



# Digital transformation in the healthcare sector – the challenges

## A KPMG and Forrester study

As the digital landscape evolves, healthcare organisations face a pivotal moment for self-reflection and change. A strategic evaluation of current digital transformation activities and how to improve them becomes imperative. Healthcare organisations increasingly want to adopt industry-specific solutions to speed up digital transformation and focus scarce resources on patient-centric programmes over costly legacy technology debt.

**KPMG commissioned Forrester Consulting to explore the landscape of digital transformation in the UK public sector today.**

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### Key Findings

**The healthcare sector has a significantly low level of digital maturity.** While only 19% of UK public sector decision makers consider their digital transformation completely successful, this is still 2% higher than the wider public sector average of 17%.

**The healthcare sector is facing severe obstacles to success.** Decision makers in the sector admit lack technology specific skills or knowledge (36%), technology strategy (57%), and training (57%) as main challenges.

**Organisations have experienced some impact from digital transformation success.** Decision makers have seen a positive effect on customer journey mapping (50%) and improving agility in process (68%) from implementing digital practices.

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## Challenges preventing departments from achieving successful digital transformation

<b>1. Technology</b>	<b>57%</b> Lack of technology strategy	<b>21%</b> Complex software and technology	<b>21%</b> Sharing data or drawing insights across departments
<b>2. Process</b>	<b>43%</b> Security	<b>21%</b> Disconnect between political timescales and project delivery timescales	<b>29%</b> Lack of agility to adapt to new processes and capabilities
<b>3. People</b>	<b>36%</b> Lack of technology-specific skills or knowledge	<b>57%</b> Lack of training	<b>14%</b> Reactive/risk-averse organisational culture blocking change
<b>4. Governance</b>	<b>43%</b> Budget constraints	<b>21%</b> Lack of a formal system to prioritise digital transformation activities	<b>21%</b> Lack of metrics to measure success of digital

Base: 148 decision-makers in the UK public sector involved in digital transformation decisions  
Source: A commissioned study conducted by Forrester Consulting on behalf of KPMG, October 2023

## The status of digital transformation

- **There is still a long way to go.** Only a few decision makers are completely satisfied with their digital transformation journey. Many will increase efforts to meet their digital priorities.
- **The UK public sector still struggles with the basics.** Organisations face beginner-level challenges such as a lack of technology strategy, budgets, and skills.
- **Decision makers recognize they need help.** Many respondents will increase the budget to work with third-party service providers and expect them to be able to meet their evolving needs.