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Digital  
transformation  
in government

# Digital transformation in government

*Reform* was delighted to host a policy roundtable on digital transformation in government in October 2019, with the generous support of Hewlett Packard Enterprise (HPE). The discussion was introduced by Niall Quinn, Technology Director at the Crown Commercial Service (CCS), and David Keigher, Public Sector Lead at HPE.

Digital transformation is at the heart of the Government's vision for modern, efficient public services. Digitisation enables more flexible, user-centric services and increased public sector productivity. Significant progress has been made with the Government's 'digital by default' agenda and new technologies, including Cloud, have been welcomed across the public sector. Yet, challenges to wide-scale digital transformation remain.

## **Technology for social good**

In line with the Government's ambition to use technology to redefine the relationship between citizens and the state, the roundtable attendees agreed that technology is vital in solving society's most pressing challenges. David Keigher emphasised HPE's continued commitment to creating technology that would 'advance the way people live and work'. For instance, their partnership with the German Center for Neurodegenerative Diseases is advancing Alzheimer's research and promises to transform the possibilities of healthcare provision. Niall Quinn stressed that, in order to reap the benefits of technological advances, government departments must integrate the expertise of those organisations that are committed to

solving societal challenges through technology.

## **Moving away from a one-size-fits-all approach**

The specialist expertise that underpins digital transformation and the importance of private sector organisations in promoting technological growth makes engagement between government and industry crucial. David Keigher echoed this point, recognising the importance of the public Cloud and the Government's 'Cloud First' policy in promoting the adoption of Cloud technologies. He also highlighted HPE's support for the shift towards 'Cloud Smart'-based approaches that consider a hybrid approach. The unique purpose of each government department was seen to preclude a one-size-fits-all approach. Instead, a mix between private Cloud and public Cloud services can offer the agility needed to drive digital transformation. This was embodied in the CCS' move towards the implementation of more tailored Cloud solutions.

## **Driving collaboration through better communication and smarter procurement**

The dialogue between public and private voices is undermined by a lack of communication. Government



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representatives indicated that engagement with IT suppliers was rarely catered to the specific problems of each department, meaning they were inundated with generic digital tools. Equally, industry representatives highlighted that departmental objectives were often unclear, making it difficult for them to communicate in a targeted way. Moreover, complex procurement processes created unnecessary friction for suppliers. In particular, the hostility towards using pilots and poor pre-market engagement

practices discouraged private sector involvement. Attendees agreed, however, that effective pre-market engagement was key to incentivising innovation by encouraging suppliers to think creatively about how to meet the goals of the procurement.

In strengthening the relationship between government and business, attendees also recognised the need to incorporate small and medium-sized enterprises (SMEs). There was universal support for a balance between procuring services from larger, multinational companies and better supporting SMEs. Simplifying procurement was regarded by some as a means to promote this balance. HPE saw the engagement of business, and SMEs specifically, as instrumental in using technology to offer social value.

Benefitting from better supplier-customer relationships and achieving social value, as a result, was a common goal of the roundtable attendees, but there was also a shared awareness of the challenges in promoting greater collaboration. Niall Quinn noted that an excessive focus on high-level policy can make digital transformation difficult, preventing dialogue between industry and government.

### Getting the culture right

Attendees agreed that cultural change would be foundational to providing 'digital by default' public services. CCS offered insightful examples of this, including their playbook of lessons from government departments on the digital transformation process. This aims to promote an executive strategy to prevent the "poor business planning, poor technology decisions and poor execution" that has characterised government.

Communicating successes and failures, alongside a 'test and learn' approach, would be integral to the long-term success of digital transformation. Attendees expressed concern, however, that risk-aversion in central and local government

limits systematic technology adoption. From a local government perspective, a ring-fenced budget for commercialisation and innovation activities could address this.

### Building skills for long-term digital transformation

Digital skills are one of the biggest barriers to transformation. Attendees admitted a lack of basic digital literacy among their workforce, which meant staff could not make informed decisions about technology or were applying it incorrectly and inconsistently. It was stressed that, while training was generally available to support the introduction of new software programmes, limited attention was given to ensuring a basic level of digital competency amongst staff. Attendees felt that a more holistic approach towards digital skills development was needed to bridge this gap.

Closer partnership working with IT suppliers was considered an enabler to building the right skills for digital transformation, with suppliers well-placed to help government departments deliver their upskilling programmes. Yet, representatives of IT suppliers stressed that collaboration is still patchy and dependent on departments being willing. Brexit has been a catalyst for change, raising awareness about the importance of digital skills and the digital transformation agenda and incentivising the Department for Environment, Food and Rural Affairs and GOV.UK to prepare the necessary digital materials for the UK's withdrawal from the European Union. The 'Get Ready' campaign and the move to digitised passports were cited as notable successes.

The roundtable attendees came from across the UK and offered a unique perspective on the skills shortages that existed beyond London, suggesting that a concentration of investment in the capital resulted in "disempowered and disenfranchised staff members in satellites." Similar issues were raised

by local government attendees, who suggested that the skills shortage was more acute at the local level, with less funding available to invest in digital capabilities. There was an obvious demand for solutions that addressed the division between central and local government.

### Fostering a culture of innovation

Workplace culture was raised as one of the most significant barriers to achieving digital transformation, as the exciting benefits of 'digital by default' public services were stifled by the need for behavioural change. The business sector offers an example of what this cultural change might look like, evidencing an agile mind-set, long-term digital strategy and skills development that could transform the government's current approach. Greater collaboration between government and business was repeatedly returned to as the necessary component to overcome the challenges faced, and to ensure that digital tools are used to create a better place to live and work.

**There is no silver bullet to making digital transformation work. Building the right digital skills, leadership and organisational culture are crucial steps for the Government to realise its ambition to radically change the way it offers services to citizens. Yet, long-term transformation also hinges on the ability to recognise and harness the knowledge, expertise and forward-thinking approach that private sector partners can offer. Only then greater efficiency, productivity and innovation will follow.**



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