

7 KEY TECHNOLOGY RISKS UNDERMINING TRUST IN LOCAL GOVERNMENT

And best practice solutions to maximise trust
with stakeholders





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Technology for councils is an investment, they're not scared of spending the money, they're scared of not getting the ROI, they're scared of rolling it out slowly and not seeing the value or benefit.

- Governance Leader

Overview

Without a high degree of trust amongst the community, council progress can stall or face backlash. In the wake of COVID-19, councils are facing record demand for information about how they operate, distribute funds, and resolve societal issues. Meanwhile, remote working demands are making governance processes increasingly difficult to manage.

Modern governance technology helps councils manage the governance workload and build community trust by making key processes more transparent, engaging and efficient. However, the most well intentioned (and funded) investments are unlikely to deliver promised results if councils don't take a “people-first” approach to solutions.

We interviewed 35 governance leaders across the country to uncover shared challenges and best practice to help councils around Australia maximise ROI on governance technology investments. In this exclusive report, you'll learn the 7 key risks that other industry leaders are paying close attention to, and strategies your council can use to face them effectively.



01

Council meetings are a critical democratic process; outdated technology increases cost and erodes community trust

44% of respondents said that council meetings were considered the most important process in council, yet improvements are often narrowly focused on efficiencies in administration e.g. business paper preparation. This is a missed opportunity for councils to future-proof meeting management and ensure the entire process - from administration to community and councillor engagement - supports transparency goals and increases community trust.

Across councils, governance teams often work extended hours, juggling items and actions retrospectively, with administrators scrambling to get a last-minute read on how agenda outcomes are progressing. Decisions often get buried in lengthy documents that are difficult to track by both council and the community.

A future forecast that gives your stakeholders visibility on agenda items, council decisions, and resolution progress will allow council to identify risks to the execution of plans to maximise council's ability to efficiently engage the community and deliver on priorities to build trust. This has the power to shift stigma from council being an inefficient laggard, to a forward-thinking, proactive facilitator of community outcomes.



It's difficult to stay on top of what council resolutions have or haven't been actioned. It should be so much easier to run these processes efficiently because they're so important.

- Governance Leader



Questions to encourage best practice:

- What is council's internal culture around the council meeting process? (Internal administrative process or community focus?)
- Is it easy for your community to interact and find information about council decisions, or is meeting documentation difficult to navigate?
- Can your elected members easily access previous council decisions?





02

Delays in handling public information requests (e.g. FOI, GIPA) prevent council from being viewed as open and transparent

52% of councils felt that handling public information was the most inefficient governance process in council. Across councils, there is a tendency to be cautious in releasing information. To avoid the risk of publishing the wrong thing, councils resist publishing anything. Low or inconsistent rates of document capture mean when a formal request comes in, administrators need to dig for the right information, which causes delays in access. This can be interpreted as council hiding information which is especially problematic when there are statutory deadlines to meet.

Councils can ease the administrative burden by proactively sharing information. If information is legally available to the public, it should be easily searchable by members of the public. Allowing the community to access their own information cuts down on the burden of processing requests, which minimises the risk of delays.

Likewise, analysing requests to find common themes and publishing information strategically can ease workloads and demonstrate to the media and community that council is open and transparent.

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Everyone favors open access, but we don't handle it very properly. - Governance Leader

Questions to encourage best practice:

- Do you have a framework for proactive release of information?
- Do you get repeated requests for the same information?
- Does your council use platforms that allow community members to easily search, visualise, and interpret the provided data?



03

Poor relevancy of communications means councils struggle to proactively build trust

44% of respondents indicated that transparency was most important for building trust with the community. Community trust comes from transparency of communication; however, the relevancy of information is also critical. Community members will only perceive trust on the issues that matter to them.

Many councils struggle to get engagement from the community in the initial stages of corporate and community planning which can lead to pushback on council initiatives, often when it's too late to change direction. The community is left with a perception their council is out of touch, while council staff become frustrated over wasted time and effort.

For councils lamenting the lack of engagement, the answer lies in demystifying the implications of strategic decisions by providing the community with a compelling narrative, linking stories to budget expenditure, and giving the community control over how much data they consume. This helps council build relevancy to a broader cross-section of the community, which invites engagement and demonstrates progress. Over time, this allows trust to be more widely perceived.

“Council wants people to comment, especially when strategic plans go up. But the process is just to put it up and ask for comment. It's not great from a community engagement point of view. - Governance Leader



Questions to encourage best practice:

- How do you continuously improve community engagement?
- How easily can the community track progress on strategic initiatives and council expenditure?
- Is council using narratives and interactive data to communicate in a way that the community understands?





Questions to encourage best practice:

- Do you take a partnership approach with technology vendors?
- Has your approach been people-first or technology-first?
- Are all stakeholders clear on the ideal future state of implementing new technology?

04

Poor consideration of change management requirements results in sub-par outcomes

Over 76% of respondents said value from major technology investments is often unrealised due to change fatigue. When technology projects are larger, ongoing change management needs are often not considered. Budgets blow out, training gets wound back, and stakeholders become frustrated and drained. This prevents implementing changes that would otherwise improve council performance which is key to building trust.

When budgets are pulled back, IT usually picks up the slack for user training. IT generally does not have a deep enough understanding of the business problems the systems were purchased to solve, which means training becomes about what buttons to press and what processes to use. Not about the key benefits to each stakeholder and how the system supports them to succeed in their role.

The speed at which value gets delivered to stakeholders is critical. For change fatigue to be avoided, stakeholders should be met with empathy and shown a fast pathway to realise the personal benefits of using the new system. Smaller projects targeted to solve specific business problems reach outcomes faster and with less implementation risk. This makes it easier to sustain motivation until systems are fully implemented.

“Often, it’s a big system change, not little changes in individual stages. That’s why bringing people along with you on that journey is really hard. - Governance Leader”



05

Modules that come bundled in ERPs are not fit for purpose, wasting time and community funds

26% of councils said difficulties in procurement of non-ERP modules are major barrier to implementing governance technology. Once councils have spent a small fortune on an ERP, there is a tendency to automatically adopt additional modules. IT usually holds the budget for expenditure on technology, and once an ERP procurement process is complete, it is easier to adopt the ERP offering than go to market.

ERP modules may come with the promise of “integration”, but this can be at the expense of critical functionality. Without a market scan to determine whether the ERP module is fit-for-purpose and comparable to “best in breed” solutions, it’s impossible for council to account for the current and future opportunity costs of their decision.

For internal departments to get approval for the most suitable solution to support governance processes, there needs to be a clear demonstration to IT that the business problem cannot be resolved with the systems they currently have access to. They must enlist the support of executives, steering committees, and others influencing parties to assure IT that an investment in alternative systems will result in a better return than unequivocal adoption of ERP modules.



Integrated solutions are a dog's breakfast, but the executive makes that decision, and it's not best practice.

- Governance Leader



Questions to encourage best practice:

- How are teams engaged to determine the best solution for their business requirements?
- How does the solution you use add value to the business process for all stakeholders?
- Does your vendor offer specialist knowledge and understanding of your needs?





Questions to encourage best practice:

- How are your governance processes enabling or hindering operations?
- What's the opportunity cost of people covering up deficiencies in your current systems?
- Have costs related to key council processes been quantified to determine the true value of solutions?

06

Underfunding of governance initiatives leads to political and operational impacts years after governance issues are exposed

32% of respondents said a lack of funds is considered a major barrier to implementing systems to improve transparency and build community trust. Council funds tend to flow towards processes that are more visible to the community. Inward facing governance systems drive efficiency and accountability, however it's not an easy sell to the community as it's simply not as visible.

This means investment in governance tends to get deprioritised until things go wrong, and the political fallout justifies the expense. This reactive approach can result in severe and costly impacts politically and operationally, often for years after governance issues are exposed.

It's important that governance teams can influence internal stakeholders. As the owners of the business problem, they understand the true benefits and costs of action vs. inaction and hold considerable influence in protecting council from reputation damage. Many governance professionals are unfamiliar with the process of developing business cases that demonstrate clear ROI and strong links to community strategic goals. Building business cases that align with strategic planning initiatives will help governance gain more traction at an executive level and align opposed parties within council to reach governance goals and mitigate risk.

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There's a fundamental problem with funding for governance. That is, if there is no problem, why are we spending? - Governance Leader



07

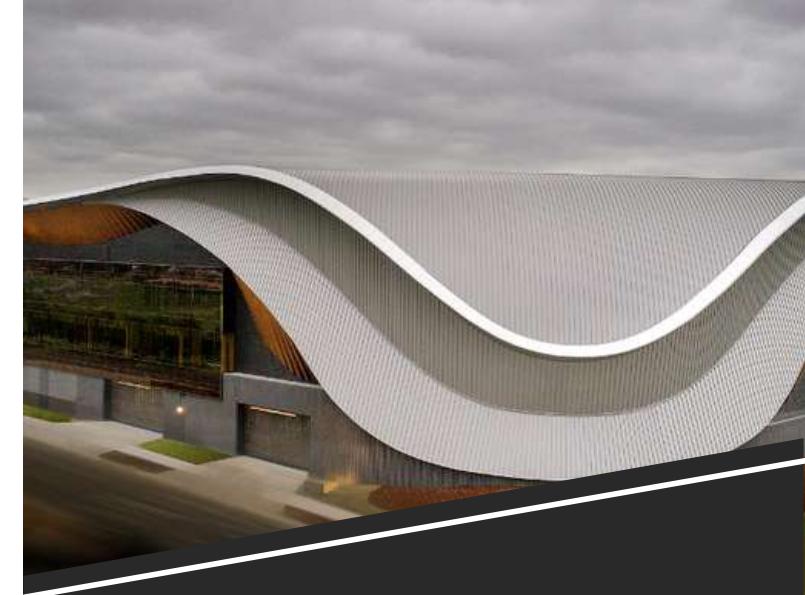
Disconnect between strategic plans and individual performance leads to less accountability to community priorities

29% of respondents said that building trust in council depends on having a strategic plan that is efficiently enacted and reported on. As the community's document, it should provide critical oversight and accountability to keep council activities and spending on track.

Periodic snapshots mean managers can't see whether they're on track or off track, and links between budgetary and team performance are often unclear. The use of data as a lagging indicator, means managers don't have timely access to information to help them align team actions with community goals in real-time. A lack of reliable data also leads to overly cautious decision making which impedes progress towards business outcomes.

Systems should clearly align the organisation from top to bottom, from overarching strategic plans down to individual performance. Managers should have the data they need to make dynamic decisions that generate consistent action towards the achievement of community goals. This gives management confidence to make bolder decisions, based on what's effective, not just about what's protective.

“Everything flows through from IP&R. Having that management and oversight is the most important piece of the governance process. Having it right, that means accountability and delegations are correct. If that's not right the rest doesn't work.
- Governance Leader



Questions to encourage best practice:

- Are your annual reports static or interactive?
- How does individual performance link to overarching strategic plans?
- Do managers have access to real-time data or retrospective reporting?



Summary

Governance processes are at the heart of everything council does. They provide the assurance that council is doing what they say they're going to do and performing in a manner that's responsible, astute, and aligned with the community's best interests. Technology is an enabler and amplifier of these outcomes but only when solutions have been implemented in a way that demonstrates a holistic understanding of stakeholders' needs.

For best results, solutions should be defined collaboratively to ensure risk is removed rather than simply transferred. To minimise change fatigue and encourage engagement, internal and external stakeholders should be empowered with the knowledge and support they need to embrace the system as a tool to meet their personal goals.

For councils committed to transparent government and continuous improvement, paying attention to these key risks and asking the questions outlined will help ensure prospective governance solutions meet best practice now and into the future. This is what will support councils to maximise return on governance technology investments, build trust with the community and accelerate council progress.



About Redman Solutions

We understand the many unique challenges facing today's local government. That's why we connect people, processes, and technology to enable councils to be more transparent, effective, and accountable.

For almost two decades, we have been trusted by over 200 Local Government clients across Australia and New Zealand to transform the way they plan, meet, collaborate, and communicate with key stakeholders.

Our technology solutions are designed to enhance the way you work, and our locally based team will support you throughout the entire process.

