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**CORPORATE STRATEGY****Appendix A (FOI Response 13 2020)****Digital Transformation Strategy**

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| <b>Document Type</b>  | Corporate / Board Level Strategy |                    |  |
| <b>Document Name</b>  | Digital Transformation Strategy  |                    |  |
| <b>Owner</b>          | Head of Business Improvement     |                    |  |
| <b>Version Number</b> | Issued for approval v1.0         |                    |  |
| <b>Date of Issue</b>  | 24 <sup>th</sup> Oct 2018        |                    |  |
| <b>Approved by</b>    |                                  |                    |  |
| <b>Date Approved:</b> |                                  | <b>Review Date</b> |  |

## Statement of intent

This strategy describes how Business Improvement (BI) will support the delivery of the Future CITB: Vision 2020 and the approach BI will take to ensure that CITB continues to transform into a modern skills body that is streamlined, transparent and better value for customers becoming the 'levy in, skills out' skills body the construction industry wants.

## Strategy objective

Put the customer at the heart of CITB digital services, offering them effective and efficient support and services, in the way they want to use them, when and where they want to access them.

This will be achieved by:

1. Consolidating existing digital platforms to provide customers with the ability to easily interact with us online
2. Full integration of digital services with CRM by 2020
3. Building the organisational capabilities and readiness needed to support a digital business including promoting partnership between the business, IT and partners, working to dissolve any barriers that exist
4. Capturing and exploiting customer insights to help develop a strong evidence base that informs strategy and helps determine the industry's skills and training needs
5. Agreeing SMART performance measures for digital which are transparent and regularly reported upon

This digital transformation strategy is effectively a bridge between the engagement and culture strategies to the information technology strategy.

## Background

In the not-too-distant future, the technology revolution will disrupt the construction industry in ways it is not possible to fully envision today. In its [Shaping the Future of Construction - Future Scenarios and Implications for the Industry](#) paper published in Mar 2018, the World Economic Forum (WEF) predicts the global megatrends that include fast urbanisation, climate change, resource scarcity and a growing talent gap will have a huge impact on the construction industry.

WEF cite CITB's [Skills and Training in the Construction Industry 2016](#) report finding that hard to fill vacancies in the UK construction sector have [more than doubled over the past five years](#). As technology develops and gradually erodes the need for manual labour and mechanical technology, this figure is only set to rise. The construction industry must adapt now if it is to tackle the anticipated future disruption.

It is clear there is a key role for CITB, in collaboration and partnership with the construction industry, to attract, train and qualify the construction industry workforce of the future to [deliver the new skills](#) that will be needed by the [digital transformation of the industry](#). However, CITB also needs to adapt to new ways of working, using an evidence base to make strategic decisions and transforming the delivery of information and services to digital channels, underpinned by a robust customer engagement strategy. If CITB combine these new ways of working with its reach, presence and history, it can change the way the construction industry operates.

Further background and evidence for digital transformation is included in **Appendix A**.

## What needs to change

The impact of new technology cannot be underestimated. The digital revolution and the advent of advanced artificial intelligence, machine learning and robotics process automation are all common phrases that place digital and technology services at the heart of any business that want to adopt a "Digital First" approach. IT consumerisation is blurring the lines between the use of personal and business technology devices and applications. People are now used to interacting with

businesses on the go through digital services, products and channels using devices of their choice, at any time and from anywhere. They expect familiar interfaces, simple processes and easy to use security authentication.

Whilst the construction industry currently lagging behind other industries that have been transformed by technology, CITB's customer expectations and demands are changing. As the website statistics in **Appendix B** illustrate, CITB customers already transact with us on digital devices and expect easy-to use business services as part of their everyday lives clearly showing that there are no real barriers to CITB transforming to a 'Digital First' approach.

Over the next five years, CITB has an ambition to transform the way customers interact with services and products, and as technology develops, CITB will upgrade so that customers can benefit from improvements

CITB recognise that we need to adapt and meet these demands and expectations, particularly as the Industry becomes more adept at and reliant on using digital business services. For CITB to be effective, we must adopt a business wide approach with an overall business strategy underpinned by a customer engagement strategy that supports digital as the primary channel and a technology strategy that provides the tools and technology to help deliver effective digital business services. We also need to build the organisational capabilities and readiness needed to support a digital business, promoting partnership between the business, IT and partners and working to dissolve any existing barriers or inertia.

We will look to other sectors and industries for key examples of where aligned Technology, Digital and engagement have delivered real life benefits that we can use to drive our digital transformation priorities. Digital disruption of the media and entertainment industry, for example, is evident with the predominance of streaming services and platforms such as Facebook, Spotify and Netflix. In retail, the increasing dominance of Amazon and Alibaba has achieved significant change to the way people shop. In the automotive industry, manufacturers and suppliers have seen increased productivity, faster delivery and greater flexibility through a focus towards digitalisation. Companies who embrace new business models and digital technologies are reaping the long-term benefits of increased productivity and sustainability and those that don't risk disappearing.

## What we are already planning to do

In delivering our Technology strategy, in conjunction with our enabling and technology partners, this digital transformation strategy should support our digital transformation ambitions. As CITB embraces new technology and innovation, supported by our enabling partner, we can lead the digital disruption of the industry and help our customers maintain their competitive advantage by attracting new talent and building skills for future demands.

CITB's existing technology three-year delivery roadmap which is currently funded for 2018/19 includes some tangible customer benefits:

- Automated Levy calculations available to all employers, along with an up-to-date dashboard of all the CITB Levy returns and assessment, Grant claims and payments received and due.
- Customer dashboards will present live industry training needs and identify skills gaps and training opportunities for employers based on their existing workforce
- Recording all customer interactions into our existing Dynamics CRM so CITB can share insight and create value from a coherent view of customer intelligence
- Intelligent CITB portals that present consumer's with information that is personalised to them
- Employers receive tailored automated communications to alert them to retraining needs and rebates on completion of training delivered through their choice of channel, social media, online portals, emails etc
- CITB digital skills record for construction workers that provides up-to-date skills and training information without the need to carry physical record scheme cards (CTR)
- Enabling the CITB Digital Employee through adoption of flexible and collaborative productivity tools in Office 365.

By digitising previously manual processes and exploiting social media and direct engagement channels, CITB can offer customers a quality experience, save costs and secure our long-term role as the leading voice for skills in the construction industry, regardless of the channel customers are engaging with us on.

## What does our current website use tell us?

CITB customers already access the CITB website to carry out their transactions generally between the hours of 6am to 10pm. Over the past year, our website has received a total of 24 million visits from 15 million viewers, with 59% using a desktop device, 36% using mobile and 5% on a tablet. See more detail on website statistics in **Appendix B**.

Despite these figures, only 10% of CITB's 70,000 levy paying customers are currently completing their levy online with the main drivers for this low online uptake being:

- online account registration process is slow and inefficient, needing manual validation of the employer
- difficult customer journey
- lack of employer awareness that the online service is available
- little motivation for the smaller employers to complete online as paper process is relatively easy

In contrast, use of the online card checker is very successful and accounts for 19% of all traffic on the citb.co.uk website.

For CITB to achieve the ambition of a 'Digital First' business, careful attention needs to be made on the motivation and experiences for customers to adopt these services which will mean we will need to re-imagine many of our current processes and ways of working.

## Benefits of Digital Transformation

Using digital technologies to re-think existing business operating models will enable CITB to become a fit for the future skills body. CITB will develop its staff into collaborative Digital Employees and will move its customers towards self-service and offer more convenient processes and customer experiences. In doing so, the digital transformation strategy will deliver efficiencies, cost savings and customer advocacy.

By divesting all direct training and establishing CITB's Construction Training Model as the central construction training platform and by divesting all card schemes and establishing CITB's Construction Training Register as the central register of skills in construction, CITB will achieve significant channel shift and deliver Vision 2020's key goals of supporting 'Careers', 'Standards and Qualifications' and 'Training and Development' through:

**Evidence:** Use new technology to consolidate customer data, research and market intelligence to deliver a robust evidence base to determine the skills and products that construction needs for the future.

Tangible benefits:

- generation of a rich source of customer data that can be used to create industry and customer insight
- ability to identify skills gaps and future demands
- improved, personalised employer support across our services

**Funding and Commissioning:** Use new technology and the evidence base to redevelop the existing funding models so that CITB becomes a commissioner of outcomes that delivers the construction industry's future skills gaps.

Tangible benefits:

- ensure employers can access training in a timely manner
- maximise funding opportunities for levy payers through significant cost efficiencies that result from simplified business processes
- opportunity to increase customer acquisition

**Influence:** Enabled by technology, use collaborative engagements and evidence base to focus on the needs of the construction industry and be more relevant, representative and responsive to construction industry's needs.

Tangible benefits:

- collaboratively work with stakeholders, from SMEs through to major contractors, to influence and fund skills development and training, government policies and provisions
- make a positive difference to the construction industry
- improved favourability with the customer with a more credible, trusted and respected brand
- support the promotion of construction as an attractive sector to work in (Careers strategy)

## Challenges

In common with many other organisations, the biggest digital transformation challenge for CITB, is in being able to create a single, seamless customer experience across all channels, providing the personalisation, engagement and convenience our customers have come to expect.

Digital transformation is the catalyst for this change, but it must be supported by a more transparent and collaborative CITB culture and effective partnership and engagement approaches.

## Strategy delivery:

### 1. Consolidating existing digital platforms to provide customers with the ability to easily interact with us online

CITB will push customers to adopt our online services and publish dates when we will no longer accept manual alternatives.

Before CITB can successfully achieve this goal, the existing issues of fragmented access to our products and services need to be resolved. CITB's online transactions need to be simple and easy to use, consisting of high-quality digital interfaces and effective supporting services to result in customer satisfaction.

CITB will continue to deliver the Technology strategy and rationalise and centralise all digital platforms onto a single platform based on Microsoft Dynamics CRM 365.

In the same way that organisations such as the HMRC are transforming how customers interact with them, CITB can help customers achieve their goals more easily, moving them over to digital services to make the process easier for them. This will also simplify CITB's business processes and reduces the cost of processing and collecting data for CITB.

As with their interactions with online services elsewhere, our customers want their interactions with us to be easy so CITB must design customer journeys around customer needs and structuring our services in ways that help them complete their tasks quickly. As customers reach for their mobile phones to self-serve, our mobile first design strategy will ensure usability is optimised across all devices.

CITB will develop and maintain our digital platforms by ensuring current Business Improvement project governance is followed alongside our design principles for a digital business shown in **Appendix D**. Also see **Appendix C** for a view of the digital platforms.

Achieving this consolidation will help CITB build and maintain positive, responsive and long-lasting relationships with customers and stakeholders.

### 2. Full integration with CRM by 2020

Our customers expect to see a single view of CITB and they now expect CITB to have an all-encompassing view of them including their current and past engagement and interactions.

By consolidating our existing CITB websites onto a single CRM based digital platform and integrating with all our engagement channels, including face to face and social media, CITB will be able to build a fuller picture of customers and ensure our services are joined up. As well as helping to build a broader evidence base this will also demonstrate to industry that CITB is listening and changing.

Using our Dynamics CRM solution will mean that customer data only needs to be entered once, reducing costs, increasing data quality and enabling us to leverage our customer intelligence to improve our services for them.

As the demands of our customers change, CITB will embrace their needs and continue to deliver quality customer support by exploiting our CRM platform in the following ways:

- automating previously disparate customer services
- removing or automating some previously lengthy internal manual processes
- tailoring digital services and content to customers by introducing dynamic landing pages and interfaces which respond to their known preferences
- integrate CITB's social media channels and social listening tools into CRM
- enable all customer interactions to be recorded in CRM

### **3. Building the organisational capabilities and readiness needed to support a digital business including promoting partnership between the business, IT and partners, working to dissolve any barriers that exist**

Whilst customers are more than willing to use automated, online and mobile services, they also increasingly expect these interactions to be supported by human contact, particularly when things go wrong or when a transaction is too complicated for them to manage through purely digital channels.

CITB has promised industry that it will digitise and automate services to reduce the administration burden for employers. This digital transformation strategy is intended to support the end to end employer journey, including face to face, digital and telephone interaction, to deliver against that promise:

- CITB will be responsive, defining a unified operating model to provide end to end support for our customer journeys including business, information and technical functions that is fully collaborative but includes clear roles and responsibilities for Business Improvement, Marketing, Customer Service and Product teams.
- CITB will be innovative, working closely with colleagues, partners and customers to develop new and better ways to provide digital services.
- CITB will be relevant, using our evidence base, customer feedback and digital best practice from partners and industry specialists to create high-quality digital services.

To be effective in this, the CITB employee, or service partners agent, of the future needs to be a Digital Employee, confident in engaging across multiple channels and using leading technology platforms that enable them to communicate, collaborate and support internal and external parties.

### **4. Capturing and exploiting customer insights to develop a strong evidence base that informs strategy and helps determine the industry's skills and training needs**

CITB already know a lot about our customers but we need to use this intelligence better to build our evidence base. For digital transformation, we need to use this evidence to design and develop relevant and targeted content, social engagement, transactional services and user journeys.

As basic processes and transactions decrease and CITB moves towards more fluid, interconnected relationships and customer journeys, our focus on customer experience will need to increase.

Whilst being very mindful of the legislative privacy and data protection regulations including GDPR, CITB will use our social media channels to help realise channel shift objectives, integrating social commentary, mobile and digital platform engagement and other CRM processes and customer data. This will provide CITB with a single view of customer interactions in CRM our and help us make better decisions about how to support, engage, communicate and offer long-term value to each customer and stakeholder.

CITB will mine and analyse all our customer data to inform our evidence base and industry views to help make better business decisions and offer significant long-term value. CITB will also use this rich source of customer data to help establish CITB as the provider of evidence for construction's future skills and training needs.

This significant change to an evidence based, customer experience led organisation represents a significant change to CITB and will take time and consistent leadership to embed.

## 5. SMART performance measures

To determine successful delivery of our strategic objectives and understand if our services are performing for our customers and our business, CITB needs to establish and measure a set of key performance indicators that reflect performance, value and return on investment including:

- Digital take-up of customers choosing online contact over other channels
  - CITB aim for at least 80% of levy payers using Levy and Grant online services
- Drive uptake of Training Model by employers and ATOs:
  - CITB aim to define adoption measures for the Construction Training by April 2019
  - CITB aim to define adoption measures for the Construction Training Register by April 2019
- Conversion rate to online transactions
  - CITB aim for a 50% increase in business transactions that are completed using digital channels by 2020
- Cost per transaction reduction
  - CITB aim to baseline cost per customer transaction by 2020 to then be able use that as a cost reduction smart measure in the following period.
- CITB Digital employee
  - CITB employee adoption of four or more Office 365 services greater than 75% by end of 2020.

### Dependencies

Delivery of these measures has a significant dependency on the enabling partner and progress of the CITB engagement and culture strategies.



## Appendix A – Further Background and Evidence for Digital Transformation

In Fujitsu's 2015 article [Digital inside out – creating a digital first Britain](#), 67% of citizens always or sometimes used the digital option when it is available to them. This figure highlights customer's need for speed and simplification of the services that they are receiving. Although we can imagine this figure to have risen in the past couple of years, the benefit of new technologies is clearly not limited to consumer demand for better entertainment, shopping and transport.

To bring the benefits of the technology revolution to life within the public sector, an example of how new technology has improved a business process and massively improved the customer experience is the government's Tell Us Once service. The cross-government initiative, launched in 2012, is run on behalf of the Department for Work and Pensions and allows people to report a death to several government departments in one go.

The solution, provided by most local authorities, was developed through a partnership of local government, the Department for Work and Pensions (DWP), HM Revenue and Customs (HMRC), DVLA and Passport Services.

According to the Local Government Association's report [Transforming local services through digital](#), the use of new technology is the key component in the success of the service, achieving back-office efficiencies of around £22million annually, with councils reporting fewer benefits overpayments, quicker termination of services and return of equipment or parking blue badges, and faster closure and reassignment of tenancies.

Other public sector organisations that have successfully adopted a digital transformation strategy include the DVLA where people now expect to have to renew their car tax online, reducing manual effort and driving efficiencies, both for the customer and the businesses. The HM Passport Office, has radically transformed what was previously a largely paper based process involving a high volume of support calls. The entire passport application process has been digitalised and in early 2018, the passport office received its one millionth online passport application using the .GOV single identity sign on, which customers can now use to access multiple Government digital services.

Charities and local authorities have also embraced the power of digital technology. By using portals that are integrated into their CRM systems they can capture, store and report on all customer. Customers log-in to an easy to use portal to manage the services provided to them by the LA, parking permits, council Tax, benefits etc. Rather than maintaining large cumbersome content focused websites, charities have reduced the overhead by holding information in their CRM. This information is updated by SMEs directly before being made available as content via CRM portal. To help target engagement, build an evidence base and a customer voice, charities are developing their knowledge bases through online communities and social media feeds which are input directly into CRM.

As the above examples demonstrate, innovation can improve an organisation's productivity and sustainability.

### General Digital Statistics

Further digital statistics compiled by [REDACTED].

### Further Reading

Unlocking construction's digital future: A skills plan for industry from CITB - [report](#) and whitepaper

[Creating a digital built Britain](#) from UK Government

## Appendix B – citb.co.uk Website Statistics

### Summary for website

| Summary Statistics           | Over the last 12 months |
|------------------------------|-------------------------|
| Total number of pages viewed | 24.3 million            |
| Number of visitors           | 15.6 million            |

### Most Visited Content Areas

| Most Visited Content Areas     | % of website traffic over last 12 months |
|--------------------------------|------------------------------------------|
| Card Schemes                   | 27%                                      |
| Online Card Checker            | 19%                                      |
| National Construction College  | 9%                                       |
| Training and courses           | 4%                                       |
| Grants                         | 4%                                       |
| Contact us                     | 2%                                       |
| Health & Safety topics         | 2%                                       |
| bConstructive application form | 2%                                       |

The table shows that divestment and Training Model development will have a significant impact on the traffic volumes of the citb.co.uk website

### User Device Types

| Summary Statistics | % Visitors over the last 12 months |
|--------------------|------------------------------------|
| Desktop            | 59%                                |
| Mobile             | 36%                                |
| Tablet             | 5%                                 |

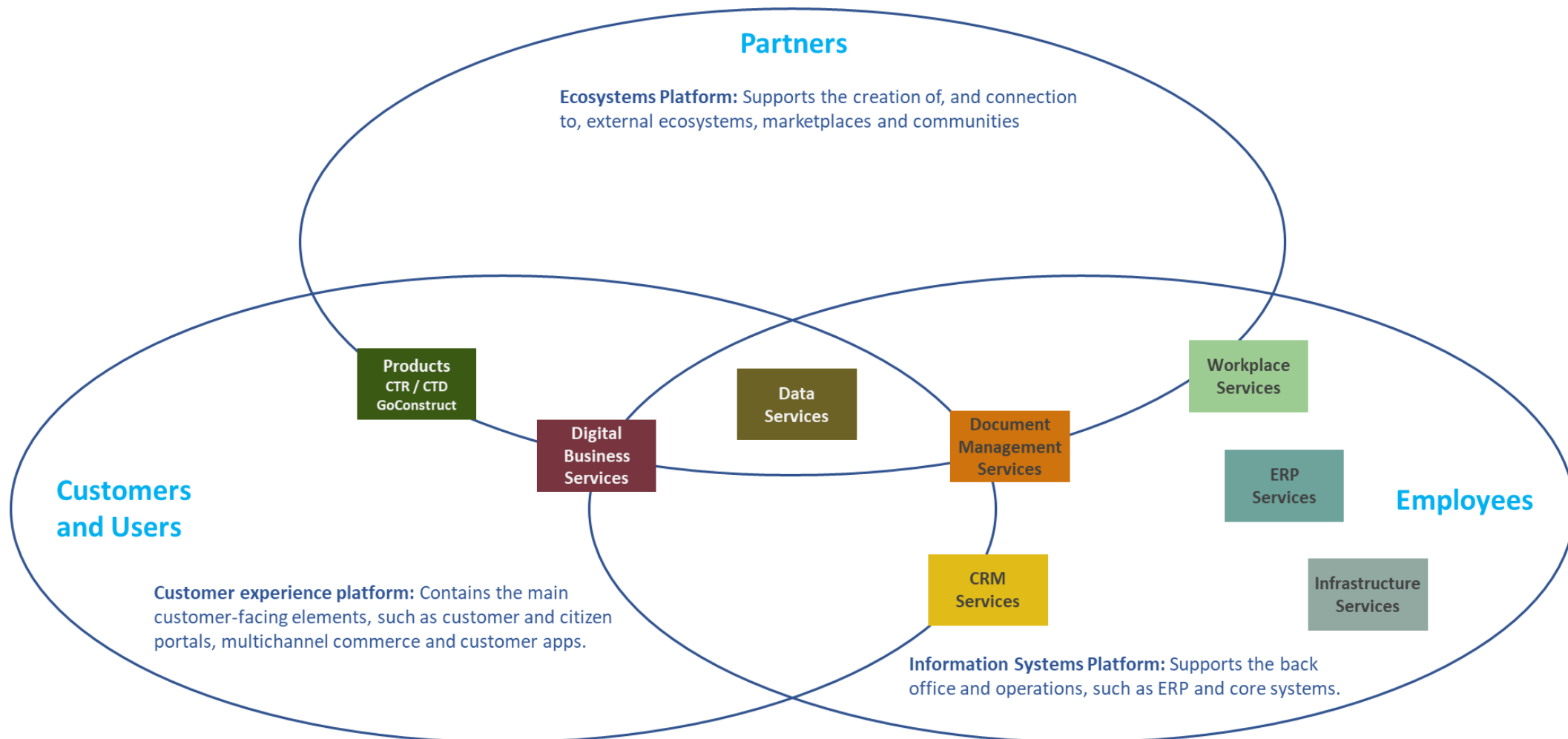
The table shows that over 40% of our website users are already using more flexible devices to access information and services.

# DIGITAL TRANSFORMATION STRATEGY

## Appendix C – Platform for Digital Transformation



Digital transformation platform using all the elements described in the IT Services Roadmap (AKA the sausage).



## DIGITAL TRANSFORMATION STRATEGY

### Appendix D – Design Principles for Digital Business



| Principle                                | Statement                                                                                                                    | Rationale                                                                                                                                                                                      | Impact of not following                                                                                                                              | CITB Strategy                                                                                        |
|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| <b>Create Digital Business Services</b>  | Create end to end digital business services designed for everyone.                                                           | Effective Digital Business services need to support agreed business outcomes, have good design, lifecycle management and end to end integration with back-office processes.                    | Poor service for the digital business consumers and increased internal complexity in managing digital interactions                                   | Building our influence and engagements by making it easier to do business with us                    |
| <b>Design for the service User</b>       | Design for the user's needs, understanding why, how and where they will use the service                                      | Understanding the context that motivates a user to use the service enables the design to be focussed on what they are trying to achieve not what we think they want.                           | Digital products are not adopted as they don't match needed outcomes.                                                                                | Building our influence and engagements by making it easier to do business with us                    |
| <b>Make it Simple</b>                    | Do the hard work to make it simple                                                                                           | Simplify the business processes before creating digital business services. Test the user experience during design and development updates for simplicity                                       | Digital business processes break down and revert to manual alternatives                                                                              | Building our influence and engagements by making it easier to do business with us                    |
| <b>Services must be measurable</b>       | Create services that can be measured against real business outcomes                                                          | Allows success to be measured using clear evidence and benefits to be realised.                                                                                                                | No evidence to supports further investment and continuous improvement.                                                                               | Improve our Evidence Base                                                                            |
| <b>Design for Continuous Improvement</b> | Build digital business platforms that enable the business and customer needs to change and develop continuously if required. | The business and operating environment will change constantly and digital business services must be enablers for that change.                                                                  | Business value only added through 'big bang' change which is costly and slow to deploy. Also likely to mean more systems are retained (legacy debt). | Building our influence and engagements by making it easier to do business with us                    |
| <b>Make it Consistent not uniform</b>    | Be consistent, not uniform, using the same language and design patterns where possible                                       | To help people get familiar with and to trust our services we need to have a consistent approach. However, this must not stop us from improving them when we find better ways of doing things. | Digital products are not adopted or not trusted.                                                                                                     | Building our influence and engagements by building trust and making it easier to do business with us |

|                                                     |                                                                                                                 |                                                                                                                                                                      |                                                                                                                                                                                        |                                                                                   |
|-----------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| <b>Design and build for Multichannel</b>            | Design and build digital business services for multichannel to support the users context and location           | Mobile first is becoming the normal but users continue to expect a choice in digital channels and to be able to move between them                                    | Digital products are not widely adopted as they don't match the preferred access methods for users.                                                                                    | Building our influence and engagements by making it easier to do business with us |
| <b>Understand Service Costs over full lifecycle</b> | Understand total service costs across lifecycle                                                                 | Digital business investments should be made when business value created is tested against the total costs of providing and supporting those services                 | Hidden costs make retaining the digital business service unmanageable with the subsequent reputational impact of withdrawing services                                                  | Building our influence and engagements by making sure we provide value for money  |
| <b>Fail fast</b>                                    | Develop digital business services in a way that allows us to 'fail fast' and change or stop what we were doing. | Use prototypes and test out concepts to make sure the investments in digital business services will provide significant business value                               | Digital products are not adopted as they don't match needed outcomes.                                                                                                                  | Building our influence and engagements by being a trusted partner                 |
| <b>Build in the Support channels</b>                | Provide a clear support channel for digital business services                                                   | Even well designed digital business services breakdown or create difficulty for some users. Alternate or fallback methods of using the services need to be provided. | Users cannot get support for digital business services so use will use non-preferred routes and escalations to get assistance.                                                         | Building our influence and engagements by making it easier to do business with us |
| <b>Ensure legal and regulatory compliance</b>       | Digital business services must comply with relevant laws, policies, regulations and guidelines.                 | CITB must abide by laws, policies, regulations and government guidelines to minimise operational risk and preserve corporate reputation.                             | Legal redress for non-compliance e.g. <ul style="list-style-type: none"> <li>ICO fines regularly £100k - £250k.</li> <li>Removal of credit card processing capability (PCI)</li> </ul> | Building our influence and engagements by being a trusted partner                 |
| <b>Use published standards</b>                      | Digital business services will adopt industry and open standards where they exist.                              | Industry and open standards represent distilled best practice and adoption will and reduce lifecycle development costs and risks.                                    | Integration with other digital services will be more complex and lifecycle development costs likely to higher                                                                          | Building our influence and engagements by being a trusted partner                 |