

Laying the foundations for government digital service success.

Peter Jones.

Thank you for joining us here at this years Gartner Symposium for some insights around establishing solid foundations for digital service success. I'm Peter Jones, Account Director in the Macquarie Government team, a part the of ASX-listed Macquarie Telecom group of companies.

I'm aiming on having some time at the end of the presentation for Q&A, but you can also feel free to come to the Macquarie Government stand in the exhibition area to have a deeper conversation about your digital transformation journey.

In the next 20-minutes or so, we'll be briefly touching on three core points to ensure you have a strong foundation for your digital service journey, while recognising that a citizen-centric approach is key:

- Delivering repeatable and positive digital experiences.
- Incremental transitions are the best approach to digital transformation, not leaping into the unknown.
- And thirdly, security is crucial to enduring citizen trust of digital services.

Let's take a closer look.



Citizen and business trust is essential for government digital services.

Australians will not embrace government digital services if they don't trust their personal details will be protected and kept onshore.

Headlines of government agency breaches, data leaks and outages erode citizen and business trust in governments' ability to offer secure digital services.

Storing data with the local arm of a Global Cloud Services Provider (GCSP) introduces a new threat vector which unnecessarily increases the risk of Australian data being sent offshore or accessed onshore by foreign parties.

This is particularly alarming when in a 2017 study the majority of Australian respondents (93%) expressed they don't want their data sent overseas, and 79% don't want their data shared with other entities ([OAIC survey](#)).

"Consumers are far less inclined to trust government apps. Significant distrust for government apps saw the sector come in at 8 out of 10 — down from third since last year." [2019 Deloitte Australian Privacy Index](#).

"Trust is the cornerstone of the digital economy. Without it, Australian digital businesses cannot use and share the data that underpins their operations." [Accenture](#).

Remember lining up at the RTA for hours ...

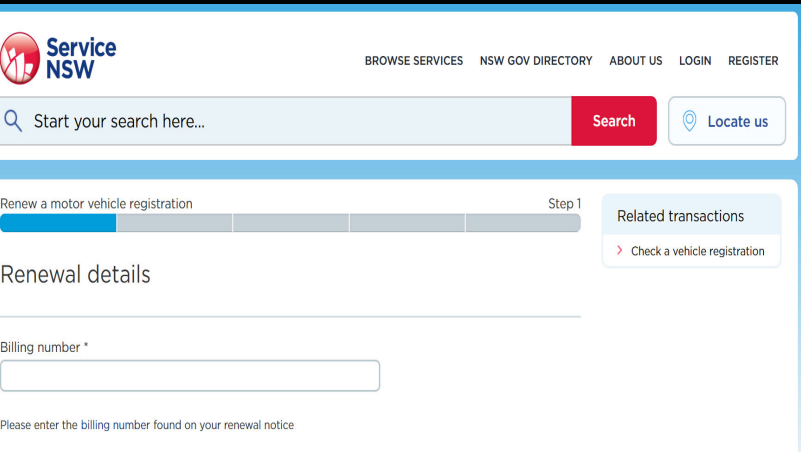


What did the public experience used to be of government services? What do we want the public experience to be now and in the future of digital services?

I think we can all relate to the skeleton; despite best intentions. At times how long did we have to queue in government service areas?

That is obviously *not* the experience we want the public to have now, and of future digital services.

The front end of digital transformation.



With a focus on the successful delivery of digital services, how far can citizen experiences improve? How far has it already improved? Hopefully, there's a few less skeletons appearing in Service NSW centre than the old RTA!

Obviously, digital transformation is far broader than just the delivery of digital services. We hear a lot about digital transformation but what does digital transformation actually mean?

There's many different requirements – operational aspects, licensing, facilities, workload prioritisation, application re-architecture, data migrations, security & regulatory requirements; interdependencies between workloads, applications and platforms, data sovereignty, and so on, and that's just on the technology aspect of transformation, let alone people and process aspects.

But that's a topic far broader than the time we have available today, but a crucial transformation aspect for us here is the delivery of digital services... this is the part we're exposed to, as many government digital services will be used by and judged by taxpayers, citizens, the public ... and that's where we'll focus today.

Digital services without a strong foundation...



How do we ensure that the digital experience is more efficient, more effective and highly secure? And not synonymous with this unfortunate beach house?

Experience has shown that some organisations – both commercial and government – have gone “all in” on the transformation of their digital services and have then had to back track and re-evaluate what they need to achieve for end users, whether internal users, external customers - taxpayers or citizens - or a combination of those.

At a time when IT is being asked to deliver more and to deliver faster, it's critical that the improved delivery of digital services is built on a solid foundation.

And it is more likely that an “all-in” transformation approach is not one that is based upon a strong foundation. So how do we ensure the delivery of fantastic digital services and successfully transforming digitally?

We need to incrementally build a strong foundation followed by transitions towards overall digital transformation.

So where do we begin? Incremental change. Prioritise services to be delivered - what's the core requirement, understand what dependencies and inter-dependencies these services have, and then control the change of what you're going to attempt and successfully deliver. You then incrementally build towards these core requirements.

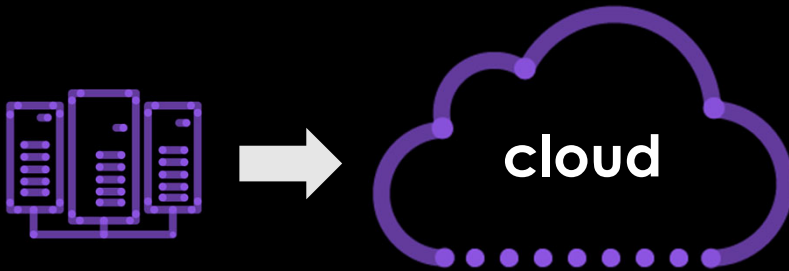
How do we ensure we are enabling a strong foundation? At one extreme it may be a highly sophisticated and mature IT approach utilising micro-services and containerisation but focused on a well identified and prioritised service or services; or it may be simplifying and centralising infrastructure backup requirements into a cloud environment. And again, remaining mindful of the value we're delivering with our citizen-centric approach.

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Two key CIO challenges.

How do I transition from legacy to cloud?



How do I best deliver digital services?



There's no doubt that digital transformation is the long game, but there are more immediate plays that CIOs and IT can and need to tackle in the short to near-term to ensure the strong foundation for the ongoing successful delivery of digital services. At the recent Mulesoft Connect conference in Sydney, it was reported that 97% of IT leaders are planning or are already undertaking a digital transformation initiative. So that's just about everyone ... which we probably already knew ... and with that level of innovation being attempted, those strong foundations are more important than ever.

This is all at a time where we're seeing greater alignment between IT and the "business" or "citizen" requirements, with IT increasingly becoming a key player and recognised service centre within the overall organisational strategy, and not just an obstacle to be overcome.

In this environment, whilst ensuring the best delivery of digital services to citizens, an underpinning transition from legacy environments to cloud services is required as part of that strong foundation.

Two key CIO challenges.

How do I best deliver digital services?



Success depends upon consumer adoption.

Consumer trust



Exceeding expectations



With the delivery of digital services in a highly complex IT environment – an average organisation may have up to 1,100 applications and a single transaction for a citizen may touch 35 different applications – how can we ensure ongoing citizen trust and exceeding expectations of that digital service experience?

We have two key success factors - consumer trust and exceeding expectations:

Consumer trust – comes from:

Security - Users will not use an online system that is not secure, think MyHealthRecord or the increasing focus of data sovereignty.

Service availability - Services must be available when needed otherwise users will stop using the service and seek alternatives elsewhere.

Exceed expectations – comes from:

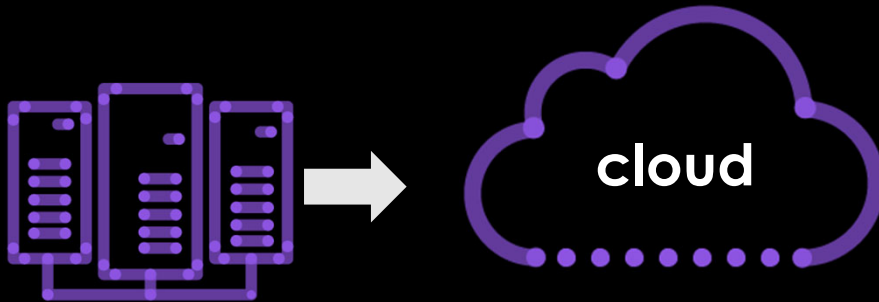
Performance - Poor network or compute latency turns users off.

Agility – Users and stakeholders expect shorter delivery timeframes, and new technological opportunities appear with greater frequency.

A simple example for the delivery of digital services that's innovative is making data streams available in a secure manner for citizens to utilise and ultimately interpret directly. The app can come later, making the data available in a reliable fashion can drive innovation in the community and fosters the successful delivery of digital services.

Two key CIO challenges.

How do I transition from legacy to cloud?



How do I best deliver digital services?

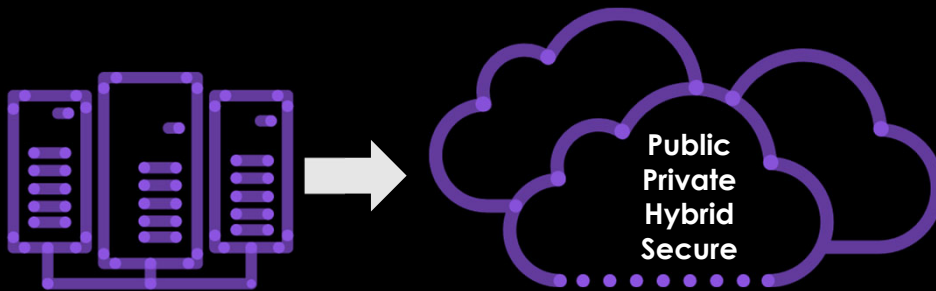


Availability
Security
Performance
Agility

We've explored how exceeding user expectations and building trust is crucial for positive user experiences, but let's now explore the 2nd CIO challenge. How does government successfully transition from legacy to cloud environments.

Two key CIO challenges.

How do I transition from legacy to cloud?



Hybrid multi-clouds

How do I best deliver digital services?



Availability
Security
Performance
Agility

That is the reality that one cloud does not fit all – that “all in” transformations into a single cloud environment can lead to a very shaky foundation.

Hybrid or multi-cloud capabilities are required for a variety of reasons:

Data sensitivity - The right environments for sensitive data such as PROTECTED and assured data sovereignty.

Cost predictability and consistency - Some providers charge per I/O, some per available resources. Fixed predictable costs can be accurately budgeted compared to the unexpected costs associated with public cloud.

Peaky or elastic requirements vs smooth or steady state – Securing your data in a protected environment yet being able to burst into public cloud when necessary.

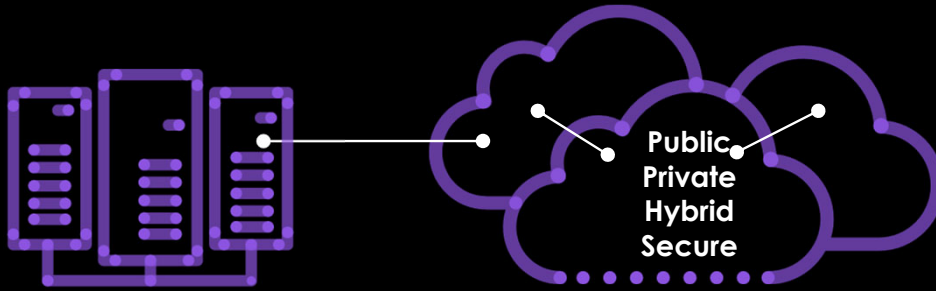
Regulatory compliance – For example, data sovereignty and critical infrastructure; the crown jewels must be protected. Increasing regulation means you're more likely to be compliant in the long run with a local cloud provider and you won't have to migrate later if regulatory requirements change – think Whole of Government Hosting Strategy.

Significant ingress / egress data movements – Depending on workload, if you're moving data around, or there's too much I/O, costs may sky-rocket in public cloud environments.

Each of these may lend themselves to different cloud environments.

Two key CIO challenges.

How do I transition from legacy to cloud?



Hybrid multi clouds
Avoid lock-in

How do I best deliver digital services?

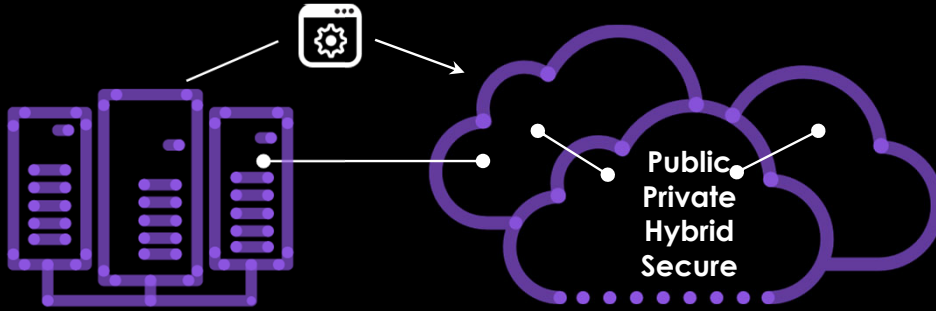


Availability
Security
Performance
Agility

With the long view in mind it's best to **avoid vendor lock-in** and improve app portability to leverage market opportunities, and to keep technology options open as new technologies emerge. The ongoing realisation of hybrid multi-clouds helps with avoiding this vendor lock-in.

Two key CIO challenges.

How do I transition from legacy to cloud?



Hybrid multi clouds
Avoid lock-in
Incremental transition

How do I best deliver digital services?



Availability
Security
Performance
Agility

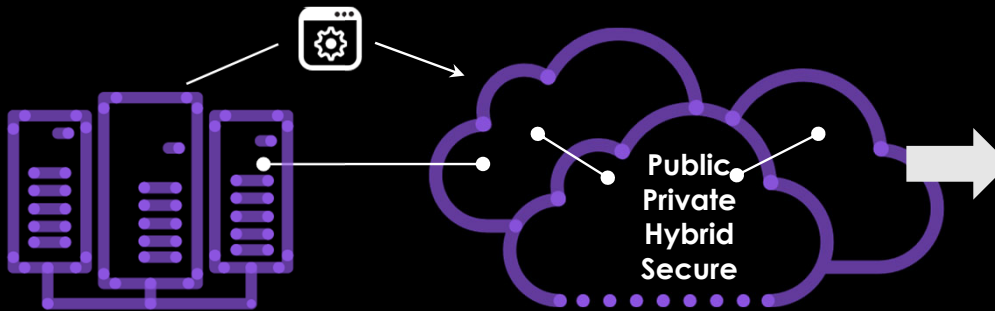
And as we continue to build this up, the **incremental transition** from legacy to a mix of on-premise, private and public cloud is ensuring a strong foundation for the delivery of digital services.

- Reduce your risk.
- Learn as you go.
- Pivot quicker with shorter project timeframes.
- Smaller teams working on well-identified services driving faster innovation.

Two key CIO challenges.

How do I transition from legacy to cloud?

How do I best deliver digital services?



Hybrid multi clouds
Avoid lock-in
Incremental transition
Security paramount

Availability
Security
Performance
Agility

Finally, for our CIO & IT challenges around transition and delivery: **security is paramount** – ensuring ongoing citizen trust and the successful delivery of digital services requires a core focus on security. Not just lip service.

Securing your digital services foundation:

Just like different clouds suit different workloads, different security needs dictate different security requirements and security budgets.

Some considerations:

- Supply chain risks.
- Data sovereignty importance.
- Vendor certifications.
- Visibility and monitoring of your digital services.

To deliver the digital services that delight and earn customer trust, as a foundation you need a secure, multi-cloud strategy.

A strategy that provides a low-risk way forward, and the freedom and flexibility to leverage new technologies and market opportunities as they arise.

Digital service first steps.



1. Legacy infrastructure, understanding your workloads.
2. O365 and public cloud flirtations.
3. Archive, backup & disaster recovery.



Digital service success!

So that's some key considerations for the CIO around transition and delivery, but what should I do first?

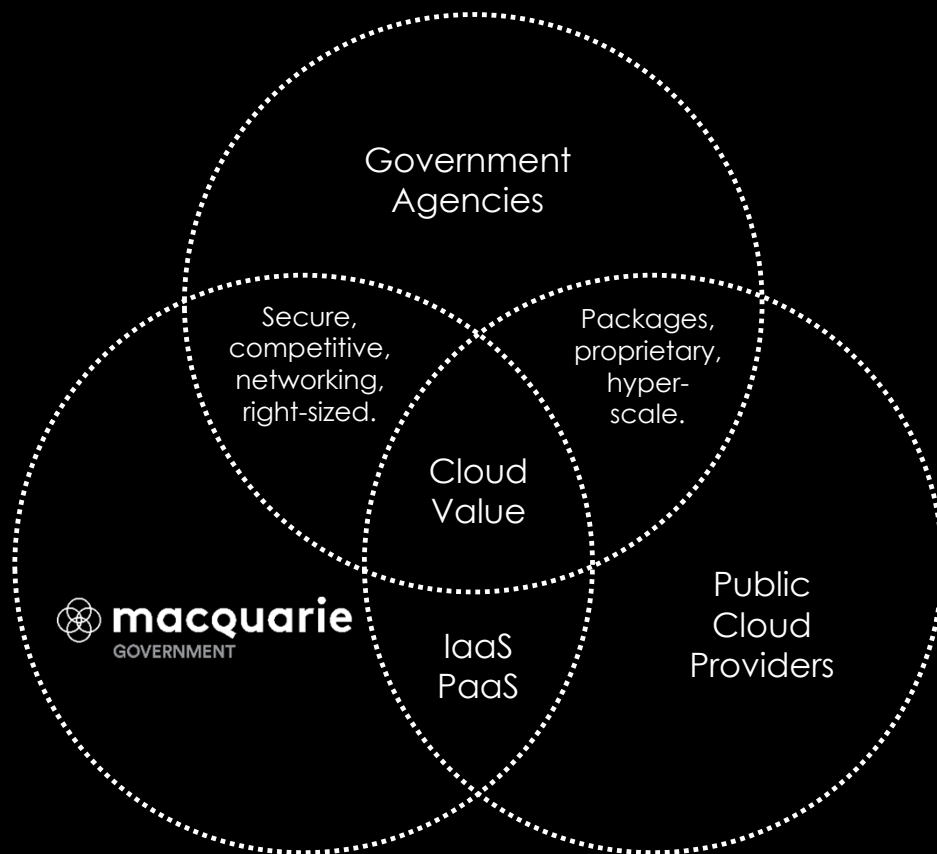
Many agencies and probably a lot of you in the room today already have made those initial steps, commonly by utilising O365 or a public cloud offering.

But how do you transition to a hybrid environment?

Like any investment we think taking the low risk, high value option is best. This can involve, for example, adopting the critical capabilities of archive / backup and disaster recovery. With this strong first step in your transition you have already covered a key aspect of citizen trust by ensuring reliability and availability of your digital services.

From there, continue to prioritise and plan what services are next, what's the next incremental change, what's core and what will continue to improve that citizen experience?

And if it is flirting with public cloud for your test and dev environments, just keep in mind that it can then be all too easy for that to get pushed into production before the right security posture and data processes have been put into place.



In wrap up, the three core points we've covered off in laying the foundations for the successful delivery of digital services were:

- *Delivering repeatable and positive digital experience in government.*
- *Making incremental transitions is the best route to digital transformation, not a giant leap into the unknown.*
- *And thirdly, keeping security is crucial to enduring citizen trust in delivering digital services.*

Being mindful throughout of keeping the citizen at the heart of the delivery process.

We deliver for Australian governments.



18+

years track record in government.



45+

Australian government agencies use and trust us.



+71

NPS = great local service bas culture.



12+

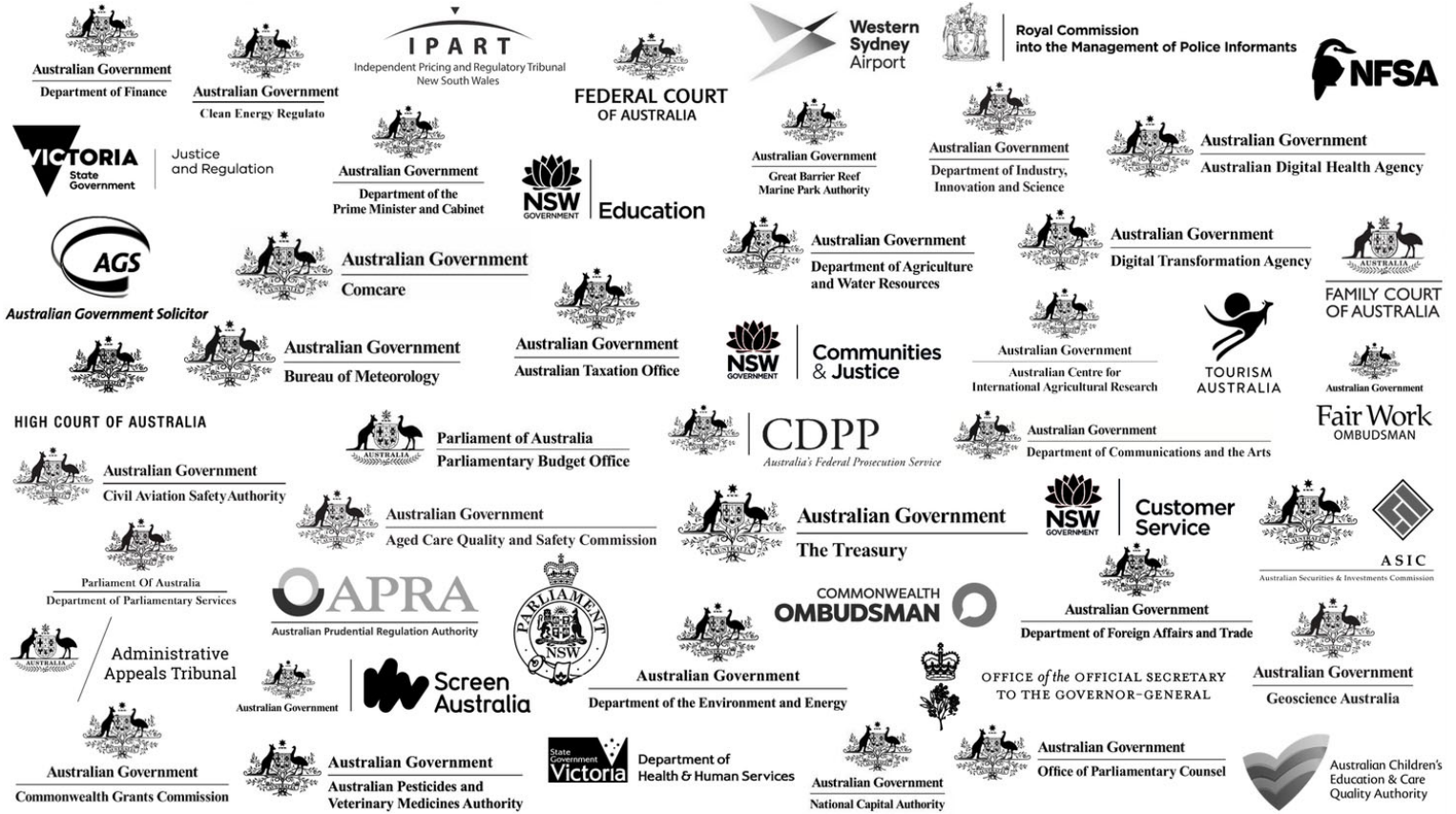
years delivering secure cloud solutions

And finally, a little about us. Macquarie Government has a long and successful history in the Australian Government sector.

We have an impressive 18+ year track record serving government.

Our Net Promoter Score is +71, compared with an industry average of single digits. You could say our service is so well regarded we are an outlier on the service spectrum.

Trusted by government.



Please, come to our stand on the showcase floor and delve deeper into how we can help you with the successful delivery of your digital services.

Thank you!

Thank you!