# 2023 Voice of Our Clients
Findings from interviews with executives in State, Provincial & Local Government

## Top trends & priorities

<table>
<thead>
<tr>
<th>Macro trends</th>
<th>Industry trends</th>
<th>Business priorities</th>
<th>IT priorities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Technology and digital acceleration</td>
<td>1. Cybersecurity protection</td>
<td>1. Improve citizen services and experience</td>
<td>1. Digitize and automate business processes</td>
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<tr>
<td>2. Changing social demographics</td>
<td>2. Becoming digital to meet citizen expectations</td>
<td>2. Protect organization as cybersecurity risks mature</td>
<td>2. Drive IT modernization to improve efficiency</td>
</tr>
</tbody>
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Executives we interviewed
Annually, CGI leaders meet with executives across industries and geographies to gather their perspectives on the trends affecting their enterprises:

- **1,764** across 21 industries
- **150** in State, Provincial & Local Government

Digital strategy progress
While most State, Provincial & Local Governments have a digital strategy in place, they are seeing slower progress in achieving results when compared to commercial industries.

- **88%** Digital strategy in place
- **20%** Producing expected results

State, Provincial & Local Government
- **88%**
- **20%**

Commercial Industries
- **93%**
- **33%**
Key findings in State, Provincial & Local Government

Change management is still key
- 69% say culture change remains the top constraint to achieving business priorities

Greater business model agility needed
- just 14% say their business models are highly agile for digitization

Use of IT managed services to rise
- 54% cite using full or substantial managed services for IT applications now, rising to 57% in 2 years

Automation maturity grows
- Implementation efforts pivot toward more advanced automation and AI

Cybersecurity strategies progress
- 51% are operational and 31% are producing results from their cyber strategies
Digital leaders in State, Provincial & Local Government

When comparing insights from the 20% producing results from digital strategies (digital leaders) to those building or launching digital strategies (digital aspirants), common attributes emerge.

For example, digital leaders in State, Provincial & Local Government more closely align and integrate their business and IT operations.

<table>
<thead>
<tr>
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<th>Digital leaders</th>
<th>Digital aspirants</th>
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</thead>
<tbody>
<tr>
<td>See high impact of digitization on their business model</td>
<td>68%</td>
<td>55%</td>
</tr>
<tr>
<td>Realize faster ROI from digitization strategy</td>
<td>31%</td>
<td>4%</td>
</tr>
<tr>
<td>Closely align IT and business operations to support strategy</td>
<td>60%</td>
<td>23%</td>
</tr>
<tr>
<td>Better integrate IT and business operations to execute strategy</td>
<td>47%</td>
<td>21%</td>
</tr>
<tr>
<td>Produce results from cybersecurity strategies</td>
<td>37%</td>
<td>27%</td>
</tr>
</tbody>
</table>
5 recommendations for becoming a digitization and technology leader

1. **Motivate employees** through more effective change management.

2. **Use policies and frameworks** in more agile ways to accelerate results.

3. **Consider managed services** to put a clear focus on goals while meeting budgetary challenges.

4. **Use automation** that’s end-to-end and implemented iteratively to get more out of your budget.

5. **Stay vigilant in IT security and compliance** to advance data management.