OVERVIEW – NORDIC COUNTRIES

Top Digital driver
Citizen demands

Top 3 barriers
1. Security concerns
2. Too many competing priorities
3. Lack of understanding

95 percent of respondents find the transition to digital in terms of culture challenging—the highest globally

In stark contrast to the global view, agencies in the Nordic Region at any level do not see insufficient funding as one of the primary impediments to digital transformation

“On the one hand, there is a demand for more agility, fewer rules and less political regulation – and on the other hand, digitization is a highly political issue precisely because it concerns our entire way of running a society.”

— Lars Frelle-Petersen, Director General, Danish Agency for Digitization

Maturity
Digital Maturity Rating

Global (n=1202) 26% Developing 60% Maturing 13% Early
Nordic (n=67) 24% Maturing 64% Early 12% Developing
50 percent say that digital trends are improving their organization’s ability to respond to threats and opportunities

52 percent say their digital capabilities are behind the private sector

**Have a clear and coherent digital strategy?**

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<tbody>
<tr>
<td>Global</td>
<td>46%</td>
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<tr>
<td>Nordic</td>
<td>57%</td>
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**Objectives of digital strategy**

<table>
<thead>
<tr>
<th>Objective</th>
<th>% agree</th>
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<tbody>
<tr>
<td>1. Increase efficiency</td>
<td>95%</td>
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<tr>
<td>2. Improve customer/citizen experience and engagement, and transparency</td>
<td>88%</td>
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<tr>
<td>2. Create or access valuable information or insights to improve decision making</td>
<td>74%</td>
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<td>4. Create or access valuable information or insights for innovation</td>
<td>69%</td>
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<td>5. Fundamentally transform our organization processes and/or organization model</td>
<td>59%</td>
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**Digital opportunity vs investment**

- Global: 82% View digital technologies as an opportunity, 44% Increased investment in digital initiatives in the last fiscal
- Nordic: 91% View digital technologies as an opportunity, 55% Increased investment in digital initiatives in the last fiscal

**Confident about organization’s readiness to respond to digital trends**

- Global: 34% Disagree, 33% Neither agree nor disagree, 33% Agree
- Nordic: 42% Disagree, 22% Neither agree nor disagree, 36% Agree

**Satisfied with organization’s current reaction to digital trends**

- Global: 36% satisfied globally
- Nordic: 37% satisfied globally
97% find workforce and skills to be a challenging area to manage in their organization’s transition to digital.

55% say that leadership understands digital trends and technologies.

34% 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?

Nordic: Yes, 43%
Global: Yes, 51%

Digital skills vs investment in workforce:
- Global: 34% vs 33%
- Nordic: 33% vs 41%

Workforce-skills lacking:
- Collaborative processes: 40% Nordic, 52% Global
- Entrepreneurial spirit: 49% Nordic, 53% Global
- Agility: 48% Nordic, 59% Global
- Business acumen: 42% Nordic, 45% Global
- User experience design: 39% Nordic, 45% Global
- Technological savvy: 33% Nordic, 46% Global
**CUSTOMER/CITIZEN-FOCUS**

85% say that digital technologies and capabilities enable employees at their organization to work better with customers/citizens.

88% 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?

- 85% in Nordic
- 78% in Global

What is the biggest driver of digital transformation?

- 11% in Global: Customer/citizen demands
- 14% in Global: Cost and budget pressures
- 38% in Global: Federal/central government directives
- 37% in Global: Others

- 13% in Nordic: Customer/citizen demands
- 19% in Nordic: Cost and budget pressures
- 33% in Nordic: Federal/central government directives
- 35% in Nordic: Others

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

- 2% in Nordic: Low
- 52% in Nordic: Neither high nor low
- 28% in Nordic: High
- 18% in Nordic: Don’t know

- 11% in Global: Low
- 53% in Global: Neither high nor low
- 23% in Global: High
- 13% in Global: Don’t know
96% find culture to be a challenging area to manage in their organization’s transition to digital.

82% 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.
85% find procurement to be a challenging area to manage in their organization’s transition to digital. 84% say that government procurement needs to change significantly or very significantly to accommodate digital transformation. 33% 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:

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<th>Nordic</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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<td>3. Legacy contracts</td>
<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
- Less restrictive terms and conditions
- Modular development
- More open to small and medium-sized companies
- Less control from the center
- Shorter contract periods

Nordic:
- Agile development process: 43%
- Less restrictive terms and conditions: 31%
- Modular development: 31%
- More open to small and medium-sized companies: 13%
- Less control from the center: 13%
- Shorter contract periods: 10%

Global:
- Agile development process: 45%
- Less restrictive terms and conditions: 36%
- Modular development: 31%
- More open to small and medium-sized companies: 19%
- Less control from the center: 21%
- Shorter contract periods: 10%

Development of digital services:
- Outsource: 18%
- In-house: 10%
- Mixed (in-house and contracted model): 72%