Digital Transformation Resource Guide

The resource guide currently consists of five tools to assist government organizations in developing their digital strategies. Tools include:

1) Digital Maturity Assessment Tool (Excel)
2) Digital Transformation Prioritization Tool (Excel)
3) Digital Strategy Template (Powerpoint)
4) Digital Strategy Implementation Plan Template (Word)
5) Organizational Change Management overview and template (Powerpoint)

This resource guide provides guidance on the development and format of digital strategies for Texas state government. The tools identified in the resource guide are intended to provide resources that can make the process of developing a digital strategy efficient and effective.

What is a digital strategy?

A digital strategy is about building a plan for transforming agency services to make better use of automated technologies. This is more than just putting forms online and enabling more online payments. It is not about doing the same things we currently do cheaper and faster. It is about business model innovation that challenges the status quo. It is about reimagining current functions and processes to transform services for citizens. As your organization works toward building a digital strategy, think about how this strategy can lead your organization from the traditional to the transformational end of the digital maturity spectrum.

A digital strategy or plan is the articulation of an organizations vision, goals and purpose for engaging constituents 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 that will maximize the business benefits of digital initiatives for the organization.

Characteristics of a Digital Strategy

Effective digital strategies generally consider:

- **Customer's needs and expectations** are the over-riding consideration in deciding what services to provide, how to provide those services 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 a digital format.
- **Generates buy-in** from staff and executives by explaining why a digital strategy is important, how important it is, and what the benefits are.
- **Articulates the aspirations and expectations** of the organization for its engagement with the digital world and for 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 to minimize the risks and maximize the benefits.
- **Provides the criteria to prioritize digital activities** so resources and energies are directed and planned appropriately.
- **Articulates and describes the characteristics of a digital culture** so the organization can assess the nature and scope of the effort required to adopt.
- **Reduces the risks** of engaging with the digital world and of failing to meet the needs and expectations of customers.
- **Proof of value** to demonstrate benefits and achieve executive leadership support

Steps to building a Digital Strategy for your Agency

1) **Complete the maturity assessment tool –** it will help your agency understand the current level of digital maturity and identify what you are doing well and where improvements can be made.
2) **Complete the prioritization tool** – it will assist your agency in determining what digital projects you should undertake first.
3) **Complete the Digital Strategy template** – this will assist in articulating the digital transformation vision for your agency, how the agency plans to achieve it, and what activities will need to be undertaken to realize the benefits of digital technology in the future.
4) **Complete the implementation plan template** – this can be used to map out the activities for the following years.

Additional Information on how to use the tools:

Maturity Model Assessment

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 are the characteristics that would be expected for an organization that is at the level of digital maturity.

Digital Maturity Assessment Tool - Governance and Leadership

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

	Level 1 Minimal	Level 2 Informal and reactive	Level 3 Transitional	Level 4 Customer-driven	Level 5 Transformed
Governance and leadership	☐ little buy-in from the executive for digital solutions or strategy	☐ value proposition of digital starting to be acknowledged by executive	☐ digital strategy in place	☐ digital strategy integrated into departmental planning process and influences overall organisational strategy and benefits are well-defined, understood and drive all digital activity	☐ digital strategy is embedded in, and indistinguishable from, the organisational vision and strategy
	☐ a website exists but there is no departmental digital strategy	☐ exploring the impact of innovation and emerging technologies on the business	☐ roles and responsibilities for delivering the digital strategy are clear and understood		executive understands and fully embraces digital
	☐ digital value proposition not understood or developed	☐ some one-off collaboration with other departments regarding digital service delivery	☐ benefits are well-defined, understood	☐ KPIs and benefits to the business and customers understood, monitored and reported on	☐ channels and leads by example
					☐ new services and products are born digital
	☐ digital opportunities are not understood or defined	☐ social media channels are monitored but social media is seen more as a risk than an opportunity	☐ strategic digital partnerships with other departments	☐ seamless customer experience across all channels – digital and non-digital	☐ non-digital services and products are reengineered, joined up and re-born as digital
	☐ ad hoc digital projects initiated by internal groups and individuals		☐ focussed on audiences and their needs and emerging technologies	☐ strategic collaboration with other departments, utilising multiple channels	☐ digital services and channels drive the organisational structure and reporting
	☐ a social media presence or engagement with customers has not been permitted by the executive		☐ pro-active engagement with customers across all digital channels		
			☐ the benefits of social media are understood and drive social media activity		

Your maturity level rating (only check 1 box):   ☐ 1   ☐ 1.5   ☐ 2   ☐ 2.5   ☐ 3   ☐ 3.5   ☐ 4   ☐ 4.5   ☐ 5

Digital Strategy Template

This template is a guide and can be amended to fit the organization.

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

Why – this is the rational for the digital strategy. Include why digital transformation is important.

What – identify the key characteristics of the organization's digital strategy and provide a brief explanation of each. These are the key pillars and principles that provide the criteria to assess the direction of digital channels and service delivery. There should be an emphasis on the customer and on transformation of the business.

How – identify the key success factors and actions that must be addressed in order to fulfill the vision. These will be high level and might require additional consultation with stakeholders and customers.

Benefits – these are the desired outcomes for customers and the organization. These can become the KPI's so where feasible set targets of timeframe and results.

Digital Strategy Template

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

Enabling technologies

All service channels are digitally enabled and aligned

Channels to Customers
social media, Website, mobile/apps, walk-in, mail, publications, site visits, Call Centers

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 administrative tasks

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Digital Transformation Prioritization Tool

The purpose of this 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. The tool will help you to prioritize the roll-out of potential digital projects by considering how each project rates against four key categories of criteria that include:

- Mandatory criteria
- Benefits
- Ease of execution
- Risk

Mandatory requirements are those that must be met by a project. A, NO, rating for any mandatory requirement renders it ineligible for consideration (this is 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 similar project.

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 organization to make this happen.

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

Benefits refer to the short and long term advantages and positive impact the project is estimated to have on constituents, businesses, communities and the government organization.

Risk refers to the degree of danger to the organization of one or more aspects of the project failing, causing internal disruption, or the project not being popular with a public audience.

A score is generated for each project based on the weightings (1-3) you assign to each criteria. The score data then generates a prioritization matrix scatter diagram that provides a visual representation of the merits and risks of the projects.

Chart 1: Digital Transformation Projects Prioritized
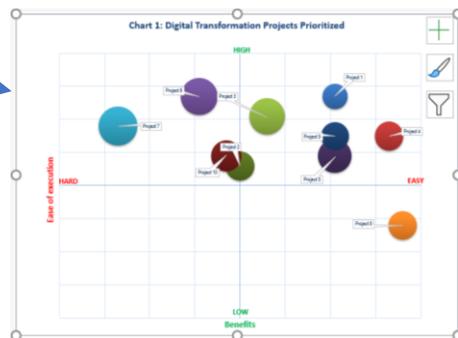
Digital Strategy Implementation Plan

The purpose of this tool is to help map out a high-level implementation plan for your digital strategy. Identify high-level actions and goals related to developing, implementing, and reviewing progress on the rollout of the digital strategy over a two-year period. The tool is in a Word format, but it can be changed to whatever works for your agency.

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

This schedule is set up so there is a more granular picture of the rollout in the first 12 months. This can be adjusted to reflect what works for your

	Year 1				Year 2		
	0-3mths	3-6mths	6-9mths	9-12 mths	12-18 mths		18-24 mths
Digital Strategy	E.g. Drafted	E.g. Signed off					
Governance and leadership			E.g. Attain level 3 on Maturity Matrix				
People and culture		E.g. Attain level 2 on Maturity Matrix					
Capacity and capability							
Innovation							
Technology							
Other…							
Other…							

Review/report

Suggested timeframe for conducting a review of the strategy and status of the rollout.