



Digital Transformation Strategy 2017-2019



Why do we need this?

Aligned with our Purpose and Direction we are doing this:

To improve our customer experiences and meet their expectations

To build our capability and provide staff with the tools they need to 'do their best'

To ensure financial viability into the future

What is the strategy about?

Vision:

Through technology Council will be easy to access and deal with, convenient, efficient and responsive

Goal:

Putting customers at the centre of what we do (Customer First), using technology to transform the way we do business (Digital by Default).

Strategic objectives

Improve Customer Experience

Create a customer journey that is simpler, clearer, faster
Support service delivery excellence

Build Capability

Create a contemporary workplace, where people can do their best
Provide accurate and timely data for decision making

Achieve Financial Outcomes

Contribute to Council's financial viability
Streamlining processes, integrating and aligning systems

How will we deliver this?

Customer Centric

Customers get to tell us what is important to them

Enabling Technologies

that are easy to implement, improve access for customers and tools for our staff

Change Champions

responsible for embedding and realising the benefits of the business change

Governance

Senior Management engagement and oversight of all digital activities

Building Blocks

that enable us to comply share, partner, lift and learn from others

Project Priorities

Prioritise projects that deliver goals and benefits



Benefits

Improve Customer Experience

Improved understanding of customer needs and experiences
Increased access for customer self serving
Increased number of customers
Stronger customer first mindset

Build Capability

Ability to share and partner with others
Integrated data to assist decision making
Improved performance reporting
Digital by default mindset
Tools provided for people to do their best.

Achieve Financial Outcomes

Streamlined operations/ processes
Reduced cost of service delivery
Mitigates growth costs in service delivery



Why do we need this?

Why do we need this?

Current snapshot

The 9 elements of DT



"We are making this investment in digital transformation so that we can provide the services expected by our customers into the future in a manner that works for them"

Mayor Surf Coast Shire



"The way people want to connect with us is rapidly changing. Customers now expect a level of online access for all services they use. We need to understand what our customers want and then use technology to transform the way we do business"

CEO Surf Coast Shire

Alignment

Our Digital Transformation Strategy must align with our purpose and direction in a way that enables us to help our community and environment to thrive.

Many organisations have started or are in the process of delivering Digital Transformation within their businesses. We can learn from them to shape our program.

Aligned with our Purpose and Direction we are doing this:

- To improve our customer experiences when they engage with us
- To build our capability & provide staff with the tools to 'do their best'
- To ensure we are efficient and financially viable into the future



Excerpt from UK Government Digital Strategy on the Why?

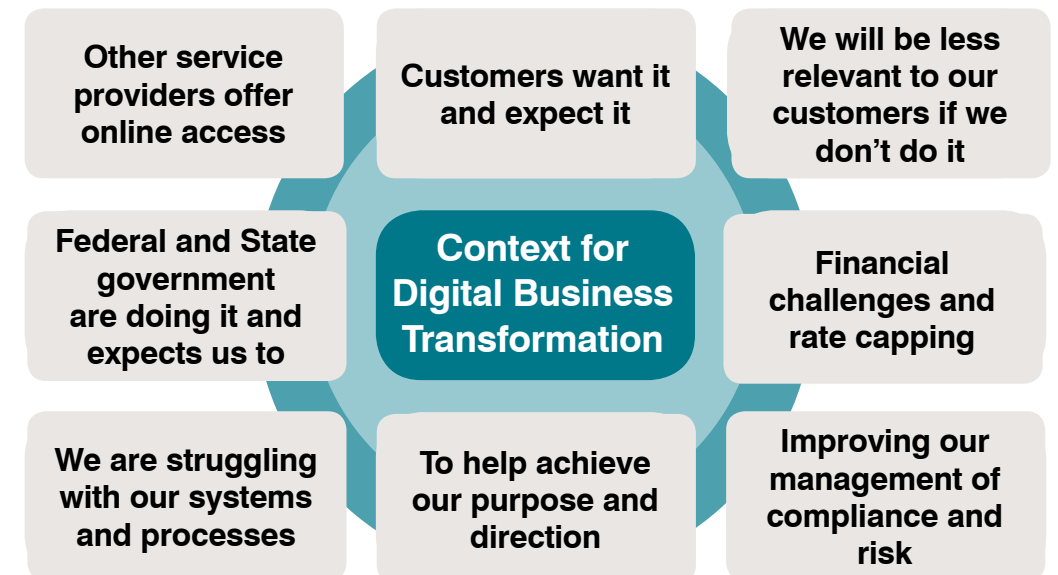
The public increasingly expects to access services quickly and conveniently, at times and in ways that suit them. We will not leave anyone behind but we will use digital technology to drive better services and lower costs.

We will also need to embed digital skills into our organisational DNA, developing a culture that puts people's needs first so we plan and design our services around what users need to get done, not around the ways government want them to do it.



Context

Digital Transformation is happening around us and Council needs to start to build its capability in this area to stay relevant to our customers and community and keep up with other levels of Government.





Current snapshot

Why do we need this?

Current snapshot

The 9 elements of DT

Where are we now?

Surf Coast Shire is well placed to deliver a Digital Transformation program through building on its existing systems to improve the customer experience and at the same time streamline its processes and systems.



- Desktops and devices have good functionality
- All our core software is current version and supported
- Committed to a Business Improvement Program (BIP)
- Many systems/ tools are delivering service needs
- A number of champions who are keen to get on with it



- No ability to have a single view of customer (internal and external)
- A lot of features in current systems are not being used
- Generally internally focussed on delivering services
- Process improvement are not a key focus and no business analyst roles exist
- Systems not effectively integrated
- Silo based approach to solving business issues

Current Surf Coast ICT Environment

The diagram below outlines the core current business systems operating today.

Function	Product	Vendor
Core systems		
Financials	Authority	Civica
Asset management		
Land, property and rates		
HR/Payroll		
CRM		
Document management	TRIM	Civica & Alpha West
Business systems		
Financials - front end	BIS	Civica
GIS	Exponare/map info	Pitney Bowes
Desktop	Windows 7, 8,& 10	Microsoft
Website/Intranet	Seamless	Seamless

The 9 elements of DT

Why do we need this?

Current snapshot

Current activities underway

The 9 elements of DT

From executive interviews undertaken by MIT Sloan on organisations undergoing digital transformation, they found:

- The best companies combine digital activity with strong leadership and vision to turn technology into transformation.
- Executives are digitally transforming three key focus areas of their enterprises: customer experience, operational processes and business models.
- Currently, no company (n the sample) has fully transformed all nine elements. Rather, executives are selecting among these building blocks to move forward in the manner that they believe is right for their organisations.

Those highlighted in blue are identified as elements that provide the most opportunity to Council.

Customer experience	Transforming Operational Processes	Transforming Business Models
Customer Understanding (of what they want)	Process digitisation (automating as many processes as possible)	Digitally modified business (focus on customer and living our direction)
Top Line Growth (in person sales)	Worker enablement (ABW, Flexibility, tools)	New Digital Businesses (Digital Products)
Customer Touch Points (multiple channels - integrated, self service)	Performance Management	Digital Globalization (Shared Service / Synergies)

Source MIT Sloan Management Review

What is the strategy about?

Digital Transformation... It's all about People, Process and Technology

PEOPLE

- Strong leadership to deliver the change
- Alignment to Purpose and Direction
- Improving staff experiences by providing great tools
- Customer focussed culture & behaviours
- Change champions to implement the change into the business
- Business Analyst skills to understand the business
- Project Management skills for delivery



PROCESS

- Customer driven digital services
- Efficient core operational processes
- Focus on three priority areas
- Aligning business processes to new systems to achieve maximum efficiency (using business analyst skills to assist)
- Integration of data and systems
- Single source of data across processes
- Value adding, waste avoiding

TECHNOLOGY

- Building on Foundation Systems
- Using the full functionality of our systems & integrating them
- New / upgraded systems for priority areas (Customer Access, Planning, Finance)
- Tools that support the business & paperless focus eg Trapez,
- Health checks of existing systems eg Finance

What is the strategy about?

Digital Transformation Summary

Strategic Objectives

Principles

Risks for the DT program

Transitioning

Digital Transformation summary

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Goal

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Strategic objectives

Improve Customer Experience

Build Capability

Achieve Financial Outcomes

Benefits

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Improved understanding of customer needs and experiences
Increased access for customer
Increased number of customers self serving
Stronger customer first mindset

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Tools provided for people to do their best.

Achieve Financial Outcomes

Streamlined operations/ processes
Reduced cost of service delivery
Mitigates growth costs in service delivery

Priority projects 17/18

Customer Access

Planning

Finance

Quick Wins -17/18

Implementing tools to improve capability - such as Trapeze, paperless payroll, tablets for staff, electronic signature.

Strategic Objectives

- What is the strategy about?
- Digital Transformation Summary
- Strategic Objectives**
- Principles
- Risks for the DT program
- Transitioning

Digital transformation is business change built on technology

The overarching objectives are to develop digital services that:

<div data-bbox="721 751 1313 890" data-label="Section-Header"> <h3>Improve Customer Experience</h3> </div> <div data-bbox="721 916 1313 1109" data-label="Text"> <p>Create a customer journey that is simpler, clearer, faster Support service delivery excellence</p> </div> <div data-bbox="721 1141 1313 1632" data-label="List-Group"> <ul style="list-style-type: none"> • Always seeking to understand our customers and engaging them to find out what's important to them • Designing digital services that meet customer needs • Using technology to enable ease of access by our customers • Establishing a customer reference panel to advise on ways to improve access • Building a Customer First mindset, culture and behaviours </div>	<div data-bbox="1395 751 1986 890" data-label="Section-Header"> <h3>Build Capacity</h3> </div> <div data-bbox="1395 916 1986 1109" data-label="Text"> <p>Create a contemporary workplace, where people can do their best Provide accurate and timely data for decision making</p> </div> <div data-bbox="1395 1141 1986 1854" data-label="List-Group"> <p>Strategic Capability</p> <ul style="list-style-type: none"> • Learning from others and staying connected with leaders in DT • Partnering with others to drive Local Government efficiencies such as shared services and sharing technology solutions <p>Management Capability</p> <ul style="list-style-type: none"> • Improved and easy access to data or reports to assist decision making <p>Organisation Capability</p> <ul style="list-style-type: none"> • Providing tools for staff to 'do their best' by designing effective solutions • Digital by default mindset • A digital platform that integrates data and processes (integrating Business and IT </div>	<div data-bbox="2069 751 2660 890" data-label="Section-Header"> <h3>Achieve Financial Outcomes</h3> </div> <div data-bbox="2069 916 2660 1109" data-label="Text"> <p>Contribute to Council's financial viability Streamlining processes, integrating and aligning systems</p> </div> <div data-bbox="2069 1141 2660 1498" data-label="List-Group"> <ul style="list-style-type: none"> • Designing digital services so that customers can self serve • Focussing on streamlining processes wherever possible to gain efficiencies • Ensuring systems are integrated, efficient and support the business • Aligning business processes to new systems to achieve maximum efficiency </div>
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Principles

What is the strategy about?

Digital Transformation Summary

Strategic Objectives

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Risks for the DT program

Transitioning

Surf Coast Shire will approach its digital transformation by aligning to important design principles. This strategy incorporates the principles developed by the Australian Government.

These design principles (summarised) have been developed by the Digital Transformation Agency.

- **Start with needs: user needs, not government needs.**
Start with identifying user needs – research data and talk to users.
- **Do less.**
Make things reusable and shareable, build technology others can build upon, link to the work of others.
- **Design with data.**
Look at how existing services are used, let data drive decision-making, not hunches and test with users
- **Do the hard work to make it simple.**
Making something look simple is easy. Making something simple to use is much harder.
- **Iterate. Then iterate again.**
Start small and iterate wildly, delete things that don't work and make refinements based on feedback.
- **This is for everyone.**
Everything we build should be inclusive, legible and readable. We're designing for all, not just web users
- **Understand context.**
We're designing for people. Think hard about the context in which they use our services.
- **Build digital services, not websites.**
Uncover user needs and build the service that meets all aspects of those needs.
- **Be consistent, not uniform.**
Use the same language, the same design patterns and be consistent. Continually improve
- **Make things open: it makes things better.**
Share what we're doing (designs, ideas, failures with anyone interested).

Also important to our approach

- **Stay connected**
It is essential that Surf Coast stays connected to what local government and other levels of government are doing
- **Get prepared**
Recognise major reform is coming and we need to be ready
Build capability so that we can harness future opportunities
- **Look for common interests**
G21 regional Councils and other neighbouring Councils
Councils that use same vendors
Other organisations with similar needs
- **Don't reinvent good work**
Adopt DTA principles
Learn from others
Copy what works!
- **Focus investment where there is most value**
Wherever possible make existing systems work for us
Invest time with people – customers and staff
- **Be transparent**
Monitor, measure and report – and celebrate success

Risks for DT program

What is the strategy about?

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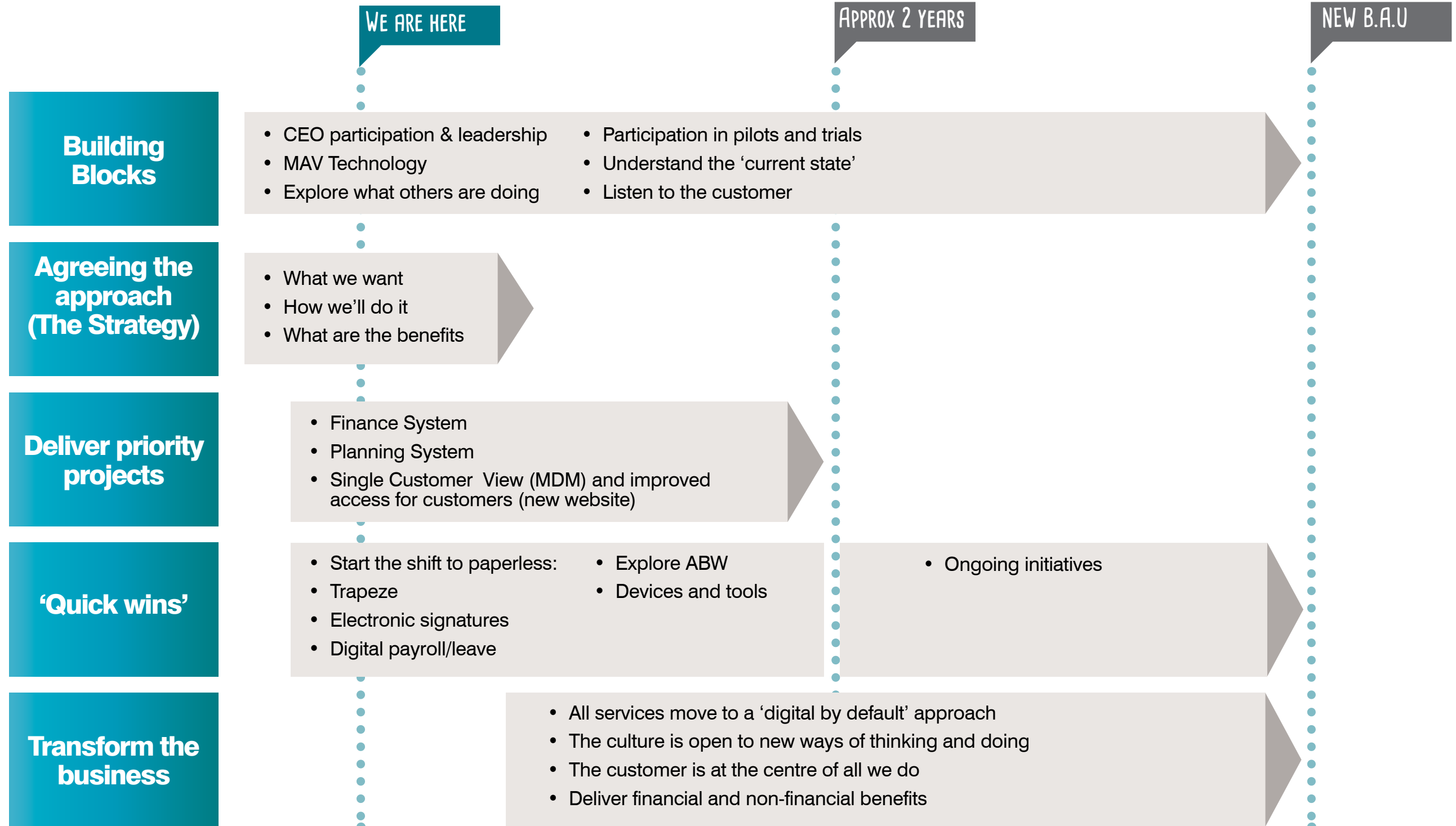
Risks for the DT program

Transitioning

Risk	Likelihood (H-M-L)	Impact (H-M-L)	Mitigation
Not realising the identified benefits for the community or they don't see any change to accessing our services	M	H	Talk to customers about what they want, identify benefits early, engage them through the project to test technology, and measure post implementation
Project doesn't deliver benefits for the organisation	M	H	Develop clear program of benefits to be delivered, establish project teams to deliver, supported by change champions
Project doesn't meet expectations of all stakeholders including staff, the community, other levels of government	M	H	Develop DT Strategy (including benefits), project management, and engagement of key stakeholders during delivery
Lack of buy in /ownership within the organisation	M	M	Develop a comms and engagement plan that engages early and often for all
Senior leadership not staying engaged	L	H	Implement proposed Governance structure and regular progress reporting to Council
Our existing systems are unable to deliver the proposed DT program	M	H	Continue to monitor how proposed new systems sit within current IT architecture
Loss/ significant change to existing IT resources	L	H	Develop succession plan for key staff
DT projects go over budget or vendors don't deliver what they say they will	M	H	Ensure project management practises are in place and being monitored for all projects, use of external IT expertise as required
Funding is limited/ unable to be provided for the program/ resourcing costs are not allocated	M	H	Ensure DT Program budget is approved before commencing work
The organisation is going through a lot of change and this work takes it over a reasonable level	M	M	Develop a change management plan for the DT program of work

Transitioning

- What is the strategy about?
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How will we deliver this?

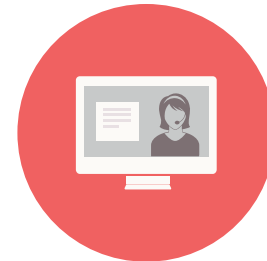
We will have a clear focus on three strategic objectives:

Improve Customer Experience

Build Capacity

Achieve Financial Outcomes

We will enable digital services via multiple channels:



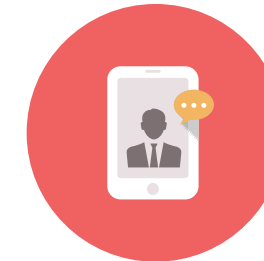
Website



Post/email



Phone/
Face to face



Mobile apps



Social media

We will use the following methods:

Customer Centric

Customers get to tell us what is important to them.

Enabling Technologies

That are easy to implement, improve access for customers and tools for our staff

Change Champions

Responsible for embedding and realising the benefits of the business change

Building Blocks

That enable us to comply share, partner, lift and learn from others.

Project priorities

Prioritise projects that deliver goals and benefits.

Governance

Senior Management engagement and oversight of all digital activities.

How will we deliver this?

Customer Centric

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Checklist for prioritising DT initiatives

Priority projects

Quick wins

Budget

Customer-centric

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Customers increasingly expect:

- More personalization
- More options
- Constant online access (24/7)
- Us to listen and respond quickly

There is a clear shift away from individual touch-points in favour of a full spectrum of customer journeys.

When we decide to introduce a change, we will ask the customers what they value and expect.

- Research & Data
- Talk to users
- Customer Reference Panel



Enabling Technologies

How will we deliver this?

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An enabling technology is an invention or innovation, that can be applied to drive radical change in the capabilities of a user or culture (Wikipedia)

It is important that we source technologies that:

- Are easy to implement
- Improve access for customers
- Shift culture and capability

Examples endorsed by Council so far include:

- Planning System software
- Trapeze
- Paperless Payroll
- Tablet devices



Change Champions

How will we deliver this?

Customer Centric

Enabling Technologies

Change Champions

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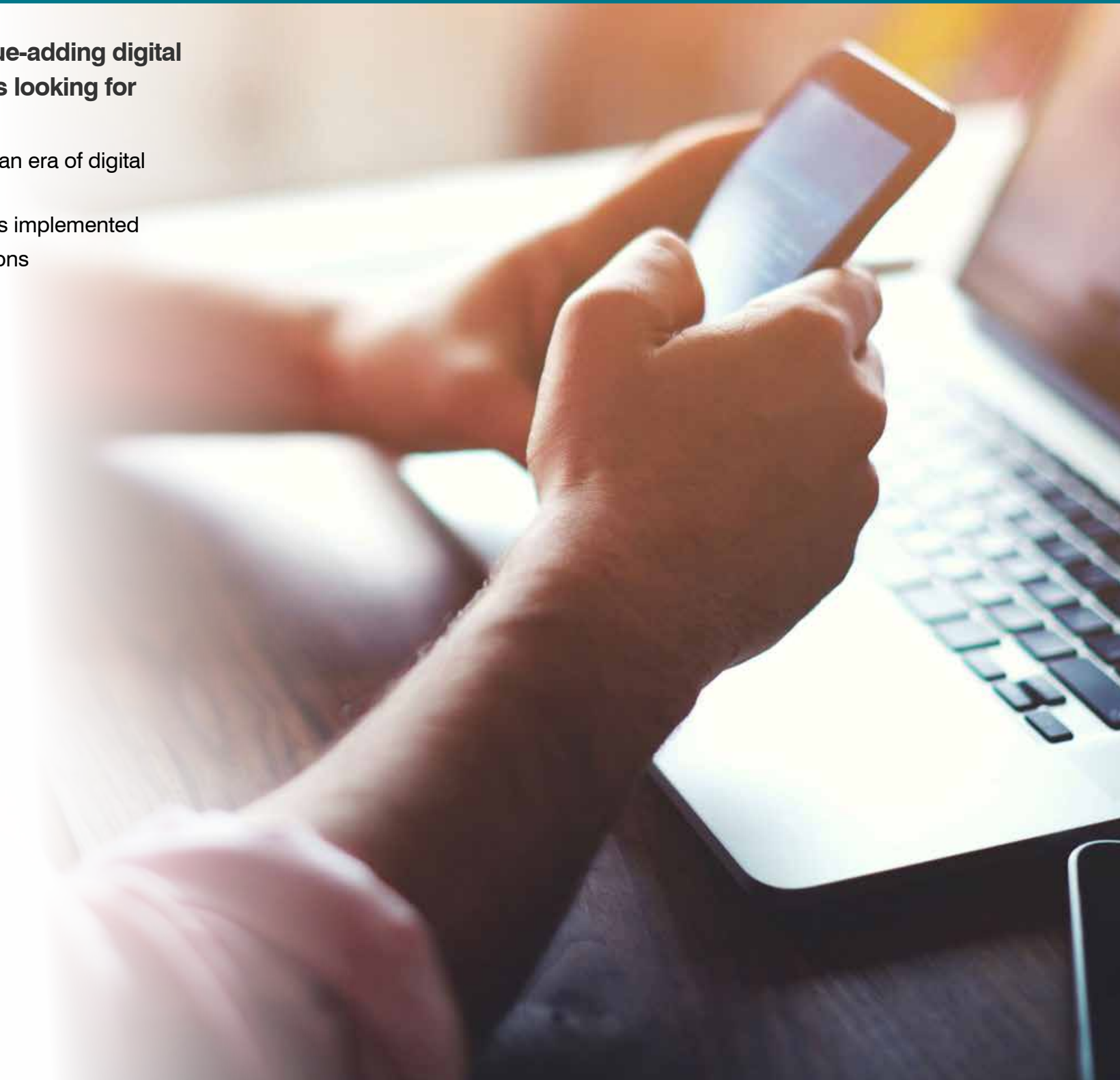
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Champions can help identify, investigate and implement value-adding digital opportunities that might otherwise be missed and are always looking for ways to improve the business/ service.

- A “learn by doing” approach will build the capabilities necessary for an era of digital work
- Champions can help drive/ realise the benefits after the technology is implemented
- Some Councils are leveraging external expertise to develop champions
- Governance framework identifies staff reference group
- Champions drive ongoing improvement
- Champions see opportunities for the business areas
- Champions help remove obstacles



Building Blocks

How will we deliver this?

Customer Centric

Enabling Technologies

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Building Blocks

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Building Blocks help to transition the business to Customer First and Digital by default and include

- Establish processes that support service delivery and compliance as well as providing important data
- Cloud technologies
- Master data management system
- Establishing common general ledger structures



Project Priorities

How will we deliver this?

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The Key Priorities identified for the next 3 years to deliver goals and benefits include:

- 1. Customer Access/Master Data Management System**
 - To enable a single customer view for data and then (MDMS)
 - Introduce multi-channel access for the customer via the web
 - Common to all other Council's undertaking DT
- 2. Planning System**
 - Supporting the business to manage planning applications and introduce online access for customers
 - Already underway as a project
- 3. Finance/Asset Systems**
 - Upgrading systems we have so they are consistent with others
 - Will underpin core capability of organisation
 - Streamlining of processes across organisation



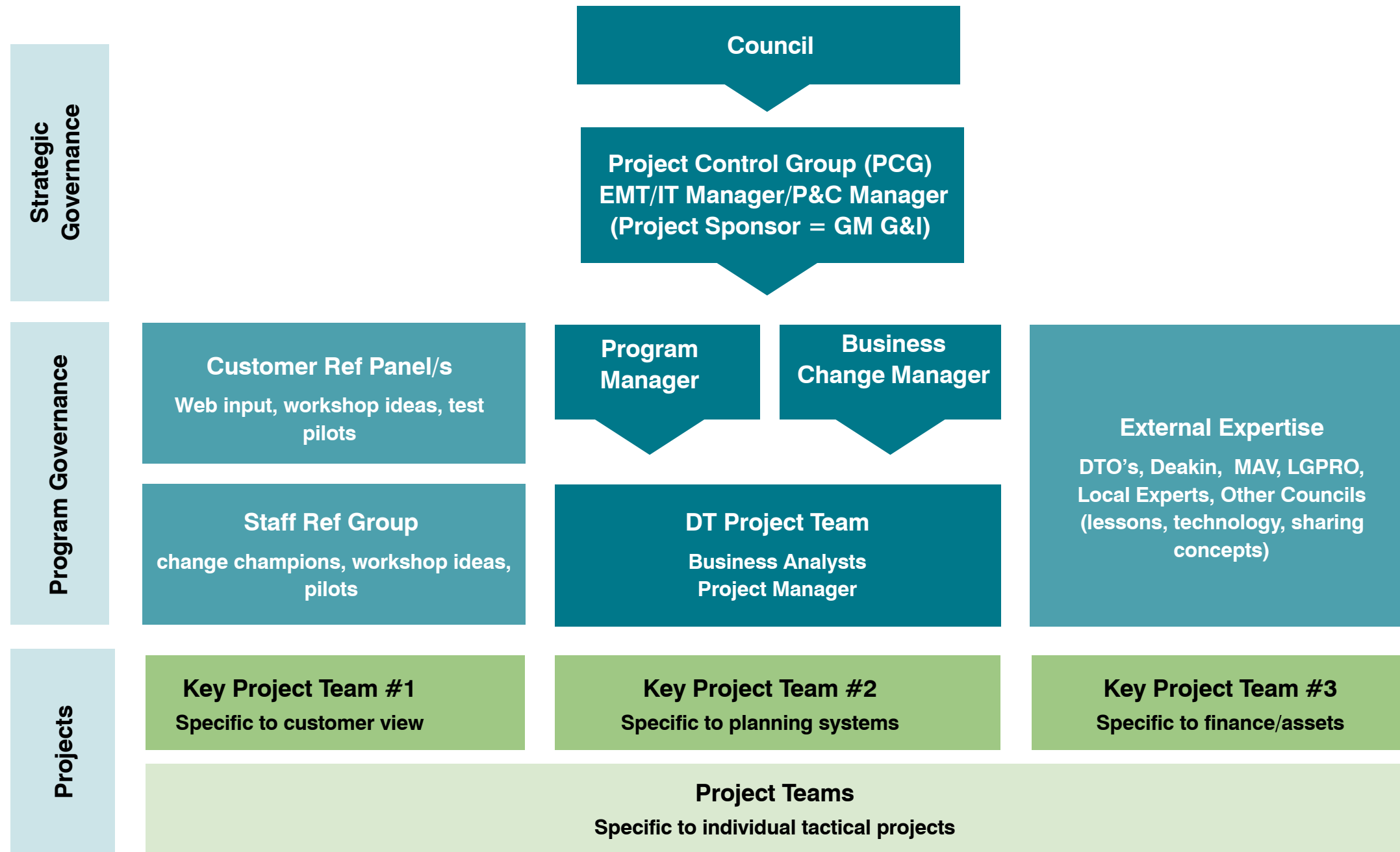
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How will we deliver this?

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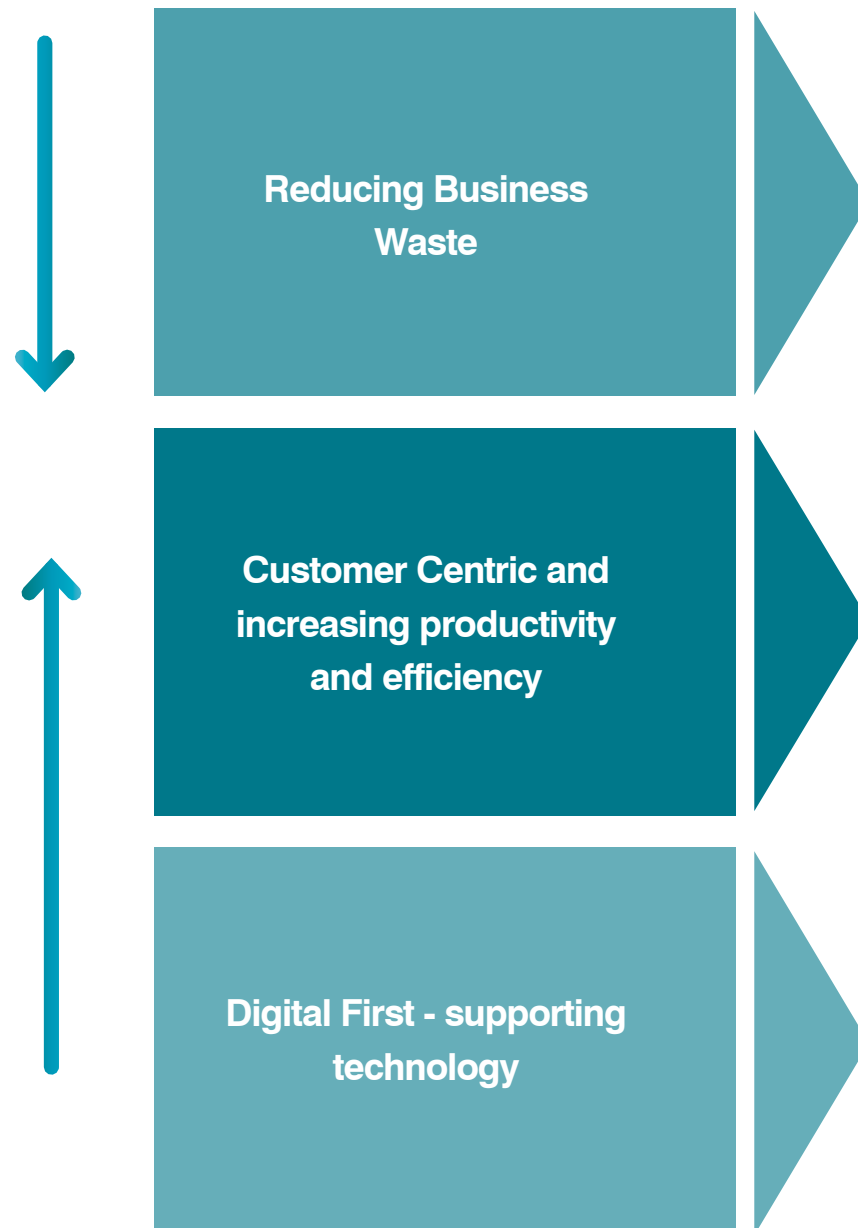


Checklist for prioritising DT initiatives

How will we deliver this?

- Customer Centric
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Business Goal



Strategic considerations

- Is it helping us to achieve our DT vision?
- Does it help delivery of one of our three focus areas?
- Do we know this is what the customer wants?

Reducing Business Waste

- Will it save time?
- Will it save paper?
- Will it make us more responsive?

Customer Focussed / Increasing Productivity/ Efficiency

- Will it make it easier for customers to access and use?
- Does it make it easier for staff to access key data?
- Does it integrate our customer / premises data?
- Is it repeatable to anywhere else in the business?
- Is it closing a current process gap?

Technology (must have)

- Is it easy to implement?
- Can it connect to what we have now?

If any initiative ticks more than 50% - it's worth exploring

Priority projects

JAN 2017 – JUNE 2019 PROGRAM

Project	Brief outline	Project status	Expected delivery
Customer Access	<ul style="list-style-type: none"> Master Date Management System (MDMS) to enable a single customer view of each customer (may include One Family One File project included in Quick Wins) Online Customer Access incorporating a redesign of our web to improve online access for information, forms and payments for a range of key services. 	<p>To be scoped</p> <p>Content review underway & technology resolved</p>	Feb 2018
Planning Online	<ul style="list-style-type: none"> New system to manage planning applications and improve workflows internally. Deliver access to the customer to lodge and view planning applications online 	Project underway to deliver the two elements	<p>Sept 2017</p> <p>Oct 2017</p>
Finance	<ul style="list-style-type: none"> Health check completed Project to implement Recommendations 	<p>Underway</p> <p>To be scoped</p>	<p>April 2017</p> <p>Feb 2018</p>
Develop & implement Change Management Plan for DT program	<ul style="list-style-type: none"> Change management plan to grow culture to Customer First and Digital by default Implementation of Plan 	<p>To be scoped</p> <p>To be scoped</p>	<p>June 2017</p> <p>June 2019</p>

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2017 PROGRAM

Project	Brief outline	Benefits cross check			Project status	Expected delivery
		CE	BC	FO		
Tablets for staff	<ul style="list-style-type: none"> Provide tablets for staff where mobility makes sense 		✓	✓	Underway	Mar/ April 2017
Trapeze	<ul style="list-style-type: none"> Plan and drawing management software for planning and engineering 	✓	✓		Underway	April 2017
Paperless Payroll	<ul style="list-style-type: none"> Civica product that enables online timesheets and leave forms 		✓	✓	Underway	Sept 2017
TRIM/ Authority Integration	<ul style="list-style-type: none"> Transparently stores authority documentation in TRIM (currently done with paper in 2 systems) 		✓	✓	Yet to commence	Dec 2017
Paperless Signatures	<ul style="list-style-type: none"> Enabling use of electronic digital signatures to approve digital documents securely 		✓		Yet to commence	Sept 2017
Asset Management Health Check	<ul style="list-style-type: none"> Assessment of system and recommendations identified including online replacement of WRR 		✓	✓	Underway	Dec 2017
One Family One File	<ul style="list-style-type: none"> Single customer view for families/ children inc. registrations for MCH, kindergartens – likely to be included as a requirement in MDMS project 	✓			To be scoped	Feb 2018
Mobile Food Safety Inspection	<ul style="list-style-type: none"> Open Office product that adds onto existing system and provides the ability to undertake our new food safety inspection process using mobile technology. 	✓			Yet to commence	Sept 2017

Budget

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Anticipated Investment for DT Phase 1 (3 year program to June 2019) \$000's	Spent and/or committed	Estimated Project Cost	Funds allocated to date (1/4/17)	Further Investment required
Key Projects (Planning, Finance, Customer Access / Master Data Management)	170	2295	345	1950
Other Projects (eg Trapeze, paperless payroll)	130	900	150	750
Project Delivery resources (including base backfill)	25	2050	300	1750
Other costs	0			
Customer Engagement	0	150	0	150
Unallocated funds in hand	0	0	475	(475)
Contingency	0	1,000	0	1,000
Total	325	6,395	1,270	5,125

What will the benefits be?

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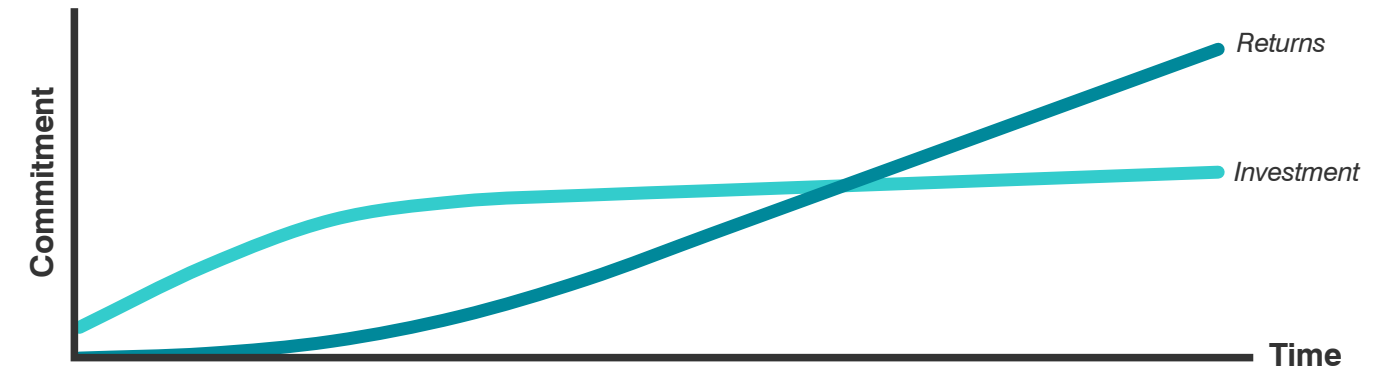
Benefits map

Front-loaded investment is required

- To address core system issues
- To establish key capabilities
- To enable future transformation

Benefits are downstream

- Focussed process re-design using BA skills
- Driven by a culture where innovation is evident
- Will increase as digital maturity grows



It will be important to identify and capture benefits and report regularly

Strategic Objective	Improve Customer Experience	Building Capability	Achieve Financial Outcomes
WHAT IS THE BENEFIT?	<ul style="list-style-type: none"> • Improved understanding of customer needs and experiences • Increased access for customer • Increased number of customers self serving • Stronger customer first mindset 	<ul style="list-style-type: none"> • Ability to share and partner with others • Integrated data to assist decision making • Improved performance reporting • Digital by default mindset • Tools provided for people to do their best. 	<ul style="list-style-type: none"> • Streamlined operations -(processes and systems) aligned to gain efficiencies • Reduced cost of service delivery • Mitigates growth costs in service delivery
WHY IS IT A BENEFIT?	<ul style="list-style-type: none"> • Meeting customer expectations • Digital services are cheaper • More convenient for customers 	<ul style="list-style-type: none"> • Sharing and partnering to gain efficiencies and reduce costs • Reduction in paper and increase in online services • Access to better data • Staff can do their best • Know our performance 	<ul style="list-style-type: none"> • Improved business efficiency and business / IT integration • May create financial capacity for other council priorities • Reduces the need to increase staff levels to manage growth
HOW WILL WE MEASURE IT?	<ul style="list-style-type: none"> • Annual survey of customers • Number of services online 	<ul style="list-style-type: none"> • Number of digital business processes • Staff engagement survey 	<ul style="list-style-type: none"> • Reduced service delivery costs • % reduction in use of paper

DT projects will also individually measure against four criteria: user satisfaction, digital take up, completion of rate of transactions, cost per transaction

Benefits map

What will the benefits be?

Benefits map

