“And everyone came in, oh my god, procurement's broken, procurement's broken. How are we going to fix procurement, and I was like, first you have to fix hiring.”

— Greg Godbout, 18F on procurement barriers
READINESS AND RESPONSE

<table>
<thead>
<tr>
<th>Have a clear and coherent digital strategy?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
</tr>
<tr>
<td>US Federal</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Objectives of digital strategy</th>
<th>% agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Increase efficiency</td>
<td>76%</td>
</tr>
<tr>
<td>2. Create or access valuable information or insights to improve decision making</td>
<td>69%</td>
</tr>
<tr>
<td>3. Improve customer/citizen experience and engagement, and transparency</td>
<td>69%</td>
</tr>
<tr>
<td>4. Create or access valuable information or insights for innovation</td>
<td>63%</td>
</tr>
<tr>
<td>5. Fundamentally transform our organization processes and/or organization model</td>
<td>45%</td>
</tr>
</tbody>
</table>

60 percent say that digital trends are improving their organization’s ability to respond to threats and opportunities.
82 percent say their digital capabilities are behind the private sector.

36% confident globally
37% satisfied globally

60% say view digital technologies as an opportunity
73% say increased investment in digital initiatives in the last fiscal.
89% find workforce and skills to be a challenging area to manage in their organization’s transition to digital

39% say that leadership understands digital trends and technologies

36% 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?

- **US Federal**: Yes, 44%
- **Global**: Yes, 51%

### Workforce-skills lacking

- **Agility**: 58% US Federal, 59% Global
- **Entrepreneurial spirit**: 51% US Federal, 53% Global
- **Technological savviness**: 45% US Federal, 46% Global
- **Business acumen**: 43% US Federal, 42% Global
- **Collaborative processes**: 37% US Federal, 40% Global
- **User experience design**: 36% US Federal, 39% Global

Digital skills vs investment in workforce

- **Global**: 34% Employees have sufficient skills, 33% Organization provides opportunities and resources
- **US Federal**: 39% Employees have sufficient skills, 29% Organization provides opportunities and resources
71% say that digital technologies and capabilities enable employees at their organization to work better with customers/citizens. 69% 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?

What is the biggest driver of digital transformation?

What is the level of customer/citizen involvement in co-creating digital services for your organization?
**CULTURE - INNOVATION, COLLABORATION, OPEN SOURCE, AGILE**

86% find culture to be a challenging area to manage in their organization’s transition to digital

To what extent does your organization use open source technology to deliver digitally transformed services?

<table>
<thead>
<tr>
<th></th>
<th>Great extent</th>
<th>Moderate extent</th>
<th>Small extent</th>
</tr>
</thead>
<tbody>
<tr>
<td>US Federal</td>
<td>4%</td>
<td>23%</td>
<td>28%</td>
</tr>
<tr>
<td>Global</td>
<td>5%</td>
<td>18%</td>
<td>35%</td>
</tr>
</tbody>
</table>

Is the transition to digital altering your organization’s attitude towards risk?

<table>
<thead>
<tr>
<th></th>
<th>Great extent</th>
<th>Moderate extent</th>
<th>Small extent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
<td>26%</td>
<td>46%</td>
<td>28%</td>
</tr>
<tr>
<td>US Federal</td>
<td>21%</td>
<td>62%</td>
<td>17%</td>
</tr>
</tbody>
</table>

72% say that digital technologies and capabilities enable employees at their organization to work better with other employees

Digital trends are changing these dynamics within my organization:

<table>
<thead>
<tr>
<th>Collaborative culture</th>
<th>Improving</th>
<th>Neither improving nor degrading</th>
<th>Degrading</th>
<th>Don’t know</th>
</tr>
</thead>
<tbody>
<tr>
<td>Great extent</td>
<td>5%</td>
<td>33%</td>
<td>59%</td>
<td>2%</td>
</tr>
<tr>
<td>Small extent</td>
<td>6%</td>
<td>39%</td>
<td>53%</td>
<td>2%</td>
</tr>
</tbody>
</table>

67% globally say digital trends improve collaborative culture

65% globally say digital trends improve innovative culture
77% find procurement to be a challenging area to manage in their organization’s transition to digital.

80% say that government procurement needs to change significantly or very significantly to accommodate digital transformation.

25% 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:

- 1. Rules/regulations
- 2. Lack of flexibility
- 3. Procurement skill sets

In what ways does procurement need to change to enable digital transformation?

- Agile development process (47% US Federal, 45% Global)
- Less restrictive terms and conditions (27% US Federal, 31% Global)
- Modular development (20% US Federal, 31% Global)
- Less control from the center (17% US Federal, 21% Global)
- Shorter contract periods (9% US Federal, 10% Global)
- More open to small and medium-sized companies (5% US Federal, 19% Global)

Development of digital services:

- Outsource (11%)
- In-house (7%)
- Don’t know (8%)
- Mixed (in-house and contracted model) (74%)