

# A futureready Victoria

Victorian Government Digital Strategy 2021-2026



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## **Minister's Foreword**



Every Victorian will have their own experience with digital technology.

You might be studying STEM at university or using tech to connect with your family or do your job. You could be paying bills or updating registrations, or maybe to you, digital technology is a big unknown.

We're taking these collective experiences to ask the question: what does Victoria's digital future look like?

The Victorian Government's Digital Strategy 2021-2026 seeks to answer this question. It provides a blueprint for how we will accelerate change and invest in the digital infrastructure and skills we need to serve the people and businesses of Victoria over the next five years.

We want digital to be fully embedded in how we serve the Victorian community so our people can benefit from, and be empowered by, secure, inclusive digital services.

This year, we established Digital Victoria, a new entity in government to oversee our digital transformation agenda and lead this Strategy. But digital transformation is a team effort and that's why this is a whole of government Strategy because we'll achieve the best outcomes by working together.

Our vision is supported by three key pillars: better, fairer, and more accessible services, a digital-ready public sector, and a thriving digital economy.

And our commitment is to continue to improve how government operates and foster a culture of innovation and continuous learning across the public sector. With the best technology, infrastructure, and skills, we can deliver the best outcomes for Victorians.

We're building Victoria's digital future, now and we want you to be a part of it.

The Hon. Danny Pearson MP Minister for Government Services

### **Minister's Foreword**



The past year has demonstrated the resilience of Victorian businesses and our entire community. It has highlighted our ability to adapt and innovate throughout the pandemic. This past year has shown us that connectivity is not a luxury it is a necessity. You cannot fully participate in our society without being able to get online.

From the local greengrocer moving to click-and-collect, from kids learning at home, to small and medium businesses enabling their workforce to work from home, or our local tech startups that have continued to scale and take their products to the world. Victorian businesses and individuals are capitalising on technology to create new opportunities and drive economic growth.

The Victorian Government is committed to ensuring our State is an innovation powerhouse and a digital leader. By boosting our digital and technology capability, we will touch every business, large and small, connecting Victoria with global markets so they can compete with the world's best.

The Victorian Government's Digital Strategy 2021-2026 sets our ambition to propel Victoria forward into the future through investment in digital infrastructure and skills that are critical to deliver on our social and economic agendas. It also highlights the importance of bringing all Victorians along in this accelerated digital transition.

Through this Strategy we are making a strong commitment to building future ready and resilient industries. We are driving connectivity and innovation in regional and rural communities and ensuring seamless digital interactions between government, businesses and the community.

We will support businesses to apply new technologies so that Victoria builds competitive industries that have impact on the local and global stage. And we will make it easier for Victorian businesses to partner with government.

These initiatives will position Victoria as a leading digital economy and ensure we are ready to tackle future challenges and capitalise on new opportunities.

The Hon. Jaala Pulford Minister for Innovation, Medical Research and the Digital Economy

Image credit: Department of Jobs, Precincts and Regions

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# Introduction

### Digital technology is fundamentally changing the way we live, work and interact with each other.

Digital technologies touch almost every aspect of our lives, changing the way we live, work, learn, shop, travel and connect with our families and friends. In a digital world, our success increasingly depends on our ability to seize the opportunities that digital technologies bring.

But digital is about more than just technology. It's also about using new skills and ways of thinking to create solutions for the digital age.

For government, this means finding ways to understand and meet the needs of individuals, communities and businesses and designing services around people's lives.

### Victoria is embracing the opportunities that digital brings.

This includes transforming the way government itself works, so that we operate in more responsive and modern ways and use new technologies and skills to deliver the services that Victorians expect. Investing in digital infrastructure is more important than ever. Digital infrastructure refers to the combination of technology and what we need to make it work, innovate and deliver, such as standards, policies and processes. Just as traditional infrastructure like roads, water and electricity is critical for going about our lives, strong digital infrastructure allows us to interact, create and innovate.

#### Our vision *"Thriving Victoria*. A digital Victoria. For you."

The Digital Strategy 2021–26 sets the vision for creating a digital, thriving Victoria. It charts our direction for delivering better, fairer and more accessible services, creating a digital-ready public sector and growing a thriving digital economy.

For us, this means making life and business easy for all, creating a connected, safe and inclusive Victoria and ensuring we are future-ready and centred on individuals, communities and businesses.

# **Spotlight on digital today**

### Digital technology has fundamentally reshaped the global landscape.

It is now a major part of how we live, work and engage with each other and our environment. Understanding the key factors driving change will help us meet community expectations and ensure Victorians benefit from better, more connected services, whilst remaining safe online. By using technology responsibly, we will build and maintain the community's trust.





## The Digital Strategy 2021 - 2026

The Digital Strategy 2021- 2026 sets the government's vision and ambition and how to realise it. It balances aspiration with pragmatism to set us up for a successful digital transformation.

Three clearly defined outcomes underpin the vision:

- Better, fairer, more accessible services making services more personalised and consistent
- A digital ready public sector improving operations, working collaboratively with partners and developing a workforce skilled for the future, now
- A thriving digital economy attracting talent, upskilling our communities and businesses, creating jobs and bridging the digital divide.

To realise its vision and deliver these outcomes, the Victorian Government will drive transformation across Victoria through investment in critical digital infrastructure and skills. To guide investment, the Strategy defines six key strategic enablers.

Design principles guide the change we need across government and align our understanding of what a good digital experience looks like. Technology guidelines enable alignment and drive greater value from investment, development and adoption decisions and quality of service outcomes.

Three digital pathways guide and connect the change, anchored by clear and defined digital experiences for Victorians. They define the horizons of digital maturity to realise our vision.

Together all these elements provide a clear and consistent direction across the Victorian Government so that we can align and deliver government priorities together and at pace.



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**Digital pathways to future government** 

**Connecting Secure** 

& Responsive Services

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design

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models

**Establishing Digital Platforms** 

design



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**Shaping Intelligent Ecosystems** 

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# Three key outcomes

By delivering on these outcomes, we will improve the experience individuals, communities and businesses have with government and how the Victorian public sector operates.

Each outcome is defined by five objectives so we remain clear on what we set out to achieve.

Key themes and experiences further guide transformation to ensure everything we do delivers better outcomes for Victorians.

These themes will guide transformation. By clearly connecting the objectives and experiences, they ensure the delivery of the outcomes improves the experience.



#### **Outcomes and objectives**



### Digitally empowered communities.

How we engage individuals, communities and businesses.



### Simple, easy and connected.

Striving for a coordinated and collaborative approach across government so that all decision making is human-centred, driven by data, informed and connected. This results in the delivery of more effective, fairer, accessible and targeted services.

### The changing public sector.

How we improve operations, work collaboratively with partners and develop a future workforce now.



### Working together to solve key challenges.

Striving for a Victoria where government services are delivered by a digital-ready public sector supported by flexible workspaces and accessible digital tools.

### The role of government in the digital economy.

How we attract talent, upskill individuals and businesses, create jobs and bridge the digital divide.



### Easy to do business with and for government.

Businesses are supported to thrive through equal opportunities to apply for, win and deliver government contracts. Interaction with the Victorian Government is streamlined, simple and personalised, removing barriers and ensuring businesses can focus on what's important to them.

Themes

# Investing in digital infrastructure and skills to drive transformation

## This Strategy defines six key strategic enablers for success.

Digital infrastructure is deeply embedded in how we work and even more interconnected than traditional infrastructure. It is more than just technology. It is the standards and policies we apply, the processes we use to innovate, fund, design and deliver. And it is supported by the skills we have to use technology, how we use data and how we make decisions.



#### Six strategic enablers



# Design principles to support better decision-making

#### A clear set of design principles will ensure transformation efforts focus on what is critical to deliver the vision.

The principles will guide government investments, align our understanding of what good digital infrastructure looks like and challenge our mindsets. The principles outline the elements that departments and agencies should consider as they design, build or transform products, services and experiences. For each principle, this Strategy provides guidance on how it will be applied.



### **Design principles**

Focus on the customer	Orient around the most important needs of the people we are serving.	<ul> <li>Reshape government around individuals, communities and businesses.</li> <li>Do the work so our customers don't have to understand and navigate government to get what they need.</li> <li>Focus on the needs and fairer access to services of all individuals, especially the most vulnerable.</li> </ul>
رجیم Solve کیلم the right سی problem	Focus our effort on the right challenges through evidence and insights.	<ul> <li>Seek out data from across government, industry and the community, avoid making assumptions.</li> <li>Apply human-centred design techniques and build empathy with communities to identify problems that really need solving. Embrace agile mindsets and approaches to change course if required.</li> </ul>
A Make it ○□ simple	Reimagine and transform to reduce complexity.	<ul> <li>Design inclusive and accessible services that are connected across government.</li> <li>Reshape and streamline internal tools and processes.</li> <li>Build simplicity of delivery into policy.</li> </ul>
Build on the standard	Make choices that create scalable digital solutions – cloud first.	<ul> <li>Take a long-term, holistic view to understand and apply existing standards and common digital solutions.</li> <li>When building new digital services, take time to understand shared needs and invest in reusable solutions.</li> <li>Invest and build with the end-to-end solution lifecycle in mind.</li> </ul>
Progress over perfection	Change how we work by showing value early and often.	<ul> <li>Embrace early testing of ideas and new concepts as a way of focusing design on the needs of Victorians.</li> <li>Embed agility in how we make decisions to reduce the time it takes to bring change to the public.</li> </ul>
Trusted by design	Secure, safe and well governed.	<ul> <li>Ensure security and privacy are central to decision-making and solution design.</li> <li>Make decisions that are transparent and ethical to empower customers while protecting users, systems and data.</li> </ul>
Connect and partner	Engage with the broader Victorian community.	<ul> <li>Identify value for the broader community and economy by innovating and delivering with third parties.</li> <li>Seek to liberate public data so that others can create new business opportunities and find new value for Victorians.</li> </ul>
Innovate with purpose	Drive outcomes that are faster, lower risk and more cost effective.	<ul> <li>Be clear about the value of innovating before investing in new digital technology. Alternatively focus on scaling up existing standards, platforms, patterns and techniques.</li> <li>Embed a culture of innovation and actively drive change across government.</li> </ul>

# Digital technology guidelines to enable alignment

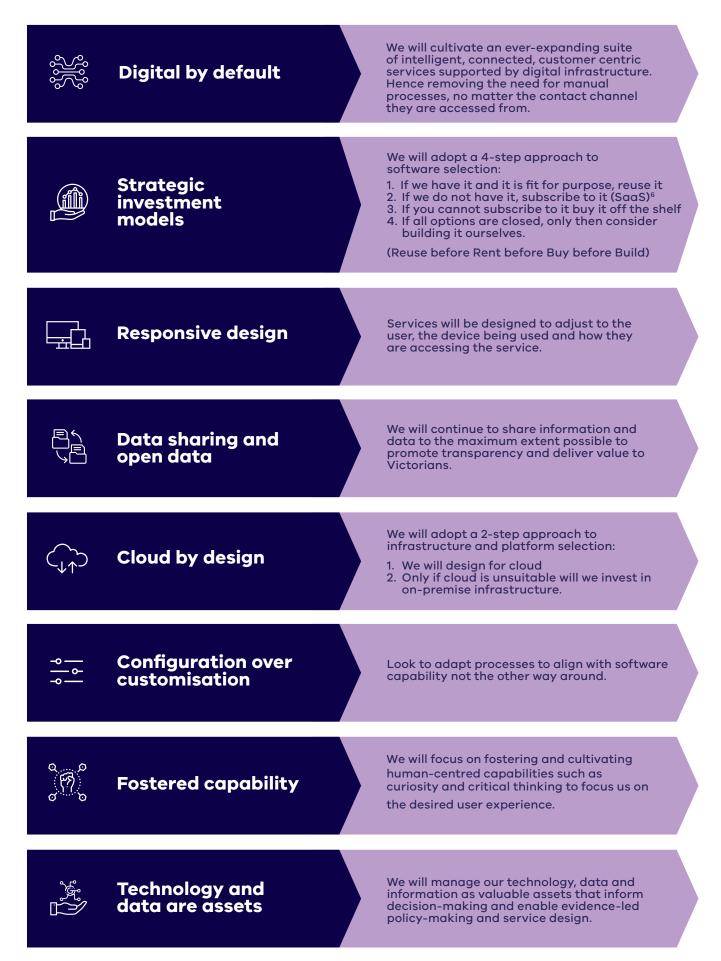
### A core set of guidelines will unlock greater value from technology investments.

Using these guidelines to make investment, development and adoption decisions will improve the timeliness and quality of service. Risks and overheads incurred for technology operations across the government can also be reduced.

By avoiding duplication, we can focus our innovation efforts on maximising the benefits of secure and efficient software, systems and environments.



#### Our core set of digital technology guidelines



# Digital pathways to future-proof government

### Three digital pathways guide progress towards a digital-ready Victoria.

This Strategy defines three digital pathways that provide clear and consistent direction to government to guide and connect the change, and to align and deliver priorities together at pace. And importantly, through this connected change, ensure the delivery of the outcomes improves the experience.



#### Establishing digital platforms

#### Outcomes

Government has fully digitised its services and is known as a reliable and trusted provider

Information and assistance is fairer and accessible via inclusive, self-service platforms which the Victorian public sector can manage and improve

Businesses across Victoria are supported to build foundational digital capabilities

#### Focus

- Set the standard for a unified user experience across all services and channels
- Define the first round of critical services for digitisation
- Rapidly roll out new services, interactions and entities using component-based solutions
- Deliver transactions on common platforms across government and reduce reliance on legacy systems
- Build up digital skills, leverage digital tools and ways of working
- Connect, share and leverage data
   to deliver better services, more
   often

### Connecting secure and reliable services

#### Outcomes

Integrated major services, creating a seamless digital experience

The Victorian public sector seeks leverage and creates digital solutions

Businesses are developing digitally enhanced products in emerging industries

#### Focus

- Continuously expand the portfolio of critical services delivered to Victorians with Victoria becoming a leader in digital government services
- Create efficient allocation of resources through agile and data-driven funding
- Work effortlessly as a business for and with government
- Develop policy that both leverages digital tools and supports digital legislation

#### Shaping intelligent ecosystems

#### Outcomes

Intelligent services are integral to businesses and community

Highly skilled Victorian public sector moderates and re predictive services

Businesses are delivering world-class and locally impactful solutions

#### Focus

- Periodically review and upgrade the skillsets of Victorian public sector leaders and the wider workforce in line with technological advancements
- Continuously examine the next frontier of what a digital government can deliver individuals, communities and businesses

# Outcomes for Victoria

Image credit: Department of Jobs Precincts and Regions



Three key outcomes underpin the digital vision. In delivering on these outcomes, we will improve the experience individuals, communities, businesses and the Victorian public sector have with government.



For each outcome, the Digital Strategy identifies five key objectives that will help drive the digital experience transformation across the Victorian Government.

The outcomes, objectives and how they relate to the strategic enablers are detailed in the following pages.





### Make services more personalised and consistent

#### 1. Experiences that support and empower everyone.

Deliver experiences that are centred on the needs of individuals and businesses and empower diverse Victorian communities. Build services that are easy to navigate and include support options that are available when needed.

> Details on page 26

### 4. Personalisation on your terms.

Personalise engagement to promote awareness and access to services while providing individuals with confidence and control over their information.

> Details on page 29

#### 2. Low / no touch, effortless interactions.

Create services that have a 'tell me once' approach, with seamless connections between channels and departments – supported by automated, invisible services.

> Details on page 27

#### 3. Universally accessible government services.

Design services to be accessible by all including those with poor digital access, disability, low income and culturally or linguistically diverse backgrounds.

> Details on page 28

#### 5. Secure, trusted and reliable services.

Deliver services that are secure by design. Clearly explain how data is used within government and ensure personal data is used only for its intended purpose.

> Details on page 30



### **Key enablers**

We will invest in digital infrastructure and skills across six key enablers to make our services fairer and accessible.

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#### Policy and governance.

We will use richer data, a wider evidence base and stronger feedback mechanisms to bring a deeper understanding into our policy-making and approach to governance.

#### Portfolio and investment.

We will take a coordinated approach when investing in digital platforms, channels and services, ensuring common solutions are at the heart of faster, more consistent responses to individual, community and business needs.



#### People, process and partners.

We will use human-centred design to keep individuals, communities and businesses at the core of everything we do. We will provide more self-serve options and improve automation. We will strengthen our partner networks to rapidly tap into private sector capabilities.

#### Data intelligence.

We will use data to develop a better understanding of the needs of individuals, communities and businesses. We will connect data and improve data quality across government to enable better outcomes through targeted policy and service delivery.

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#### Security and privacy.

We will make privacy a key priority and provide clear policies for data sharing to keep personal information safe. We will strengthen security to give individuals, communities and businesses the confidence they need to interact digitally with government and its partners.

#### Technology platforms.

We will create consistent experiences for those interacting with government using common, connected platforms. We will develop component-based digital services that can be reused and scaled up across government so that more time can be spent delivering services for Victorians.



# 1. Experiences that support and empower everyone.



#### Why it matters

Digital inclusion across all Victorian communities is a priority.

Empowering individuals to use digital services is about making digital experiences simple, helpful and oriented around needs. People must be able to navigate services fairly and confidently regardless of how they choose to access these services or which part of government provides them.

#### How we will act on it



Always start by listening to the needs of Victorian communities.



Use human-centred design across government with an emphasis on the user experience rather than the government and its internal structures.



Use platforms that are accessible and intuitive, underpinned by simple, consistent user interfaces and plain language.



Ensure digital inclusion continues to be a priority, particularly for vulnerable communities.



### 2. Low / no touch, effortless interactions.



#### Why it matters

People expect government to keep pace with the technology and streamlined services they receive from elsewhere. This sets a high and rising bar for governments to meet.

People switch to digital services for convenience and speed, and simple, automated services. To increase digital adoption of its services, government must match the frictionless experiences provided by other sectors and reflect users' changing needs and expectations.

Positive digital experiences can also have a multiplier effect on the broader outcomes government is trying to achieve. For example, access to accurate real-time information supports the switch from private to public transport.

#### How we will act on it



Simplify government platforms and rapidly digitise a range of common interactions and transactions. Be led by user preferences for interfaces, channels and branding.



Build on and scale up the best capability across government and continue leveraging commonalities in government interactions through shared, connected platforms.



Establish shared standards for simple, frictionless services across government, ensuring consistent user experiences.



Ensure digital literacy is not a barrier to fairer access of simpler government services.



# 3. Universally accessible government services.



#### Why it matters

People expect their service providers to know them.

They don't want to have to repeat basic information and are willing to share their data in exchange for easier-to-use, quicker, more seamless services. They also expect their information to follow them across service channels within a single interaction.

This is even more so with government services where people interact in their most vulnerable moments – such as accessing housing and social services. Reducing administrative burden enables people to focus on what really matters to them.

There is a need for government to support more integrated information and provide a single portal for users to access services.

#### How we will act on it



Provide seamless end-to-end experiences for all, rather than ones that are complex and fragmented across government departments, agencies or system-based structures.



Approach policy development and service design with a human-centred lens and facilitate a 'tell me once' approach through shared platforms.



Actively address legislative and other barriers that inhibit sharing of de-identified information that is in the public interest in allowing for easier-to-use, quicker, seamless services.



Introduce shared standards to drive consistent experiences and seamless interactions across departments and service channels – including in-person and contact centres.



Leverage and build on common, connected platforms, supported by a clear mandate to invest more efficiently across government.



Work with states, territories and the federal government to develop a unified and secure position on digital identity and to ensure Victorians' identities can be confirmed and protected.



# 4. Personalisation on your terms.



#### Why it matters

The digital revolution has resulted in a shift away from treating everyone as a single group and responding to people more as individuals. Personalisation of government services can expand reach, improve uptake and engagement, and increase regulatory compliance.

This personalisation requires people to share their personal data.

While people are increasingly willing to share their personal data to enhance their experience, this is based on confidence about how their data is handled. In a recent survey 54 per cent of respondents believed there was value in having their information stored in a centralised location when using Victorian Government services<sup>7</sup>. But they also want to know – simply and transparently – what happens to their information and have some control over it.

#### How we will act on it



Personalise the engagement experience while empowering individuals to control the use of their data by opting in to tailored interactions.

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Use relevant information about people to reduce the effort associated with government interactions, accelerate outcomes, and better inform and reflect on the effectiveness of policies and programs.



Leverage personalisation to promote awareness of government programs and services, extend reach, and benefit as many Victorians as possible.



Create inclusive, accessible experiences with government for people of all abilities, diverse cultural and linguistic backgrounds, and varying levels of digital literacy. Also support more fairer and effective access to all government services.



# 5. Secure, trusted and reliable services.



#### Why it matters

With more personal information shared online and more digital infrastructure than ever before, people are exposed to personal and social vulnerability simply by existing in the digital age.

Today cyber security is fundamental to creating trust in digital services. Many people consider cyber security as important to their personal safety as physical security.

Governments must give people confidence that their information is protected. While trust in government is generally high in Australia, this has not translated to the digital environment, with only 38 per cent of people willing to exchange their personal information for better services<sup>8</sup>.

To expand its digital services the government needs to better explain the choices people have with respect to data – how it is shared, protected, and for what benefit.

This enhanced vigilance must be matched by the right investment and focus as the use of digital services accelerates.

#### How we will act on it



Ensure the personal information shared with government is always secure and privacy requirements are consistently fulfilled.



Embed security and privacy into every element of service design and delivery to drive a consistent, whole of Victorian Government approach to cyber security in line with national security standards.



Keep up-to-date with rapidly evolving threats and technological advancements and accelerate investment and capability to fulfil critical obligations and protect Victorians.



Provide confidence in transacting with government by putting ownership of information in the hands of users and empowering them to make choices about how, when and why their information is used.



Build public trust by being transparent in the way we collect, manage, use and protect personal data.







### Improve operations, work collaboratively with partners and develop a workforce skilled for the future, now

#### 1. Evidence-based decision-making and co-designed policy.

Use data to inform better decisions and designing policy with endto-end digital services in mind. Define policy and standards to enable new digital ways of working and accelerate change across government.

> Details on page 34

#### 4. Digital mindsets, skills and ways of working.

Build a diverse, inclusive Victorian public sector workforce that is competent in digital ways of working. Combine the right digital skillsets in blended teams to solve key challenges.

> Details on page 37

#### 2. Responsive, resilient, connected government.

Provide transferable skills and common, connected solutions to make it easier to navigate and work across government. Build a responsive workforce with the right tools and skills to do their job.

> Details on page 35

#### 5. Digital ethics, privacy and security.

Maintain ethics as a priority when deploying digital technologies, including emerging technology, supported by appropriate safeguards.

> Details on page 38

#### 3. Simplified operations that maximise human talent.

Rethink processes to minimise manual effort. Use automation and analytics technologies to create more capacity for our workforce to focus on higher value activities.

> Details on page 36



### **Key enablers**

Key enablers to create a digital-ready public sector.

#### Policy and governance.

We will use data to inform evidence-based decisions. We will define policies that support digitally-enabled change across government. We will also simplify governance to respond faster and provide greater transparency into decision-making.

#### Portfolio and investment.

We will take an agile approach to investment by providing staged funding for digital initiatives. This will enable us to respond faster to changes. We will take a coordinated approach to digital investments to reduce duplication, leverage buying power and build strategic partnerships.



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#### People, process and partners.

New skills, tools and ways of working will be critical to how we digitise the Victorian public sector. We will invest in digital skills and seed a culture of innovation.

#### Data intelligence.

We will share information more widely across organisational boundaries and build practices for extracting and using intelligence. We will establish common data structures to foster transparency and common understanding of how government priorities are delivered.



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#### Security and privacy.

We will set a consistent standard across the Victorian public sector for maintaining secure digital information and processes. We will establish simple, transparent protections to maintain privacy and give our workforce the confidence they need to handle and share sensitive information appropriately.

#### Technology platforms.

We will establish a single digital identity to support mobility across the public sector. Shared platforms will be used to create more common digital skillsets across the Victorian public sector.



### 1. Evidence-based decisionmaking. Co-designed policy.



#### Why it matters

Over the last decade, the data that government has made publicly accessible has been highly valuable for both the public and private sectors. However, typically governments have lagged behind the private sector in using data to develop policy and services. An Organisation for Economic Cooperation and Development (OECD) survey found that only 12 per cent of countries have a single, dedicated data policy driving common strategic goals across government<sup>9</sup>.

Evidence-led policy-making and service design lead to better outcomes for communities. Digital engagement platforms and data give government the tools to incorporate the needs of Victorians into their decision-making at a much larger and deeper scale than previously possible.

At the moment, data can be difficult to use because it is fragmented across the Victorian Government. Updating policies and standards can change this by making it easier to build and use data that can inform legislation and service design.

Equally, to keep pace with the rapidly changing technological landscape, legislation must be solution-agnostic and support common ways of working across the government workforce.

#### How we will act on it



Take steps to become a data-driven public sector by leveraging data as a key strategic asset to identify and define emerging issues and drive informed, data-backed regulatory and service decisions.

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Drive a culture of collaboration and information-sharing, balancing appropriate safeguards with the need to deliver better outcomes through data insights and clear governance.



Provide timely and relevant guidance to make legislation fit-for-purpose, including appropriate requirements for capturing and managing information across government and solutionagnostic policies.

Ensure collected data is open, transparent and accessible to shape policy-making and deliver optimal outcomes for Victorians. This includes continuing to make data accessible to the private sector to support the growing digital economy.



# 2. Responsive, resilient, connected government.



#### Why it matters

Organisations need to be more responsive to a rapidly evolving and highly competitive landscape and changing customer needs. Governments, as regulators and essential service providers, are no exception.

Governments that rally around a shared vision for their communities – and break through entrenched organisational boundaries – are more agile, respond better to community needs and typically deliver outcomes at lower cost by sharing talent between organisations.

Genuine customer-centricity also relies on transparency of information across enterprises to foster trust between divisions, and greater mobility and collaboration of resources to deliver better outcomes faster.

A connected government, both at systems and workforce levels, is the key to service resilience, allowing enterprises to reconfigure capability rapidly. This was highlighted during the COVID-19 pandemic<sup>10</sup>, in particular from 2020 to 2021.

#### How we will act on it



Establish a technology backbone and new common ways of working that bring the whole of the Victorian Government together to deliver responsive, resilient and connected government services.



Reinforce the 'one Victorian public sector' mindset, oriented around community needs and emphasising cross-department partnering.



Share lessons and solutions more widely, leverage and adapt existing capabilities and take a more mobile approach to teaming up across the Victorian public sector.



Increase resilience through continuing to embed security and privacy at the centre of all our operations – from policy design through to service delivery.



Continue to deliver common platforms to modernise technology across the Victorian Government while pursuing wider opportunities for common, connected platforms to accelerate the pace of change, support better outcomes and create efficiencies across government.



Build more transferrable skillsets and shared information to drive greater collaboration.



# 3. Simplified operations that maximise human talent.



#### Why it matters

The complexity of any organisation, including government, can be a significant hurdle for people who need to interact with it.

Simplification requires a clear focus on how customers experience services. This involves breaking down organisational silos that entrench complexity, and leveraging common, connected high quality platforms and automation tools.

A shift toward cloud-based platforms and the increasing accessibility of artificial intelligence (AI) is changing how organisations drive efficiency.

Organisations are working to reverse the complexity of customised systems. Processes are being redesigned and streamlined, including robotic process automation to strip out low-value work.

At the same time, organisations are making a cultural shift to reduce risk-aversion and drive innovation through their businesses.

#### How we will act on it



Simplify operations and unlock efficiencies across the Victorian Government by replacing fragmented legacy systems<sup>11</sup> and removing complex processes and duplication of effort.



Continue to transition out of legacy systems and reduce technological debt by leveraging lessons and skills from each transition and ensuring future platforms are integrated and coordinated across the whole of Victorian Government.



Streamline manual effort and repetition through the use of AI or robotic process automation to help the public sector deliver more for Victorians.



Encourage an innovative mindset across government that supports the development of digital skills and drive technology adoption, making it easier for the public sector to support and deliver for our communities.



# 4. Digital mindsets, skills and ways of working.



## Why it matters

Digital upskilling is an imperative of today's workplace. While 69 per cent of Australians are willing to digitally upskill to improve their future employability, only 28 per cent of Australian workers have been provided with training in the past 12 months<sup>12</sup>.

Without organisation-wide investment in basic digital skills, efforts to transform and attract and retain high-quality talent are inhibited.

In the challenge to attract and retain talent, governments must promote that they are a future- fit workplace to develop essential digital skills.

Digital skills universally in demand include the ability to harness and connect data, critical data analysis capability to derive relevant insights, and the ability to package and communicate information clearly and succinctly, without multiple layers of reporting.

The cultural shift to an ongoing new 'digital normal' and agile ways of working is essential. Capitalising on opportunities arising from external events can provide step-change. As seen in the increased adoption of digital ways of working during the COVID-19 pandemic.

## How we will act on it



Continue to build on the momentum created by the COVID-19 pandemic (and other external opportunities as they arise), to encourage digital ways of working and strive for a culture of digital innovation.



Invest in digital upskilling, with digital acceleration a key part of the employee learning experience to attract, retain and strengthen employee engagement.



Empower the Victorian public sector to acquire new digital skills to accelerate innovation across the whole of the Victorian Government.



Lead from the top with fostering new skillsets, demonstrating digital-first mindsets and driving a culture of innovation.



Empower the workforce to take greater risks to innovate and embrace new working styles such as agile and virtual collaboration.



Provide key decision-makers with the knowledge to support efficient management of digital investments.



# 5. Digital ethics, privacy and security.



## Why it matters

Building and maintaining trust in a digital world requires strong ethical foundations. This is more important than ever as people are more concerned with the use and vulnerability of their private information.

While 58 per cent of Australian consumers agree data-sharing is a necessary part of using digital services, 83 per cent also believe government should play a bigger role in protecting their sensitive data<sup>12</sup>.

Despite organisations' efforts to bolster cyber security, concerns remain high among Australians, with 57 per cent ranking their personal privacy of paramount importance.

As new technology is fast outpacing current legislation, it is critical that organisations establish ethical and safe guardrails for innovation to evolve.

## How we will act on it



Balance an innovation-enabling environment with appropriate governance and legislation to create a prosperous economy and a future-ready public sector that is able to protect Victorians and build public trust.

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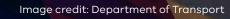
Ensure government digital uptake – whether in service delivery, policy development or government operations – is appropriately considered through the lens of privacy and ethics to protect public trust.



Set ethical guardrails across sectors more broadly for the use of personal data, AI and other emerging technology. Regularly review these guardrails to take account of rapid technological advancements.



Engage with the community to incorporate their ethics and privacy needs and communicate clearly and transparently to ensure rights and responsibilities are understood across Victorian communities and businesses.



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# Attract talent, upskill our communities and businesses, create jobs and bridge the digital divide

## 1. Digital literacy and inclusion.

Support the digital education of Victorians and create a digitally fit workforce to work across core industries and regions.

> Details on page 42

## 4. Future-ready, resilient industries.

Support key industry sectors to adopt digital technologies and build competitive, innovative Victorian industries that make an impact on the national and global stage.

> Details on page 45

### 2. A connected, thriving regional and rural economy.

Drive economic growth in regional and rural Victoria through digital initiatives that promote digital access and infrastructure.

> Details on page 43

### 5. A magnet for talent and investment.

Create an environment that attracts the best talent, locally and globally, and positions Victoria for investment.

> Details on page 46

### 3. Seamless digital interactions with business and beyond.

Improve procurement and making it easier to do business with the private sector and non-government organisations. Also making it easier to do work for government and on behalf of government.

> Details on page 44



## **Key enablers**

We will invest in digital infrastructure and skills to enable a thriving digital economy.

#### Policy and governance.

We will establish a regulatory environment that fosters globally competitive innovation and makes business compliance easier. Our policies will support investment in Victorian businesses and deliver wider digital upskilling.

#### Portfolio and investment.

We will set up quicker, simpler processes for tendering, procuring and mobilising work with the Victorian Government as well as investing in start-ups, scale-ups and research and development initiatives. We will invest in digital literacy across the community.



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### People, process and partners.

We will take a coordinated whole of Victorian Government approach to engaging with industry and supporting the scaling up of emerging Victorian small-to-mediumenterprises. We will adopt a more innovative mindset and methodology to these partnerships.

### Data intelligence.

We will make more datasets available to the public and enable Victorian businesses to derive more value from public data. In partnership with the private sector, we will develop digital copies of our state's physical assets and ecosystems to empower all Victorians to make smarter choices about our future.



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### Security and privacy.

We will build secure, protected digital infrastructure to give Victorians confidence in transacting digitally with government and its partners.

### Technology platforms.

We will deliver simpler, streamlined technology platforms for interacting with government, informed by the experience of businesses. We will renew our focus on Victorian businesses acting as suppliers for technology and implementing new digital platforms.



## 1. Digital literacy and inclusion.



## Why it matters

A digitally fit society is at the core of a thriving digital economy. Digital fitness is becoming a foundational requirement to social and economic participation and is critical in meeting the demands of the future job market.

Digital fitness is essential for employees wanting to participate in higher-value work but also for Victorian businesses and employers facing a growing skills shortage – estimated at 150,000 technology workers across Australia in 2021<sup>13</sup>.

Victoria ranks fourth in digital inclusivity scores out of eight states and territories<sup>14</sup>. The divide is particularly felt across low-income families, older Victorians and rural communities. While a base level of digital literacy is a n ecessity for everyone, closing this gap is essential.

A step-change in expectations for Victorians to have digital skills occurred during the COVID-19 pandemic with nine out of ten businesses across a range of sectors<sup>15</sup> embedding new technologies during the pandemic, highlighting how digital is a key part of the 'new normal'.

## How we will act on it



Uphold inclusivity and accessibility as key priorities when supporting the digital education of Victorians.

(<sup>Q</sup>) Q-Q Provide everyone with the tools needed to confidently and safely use technology. This includes making appropriate training available and easily accessible to all Victorians regardless of their current level of digital knowledge.



Promote digital literacy from a young age to build future-ready skills and ensure the next generations are prepared for the demands of the future job market.



Make skill development opportunities inclusive to ensure older generations and special needs communities' needs are better met.



Focus on closing critical skills gaps in our society through government platforms and programs that offer access to higher education.



# 2. A connected, thriving regional and rural economy.



## Why it matters

A thriving regional and rural economy relies on fairer access to digital infrastructure in Victorian regions. However, gaps exist in access to digital infrastructure in areas which constrain the impacted regional businesses to fully participate in a digital economy. This creates barriers to workforce participation, challenges businesses who need to digitise to compete, and deters new businesses from locating to regional and rural Victoria.

The digital gap is further exacerbated by lower levels of digital literacy in regional and rural Victoria. Without these digital skills in the workforce, regional and rural businesses struggle to adopt digital technologies even with the right tools in place.

The Australian Digital Inclusion Index reports there is an opportunity for Victoria to improve access and affordability of digital services<sup>17</sup>. Victoria also has an opportunity to expand its current ICT infrastructure initiatives to provide better connection across the state.

## How we will act on it



Bridge the geographic digital divide by connecting and empowering regional and rural Victorians and organisations with the key infrastructure and support they need to do business across and beyond the state.



Build on previous initiatives to expand digital infrastructure, ensuring connectivity across the entire state.



Leverage previously successful initiatives and explore opportunities for government to act as a platform provider to connect regional businesses to metropolitan customers and resources.



Incentivise businesses to relocate and expand to regional and rural Victoria.



# 3. Seamless interactions with business and beyond.



## Why it matters

Government procurement and partnering is a significant lever for stimulating the digital economy. Fully realising this potential relies on government being accessible and easy to do business with.

The lack of structures for repeated, effective partnerships with other organisations to jointly achieve government objectives present challenges in engaging productively with the private sector.

Digital platforms, which are the entry point into government procurement, can be difficult to engage with. Complex requirements for doing business with government can also be a significant barrier to organisations taking up key opportunities. Some organisations can find it too complex to procure business from the Victorian Government as it erodes the value of participating.

An OECD survey showed up to 88 per cent of countries have established a one-stop shop portal, mostly with no need for re-identification, to simplify interactions with government<sup>18</sup>. This presents an opportunity for the Victorian Government to address the complexities of doing business with, and as a result boost the domestic economy and support local businesses.

## How we will act on it



Improve the ability of Victorian businesses of all sizes to provide services to, and on behalf of, government by simplifying the processes involved.



Consider the Victorian Government digital procurement services from the perspective of a wider range of organisations at different scales.



Review and re-evaluate internal procurement processes and requirements to break down further barriers to collaboration.



Simplify the process of doing e-business with government by continuing to implement easier to use platforms that ensure digital is the preferred mode of engagement and meets businesses expectations.



Accelerate partnerships and collaboration with universities and the private sector to bring the right capability and expertise to government opportunities. Systematise this process to develop future partnerships more quickly.



## 4. Future-ready, resilient industries.



## Why it matters

Digital readiness is reflected across a range of factors such as technology infrastructure and adoption, human capital, ease of doing business, investment and the regulatory landscape.

All of these factors must be in place to enable Victorian businesses to thrive and have a competitive global edge.

Victoria ranks highly compared to other states in digital readiness. This is due its strong adoption of technology, an attractive environment for start-ups, and general liveability<sup>18</sup>.

Globally, Victoria has an opportunity to drive research, for greater digital innovation and to support businesses in digital upskilling.

Continued economic prosperity will rely on our local industries being resilient to future shocks, as experienced through the COVID-19 pandemic. Solid digital foundations are the key to this.

## How we will act on it



Provide a supportive growth environment for key emerging industries to enable Victorian businesses to be competitive across the globe.



Foster new technologies, such as Al and robotics, through government policy and legislation to help industries stay ahead of the global market.



Continue to promote the digitisation of existing industries by incentivising research and development, providing data and platforms, supporting traditional industries in digital upskilling and helping Victorian businesses participate in global digital marketplaces.



Build on previous initiatives to provide reliable digital infrastructure across the state to lower the barriers to digitisation, especially in underserviced areas of regional Victoria.



## 5. A magnet for talent and investment.



## Why it matters

For Victoria to become a thriving digital economy, we need to attract in-demand talent and investment from overseas as well as within Victoria.

Foreign investment and trading in Australia's digital businesses is relatively low across a number of measures – for example, only two per cent of small to medium enterprises in Australia are exporters compared to 20 per cent in Korea and 16 per cent in Germany<sup>19</sup>. With a proactive approach, Victoria has a significant opportunity to accelerate foreign direct investment, particularly in small to medium size digital businesses.

Australia is a highly sought-after destination for skilled migrants, ranking first amongst OECD countries for workers with a masters or doctoral degree and ranking 7th for entrepreneurs and 6th for university students<sup>20</sup>. Continuing to attract this talent will be key to closing the growing gap for technological skills.

Positioning Victoria as the 'place to be' in terms of investment and skilled migration is key for economic recovery and growth.

## How we will act on it



Put Victoria on the global map for skills and investment by promoting the state as the 'place to be' in terms of building a career as a skilled worker, living well and making smart and sustainable investments.



Highlight the attractiveness of a career in Victoria by marketing our digital capabilities in selected industry sectors and emphasising our competitive advantage.



Continue to invest in sectors with leading capability – such as AgTech and EdTech – to enhance our global reputation and attract more talent and investment.



Strengthen our reputation as a world leading innovation hub by moving towards an adaptive regulatory environment that supports innovation.

Image credit: Ballarat Health Services

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## Where to from here

This Strategy sets an ambitious vision for change that will benefit individuals, communities, businesses and the Victorian public sector. The Minister for Government Services and Minister for Innovation, Medical Research and the Digital Economy are the responsible Ministers for carriage of this Strategy.

Focusing on common digital infrastructure and skills will provide consistent direction for alignment of the priorities set by this Strategy, for delivery together and at pace, and for measuring progress over time.

Outcome focused measures will be used to monitor our progress towards a thriving digital Victoria. Digital experience case studies will also be used to reflect how the experience has been improved as we deliver the digital infrastructure and skills enablers.

Regular updates on the Strategy delivery will be made available.



## Endnotes

- 1 ACSC Annual Cyber Threat Report July 2019 to June 2020
- 2 Ready, Set, Upskill Effective Training for the Jobs of Tomorrow, RMIT, 2021
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- 5 PwC Australia's Citizen Survey 2020, PwC Australia, 2020
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- 7 Survey of 1,808 citizens through both on line and face to face channels, Service Victoria consumer research, March 2021
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- 9 OECD Digital Government Index (DGI), Organisation for Economic Co-operation and Development, 2019
- 10 Global COVID-19 Pandemic 2019+
- 11 Gartner Information Technology Glossary, Legacy System : an information system that may be based on outdated technologies, but is critical to day-to-day operations.
- 12 'Where next for skills', PwC Australia, August 2020
- 13 Australian Community Attitudes to Privacy Survey 2020, Office of the Australian Information Commissioner, 2020
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- 16 How technology strengthened Australian business during COVID and beyond, Microsoft, 2020
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- 18 OECD Digital Government Index (DGI), Organisation for Economic Co-operation and Development, 2019
- 19 'Australian Digital Readiness Index 2018 Digital Dividend or Digital Divide?', Cisco, 2018
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