In support of the APS Review: Future trends and scenario planning to 2030

Appendix - APS Megatrend Survey
Background to this report

As an input into the APS Review Future Trends and Scenario Planning Report, BCG surveyed APS leadership to understand their perspectives on the 2030 operating environment.

25 megatrends were included in the survey. Respondents were asked for their perspective on which megatrends are the most impactful, and how prepared the APS is to address them.

The survey results informed the prioritisation of key megatrends for scenario development, and provided insight into lead times for strategic responses.
The BCG APS Megatrend Leadership Survey has gathered input from:

- **2,756** Respondents
- **82** Departments / Agencies
- **542** SES Staff
- **2,214** EL2 Staff
Responses were received from a wide range of agencies

Respondents provided their perception of 25 megatrends, which are classified into four themes:

**Changing expectations**
- Fiscal pressure to do more with less
- Increasing citizen expectations
- Continued demand for digital government
- Growing distrust and demand for transparency
- Rise of new media
- Unclear role of government versus private sector and non-profit/philanthropy
- Increasing power of Millennials
- Tailoring of services to local areas

**Advances of technology**
- Increasingly data driven world
- More cybersecurity risks
- Rise of Artificial Intelligence & Machine Learning
- Continuing innovation imperative
- Uptake of robotics & automation

**Societal and geopolitical shifts**
- Ageing population
- Rise of global tech giants
- Increasing focus on risk and security
- Growth of major Asian economies
- Migration continues to drive population growth
- Growing inequality

**Changing work**
- Workforce shifting to new skillsets
- More demand for flexible working
- Increasingly multi-generational workforces
- More collaborative, iterative work approaches
- Adoption of human-centred design
- Shift from vertical product siloes to horizontal platforms
Respondents provided their perspective on the impact of each megatrend and the preparedness of APS to address it.

**What is the degree of impact?**
Determine the degree of impact of each megatrend on the APS out to 2030; from limited impact to pervasive impact.

**How prepared is the APS?**
Determine how prepared the APS is to address each megatrend out to 2030; from unprepared to unprepared.
Key insights

The 5 most impactful trends were consistent across all seniority levels and locations.

Increasing seniority of the respondent saw an increase in degree of impact and uncertainty scores across most trends.\(^1\)

Respondents tended to perceive trends as more impactful if the trend was associated to their employer agency.

Employees outside of the ACT saw all technology related trends as higher impact than their ACT based colleagues.

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1. With the exception of ‘role of governments vs. private sector’
Our survey highlighted high impact trends, and those the APS is not prepared for:

Top 5 megatrends scored as having the highest impact on the APS:
1. Fiscal pressure to do more for less
2. Cybersecurity risk
3. Data driven world
4. Increasing citizen expectations
5. Continued demand for digital government

Top 5 megatrends which the APS is most unprepared for:
1. Rise of artificial intelligence
2. Uptake of robotics and automation
3. Workforce shifting to new skillsets
4. Growing distrust & demand for transparency
5. Rise of global tech giants

Source: BCG APS Megatrends Leadership Survey; number of survey results = 2756; Departments, Agencies and Statutory Bodies who have responded = 82
Appropriately harnessing the vast amounts of data becoming available, to ensure policy is directed most efficiently and effectively

- EL2

Keeping experienced people while integrating new and innovative thinkers could be a significant improvement to the workforce diversity and culture

- SES Band 2

Having a more mobile, agile and flexible workforce capable of responding to need, and the government’s agenda will be critical

- SES Band 1

Integrate into the local and regional communities and introduce real time feedback about community needs and expectations

- EL2
Quotes from APS staff emphasise greatest risks out to 2030

“Cyber security risks means that the work and reputation of the APS can be threatened too readily”  
- EL2

“Failures by agencies to protect public data could see withdrawal of public support for increased automated services”  
- SES Band 1

“Skills shortages, particularly the ability to attract true technical expertise to deliver innovative solutions for the community”  
- SES Band 2

“It will be the pace of the impacts and our inability to respond in a timely way that is our greatest challenge”  
- EL2
For most trends, more senior respondents gave higher impact scores

The most senior leaders in the APS ranked most trends as higher impact.

The megatrend unclear roles between government and other sectors is an exception to the rule. As respondent seniority decreases, the perception of the level of impact increases.

Note: Quantitative impact scores should be interpreted as: 1 · Limited impact; 2 · Noticeable impact; 3 · Substantial impact; 4 · Pervasive impact.
Agencies tend to over-index on impact of trends associated with their area of work

Compared to other agencies, DFAT staff rated the impact of **growing Asian economies** higher.

Note: Quantitative impact scores should be interpreted as: 1 - Limited impact; 2 - Noticeable impact; 3 - Substantial impact; 4 - Pervasive impact.
Survey indicates some differences in perception between ACT and non-ACT respondents

Compared to non-ACT based respondents, those based in the ACT ranked...

<table>
<thead>
<tr>
<th>Impact of technology trends</th>
<th>ACT 2.5</th>
<th>Non-ACT 2.8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact of societal &amp; geo-political shifts</td>
<td>ACT 2.9</td>
<td>Non-ACT 2.7</td>
</tr>
<tr>
<td>Impact of rising Asian countries</td>
<td>ACT 2.6</td>
<td>Non-ACT 2.3</td>
</tr>
</tbody>
</table>

- All technology related trends as lower impact
- All societal and geo-political shifts as higher impact
- The risk of growing Asian countries as being more impactful

Note: Quantitative impact scores should be interpreted as: 1 - Limited impact; 2 - Noticeable impact; 3 - Substantial impact; 4 - Pervasive impact
No variation in ACT vs non-ACT impact scores for most trend themes

ACT vs non-ACT respondents had similar perception regarding the impact of most trend themes, with technology trends being the only exception.

Hypothesis that non-ACT respondents are more likely to be in roles that are related to service delivery and will be obviously impacted by advances in technology.

Note: Quantitative impact scores should be interpreted as: 1 - Limited impact; 2 - Noticeable impact; 3 - Substantial impact; 4 - Pervasive impact.
No variation in perception of impact scores between policy focused and service focused agencies

There is insignificant variation in perception of impact between policy focused, service focused and other agencies

• Policy focused agencies include APSC, Department of Prime Minister and Cabinet, Treasury, Department of Finance, and more
• Service focused agencies include Australian Tax Office, Department of Human Services, Department of Home Affairs, and more
• 'Other' agencies include National Library of Australia, Registered Organizations Commission, and more

Note: Quantitative impact scores should be interpreted as: 1 - Limited impact; 2 - Noticeable impact; 3 - Substantial impact; 4 - Pervasive impact
Appendix

Analysis by theme
Survey results - Advances of technology

• Most of the advancement of technology megatrends were seen to have a great impact whilst being what the APS were least prepared for

• Rise of AI and machine learning and uptake of robotics and automation were identified as the requiring the most preparation out of all the trends

• Cybersecurity and data were identified as two of the three most impactful trends on the APS overall

Source: BCG APS Megatrends Survey; number of survey results = 2756; Departments, Agencies and Statutory Bodies surveyed = 82
Survey results - Changing expectations

- Fiscal pressures was seen as the trend having the greatest impact on the APS of all trends surveyed
- Increasing citizen expectations, demand for e-government and trust and transparency were also highlighted as having a substantial impact on the APS
- All of the changing expectation trends were seen as being in the mid-range for preparedness

Source: BCG APS Megatrends Survey; number of survey results = 2756; Departments, Agencies and Statutory Bodies surveyed = 82
Survey results - Changing workplace

- Respondents believe the APS is not prepared to address new skillsets, though perceive it to have the highest impact.

- Vertical product silos to horizontal platforms and adoption of human centered design were seen as requiring more preparation.
Survey results - Societal and geo-political shifts

- Respondents believe the APS is not prepared to address the rise of **global tech giants**, one of the top 5 overall megatrends; yet it is believed to have a substantial impact in the future.

- All the Societal and geo-political shift megatrends were generally in the mid-range for impact and preparedness.

Source: BCG APS Megatrends Survey; number of survey results = 2756; Departments, Agencies and Statutory Bodies surveyed = 82
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