

South Australian Government

Digital Transformation Toolkit Guide

Version 4.2

The Office of the Chief Information Officer



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About the toolkit

This Digital Strategy Toolkit currently comprises four tools for use by South Australian Government departments, agencies and authorities as they develop their digital strategies.

1. Digital Maturity Assessment Tool
2. Digital Transformation Prioritisation Tool
3. Digital Strategy Template
4. Digital Strategy Implementation Plan Template

How The Toolkit Works

The Digital Strategy Toolkit provides South Australian Government organisations with non-prescriptive guidance on the development and format of their digital strategies. The purpose of the template and these notes is to make the process of developing a digital strategy more efficient and make the output more effective for agencies.

The Digital Maturity Assessment Tool will help agencies understand their current level of digital maturity and identify what they're doing well and where improvements can be made. The Digital Transformation Prioritisation tool will assist agencies to determine what digital projects they should undertake first. Both of these tools will help agencies to fill in the Digital Strategy Template to articulate their digital transformation vision, how they plan to achieve it, and what activities they will be undertaking to gain the benefits of digital technology into the future. The implementation plan template can be used to map out these activities over the following years.

What is a Digital Strategy?

A digital strategy or plan is the articulation of an organisation's vision, goals and purpose for engaging with digital solutions and technologies. It articulates the opportunities and challenges related to digital activities, the governance and management arrangements and risk management issues. It lays out a plan of action in order to maximise the business benefits of digital initiatives to the organisation.

How Does a Digital Strategy Differ From an ICT Strategy?

An Information and Communications Technology (ICT) strategy usually addresses the issues associated with identifying, providing and maintaining the technological infrastructure and solutions that enable an organisation to fulfil its vision and goals.

Whereas an ICT strategy sets out the technical infrastructure (the pipes and plumbing) that underpins an organisation's use of digital solutions and channels, a digital strategy states what is to be channelled through the pipes and plumbing, how that is to be managed and why.

The two strategies can be developed together. The strategies can be combined, or they can be kept separate with references where appropriate to the other strategy.

More detail on how digital is different is provided in the Digital Strategy Template section of this document.

Definitions and scope

Characteristics of a digital strategy

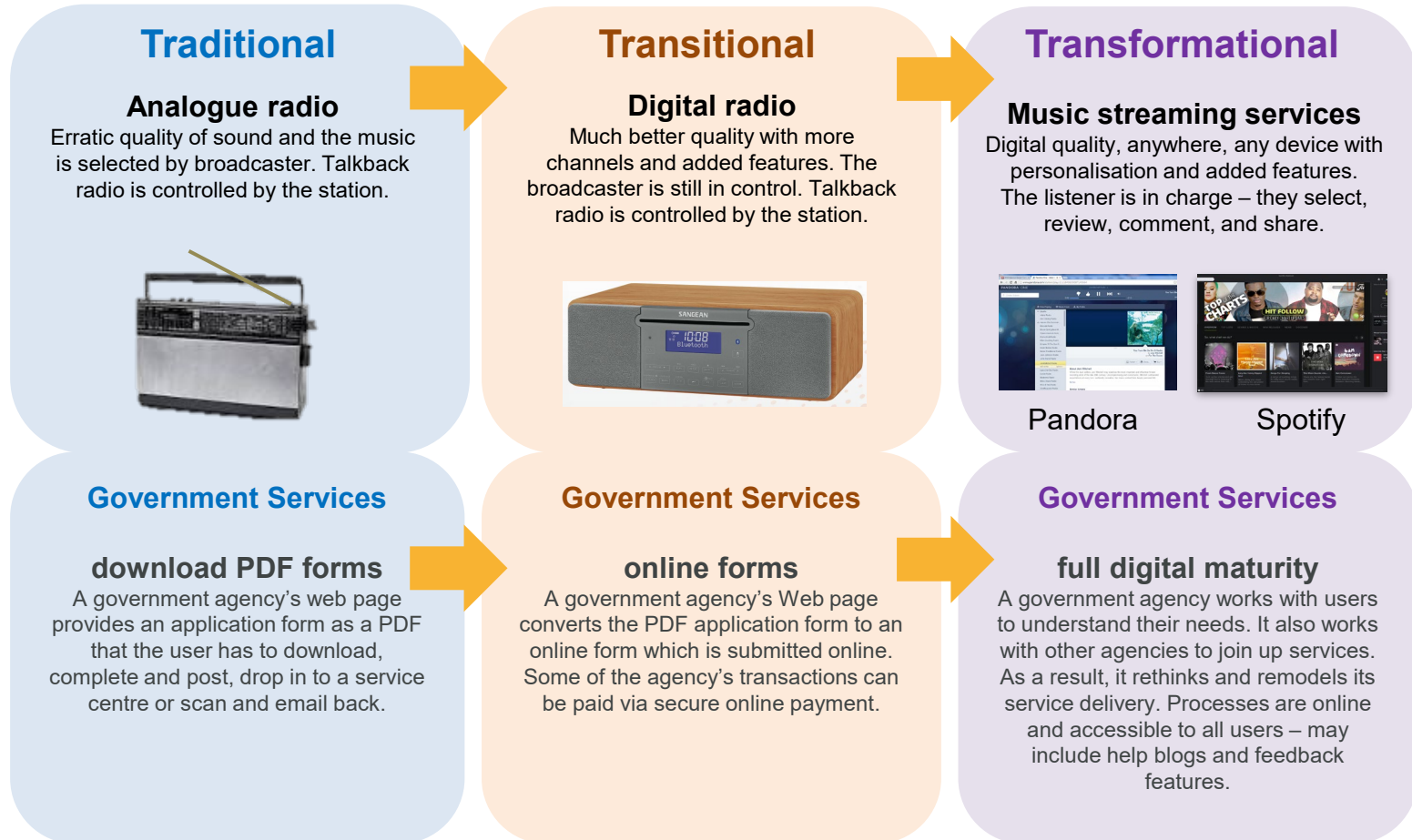
Effective digital strategies generally exhibit these characteristics:

- **Customers' needs and expectations** are the over-riding consideration in deciding what services to provide, how and through what channels.
- **Empowers staff** to think and act digitally, to be innovative and to seek ways to transform business processes and services to the digital realm.
- **Generates buy-in** from staff and executives by explaining why digital is important, how important it is, and what the benefits are.
- **Articulates the aspirations and expectations** of the organisation for its engagement with the digital world and of putting the customer at the heart of everything it does.
- **Provides the ground rules and framework** for imagining, creating, managing, delivering and monitoring digital services and digital channels.
- **Identifies and addresses the factors critical to the success** of digital activities so as to minimise the risks and maximise the benefits.
- **Provides the criteria by which to prioritise digital activities** so resources and energies are directed and planned appropriately.
- **Articulates and describes the characteristics of a digital culture** so the organisation can assess the nature and scope of the effort required to adopt and embed those characteristics.
- **Reduces the risks** of engaging with the digital world and of failing to meet the needs and expectations of customers.

Digital Strategy template

Be aspirational

A digital strategy is about transforming services to make better use of digital technologies and solutions. This is more than just putting forms online and enabling more online payments. It is not just about doing the same things we currently do more cheaply and faster. It is about business model innovation that challenges the status quo – reimagining current functions and processes to transform services for citizens. Think about how your digital strategy can lead your organisation from the traditional to the transformational end of the digital maturity spectrum.





Digital Maturity Assessment Tool explained

This Digital Maturity Assessment Tool enables organisations to self-assess their level of digital maturity.

The objective is to gain a picture of your organisation's current level of digital maturity to help you identify what you're doing well and where the improvements can be made. Understanding where you are on the digital journey has a number of benefits including:

- Understanding strengths and weakness enables mitigation strategies to be put in place
- It informs the prioritisation of resources and projects that will help accelerate advancing along the digital maturity journey
- Understanding what full transformation looks like provides a goal to aim for.

The tool presents five pillars of digital maturity (*Governance and leadership, People and Culture, Capacity and capability, Innovation, and Technology*) and divides each pillar into 5 levels of maturity - *Minimal to Transformed*. Under each level is listed the characteristics we would expect to find in an organisation that is at that level of digital maturity.

This tool is designed to be used by staff in an organisation in a position to know about its digital strategy, activities, channels and assets. For each pillar and for each level of maturity, staff tick any characteristic they feel the organisation matches or exhibits. This results in a pattern of ticks which indicates the level of maturity – see the examples to the right.

Like most tools of this nature, it is not a scientific instrument. It is expected that those using it will exercise their judgement in determining the level rating of digital maturity for each of the pillars and the overall rating. The rating will be influenced by the reality that some organisations will give more significance to certain characteristics than others, and some will know that they are close to meeting a certain aspect of maturity and will give a higher score in anticipation.

	Level 1 Minimal	Level 2 Informal and reactive	Level 3 Transitional	Level 4 Customer-driven	Level 5 Transformed
Governance and leadership	<ul style="list-style-type: none"> <input type="checkbox"/> little buy-in from the executive for digital solutions or strategy <input checked="" type="checkbox"/> a website exists but there is no departmental digital strategy <input type="checkbox"/> digital value proposition not understood or developed <input type="checkbox"/> digital opportunities are not understood or defined <input checked="" type="checkbox"/> ad hoc digital projects initiated by internal groups and individuals <input type="checkbox"/> a social media presence or engagement with customers has not been permitted by the executive 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> value proposition of digital starting to be acknowledged by executive <input checked="" type="checkbox"/> exploring the impact of innovation and emerging technologies on the business <input checked="" type="checkbox"/> some one-off collaboration with other departments regarding digital service delivery <input checked="" type="checkbox"/> social media channels are monitored but social media is seen more as a risk than an opportunity 	<ul style="list-style-type: none"> <input type="checkbox"/> digital strategy in place <input type="checkbox"/> roles and responsibilities for delivering the digital strategy are clear and understood <input type="checkbox"/> benefits are well-defined understood <input type="checkbox"/> strategic digital partnerships with other departments <input type="checkbox"/> focussed on audiences and their needs and emerging technologies <input type="checkbox"/> pro-active engagement with customers across all digital channels <input type="checkbox"/> the benefits of social media are understood and drive social media activity 	<ul style="list-style-type: none"> <input type="checkbox"/> digital strategy integrated into departmental planning process and influence overall organisational strategy and direction <input type="checkbox"/> benefits are well-defined, understood and drive all digital activity <input type="checkbox"/> KPIs and benefits to the business and customers understood, monitored and reported on <input type="checkbox"/> seamless customer experience across all channels – digital and non-digital <input type="checkbox"/> strategic collaboration with other departments, utilising multiple channels 	<ul style="list-style-type: none"> <input type="checkbox"/> digital strategy is embedded in, and indistinguishable from, the organisational vision and strategy <input type="checkbox"/> executive understands and fully embraces digital channels and leads by example <input type="checkbox"/> new services and products are born digital <input type="checkbox"/> non-digital services and products are re-engineered, joined up and re-born as digital <input type="checkbox"/> digital services and channels drive the organisational structure and reporting

Your maturity level rating: 2

Why this rating? Most ticks appear in levels 1 and 2, and looking at level 3 characteristics, the person from the organisation doing the self-assessment felt the organisation was clearly still at level 2.

	Level 1 Minimal	Level 2 Informal and reactive	Level 3 Transitional	Level 4 Customer-driven	Level 5 Transformed
Capacity and Capability	<ul style="list-style-type: none"> <input type="checkbox"/> no or little attempt to develop and document digital policies and procedures <input type="checkbox"/> little or no budget allocation to digital <input type="checkbox"/> staff have limited or no access to the web and social media platforms at work <input type="checkbox"/> no training for staff in use of digital tools and channels <input type="checkbox"/> no attempt to re-engineer service delivery and associated business practices to leverage digital service delivery 	<ul style="list-style-type: none"> <input type="checkbox"/> some digital processes developed and documented <input type="checkbox"/> move towards defining digital capabilities <input type="checkbox"/> limited awareness of digital channel benefits to staff and customers <input type="checkbox"/> risks and challenges of digital engagement not identified <input checked="" type="checkbox"/> some staff training provided in using the organisation's digital channels and social media 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> key digital policies and procedures have been identified and developed <input checked="" type="checkbox"/> digital policies and procedures regularly audited and improved <input checked="" type="checkbox"/> digital budget appropriate to current needs <input checked="" type="checkbox"/> staff productivity gains and benefits from embracing digital solutions are identified and sought <input type="checkbox"/> staff training regime helping to improve online presence and service delivery 	<ul style="list-style-type: none"> <input type="checkbox"/> all digital policies and procedures have been identified and developed <input checked="" type="checkbox"/> staff have the resources and training to fulfil their assigned roles and responsibilities for delivering the digital strategy <input type="checkbox"/> digital is fully integrated into organisational plans and the business review cycle <input type="checkbox"/> all digital resources and staff training are focussed on meeting and managing the needs of customers 	<ul style="list-style-type: none"> <input type="checkbox"/> all digital policies, procedures and digital activities are in place and are core to everyday business activity <input type="checkbox"/> policies and procedures are constantly reviewed and optimised <input type="checkbox"/> staff training supports the current digital strategy and anticipates future skills and knowledge requirements <input type="checkbox"/> resources and budgets are appropriate for supporting the digital channels, activities and service delivery <input type="checkbox"/> staff have the resources to anticipate and respond to new technologies and digital innovation

Your maturity level rating: 3.5

Why this rating? While most ticks appear in level 3, the one tick in level 4 was felt to be of significant weighting, and the staff training program is about to be launched so the self-assessment was level 3.5.

Digital Maturity Assessment Tool – Governance and leadership

Governance and leadership

The executive support, authorisation, and reporting processes and detailing of roles and responsibilities.

1. Read the characteristics of the 5 levels of digital maturity (Minimal to Transformed) and tick any of the characteristics in each level you feel apply to your organisation.
2. Look at the pattern of ticks you've given across Minimal to Transformed and then assess the digital maturity for this pillar and estimate a rating 1 – 5. e.g. if most of your ticks appear in levels *Informal and reactive* and *Transitional*, with hardly any in *Customer-driven*, your rating would be 3 – see the examples at the beginning of this tool. But use your discretion, as some characteristics may have greater weighting than others for your organisation.

	Level 1 Minimal	Level 2 Informal and reactive	Level 3 Transitional	Level 4 Customer-driven	Level 5 Transformed
Governance and leadership	<ul style="list-style-type: none"> <input type="checkbox"/> little buy-in from the executive for digital solutions or strategy <input type="checkbox"/> a website exists but there is no departmental digital strategy <input type="checkbox"/> digital value proposition not understood or developed <input type="checkbox"/> digital opportunities are not understood or defined <input type="checkbox"/> ad hoc digital projects initiated by internal groups and individuals <input type="checkbox"/> a social media presence or engagement with customers has not been permitted by the executive 	<ul style="list-style-type: none"> <input type="checkbox"/> value proposition of digital starting to be acknowledged by executive <input type="checkbox"/> exploring the impact of innovation and emerging technologies on the business <input type="checkbox"/> some one-off collaboration with other departments regarding digital service delivery <input type="checkbox"/> social media channels are monitored but social media is seen more as a risk than an opportunity 	<ul style="list-style-type: none"> <input type="checkbox"/> digital strategy in place <input type="checkbox"/> roles and responsibilities for delivering the digital strategy are clear and understood <input type="checkbox"/> benefits are well-defined, understood <input type="checkbox"/> strategic digital partnerships with other departments <input type="checkbox"/> focussed on audiences and their needs and emerging technologies <input type="checkbox"/> pro-active engagement with customers across all digital channels <input type="checkbox"/> the benefits of social media are understood and drive social media activity 	<ul style="list-style-type: none"> <input type="checkbox"/> digital strategy integrated into departmental planning process and influences overall organisational strategy and direction <input type="checkbox"/> benefits are well-defined, understood and drive all digital activity <input type="checkbox"/> KPIs and benefits to the business and customers understood, monitored and reported on <input type="checkbox"/> seamless customer experience across all channels – digital and non-digital <input type="checkbox"/> strategic collaboration with other departments, utilising multiple channels 	<ul style="list-style-type: none"> <input type="checkbox"/> digital strategy is embedded in, and indistinguishable from, the organisational vision and strategy <input type="checkbox"/> executive understands and fully embraces digital channels and leads by example <input type="checkbox"/> new services and products are born digital <input type="checkbox"/> non-digital services and products are re-engineered, joined up and re-born as digital <input type="checkbox"/> digital services and channels drive the organisational structure and reporting

Your maturity level rating (tick the box): 1 1.5 2 2.5 3 3.5 4 4.5 5

Some organisations have quite diverse service offerings and audiences. For them it may be appropriate to repeat this rating exercise for each distinct area of the organisation.

Digital Maturity Assessment Tool – People and culture

People and culture

The organisation’s culture, including customer-focus, innovation, risk appetite and attention to managing change – especially staff roles.

1. Read the characteristics of the 5 levels of digital maturity (Minimal to Transformed) and tick any of the characteristics in each level you feel apply to your organisation.
2. Look at the pattern of ticks you’ve given across Minimal to Transformed and then assess the digital maturity for this pillar and estimate a rating 1 – 5. e.g. if most of your ticks appear in levels *Informal and reactive* and *Transitional*, with hardly any in *Customer-driven*, your rating would be 3 – see the examples at the beginning of this tool. But use your discretion, as some characteristics may have greater weighting than others for your organisation.

	Level 1 Minimal	Level 2 Informal and reactive	Level 3 Transitional	Level 4 Customer-driven	Level 5 Transformed
People and culture	<input type="checkbox"/> bottom-up drive by staff for embracing digital culture <input type="checkbox"/> little or no appetite in the organisation for digital service delivery <input type="checkbox"/> risk-averse and resistant to change <input type="checkbox"/> limited or no attempt to understand customers <input type="checkbox"/> fear of risk of engagement with social media and of staff use of social media	<input type="checkbox"/> small number of staff engaged in digital projects <input type="checkbox"/> some cross-organisation awareness of digital opportunities <input type="checkbox"/> risk-aversion inhibiting change <input type="checkbox"/> social media engagement restricted to listening <input type="checkbox"/> change management strategy developing <input type="checkbox"/> starting to break down internal silos and collaborative practices emerging	<input type="checkbox"/> digital strategy developed and embraced by staff <input type="checkbox"/> digital team embedded in organisational structure <input type="checkbox"/> staff understand the benefits and opportunities to them and customers of the digital strategy <input type="checkbox"/> focus is on customers and how digital can meet their needs <input type="checkbox"/> digital transformation change management plan implemented	<input type="checkbox"/> all staff fully embrace the digital strategy and are driving cultural change <input type="checkbox"/> strong customer-focussed culture adopted and continually improved <input type="checkbox"/> staff organised in teams around customers rather than the organisation’s services and products <input type="checkbox"/> staff seek to redefine their roles and personal KPIs in line with the digital strategy and organisational KPIs	<input type="checkbox"/> all staff are digitally savvy and aware; having a defined ‘digital team’ becomes obsolete <input type="checkbox"/> digital culture is embedded into overall corporate culture and constantly monitored, improved and refined <input type="checkbox"/> feedback from customers and staff is encouraged, made public, and lessons learned are applied <input type="checkbox"/> staff proactively generate and explore ways to improve digital service delivery and internal productivity via digital solutions

Your maturity level rating (tick the box): 1 1.5 2 2.5 3 3.5 4 4.5 5

Some organisations have quite diverse service offerings and audiences. For them it may be appropriate to repeat this rating exercise for each distinct area of the organisation.

Digital Maturity Assessment Tool – Capacity and capability

Capacity and capability

The ability to be digitally mature.

Resources, staff numbers and skill sets, access to the right technology, training plan, supporting policies and procedures.

1. Read the characteristics of the 5 levels of digital maturity (Minimal to Transformed) and tick any of the characteristics in each level you feel apply to your organisation.
2. Look at the pattern of ticks you've given across Minimal to Transformed and then assess the digital maturity for this pillar and estimate a rating 1 – 5. e.g. if most of your ticks appear in levels *Informal and reactive* and *Transitional*, with hardly any in *Customer-driven*, your rating would be 3 – see the examples at the beginning of this tool. But use your discretion, as some characteristics may have greater weighting than others for your organisation.

	Level 1 Minimal	Level 2 Informal and reactive	Level 3 Transitional	Level 4 Customer-driven	Level 5 Transformed
Capacity and capability	<ul style="list-style-type: none"> <input type="checkbox"/> no or little attempt to develop and document digital policies and procedures <input type="checkbox"/> little or no budget allocation to digital <input type="checkbox"/> staff have limited or no access to the web and social media platforms at work <input type="checkbox"/> no training for staff in use of digital tools and channels <input type="checkbox"/> no attempt to re-engineer service delivery and associated business practices to leverage digital service delivery 	<ul style="list-style-type: none"> <input type="checkbox"/> some digital processes developed and documented <input type="checkbox"/> move towards defining digital capabilities <input type="checkbox"/> limited awareness of digital channel benefits to staff and customers <input type="checkbox"/> risks and challenges of digital engagement not identified <input type="checkbox"/> some staff training provided in using the organisation's digital channels and social media 	<ul style="list-style-type: none"> <input type="checkbox"/> key digital policies and procedures have been identified and developed <input type="checkbox"/> digital policies and procedures regularly audited and improved <input type="checkbox"/> digital budget appropriate to current needs <input type="checkbox"/> staff productivity gains and benefits from embracing digital solutions are identified and sought <input type="checkbox"/> staff training regime helping to improve online presence and service delivery 	<ul style="list-style-type: none"> <input type="checkbox"/> all digital policies and procedures have been identified and developed <input type="checkbox"/> staff have the resources and training to fulfil their assigned roles and responsibilities for delivering the digital strategy <input type="checkbox"/> digital is fully integrated into organisational plans and the business review cycle <input type="checkbox"/> all digital resources and staff training are focussed on meeting and managing the needs of customers 	<ul style="list-style-type: none"> <input type="checkbox"/> all digital policies, procedures and digital activities are in place and are core to everyday business activity <input type="checkbox"/> policies and procedures are constantly reviewed and optimised <input type="checkbox"/> staff training supports the current digital strategy and anticipates future skills and knowledge requirements <input type="checkbox"/> resources and budgets are appropriate for supporting the digital channels, activities and service delivery <input type="checkbox"/> staff have the resources to anticipate and respond to new technologies and digital innovation

Your maturity level rating (tick the box): 1 1.5 2 2.5 3 3.5 4 4.5 5

Some organisations have quite diverse service offerings and audiences. For them it may be appropriate to repeat this rating exercise for each distinct area of the organisation.

Digital Maturity Assessment Tool – Innovation

Innovation

The willingness and ability to imagine new services and products and new ways of service delivery. Level of proactivity and desire to assess and implement new technologies, business processes and modes of working.

1. Read the characteristics of the 5 levels of digital maturity (Minimal to Transformed) and tick any of the characteristics in each level you feel apply to your organisation.
2. Look at the pattern of ticks you've given across Minimal to Transformed and then assess the digital maturity for this pillar and estimate a rating 1 – 5. e.g. if most of your ticks appear in levels *Informal and reactive* and *Transitional*, with hardly any in *Customer-driven*, your rating would be 3 – see the examples at the beginning of this tool. But use your discretion, as some characteristics may have greater weighting than others for your organisation.

	Level 1 Minimal	Level 2 Informal and reactive	Level 3 Transitional	Level 4 Customer-driven	Level 5 Transformed
Innovation	<input type="checkbox"/> no attempt to consider how digital solutions might benefit the organisation and customers <input type="checkbox"/> no experimentation or querying the current methods of service delivery and better ways of engaging with customers	<input type="checkbox"/> business processes that are easy and cost-effective to deliver online are being digitised <input type="checkbox"/> digital projects remain organisation-centric <input type="checkbox"/> consideration is given to leveraging digital channels to change service delivery methods	<input type="checkbox"/> all business practices and processes are being reviewed and prioritised for conversion to digital channels <input type="checkbox"/> the potential for digital channels to create new ways of engaging with customers and delivering services is explored and digital projects formed <input type="checkbox"/> digital channels are used to create new relationships with customers	<input type="checkbox"/> Customers' needs and expectations drive innovation in service delivery – new services, new products, new relationships <input type="checkbox"/> Experimentation is encouraged across all channels <input type="checkbox"/> new methods of developing digital services are employed that are appropriate to the dynamic nature of the web – e.g. agile and lean	<input type="checkbox"/> the whole organisation seeks ways to use digital channels and technologies to redefine customer service and to generate new benefits <input type="checkbox"/> new management practices and organisational structures emerge to align with the digital organisation <input type="checkbox"/> imagining future needs and technologies and exploring and experimenting with methods and solutions is common practice

Your maturity level rating (tick the box): 1 1.5 2 2.5 3 3.5 4 4.5 5

Some organisations have quite diverse service offerings and audiences. For them it may be appropriate to repeat this rating exercise for each distinct area of the organisation.

Digital Maturity Assessment Tool – Technology

Technology

The suitability of the underlying technology platforms, programs and systems that support the other four pillars.

1. Read the characteristics of the 5 levels of digital maturity (Minimal to Transformed) and tick any of the characteristics in each level you feel apply to your organisation.
2. Look at the pattern of ticks you've given across Minimal to Transformed and then assess the digital maturity for this pillar and estimate a rating 1 – 5. e.g. if most of your ticks appear in levels *Informal and reactive* and *Transitional*, with hardly any in *Customer-driven*, your rating would be 3 – see the examples at the beginning of this tool. But use your discretion, as some characteristics may have greater weighting than others for your organisation.

	Level 1 Minimal	Level 2 Informal and reactive	Level 3 Transitional	Level 4 Customer-driven	Level 5 Transformed
Technology	<input type="checkbox"/> no or very low dedicated IT commitment to the digital channel and solutions <input type="checkbox"/> no or ill-defined IT strategy <input type="checkbox"/> no integration of the digital channels with business processes or systems <input type="checkbox"/> no integration with communications strategy	<input type="checkbox"/> basic IT support for the digital strategy <input type="checkbox"/> focus is on IT solutions for the department not the digital channels and the customers' needs <input type="checkbox"/> some integration of the digital channels with business processes, systems and communications strategy	<input type="checkbox"/> IT strategy and systems are aligned to the digital strategy <input type="checkbox"/> IT is focussed on digital channel delivery and delivering the benefits articulated in the digital strategy <input type="checkbox"/> greater integration of multiple IT systems that assists development of joined-up services and a single-customer view <input type="checkbox"/> IT systems and solutions comply with best practice in security and business continuity	<input type="checkbox"/> IT enhances the delivery of digital services and speed and ease of developing new digital services <input type="checkbox"/> IT team input ensures digital services are responsive to the customers' chosen devices and comply with accessibility standards <input type="checkbox"/> the IT team provides proactive input into digitisation projects and business re-engineering <input type="checkbox"/> the IT team is skilful in training and supporting other staff in their use of digital solutions, tools and devices	<input type="checkbox"/> IT strategy and performance are entirely aligned to the organisational vision and strategy <input type="checkbox"/> IT constantly optimises the benefits of digital service delivery <input type="checkbox"/> business processes and IT systems are driven by the digital channels and customers' needs <input type="checkbox"/> on-going feedback and optimisation of IT processes and digital tools encouraged and applied

Your maturity level rating (tick the box): 1 1.5 2 2.5 3 3.5 4 4.5 5

Some organisations have quite diverse service offerings and audiences.

For them it may be appropriate to repeat this rating exercise for each distinct area of the organisation.

Digital Maturity Assessment Tool – Summary rating

Record in the table the maturity level rating you gave for each of the pillars and then give your organisation an overall rating.

Pillar	Maturity Level Rating
Governance and leadership	
People and culture	
Capacity and capability	
Innovation	
Technology	
Overall digital maturity rating (add pillars then divide by 5)	

Digital Strategy template

About the Digital Strategy Template

This template has been provided to assist South Australian Government organisations to develop their own digital strategies in line with best practice across governments in Australia.

The template is a guide only and can be amended, expanded and redesigned to suit your organisation. The template is modelled on current strategy documents developed by local, state and federal government organisations.

Who Should Develop the Digital Strategy?

The Digital Strategy, and other elements of this toolkit should be researched, developed and sustained by an internal team of people representing the key areas of the organisation:

- Customer-facing
- Management
- Business operations
- Digital
- Marketing and communications
- Technology.

The strategy needs to be owned by the whole organisation so the digital strategy team must be careful to be inclusive in its research and decision-making, consult widely outside and inside the organisation (co-design with your customers), share drafts of the strategy and act on the feedback.

Researching your customers

An organisation's digital strategy should be framed in the context of what your customers need and expect of you – whether they be external or internal customers.

Ask your customers and all key areas of the organisation:

- Who are our customers – what is the range of demographic factors that affect their expectations and needs? e.g. culture, age, comfort with digital channels
- How important is digital to your customers?
- What are their online needs and expectations?
- How do they use digital channels and which ones do they prefer?
- What factors may influence customers' needs and expectations of your digital channels over time – e.g. new technologies, changes to legislation.

Consideration should be given to co-designing digital services and channels with customers to ensure the digital initiative meet their needs.

Digital Strategy template – explanation

The strategy should be completed by a team of people in the organisation with experience in customer needs, management, business operations, digital channels and solutions, design, marketing and communications and supporting technologies and infrastructure.

Why – this is the rationale for the digital strategy – e.g. alignment with stated government priorities and the organisation’s own vision and goals. Include here why digital transformation is important.

What – identify the key characteristics of the organisation’s digital strategy and provide a brief explanation of each. These are the key pillars and principles that provide the criteria by which to assess the merit and direction of digital channels and service delivery and of any digital initiatives and solutions. There should be an emphasis on the customer and on transformation of the status quo to digital channels.

How – identify the key success factors and actions that must be addressed in order to fulfil the vision, comply with the guiding principles and the associated KPIs. These will be high-level and so the detail, action plans and schedule need to be identified and addressed separately. This may require further investigation and consultation with stakeholders and customers.

Digital Strategy Toolkit OFFICIAL
 'Department of ...' - Digital Strategy

Government of South Australia

WHY

Agency mission and vision

The purpose of our agency is to provide services to citizens and develop meaningful relationships with the community that increase our shared knowledge and understanding. Our digital strategy will help us to do this by putting citizens at the center of what we do and using digital technology and innovation to enhance our relationships.

WHAT

- ✓ **First:** Our information and services are digital by default and delivered primarily via our digital channels.
- ✓ **Customer-centred:** Digital services are designed, organised, written and presented from the customer's view.
- ✓ **Transformational:** We imagine and create new services for our digital customers that maximise the benefits of digital technologies and channels.
- ✓ **Productive and efficient:** Our digital channels and services reduce the time and cost to customers of doing business with us.
- ✓ **Responsive and informed:** Our digital engagement with customers improves our understanding of them.
- ✓ **Awareness and reach:** Digital channels and services improve awareness of our services, increase the uptake of digital-enabled self-service and attract increasing numbers from our target customer groups.
- ✓ **Integration and alignment:** Digital channels and services support our strategic intent. Digital channels and our systems are aligned. The channels are aligned with the across-government digital strategy and priorities.

How

Digital transformation
 Prior projects
 Use the prioritisation tool, identify and prioritise your digital initiatives, demonstrate digital-led transformation service delivery.

Customer service
 Understand and continually monitor customer needs and preferences by asking them and acting on the findings.
 All service channels are digitally enabled and aligned.

Innovation
 Unlock innovative ideas and solutions to improve our service, make us more productive and to maximise the benefits of digital services.

Channels to Customers

Capability and change management
 There is a structured approach to building capabilities, all change that addresses people-related issues. Staff are given clear direction, training and resources so they are willing and able to embrace the digital strategy. The digital knowledge and capability of staff is developed and maintained.

Governance
 All digital activities are governed by this strategy and risk is managed by the use of appropriate policies and guidelines.

Enabling technologies
 Technical solutions are developed and managed to enable and support the digital strategy – data analysis, CRM records management.

Benefits

Better... eg	More... eg	Shorter... eg	Reduced... eg
<ul style="list-style-type: none"> Customer experience Education and advice that is easy to find, understand and act on Understanding of customers and the changing marketplace Consistency of service delivery 	<ul style="list-style-type: none"> Customer self-serving Time for Agency staff to provide quality service due to less ongoing action Customers acting as our advocates Services tailored to customer needs Collaboration across Agency in devising and delivering services to customers 	<ul style="list-style-type: none"> Time spent finding the right answers and responding to customer queries Time spent time with customers because they are assisted by digital technologies Time to determine a customer's issue 	<ul style="list-style-type: none"> Red steps and barriers to customers doing business with us Cost to serve Number of customers visiting us Time spent by our staff on administrative tasks

Benefits – these are the desired outcomes for customers and the organisation expressed in relative terms - better, more, less, shorter, increased, etc. These can become the KPIs, so where feasible set targets of timeframe and results – e.g. in two years: 15% fewer calls to our call centre and 20% increase in online transactions.

'Organisation Name' - Digital Strategy

WHY

Agency mission and vision

Insert here your mission statement, strategic intent, service charter etc

WHAT

What is the Strategy

Insert here the

- *purpose of the DS*
- *guiding principles*
- *defining characteristics*

How

Digital transformation

How and what will be transformed

Customer service

Customer service promise

Innovation

What are your aspirations for innovation?



Capability and change management

What policies, procedures, staff training and change management are required.

Governance

What management structure and resourcing is required.

Enabling technologies

What hardware and software do you need e.g. new CRM, etc.

Benefits

Better... eg

- ↑ customer experience
- ↑ education and advice that is easy to find, understand and act on
- ↑ understanding of customers and the changing workplace
- ↑ consistency of service delivery

More... eg

- ↑ customers self-serving
- ↑ time for Agency staff to provide quality service due to less time doing admin
- ↑ customers acting as our advocates
- ↑ services tailored to customer needs
- ↑ collaboration across Agency in devising and delivering services to customers

Shorter... eg

- ↓ time finding the right answers and responding to customer queries
- ↓ Face-to-face time with customers because they are assisted by digital technologies
- ↓ time to determine a customer's issue

Reduced... eg

- ↓ red-tape and barriers to customers doing business with us
- ↓ cost to serve
- ↓ number of customers visiting us
- ↓ time spent by our staff on administrative tasks

'Department of ...' - Digital Strategy

WHY

Agency mission and vision

The purpose of our agency is to provide services to citizens and develop meaningful relationships with the community that increase our shared knowledge and understanding.

Our digital strategy will help us to do this by putting citizens at the center of what we do and using digital technology and innovation to enhance our relationships.

WHAT

- ✓ **Digital first:** Our information and services are digital by default and delivered primarily via our digital channels.
- ✓ **Customer-centric:** Digital services are devised, organised, written and presented from the customers' view.
- ✓ **Transformational:** We imagine and create new services for our digital customers that maximise the benefits of digital technologies and channels.
- ✓ **Productive and efficient:** Our digital channels and services reduce the time and cost to customers of doing business with us.
- ✓ **Responsive and informed:** Our digital engagement with customers improves our understanding of them.
- ✓ **Awareness and reach:** Digital channels and services improve awareness of our services, increase the uptake of digital-enabled self-service and attract increasing numbers from our target customer groups.
- ✓ **Integration and alignment:** Digital channels and services support our strategic intent. Digital channels and our systems are aligned. The channels are aligned with the across-government digital strategy and priorities.

Example

How

Digital transformation Pilot projects

Using the prioritisation tool, identify and prioritise pilot projects to demonstrate digital-led transformation in service delivery.

Customer service

Understand and continually monitor customers' needs and preferences by asking them and acting on the findings

Innovation

Unlock innovative ideas and solutions to improve customer service, make us more productive and to maximise the benefits of digital services

All service channels are digitally enabled and aligned



Capability and change management

There is a structured approach to building acceptance of change that addresses people-related issues.

Staff are given clear direction, training and resources so they are willing and able to embrace the digital strategy. The digital knowledge and capability of staff is developed and maintained.

Governance

All digital activities are governed by this strategy and risk is managed by the use of appropriate policies and guidelines.

Enabling technologies

Technical solutions are developed and managed to enable and support the digital strategy – data analysis, CRM records management.

Benefits

Better... eg

- ↑ customer experience
- ↑ education and advice that is easy to find, understand and act on
- ↑ understanding of customers and the changing workplace
- ↑ consistency of service delivery

More... eg

- ↑ customers self-serving
- ↑ time for Agency staff to provide quality service due to less time doing admin
- ↑ customers acting as our advocates
- ↑ services tailored to customer needs
- ↑ collaboration across Agency in devising and delivering services to customers

Shorter... eg

- ↓ time finding the right answers and responding to customer queries
- ↓ Face-to-face time with customers because they are assisted by digital technologies
- ↓ time to determine a customer's issue

Reduced... eg

- ↓ red-tape and barriers to customers doing business with us
- ↓ cost to serve
- ↓ number of customers visiting us
- ↓ time spent by our staff on administrative tasks

Digital transformation projects prioritisation tool

About the tool – The aim of the tool is to reduce the risk of undertaking digital transformation projects that are not likely to succeed because they are too difficult to undertake or fail to have real benefits to customers of the organisation. This tool helps you to prioritise the roll-out of any number of potential digital projects by asking you to consider how each one rates against four key categories of criteria: mandatory criteria, benefits, ease of execution, and risk. The tool is flexible: it is in spreadsheet format allowing you to change or move criteria, add new ones, delete criteria or change the weighting.

Any number of projects can be included in the calculation – just add another column. If it is obvious that a project will not meet a mandatory requirement, do not include it here but record it in a 'to be considered' list.

Mandatory requirements are those that must be met by a project. A **NO**, rating for any mandatory requirement renders it ineligible for consideration – e.g. indicated by **FAIL** appearing in the score line.

The cost rating (high, medium, low) is an estimate only and should be considered relative to that which you would expect for a project of this nature.

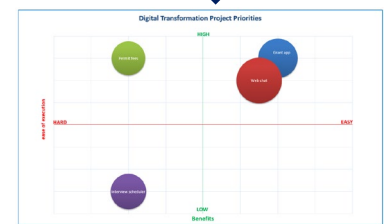
Ease of execution refers to those aspects that impact on how quickly and easily the project can be initiated, developed and delivered. How much effort is required by the organisation to make this happen.

Selection criteria		Project Titles					
		Criteria Weight	Grant app	Web chat	Permit fees	Interview schedule	Inspector reports
Mandatory							
The project creates and delivers a new or re-engineered service via digital channels			Yes	Yes	Yes	Yes	Yes
The project has high alignment with the Premier's Digital by Default Declaration			Yes	Yes	Yes	Yes	Yes
The project has high alignment with the organisation's business strategy			Yes	Yes	Yes	Yes	Yes
The project has high alignment the State's Digital Strategy			Yes	Yes	Yes	Yes	Yes
Cost							
The level of capital expenditure required to develop the project		2	High	Medium	High	Low	Medium
The level of recurrent expenditure required to maintain the project		3	High	Medium	High	Low	Medium
Benefits							
Degree to which it meets customers' expectations and needs		1	High	Medium	High	Low	Medium
Degree to which it improves organisational productivity		2	High	Medium	Medium	Medium	Low
Degree to which it reduces the cost to serve		2	Medium	High	High	Low	Medium
Level of benefit to the Government's economic priorities		1	Medium	Medium	Medium	Medium	Medium
Ease of execution							
Complexity of the business process re-engineering or creation required		1	Easy	Easy	Hard	Hard	Easy
Ease of securing budget and resources to enable the transformation		2	Medium	Medium	Easy	Hard	Hard
ease of ensuring appropriate staff levels and skills		2	Easy	Easy	Hard	Hard	Easy
Change management required to ensure staff are ready and able		1	Medium	Hard	Medium	Medium	Hard
ICT systems and infrastructure readiness		1	Easy	Easy	Medium	Easy	Hard
Ease of dealing with interdependent projects, service offerings and collaboration		3	Medium	Medium	Hard	Medium	Easy
Risk							
Operational – level of risk that the new service has a negative impact on day-to-day operations		3	Medium	Medium	Low	Low	High
Reputational – likelihood the organisation or govt criticised if the project is unpopular, fails or doesn't meet its KPIs		3	Medium	High	Low	Low	High
Financial – level of risk of loss of revenue, capital cost or operational expense blow-out		2	Low	Low	Medium	Medium	High
Organisational – potential disruption to the management and organisational structures		1	Low	High	Low	Medium	High
Mandatory test			Pass	Pass	Pass	Pass	Pass
Benefits		3	2	3	-3	-2	
Ease of execution		2	1.5	-2	-2	1	
Level of risk		15	20	11	12	27	
Total Project score			21	24.5	13	8	27

Benefits refers to the short and long term advantages and positive impact the project is estimated to have on citizens, businesses, communities and the government itself.

Risk refers to the degree of danger to the organisation and government of one or more aspects of the project failing, or causing internal disruption, or the project being unpopular with the public.

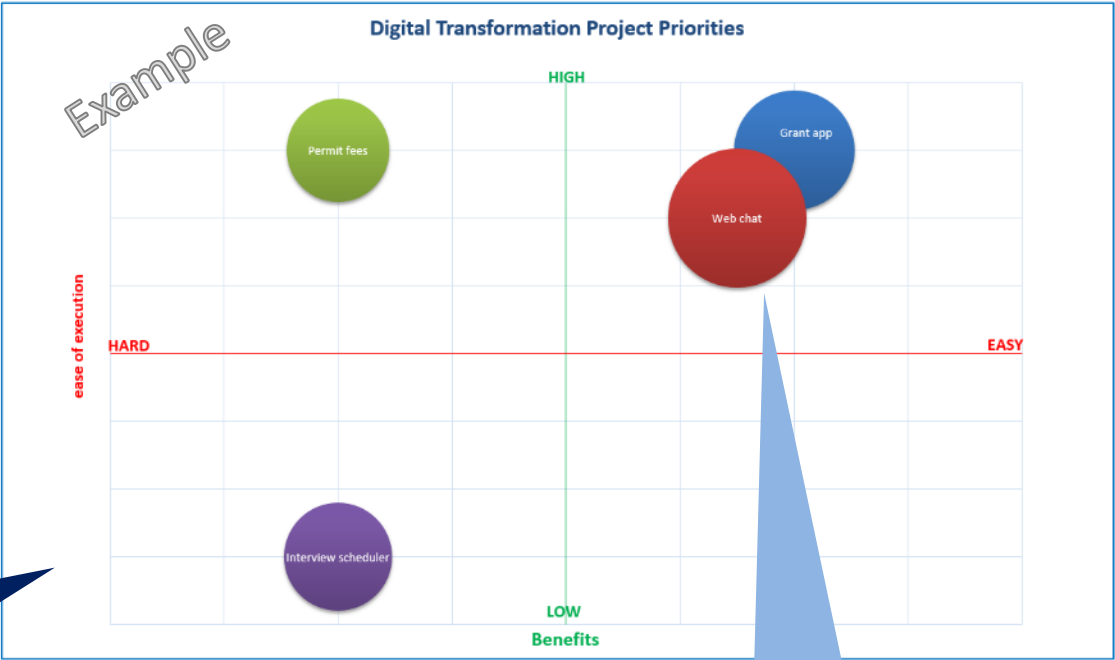
A score is generated for each project based on the weightings (1-3) you assign to each criteria. This data then generates a prioritisation matrix scatter diagram giving a visual representation of the relative merits and risks of the various projects.



Digital transformation prioritisation tool

	1	Medium	Hard	Medium	Medium	Hard
	1	Easy	Easy	Medium	Easy	Hard
	3	Medium	Medium	Hard	Medium	Easy
ations	3	Medium	Medium	Low	Low	High
s or doesn't meet its KPIs	3	Medium	High	Low	Low	High
	2	Low	Low	Medium	Medium	High
	1	Low	High	Low	Medium	High
Mandatory test		Pass	Pass	Pass	Pass	FAIL
Benefits	3	2	3	-3		FAIL
Ease of execution	2	1.5	-2	-2		FAIL
Level of risk	15	20	11	12		FAIL
Total Project score	21	24.5	13	8		FAIL

A score is generated for each project based on the weightings you assign to each criteria. This data then generates a prioritisation matrix scatter diagram giving a visual representation of the relative merits and risks of the various projects.



Risk. The size of the circle representing each project indicates the risk relative to the other projects.

Digital strategy implementation plan

About the tool – This tool is designed to help you map out a high-level implementation plan for your digital strategy. The plan encourages you to identify high-level actions and goals related to developing, implementing, and reviewing progress on the rollout of your digital strategy over a two year period. The tool is in Word format so you can change it in whatever way suits your purpose – or simply use it as a guide to create your own tool in another format.

This schedule is set up so there is a more granular picture of the rollout in the first 12 months. Adjust this as appropriate.

These are the key areas of activity that will differ from agency to agency.

	Year 1				Year 2			
	0-3mths	3-6mths	6-9mths	9-12 mths	12-18 mths	18-24 mths		
Digital Strategy	<i>Eg Drafted</i>	<i>Eg Signed off</i>						
Governance and leadership			<i>Eg Attain level 3 on Maturity Matrix</i>					
People and Culture		<i>Eg Attain level 2 on Maturity Matrix</i>						
Capacity and capability								
Innovation								
Technology								
<i>Other...</i>								
<i>Other...</i>								
<i>Other...</i>								

Suggested timeframe for conducting a review of the strategy and status of the rollout. As the digital space is so dynamic, you could expect the rollout plans to change from 6 period to period.

Digital strategies in other jurisdictions

Jurisdiction	Digital Strategy	Date	Office	Location
Australia	The Data and Digital Government Strategy	2023-2030	Digital Transformation Office	https://www.dataanddigital.gov.au/strategy
South Australia	ICT, Cyber Security and Digital Government Strategy	2020-2025	Office of the Chief Information Officer	https://www.dpc.sa.gov.au/responsibilities/ict-digital-cyber-security/ict-cyber-security-digital-strategy
Queensland	Our thriving Digital Future – Queensland’s Digital Economy Strategy	2023-2032	Queensland Government Customer and Digital Group	https://www.qld.gov.au/about/how-government-works/strategies-and-initiatives/digital-economy-strategy
New South Wales	NSW Digital Strategy	2024-2026	digital.nsw	https://www.digital.nsw.gov.au/strategy
ACT	ACT Digital Strategy	2020	Digital, Data and Technology Solutions	https://www.act.gov.au/open/act-digital-strategy
Victoria	The Digital Strategy 2021-2026	2021-2026	Digital Victoria	https://www.vic.gov.au/a-future-ready-victoria/digital-strategy-2021-2026
Tasmania	Our Digital Future	2020	Digital Strategy and Services	https://www.digital.tas.gov.au/strategy-at-a-glance
Western Australia	Digital Strategy for the Western Australian Government 2021-2025	2021-2025	Office of Digital Government	https://www.wa.gov.au/organisation/department-of-the-premier-and-cabinet/office-of-digital-government/digital-strategy-the-western-australian-government-2021-2025
Northern Territory	Digital Territory Strategy Digital Transformation Plan	2018 2021-2026	Office of Digital Government	https://digitalterritory.nt.gov.au/digital-government/strategies-and-guidance
New Zealand	Strategy for a Digital Public Service Service Modernisation Roadmap	2019 2024-2027	Department of Internal Affairs	https://www.digital.govt.nz/digital-government/strategy/strategy-summary
United Kingdom	A blueprint for modern digital government	2025	Government Digital Service	https://www.gov.uk/government/publications/a-blueprint-for-modern-digital-government
United States	Digital Government Strategy	2012	US Department of State	https://www.state.gov/digital-government-strategy