Stop, collaborate and listen

>> ***HOLYROOD SITS DOWN WITH LEIDOS TO DISCUSS HOW STRONG PARTNERSHIPS BETWEEN THE PRIVATE AND PUBLIC SECTOR CAN HELP ACHIEVE SMOOTH DIGITAL TRANSFORMATION***

By Liam Kirkaldy

Simon Daykin, Chief Technology Officer UK at Leidos, tells a story about a logistics company which was putting in a new computer system to streamline their logistics.

As part of the update, the programmers had to configure the system to work with the company's processes. But, at one point, one of the programmers noticed something strange.

"One of them said: 'Hang on a minute, we're configuring a system so the lorries do the longer journeys at the beginning of the week and the shorter journeys at the end of the week', and they asked why," Daykin explains. "There was a lot of scratching of heads around the business until eventually someone said, 'Oh, it's because that's when the horses used to get tired'."

The story seems to encapsulate some of the challenges involved in driving digital transformation. Rolling out new technology is one thing, but changing the way an organisation thinks is quite another.

As Daykin puts it: "Digital transformation, to be successful, requires reimagination. That's the difference between digitisation and digital transformation. Digitisation is when you take something and make it digital. Digital transformation is when you rethink the way you do something in a digital world.

"People have developed business processes and gradually, as they go through digitalisation, they have fossilised those processes into their systems. But if you look at where digital transformation is really successful, it's where people have reimagined their process, so they've taken a step back and asked what they want to achieve, then looked at that balance of people, process and technology. It's about reimagining the relationship between a human and the technology."

Moving towards a digital economy is a key part of the Scottish Government's agenda, with Michael Matheson, the Cabinet Secretary for Transport, Infrastructure and Connectivity, making a point of stressing the need for digital infrastructure to be given the same priority as projects involving bricks and mortar.

The Scottish Government's digital strategy, 'Realising Scotland's full potential in a digital world', sets out its commitment to making Scotland a world leader in the area, alongside major investment in digital and the creation of a new ministerial role last summer – currently held by Kate Forbes – with responsibility for the digital economy.

The strategy is based around creating 150,000 new tech jobs, better use of data and analytics, harnessing digital capabilities across the economy, the expansion of digital public services and an increase in digital skills, alongside the creation of a £36m digital skills fund and £2m to create a digital development loan for businesses to improve their digital capabilities.

But clearly ministers will need support if they are to achieve their digital ambitions. In fact, Davie Gow, Leidos' chief portfolio architect for public sector and critical national infrastructure, has recently returned from a six-month, not-for-profit collaborative

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engagement with the Scottish Government, as part of the Digital Fellowship Scheme.

He says: "We had shared goals, shared responsibilities, trying to work together to make the Scottish Government a better place and a better technology environment. From my perspective, that means taking account of our customer's customers and our fellow suppliers – that's why collaboration is so important."

Daykin nods at this. "Our success is the customer's success, and that means understanding what the customer mission is so we can put it at the heart of what we do. Then the second part is collaboration, which underpins everything we do. We were one of the founding members of the Institute of Collaborative Working, for example, and we were one of the first organisations in the country to achieve ISO 44001, which is the international standard for collaborative working in business. To achieve mission success, you need to have a high-performing collaborative team – not just within an organisation like Leidos, and not just with the customer, but within the entire eco-system of people that are delivering the outcome, because it is very rarely one organisation that's solely responsible for a customer's success."

Leidos has 31,000 employees in 30 countries worldwide, with around 350 of those based in Scotland. In fact, the global technology solutions provider has specialities in security, defence, transportation, health, energy and the public sector, including a 60 per cent share in the systems that manage the world's air traffic. But although the organisation has expertise in a range of areas, bringing change to the public sector has its own particular challenges.

Daykin says: "One of the challenges is that a traditional procurement route, in terms of defining your requirement and getting a fix on what you want, can often stifle innovation. For me, procurement can be an enabler as much as anything, and finding the right way to go to the market is key. That means looking at embedding the right behaviours and the right mechanisms in how organisations go to market.

"Enabling an organisation to act as a true partner is also important, not just in the way they are rewarded, but if you are looking for a fixed-price contract for five to ten years, it is very difficult to drive the right behaviours and outcomes in a world where cloud services are moving forward so quickly. You know, five years ago, half the services people are deploying today didn't even exist. Having vehicles which allow organisations to work together in partnerships, with shared goals and shared rewards, which allow them to jointly support an organisation through digital transformation, requires a level of agility. Procurement can help enable that but it needs to be thought about really early in the cycle."

And while the public sector might traditionally be seen as more resistant to change, leading digital transformation in an area like policing means that any inconvenience brought by changes to the system can have serious consequences. The key, Gow explains, is that delivery does not cause disruption for those that rely on the services.

He says: "You can't just tell the victim of a crime that we're not going to have officers available while we upgrade an IT system. You need to be able to do it in a fluid manner, that doesn't bring disruption and that takes account of the relationships between people, the device and the software. You need to consider the impact of switching off a server in a remote datacentre at three in the morning, for example. What if an officer can't respond to an emergency? That's where it really matters. The idea of reimagined, collaborative services is when it all comes together at the point of delivery."

Daykin adds: "When we talk about customer mission, this means considering what service the customer is delivering, so Police Scotland is there to deliver a police service, not an IT service. But IT is a key part of that, and as you go through digital transformation, service continuity for that service is absolutely critical. You can't just say we're not going to have a police service for the weekend, so effective digital transformation requires you to consider how the transformation is delivered." ◨