



# Transforming Local Government

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# What do you think is the top thing keeping business leaders up at night?

Turn to the person next to you and share your thoughts.



# The research



## Keeping us up at night

The big issues facing business leaders in 2023



## Future of Local Government

Embracing connectivity and customer centricity

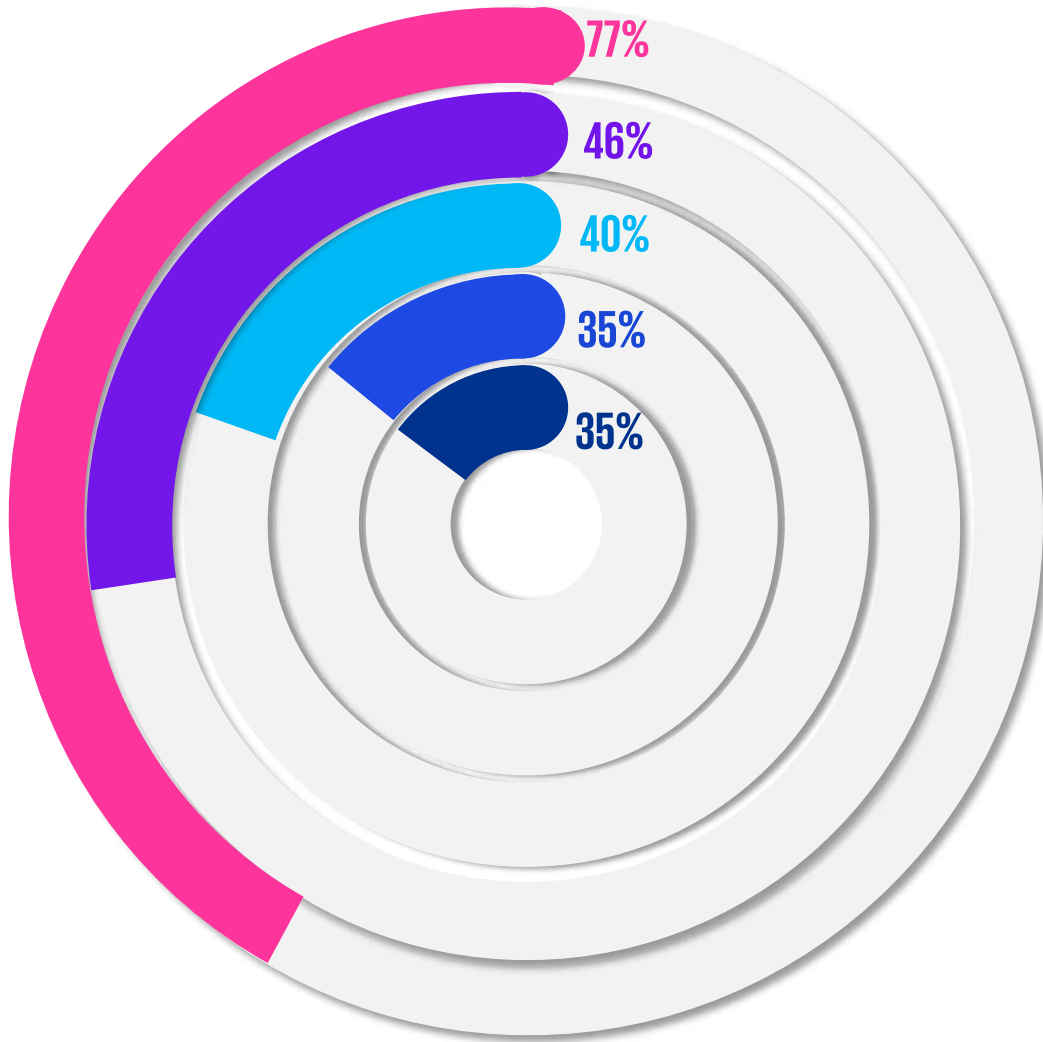


## Digitising Government

Key Insights



# The big issues facing business leaders in 2023



## TOP 5 CHALLENGES

- 1** Talent acquisition, retention and re-upskilling to meet a more digitized future
- 2** Digital transformation & optimisation, and extracting organisational value from it
- 3** Dealing with cyber risks
- 4** Dealing with evolving regulatory processes, reporting changes & impacts
- 5** The need for greater agility and flexibility in your organisation to meet opportunities and challenges

[1] KPMG Australia, Keeping us up at night; The big issues facing business leaders in 2023, January, 2023.

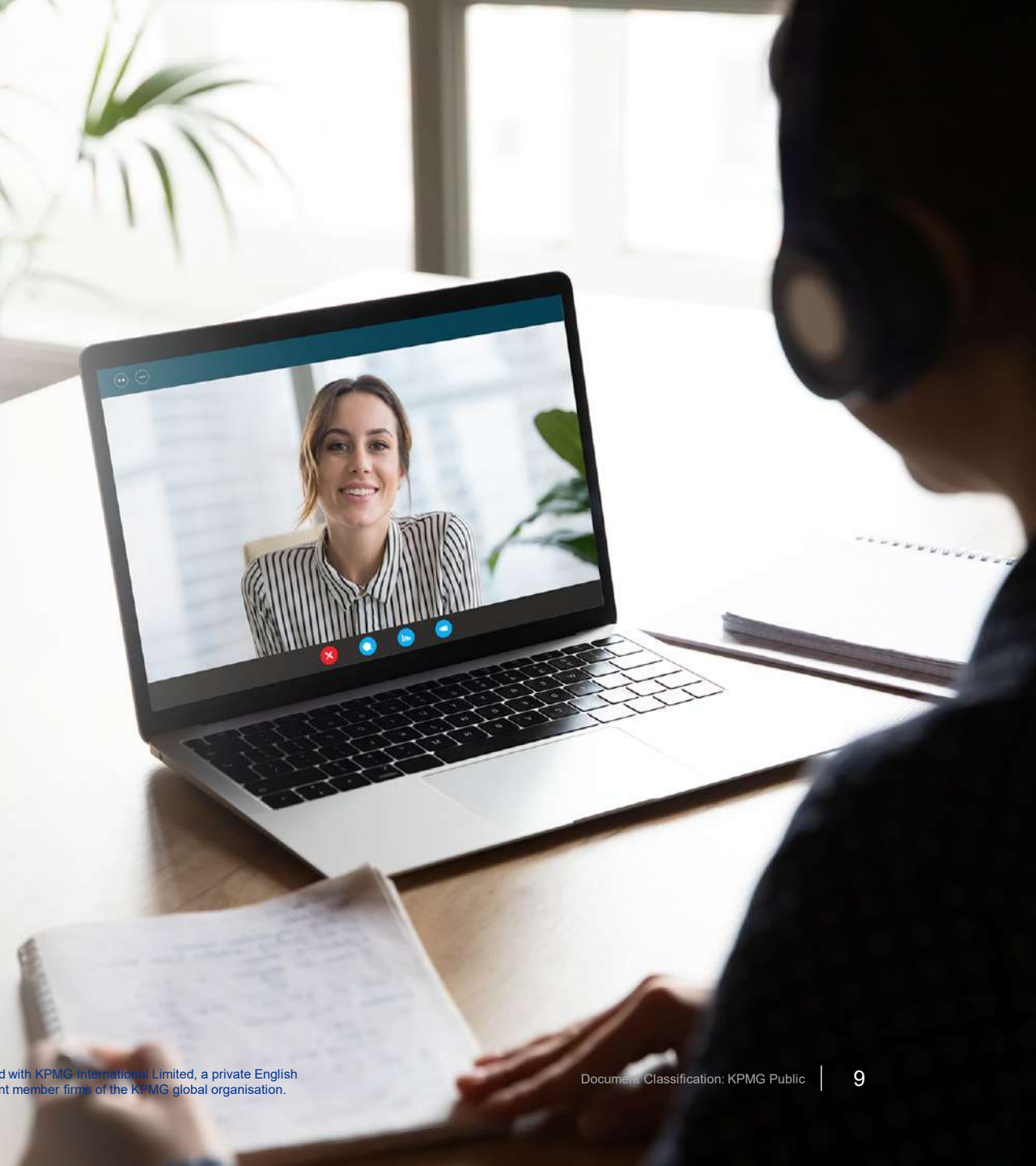


# Modern Local Government

## *The challenge*

Never before in recent history have we seen the crossroads for **local government workforce** that we see today.

**Digital transformation** and the need for a hybrid workforce has forced local government organisations to rethink the systems and processes used across both the customer experience and employee experience.



# Today's focus



## Workforce

*How do we retain and grow our workforce?*

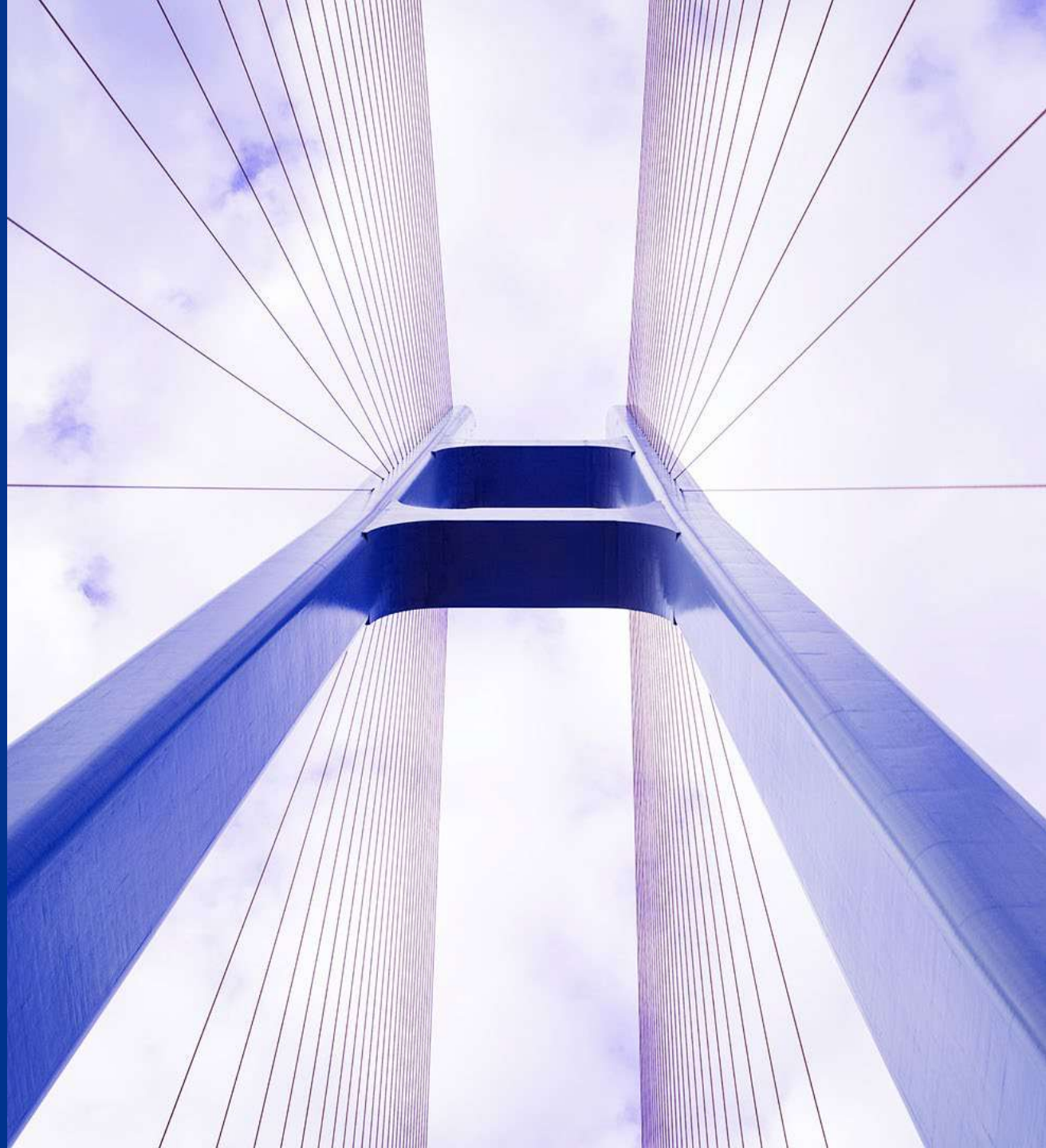


## Digital transformation

*How do we extract organisational value from it?*

# 01 Workforce

*Acquisition, retention and re/upskilling  
to meet a more digitised future.*



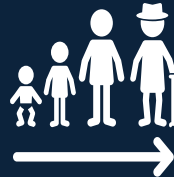
# The local government issue



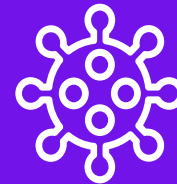
A **new** workforce,  
or more training?



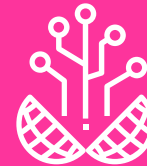
**Strategic**  
**questions**  
around workforce



**COVID-19**  
disruption



The **aging**  
**workforce**



Expectations for  
**salary increases**



# The changing nature of 'work'

No longer is the concept of 'work' or 'a job' just associated with salary and income.

Instead, it is now aligned to ideals of purpose and social achievement.

# Both employees and customers expect a human-centered experience



# What are the moments that matter?

## Arrive

- I am applying to and accepting a new job.
- I am onboarding to my organisation and beginning to understand its culture.

## Live

- I am experiencing life-changing events.
- I am investing in my physical and mental well-being.
- I am understanding how my organisation can better help me in all facets of my life.

## Change

- I am changing my employee status to reengage as a contractor.
- I am retiring.
- I am separating from the organisation.

## Work

- I am traveling and submitting expenses.
- I am completing my annual budget.
- I am purchasing a new product or service.
- I am sourcing and selecting a supplier.
- I am onboarding a vendor/supplier.
- I am extracting a report I need to do my job.
- I am planning and managing my time off.
- I am going on and returning from leave.
- I am managing my bottom line.
- I am planning and shaping the future of my team(s).
- I am receiving support for the questions and needs I have.
- I am understanding what I get in turn for my commitment and contribution.
- I am holding an event/meeting.
- I am managing or participating in an office move.
- I am navigating current/external events in the context of my organisation.
- I am reacclimating to a new way of working post-COVID.
- I am successfully collaborating with my teammates virtually and in the office.

## Grow

- I am completing my mandatory learnings and trainings.
- I am monitoring and improving my overall performance.
- I am being recognised or rewarded for strong performance.
- I am mentoring and coaching others.
- I am investing in my development and growth.
- I am exploring internal career opportunities within my organisation.
- I am becoming a people leader.
- I am building and growing my team.
- I am experiencing organisational change.
- I am transitioning to a new role internally.
- I am volunteering and connecting with the community through my organisation.

# Making the first moments that matter memorable

A smooth recruitment process can foreshadow how the onboarding and overall employee experience might go.

Exploring new approaches to recruit can also support career development and expand digital capabilities faster.

**Onboarding is your first chance to make a lasting impression.**

## Onboarding sets the tone

- Identify where employees experience delays and frustration
- Digital onboarding experiences are easy to navigate, searchable, and include a customised checklist for each new employee
- Chatbots can guide employees through each new step and answer questions
- Tailor experiences with remote work support to onboard virtual employees

## Breaking down the numbers<sup>1</sup>

- 11.3% of the Victorian local government workforce is under 30 years of age, relative to 25.3% in other sectors.
- Since 2011, the proportion of workers aged 55 and over has continued to increase. This is even more pronounced for the 60 to 69 years age group.
- The proportion of CALD workers in Australian local government was 13.4% in 2021, and has been increasing since 2011.

[1] Australian Local Government Association, 2022 Local Government Workforce Skills and Capability Survey Final Report, November, 2022.



# Fulfill a modern employee value proposition

When considering job opportunities many people now look for:



## Flexibility

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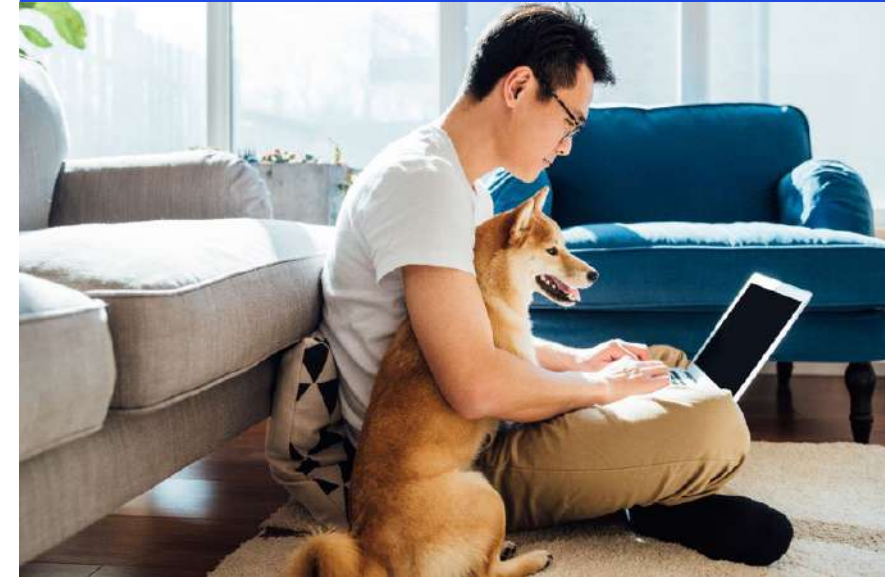


## Transparency

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## Safety

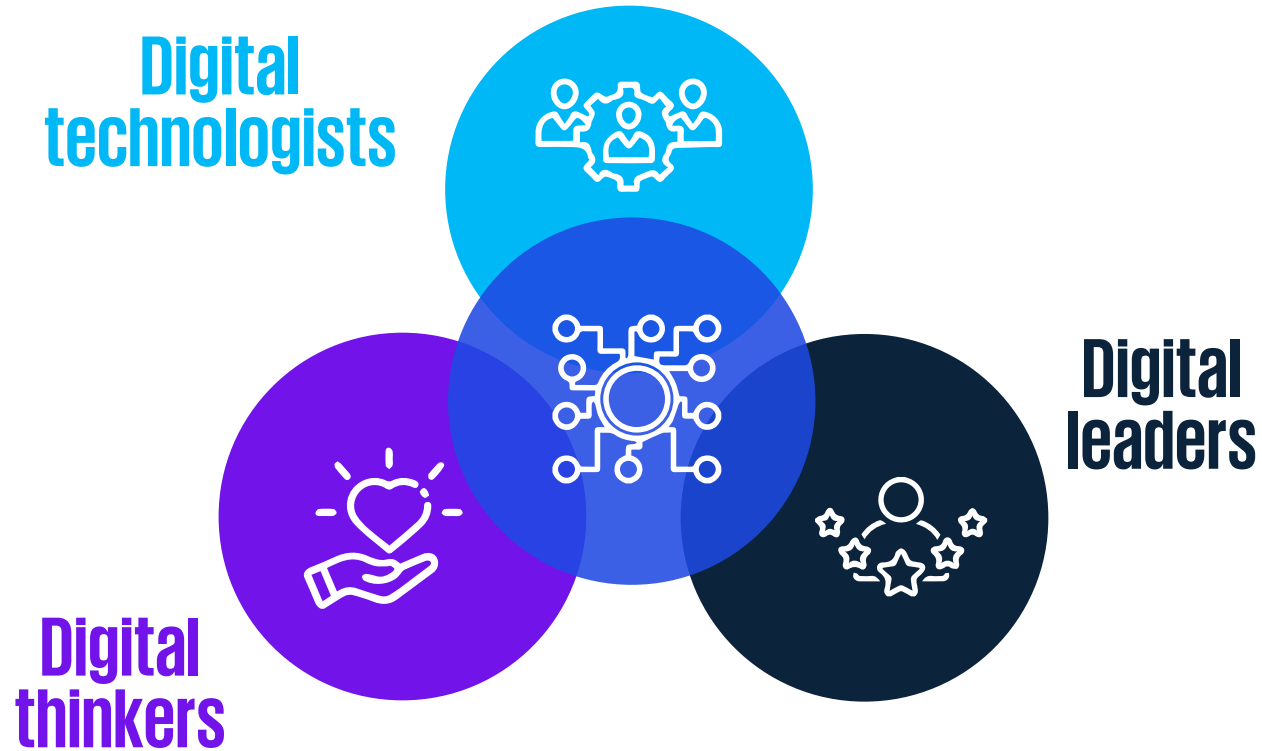


### Create consumer-like experiences

Employees are no longer resources — they are diverse consumers with distinct needs.

Organisations must provide an experience that supports the employee throughout their career.

# Digital upskilling



**With skills being the new currency and the war for talent highly competitive, upskilling and reskilling has never been so important for business.**

There is a need to re/upskill workers so that they are digitally aware and technologically competent for them to optimise their working from anywhere experience.

# A peek at the US

**Coconino County which serves a vast remote and rural area, developed award-winning, innovative cost-saving solutions to improve retention of skilled employees**

**Employees shaped the county's recruitment and retention strategies**

**1**

Flexible work arrangements

**2**

Employee involvement in workforce planning

**3**

Employee suggestions scheme

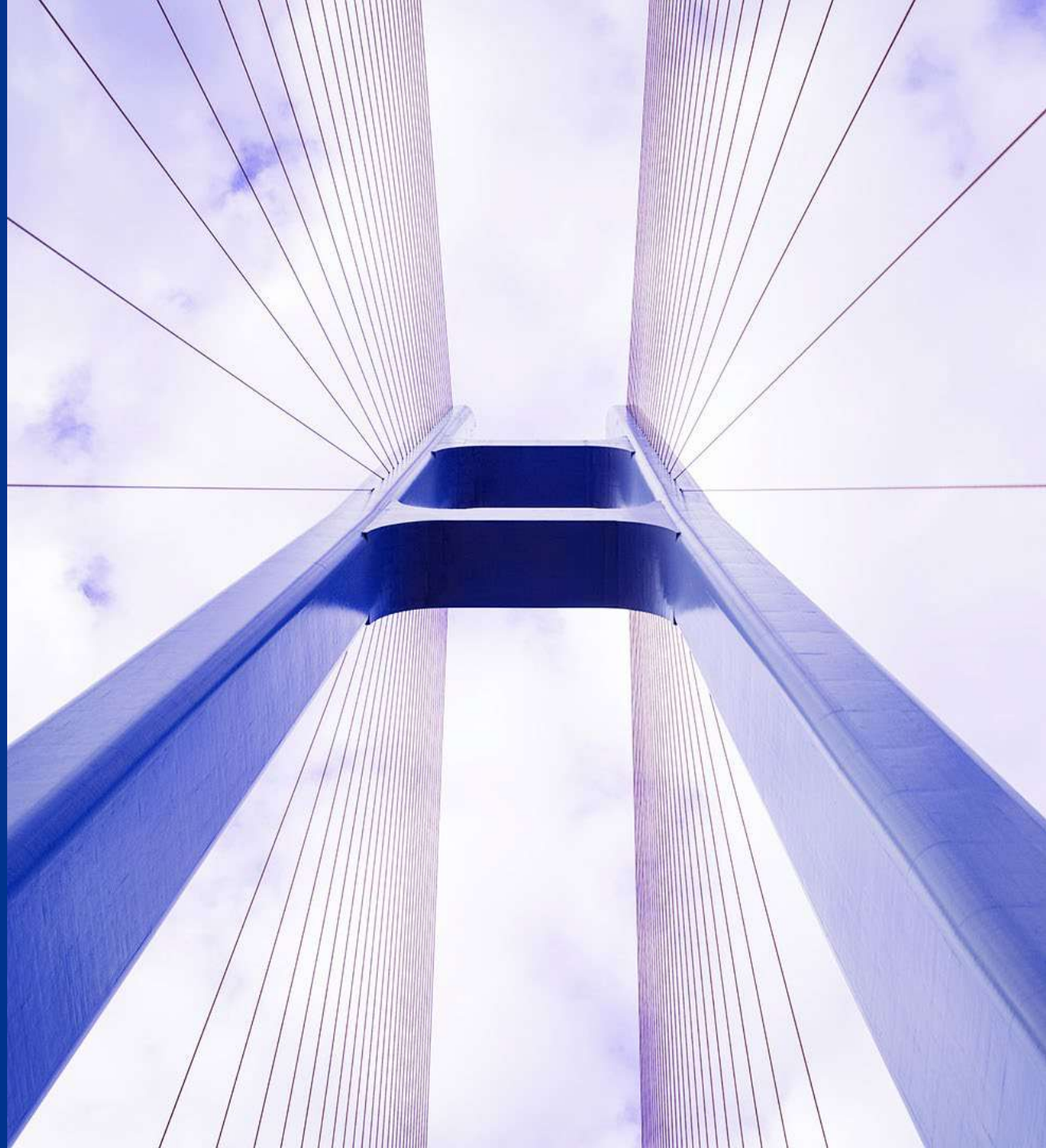
**4**

Access to training and education for employees at every career stage



# 02 Digital Transformation

*Extracting organisational value through connection.*





# The drivers for transformation in Local Government



**Evolving customer expectations**



**Rapid advancement of technology**



**The pandemic**



**Supply chain shortages**



**War on talent**



**Web 3.0**



**ESG**



***Instead of expecting citizens to run behind the government for services, today's government runs behind the citizen offering services***

***Dr. Neeraj Mittal, Principal Secretary  
of IT, Government of Tamil Nadu. India***

## Predictions for 2030



**Cognitive enablement**



**Decentralisation of data**



**The citizen developer**



**Agile workforce**

# The Modern Local Government Blueprint

## Organisational Purpose & Values

- Customer & employee experience improves when an organization's purpose & values are clear

## Digital

- Digital transformation first affects **PEOPLE**, next shapes *processes*, then adds *technology* to enable the mission
- Deliver **VALUE** faster across all departments

## Experience

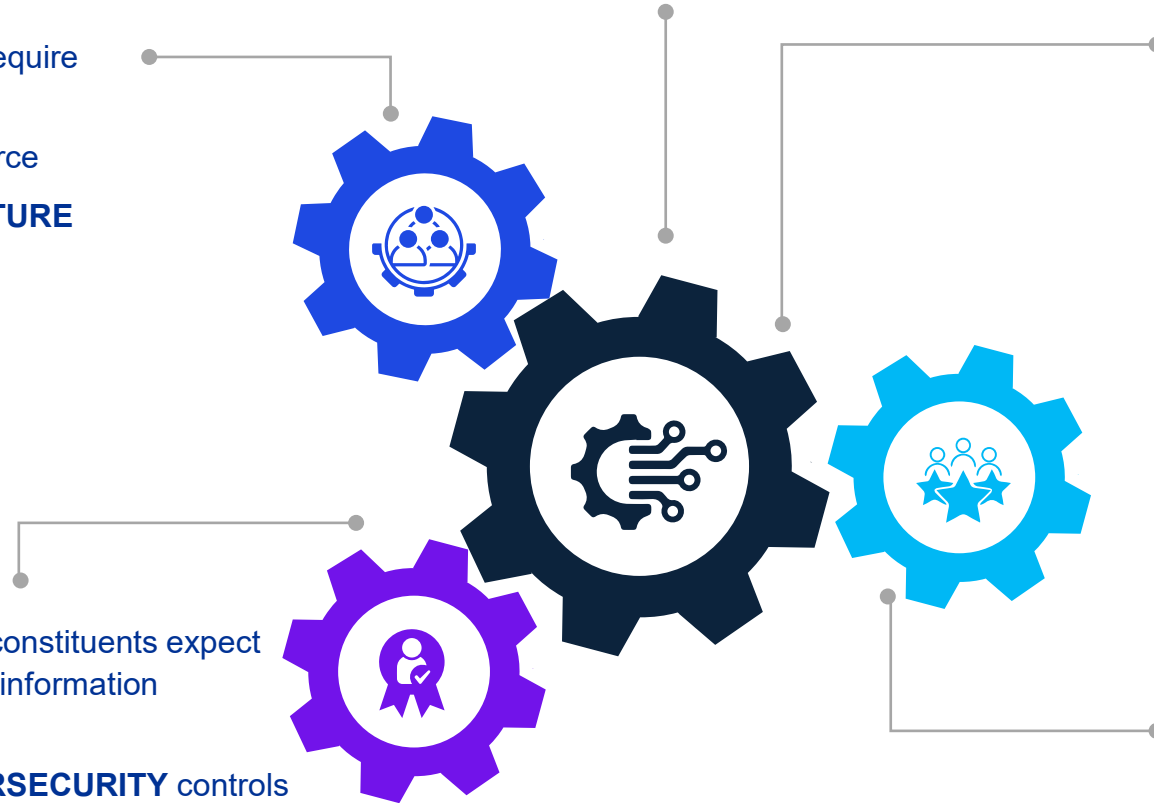
- Creating *good* experiences requires understanding **USERS'** needs
- **DIGITIZE** experiences that matter most
- Deliver them in **EQUITABLE** ways

## Workforce

- New ways of **WORKING** require different skills
- Plan your **DIGITAL** workforce
- Create an innovative **CULTURE**

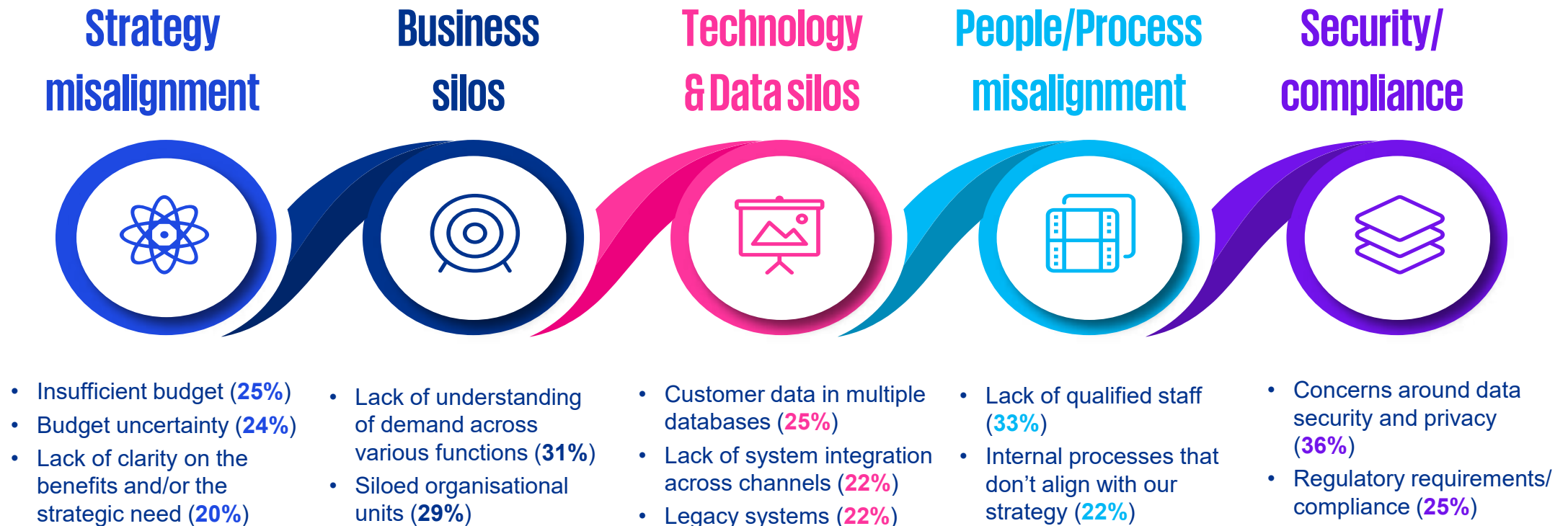
## Trust

- Citizens, employees, and constituents expect governments to keep their information **SECURE**
- Establish thorough **CYBERSECURITY** controls
- **PROTECT** critical data, assets, and the supply chain



# Improved customer experience is the goal, but there are common obstacles to transformation

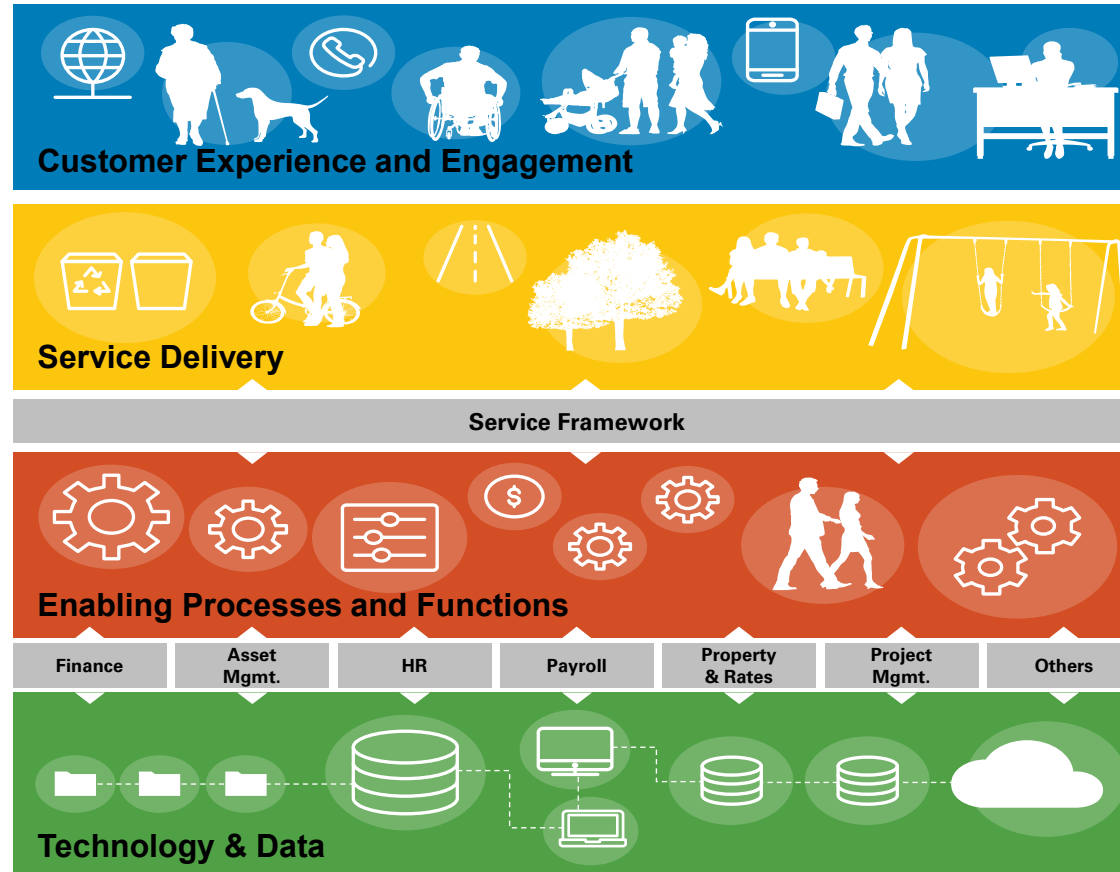
With only 38% of customers reporting feeling valued as a customer when dealing with government<sup>1</sup>, improved customer experience has become a key strategic objective for Local Government Organisations



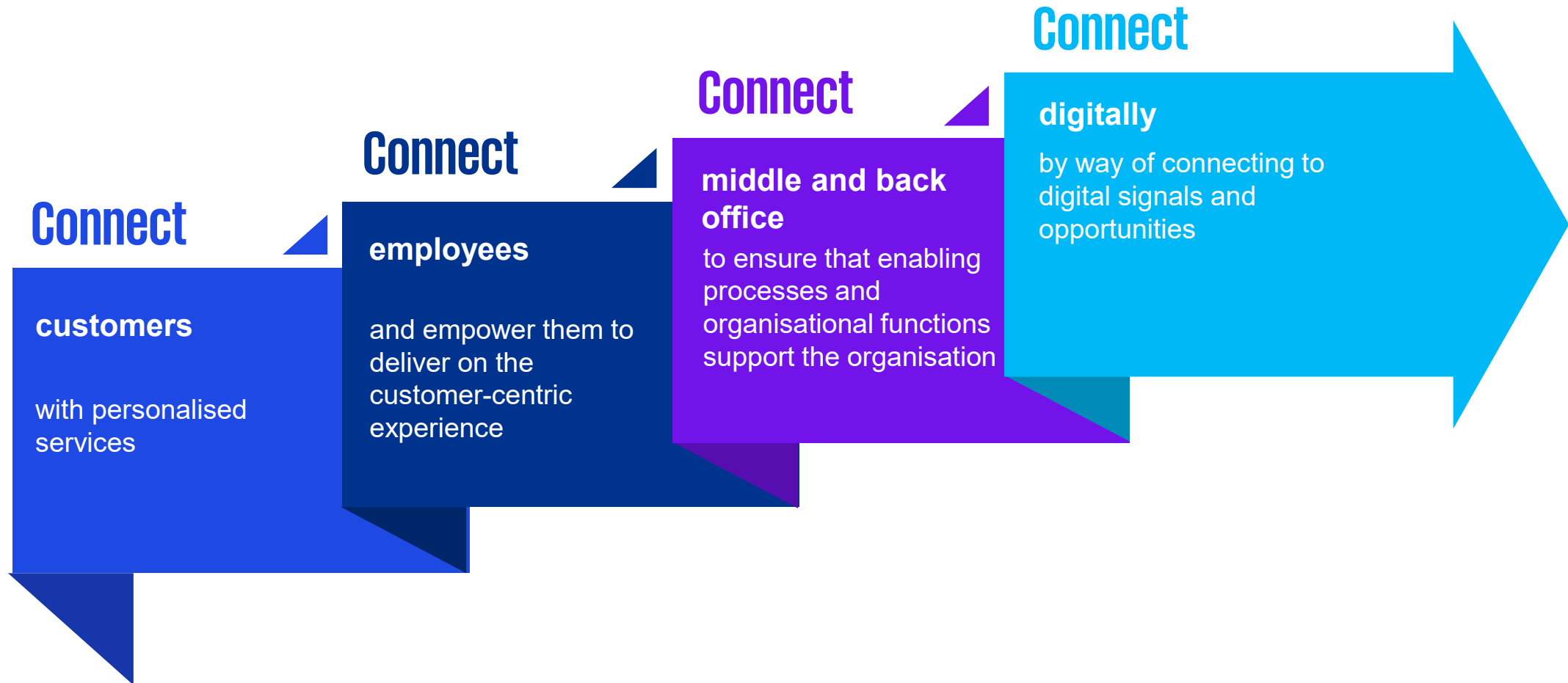


# What does it mean to be connected?

## Core Business and Value Drivers



# How might you move forward?



# What should you focus on now?

Set your strategic objectives

1

3

Plan, plan, plan

2

Build the case for change

## *Critical Success Factors*



**Clear Strategy & objectives**



**Understand the benefits & costs**



**Investment in change**

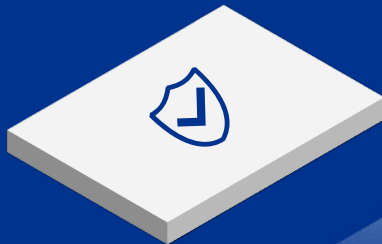


**Update ways of working**

# Wrap up

## Employee moments that matter

Both employees and customers expect a human-centered experience



## Skills are the new currency

Upskilling and reskilling has never been so important



## A connected philosophy

Digital transformation first affects people, next shapes processes, then adds technology to enable the mission





# Where to next

01

## Free Connected Council Maturity Diagnostic

15 min survey  
accessible via QR code



# Where to next

02

Connect with  
us on LinkedIn



**Luke Heine**

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KPMG Australia



**Dina Shehada**

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KPMG Australia

**What is one golden nugget you'll be taking back to your organisation?**

Turn to the person next to you and share your thoughts.





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