

REASON

GROUP

APSLabs could be the ultimate GovTech sandbox

CAPABILITY PAPERS

OCTOBER 2023

Opening up the playing field using whole-of-government sandboxes.

Table of contents

INTRODUCTION 3

GOVERNMENT’S SOVEREIGN POWER AS AN ANCHOR CLIENT 4

THE HOLY GRAIL OF INTEROPERABILITY 4

ACCELERATING INTEROPERABILITY USING GOVTECH SANDBOXES 5

BUILDING CAPABILITY BY BRINGING PEOPLE TOGETHER..... 5

A BETTER PATHWAY TO VALUE FOR MONEY 6

EXPORTING AUSTRALIAN VALUES THROUGH WORLD LEADING GOVTECH 6

Introduction

The Australian Government serves every individual and business that interacts with Australian laws and regulations. It is a massive and intricate conglomerate, encompassing a diverse range of organisations with a multitude of interfaces and technology. However, this complexity often forces individuals and businesses to navigate the intricacies of government rather than experiencing the seamless "customer-centric" approach employed by leading companies worldwide.

But we have a grand vision for our nation – to position Australia as a leading digital economy and society by 2030. To turn this vision into reality, our government systems must be nothing short of world-leading, keeping pace with technological development and adoption. After all, these systems are an integral part of the enabling capability that will drive our domestic excellence and competitiveness on the global stage.

GovTech is therefore a critical enabling capability that requires systematic development by government including investing through the National Reconstruction Fund.

Government's sovereign power as an anchor client

The power of government as an anchor client cannot be underestimated. As one of the largest sovereign consumers, producers, and custodians of data, the government is also uniquely positioned to leverage game-changing technologies like artificial intelligence for the betterment of our society.

Furthermore, in our domestic market, where small to medium enterprises dominate, government stands as a significant customer. Becoming an anchor client would be a game-changer for aspiring and established technology firms, not only bolstering their domestic business but also enhancing their international credibility and facilitating expansion.

However, the path to success is not easy for startups and small businesses. Navigating the complexities of government procurement and competing against established incumbents can be incredibly daunting. It is imperative for all levels of government to integrate themselves seamlessly into the fabric of the domestic digital service infrastructure. By fostering partnerships, implementing smart regulations, and practical standards, we can position government service delivery to tap into the evolving dynamics between businesses, consumers, and technology within the natural systems of our economy.

The holy grail of interoperability

Poor interoperability creates friction across the whole government ecosystem, adding time and cost to hundreds if not thousands of touchpoints. It also sits at the heart of many of the barriers for domestic firms in working with government, including a bias towards incumbency of single large providers to avoid interoperability challenges.

"Achieving interoperability is crucial for the delivery of integrated citizen-centered public services and the path to a data-driven public sector. Interoperability plays a crucial role in enabling administrations to overcome siloed practices towards coordinated, connected, and responsive public sectors capable of better responding to the increasing demands of our economies and societies."

World Bank GovTech Global Partnership Interoperability Working Group

Traditionally, the key to unlocking interoperability has been the establishment of standards that define data and information exchange protocols. However, in the fast-paced race to grapple with emerging technologies, it often feels like for every effort made to harmonise regulations, two new ones spring up, each with its own set of definitions. Given that standards development is usually a lengthy process this means that it is near impossible to effectively maintain, let alone increase, interoperability using traditional methods.

It is therefore high time for the government and industry to join forces and explore innovative ways to achieve effective interoperability. We must also harness the power of emerging technologies as our ally in overcoming this critical bottleneck.

Accelerating interoperability using GovTech sandboxes

Drawing from my extensive experience in developing mission-critical systems for Defence and Air Traffic Control, I understand firsthand the paramount importance of robust systems integration. In these complex domains, establishing a rock-solid approach to integration is the key to success. The ability to swiftly create integration environments for testing interoperability is an invaluable capability that I have witnessed in action. Our firm is often called upon to swiftly establish these environments for government projects as one-off exercises, and usually because it is just “too hard” for the government agency to stand up an environment using its current capabilities.

With this perspective in mind, I firmly believe that the time has come for the government to establish a groundbreaking initiative: a standing whole-of-government integration environment capability, let's call it **“APSLabs”**.

APSLabs would serve as a powerful tool to address the multitude of internal government integration challenges while also fostering collaboration with industry partners. Picture a dynamic and open ecosystem where various stakeholders can come together, unleashing their collective expertise and resources to overcome integration hurdles.

More than just a collection of whiteboards, these APSLabs would be capable of rapidly spinning up relevant reference architectures encompassing business processes, systems, and data. These agile and adaptive virtual playgrounds would provide the perfect environment for deploying and testing specific use-cases. The result? A fertile ground for breaking through legacy issues or for innovation, where ideas can be transformed into tangible solutions, and interoperability can be fine-tuned.

By establishing APSLabs, we empower government agencies and industry players alike to collaborate, experiment with novel approaches, evolve interoperability standards, and co-create solutions that seamlessly integrate into the broader government ecosystem. It's a catalyst for collaboration, a breeding ground for innovation, and a driving force for actually achieving re-use across whole of government.

Building capability by bringing people together

In the fast-evolving landscape of digital skills, both the Australian Public Service and the nation as a whole face a formidable challenge. Attracting and nurturing these skills has become a top priority for government and businesses alike.

The open and transparent nature of an APSLabs environment would serve to break down barriers in the ecosystem. It serves as a hub, bringing together public servants, academia, domestic suppliers, and multinational corporations, fostering a vibrant exchange of knowledge and a collective drive to build essential digital skills.

For domestic firms willing to embark on the journey, APSLabs offers an unparalleled opportunity to gain an in-depth understanding of government intricacies. It provides a gateway to exploring the challenges and systems that shape our nation. Furthermore, it serves as a conduit to tap into the vast resources of Australian research institutions, opening doors to global expertise and cutting-edge advancements.

A better pathway to value for money

The traditional approach to government technology investment and procurement often falls short in delivering optimal value for money. Reliance on large business cases with multi-year plans and solutions can lead to untested assumptions, undercooked risk management strategies and flawed procurements.

However, a new trend is emerging—one that champions discovery and proof of concept work to contest and inform investment decisions. This approach recognizes the importance of tackling risks head-on and breaking down implementation into manageable chunks.

This is where APSLabs offers a procurement pathway that has the potential to transcend conventional methods, and pave the way for transformative outcomes. By operating within this open playing field, suppliers gain a powerful platform to showcase their capabilities, demonstrate their worth, and showcase their commitment to delivering value for money.

It becomes a springboard for establishing trust and credibility with government stakeholders, enabling more accurate predictions of value for money in procurement decisions. Utilising just a portion of the annual government spend on technology business cases is probably enough to fund operating APSLabs, let alone considering the potential value for money benefits.

Moreover, APSLabs opens doors for informed investors to throw their weight behind companies and solutions that demonstrate a clear pathway to scale domestically and globally. With a deeper understanding of the work being done within this collaborative environment, investors can confidently invest in ventures that exhibit tremendous potential and promise.

Exporting Australian values through world leading GovTech

The Australian Government must turn outwards and not inwards to solve the big challenges and seize the significant opportunities in front of us. It must champion connecting government jurisdictions, academia and industry. As many smart and motivated minds as possible should be turned to making technology deliver benefits rather than harms to society.

In addition to building internal government capabilities, the government should leverage its purchasing power to develop domestic GovTech expertise and adoption of critical emerging technologies such as AI, data science, and software engineering within the public sector.

By reducing barriers and encouraging collaboration with small to medium enterprises, a robust domestic GovTech industry can be cultivated, bringing economic benefits and allowing Australian societal values to be embedded in the use of transformative technologies.

Ultimately, it is the responsibility of those who govern and use technology, rather than the engineers and scientists, to determine the direction of progress. By fostering connections, promoting understanding of the public interest, and facilitating collaboration, the government can enhance the chances of achieving better outcomes and creating a brighter future for all.

About Reason Group

Reason Group is a homegrown Australian digital services firm that specialises in the personalisation of government.

Our purpose is to make government easier for those that deliver it and the people it serves. We partner with you to unlock opportunities within the unique complexity of our Australian government landscape.

Our team brings both hearts and smarts to the table. We are diverse and deeply experienced and to put it plainly, we care. We don't play around the edges; we get to the heart of the problem to ensure we're in it for the right reasons. We want to know what makes you tick and how we can make an impact.

Our approach is personal. We tailor our methodology to every client's individual needs, rather than fitting your needs to our approach. We embed ourselves seamlessly in your space, to see projects how you see them. Success is achieved through empathy, collaboration, and a commitment to delivering no matter what.

Reason Group Pty Ltd

Level 11

68 Northbourne Avenue

Canberra ACT 2601

ABN 34 128 711 348

T +61 (0)2 6152 0942

business@reason.com.au

www.reason.com.au

This document is prepared solely for the intended recipient and client personnel. The material presented reflects Reason Group's best judgement based on the available information at the time of preparation. This document contains confidential and proprietary information and remains the property of Reason Group. No part of this document may be used, circulated, quoted, or reproduced for distribution outside the client organisation without prior written approval from Reason Group.

© 2023 Reason Group



making government easier

