Realising benefits from digital initiatives in the Tasmanian State Service

Report of the Auditor-General

No.1 of 2023-24

Audit objective

The objective of the audit was to assess whether digital initiatives within the Tasmanian State Service were being planned and monitored to deliver intended outcomes.

Definition

- A 'digital initiative' is defined as any initiative that uses digital technology to:
  - improve organisational processes
  - improve interactions between people and organisations
  - make new business models possible
- Not just an 'IT project'
- A business transformation

Scope

The audit examined:

- digital initiatives that were currently being planned, implemented or had been recently delivered

- 30 digital initiatives from across all 8 government agencies

- digital initiatives that ranged in budget from $20k - $100m+

The audit did not examine whether digital initiatives were providing value for money.

Review criteria

1. Are digital initiatives effectively planned to enable the delivery of intended outcomes?

2. Are digital initiatives effectively monitored to enable the delivery of intended outcomes?

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Audit conclusion

Except for the matter described in the paragraph below, digital initiatives within the Tasmanian State Service, as measured against the audit criteria, were in all material respects effectively planned and monitored to deliver intended outcomes.

The Department of Justice Astria Program, as measured against the audit criteria, was not effectively planned and monitored to deliver intended outcomes. This is because the governance arrangements did not initially provide effective oversight of intended outcomes and benefits realisation during the planning phase. In addition, there was a lack of benefits monitoring throughout the delivery phase, putting the realisation of intended outcomes at risk.

Context – drivers of performance

- A historically limited whole-of-government vision identified through multiple recent reviews

- The impact of Machinery of Government changes on projects

- The impact of COVID-19 on timelines and resourcing.

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Context - what is changing?

- Secretaries Board

  (whole-of-government prioritisation starting to occur)

- Data and Digital Sub-Committee Action Plan 2024 – 2028

  (addressing the recommendations from those previous reviews).

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Context - significant initiatives

We categorised 7 of the 30 digital initiatives as 'significant':

- affected the Tasmanian community, or a section within it (impact)

- involved more than one agency (complexity)

- duration of 3 years or more (span)

- multi-million dollar budget (materiality).
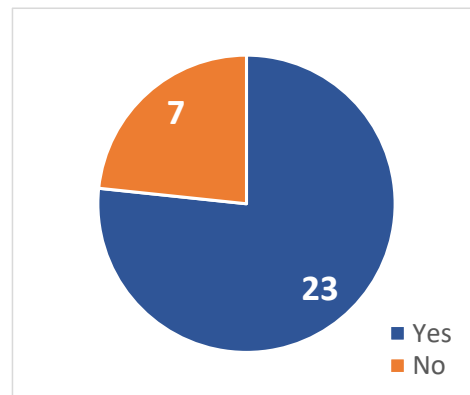
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Findings

Findings – Agencies performed well

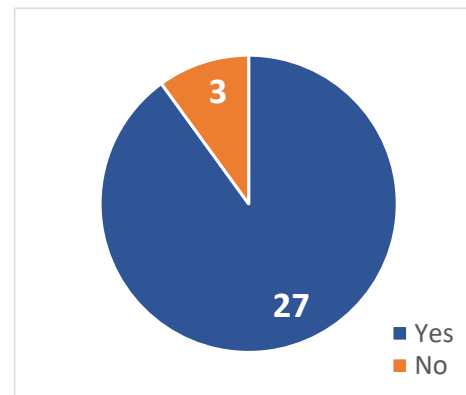## 1. Are digital initiatives effectively planned to enable the delivery of intended outcomes?

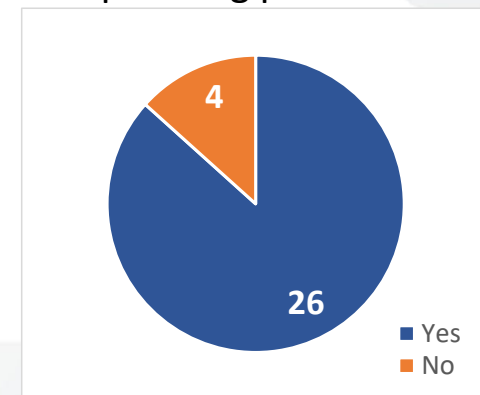**1.1 Are intended outcomes and benefits clearly identified and defined in the planning phase?**
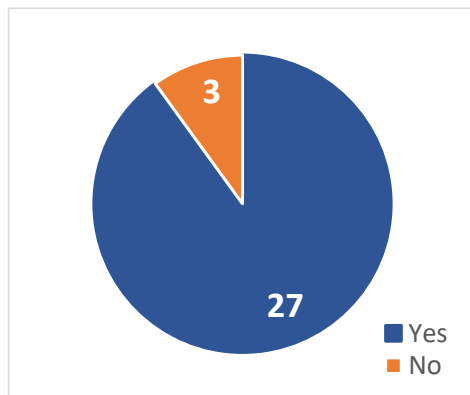
1.2 Is there effective resourcing of digital initiatives to enable the delivery of intended outcomes?

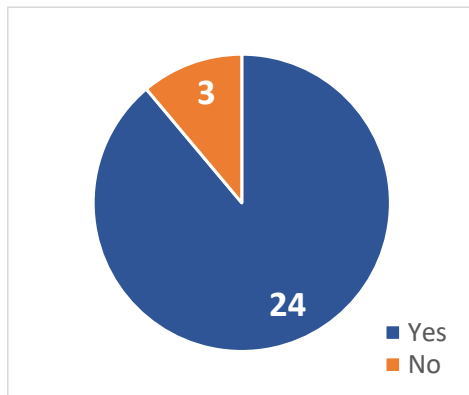**1.3 Is there effective planning for the transition to business as usual?**

1.4 Do governance arrangements provide effective oversight of intended outcomes and benefits realisation during the planning phase?


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Findings – Agencies performed well

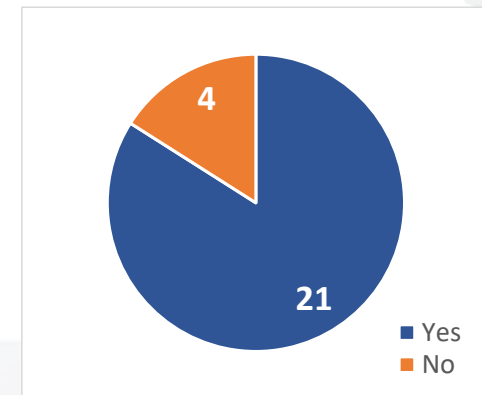## 2. Are digital initiatives effectively monitored to enable the delivery of intended outcomes?

2.1 Are intended outcomes and benefits monitored and measured throughout the delivery phase?

2.2 Are intended outcomes modified, where necessary, to reflect the most current information regarding changing project or business needs?
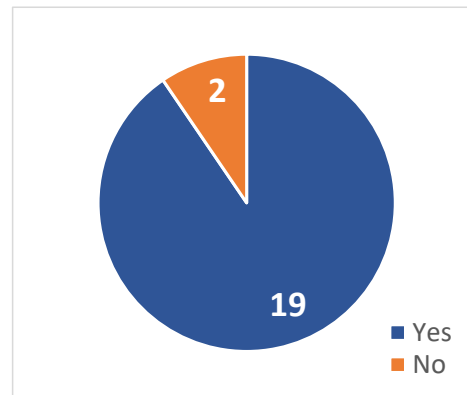
2.3 Do governance arrangements enable effective oversight of intended outcomes and benefits realisation throughout the delivery phase?

Pie chart 2.1: Yes 24, No 3

Pie chart 2.2: Yes 19, No 2

Pie chart 2.3: Yes 21, No 4

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Case Study 1 findings - Astria

The Justice Astria Program, as measured against the audit criteria, was not effectively planned and monitored to deliver intended outcomes.

Governance arrangements did not initially provide effective oversight of intended outcomes and benefits realisation during the planning phase.

In addition, there was a lack of benefits monitoring throughout the delivery phase, putting the realisation of intended outcomes at risk.

Case Study 2 findings – Department of State Growth

The agency, consisting of 14 government portfolios reporting to 7 Ministers, had differing levels of maturity in managing digital initiatives. The audit identified:

- inconsistency in planning to deliver intended outcomes

- limited oversight in the governance of digital initiatives

- benefits realisation tools were under-utilised

- a lack of structure in monitoring the delivery of intended outcomes

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Further observations – whole-of-government

- The challenge of embedding greater transparency in strategic government priorities

- A governance model has recently been established for cross-agency government priorities

- Resourcing remains an issue.

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Recommendation

We recommend all agencies adopt the following principles for realising benefits and outcomes from digital initiatives and incorporate them into their respective digital project management frameworks, guidance, or equivalent:

1. Clearly identify and define intended outcomes and benefits in the planning phase.

2. Resource initiatives effectively to enable the delivery of intended outcomes.

3. Plan effectively for the transition to business as usual.

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Recommendation - continued

4. Implement governance arrangements that provide effective oversight of intended outcomes and benefits realisation during the planning phase.

5. Regularly monitor and measure intended outcomes and benefits throughout the delivery phase.

6. Modify intended outcomes, where necessary, to reflect the most current information regarding changing project or business needs.

7. Implement governance arrangements to enable effective oversight of intended outcomes and benefits realisation throughout the delivery phase.

Responses

Responses

- Responses were received from:
  - Department for Education, Children and Young People
  - Department of Justice
  - Department of Natural Resources and Environment Tasmania
  - Department of Police, Fire and Emergency Management
  - Department of State Growth
  - Department of Treasury and Finance
- Responses received after submission of the report:
  - Department of Health
  - Department of Premier and Cabinet