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Cutting The Red Tape: Why Governments Are Investing In Digital Workflows

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Introduction

Addressing needs, not wants, governments transition to digital workflows.

A perfect storm of mandates, needs and money is having a big effect on state, local and federal document workflows. These factors coincide with a renewed focus on going digital, according to a new survey of 602 senior digital and technology executives conducted by Forbes Insights in association with Adobe and Microsoft. Fifty of those respondents worked in government, either in North America or Europe

In terms of mandates, the Office of Management and Budget (OMB) and the National Archives and Records Administration (NARA) announced in 2019 they would require all government processes and recordkeeping to transition to digital since NARA would no longer accept paper records in 2023. Only a few months later, the pandemic hit, and governments struggled with office closures while facing an additional challenge that is unique to the public sector: meeting the needs of constituents as people tried to pay taxes, request municipal services and accomplish other critical tasks. By May 2020, the use of paper plummeted by 40% across all industries. The situation was especially fraught given that many services were handled only in person by government workers.

The in-person nature of government might explain why 56% of government respondents—this report will refer to them as

chief information officers, or CIOs—said their organizations were forced to restructure workflows and internal processes to maintain business continuity during the pandemic, according to the Forbes Insights survey. The availability of federal funds was perhaps another reason governments invested in workflows. The Coronavirus Capital Projects Fund, which is a portion of the \$1.9 trillion American Rescue Plan Act, and the \$1.2 trillion Bipartisan Infrastructure Law each set aside funds to help government agencies, states and municipalities upgrade infrastructure and make other investments. Concerningly, about half of those workflow and process restructurings came up short: 52% of CIOs said time and operational constraints led to incomplete or not entirely satisfactory outcomes.

Given where governments started before the pandemic and where many ended up, it makes sense that 90% of government CIOs said they plan to increase their budgets for digital workflow solutions in the coming year. In addition, 62% said they are reevaluating their workflows and internal processes to achieve higher operating excellence.

This report will explore how government IT is changing how it looks at document workflows and internal processes.

Legacy Processes Sap Productivity

Legacy workflows and sector job losses impact agencies and organizations.

The public sector saw steep job losses at the beginning of the pandemic and has yet to recover. According to the September 2022 U.S. Bureau of Labor Statistics [employment statistics summary](#), the government sector is down 461,000 jobs since February 2020. Only leisure and hospitality are seeing worse numbers. With fewer employees overall, it's imperative for public sector organizations to do everything in their power to improve productivity and boost employee morale.

Unfortunately, the Forbes survey found that legacy workflows, which involve using paper either entirely or partially, are sapping overall productivity at half of the governments represented in the survey—50% on average across the nine departments studied. In addition, those legacy workflows are hitting cross-department collaboration particularly hard, according to 60% of CIOs surveyed.

Digital workflows, however, may be able to mitigate both the loss of jobs and the increased need for digitization.



60%

of government CIOs said legacy workflows impact cross-department collaboration.

SOURCE: FORBES INSIGHTS

Digital Workflows Give Government Workers More Power To Serve The People

These employees need digital solutions and workflows to improve productivity—and job satisfaction.

While there are many benefits to improving workflow and digital processes, the boost it provides talent recruitment and retention is significant given that relatively low pay and politicization of the civil service has depressed employee satisfaction.

According to the survey, more than half (53% on average) of government CIOs say legacy workflows impact overall employee satisfaction. The highest impact is in legal, followed by cross-department collaboration. In addition, more than three-quarters (76%) of government CIOs cited improved employee morale as a likely outcome of fully digitizing their workflows and internal processes. This was followed by enabling employees to perform fewer tactical tasks and more strategic ones—a choice cited by 64% of government CIOs. Governments can impress employees as soon as they are hired by bringing digital workflows into the human resources function to orchestrate onboarding and training.

One government in the United Kingdom is seeing the benefits of workflow digitization firsthand. The rural county of Norfolk has nearly 900,000 residents, many of whom are farmers. The county was already focused on digitization, doing things like embedding sensors into roads so city workers would know when to put down sand during ice and snow storms. So when the pandemic hit, the city's council quickly realized it needed to become paperless to lessen the burden on employees and was able to make changes to existing paper-based processes.

"We're really interested in how we can transform business process using Adobe Sign together with the Microsoft Power Platform," explains Gerry Baker, digital transformation and print projects manager for the Norfolk County Council. "We're working with both Microsoft and Adobe to experiment and

find new ways to build integrated workflows that improve productivity for staff and positively impact the community."

The result is huge time savings as well as strengthened compliance with audit trails and real-time visibility into document status. Employees don't need to spend hours preparing documents anymore, either. Today it takes about 12 minutes to prepare a legal document, such as a transfer of title or deeds of covenant for sealing. Previously, preparing these documents for sealing took an average of 45 minutes. Combined, council employees are saving 4.5 days each month—almost a whole workweek—using digital signatures.

76%
of government CIOs said fully digitized workflows would likely improve employee morale.

SOURCE: FORBES INSIGHTS

Investing In Employee Experience Improves The Constituent Experience

The benefits of solving workflow issues extend to customers.

Not surprisingly, improving employee satisfaction and productivity also improves constituent experiences—an important element of government work. This was confirmed in the survey, as 52% of all CIOs surveyed agreed improvements made in the digital employee experience will lead directly to improvements in the customer experience. In the public sector, this can mean a constituent gains access to a safety-net program more quickly, has their tax payment processed in a more timely manner or gets the information they need without having to fill out paper forms and provide duplicate information.

The top benefits of improving an organization's workflow relate directly to customer or constituent experience. For instance, the top improvement cited by government CIOs was leveraging data analytics and insights (52%), which can be used to identify trends and solve problems. Maintaining or increasing revenue and opening new business opportunities or revenue opportunities rounded out the top three improvements, with these options chosen by 40% and 36% of government CIOs, respectively.

Interestingly, only 52% of government CIOs believe that focusing on the link between employee and customer experiences and their contribution to revenue growth is key—the lowest of any industry probed in the survey. (Possibly this is because not all government employees are involved in the collection of taxes, fees, grants and penalties.) Yet the research shows that when you improve employee satisfaction, customer satisfaction rises, too.

Research firm IDC confirmed this causal relationship with a recent survey it conducted, according to Holly Muscolino, group vice president of content strategies and the future of

work at IDC. The firm asked organizations if they believed that a great employee experience led to a great customer experience as well as if they measured it. The responses were overwhelming, even with the caveat that only about one-third of respondents say they have truly achieved advanced digital document workflows. According to IDC, advanced digital document workflows feature widely available document digitization and artificial intelligence that supports orchestration and decision making based on data.

The [IDC study](#) found that 85% of respondents agreed that “an improved employee experience and higher employee engagement translate to a better customer experience, higher customer satisfaction and higher revenues for their organization.” And 62% confirmed a causal relationship between employee experience and customer experience, saying the impact was both measurable as well as either “large” or “significant.”

Even though legacy technology has prevented the public sector overall from delivering high levels of customer experience, individual agencies and government branches can decide on their own to prioritize constituent happiness. This is significant because a pre-pandemic McKinsey & Co. [report](#) found that most governments significantly underperform in customer satisfaction, and it stands to reason that this gap has only widened during the pandemic. The biggest change, though, is that 76% of state agencies and 68% of county and city agencies are asking citizens and end users about their experiences, according to a recent [StateScoop report](#).

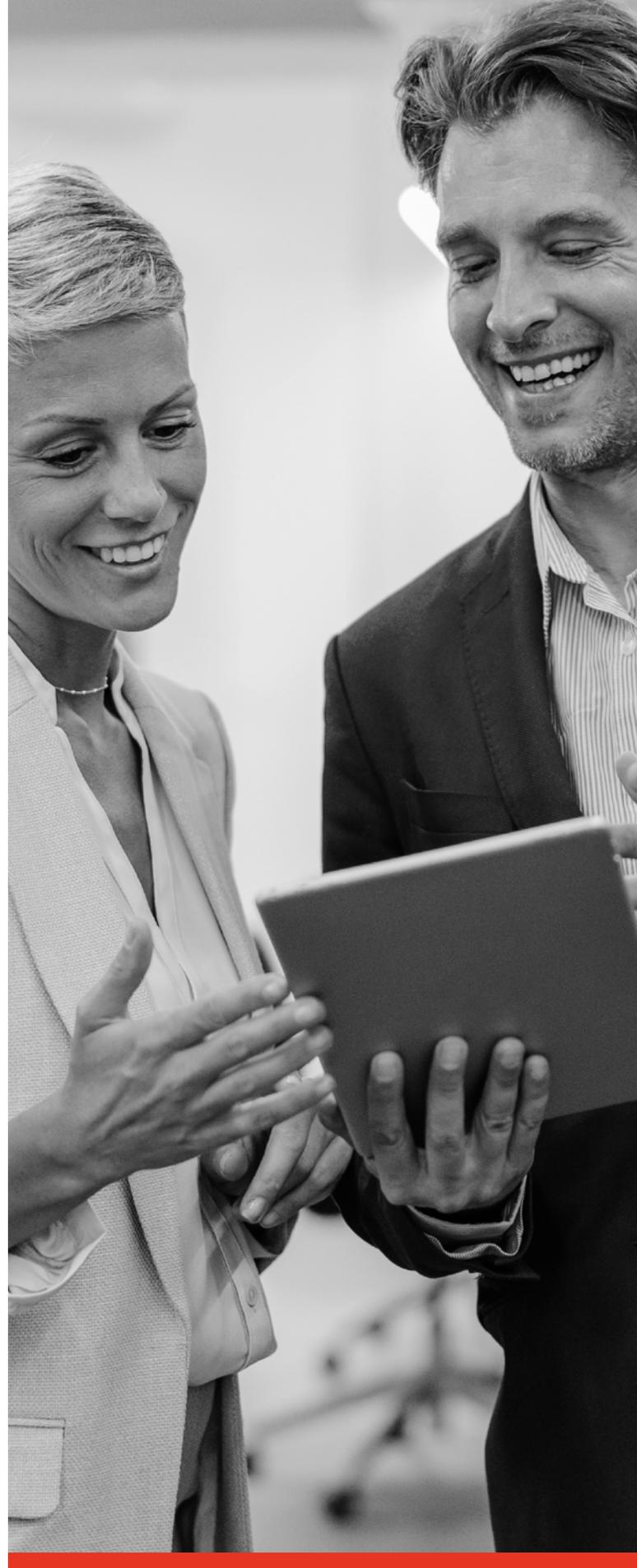
Going forward, government executives will need to expand the focus on digital workflows to enable better customer

service and employee retention and satisfaction. It's especially important now as organizations look to meet mandates and use grant money more effectively, says Connor Forrest, a senior research analyst at S&P Global Market Intelligence.

"The more we invest in the tools and technologies we use to get our work done, the better engaged our employees are," says Forrest. "As we continue to invest in modern technology, especially through things like automation [and] artificial intelligence—whether it's in document workflows or elsewhere—we are making an investment in freeing employees up to work more strategically, to think more creatively."

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Methodology

Forbes Insights surveyed 602 business leaders from North America (80%) and Europe (20%) in April 2022.

Of the 50 respondents in the government sector, 80% were Chief Information Officers, and the remaining were: Chief Digital Officers (8%), Chief Transformation Officers (6%), Chief Technology Officers (4%) and Chief Innovation Officers (2%). All respondents came from organizations with a global IT budget of at least \$500,000, with 66% having an IT budget of \$5 million or more.

