Deloitte.



The Digital Future of Foreign Affairs

and International Development Organisations

Thought Leadership Content

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This insight paper explores what digital transformation means for foreign affairs and international development organisations, with actionable insights on the way forward.

The future of work is now. Science fiction has become fact as hybrid working and robotics have gone mainstream.

In the wake of global disruption caused by Covid-19, 'digital' continues to be the hottest topic for organisations. However, the pandemic and other drivers revealed how underutilised digital technologies really are and how far many Government departments need to go to become digital-first organisations. Nearly 75 per cent of 800 government executives surveyed indicated that Covid-19 had accelerated their government's digital transformation, yet 80 per cent said that their organisational efforts had not gone far enough¹.

There is an assumption that for an organisation to digitally transform it must adopt the latest technologies. Although this is important, it doesn't tell the whole story. Instead, what has to change is how organisations organise, operate, and behave as organisations, in addition to implementing digital technology. Digital transformation is just as much about people as it is about the specific technologies being used.

A deliberate approach to digital transformation and digital behaviour change can turn uncertainty into an opportunity to drive foreign affairs and international development organisations forward.



Jonathan Pell
Partner and UK lead
for International Affairs
and Development

Source: 'The seven digital pivots for government's digital transformation: How COVID-19 proved the importance of being digital

Challenges facing foreign affairs organisations

Foreign affairs and international development organisations face a number of challenges, including:



The growing rate of change, crises and global events which are increasingly interdependent, complex and necessitate a quicker and more networked approach to foreign affairs and international development, for example the Afghanistan crisis 2021.

Moreover, foreign policy and international development are more integrated than ever before. The new priorities that have emerged including a greater focus on national security, prosperity and the elevated role of technology in foreign policy and development require new and different capabilities in the supply chain. Additionally, they require greater cross-Departmental collaboration. For example, in the UK this means the Foreign, Commonwealth and Development Office (FCDO) working more closely with the Department for Science, Innovation and Technology (DSIT), the Department for Business and Trade (DBT) and UK Export Finance (UKEF).



A changing geo-political environment.

Increased geopolitical risk and tensions such as disruptions to energy, supply chain and food security as well as increased numbers of refugees requiring urgent humanitarian support, require organisations to become more resilient and agile. This includes developing critical new capabilities to respond effectively, for instance following Russia's invasion of Ukraine.



Increasingly sophisticated cyber attacks targeting foreign affairs and international development organisations.

Cyber attacks can have serious consequences for national security and international relations. Cyber warfare can disrupt critical infrastructure, manipulate elections, and carry out other forms of political interference. Cybercriminals can attempt to steal sensitive data, engage in ransomware attacks and commit financial fraud. The consequences for foreign affairs and international development organisations, include reputational damage and the potential loss of funding.

Challenges facing foreign affairs organisations continued

Foreign affairs and international development organisations face a number of challenges, including:



Ambitious savings targets.

Ambitious savings targets plus a reduction in Official Development Assistance (ODA) mean organisations need to do 'more with less' and are under greater scrutiny to deliver value for money and better outcomes for citizens.



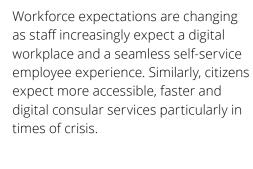
Greater uncertainty driven by climate change.

Foreign affairs organisations operate from a myriad of locations across the world and increasingly need to assess the risk climate change has on overseas operations. Weather volatility, floods, droughts and food shortages require foreign affairs organisations to become increasingly responsive from wherever they are located and increase the need to scale up preparedness for climate-related events.



A fragmented employee and citizen experience.

The average number of systems staff need to access to do their jobs is rising from 8 to 11² which means it is challenging to find the information needed to be productive, leading to a frustrating work experience. Furthermore, foreign affairs staff need to work across time zones yet services are often not provided on a 24 hour basis.





What is digital transformation?

Digital transformation is how we future-proof an organisation: Shifting legacy customer, business and operating models into a new reality – where agility is the norm, human experience is the focus, technology and data are the enablers, and exponential value is the outcome. It's the ability to adopt and apply technology to continuously evolve and reinvent the organisation to support growth and meet citizens' expectations. A strategic approach that considers both the organisation's overall goals and meets specific needs of citizens and employees is required.

Many organisations get stuck in an endless loop of 'doing' digital things – an illusion of being digital – rather than making changes to their digital mindset and their organisation, operating and customer models.



Top tip: Digital transformation is the process of using digital technologies to create new or improved organisational processes, products and services. Digitization is the process of converting information into a digital format. It is a component of digital transformation, but it is not the same thing.



Exploring

Leverage traditional technologies to automate existing capabilities. Dabbling with digital. No real change to the organisation.

Doing

Leverage digital technologies to extend current capabilities, but largely same ways of organising, operating & behaving.

Becoming

Leverage digital technologies—becoming more synchronized and less siloed—with more advanced changes to ways of organising, operating & behaving.

Being

Ways of organising, operating & behaving are optimized for digital and profoundly different from prior ways of doing things.

In turn

Human experience is at the forefront of all decisions. Technology and data are leveraged to create increased value to the outcome, and an agile culture becomes normal.



Becoming digital is not a linear process, instead it is iterative. What is digitally advanced today, may not be tomorrow so it is important to keep moving forward. There is no 'end state', instead change is the new normal.

Build your digital change capability to support and enable the digital transformation of your organisation

Source: Seven Pivots for Government's Digital Transformation, Deloitte; Technology Fallacy: How People are the Real Key to Digital Transformation, 2019, MIT Press

What are the benefits of digital transformation for foreign affairs organisations?

Organisations that have embedded digital technologies, processes and a 'digital first' mindset across the organisation have realised a number of benefits including:



Resilience

Resilience is the ability to quickly recover from unexpected shocks and dramatic social and economic upheavals like COVID-19 and is a key benefit of the digital transformation.

For example, a Foreign Affairs agency digitalized the consular crisis response system by migrating all consular information onto a platform so that citizens could update their own information. This enabled the government to expatriate citizens back to the country quickly, when previously they did not know where citizens were located.

This enabled the government to expatriate citizens back to Australia quickly, when previously they did not know where citizens were located.



Agility and Innovation

Implementing a cloud infrastructure enables digitally mature organisations to increase agility and capitalise using on priority technology in the post-Covid world, 80 per cent of respondents voted cybersecurity technologies and cloud computing as priority technologies that organisations aimed to invest in³.

Innovating faster through a cloud-based infrastructure is a fundamental benefit of digital organisations; 79 per cent of digitally mature government organisations say that innovation is a strength⁴. Moreover, 83 per cent of government executives reported that agile methods were positively impacting their organisations⁵.



Cyber

Although digital transformation does bring new cyber security risks, it also provides many opportunities for improving an organisation's cyber security posture if implemented correctly. The key benefit is increased visibility, allowing for better control and monitoring of potential cyber security threats. The second benefit is improved threat and anomaly detection, leading to a greater response capability.

The third benefit is improved access control and authorisation making it more difficult for unauthorised users to access sensitive data and resources. All of these benefits lead to greater cyber resiliency and redundancy. Acknowledging the need to embrace digital transformation can also lead to the adoption of a secure by design mindset.

What are the benefits of digital transformation for foreign affairs organisations?

Organisations that have embedded digital technologies, processes and a 'digital first' mindset across the organisation have realised a number of benefits including:



Reducing costs

Digital transformation, including a shift to digital services and processes, can help foreign affairs organisations reduce costs and increase efficiency. Compared to the pre-Covid era, the likelihood of organisations undertaking cost reduction initiatives increased globally by 74 per cent6. Digital ways of working and a digitally-skilled workforce, allows teams to work faster and smarter, and critically focus more time on value add work.

Foreign affairs agencies rely on processes that can be digitally optimised to enable better communication, streamline decision making and manage supply chains more effectively. Fundamentally, digital transformation is both about doing old things faster and more cost effectively, as well as doing new things and using digital to drive growth.



Sustainability

Foreign affairs organisations need to tackle the imperative challenge of environmental sustainability. Leading organisations are using digital technologies to transform ways of working and using digital services to create lower carbon foot prints by reducing face-to-face services and the reliance on paper.

For example digital building management systems can reduce energy usage by over 10 per cent⁷. Digital transformation can also improve environmentally sustainable resource use (e.g. materials, energy, water) through intelligent coordination. An example is Deloitte's Edge building in Amsterdam which uses 70 per cent less electricity than comparable buildings⁸. Digital supply chains are more data rich which enable better tracking of supply chain emissions.



Improved employee and citizen experience

A key benefit of improving the digital workforce experience is a more productive and engaged workforce. Technologies are available to create a single service management platform to provide a seamless digital experience and streamline service delivery. These platforms can incorporate automation and collaboration tools, such as chatbots.

Key components of digital service delivery is personalisation and creating a customised approach to user experience. Workers are 4 times more likely to stay in their jobs with an average of 12 per cent greater satisfaction with day-to-day work than organisations that are less digitally mature⁹.

Our Perspective

Our perspective: Where to start

The most challenging part of digital transformation is not deciding whether to do it, it's understanding which actions drive the most impact. Deloitte's research of over 4,000 organisations finds that there are three key focus areas to drive digital transformation¹⁰:



DEVELOP A DELIBERATE DIGITAL STRATEGY

Craft a strategy that places intentional digital bets, such as new digital capabilities and new products

- Develop a set of guiding principles, for example the principle of 'digital by default' so that it is an exception that new services are not digital
- Identify the key drivers for digital transformation, e.g. user experience, cost reduction, cyber security
- Ring-fence time for leaders to develop and co-create a digital strategy that has buy-in from across the organisation



ALIGN TECHNOLOGY TO THE DIGITAL STRATEGY

Make sure the technologies that come with digital transformation are aligned to the strategy

- Allocate budget to investing in digitally enhancing technology that ensures cyber security
- Develop a technology roadmap that aligns to the digital strategy and vision, so that investments can be linked back to the strategy. This enables the organisation to communicate a clear narrative
- Spend time understanding the technology, what it is and how it works – and include this in the strategy discussions, so that leaders build their knowledge of new technology



DEVELOP DIGITAL CHANGE CAPABILITY

Adopt a change mindset with no defined horizon and build a change capability

- Upskill talent and support colleagues to develop a 'digital first mindset' so that they can champion the change both at post and in HQ
- Establish a specific change programme that is clearly aligned to the digital vision and build a strong change management capability to manage the change the earlier the better
- Make sure leaders across the Department role-model the change, to maintain momentum
- Start early: it takes time to develop the right skills

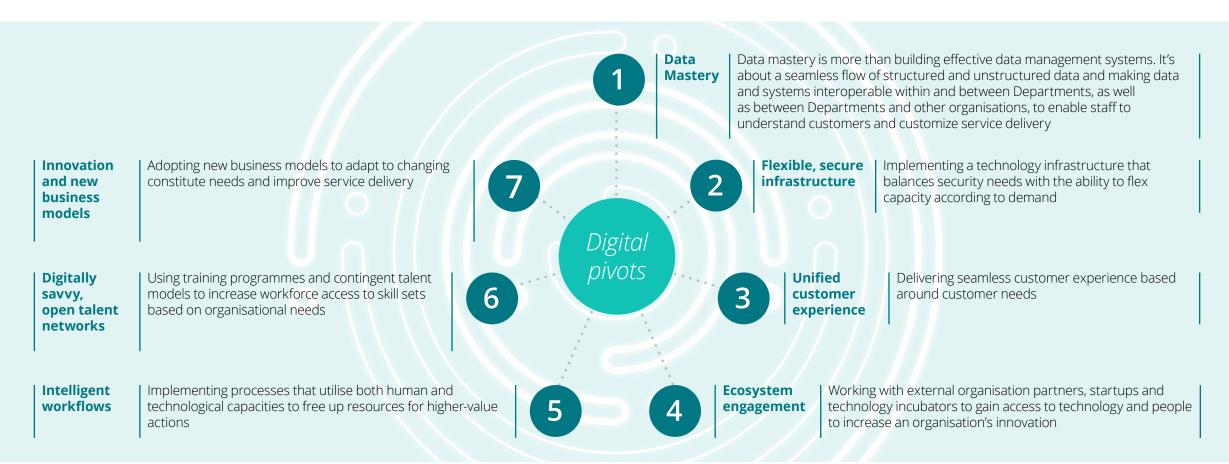


Top tip: Digital ambition exists along a spectrum, from digitization to full scale transformation. Organisations might work on multiple digitization or digital transformation levels all at once; one function might be focused on strategies further to the left of the spectrum, whilst another might be focused on those further to the right. ¹¹

Source: ¹⁰Deloitte (2023) Unleashing Value from Digital Transformation ¹¹Deloitte (2022) How to lead Digital Transformation from the Top

Our perspective: The Seven Digital Pivots

Becoming a truly digital government requires the development of a broad array of asset and capabilities, which we term 'digital pivots'. Applying these pivots supports government services to develop the core characteristics of 'being digital'. Digitally mature organisations gain value across all seven pivots, whilst those that are less mature derive value from a few of the pivots. Becoming digitally mature means continuous change, rather than reaching a static future state. Overleaf, we have focused on the three most important digital pivots for foreign affairs and development organisations today.



 $\textbf{Source:} \ The seven \ digital \ pivots for government's \ digital \ transformation: How \ COVID-19 \ proved \ the \ importance \ of \ being \ digital \ transformation: How \ COVID-19 \ proved \ the \ importance \ of \ being \ digital \ transformation: How \ COVID-19 \ proved \ the \ importance \ of \ being \ digital \ transformation: How \ COVID-19 \ proved \ the \ importance \ of \ being \ digital \ transformation: How \ COVID-19 \ proved \ the \ importance \ of \ being \ digital \ transformation: How \ COVID-19 \ proved \ the \ importance \ of \ being \ digital \ transformation: How \ COVID-19 \ proved \ the \ importance \ of \ being \ digital \ transformation: How \ COVID-19 \ proved \ the \ importance \ of \ being \ digital \ transformation: How \ COVID-19 \ proved \ the \ importance \ of \ being \ digital \ transformation: How \ COVID-19 \ proved \ the \ importance \ of \ transformation: How \ COVID-19 \ proved \ the \ importance \ of \ transformation: How \ COVID-19 \ proved \ the \ importance \ of \ transformation: How \ COVID-19 \ proved \ the \ importance \ of \ transformation: How \ COVID-19 \ proved \ the \ importance \ of \ transformation: How \ COVID-19 \ proved \ the \ importance \ of \ transformation: How \ COVID-19 \ proved \ the \ importance \ of \ transformation: How \ COVID-19 \ proved \ the \ importance \ transformation: How \ COVID-19 \ proved \ the \ importance \ transformation: How \ COVID-19 \ proved \ the \ importance \ transformation: How \ COVID-19 \ proved \ the \ importance \ transformation: How \ COVID-19 \ proved \ the \ importance \ the \ transformation: How \ COVID-19 \ proved \ the \ importance \ the \ transformation: How \ COVID-19 \ proved \ the \ transformation: How \ COVID-19 \ proved \ the \ transformation: How \ COVID-19 \ proved \ the \ transformation: How \ COVID-19 \ proved \ the \ transformation: How \ COVID-19 \ proved \ the \ transformation: How \ COVID-19 \ proved \ the \ transformation: How \ transformation: How \ transformation: How \ transformation: How \ t$

Applying three key 'digital pivots' to foreign affairs and development organisations

We have focused on the three most important digital pivots for foreign affairs organisations today, including what the key challenges are for each, and what the future could look like

Data Mastery



Flexible, secure infrastructure



Unified employee and citizen experience



Challenges facing foreign affairs organisations

- Significant scrutiny over aid spend
- Significant amount of data sits in third party agencies which means it is more challenging to gather data and develop insights
- Quality of data is mixed so the biggest challenge is often cleansing the data and preparing it for data modelling
- Data sits in different sources or not easily accessible (e.g. sits in excel spreadsheets rather than systems)
- The structure of foreign affairs organisations limits agility
- Due to financial pressures to do more with less, resources are stretched, which is exacerbated by the increasing number of crises which divert resource

- Numerous portals, systems and platforms that users need to log-in to, leading to a fragmented user experience
- Manual, paper-based processes
- Limited self-service or 24/7 service, which is particularly challenging when working overseas or across time zones

Where you need to get to and what the value is

Data mastery enables...

- A richer understanding of delivery work and more strategic decision making, particularly in crisis
- An ability to use different types of data across different systems and organisations to drive better insight
- An ability to gain pre-emptive insights through AI
- Development of live dashboards

An adaptable organisation enhances flexibility through a model structured around...

- Multi-disciplinary teams focused on strategic objectives or rapid prototyping, aligned to the organisation's strategy
- A functional core that supports teams through the provision of technical subject matter experts; this functional core builds 'expertise' and develops a professional cadre for key functions (e.g. HR)

A unified customer experience means...

- Consolidated platforms so that users interact with the minimum number of systems, for example HMRC's Single Trade Window12 which is a single digital gateway at the UK border for traders to complete their import, export and transit obligations
- Chat bots supporting staff to access information more easily, such as HR policies, leading to less time spent handing requests and more time for higher value tasks
- 24/7 self-service access empowering staff to access information when required, across time zones

Source: The seven digital pivots for government's digital transformation: How COVID-19 proved the importance of being digital

Examples of Foreign Affairs and Development organisations 'becoming digital'

Government Departments across the globe have moved towards 'becoming digital', examples below:

ORGANISATION

Data Mastery

A Canadian Government Department



SUMMARY

Among its other roles, Global Affairs Canada (GAC) has a responsibility to support and report on Canada's international assistance and commitments to both the government and public. GAC engaged Deloitte to develop business intelligence solutions that provide insight and transparency into Canada's \$8 billion + annual spend on international assistance programs. The GAC "DevData" Dashboard is now live and accessible to all Canadians – link here.

Additionally, GAC has developed a number of other dashboards to support data and knowledge sharing and decision making, both within the organisation but also between GAC, other departments, and other external organisations. Some of the views in these dashboards include an "Executive View" report on internal project financing, a "Search View" report with text search capability, and (Delete) a "Commitments Dashboard" depicting progress towards high priority international commitments. They also provide an overview of international development statistics and Canada's international assistance spending by country, etc.

KEY RESULTS

This work has resulted in an improved accessibility to data for both the public and internal GAC audiences and support leadership decision-making. We have also developed a reporting baseline and structure, which GAC could advance to develop a self-serve reporting platform in Power BI. Key results include:

- DevData Dashboard accessible across
 desktop and mobile devices, meeting standards
 for web content accessibility for improved
 accountability for, transparency of, and insight
 into Canada's international assistance spending,
 thereby amplifying the impact of Canada's
 global presence.
- Modernised reporting processes by reducing the volume of ad hoc queries and allowing GAC personnel to focus on priority tasks.
- Enhanced reporting capabilities by providing documented visualisation process artefacts to use in future dashboard development. These documents included details of current data pipelines; data integration and consolidation processes; and other technical details necessary for future BI and reporting development.

LESSONS LEARNED

The lessons learned, processes and development artefacts from this work provided a framework to help GAC build and maintain future dashboard solutions. These included the foundation data preparation steps, i.e., extracting it from different sources, consolidating, cleansing and preparing it for analysis, modelling and visualisation.

Examples of foreign affairs and development organisations 'becoming digital'

ORGANISATION

Data Mastery

A Canadian Government Department



SUMMARY

Deloitte supported a Canadian Government Department to develop Artificial Intelligence (AI)-based models for project coding to enable reporting on international assistance, focusing on grants and contributions.

After collecting technical requirements and assessing viable data sources, a large quantity of project-related data was gathered. Using Machine Learning (ML) and Natural Language Processing (NLP) algorithms, the solution ingests thousands of project documentations of different formats and structures and extracts key information to learn how to properly code projects with the appropriate classifications. Additional Machine Learning models were built using publicly available data. A user graphical interface was also developed to leverage these models and provide users with coding recommendations.

The result was an end-to-end Machine Learning solution that could ingest project documents of various formats, extract relevant information from them and run hundreds of Machine Learning models on the extracts to suggest appropriate grants and contributions classifications.

KEY RESULTS

In the past, the organization manually codified their project along socio-economic classifications using a number of different documents (e.g., project plans, proposals), the codes provide the means to track and report on international assistance work. The Al solution developed an automated and intelligent data entry by generating the codes for the projects and enabled the development of insight on the projects, themes, and other details and significantly reduced time to deliver reporting while removing subjectivity.

To fully utilise this tool and collect user feedback, a graphical user interface was developed for the organisation through their private Microsoft Azure instance utilising the power of cloud technology for rapid and secure inference.

Designing and developing custom scripts to clean and extract data from various file formats. These scripts were able to create a normalized analytical data set from the raw data to support the rapid iteration needed to implement the solutions.

To enable codification against new priorities, Large Language Models (Generative AI) were tested with impressive initial results. With additional finetuning, LLMs could be ubiquitously used to assist in classifying projects against the department's priorities and indicators.

LESSONS LEARNED

The lessons learned, processes and development artefacts from this work resulted in process and platform enhancement suggestions. These included a robust text extraction and ML training pipeline for the client to facilitate future Al works.

By automating data entry, analysis and reporting through AI, insights could be developed much more accurately. This solution also removed subjective 'human' judgement in the process, which improved consistency of reports.

Examples of foreign affairs and development organisations 'becoming digital'

ORGANISATION

Unified customer experience

A US Government Department



SUMMARY

Transformed the end-to-end HR Service Delivery by implementing a digital-first operating model which enabled users to obtain 24/7 access to information and self-service options.

Automated processes across the end-end-end HR lifecycle, expanded self-service options from 4% of services to 50%, and enhanced the customer experience.

Launched an employee portal, on which over **25 applications** were designed to streamline and automate HR interactions with employees.

This was supported by a rigorous **change management** approach to enable people to transform alongside the technology and establish employee-buy in, including workshops to identify capabilities required for the future.

KEY RESULTS

Reduced the time to process promotion actions by **70 per cent** by automating personnel actions and enabling simplified, virtual panel reviews.

Received 770 inquiries through the **first ever HR chat bot**, resolving 215 and **saving 100+ hours in HR support** in the first few weeks.

Automated the processes that move Foreign Service Officers from one post to the next, reducing time spent by over 70 per cent for Foreign Service and HR staff.

Trained 80+ staff on HR processes which improved data accuracy and reduced ticket escalation to Tier 3 by 75 per cent.

Implemented a standardized 'onboarding' solution which reduced the time to onboard staff by 69 per cent, from 193 to 58 business days.

LESSONS LEARNED

Start your digital transformation in one part of the of the organisation.

Support your digital transformation by setting up a digital enablement, tech savviness and digital literacy campaign to ensure adoption of the solution.

Examples of foreign affairs and development organisations 'becoming digital'

ORGANISATION

Unified customer experience

A US Global Affairs Department



SUMMARY

Created a personalised employee experience using ServiceNow, automating HR activities and providing the means to proactively serve customers with smart use of data. There are 12 unique applications (e.g., case management, onboarding, performance management, etc.) that are used by over 27,000 customers throughout the enterprise.

Conducted **workforce planning** in recruitment, employee development, and a competency study **to inform human capital planning/customer experience skills** for 2,500 IT employees.

Implemented a new web-based forum "virtual career booth" to communicate with candidates to recruit for new roles quickly.

Now building position management to align skills and competencies to each position, enabling data-driven talent strategy. From this, we will create or enhance career pathing, succession planning, workforce planning, and alignment of employees to mentors, coaches and sponsors throughout the organisation.

KEY RESULTS

Reduced the time to process new employee onboarding cases by 35% by standardising processes for hire types and streamlining the transfer of documents and data.

Centralised HR Service Delivery for a federated model of 7 service providers and over 1200 HR Specialists into a single technology platform that is used as a mechanism for enforcing digital operational norms.

Through training on key customer experience competencies, one group of Civil Service personnel streamlined processes to acquire acquisition contracts more efficiently, resulting in the reduction of 1,000+ contracts over 250 projects across a large US Global Affairs Department

Reduced the time to hire from a typical **80 days in half**, while managing the communication with over 830+ applicants.

LESSONS LEARNED

Governance is key to successful enterprise wide transformation.

Communicating from a champion early, and often, is an enabler to lasting adoption.

Adapting new ways of communicating into business processes, with tech accelerators, can lead to a simpler UI/UX.

Taking a 'behavioural insights' approach to digital transformation in foreign affairs organisations

A behaviour change approach is based on insights from social and behavioural sciences, such as anthropology, behavioural economics, neuroscience, psychology and sociology to understand the underlying drivers of human behaviour, which then allows you to design effective change interventions

HOW TO APPLY A BEHAVIOURAL INSIGHTS APPROACH:

Too often the human element of digital transformation is ignored despite a critical element being the need to change human behaviour. This ranges from adopting new technology, new ways of working, evolving the organisation's culture to improving cyber security.

However, changing behaviour is hard.

Traditional approaches to change management, including communications and training, are no longer sufficient to drive sustainable, long-term change. Focus on identifying the target behaviours.

Spend time understanding the drivers of those behaviours.

Analyse the barriers and enablers that will allow change

Design targeted change interventions. Whether it's using the power of default settings or reducing the hassle of adopting a technology, making it 'easy' is a key principle

Case study:

A UK Government Agency used a behavioural insights approach to speed up the adoption of digital technology and establish a more digital culture. Five key behaviours that were identified and prioritised to support the digital transformation included 'hybrid', 'collaborative' and 'secure'.

By spending time understanding the barriers and enablers to change, the team were able to articulate the underlying drivers of the behaviour such as incentives, relationships, stories and tools. This enabled the design of practical and targeted change interventions.

For example, one intervention was using gamification to upskill staff.
Gamification has a long and successful history of changing human behaviour – any time you earn points, win badges, record a personal best or maintain streaks – you're playing a game and it avoids overloading staff with training.

Other interventions included a bespoke leadership training to empower leaders to champion digital behaviours, the creation of 'nudges' to foster a digital culture and decision trees to advise on which digital tool staff should use.



Top tip: Most organisations do not identify one person to be the leader of all change activities and this is where it falls flat. Sometime needs to lead the change, be the point person for communicating the key messages and ensuring measurements of behaviour insights, adoption and usability are front and centre, driving adaptive responses.

Personas to bring digital transformation to life

Stakeholders engaging with foreign affairs and international development agencies require embassies to collaborate with other embassies, government agencies and systems to ensure citizens' needs are met.

A staff member working in an embassy abroad



Staff member

PAIN POINTS

- Interacting with government agencies and external organisations that have different systems, technologies and are less digitally advanced
- Limited in person technology support, particularly through periods of change
- A lack of understanding about the opportunities that digital technology and applications can bring and 'fear' of change
- No central data repository or system to collect, cleanse and undertake data analysis meaning data quality varies and there is no 'one source of truth'

BARRIERS TO CHANGE

- Upfront IT support needed to embed changes
- Attracting and retaining IT specialists
- Uncertainty about the capability of digital technology meaning there is limited interest or low expectations in adopting it. There may be fear around change as well as how technology may impact jobs
- Crises make predicting demand more challenging
- Expectation that digital transformation has to be an 'all or nothing'

SOLUTIONS

- Better integration of systems between different HMG embassies and government agencies
- Digitally upskill current staff and provide job assurance, in addition to hiring digital transformation capability

Where possible, consolidate all systems to increase efficiency and user experience

A staff member focused on policy, based in the UK corporate centre



Staff member

PAIN POINTS

- Security requirements impact information accessibility
- Reduced budgets mean digital transformation is not prioritised
- Limited UK digital transformation experience may undermine credibility of diplomatic staff aiming to influence digital change externally
- Complicated financial processes makes data analysis difficult and limits strategic decision making, particularly for international development assistance
- Untransparent communication channels with ministers
- No single portal for staff to access corporate services

BARRIERS TO CHANGE

- Leadership not leading the change due to lack of understanding or fear about what it is and what it means
- Geopolitical shifts, crises and cost reduction pressures mean that resource and funding is reallocated away from digital transformation and digital capability development
- No dedicated delivery change experts to lead transformation. Movement of generalist and diplomatic staff across posts limits the development of corporate memory

SOLUTIONS

- Leaders to undertake behaviour change training and role model a 'digital first' mindset
- Create a clear cyber security strategy
- Hire dedicated digital delivery capability
- Ring fence budget exclusively for digital transformation
- Establish a single portal for corporate services

Leaders must drive transformation forward, dedicating time and money to its success

A customer engaging with an embassy abroad



Customer

PAIN POINTS

- Some services do not offer virtual options meaning those in need have to go to the embassy in person, e.g. for passport verification
- Administration heavy at post with paper-based processes
- Lack of clarity around where and how to get support, leading to an inconsistent customer experience

BARRIERS TO CHANGE

- As the recipients of consulate services, UK citizens do not majorly influence how the service operates
- The consulate manages lots of types of requests and has to respond to crises which limits available resource to support the development of digital capability. Cost reduction and the need to drive efficiencies add to this challenge
- Variety of consulate problems makes it hard to map out 'one solution'
- Improving the customer experience is not a priority

SOLUTIONS

- Develop a customer centred approach to consulate services
- Establish a single point of contact for citizens, for instance a digitally enabled self-serve platform
- Consider chatbots to handle queries
- Adoption of Al technology for passport recognition

All digital transformation should put user experience at its centre

Key insights

Digital transformations come in all shapes and sizes; those that succeed go beyond technology and develop change capability to support transformation.

Looking forward, we envision foreign affairs and international development agencies to be at the forefront of digital transformation, using new digital technologies to maintain their competitive advantage.

Diplomats and international development practitioners alike will feel empowered to work collaboratively across embassies and government agencies and have the resources and technology capabilities to respond to crisis and change well.

Leaders will constantly seek ways to establish a 'digital first' mindset and are proactive in their role to champion change and drive transformation forward.

All employees have access to technology expertise and support and will be able to spend more time on higher value, strategic tasks.

Those engaging with agencies have a seamless digitally enhanced process that has a brilliant user experience at its core.

1

The role of leadership is critical for any level of digital ambition – no matter what the scale



Establish a clear digital strategy and align the technology investments to the strategy



Use a behavioural change approach to build change capability across the organisation, and establish a 'digital first' mindset

Foreign affairs and international development leaders play a key role in breaking through roadblocks and helping others see the bigger picture when digital transformation doesn't get the attention it deserves.

The role of leaders also involves identifying opportunities for innovation, assessing if the organisational model should change, and how digital technology can support the organisation to achieve strategic aims, including tackling cyber-security risks.

A clear strategy enables you to tell a compelling story: create a vision beyond just technology and deliver it with consistent messaging that clearly explains the need for change and the benefits, so that you can bring people along the journey.

This does not mean delegating the role of building your narrative to your communications team: leaders need to personally own the storytelling itself.

When developing a change management approach, use a methodological behavioural change approach to understand the drivers of specific behaviours. This will enable the design of effective change interventions that lead to long-lasting change.

International Affairs and Development at Deloitte

We support foreign affairs and international development organisations including government departments and philanthropies with their transformation challenges

What we do

Our mission and purpose is to 'make an impact that matters' by elevating the human factors of transformation. Our services, expertise and capabilities drive large-scale organisation-wide transformations and help foreign affairs and international development organisations, government departments and philanthropies achieve the Sustainable Development Goals.

We have a global reach across our clients and member firms, as well as strong local connections.

We have end-to-end capabilities, from strategy to implementation, combined with deep industry expertise to develop tailored solutions to the international affairs and development context, for instance supporting organisations drive forward their digital transformation, as well as their sustainability and climate commitments.

Get in touch



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Appendix

Appendix: Source list

Title Title
1 Deloitte (2021) Seven Pivots for Government's Digital Transformation
2 Deloitte (2019) The digital workforce experience
3 <u>Deloitte (2020) The COVID-19 Cost Reduction Survey</u>
4 <u>Deloitte (2021) Seven Pivots for Government's Digital Transformation</u>
5 <u>Deloitte (2021) Seven Pivots for Government's Digital Transformation</u>
6 <u>Deloitte (2020)</u> The COVID-19 Cost Reduction Survey
7 <u>IEA (2019) Digitization and Energy</u>
8 Randall, T. (2015) The Smartest Building in the World
9 <u>Deloitte (2019)</u> The digital workforce experience
10 Deloitte (2023) Unleashing Value from Digital Transformation
11 Deloitte (2022) How to lead Digital Transformation from the Top
12 <u>UK Government (2023) Accounting Officer assessment summary: Single Trade Window Programme</u>
Behaviour First – A New Year's Resolution (Deloitte)
EAST: Four simple ways to apply behavioural insights (The Behavioural Insights Team)
Kane et al. (2019) Technology Fallacy: How People are the Real Key to Digital Transformation, MIT Press

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