%
  - Global: 15%
- **More open to small and medium-sized companies**
  - Canada: 8%
  - Global: 19%