

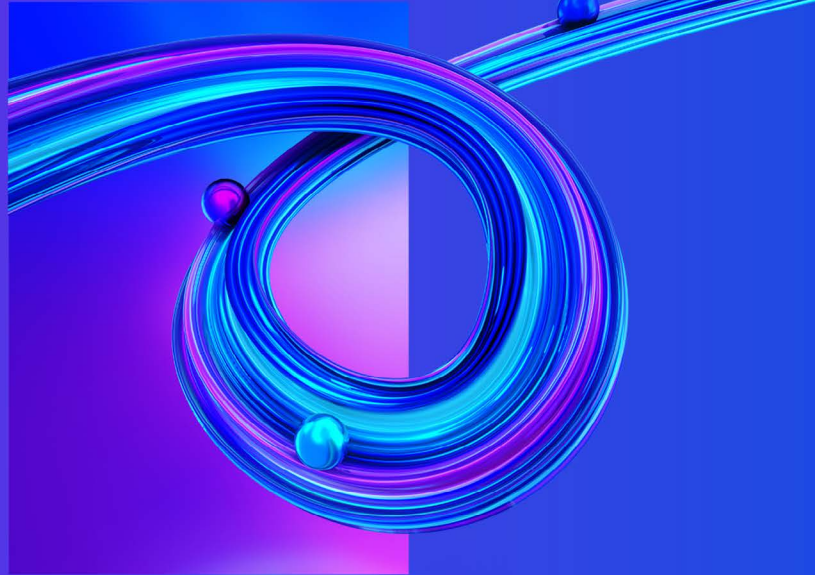


# Re-shape ways of working

KPMG Smart Government

Catalyse digital progress

Insight Briefing



## Prepare for new ways of working

The Covid-19 pandemic resulted in the rapid adoption of digital technology and significant changes in the delivery of public sector services. For example the NHS, to free up space and capacity in acute hospitals, enabled remote working and minimised the risk of infection transmission in NHS settings. Primary care in particular saw a huge increase in remote appointments. A surge in patients' uptake of remote health services, including registrations for the NHS App, NHS login and e-prescription services was also observed. Even before the Covid-19 pandemic reached the UK, in January 2020, the NHS was proactively using digital technology to be future ready.

Government decision makers, along with their peers across the UK, now see firsthand how new business and operating models, and the digital technologies that support them, create new roles and ways of working that demand new skills and capabilities. The speed and complexity of work will continue to accelerate, making it more **difficult for government departments and their workforces to keep pace**. In 2021, the UK government committed to invest over £2.6 billion over the next 3 years to build a resilient digital environment in the country<sup>1</sup>. As governments make these investments, more jobs will require digital capabilities than ever before. To address

digital capability gaps, government departments should consider **three broad approaches**. First, conduct more effective and robust **workforce planning**. Second, explore new ways to compete for talent. Third, provide a more compelling **employee value proposition**. This article explores new ways government organisations can anticipate and build the needed skills for a digital workforce with these approaches.

### Why smart government is important

Government organisations and departments around the world should modernise in order to keep up with changing user needs, regulations, and health and public safety requirements. Leaders involved in government modernisation are reviewing their user's experiences to plan what upgrades are needed in their business processes and service delivery models.

This article is one of a series that features how modernising can affect the government workforce and the user experience, improve security and public trust, and accelerate the digital journey. KPMG offers insights intended to help guide governments and public sector organisations in their modernisation efforts to encompass all processes, technologies, policies, and the workforce so each works together to create connected, powered, and trusted organisations.

<sup>1</sup> "UK Digital Strategy," Gov.UK, 4 October 2021



## Plan your digital workforce

The first step to launch a workforce plan is to **identify the digital capabilities employees will need in the future.**

Pragmatic planning can help leaders understand digital capability gaps and develop workforce strategies to close the gaps. If the UK government doesn't prepare its workforce with the below mentioned skill set, then this digital skills gap is estimated to cost the economy £63 billion per year in lost potential gross domestic product (GDP)<sup>2</sup>.



**Digital technologists:** Governments need employees with experience and knowledge of cloud, artificial intelligence (AI), and automation to build a positive experience for the public. Teams also need knowledge and experience working with blockchain, robotic process automation, digital design, data visualisation, and more depending on the organisation.



**Digital thinkers:** Government departments need holistic thinkers who can use data, interpret real-time analytics, and navigate the fast-changing ways business and technology interact to thrive in digital environments.



**Digital leaders:** Governments need people with strong leadership qualities to lead, motivate, and develop these employees.



**Digital workforce:** Governments need to ensure every civil and public servant has the basic level of digital skills required.

These motivated leaders should have vision and an entrepreneurial spirit to inspire their teams and tackle new challenges. As digital workers move into leadership roles, they will maneuver evolving business models, marketplace platforms, micro-services, dynamic supply chains, and flexible technology. For example, technology as well as department and other leaders need the ability to anticipate citizens' evolving needs and shift their services and the way they are delivered to meet them. Building skills for the digital era takes investment from employers and employees. Explore the following methods in order to develop current employees to move into these digital roles and build your digital workforce.

<sup>2</sup> "UK Digital Strategy," Gov.UK, 4 October 2021



## Invest in different ways to develop skills

Government organisations need workers with passion as well as digital talent to push modernisation efforts and continue to deliver services citizens need. Fast. Only 56% of public-sector employers in UK have access to all or some of the digital skills they require<sup>3</sup>. Every government organisation should have formal career development programs to support employees and leaders. Common program examples include coaching and mentoring and identifying and developing high-potential employees. Methods proving successful in the private sector can benefit government organisations including on-the-job experience, scenario-based active learning, and rotational learning.

Traditionally, governments developed skills in-house through classroom training or conducted targeted external recruiting to acquire them. On-the-job experience, including trial and error, compliments classroom training so people can build skills over time as they work, especially when employees are learning processes that vary from one organisation or region to another. Many organisations offer

career growth opportunities for employees to participate in projects outside their department or team to apply their experience and knowledge to different types of projects that may interest them. These experiences expose employees to different leaders and mentors as well as varying and more advanced work. Organisations also need to think about allowing employees to learn in the flow of work, where bite-sized learning can be integrated into daily tasks, at the point of need.

Scenario-based active learning can help employees learn real time in realistic and relevant scenarios. For example, help functions in applications answer employees' questions within the context of their work when they need it most. Rotational learning programs, which are useful in retaining talent in the private sector, expose workers to different government departments and roles and provide more holistic learning experiences. They also help organisations upskill current employees and broaden internal career development pipelines to move with the organisation's changing skill needs. Depending on the organisation's culture, a third party may help challenge the organisation's traditional training methods to new, more effective approaches.

<sup>3</sup> "Statistical bulletin - Civil Service Statistics: 2022," July 27 2022.



## Change the way you recruit for digital talent

Exploring new approaches to recruit from the outside can augment active career development programs and expand an organisation's digital capabilities faster.

**Develop partnerships, not just relationships,** with secondary schools, colleges, trade programs, universities, alumni groups, and professional associations that focus on emerging technologies to help find needed digital skills. Recruit current employees who are alumni of secondary and postsecondary institutions that specialise in needed skills as government department ambassadors to develop workforce pipelines. For example, government department ambassadors can help design accounting curricula that also teaches technology foundational skills.

**Internship programs** are successful and common in the private sector. Instead of assigning student interns to administrative support, consider digital roles where interns would be a part of the workforce and do the work they want to do in a full-time entry-level position after their education. This approach can help to fill skill gaps faster and is appealing to people who will soon enter the workforce.

**Skills partnerships** with the **private sector** is also a key area of consideration for public sector organisations.

If nearby talent pools are limited, today's hybrid work models allow organisations to **tap into other geographic markets** within their region, especially to **include underrepresented and underserved populations**. New employees can fill roles they can do remotely. Alternatively, government organisations can open satellite facilities that offer services to local businesses and residents and are also convenient to new employee prospects.

Adopting technologies and processes to **improve access to job opportunities and time to hire** can also make working for governments more attractive to digital workers. 38% of civil servants in the UK were over 50 years of age in 2022, up from 33% in 2010<sup>4</sup>. The percentage of civil servants aged under 30, fell from 14% in 2010 to 9% in 2014, following the civil service recruitment freezes. This gap creates a need to attract millennials and generation Z employees, as people under the age of 34 made up 35% percent of the UK labour market, as of September 2022<sup>5</sup>. Finding out about permanent public sector jobs is particularly cumbersome, and often requires sifting through huge numbers of vacancies. Improving the recruiting process can remove access barriers.

Building strong connections, unique internship learning experiences, and expanding learning beyond schools and into communities can help government organisations improve their communities and shape their future workforce.



<sup>4</sup> "Age of the civil service," Institute for Government, October 30, 2022.

<sup>5</sup> Labour market overview, UK: October 2022, ONS, 11 October 2022.



## Compete for digital talent with a compelling employee value proposition

Competition for UK's top employees is tough. Prospective employees often have to choose between their desire to contribute to their communities and fellow citizens and opportunities with more well-known private sector companies. Public sector employments share out of total employment reduced to 17.5% in 2022, from 22.3% in 2010<sup>6</sup>. Many digital workers look for jobs with a known **digital brand** that will offer **modern employee experiences, upskilling and career development, and competitive pay and benefits**. Government departments should be seeking to show why their careers are valuable.

Government leaders should review and refresh their employee value proposition to enhance their chances of attracting talent. By promoting innovation and digitisation efforts candidates know they will use advanced technologies and new ways of working and be rewarded for innovation in their government-sector career. For example, to promote digital efforts, the UK government unveiled in GOV.UK app on October 2021 that will let people access services like free school meals, support for disabled family members and changing driver license details in the future, in one spot<sup>7</sup>.

Public sector organisations can also offer candidates roles where they can contribute to **social value and incredibly purposeful work**. This can be more of a priority for individuals than some other elements of their day to day jobs so the focus is not always on areas like the latest technology or profit to be made.

Organisations that **align employee and customer experiences** can deliver on their mission as they grow and change. Employees are the gateway to knowing and serving citizens. When employees have a consumer-like experience, including easy-to-use technology and streamlined processes, they are better equipped to create a seamless experience for citizens. When employees value their experience,

they feel empowered to work efficiently and will deliver better service. A superior employee experience boosts morale and job satisfaction, which also improves retention rates and can even out the competition for talent with private sector employers.

**Articulate development and career opportunities** as a part of the employee value proposition, which has the potential to especially appeal to millennials and generation Z. Then deliver on the promise. A study found that only 49% of public sector workers in the UK in non-managerial positions believed their potential was being fully realised at work<sup>8</sup>. This trend will improve when more employees feel satisfied with their career opportunities and development and will help keep entry- and high-level employees from jumping to private sector jobs to continue their careers. The UK government set up a Digital Skills Council in June 2022, to address the digital skill gap faced by the country. The council will support employers and workers to re-skill and up-skill, to meet current and future employer needs, and encourage measures to give more people access to digital roles and roles with digital capabilities<sup>9</sup>. Additional funding to up-skill and re-skill government employees should make government departments more attractive places to work. Government departments also need to consider how they position roles within the recruitment process and the job specs to ensure that they are using language that resonates with the people they are trying to attract.

**Promote unique benefits available to government employees in the pay conversation.** Governments can offer unique benefits, such as work-life balance, job stability, final salary pensions, and better health insurance to appeal to digital workers. The UK HM Revenue & Customs department provides benefits like automatic privileged enrollment to The Civil Service Pension Scheme, free access to 'Money and Pensions Service' (MaPS), low-cost health cover through CS Healthcare or Benenden Health, access to the Civil Service-Learning portal, etc., to attract employees<sup>10</sup>.

<sup>6</sup> Public sector employment as % of total employment; UK; HC; NSA; percentage, 13 December 2022, ONS

<sup>7</sup> GOV.UK app unveiled to ease access to Government services, E&T, 13 October 2021

<sup>8</sup> Public service as a career of choice, March 15, 2021

<sup>9</sup> Digital Skills Council, June 2022

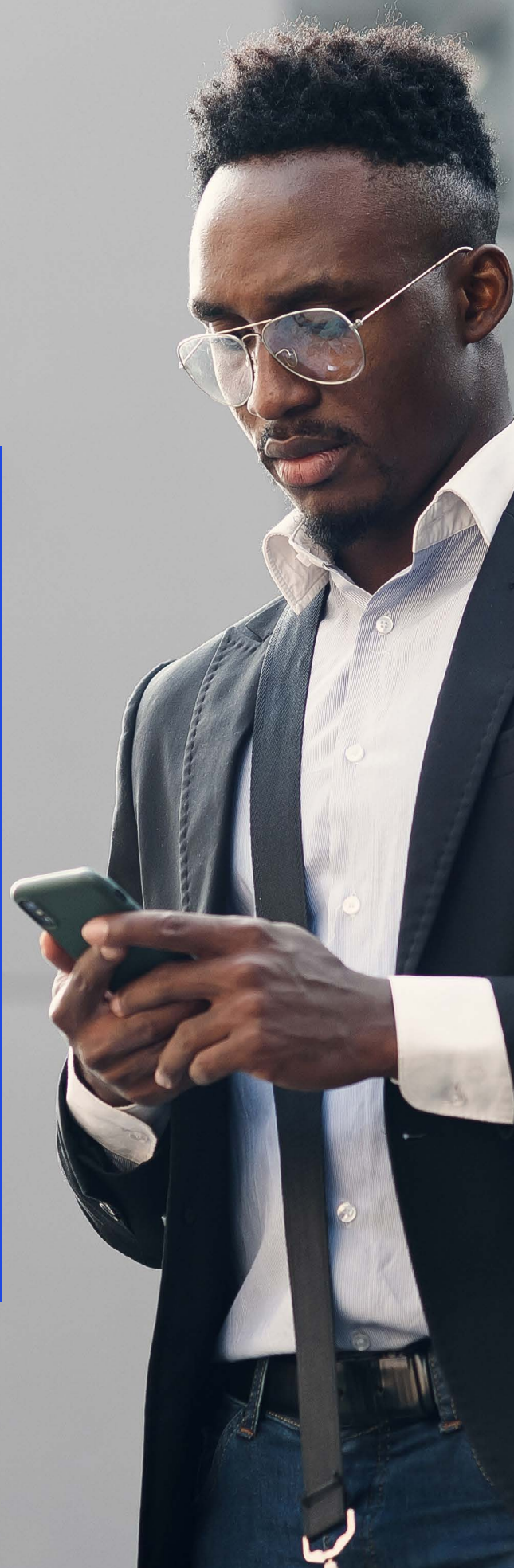
<sup>10</sup> Your little extras and big benefits handbook, HMRC, 1 April 2022



# Challenge tradition

Technology will continue to advance, which is the reason digital journeys constantly evolve. Reskilling and upskilling efforts must also be constant. Technology, citizens, employees, and the world will not wait. Although government organisations traditionally delay their digital journeys, it is not too late to challenge the tradition. Invest in and build for the future now. This includes planning for workforce needs and developing employee skills to fill them. Take these steps to build your digital workforce.

- ➔ Assess your workforce's current skills.
- ➔ Identify the capabilities and skills leaders and employees will need in the future.
- ➔ Make learning and career opportunities a priority.
- ➔ Add new learning methods such as scenario-based active learning, rotational programs, and internships.
- ➔ Nurture partnerships with colleges, universities, alumni groups, and professional associations to expand recruiting pipelines.
- ➔ Make diversity, equity, and inclusion a strong part of planning, recruitment, and reskilling.
- ➔ Promote digitisation efforts to build government department brands among digital worker prospects.
- ➔ Create a smooth, technology-driven, and equitable recruitment and hiring process for prospects.
- ➔ Use external resources such as LinkedIn to engage with digital talent.
- ➔ Communicate learning and career opportunities in your employee value proposition.
- ➔ Align employee and customer/citizen experiences.

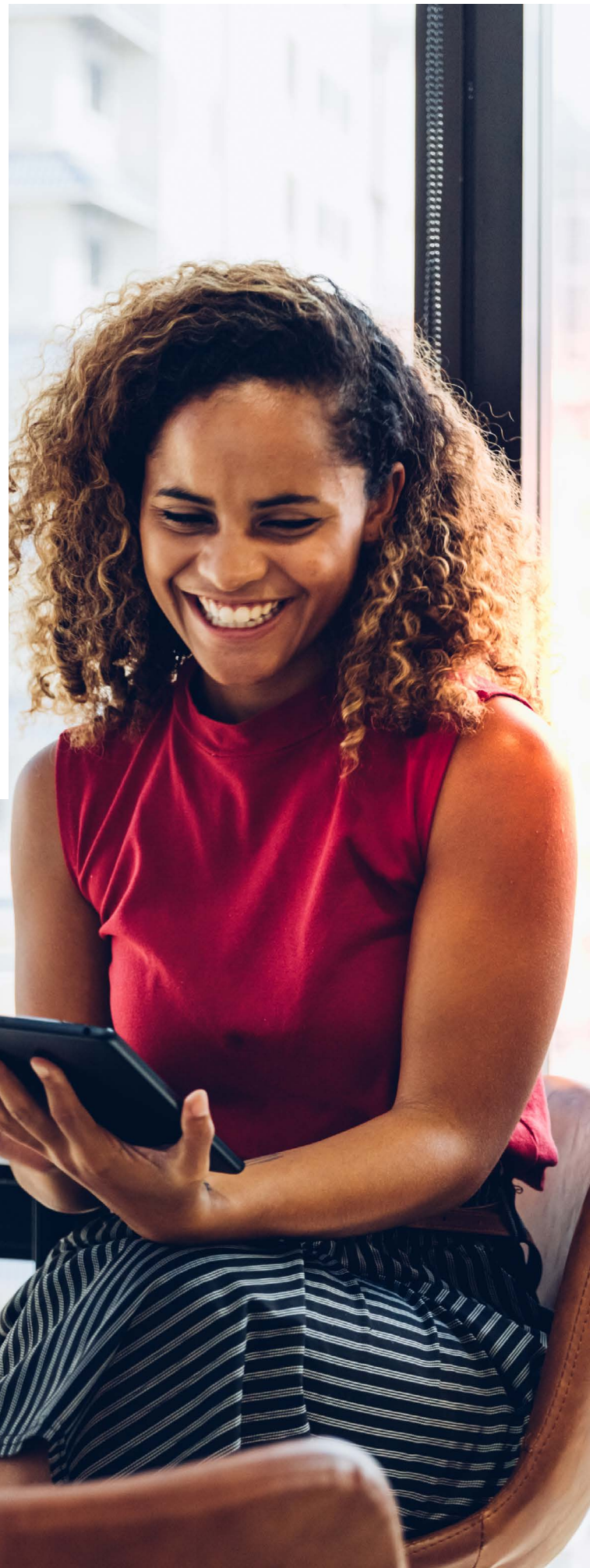


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KPMG firms have many years of experience of working with the public sector from national to local level so we know how organisations work. KPMG professionals understand the issues, pressures, and challenges you encounter in the journey to modernise. Drawing on KPMG firms' government operations knowledge to offer methodologies tailored to help you overcome these challenges and work with you to deliver the results that matter.

KPMG teams start with the business issue before we help clients determine their preferred approach because we understand the ultimate mission. When the way people work changes, KPMG firms can offer client insight on leading training practices to help ensure your employees have the right knowledge and skills. KPMG in the UK is one of the largest learning providers in Europe, specialising in helping our clients build the skills and talent they need for future plans. With our Powered Government offering we provide a blueprint for a customer centric, digitally enabled public service organisation.

KPMG firms are committed to helping clients create value, inspire trust, and help governments deliver better experiences to workers, citizens, and communities.



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