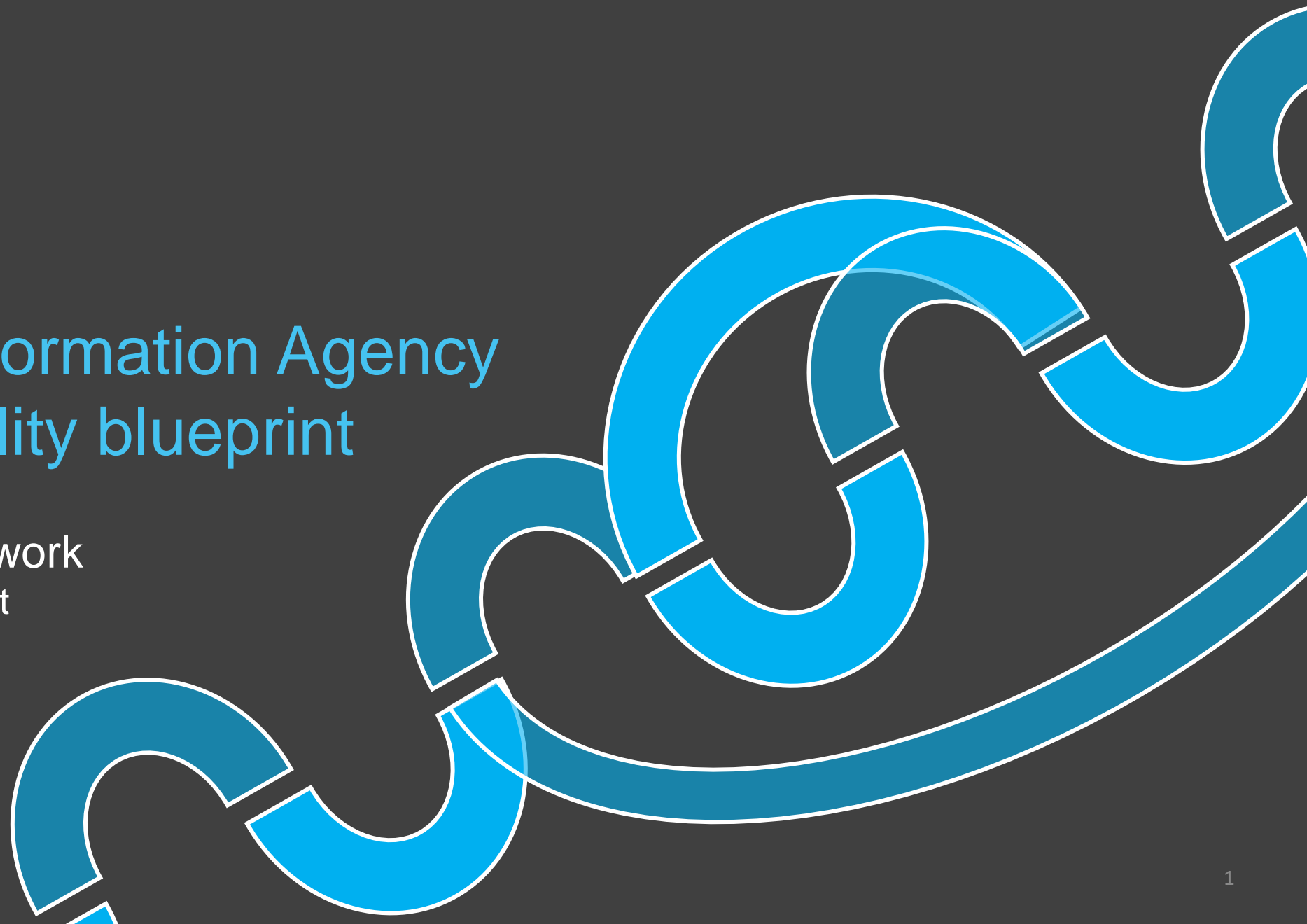# Digital Transformation Agency Protected Utility blueprint

Engagement framework
Strategy Analysis Toolkit

FINAL

28 June 2021

Document Purpose

Purpose

The purpose of the Strategy Analysis toolkit is to **provide Australian Public Sector (APS) agencies with detailed guidance on how to conduct Strategy Analysis based upon the POPIT** (people, organisation, process, information and technology) **framework.**

In this toolkit, we describe the detailed approach for conducting Strategy Analysis, including the steps that need to be undertaken to identify and validate strategic drivers and outcomes, to enable a successful adoption of the Protected Utility blueprint (the blueprint) by the end users within transitioning agencies.

The toolkit along with the template (refer slide 14) provide the full suite of materials required to design and deliver Strategy Analysis activities.

All APS agencies looking to operate under the blueprint are encouraged to use this toolkit and the template. However, you may tailor the materials to suit your agency's specific needs.

Audience

The intended audience for this document are the agency team members responsible for implementing the blueprint services.

This may include:

- Blueprint project lead and other team members
- Blueprint change team
- Blueprint communications and engagement team
- Agency technology and business stakeholders.

Table of contents

The Strategy Analysis Toolkit comprises of three parts:

Part 1:

Strategy Analysis

Introduction

Protected Utility blueprint engagement framework

The DTA Protected Utility blueprint engagement framework defines how APS agencies access this program, and how they can maximise the use of the blueprint for modern desktop services.

It is recommended that agencies conduct the Strategy Analysis during the *Prepare and Design* phase.
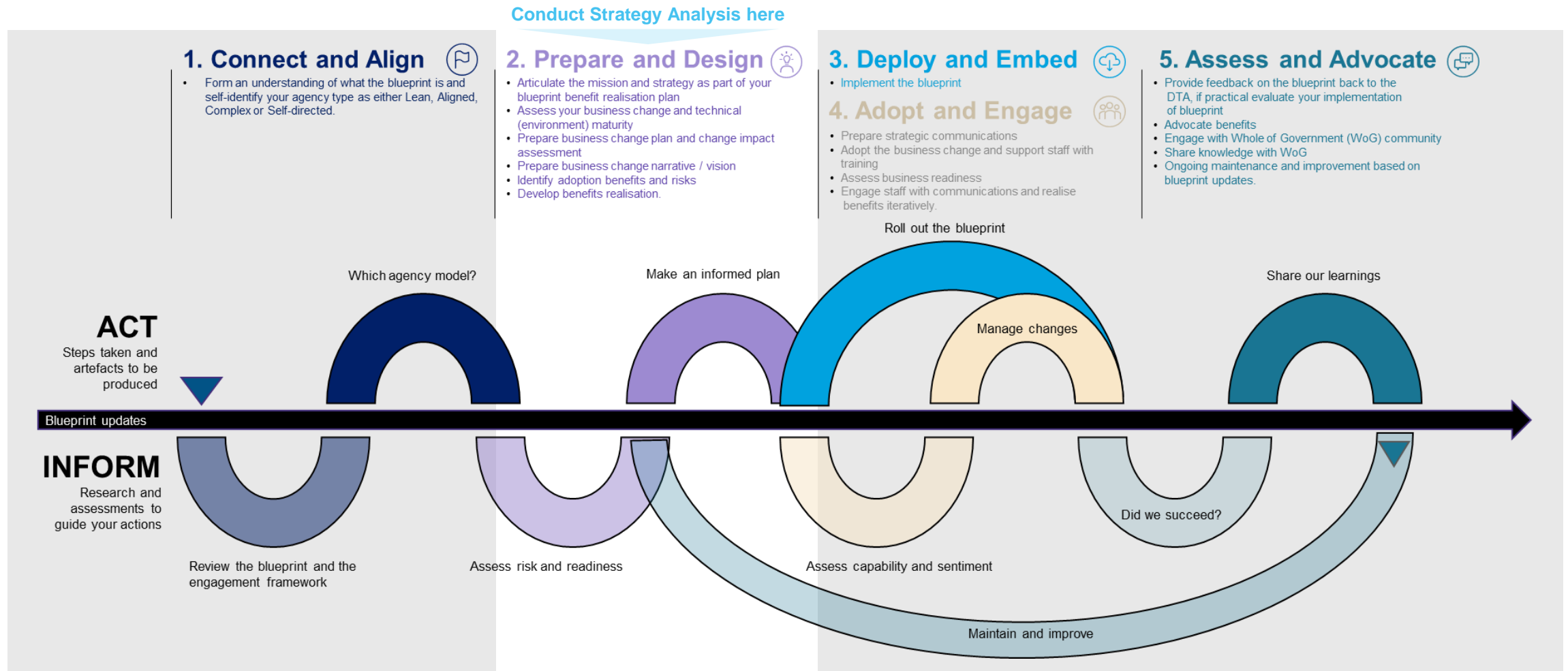
Protected Utility blueprint agency types

DTA classifies the program customer agencies into one of the four types described below:

1. Lean	2. Aligned	3. Self-Directed	4. Complex
Lean agencies are generally small (usually <100 employees). They are constrained in terms of workforce skills, resources and budget; limiting their ability to introduce new technology and manage the associated business change. They are likely to benefit from the blueprint services. However, they may not have the necessary funding or change management and technology capability. They would likely require procuring the services of a change or technology partner to successfully adopt the blueprint.	**Aligned agencies** are best placed to benefit from using the blueprint services. These agencies have a desire to adopt cloud-based technology. However, they may encounter some challenges related to capability, funding and guidance on where to start. Additionally, Aligned agencies may not be aware of the complexity and scale of the business change required to fully realise the benefits of the technology.	**Self-directed agencies** have complex and specific business requirements, and already have mature technical environments. Cloud services do not always meet the diversity of their needs, however, they may have some areas / use cases that could benefit from the blueprint services. Additionally, the change process to realise the benefits of the blueprint is typically challenging within Self-Directed agencies.	**Complex agencies** are open to cloud services but face a greater degree of implementation difficulty due to internal complexity, such as complex business processes and high levels of system integration. This makes the benefits more uncertain and the transition process a real challenge – factors that are likely to form a significant adoption barrier. Additionally, (as with Self-Directed agencies) the change process to realise the benefits of the blueprint is challenging within Complex agencies.

The value of the Strategy Analysis template to each agency type is described below:

Lean agencies need to consider their finite capability and resources against the complex requirements of implementing business technology and managing the associate strategic impacts. They may wish to engage a service provider who has prior experience in identifying strategic drivers in relation to technology and business change within government.	Aligned agencies may not have specified strategic analysis and/or portfolio management processes, and could consider this toolkit as a resource to assess their organisation's strategic drivers. Agencies should strive to use consistent Strategy Analysis methods across the organisation.	Self-directed agencies have their own workforce capability, dependencies, technology and change services which suit their needs. As such, they will have their own methods and tools for conducting Strategy Analysis. For these agencies, this toolkit may be useful as a comparison method, or to supplement their existing business processes.	Complex agencies often have multi-vendor, multi-product technical environments with either unplanned or conflicting implementation roadmaps. They will typically have their own methods for Strategy Analysis. However, they could consider this toolkit as a reference to support and supplement their existing processes.

Part 2:
Strategy Analysis Assessment

Detailed Approach

Strategy Analysis assists in identifying the strategic drivers, benefits and business outcomes that should be considered when preparing to transition to the blueprint.

What is Strategy Analysis?

- Strategy Analysis identifies the strategic drivers, benefits and business outcomes that support the delivery of business change within an organisation; the output of this analysis builds a clear understanding of the need to deliver such a change.

What is a POPIT Strategy Analysis?

- A POPIT Strategy Analysis will assist agencies in systematically and holistically identifying their drivers, benefits and business outcomes which support the adoption of the blueprint. Specifically, it will:
  - Enable the agencies to identify and self-assess* the strategic importance of the blueprint to their organisation
  - Assist agency project teams in beginning to identify and articulate the benefits, drivers and constraints of adopting the blueprint.

How will a Strategy Analysis support your agency?

- The Strategy Analysis will:
  - Enable agencies to identify the strategic drivers, benefits and business outcomes relevant to the adoption of the blueprint
  - Support agencies in articulating the business imperatives and/or benefits for transitioning to the blueprint

* - For some agencies, particularly those that identify with the Lean archetype, this self-assessment may be conducted by a service provider engaged by them. However, significant engagement with business stakeholders, leaders and subject matter experts should be expected in order to complete strategy analysis.

Detailed Approach | Strategy Analysis inputs and outputs

dta

Various inputs will be required to assist develop the Strategy Analysis. Once developed, it informs various transition activities. Inputs and outputs are identified below:

Outputs

Inputs

Blueprint design documents

Other Prepare and Design phase outputs
(if applicable)

Archetype identification

Interviews with key stakeholders
(including senior leadership, technical managers, key business/functional areas, subject matter experts etc.)
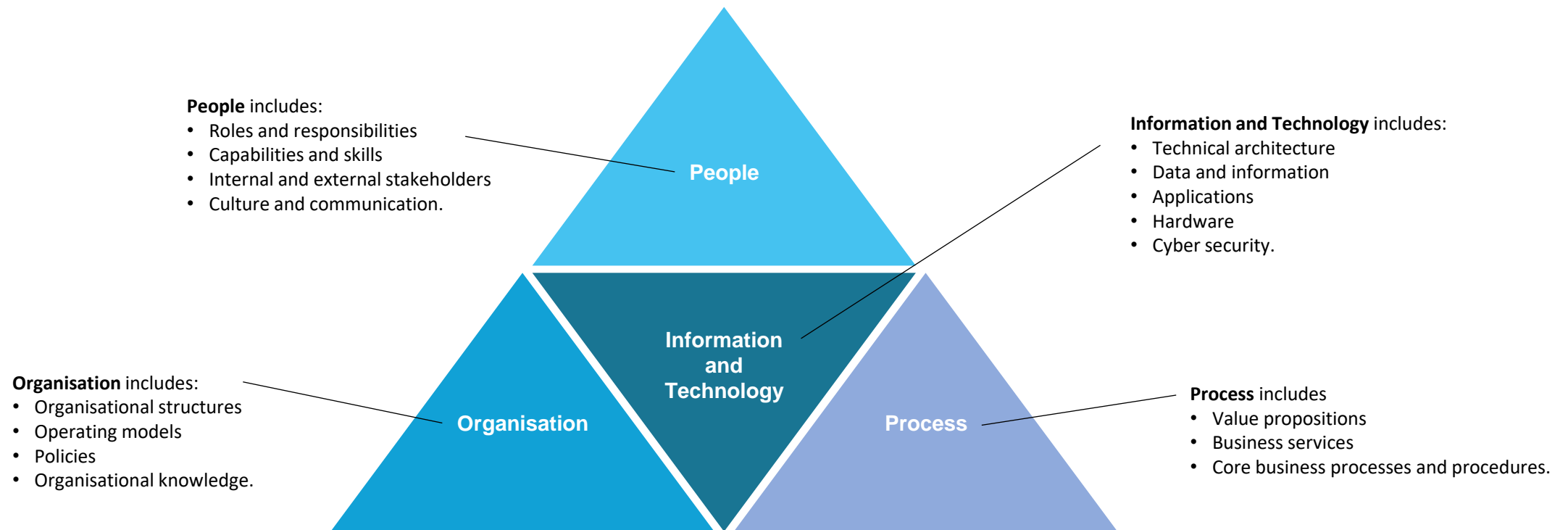
Strategy Analysis

Business Case
Presents the case for investing in the transition to the Blueprint, including benefits, costs, delivery timeframes and risks

Leadership Action Plan
Details the actions that need to be carried out by the leadership (and the change team to engage the leadership) to successfully adopt the blueprint change.

Communications Plan
Details the plan for all blueprint related communication activities and initiatives.

Change Strategy and Plan
Defines the overall Organisational Change Management (OCM) approach for the blueprint transition, providing visibility on the required activities and timeframes.

Adoption Plan
Defines the overall approach to track and monitor Blueprint adoption including identifying adoption KPIs, interventions to address adoption gaps and reporting.

Transition Plan
Outlines all the tasks/activities that need to be performed to effectively transition the blueprint project from the implementation phase to sustainment phase.

The POPIT framework provides a systematic basis for strategic analysis. Considering each of the four domains within the framework enables the holistic identification of drivers, benefits and constraints within an agency.

People includes:
- Roles and responsibilities
- Capabilities and skills
- Internal and external stakeholders
- Culture and communication.

Information and Technology includes:
- Technical architecture
- Data and information
- Applications
- Hardware
- Cyber security.

Organisation includes:
- Organisational structures
- Operating models
- Policies
- Organisational knowledge.

Process includes
- Value propositions
- Business services
- Core business processes and procedures.

Typical drivers and benefits for each are described on the following page.

Detailed Approach | Typical drivers, benefits and constraints

The below table provides some typical drivers, benefits and constraints for agencies adopting the blueprint across each domain within the POPIT framework. These are intended to provide a starting point for Strategy Analysis, and are not an exhaustive list.

Typical drivers, benefits and constraints

People

Skills: Transitioning to cloud-based services such as MO365 enables agencies to recruit and retain staff that are skilled in the administration of these services; these skills are increasingly more available within the labour market than the skillsets needed to maintain legacy on-premises infrastructure. Additionally, this transition will typically provide opportunities for business users to upskill and learn how to use new technology, and transfer this across and outside the APS.

Mobility: Cloud-based services enable greater access to information and systems outside of the office, therefore supporting greater mobility and remote working practices within the workforce.

Ways of working: 'Traditional', office-based ways of working within the workforce may limit the adoption of the blueprint's modern workplace technology, such as videoconferencing and document co-authoring. Adoption of the blueprint may therefore be more successful by also modernising ways of working and upskilling the workforce in its use of technology.

Information and Technology

Simplification: Transitioning to 'as a service' models of IT delivery provides an opportunity for agencies to simplify their technology landscape by transferring much of the delivery and maintenance of these services to cloud vendors.

Security: Adoption of the blueprint provides agencies with a security accredited design for MO365 services. This may deliver improvements to an agency's overall security posture and compliance with the ISM and Government security policies.

Core system modernisation: Full realisation of the benefits of the blueprint may be constrained by legacy technology, such as aged devices or non-performant network infrastructure. Adoption of the blueprint may therefore be more successful if accompanied by a program of work to modernise core systems.

Organisation

Agility: Cloud-based services can enable greater responsiveness to organisational change (such as machinery of government changes) through increasing the portability of IT services. This is particularly true where whole-of-government designs and services, such as the blueprint, are in use.

Collaboration: The MO365 platform provides opportunities to improve how agencies collaborate both internally and with other organisations, which may then lead to increased productivity.

Policy: Organisational policies may constrain the benefits delivered by the blueprint where they have been defined with legacy technology functionality in mind e.g. limiting the use of agency provided technology and bring-your-own-device (BYOD) initiatives outside of the office. Reviewing and revising such policies in the context of the modern technology within the blueprint will support the adoption of all of its features, therefore improving return on investment.

Process

Cost: Using cloud-based services such as MO365 can deliver cost reduction benefits by reducing spend on the administration and maintenance of on-premises infrastructure and IT services.

Support processes and service levels: Adopting 'as a service' IT delivery models transfers many of the support and maintenance activities underpinning service levels to Cloud vendors, which may support agencies in improving their performance against their internal service levels.

The steps to undertake a POPIT Strategy Analysis are presented below. It describes what activities should be undertaken at each phase, along with providing an indicative view of the outcomes expected.

	1. Data gathering	2. Validation	3. Consolidation and approval	4. Reporting and next steps
Purpose	This phase involves gathering strategic information and documentation to inform the strategy analysis.	Once the initial strategy analysis has been captured and documented, this phase involves validating it with relevant business/functional areas and key stakeholders.	After validation, this phase involves finalising the analysis and sharing with relevant leaders for approval.	This phase involves using the results from the strategy analysis to inform onwards delivery of the blueprint services.

Key Activities	• Gather and review data from existing documentation, assessment reports etc. (please refer to slide 9 for input resources).
	• Meet with strategy, technology, change and other relevant functional teams to gather inputs
	• Capture the findings within a strategy analysis template and complete other key information in relation to this (refer to slide 14).
		• Meet with strategy and other relevant functional teams to validate the draft strategy analysis and address questions and gaps.
		• Validate the identified drivers, benefits and outcomes within the analysis
		• Ensure organisational coverage, guided by the POPIT framework.
			• Perform final review and validation with strategy SMEs and leaders
			• Modify strategy analysis report as needed
			• E-mail analysis to leads and obtain sign-off
			• Leads may also request to meet in person before final signoff.
				• Analyse the strategy information and insights gathered, focussing on different categories.
				• Use the strategy information and insights to develop and/or inform customised action plans:
				  o Transition Plan
				  o Business Case
				  o Change Plan
				  o Communications Plan
				  o Leadership Activities Plan
				• Continuously monitor risks throughout transition and update action plans accordingly.

Responsible individuals / teams	• Agency blueprint project team • Relevant agency stakeholders	• Agency blueprint project team • Relevant agency stakeholders	• Agency blueprint project team • Agency project sponsor and other senior leadership • Relevant agency stakeholders	• Agency blueprint technology team • Agency blueprint project lead • Agency blueprint change team • Agency blueprint security team • Agency project sponsor.
Expected Outcomes	• Initial strategy analysis drafted.	• Final strategy analysis report completed.	• Final strategy analysis report completed.	• Action plans which are clearly linked to the identified strategic drivers, benefits and outcomes.

Part 3:

Strategy Analysis

Template

Template | Access

The Strategy Analysis template will provide a mechanism to capture and consolidate all the findings across the POPIT framework.

The Strategy Analysis template can be accessed by clicking the icon:
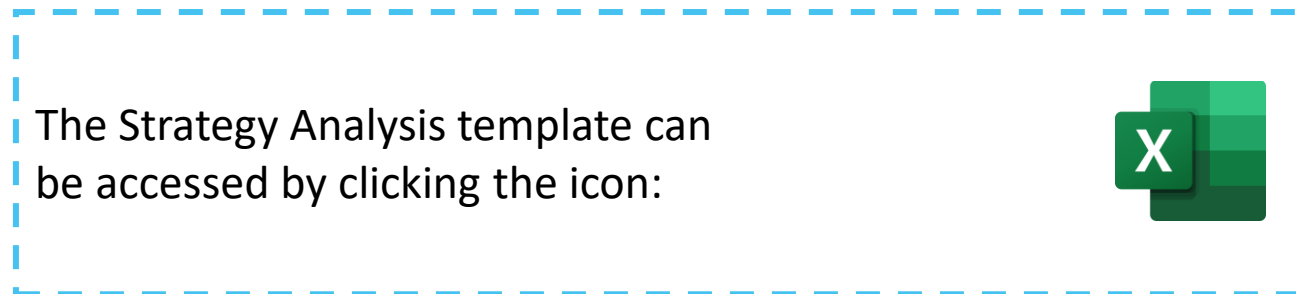
Note: Further information regarding how to complete the template has been included within the template itself.

Thank you!