



A Strategic, People-Centric Approach to OpEx in the Public Sector

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Executive Summary

Achieving operational excellence (OPEX) in the public sector demands a strategic and people-centric approach, encompassing leadership, collaboration, technology, and continuous improvement. This paper explores how clear goal setting, fostering a supportive culture, leveraging technology such as automation and AI, and breaking down operational silos can drive sustainable and efficient service delivery in government. The focus is on strategies that organisations can adopt to navigate fiscal constraints, enhance workforce performance, and improve cross-departmental collaboration to meet growing public expectations.



Foreword - By Appian

It was a pleasure to take part once again in this event hosted by Public Sector Network, in collaboration with Appian. It was exciting to see the prioritisation of operational excellence initiatives, and hopefully attendees took some valuable key learnings away with them regardless of where they are with their strategic roadmap.

At Appian we speak about continuous innovation with our customers and emphasise the importance of making small but impactful changes to improve automation which result in immediate ROI and organisational benefits. The success of these initial projects leads to buy-in from all levels which is critical for the implementation of additional initiatives to further increase efficiency and reduce costs.

Driving incremental gains in operational efficiency is something Appian clients enjoy due to the low code nature of our platform. From my conversations with participants this year an efficient platform is only part of the story, capturing gains and monitoring outcomes is also key. If every incremental gain is driven by clear outcomes, be they pure time based efficiency or more intangible gains such as “additional time for empathy” then leadership can confidently invest in the program over time. Small, time bound incremental gains that leverage existing data assets and technologies can generate big wins for both staff and citizens and importantly build the organisation’s confidence in itself as well.

Kal Marshall

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Foundations of OpEx: Strategic Roadmapping, Culture Shifts and Incremental Changes

As seen in Figure 1, 68% of surveyed participants are in the beginning or roadmapping stages of Operational excellence (OpEx) initiatives. Strategic goal-setting and vision making is a crucial component of ensuring organisational alignment, cultural absorption and understanding what superior service delivery looks like.

Strategy as a Foundation for OPEX

A well-defined organisational strategy is crucial to achieving operational excellence. Strategy is not merely about defining what the organisation does but aligning the 'why' and 'how' to ensure clarity and purpose across all levels. A successful strategy fosters

buy-in from executives, boards, and teams by making sure that priorities are clear and well understood. This engagement builds a sense of collective ownership, aligning everyone toward common goals.

In the public sector, however, constrained resources and budget limitations often require a more focused strategy. Public organisations must adapt to lapsing project portfolios and shrinking budgets. In this context, strategic focus becomes even more critical. Leaders must ensure that resources are channelled into areas that make the greatest impact, often requiring difficult decisions about where to cut or scale back operations. The balance between strategy and resources in public sector environments is essential to maintaining service quality while facing financial pressures.

Poll Question	How mature are your Agency's OpEx initiatives?						
Poll Option	NTNL	NZ	NSW	QLD	VIC	ACT	SA
We're just beginning: Identifying areas for improvement	19%	14%	24%	23%	0%	17%	36%
We're strategizing: Creating a roadmap for priority initiatives	49%	45%	41%	49%	64%	54%	39%
We're in-flight: Executing the strategy and reviewing	29%	41%	24%	28%	36%	25%	18%
We're fully mobilised: OpEx is fully embedded and driving continuous improvement	3%	0%	10%	0%	0%	4%	6%

Figure 1. Maturity of agency OpEx initiatives in ANZ

Strategy as a Foundation for OPEX

Culture is at the heart of operational excellence. Operational excellence is not just about systems and processes but creating an environment that fosters continuous improvement and values-driven work. Culture isn't formed through documents alone; it's shaped by leadership and how values are lived and demonstrated at every level of the organisation.

It's important for organisational values to be deeply embedded into daily operations, from performance reviews to professional development and internal recognition systems. Values need to be integrated into performance metrics and shared across the leadership team, making them more than just slogans but active components of everyday decisions. This deliberate embedding of values ensures that the culture aligns with the pursuit of excellence, even when faced with operational constraints.

This contrasts with many organisations where values are often discussed in isolated leadership meetings or displayed on walls but not actively integrated into performance management or daily conversations. By weaving values into performance goals and encouraging open discussions across all levels, it's possible to successfully create a values-driven culture, which in turn supports a more sustainable model for operational excellence.



Navigating Constraints in the Public Sector

One of the biggest challenges for public sector organisations is working within tight constraints, be they budgetary, regulatory, or operational. Unlike private organisations, public bodies often face higher levels of scrutiny, with limited flexibility in allocating resources. Finding creative ways to embrace new technologies and streamline processes can deliver OpEx without sacrificing quality or service delivery.

For example, focusing on areas where small changes could yield significant improvements is a leaner approach to OpEx. This focus on incremental improvements, even when budgets are tight, is crucial in public organisations where large-scale changes may not always be feasible.

Moreover, continuous improvement ensures that changes are not seen as final, but as stepping stones toward further refinement. They stress the need for a mindset that doesn't settle for "good enough" but continuously seeks to optimise processes, even in the face of resource limitations.

AI, Automation, and Digital Transformation for Operational Efficiency and Resilience

Poll Question

What is your main priority over the next 12-18 months?

Poll Option	NTNL	NZ	NSW	QLD	VIC	ACT	SA
Automation/Technology Investment	34%	30%	38%	20%	52%	38%	24%
Process Innovation Strategisation	21%	3%	26%	33%	22%	23%	21%
Enhancing Digital Initiatives	19%	23%	21%	22%	9%	15%	21%
Eliminating Siloes	6%	13%	3%	4%	0%	8%	9%
People and Change Management	21%	30%	13%	22%	17%	15%	26%

Figure 2. Public Sector OpEx priorities over the next 12-18 months

As seen in Figure 2, automation and technology investment was a main priority was over a third of surveyed respondents. AI, automation and digital offer the promise of increased efficiency, accuracy, and reduced costs. However, technological transformation doesn't occur in a vacuum. Harnessing their full potential requires navigating the challenges of ethics, interoperability, and integration, while focusing on improved processes and citizen interactions.

AI's Impact on Operational Excellence: Balancing Efficiency and Ethics

AI holds transformative potential for OpEx, especially in services requiring data processing, decision-making, and pattern recognition. The public sector can leverage AI to streamline processes, identify inefficiencies, and predict trends. For instance, in the justice system, AI has been deployed to assist with tasks like transcription services, dramatically cutting the time spent on manual work.

However, with this power comes the need to address critical ethical issues. AI models are only as reliable as the data used to train them. For example, biased datasets can result in skewed outcomes, as seen in cases where AI-powered facial recognition misidentified non-white individuals at a disproportionately

high rate. While AI enhances productivity, it is crucial to establish safeguards, including ethical guidelines, continuous monitoring, and responsible data handling to ensure fairness and transparency.

To harness AI effectively, organizations must adopt a problem-first approach. Rather than forcing AI into operations, businesses should identify specific problems where AI can serve as a solution, ensuring the technology aligns with organizational goals. This approach emphasizes AI's role as a tool to solve challenges, rather than a catch-all solution.



Overcoming Interoperability: Integrating Complex IT Systems

The power of AI and digital tools often depends on their ability to seamlessly integrate with existing IT systems. Unfortunately, this is where many organizations face significant challenges. Legacy systems, incompatible technologies, and fragmented data sources can create barriers to interoperability, slowing down transformation initiatives.

To overcome these issues, organizations need to adopt a strategic approach to system integration. This involves aligning IT systems—whether they pertain to cybersecurity, data, or service management—into a unified infrastructure. In the public sector, for instance, justice departments are integrating

AI-driven speech-to-text transcription services with legacy audio systems. The result is a significant reduction in manual labour, with processes that once took hours now accomplished in minutes.

Interoperability is key to creating cohesive, scalable solutions. As the public sector embraces digital transformation, ensuring that all systems communicate effectively allows for smoother operations and more accurate data sharing across departments.

Embracing Digital Technologies to Improve Processes and Enhance Citizen Interactions

The shift toward digital technologies is not only streamlining internal processes but also reshaping how public services interact with citizens. Digital platforms enable faster service delivery, reduce manual paperwork, and enhance access to information.

One area where this transformation is visible is in the automation of routine services. Governments are adopting AI-driven systems to handle high volumes of transactions—such as license renewals, benefit applications, and other citizen-facing tasks. By doing so, they not only cut costs but also improve accuracy and customer satisfaction. Digital transformation ensures that citizens receive quicker responses and more personalized services, without compromising quality or reliability.



Transforming and Automating Processes for a Future-Ready Public Service

To ensure future readiness, governments and public services are turning to automation to replace manual and repetitive tasks. For example, AI-driven decision-support systems are being explored in judicial processes, offering the potential to automate lower-level decisions in a fair and consistent manner. While human oversight remains essential, the use of AI in simple, high-volume cases can save time and resources, allowing public servants to focus on more complex, nuanced cases.

Automating processes also allows for better resource allocation and scalability. By digitizing routine tasks, public services can manage larger workloads, reduce operational costs, and create more agile organizations. The goal is to build a public service that is not only more efficient but also capable of adapting to future challenges.

Solving Complex Challenges through Knowledge Sharing and Collaboration

Poll Question

What is the primary challenge you face in implementing operational excellence initiatives within the public sector?

Poll Option	NTNL	NZ	NSW	QLD	VIC	ACT	SA
Resistance to change from stakeholders	8%	11%	5%	7%	4%	11%	9%
Limited budget and resource	33%	36%	14%	46%	25%	44%	32%
Lack of alignment with organisational goals	3%	4%	5%	0%	0%	11%	0%
Regulatory constraints and compliance issues	3%	0%	0%	2%	8%	4%	6%
Integrating new technology within existing systems	8%	4%	7%	11%	8%	7%	9%
Gaining senior executive buy in and investment	3%	0%	0%	2%	8%	4%	6%
All of the above	42%	46%	69%	33%	46%	19%	38%

Figure 3. Primary OpEx challenges front-of-mind in the public sector

As can be seen in figure 3, while limited budget and resources and the single most front-of-mind challenge for 33% of surveyed respondents, 42% of respondents faced a combination of challenges when implementing OpEx. From stakeholder engagement and alignment, to compliance, procedural constraint and difficulties integrating tech.

Cross-departmental collaboration is vital for addressing the interconnected challenges facing the public sector today. Cross-collaboration is accomplished by building an agile workforce, equipping staff with data and technology skills, identifying skills gaps, and identifying opportunities for collaboration.

Building an Agile and Collaborative Workforce

To respond effectively to future challenges, we need to build an agile workforce that is not only skilled but also adaptable. This can be achieved through fostering a culture of collaboration and open communication. Cross-departmental teams can be formed to tackle specific issues, allowing diverse perspectives to be integrated into problem-solving processes. Regular workshops and collaborative projects can help team members from various departments develop relationships and understand each other's strengths, leading to a more cohesive work environment.

Additionally, adopting agile methodologies can enhance responsiveness. By utilizing iterative processes, teams can quickly adapt to changes, reassess priorities, and deploy solutions more effectively. Agile training programs can equip employees with the tools they need to thrive in this dynamic environment.

Democratising data through tech and workforce capabilities

To maximize the potential of data and technology, the public sector must invest in technology infrastructure that enables seamless data sharing across departments. Implementing centralized data platforms can eliminate redundancy and improve access to vital information.

Moreover, training programs should focus on data literacy, ensuring that employees can interpret and utilize data in their decision-making processes. Encouraging the use of advanced analytics and AI tools can empower staff to derive actionable insights from data, ultimately enhancing service delivery and operational efficiency.



Creating a Culture of Learning

Identifying and addressing skills gaps within the workforce is crucial for sustained success. Regular skills assessments can help pinpoint areas where employees may require additional training or resources. This can be achieved through performance evaluations, surveys, and feedback mechanisms that encourage employees to share their professional development needs.

Once skills gaps are identified, tailored capability development, reskilling, and upskilling initiatives can be implemented. This may include online training programs, mentorship opportunities, or partnerships with educational institutions. Fostering a culture of continuous learning not only enhances individual capabilities but also strengthens the overall workforce.

Encouraging Knowledge Sharing and Collaboration

To cultivate a highly skilled and motivated team, public sector organizations must prioritize knowledge sharing and cross-departmental collaboration. Establishing platforms for collaboration—such as internal forums, shared digital workspaces, or regular interdepartmental meetings—can encourage employees to exchange ideas and best practices.

Recognizing and rewarding collaborative efforts can also incentivize knowledge sharing. Implementing peer recognition programs or celebrating successful joint projects can motivate teams to work together more effectively.

Improving Transparency through Performance Measurement

Finally, leveraging performance measurement and accountability insights is essential for establishing clear performance metrics and allows teams to monitor progress and identify areas for improvement. Regular reporting on performance not only fosters accountability but also builds trust with stakeholders and the public.

Utilizing performance data can help leaders make informed decisions, allocate resources more effectively, and continuously refine strategies for service delivery. By embracing a culture of transparency, public sector professionals can demonstrate their commitment to excellence and accountability.



Conclusion: the public sector's power is with its people

Achieving operational excellence in the public sector is a multifaceted journey that requires strategic planning, investment in people, and leveraging technological innovation. Clear goal setting, fostering a collaborative culture, and continuously improving processes are essential components of a successful OpEx strategy. By breaking down operational silos and embracing the benefits of automation and AI, public sector organisations can optimise service delivery, enhance public trust, and meet the growing demands of their stakeholders. The key takeaway is that OpEx is an ongoing process, not a one-time goal, requiring commitment and adaptability at every level of the organisation.

As seen in figure 4, over half of surveyed respondents believed that it was their teams' skills and people which were the fundamental drivers of success. At the end of the day, investing in people will be the difference between whether transformation succeeds or doesn't.

Poll Question	What do you believe to be the fundamental driver of success within your operational transformation?						
Poll Option	NTNL	NZ	NSW	QLD	VIC	ACT	SA
Excellent and efficient process design	17%	20%	29%	9%	8%	19%	14%
Fully-utilising the right fit technology	11%	7%	16%	20%	4%	11%	9%
The skills of your team and power of people	55%	50%	27%	55%	72%	67%	57%
Senior leadership and OPEX culture curation	18%	23%	29%	16%	16%	4%	20%

Figure 4. Perceived drivers of success in the public sector



Methodology

Public Sector Network collects data from public sector professionals utilising real-time polling via an extensive, international events portfolio. This ensures a controlled environment that both anonymises respondent information while also ensuring the data comes from those working in the public sector. Event attendance is tracked and qualified through a registration list, which monitors participant job functions and respective portfolio agencies. Consequently, findings are rooted in direct participant input, providing a transparent and authentic representation of stakeholder views.

The aim of polling PSN attendees is to provide public sector insights that are both timely and highly relevant to the issues discussed. This polling data was collected from 204 participants who attended the 2024 OpEx Roadshow.

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About Appian

Appian is a software company that automates business processes. The Appian AI Process Platform includes everything you need to design, automate, and optimize even the most complex processes, from start to finish.

More than 200 government organizations use Appian to transform their missions, by improving their procurement workflows, optimise case management and modernise their environment.





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About Public Sector Network

Public Sector Network (PSN) is a research company and insights exchange platform for government professionals. PSN connects public sector leaders to share knowledge, collaborate on solutions, and drive innovation in government services. Through events, workshops, and online communities, PSN fosters a culture of continuous learning and improvement in the public sector. PSN's mission is to support government organisations in achieving their goals through knowledge sharing and collaboration.

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