Digital Transformation

04 Digital Readiness Assessment

27 February 2023

Version Control

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Distribution

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Contents

Executive Summary

This document sets out the results of a CHIA digital readiness survey which was completed by 28 community housing organisations (CHOs) of varying portfolio sizes between May - June 2022 as well as a system rating assessment survey which was completed by 20 CHOs in the same period.

Digital Readiness Assessment

The intention of the digital readiness survey was to provide participating CHOs with an **indication** of their current position in relation to digital transformation against others, such that the outcome and results could serve as a useful tool to help build a business case for specific strategic initiatives. Determining a CHO's level of digital readiness is important as it is intended show the extent to which it is able to respond to the increasing pace of the ongoing changes in technology and innovation.

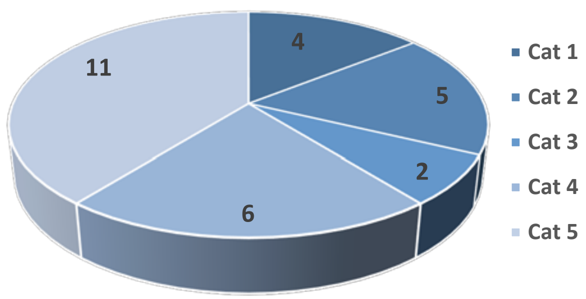
It is important to note that the readiness model does not intend to identify where CHOs should invest neither should it be seen as an avenue for replacing strategy. It can however be used as a mechanism to **inform** the CHO's future strategy, where to focus and determining the resources and actions needed to achieve specific goals. Survey questions were grouped in the following categories:

Readiness Category	Scope of Questions
1. Customer experience	How CHOs deliver services and engage with your tenants
2. Operations	How CHO business processes and systems are currently set up to support staff in delivering customer services
3. Organisation, culture, governance, risk & security	How CHOs are placed to implement digital change; manage risk, data privacy and security
4. Technology	Hardware, software, devices and platforms currently in use
5. Strategy	How CHOs determine strategy and plan for new initiatives

Participating CHOs were allocated to a category based on the number of properties owned and / or managed as follows:

Category	Size
Cat 1	1 – 100
Cat 2	101 – 500
Cat 3	501 – 1,000
Cat 4	1,001 – 2,000
Cat 5	> 2,000

No. CHOs Responding by Category



From the answers given, bandings were calculated based on the thresholds for each category as shown in the adjacent table.

A summary of each banding is provided in this document of each of the five readiness categories.

A summary of the findings from each digital readiness category are shown below:

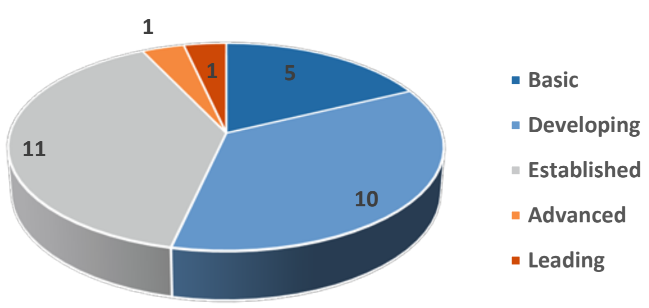
Banding	Threshold
Basic	< 56%
Developing	<66%
Established	<76%
Advanced	<86%
Leading	<=100%

Customer Experience

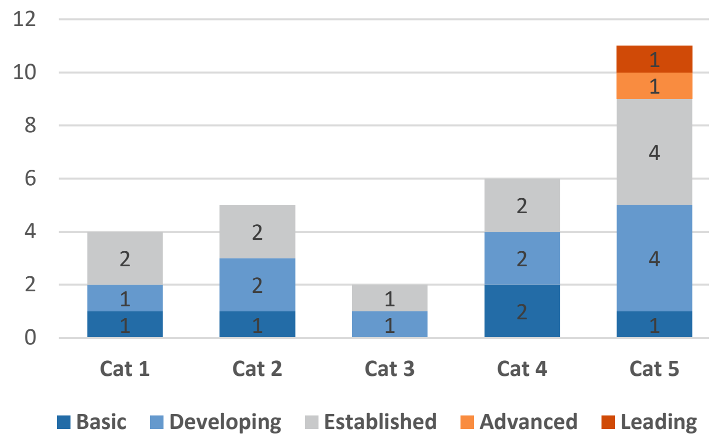
The responses show that over half (54%) of the respondents (15 CHOs) are below an established level of customer experience in relation to digital readiness. Attention is needed on:

1. Improving the use of data analytics to more effectively measure the extent of tenant interaction and their views on service quality.
2. Considering how to introduce more customer-focused structures within their service delivery operations to improve the customer experience.
3. Assessing what tenants are asked in relation to service quality and how that data will be used to improve the customer experience.
4. Reviewing current information systems and the level of gaps as to how such systems will support CHOs in the future as digital initiatives evolve further.

Customer Experience Digital Readiness Assessment



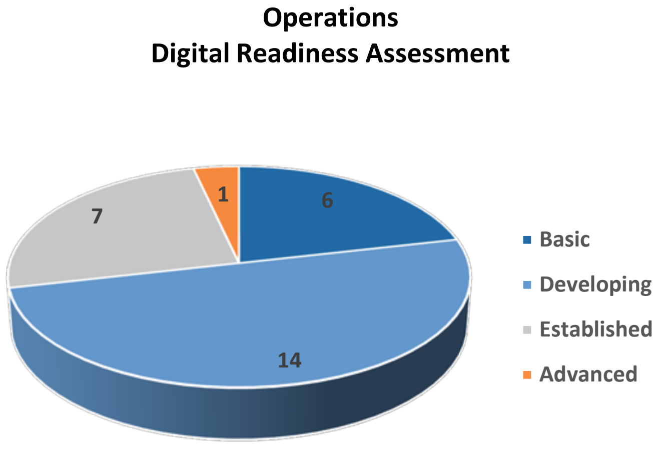
Customer Experience Digital Readiness by Property Size Category

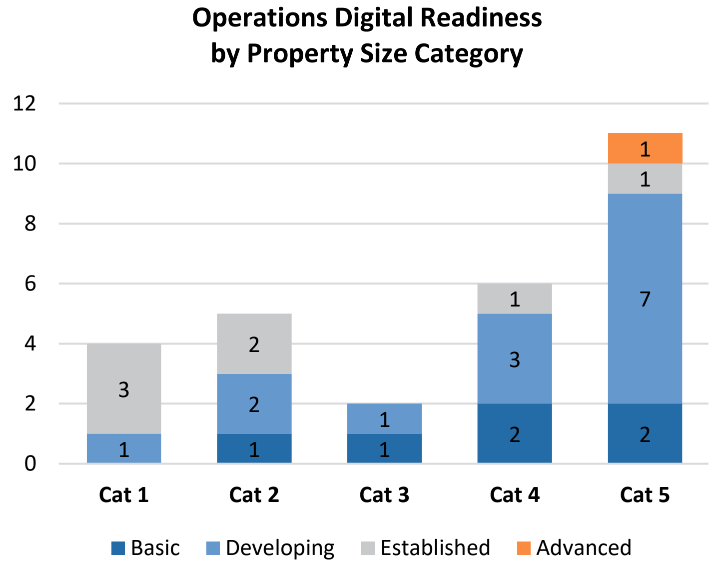


Operations

20 CHOs are below an established level of operations in relation to digital readiness. Attention is needed on:

1. Increasing the level of thinking to assess how and where digital could best meet the needs of customers.
2. Reviewing current business processes in preparation for the implementation of digital service initiatives.
3. Assessing how communication channels could intelligently interact with back-office systems currently in use.
4. Assessing how to digitise core functions.
5. Assessing how to automate key business functions in their current systems.
6. Aligning digital and business strategies.
7. Assessing how to better support an improved customer experience through greater internal collaborative structures and how digital initiatives with improved system automation and integration could support this.
8. Reviewing and assessing the impact of current organisational structure and reporting.
9. Regularly reviewing and maintaining the accuracy of data.

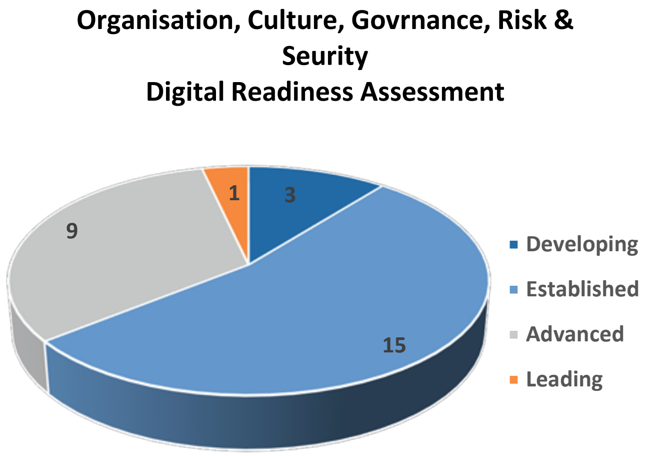


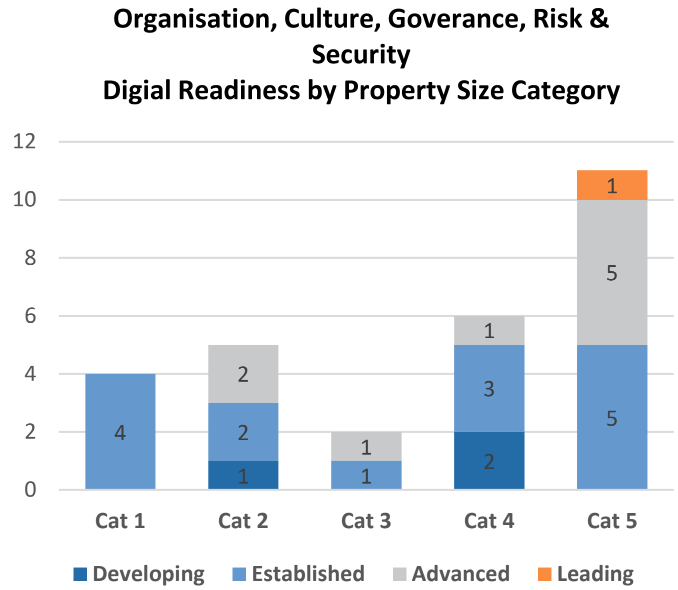


Organisation, Culture, Governance, Risk and Security

Only three CHOs are below an established level of organisation, culture, governance, risk and security in relation to digital readiness. The majority of respondents (15) are in an established state of readiness across these functional areas. Nine CHOs were deemed to be in the advanced category with one in leading. For those below established, attention is needed on:

1. Increasing understanding on what digital transformation entails and where it could be fully utilised.
2. Addressing the current level of technical resource constraints.
3. Deploying agile techniques in managing change.
4. Addressing the current level of digital skills amongst staff as well as the change management implications.
5. Addressing the need to provide training and guidance to staff on cybersecurity threats.

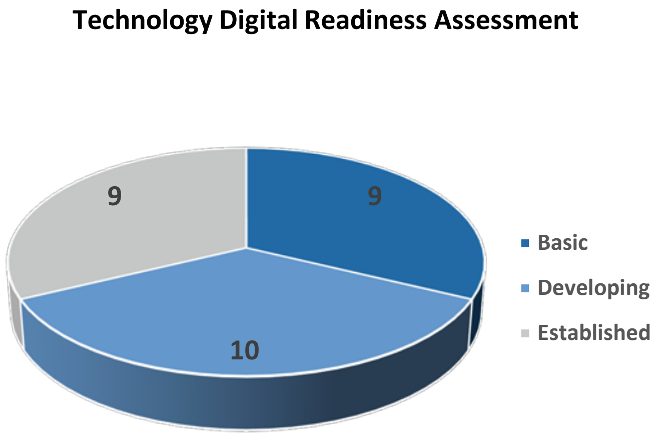


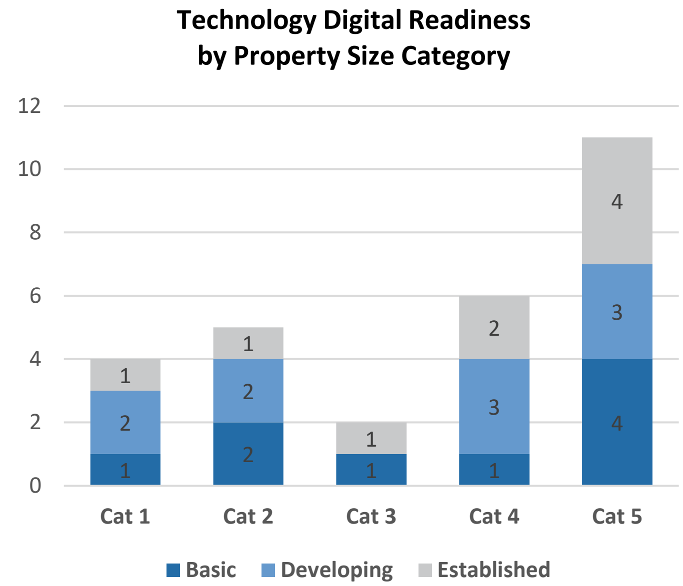


Technology

19 CHOs are below an established level in relation to technology and digital readiness. Attention is needed on

1. Defining a clear vision to implement technology linked to their organisation's mission, goals and strategies
2. Assessing how plan and deploy new technologies.
3. Assessing how current systems can enable CHOs to be digitally connected with suppliers, contractors and service partners.
4. Assessing how systems can provide a 360-degree view of tenants and supporting joined up operations.
5. Undertaking a detailed gap analysis of current systems to assess capabilities in relation to providing a 360-degree view of tenants and supporting joined up operations.
6. Assessing how to implement integrated systems providing a 360-degree view of their tenants and supporting joined-up operations.
7. Assessing the capability, application and impact of technology, such that new processes can be implemented.
8. Utilising reporting tools which provide real-time data analytics to understand and respond to customer demand and / or the needs of their workforce.
9. Assessing how mobile technology can be effectively utilised.



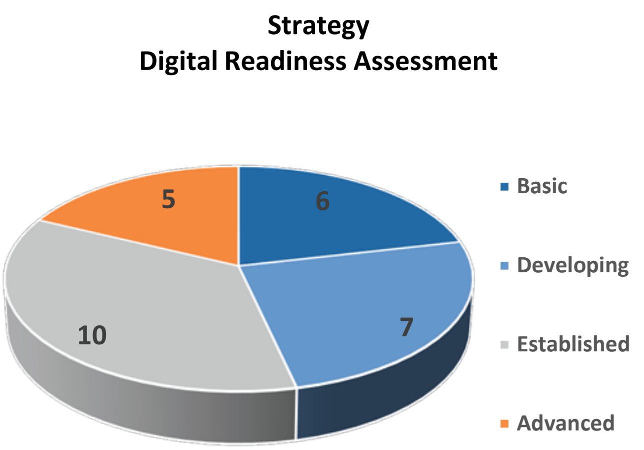


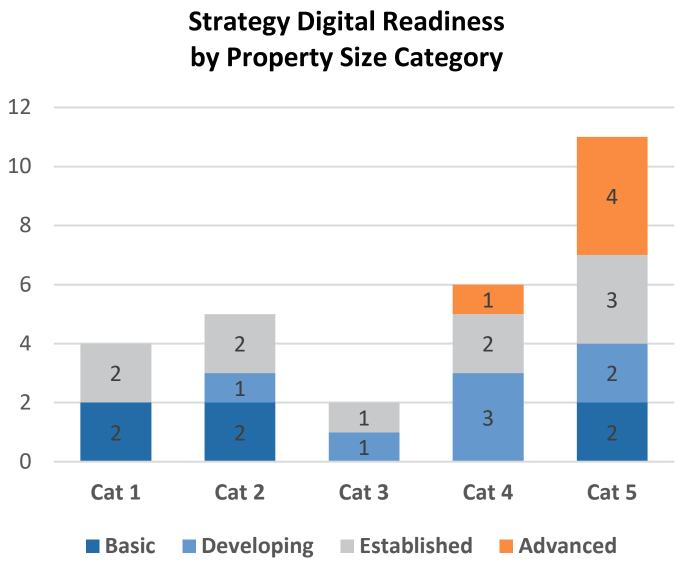
Strategy

13 CHOs are below an established level in relation to strategy and digital readiness. Attention is needed on:

1. Defining digital strategies, identifying the scope for digital and increasing deployment awareness.
2. Defining organisational roles and responsibilities needed to implement a digital strategy.
3. Identifying the resources needed to implement digital initiatives.
4. Identifying or implementing processes relevant to supporting on-line interaction.
5. Assessing how tenant and supplier expectations and needs can drive innovation in service delivery.
6. Gaining a better awareness and understanding of how tenants use the Internet
7. Assessing the scope and potential for partnerships to enable tenants to access the Internet.

8. Reviewing how reporting tools are being used to inform decision-making
9. Better understanding the potential capabilities and benefits of deploying digital technology.
10. Defining a data management strategy





System Rating Assessment

Only 20 CHOs responded to the system rating survey assessment. It is therefore difficult to formulate a comprehensive view on the state of system usage across the sector, however of those responding there is broad satisfaction or higher with the systems currently in use. Only a small number have identified minor or major deficiencies.

The survey sought answers from CHOs using:

1. Fully integrated systems (tenancy, property, maintenance &fi finance management) OR
2. Best of breed systems:
    a. Tenancy management
    b. Property and maintenance management
    c. Finance management
3. Strategic asset management planning
4. Reporting tools

Respondents were asked to provide a rating based on the following:

Rating	Definition
Excellent	Very effective, strong functionality and features, is very easy to use, intuitive, used by all staff, offers a good range of benefits and is well integrated
Good	Meets our needs, useful functionality, is reliable, working well, offers some benefits and is used by all staff
Satisfactory	Manages the basic tasks but could be better in certain areas, broadly supports the organisation and is used well by some staff who know how to use it
Minor deficiencies	Supports basic tasks but has minor deficiencies and functionality weaknesses such that staff need to rely on a combination of workarounds or manual processing, system enhancements are needed to improve it
Major deficiencies	Does not support a range of operational functions such that there are many gaps, staff rely on workarounds which causes significant user frustration and many enhancements are needed

The survey found that:

1. For those using fully integrated system, 64% of respondents were satisfied, with 18% identifying minor deficiencies, 9% stating good and 9% stating excellent
2. In terms of best of breed tenancy management systems, 34% were satisfied, however 22% identified minor deficiencies and 11% identified major deficiencies with 11% stating good and 11% stating excellent.
3. Better ratings were identified by from those using best of breed property and maintenance management systems with 56% stating good, 33% satisfactory and only 11% stating major deficiencies.
4. Even better ratings were identified for best of breed finance systems with 33% stating excellent, 45% stating good, 11% stating satisfactory and only 11% identifying major deficiencies.

1. Introduction

Before you know where to go in the digital age, you need to understand where you are now, what you have, what you are doing now and how you are doing it.

One of the first principles any information systems strategy is to know where you are, take stock of the current situation, understand where the gaps are and the impact these have on your operations.

Moving to and operating in a digital world is no different, however, digital technology presents new opportunities to do things in different ways.

Community housing organisations (CHOs) therefore need to see things differently, do things differently and deliver things differently in maximising the customer experience for tenants.

Some CHOs may well say that they are undertaking such examinations anyway as part of their overall housing strategy execution and continuous planning. Others may not be.

The purpose of this document is to:

1. Set out the background in determining an organisation's level of digital maturity or readiness
2. Provide guidance on an accompanying online survey to measure this.
3. Set out the results of the CHIA digital readiness survey which was completed by 28 CHOs between May - June 2022
4. Set out the results of the CHIA systems rating assessment survey which was completed by 20 CHOs in the same period.

It will take you through the following sections:

2. Background

Whist the vast majority of registered tier 1 or larger CHOs in NSW and Vic have implemented integrated tenancy and property management systems over the past 12 years, (some including integrated finance systems or modules as part of the mix), this is not the case for many tier 2 CHOs (or their equivalent in Vic in terms of size and scope) and certainly not for those in tier 3 (or their equivalent in Vic in terms of size and scope), predominantly due to their size, resources and available budgets.

Many smaller tier 2 and tier 3 CHOs are typically persevering with their legacy applications which they may have been using for many years.

Even so, those that have implemented integrated systems over this period have had mixed results or rates of success for a variety of reasons. Some of the main system suppliers to the community housing sector have introduced new mobile and digital apps in recent years, however, it is known that only a handful of CHOs have implemented them and some may say they are (perhaps reluctantly) at the bleeding edge in doing so.

In the community housing sector, the use of digital and mobile apps is still very much in its infancy.

Even in the state housing sector, this is variable to some extent.

3. The Digital World

In the commercial world, digital is now the norm. If you don't offer an array of choice using digital channels, will you survive? The answer is most probably not.

For any service or product where you have choice, researching and buying online is commonplace, and even more so during the Covid-19 pandemic.

To be competitive, commercial organisations therefore strive to be innovative, attract new customers, retain existing customers and digital is a key part of doing this.

Product innovation is a relentless pursuit in enticing customers to buy a product or service, e.g., Wi-Fi enabled heating appliances, smart refrigerators; remote wirelessly controlled security cameras; smart speakers; subscription-based entertainment services provided over the Internet etc.

For those organisations that do not adapt, the outcome is obvious as history has clearly shown in the commercial world.

As the saying goes, *staying in business is not compulsory*.

For asset intensive organisations, having greater knowledge on the condition of assets and / or equipment is ever more crucial and the ongoing expansion and usage of smart technology, all part of the Internet of Things, will continue to grow.

4. Digital Readiness in the Community Housing Sector

CHOs can utilise digital technology to add value, provide **additional customer service channels** and make it easier for people to interact with them

So, how relevant is this to CHOs? In one sense, CHOs ARE commercial organisations. They have balance sheets, maintain accounts, generate income, have commercial relationships with suppliers and need to spend on delivering services and maintaining their assets. Demonstrating financial viability is a key component in maintaining registration. The National Regulatory Code (NRC)[1] also requires CHOs to be fair, transparent and responsive in delivering housing assistance to tenants, residents and other clients.

Aside from the discussion whether tenants have real choice, they do of course have a right to expect a ***quality of service*** even though this may not be explicitly stated in the NRC.

So that's where digital can come in as a mechanism to add value, provide additional customer channels and make it easier for people to interact with their housing provider.

[1] https://nrsch.gov.au/publications-and-resources/national-regulatory-code.html

As this guide repeatedly makes clear, ***digital transformation is not solely about technology***; it is about:

1. A readiness to innovate
2. Dealing with cultural change
3. Create new services and / or initiatives to cope with the current and emerging plethora of challenges facing CHOs today.

Some may say digital transformation is a continuous process to get closer to their customers.

CHOs must therefore draw on the ever-evolving ***capabilities*** of technology to design solutions and implement initiatives to address those challenges, as well as having the right technology infrastructure in place to support such initiatives.

It is important that digital transformation should not be seen or treated as an instrument to dispense with traditional service delivery methods.

Whatever the future looks like, digital should be used as an ***opportunity*** for CHOs to:

1. Re-invent how services are delivered and administered through effective use of technology.
2. Focus on different outcomes for their tenants.
3. Assess how additional access channels can be provided.

The organisational culture needs to be one of ongoing iteration where CHOs are ready to grasp the opportunities offered by ongoing changes in technology.

Digital transformation should not be seen as just being solely about technology.

It is much more than that.

For CHOs, digital transformation may therefore be defined as

"The integration of digital technology into all areas of CHOs' operations fundamentally changing how the organisation can operate, delivering increased accessibility to tenants through the introduction of additional service channels and providing an enhanced customer experience."

It needs a digital groundwork that is future proofed, i.e., where digital opportunities have been fully explored, carefully planned, the current situation fully assessed and one that enables innovation and encourages collaboration, both internally and externally.

So how ready are CHOs to address the delivery of such initiatives?

How are they placed?

Are they geared up internally in terms of how they do things and what do they need to do?

As stated above, digital transformation is more than just being about technology. Think of it as being like a capability jigsaw, as it needs to factor in your business strategy; your structure; your leadership; your teams, skills and confidence levels as well as how services are delivered not only now but also in the future and then how technology will be utilised to support all of that.

Assessing this is what is called digital readiness or digital maturity.

The digital transformation process in itself can lead to increased digital readiness or maturity.

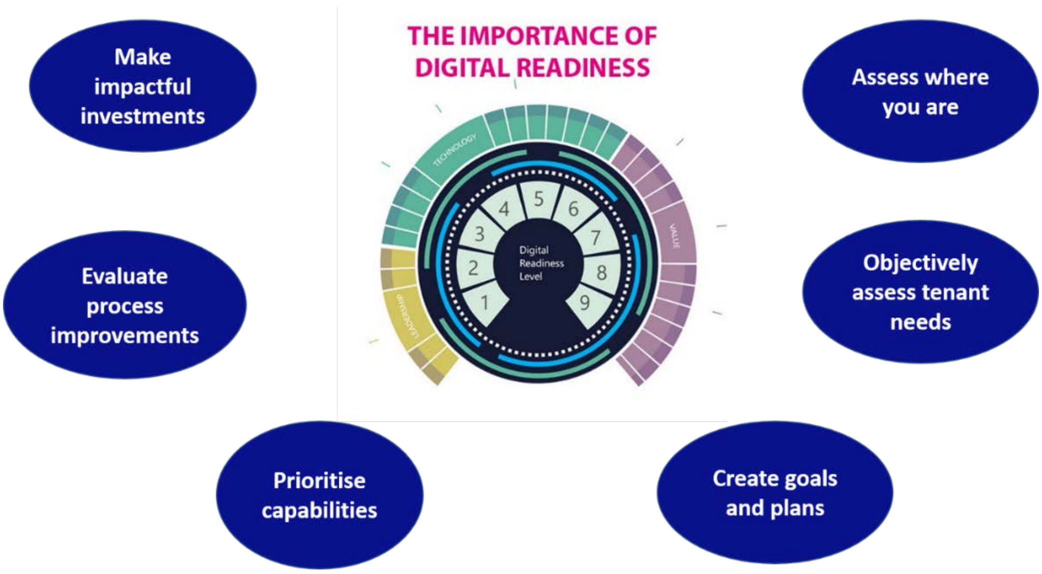
To do this, CHOs must devote the necessary levels of thought and planning to ensure that the use of digital technology is embodied well within their organisations and that it is capable of meeting specific, practical needs and objectives.

There is no point in doing this just for the sake of it, without considering the impact on the organisation and how services will be delivered, neither it is a simple end point. This will continue to evolve.

Furthermore, this will be no different to how use of mainstream transactional and reporting systems has evolved across the sector over the past 10 -15 years, as CHOs' needs and services have changed in response to changing circumstances and initiatives.

Your level of digital readiness will determine the extent to which you are able to respond to the increasing pace of the ongoing changes in technology and innovation

Determining your state of digital readiness is therefore important as it will help you to undertake the following as illustrated below:



Taking the above into account, an online questionnaire was therefore prepared to assess CHOs' current position in relation to digital readiness.

Its purpose was to provide participating CHOs with an **indication** of their current position in relation to digital transformation against others, such that the outcome and results could serve as a useful tool to help build a business case for specific strategic initiatives.

It is important to note that the readiness model used in this assessment does pose limitations. It does not intend to identify where CHOs should invest neither should it be seen as an avenue for replacing strategy. It can however be used as a mechanism to **inform** the CHO's future strategy, where to focus and determining the resources and actions needed to achieve specific goals. Progress can only be measured against the CHO's strategic objectives and not by comparing itself to others. Just because the level of readiness may be low in specific areas when compared to others, is that a good or a bad indicator? Comparing your position against others can give you a good idea of where you are at now and what has lain behind you, but not in terms of what lies ahead. There may well be specific mitigating circumstances why one CHO scores lower than another for a variety of reasons. Instead, the survey can be used to identify specific options where CHOs may need to focus their strategic assessment in terms of what to do in the future.

Taking the above factors into account, survey questions were therefore grouped in the following categories:

Readiness Category	Scope of Questions	No. Questions
1. **Organisation**	Seeks background information on contact details; size of organisation and number of staff	7
2. **Customer experience**	How you deliver services and engage with your tenants	17
3. **Operations**	How your business processes and systems are currently set up to support staff in delivering customer services	15
4. **Organisation, culture, governance, risk & security**	How your organisation is placed to implement digital change; manage risk, data privacy and security	15
5. **Technology**	What hardware, software, devices and platforms you use	17
6. **Strategy**	How you determine strategy and plan for new initiatives	17
	Total	**88**

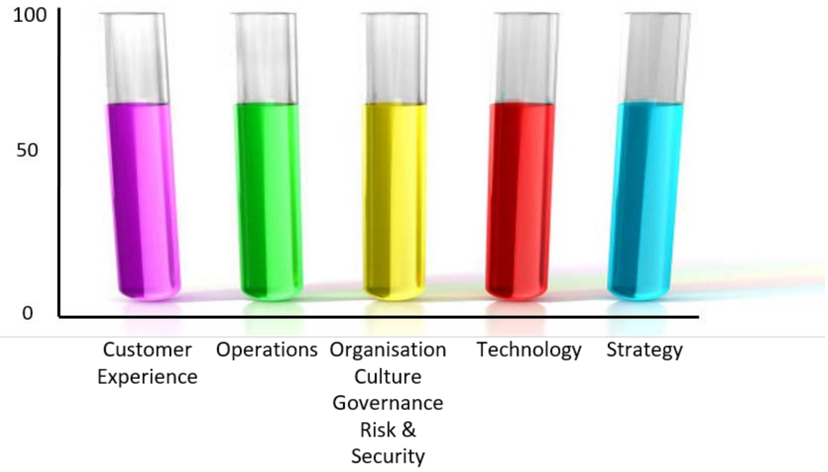
For the majority of questions, a list of available answers is provided using the Likert scale.[2]

For others, a text or numerical entry was required and for a small number, a list of available answers was provided. CHOs were requested to use their judgement in selecting the appropriate answer for their organisation.

[2] https://www.simplypsychology.org/likert-scale.html

The survey also sought background information on the following:

1. Total number of FTE staff
2. Total number of properties managed
3. Annual turnover of the organisation
4. Number of staff with IT expertise



Based on the answers provided by each CHO, results have been compiled for each category and a digital readiness or maturity level has been determined.

To achieve consistency in responses, it was recommended that CHOs set up workshops to discuss each section in groups in order to reach an agreed view on each answer

The intention is to present a picture of overall digital readiness across the CHO sector in NSW and Victoria.

The digital readiness survey also included questions on the amount spent on technology, systems and support as well as the number of staff employed specifically in systems management and analysis. This will provide a benchmark on technology spend per property and by turnover.

Accompanying this was a short survey designed to identify systems currently in use and how CHOs rate them.

The purpose of this was to gauge the extent to which the information systems currently in use across the community housing sector are meeting members' needs.

This is important as it will provide the basis for structured discussion on system usage across the sector as well as an indication on supplier capabilities in supporting future digital transformation initiatives.

Furthermore, in view of the range of questions posed in the digital readiness survey, this rating assessment may also have a bearing on what members can utilise in effectively implementing digital applications.

As with digital readiness, it was recommended that CHOs hold internal workshops for this survey to reach an agreed view on each answer.

The results of the survey are set out in the sections below.

5. Digital Readiness Survey Structure

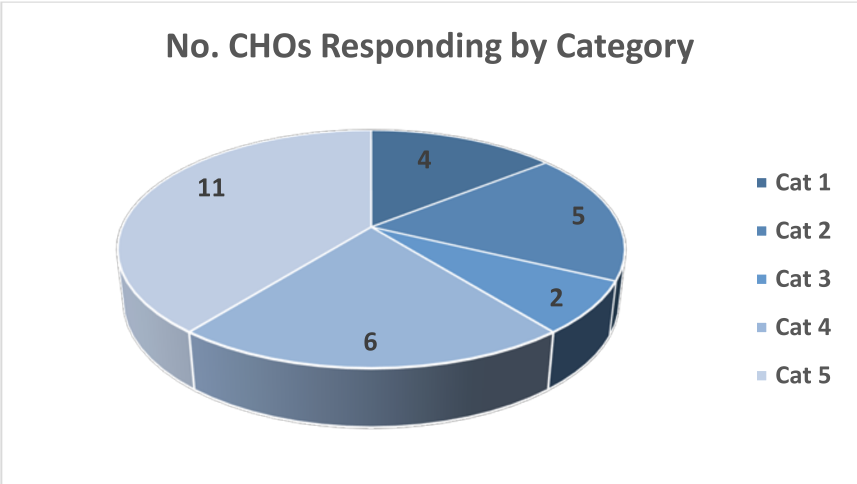
5.1 Property Categories

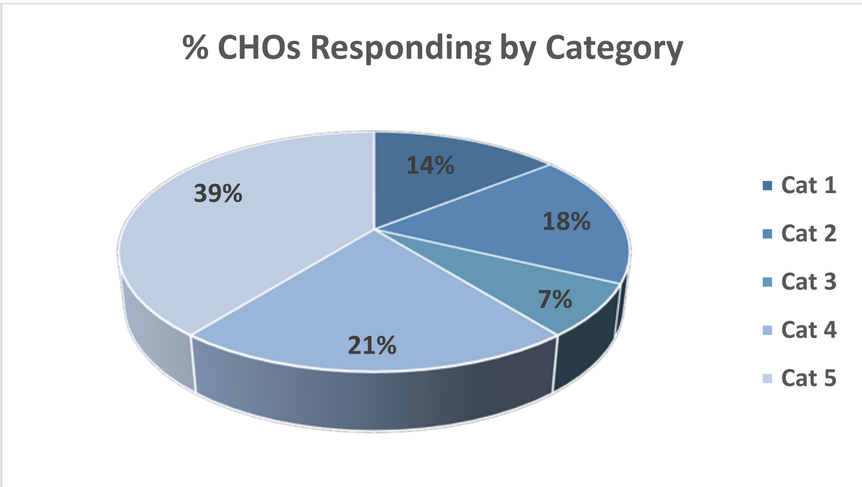
The survey sought details on the size of each CHO. Based on their response, participating CHOs were allocated to a category based on the number of properties owned and / or managed as follows:

Category	Size
Cat 1	1 – 100
Cat 2	101 – 500
Cat 3	501 – 1,000
Cat 4	1,001 – 2,000
Cat 5	> 2,000

5.2 Survey Responses

In total, responses were received from 28 CHOs. The number and percentage of CHOs responding by category was as follows:





5.3 Digital Readiness Bandings

Digital readiness bandings have been used across a range of industries and public services. Some industries and sectors have used 4 bandings and others have used 5. The terminology may vary but in principle the banding levels are broadly similar in definition, approach and criteria.

For this survey, it was sensible to treat digital readiness across the categories outlined above in view of the diversity of services and operations that CHOs administer. Reference has been made to how other industries have defined their digital readiness criteria for each type of category and these have been applied where relevant to the table below.

The following digital readiness bandings were determined as follows:

Banding	Threshold
1. **Basic / Minimal**	<56%
2. **Developing**	<66%
3. **Established**	<76%
4. **Advanced**	<86%
5. **Leading**	<= 100%

The banding was calculated for each readiness category i.e.

1. Customer experience
2. Operations
3. Organisation, culture, governance, risk and security
4. Technology
5. Strategy

The criteria used in calculating each readiness category is listed beneath the analysis for each section below.

5.4 Scoring

As mentioned above, the Likert scale was used to frame permitted responses for the vast majority of questions. In most cases, strongly agree would result in a score of 5 and strongly disagree would result in a score of 1.

In some cases, however, the questions were deliberately worded such that strongly disagree would result in a score of 5 and strongly agree would result in a score of 1.

Scores where then calculated for each readiness category such that CHO could be allocated to the appropriate banding.

6. Digital Readiness Survey Analysis

6.1 Organisation Information

This section sought answers to the following topics:

Ref	Detail	Available Answers
1.	Name of organisation	Text
2.	Name of contact person	Text
3.	Email address of contact person	Text
4.	Total number of full-time equivalent (FTE) staff employed by the organisation	Number
5.	Total number of properties (lettable units) managed	Number
6.	Annual turnover of the organisation	$
7.	Number of FTE staff employed with roles specifically dedicated to information technology and systems e.g., IT management; business analysis; systems administration and support	Number

6.2 Customer Experience

6.2.1 Topics

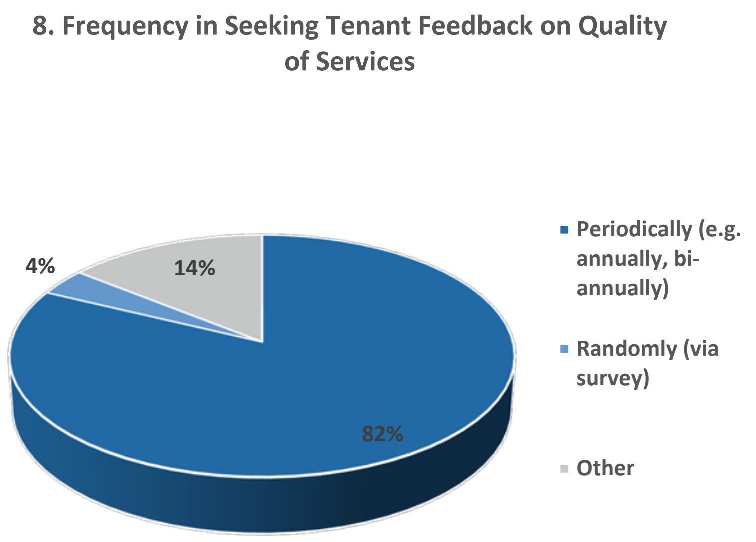
This section sought answers to the following topics:

Ref	Topic	Detail	Available Answers
8.	Feedback service quality	Frequency of seeking tenant feedback on service quality	• Periodically (annually, bi-annually) • Randomly (via survey) • Never done so but intend later this year • Never done so and does not intend to do so • Other (description requested)
9.	Feedback service quality	Additional information if other entered	• Text
10.	Preferred contact method	Whether main system holds information on preferred contact method	• Yes • No
11.	Communication methods	Method by which tenants and suppliers communicate with CHO in making enquiries or service requests	• Phone • Email • Letter

Ref	Topic	Detail	Available Answers
			• Office visit • Home visit • Third party (e.g., support agency) • Website • Purposely designed customer poral • Social media channel • Other
12.	Engagement preferences	Knowing tenants well, their engagement preferences with contact details for all tenants and household members recorded in tenancy / customer relationship management system	Likert scale i.e. • Strongly agree • Agree • Neither agree nor disagree • Disagree • Strongly disagree
13.	Confirming contact details	Regularly ask tenants and household members to confirm contact details	Likert scale
14.	Digital consultation	Tenants consulted to determine interest / take-up of digital channels and current access to facilities	Likert scale
15.	Seamless customer experience	Customer experience is seamlessly integrated across multiple digital and non-digital channels	Likert scale
16.	Digital marketing channels	Full use made of digital marketing channels to promote CHO services; housing initiatives; opportunities; schemes and community engagement activities	Likert scale
17.	Acting on feedback	Collect and act on feedback and / or insight about tenants' experience on service quality across all physical channels	Likert scale
18.	Customer focus	Focused on tenants, suppliers and customers; their needs and how technology can support CHO in delivering a quality experience	Likert scale
19.	Data analytics	Uses real-time data analytics / reporting tools to measure how tenants and customers interact with CHO	Likert scale
20.	Team structure	Teams are structured based around the customer rather than the service functions that the CHO performs	Likert scale
21.	Service perceptions	Tenants currently think highly of the quality of CHO's services	Likert scale
22.	Covid-19 impact	Covid-19 resulted in more tenants wanting to interact with CH digitally	Likert scale
23.	Covid-19 impact	Covid-19 highlighted CHO lack of digital channels and faced challenges as to how it responded	Likert scale

Ref	Topic	Detail	Available Answers
24.	Digital portal	CHO already has a digital portal / channel in place through its web site where tenants can submit service requests or make enquiries	Likert scale

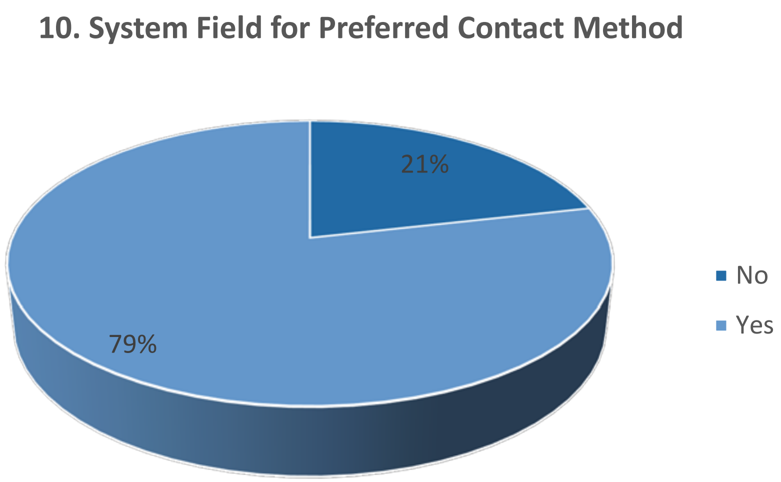
6.2.2 Analysis



The vast majority undertake periodic surveys seeking tenant feedback on service quality.

For those stating ‘Other’, answers included:

1. Combination of annual tenant satisfaction surveys and periodic surveys on specific issues
2. After contact has been made by the tenant or household member
3. Annual satisfaction survey
4. Annual survey facilitated by CHIA; monthly for tenant feedback on responsive maintenance and we are soon to implement quarterly feedback on cyclical maintenance, all done via survey monkey
5. Annually and some services are surveyed weekly



This would indicate a weakness in the main tenancy system being used by 6 CHOs.

The ability to hold a preferred contact method for each tenant record is important in being able to automate communications.

Increased efficiencies can be achieved if this information is held and reduce the extent of manual effort in generating types of communications with tenants.

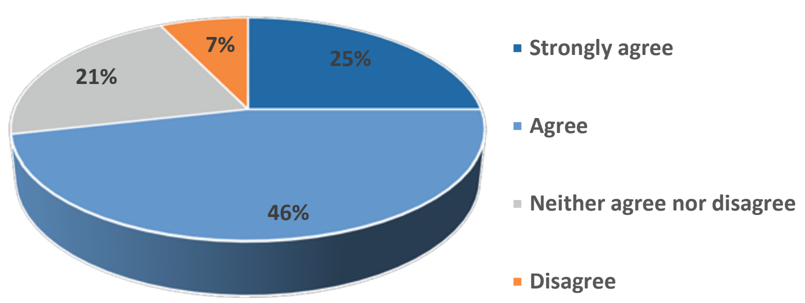
11. Communication methods

30% undertake communication by a combination of all the following:

- Phone
- Email
- Letter sent by post
- Office visit
- Home visit
- Third party (e.g., support agency)
- CHO website
- Social media channel (e.g., Facebook, WhatsApp, Twitter, Instagram)

The other 70% undertake communication by a lesser combination

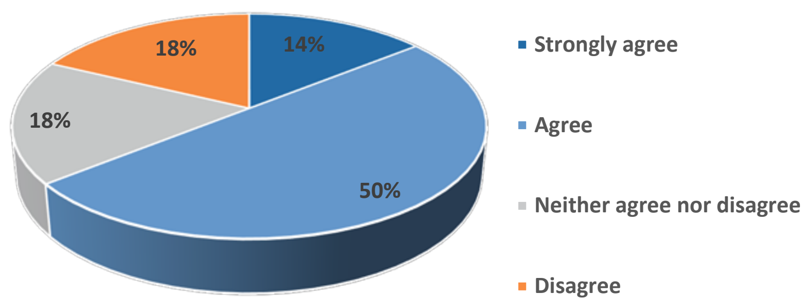
12. Knowledge of Engagement Preferences & Contact Details



Just over one-quarter of respondents were unable to state that their organisation had a good knowledge of tenants, engagement preferences as well as their contact details.

This could indicate weaknesses in the systems being used to hold this information or it could point to issues with data quality or challenges in regularly reviewing and maintaining it.

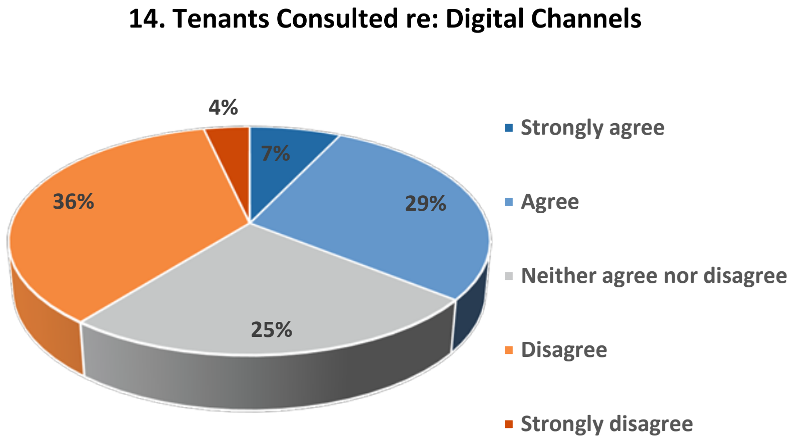
13. Regular Confirmation of Contact Details



Nearly two-thirds of respondents regularly ask tenants to confirm contact details for themselves and their household members.

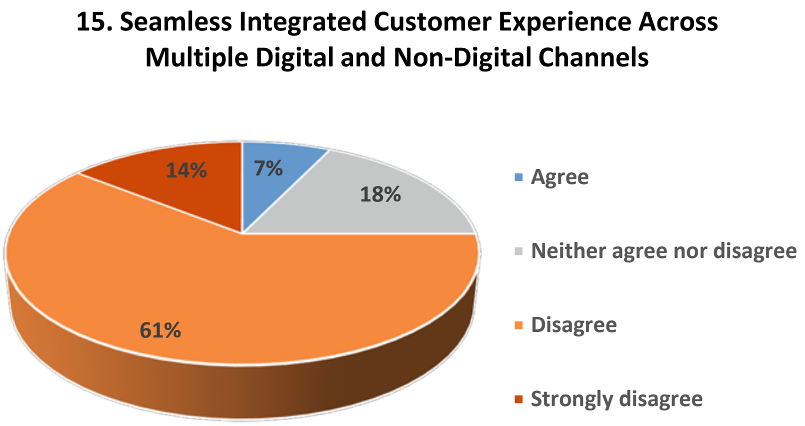
The survey did not ask how CHOs do this.

Based on answers provided to other questions, as the use of digital tools and channels evolve, a customer portal could be used to enable tenants to directly update their contact details.



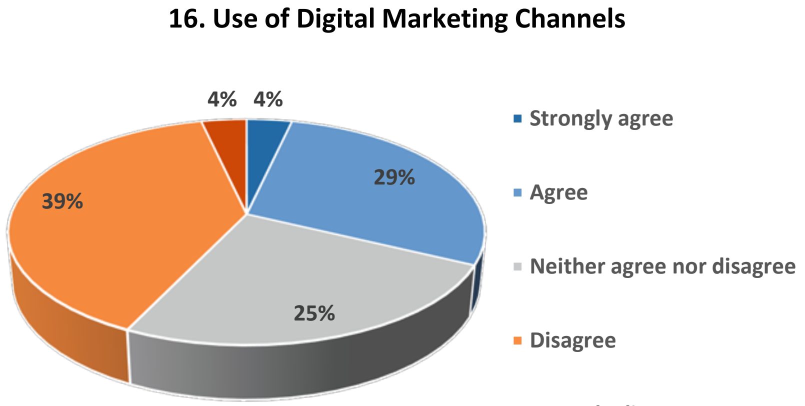
Just over one-third of the CHOs responding have consulted their tenants on potential interest / take-up of digital channels and current access to facilities.

With 40% not undertaking such consultation and a further quarter not able to confirm, this would indicate there is much work to do in determining the number of tenants who would use digital channels to communicate with their provider and the facilities they currently have access to.



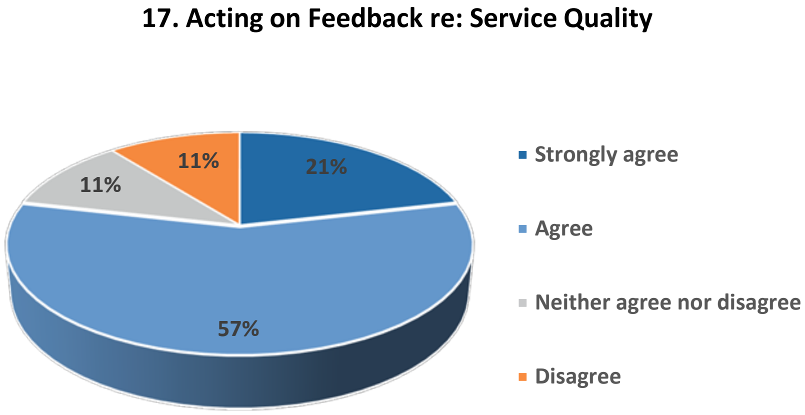
The results to this question would indicate that there remains significant work to do amongst the majority of participating CHOs to establish a seamless customer experience. It is somewhat striking that just over three-fifths of respondents do not provide a seamlessly integrated experience to their tenants across multiple digital (social media, websites, portals etc) and non-digital channels

Whilst only one-third have consulted tenants on digital channels, it is likely that more work will be needed in assessing current and future service delivery channels (digital and non-digital) as well as system capability, utilisation and operational structures relating to customer relationship management and service delivery.



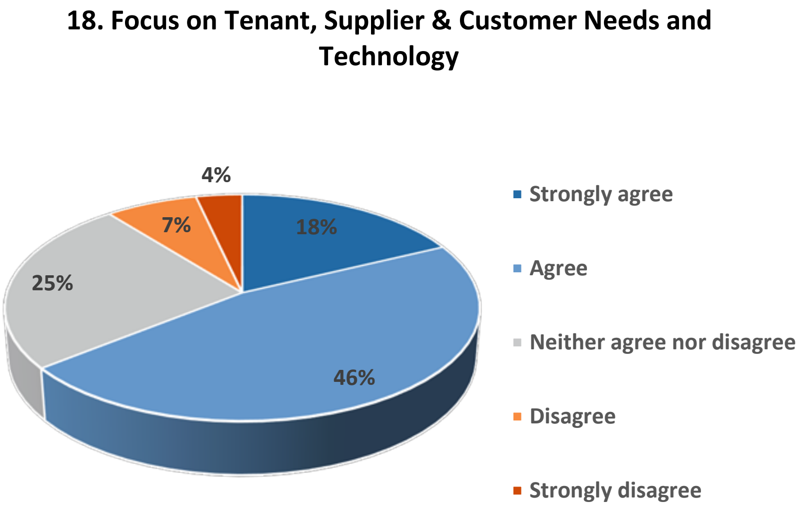
Just over two-fifths of respondents do not make any use of digital marketing channels to promote services and engagement activities with a further 25% not being able to confirm whether they do.

Digital marketing is used across many other industries. With only one-third of respondents using this channel, clearly this is an area which should and needs to evolve further as a digital channel so that CHOs can fully maximise the opportunities and benefits provided by social media and enhance the customer experience.



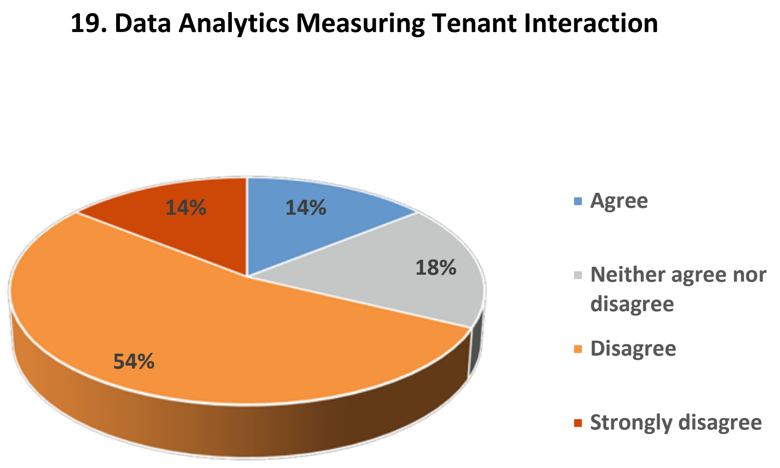
Just over one-fifth of respondents indicate they do not act or cannot decide whether they act on feedback and / or insight about tenants' experience on service quality across all physical channels.

This could indicate more work is required on consultation and implementing feedback to improve the overall customer experience, either through operational, service-drive initiatives and / or using technology to support services.



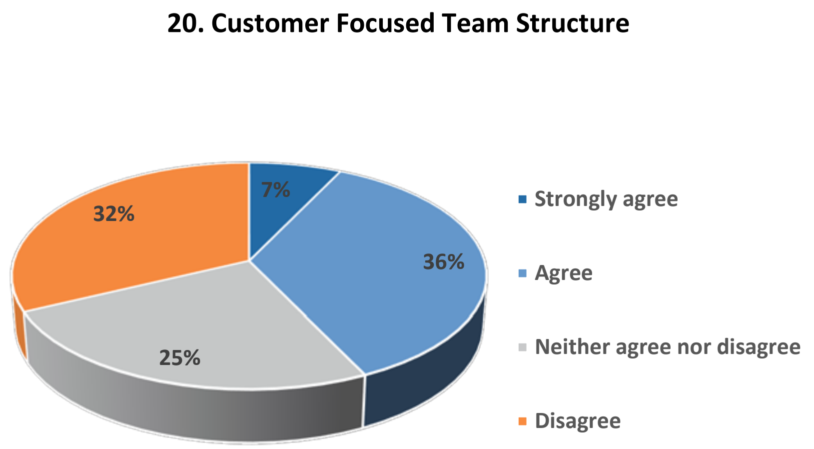
Nearly two-thirds of respondents have a clear of focus on tenant, supplier and customer needs and how technology can be used to deliver a quality experience.

Three CHOs did not agree with this statement with a further seven not being able to express a view. This could indicate limitations in their current systems, operations and / or technology infrastructure which may be preventing them from providing or achieving this.



It is notable that just over two-thirds of respondents do not use data analytical tools to measure and analyse the level of tenant interaction with their services. Furthermore, nearly one-fifth (5 respondents) cannot decide on this topic.

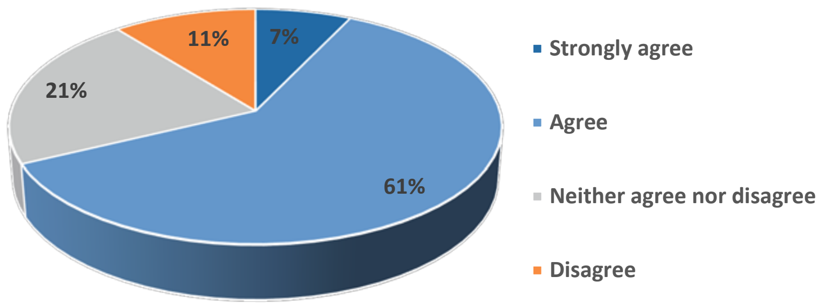
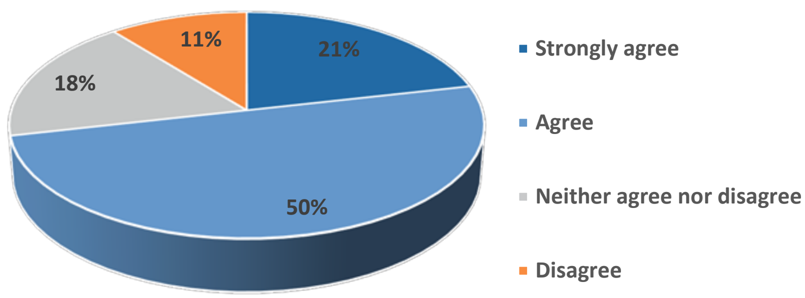
Taking into account this outcome as well as the above responses, it is difficult to understand how 68% of respondents (19 CHOs) believe that their tenants think highly of their services (chart 21 below). Possibly this judgement may have been made from the annual tenant survey which is undertaken. If the level of tenant interaction cannot be properly measured or CHOs do not have adequate reporting tools to analyse this, it is highly questionable as to how they can make conclusions on service quality and based on this, making decisions on digital deployment could well be challenging.

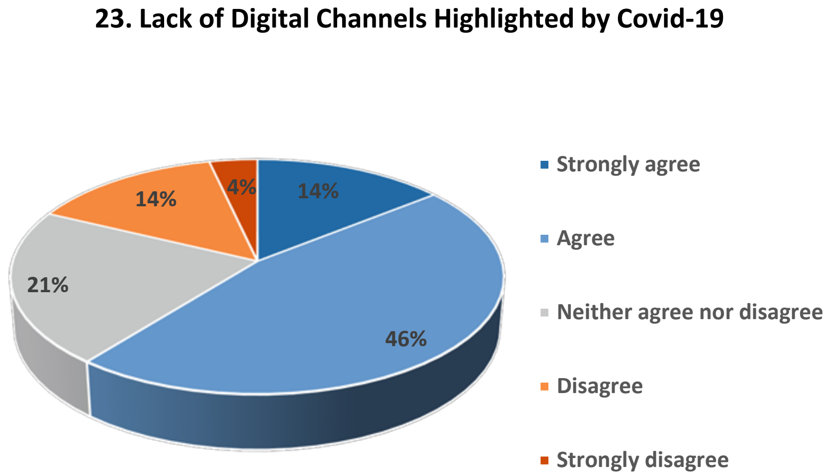


As with question 18, the results to this question highlight the probable traditional nature of how CHOs deliver services. One-third of respondents indicate their teams are not structured based around the customer and instead are focussed on the service functions they perform. A further quarter are unable to express a view on this question.

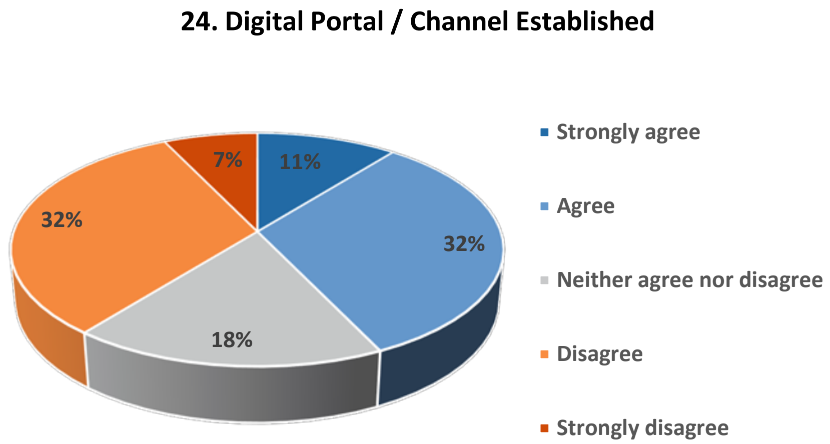
Case studies show that digital initiatives can be deployed effectively if organisations have structured their teams around the customer which in turn delivers an integrated seamless customer experience.

This response, combined with topics 18 and 19, further reinforces how the customer experience bandings have been determined terms of

	digital readiness which are set out in the next section below.
21. Tenant Views on Service Quality 	Taking into account the results on the seamless integrated customer experience (chart 15); acting on feedback on service quality (chart 17) and data analytics (chart 19), the responses to the question are perhaps somewhat surprising with nearly 70% of respondents stating that their tenants think highly of their services. In view of the responses to the other topics above, this leads to possible questions on what CHOs ask their tenants and how CHOs have come to this conclusion.
22. Covid-19 Increase in Digital Interaction 	Consistent with other industries' responses to Covid-11, the responses to this question are not surprising with a combination of increased demand to communicate via alternative channels and the responses introduced by CHOs to maintain as much communication as possible with tenants and suppliers.



This question did not seek details on the types of digital channels being used or when they were established, however, the response to this question highlights the realisation amongst the majority of the respondents (60%) as to the challenges faced due to the current lack of digital channels in their organisations. This is further reinforced by just over one-fifth in being either unsure or not being able or willing to express a view.



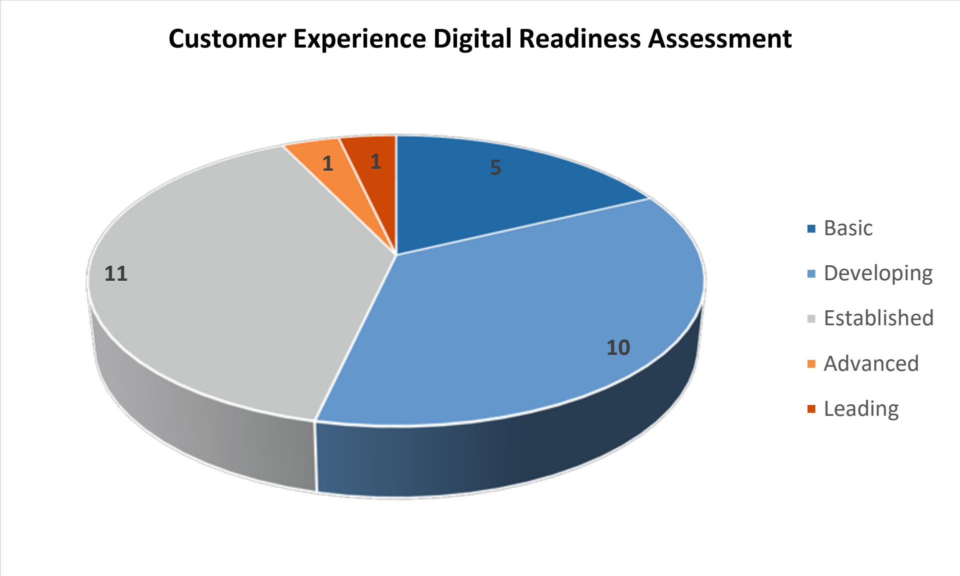
Taking into account the answer to topic 23 above, combined with the relative infancy of specific customer portal software and apps from mainstream software suppliers known to be in use across the sector, the responses to this question more than likely include web forms provided on the CHO web site rather than interactive portals or tenant apps.

Typically, web forms will generate an email to a back-office user for the enquiry or request to then be logged.

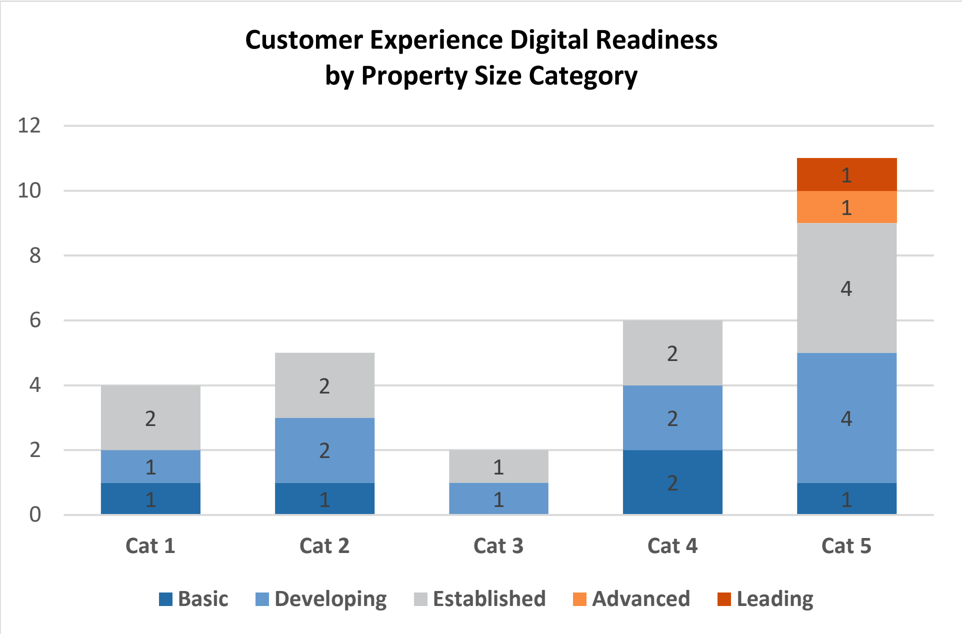
It is encouraging that some CHOs have established portals or are providing facilities for such channels through their web sites, however, when relating this back to the responses on customer focused teams and seamless integrated customer experience, it is clear such channels are not being used effectively and they are not integrated with either customer facing staff or back-office systems.

6.2.3 Customer Experience Readiness Assessment

Based on the responses set out above, when broken down across all property categories, the customer experience assessment in relation to digital readiness can be summarised as follows.



When broken down by the respective property categories, the figures are as follows:



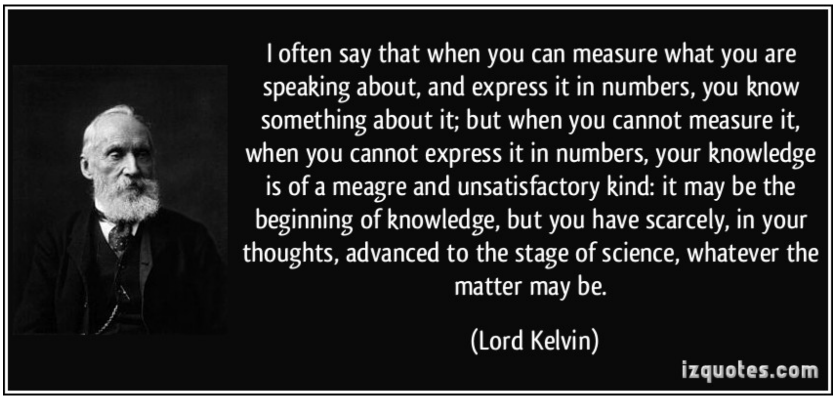
The criteria used in determining readiness banding for customer experience are:

Banding	Criteria
1. **Basic**	• No digital interaction with customers exists or at the very least thinking is at the minimal stage as to how digital technology can be utilised • A website may exist but this does not support any effective interaction with customers • Customers largely rely in traditional or accustomed means in contacting CHO staff, e.g., by phone, office visit, at home or by email

Banding		Criteria
2.	**Developing**	• Increasing awareness of digital channel benefits to customers • Consideration being given as to how digital channels can be used and how they would benefit or improve the current customer experience
3.	**Established**	• Customers have use of a portal or able to submit service requests and enquiries through the CHO's web site • Pro-active engagement with customers, suppliers and stakeholders is in place across a variety of platforms • Solid use is made of social media channels to promote services
4.	**Advanced**	• Customers and suppliers are accustomed to using digital channels to interact with the CHO • Staff are organised in teams around the customer rather than the organisation • The CHO regularly and pro-actively engages with customers, suppliers and stakeholders to assess the merits and benefits of using digital channels as well as reviewing its overall track record on customer service. • The customer experience across all channels (digital and non-digital) is seamless
5.	**Leading**	• Feedback from pro-active engagement with customers, suppliers and stakeholders is actively encouraged, with action taken, made public with lessons learnt being continually applied • Seamless two-way integration is established through digital channels such that customers, suppliers and stakeholders can immediately know the status of a service request, transaction or enquiry

The responses show that over half (54%) of the respondents (15 CHOs) are below an established level of customer experience in relation to digital readiness. The responses above show particular gaps where attention is needed on:

1. Improving the use of data analytics to more effectively measure the extent of tenant interaction and their views on service quality. Assess the data being captured to record tenant interaction and their feedback. If you can't measure it, you can't properly act on it.



2. Considering how to introduce more customer-focused structures within their service delivery operations to improve the customer experience.
3. Assessing what tenants are asked in relation to service quality and how that data will be used to improve the customer experience.
4. Reviewing current information systems and the level of gaps as to how such systems will support CHOs in the future as digital initiatives evolve further.

5. Assessing current and future service delivery channels (digital and non-digital) as well as system capability, utilisation and operational structures relating to customer relationship management and service delivery.

6.3 Operations

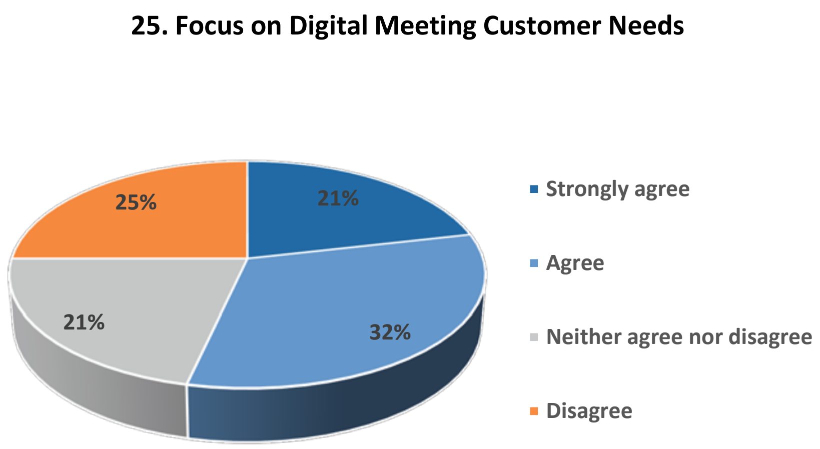
6.3.1 Topics

This section sought answers to the following topics:

Ref	Topic	Detail	Available Answers
25.	Digital focus	CHO focus is on how digital can meet the needs of its customers	Likert scale
26.	System capabilities	CHO current information systems support it in administering and responding to all forms of service enquiries / requests and are fully capable of supporting it in how it delivers all aspects of customer services	Likert scale
27.	Business processes	CHO has established business processes in place to professionally administer and respond to all forms of service enquiries and requests	Likert scale
28.	Tenant pain points	CHO knows where tenants' pain points are in terms of how contacting and how CHO responds	Likert scale
29.	Business review: digital preparation	CHO has reviewed our business processes in preparation for implementing digital service initiatives	Likert scale
30.	Integrated communication channels	CHO provides multiple communication channels all of which intelligently integrate with our information systems	Likert scale
31.	Digitised business functions	CHO's core business functions are digitised, driving efficiency and effectiveness and saving us time on administrative tasks (e.g., document management functions and storage are in place with all document templates and forms digitised; task driven / workflow software capable of supporting a wide array of business functions and processes is in place; photographs are captured remotely and stored against the tenant or property record)	Likert scale
32.	Business functions automated	All key business functions are fully automated supported by reliable or established technology and systems	Likert scale
33.	Process improvements identified	CHO has identified where it can streamline its business processes in order to best maximise digital initiatives	Likert scale
34.	Staff digital skillsets	CHO has staff with strong internal digital skillsets or acumen	Likert scale
35.	Reliance on technology support	CHO needs to rely on trusted providers to either manage or assist its technology needs, due to its current level of staff resources	Likert scale
36.	Silo structures	CHO operational structure is based on departmental silos	Likert scale

Ref	Topic	Detail	Available Answers
37.	Digital channels drive structure	Digital services and channels drive the organisational structure and reporting	Likert scale
38.	Collaborative practice implemented	CHO is implementing or has implemented collaborative practices across the organisation in relation to customer service delivery	Likert scale
39.	Data quality reviews	CHO regularly reviews and maintains the quality and accuracy of our data	Likert scale

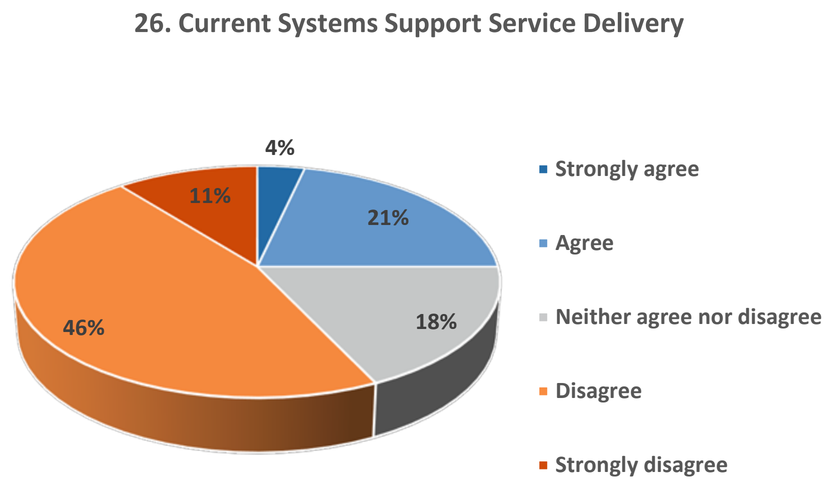
6.3.2 Analysis



Over 50% of respondents are focused on how digital can meet the needs of their customers.

The responses to this topic should be compared against strategy topics 75 where only 29% stated that digital strategy roles and responsibilities are clear and understood, topic 81 where only 25% have defined a digital strategy and topic 84 where 55% stated that tenant / supplier expectations and needs are driving innovation in service delivery.

The results to this topic indicate that 25% have yet considered the potential operational and service improvements that could be gained from using digital technology and what is needed to deliver them with just over one-fifth being unable to express a view.

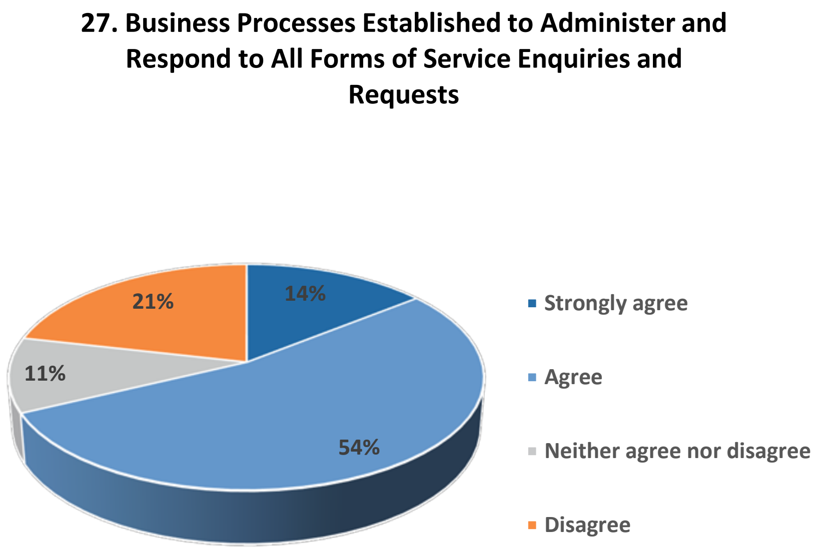


Only a quarter of respondents believe their current information systems support them in administering and responding to all forms of service enquiries / requests and that they are fully capable of supporting them in how they deliver all aspects of customer services.

With 75% either undecided or not in agreement, this implies potential gaps and weaknesses in functionality provided in those products.

A gap analysis should be undertaken (if this has not been done already) to identify where improvements are needed, which may result in procuring an alternative system.

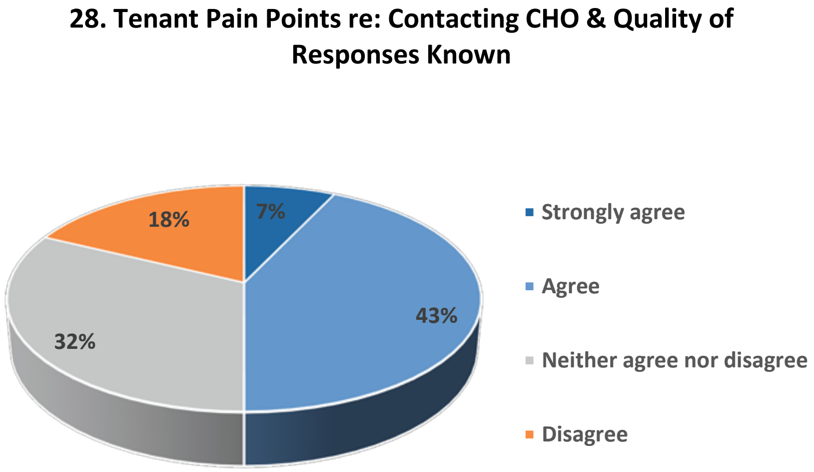
Results of the systems rating assessment completed by 20 respondents are set out below in section 7. Of the 11 using fully integrated systems, only 18% state minor deficiencies are encountered. Of the 9 using tenancy management system, 22% encounter minor deficiencies and 11% state major deficiencies.



Over two-thirds of the respondents have business processes in place to administer and process service enquiries and requests.

It is perhaps of some concern that one-third disagreed with this statement or could not decide on this topic.

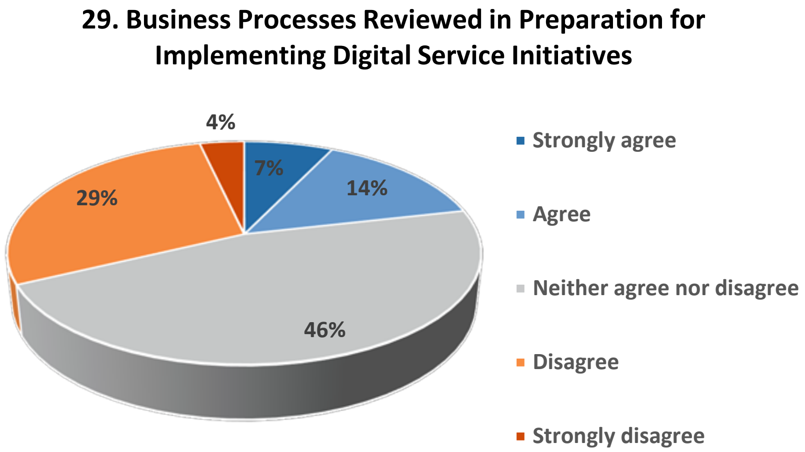
To provide an enhanced customer experience, and also to prepare for digital transformation, it is recommended that CHOs review and assess how operational staff administer and process service requests and enquiries. Taking the responses to this topic in context with topic 26 above, it is distinctly possible that some of the systems currently in use pose limitations as to how best this area can be supported.



It is notable that 50% of respondents know the pain points being experienced in contacting them, however, nearly 70% of respondents stating that their tenants think highly of their services as shown in chart 21 above.

With nearly one-fifth stating disagree this could mean that these CHOs have not identified any pain points or they have not analysed customer journeys in much detail.

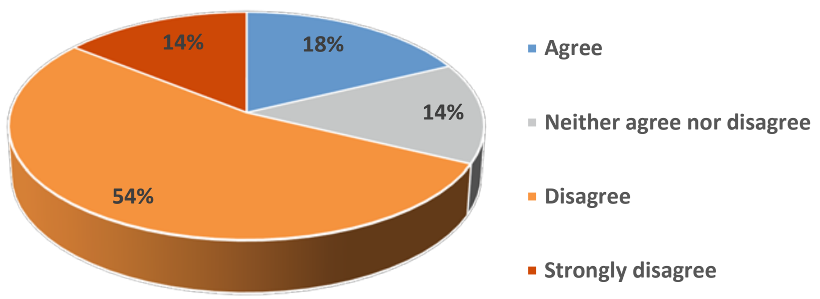
There is perhaps a link here with these responses and those to topic 15 (seamless integrated customer experience). Known pain points must have a distinct adverse impact in providing a seamless integrated customer experience. Identifying pain points is a key aspect of the persona customer journey mapping process. Identifying and resolving where those pain points are and identifying where digital improvements can help are key aspects in determining a CHOs state of digital readiness.



This is key indicator of digital readiness. It is perhaps of some concern that nearly 50% respondents were unable to express a view as to whether any work has been undertaken in reviewing their business processes in preparation for implementing digital service initiatives.

With only 21% of respondents stating their processes have been reviewed, this would indicate there is much work still to do. Before implementing digital apps, an assessment needs to be made as to the impact on business processes and where these would benefit from being amended.

30. Multiple Communication Channels Intelligently Integrating with CHO Information Systems

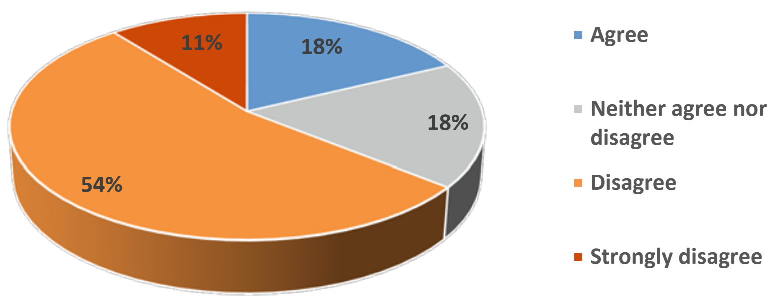


The key words in this topic are *intelligently integrating.*

Just over two-thirds of respondents are not in a position to state that their current communication channels are capable of doing this.

This therefore prompts the suggestion that business processes relating to communication channels also need to be assessed in the context of how and where digital technology could improve this and intelligently support much improved levels of integration with CHO information systems.

31. Core Functions Digitised

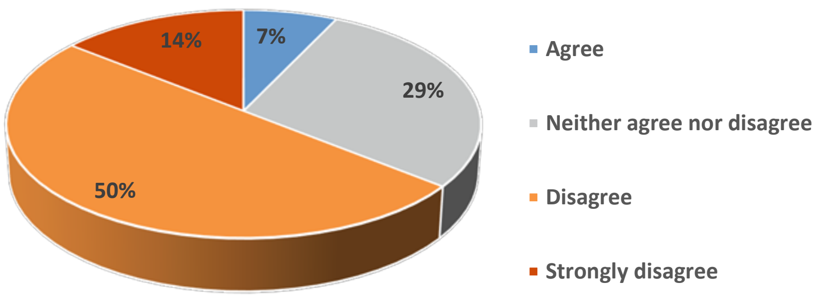


Based on the above responses, the answers to this topic are not surprising.

Only 5 of the 28 respondents are in a position to state that their core business functions are digitised, driving efficiency and effectiveness and saving them time on administrative tasks.

These answers reinforce the overall digital readiness assessment for operations at the end of this section.

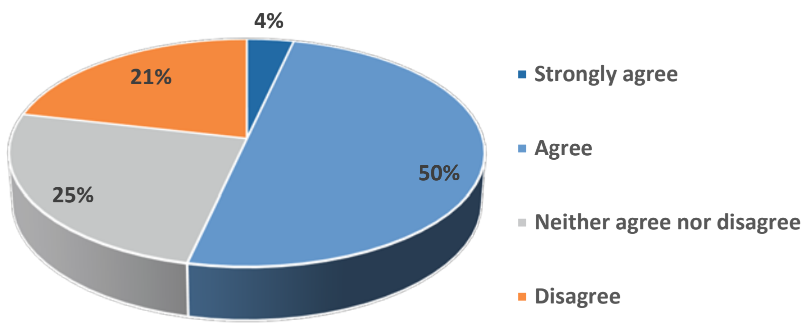
32. Key Business Functions Fully Automated Supported by Established Technology & Systems



The small number of respondents stating that their key business functions have been fully automated in their current systems is most probably due to those products providing workflow functionality as standard system functionality.

The high number in disagreement combined with those not able to state a position indicates there is much work to do either in fully utilising the functionality provided in their systems or assessing the functionality gaps preventing them from achieving this objective.

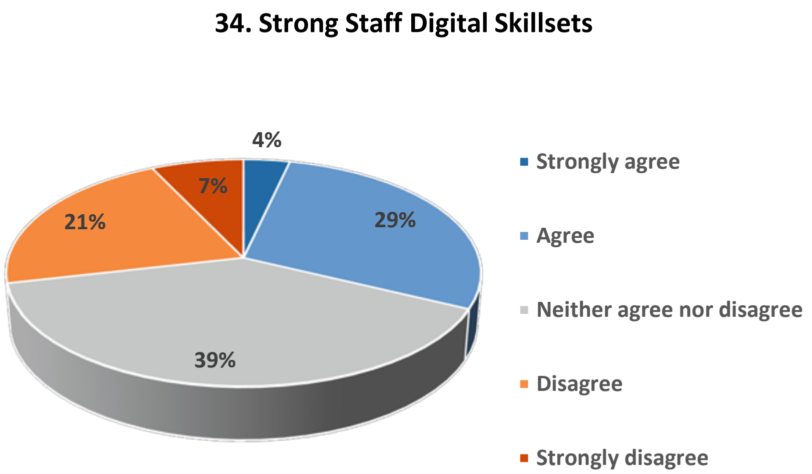
33. Business Process Improvements Identified to Best Maximise Digital Initiatives



In topic 29 above, one-third of respondents stated that no work has been undertaken in reviewing their business processes in preparation for implementing digital service initiatives.

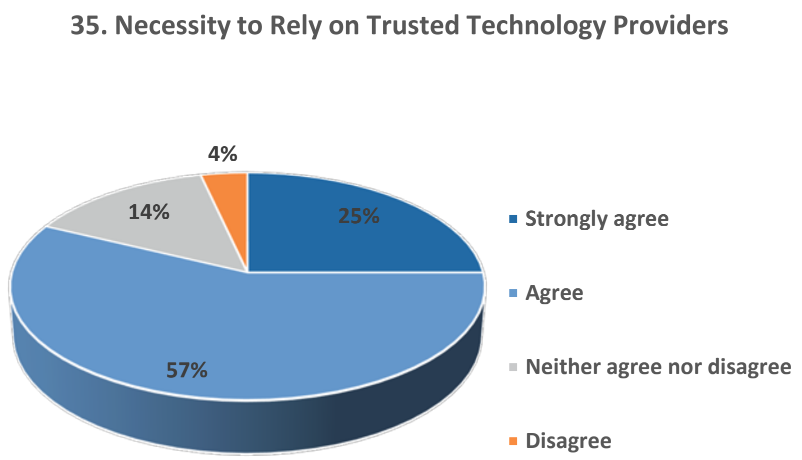
The responses to this topic show that just over a half of CHOs have identified where they can streamline their business processes in order that they can best maximise digital initiatives.

This indicates that some thinking has been undertaken, however with nearly a half disagreeing or not being able to make a judgement, this would reinforce the lower level of digital readiness in relation to CHO operations.



The responses to this topic are somewhat encouraging and indicate that from a staffing perspective, one-third of respondents are in a relatively promising position when they evolve to implement digital initiatives.

It should be noted that the survey did not ask whether staff had been consulted on their digital knowledge, rather these figures are in response to the statement that 'we have staff with strong internal digital skillsets or acumen.'

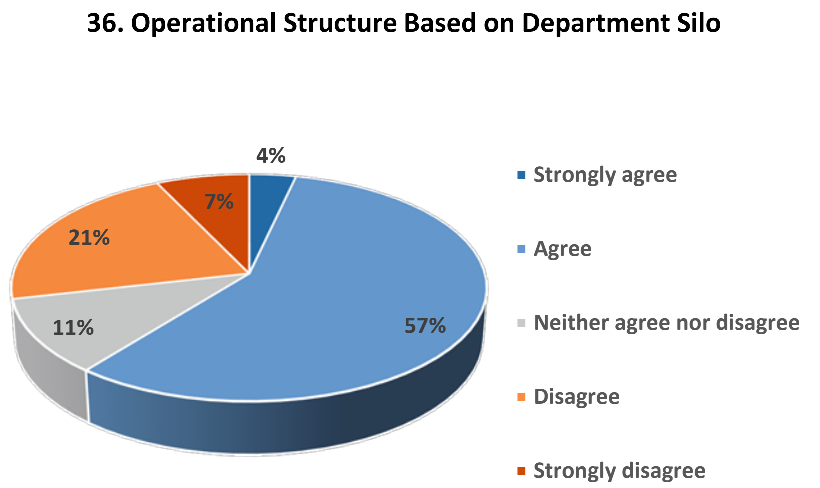


The responses to this topic are not surprising. Over three-quarters of respondents stated that due to their current level of staff resources, CHOs need to rely on trusted providers to either manage or assist with their technology needs.

Perhaps somewhat surprisingly the position with the larger Category 4 and Category 5 CHOs was as follows:

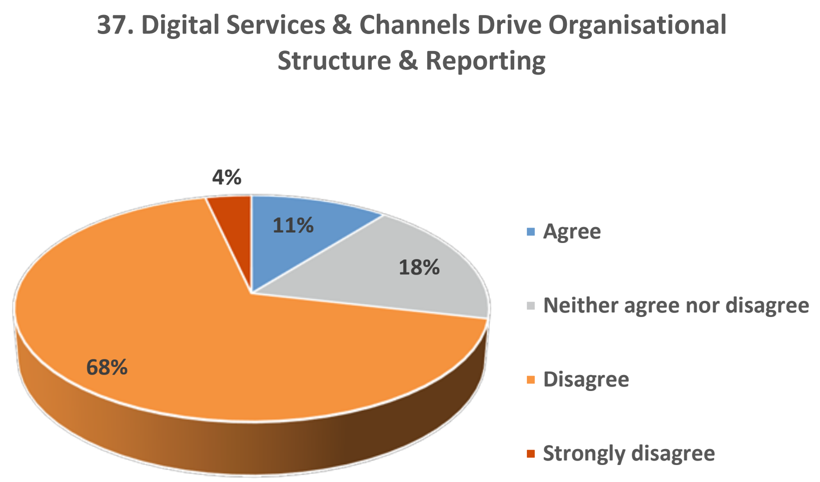
Cat	Response	No.
4	Strongly agree	1
	Agree	4
	Neither agree nor disagree	1
5	Strongly agree	1
	Agree	6
	Neither agree nor disagree	3
	Disagree	1

In view of the growth of some of the larger CHOs, with some having IT departments, it was perhaps not unreasonable to expect more to disagree with this.



Case studies show that organisations which have a collaborative approach and structure to customer services have greatly improved the experience they provide to their customers. In so doing, such organisations have been better placed to reap the benefits from the introduction of digital technology initiatives, which in turn have contributed to the establishment of an integrated seamless customer experience.

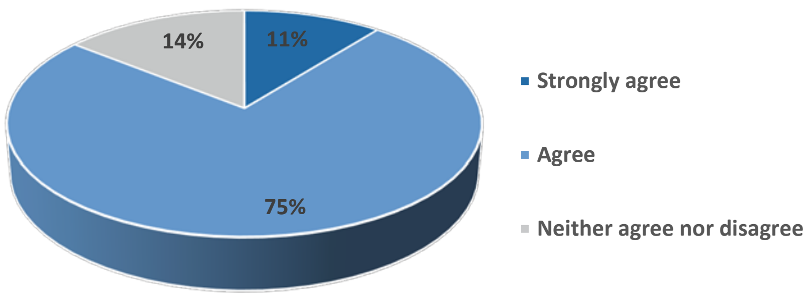
As indicated in the responses to topic 20 (customer focused team structure), nearly one-third of respondents have not introduced such an approach to their organisation with a further 25% not expressing a view. This is broadly reflected in the responses to this topic with over three-fifths basing their operations on department silos. Combined with the responses to topic 32 above relating to system automation, it is inevitable that CHOs will encounter internal communication challenges when responding to service requests and enquiries, which may in turn jeopardise the level of service delivery.



The responses to this topic are largely indicative of the state of digital readiness across the sample of respondents and the current position of CHOs in relation to digital implementations and current use of digital technology i.e., the relative lack of digital technology across the sector means the reporting capability and analysis of services using digital channels is extremely limited. There may also be elements of not knowing what is not known in this respect i.e., a lack of understanding of what digital can offer in the way of structure and reporting.

It is also broadly comparable with the responses to topic 30 above relating to multiple communication channels.

38. Collaborative Approach to Service Delivery



The responses to this topic need to be assessed in relation to topic 36 (departmental silos). From these results, it would appear that from the 61% operating departmental silo, a significant number are in the process of or have implemented collaborative working.

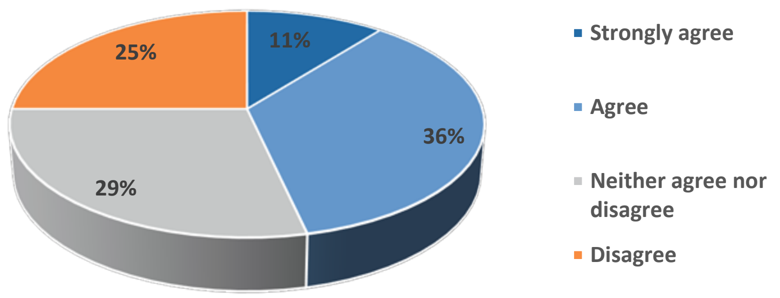
Case studies show that most digital transformations fall short because teams are not empowered to partner together as one and are not set up in a way that promotes pure collaboration across functions. Along with putting the customer first, organisations must focus on achieving cross-functional leadership alignment by breaking down silos across operations, customer service, finance, and other functions.

As an example, the Salesforce "State of the Connected Customer"[3] report made that clear: 84% of high-performing marketing leaders stated that their customer services teams collaborate with marketing teams to manage and respond to social inquiries and issues, while just 37% of underperformers say the same. Clearly that is in a commercial context, however, evidence shows that when information is freed from silos, teams collaborate more, and businesses perform better.

A good case study example is the City of Boroondara[4] which is also featured in the Case Studies

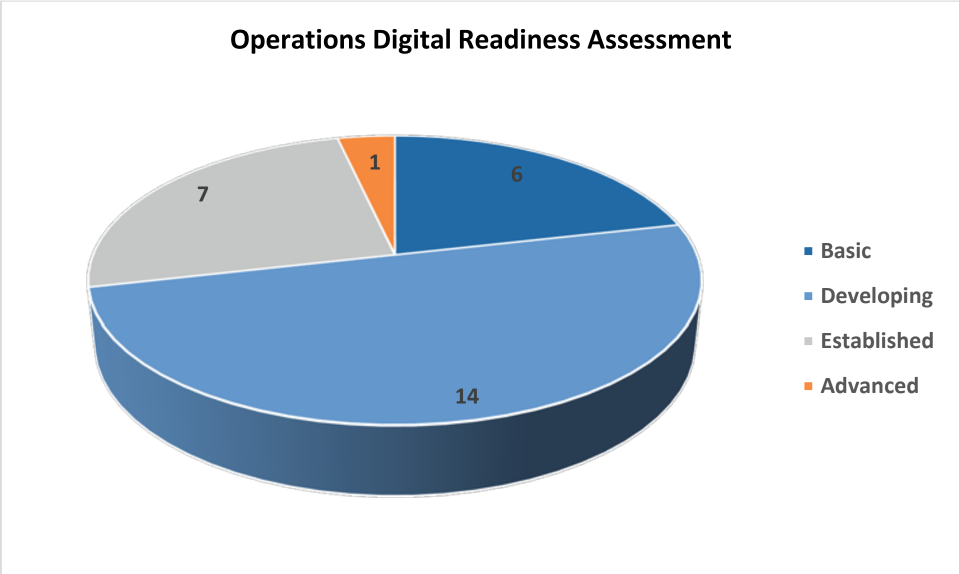
[3] https://www.salesforce.com/form/conf/state-of-the-connected-customer/

[4] https://www.boroondara.vic.gov.au/about-council/projects-and-major-works/transforming-boroondara

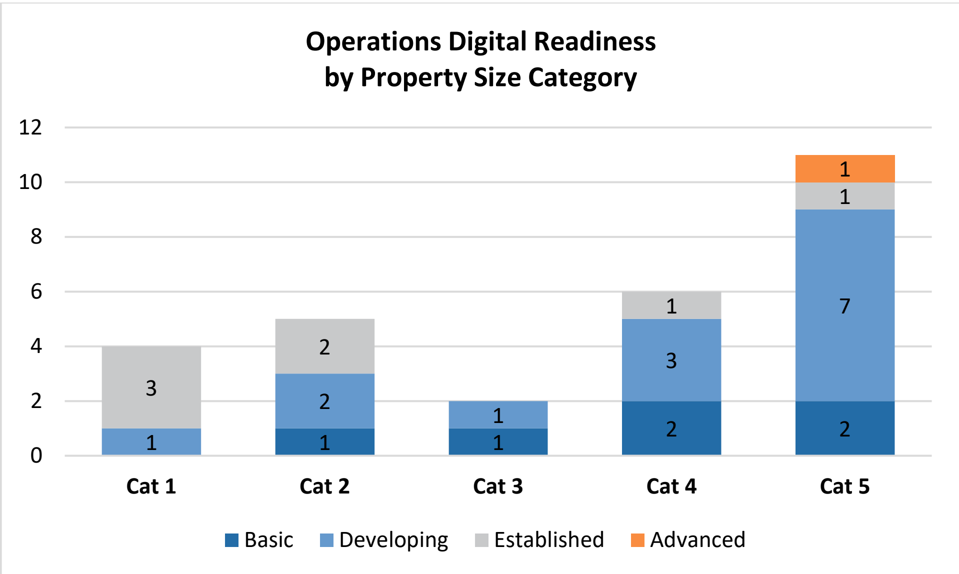
	document of the CHIA Digital Transformation document pack.
39. Regular Reviews of Data Quality & Accuracy  	Whilst it is encouraging to see that nearly half of the respondents undertake regular reviews of their data, by contrast it is of some concern that over half do not or are not able to state a view. It is important to cross reference these answers to topic 19 (data analytics measuring tenant interaction) and topic 79 (data treated as an asset) and topic 80 (data management strategy defined). Poor quality data will result in ill-informed decisions being made and poor, incorrect levels of reporting. It is therefore vital that CHOs regularly review the quality of their data and ensure it is correctly maintained. Data validation gaps in some systems may pose some challenges to some CHOs in being able to achieve this (e.g., ability to define mandatory fields and set up user-defined reference values for specific fields). Customer communication channels and the data held to manage this would be good examples.

6.3.3 Operations Readiness Assessment

Based on the responses set out above, when broken down across all property categories, the operations assessment in relation to digital readiness can be summarised as follows.



When broken down by the respective property categories, the figures are as follows:



The criteria used for Operations is as follows:

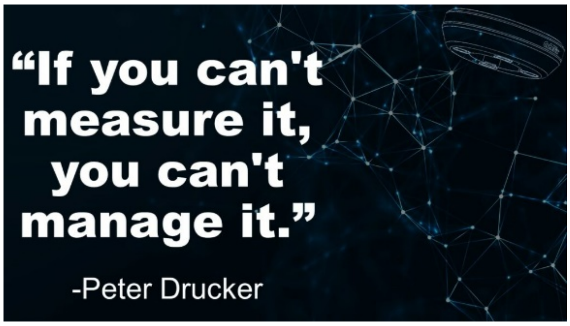
Banding	Criteria
1. **Basic**	• Largely traditional methods in service delivery • Business functions and units typically operate in silos rather than collaboratively • No or limited experimentation or questioning of current methods of service delivery and better ways of engaging with customers

Banding	Criteria
	• Staff may use smartphones and tablets but do not have any real or value-added access to digital tools or software to operate effectively in the field when dealing with customers
2. **Developing**	• Increasing awareness of digital channel benefits to customers • Moving towards defining digital capabilities and identifying scope • Consideration being given or explored to leveraging digital channels which are or will be impacting on service delivery channels are managed • Collaborative practices emerging with breakdown of internal silos
3. **Established**	• An organisational-wide collaborative approach to service delivery is in place • Business processes have been reviewed and amended to support collaborative ways of working • Fully integrated systems are in place which minimise the extent of manual intervention needed to communicate internally and undertake specific operational tasks • Staff are recognising the value of working collaboratively
4. **Advanced**	• Service delivery collaboration across the CHO is well-established and supported by integrated systems and digital tools • A strong customer focussed culture has been adopted and is continually reviewed • All digital policies and procedures have been identified and developed • All digital resources and staff training are focussed on meeting the needs of customers and continually improving the customer experience
5. **Leading**	• All digital policies, procedures and digital activities are core to service delivery and business operations • Non-digital services and processes are or have been re-engineered, joined up and re-born as digital • New management practices and organisational structures have emerged or are emerging to align with digital approaches to service delivery across the CHO

The responses show that just over three-fifths of the respondents (20 CHOs) are below an established level of operations in relation to digital readiness. The responses above show particular gaps where attention is needed on:

1. The level of thinking needs to increase to assess how and where digital could best meet the needs of customers
2. The majority of CHOs need to start reviewing current business processes in preparation for the implementation of digital service initiatives
3. More consideration is needed on how communication channels could intelligently interact with back-office systems currently in use.
4. The vast majority of CHOs have not digitised any of their core functions and work should be undertaken to assess where, how and when such work should commence.

5. Few CHOs have automated key business functions in their current systems and consideration needs to be given as to whether and how it can be achieved subject to the capabilities of the systems currently in use.
6. Whilst work has been undertaken by just half of the respondents on improving business processes to best maximise digital initiatives, this is still likely to be in its infancy and further assessment and investigation should be undertaken aligned to how the CHO has defined its digital and business strategies.
7. With three-fifths of CHOs operating in a traditional departmental silo structure, and despite the high number stating they take a collaborative approach to service delivery, consideration needs to be given as to the appropriate organisational structures needed to:
   a. Better support an improved customer experience through greater internal collaborative structures
   b. Align how digital initiatives and improved system automation and integration could support this.



8. The relative infancy of digital services across the sector means that many CHOs are unable to assess their impact on organisational structure and reporting.
9. A significant number of CHOs (15) need to implement practices to regularly review and maintain the accuracy of their data.

6.4 Organisation, Culture, Governance, Risk and Security

6.4.1 Topics

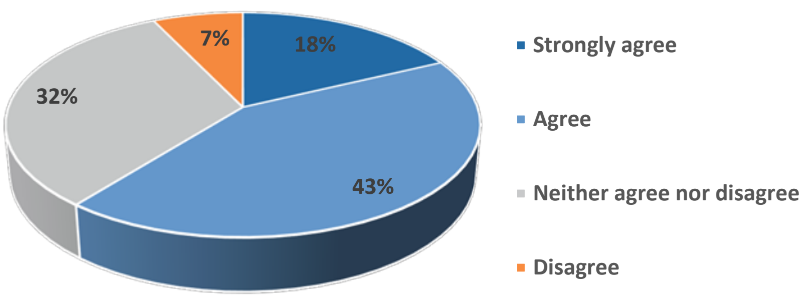
This section sought answers to the following topics:

Ref	Topic	Detail	Available Answers
40.	Value of digital initiatives	Based on what is known, CHOs fully understand the value that digital initiatives can offer	Likert scale
41.	Digital understanding	Digital opportunities and usage are not understood or defined by the CHO’s organisation	Likert scale
42.	Digital appetite	CHO has little or no appetite for digital service delivery	Likert scale
43.	Assessing innovation	CHO is starting to or already has explored the impact of innovation and how technology can be effectively utilised	Likert scale
44.	Change management	CHO has practices in place to effectively manage change and consult with staff	Likert scale
45.	Change management	CHO deploys agile techniques / approaches to managing and implementing change	Likert scale

Ref	Topic	Detail	Available Answers
46.	Technical resource constraints	CHO is constrained by lack of technical resources which has an adverse impact on what it is able to do	Likert scale
47.	Approaches to initiatives	CHO prefers to see how other organisations implement initiatives first so it can judge whether they will be successful or not	Likert scale
48.	Staff attitudes	All staff fully embrace the implementation of digital initiatives	Likert scale
49.	Data privacy	Data privacy policies are in place	Likert scale
50.	Cybersecurity threats	CHO proactively monitors network for cybersecurity threats	Likert scale
51.	Cybersecurity processes	Established processes are in place for managing cybersecurity incidents	Likert scale
52.	Cybersecurity training	Regular training or guidance to staff is provided on cybersecurity threats, phishing scams, email security, viruses and malware	Likert scale
53.	Network system management	The network and systems infrastructure are backed up daily, either by ourselves or by the CHO's systems supplier	Likert scale
54.	Network system management	Up-to-date antivirus / malware / firewall software to protect against unauthorised access to our network and systems	Likert scale

6.4.2 Analysis

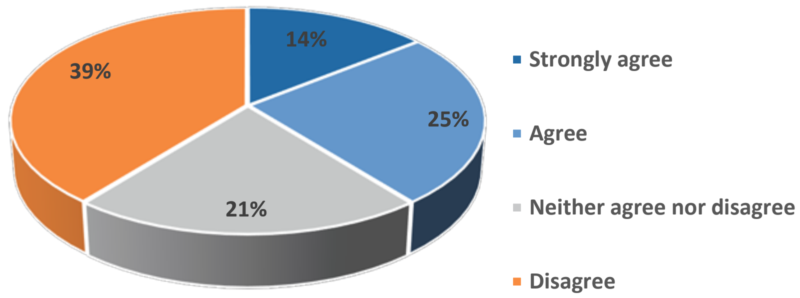
40. Value of Digital Initiatives Fully Understood



Just over three-fifths of respondents fully understand the value of digital initiatives which is an encouraging result.

For the remainder not understanding its value (2 CHOs) or not being able to state a view (9 CHOs), this would imply that these organisations would benefit from much greater guidance and material, which is a key objective of the CHIA Digital Transformation project.

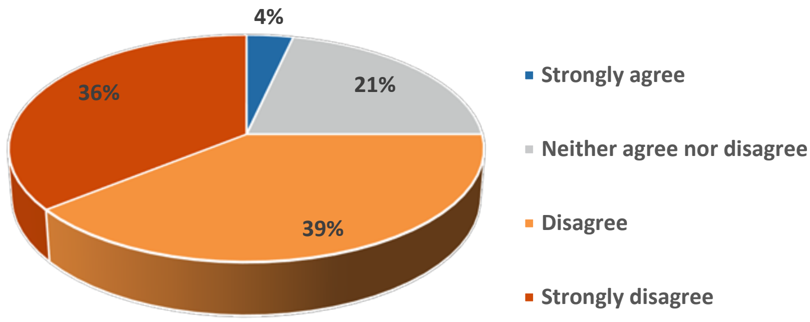
41. Digital Opportunities & Usage Not Understood or Defined



Whilst a strong proportion of respondents recognise the **value** of digital initiatives, the responses to this topic indicate that the majority need to better understand the scope for digital opportunities and identify where digital initiatives can be deployed.

This would imply that the organisations disagreeing or not able to state a view, would benefit from much greater guidance and material.

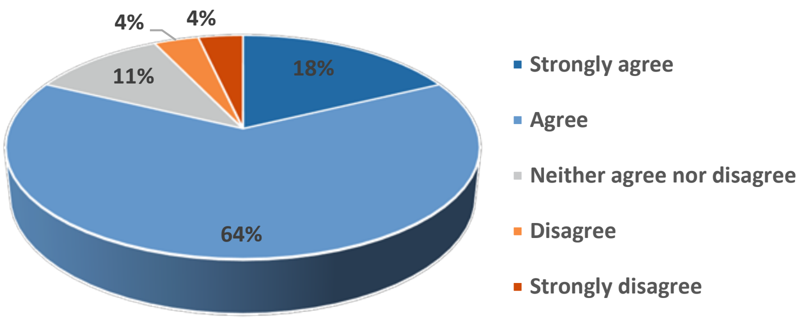
42. Little or No Appetite for Digital Service Delivery



Despite the relative extent of the lack of understanding on the deployment of digital initiatives, there is clearly a strong appetite amongst the CHOs responding to deliver digital services.

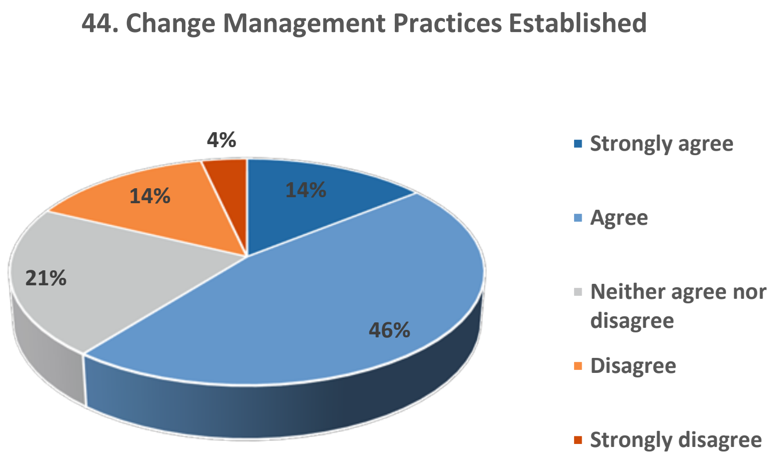
This would indicate a strong or growing awareness of the need to introduce digital channels across the sector.

43. Starting to or Already Has Explored the Impact of Innovation and How Technology Can Be Effectively Utilised



This chart indicates that nearly 80% of respondents have or are currently exploring the impact that innovation can have on their organisations and how technology can be effectively utilised.

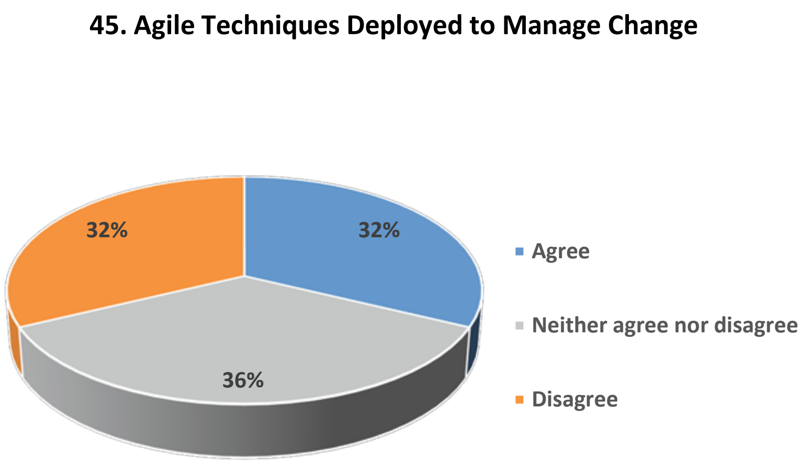
Only 2 CHOs stated that such work has not commenced or is not in progress.



A given fact in community housing is that there will always be change, either through the introduction of new housing policies, regulations, changes in practice or the introduction of new technology.

Three-fifths of respondents have established change management practices in place.

Digital transformation will result in some considerable changes to organisations. For those without change management practices in place, CHOs should have at least established approaches in place (taking into account the use of agile techniques set out below) to support staff through the change process.



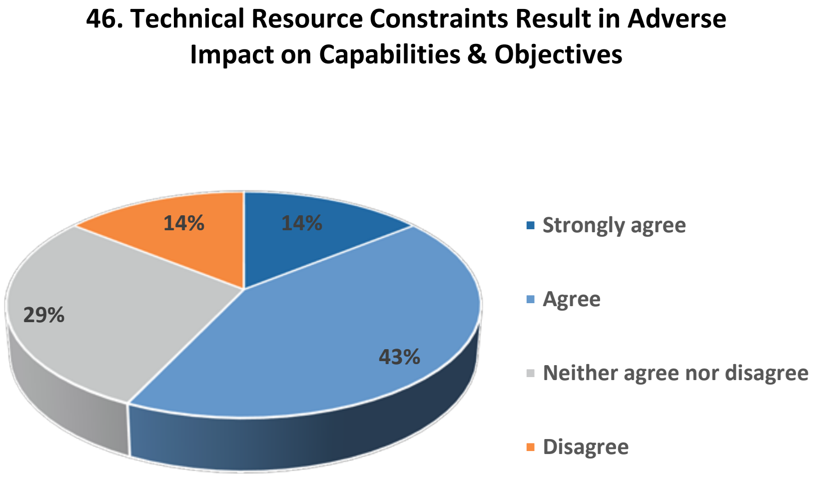
Despite three-fifths of respondents having established change management practices in place, just under one-third deploy agile techniques when managing it.

The proportion not being able to state a view may indicate a lack of understanding on the principles of agile change management.

Agile change management is a set of principles that help change practitioners focus efforts on the most important activities, determined by customer value and stakeholder impact. It provides a lean, flexible and iterative approach to achieving sustainable change in an Agile environment.[5] As set out in its guide (link below), Deloitte recommend:

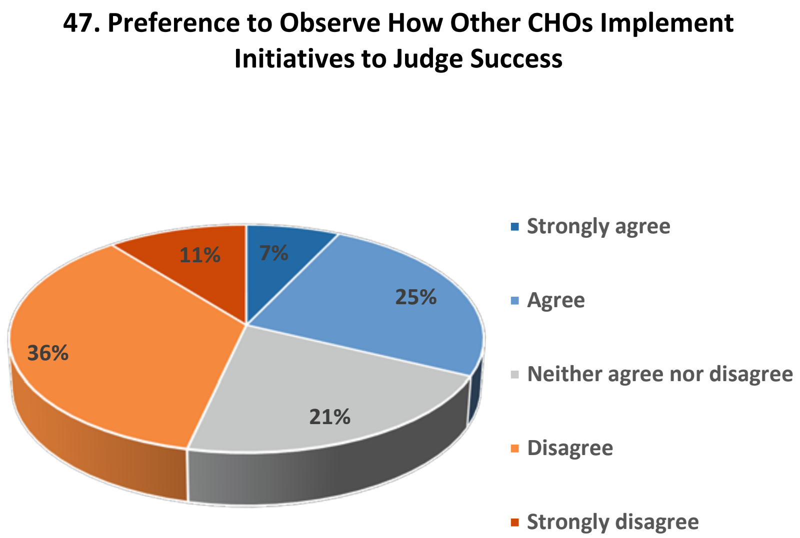
1. Focus on the moments that matter
2. Be transparent to build trust
3. Integrate change with Agile
4. Understand the minimum viable change
5. Embrace an Agile way of working

[5] https://www2.deloitte.com/au/en/pages/technology/articles/agile-change-lessons-front-line.html



Taking into account the responses to topic 35 (necessity to rely on trusted technology providers), this perhaps explains the answers given by respondents as to whether technical resource constraints result in an adverse impact on CHO capabilities and objectives.

The answers to this topic imply that many CHOs may face challenges to implementing digital initiatives due their current level of technical resources. Only 4 CHOs stated this does not pose an issue for them.

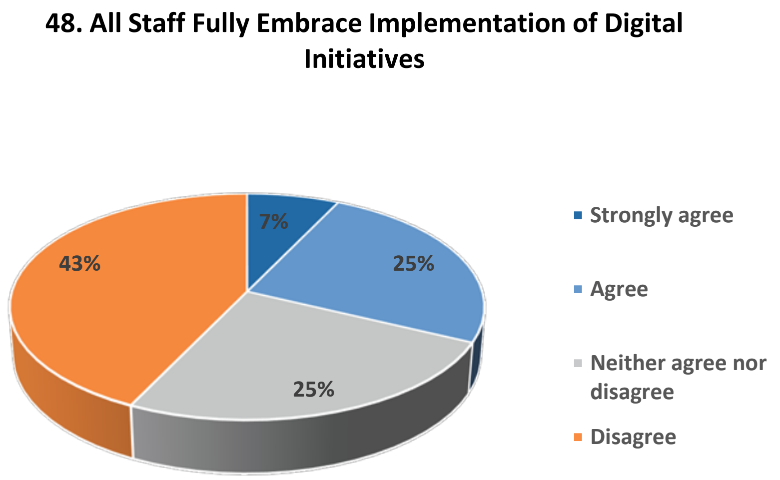


The results to this topic indicated that nearly half of the respondents are intent to pursue their own initiatives.

It is hoped the 47% which disagreed with this statement topic will play a key role in advancing use of digital across the sector and share their experiences.

Just under one-third of respondents prefer to see how others implement initiatives first, thereby clearly wanting to avoid being at the bleeding edge and experiencing the pain.

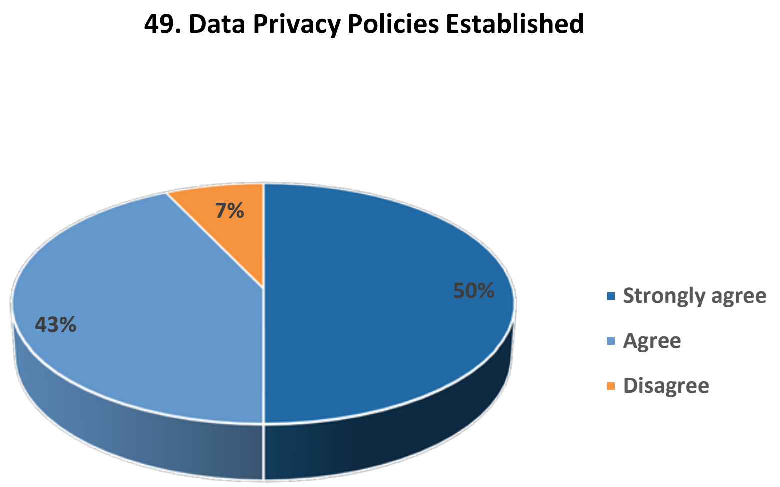
Through all technological changes over the past decades, there have always been some who are keen to be early adopters. With digital transformation still being in its relative infancy in the community housing sector, inevitably any initiatives will be at the bleeding edge in trying out use of new technology.



The responses to this topic imply that for the majority, challenges may be faced in relation to:

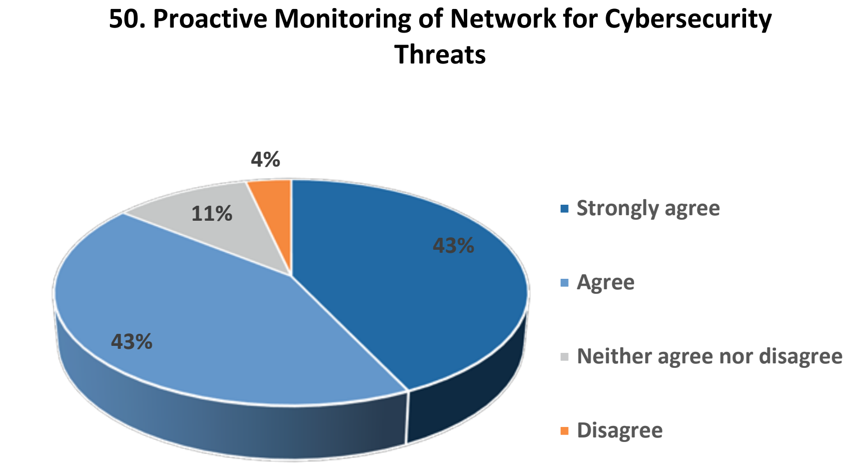
1. Implementing digital initiatives in view of current resources, staff skill sets and knowledge.
2. Managing subsequent changes arising from the deployment of such initiatives

It is possible that some CHOs may not have consulted staff to determine the views of staff and their relative skill sets, which may account for the 25% (7 CHOs) which have not been able to state a view.



It is clear that vast majority of respondents have established data privacy policies which is extremely encouraging.

For the 2 CHOs not being able to state this, it is recommended that this topic be addressed as a matter of priority.

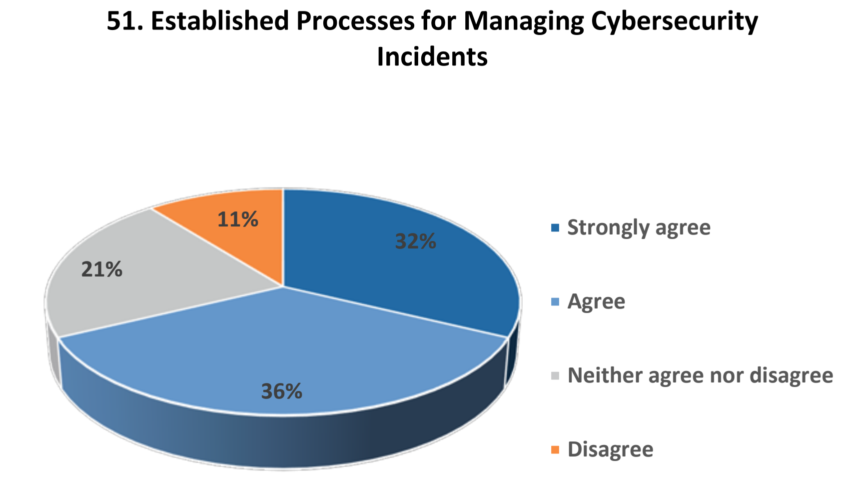


It is encouraging that nearly 86% of respondents undertake pro-active monitoring of their networks for cybersecurity threats.

This survey did not seek answers whether such activity is undertaken internally or whether it is outsourced.

These results stand CHOs in good stead for when digital transformation activities evolve further.

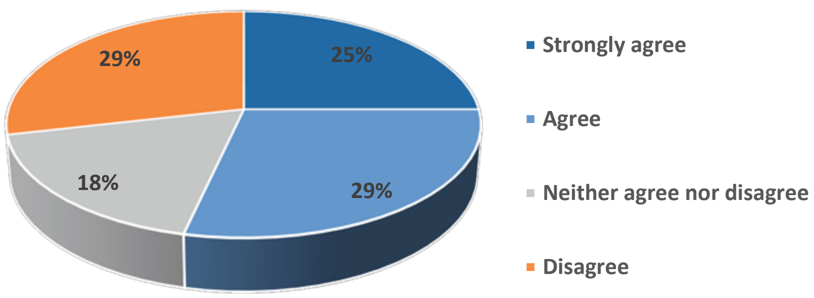
For the 1 CHO not being able to state this, it is recommended that this topic be addressed as a matter of priority.



In the last two years, there has been increased focus in the community housing sector on the importance of having processes in place to manage cybersecurity incidents.

In view of this, these responses are perhaps expected, however, 9 CHOs either do not have established processes or were unable to state a view. For these CHOs, it is recommended that this topic be addressed as a matter of priority.

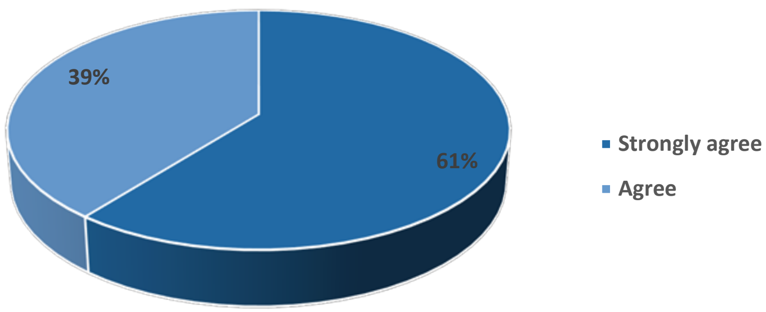
52. Regular Staff Trainng / Guidance on Cybersecurity Threats



It is of some concern that nearly one-third of respondents (8) do not provide training or guidance on cybersecurity threats with a further 5 CHOs not being able to state a view.

This topic combined with those above indicate that not all CHOs are treating cybersecurity with the importance needed to fully protect themselves from external threats.

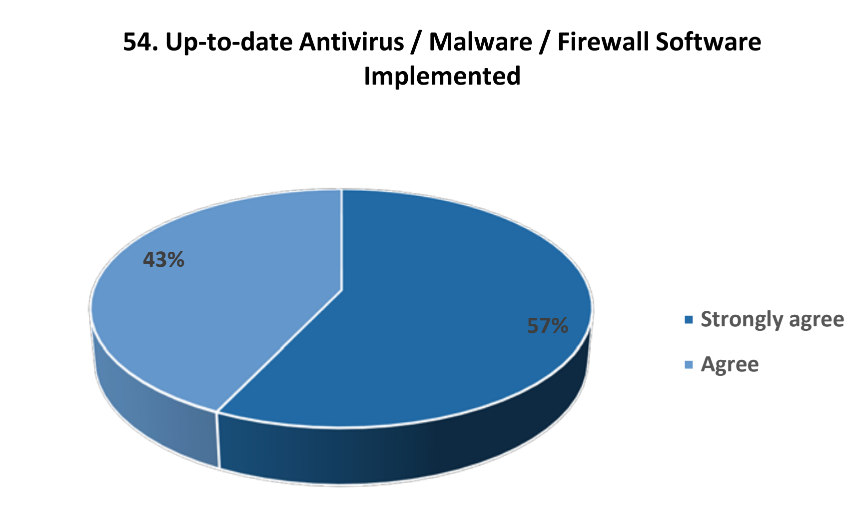
53. System Administration Processes



This topic sought answers on whether CHOs back up their systems infrastructure.

It would have been of some concern if any respondents had disagreed with this topic or had been unable to state a view.

This topic did not seek details on the level and depth of system administration practices; however, it is reassuring that all respondents have processes in place.

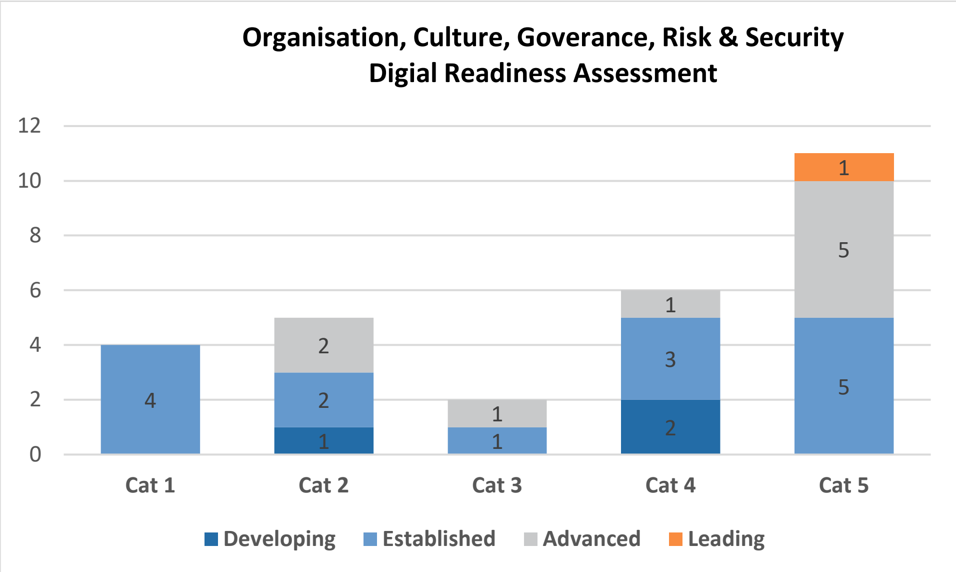


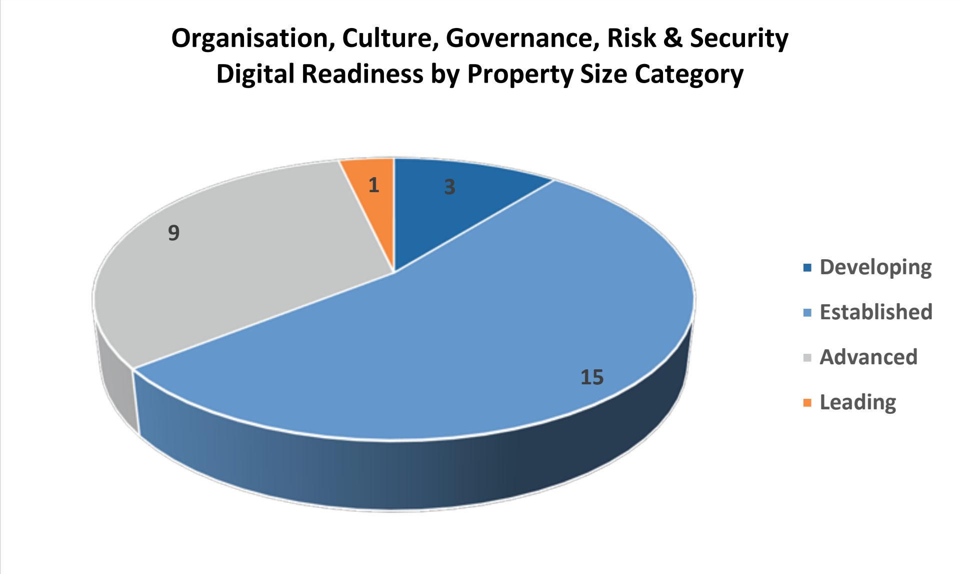
Similar to above, it is reassuring that all respondents use up-to-date antivirus, malware or firewall software across their networks and systems.

Again, it would have been of some concern if any respondents had disagreed with this topic or had been unable to state a view.

6.4.3 Organisation, Culture, Governance, Risk & Security Readiness Assessment

Based on the responses set out above, when broken down across all property categories, the organisation, culture, governance, risk and security assessment in relation to digital readiness can be summarised as follows.





The criteria used in calculating the bandings was as follows:

Banding	Criteria
1. **Basic**	• Limited appetite in the organisation for implementing digital service initiatives • Resistance to change apparent • Limited skill sets in the organisation to effectively embrace digital technology • Limited buy-in from senior management for digital solutions • Digital proposition not fully understood • Limited understanding or application of information management and data security
2. **Developing**	• Value proposition of digital beginning to be recognised by management • Some cross-organisational awareness of digital opportunities • Commitment to risk aversion which may be affecting or inhibiting change • Understanding of data security • Growing awareness amongst some staff of how digital applications and tools could be of benefit • Social media channels being monitored / assessed but still viewed as a risk rather than an opportunity
3. **Established**	• Roles and responsibilities for delivering the digital strategy are clear and understood • Benefits of digital channels are well-defined and understood • Staff understand the benefits and opportunities through use of digital applications and channels • Data security and review mechanisms are in place with cyber-security policies established
4. **Advanced**	• Experimentation is encouraged across all channels • Many staff are digitally aware, embrace the digital strategy and support cultural change • Staff have the necessary resources available to them and have had training to fulfil their respective roles for delivering the digital strategy

Banding	Criteria
	• Staff seek to re-define their roles and KPIs in line with the digital strategy and organisational KPIs • Cybersecurity policies are aligned to the Essential 8 guidelines and are regularly reviewed • A business continuity is in place and is regularly reviewed • Regular training is provided to staff on cyber security
5. **Leading**	• CHO management fully understands and embraces digital channels, leading by example • All staff are digital aware • Digital culture is fully embedded within the organisation and is continuously being monitored, improved and refined. • Staff pro-actively explore and implement ways to improve operations and productivity using digital tools

The responses show that only 11% of the respondents (3 CHOs) are below an established level of organisation, culture, governance, risk and security in relation to digital readiness. The majority of respondents (15) are in an established state of readiness across these functional areas.

Based on the responses given, 9 CHOs were deemed to be in the advanced category with one in leading.

The specific responses above do however show particular gaps where attention is needed on:

1. Whilst a good proportion of CHOs who understand the value of digital initiatives, there is a lack of understanding amongst some on what digital transformation and technology entails and where it could be fully utilised.
2. The majority of CHOs need to address the current level of technical resource constraints. This perhaps explains why so many rely on outsourcing to trusted technology partners or providers.
3. Deploying agile techniques in managing change, which would seem to merit further awareness being promoted across the sector.
4. The majority of respondents need to address the current level of digital skills amongst staff as well as the change management implications of implementing digital initiatives.
5. Likewise, some will need to address the need to provide training and guidance to staff on cybersecurity threats.

6.5 Technology

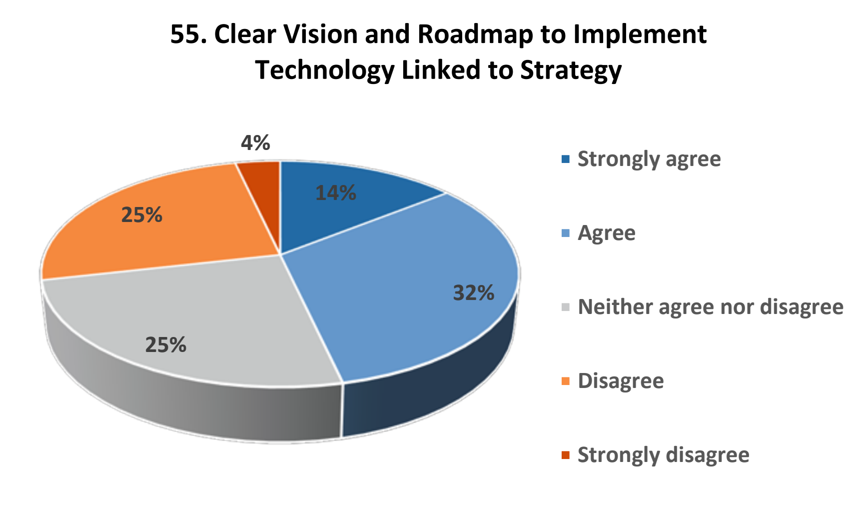
6.5.1 Topics

This section sought answers to the following topics:

Ref	Topic	Detail	Available Answers
55.	Technology vision & roadmap	CHO has a clear vision and roadmap to implement technology that is linked to our mission, goals and strategies	Likert scale
56.	Departmental IT focus	CHO focus is on departmental IT solutions to support our current operations, not digital channels nor tenant / supplier needs	Likert scale
57.	Integrated systems	CHO has implemented integrated systems to manage tenancy management and maintenance functions (and where appropriate, finance) such that they provide a single 360-degree view of the tenant or person and they support joined-up operations across the organisation	Likert scale
58.	Technology awareness	Keeps up-to-date with the latest technologies and products related to the housing sector	Likert scale
59.	Cloud-based infrastructure	Core transactional systems are cloud-based (i.e., uses software applications and / or data storage facilities from one or more software suppliers which are accessed over the Internet and on a pay-as-you-go software-as-a-service basis).	Likert scale
60.	Technology investment	Investment in technology forms a major part of the annual budget and will continue to do so.	Likert scale
61.	IS / IT expenditure	Estimated annual spend on information technology, software, services and support	Number
62.	New technology deployment	Proven track record in planning for and then effectively and efficiently deploying new technologies, ensuring they are fully integrated with systems infrastructure	Likert scale
63.	Technology deployment approach	In maximising use of technology, approach is to always assess what it is really capable of, how it can be adapted to CHO business and processes to make the most of technology investments and where relevant, implement new processes to maximise usage and deliver service improvements.	Likert scale
64.	Current systems digital connections	Current systems have enabled CHO to be digitally connected with its suppliers, contractors and service partners allowing it to initiate, monitor and complete the progress of each type of supply (e.g., electronically issuing purchase orders, receiving and processing invoices; suppliers have access to a portal to lodge invoices and request changes, variations or amendments)	Likert scale
65.	Current systems digital connections	Current systems have either enabled or are capable of enabling CHO to be digitally connected with tenants and customers	Likert scale

Ref	Topic	Detail	Available Answers
66.	Digital channel capabilities	In using digital channels, it is important that all tenants and suppliers can easily view the latest status of their service enquiry or request and what is happening to it	Likert scale
67.	Supplier reliance	Open to considering how specialist digital software providers can assist CHO in implementing specific digital apps rather than rely on the main software supplier of our core transactional system(s)	Likert scale
68.	Technology deployment approach	In implementing any new technology and system(s), CHO typically takes the view that it must support what it does now on the basis 'this is how we've always done it'	Likert scale
69.	Reporting tools	Reporting tools are either provided in current systems or interact with them such they provide real-time data analytics allowing CHO to see, understand and respond to customer demand and workforce needs	Likert scale
70.	Mobile apps	CHO uses well-established mobile technology apps to support staff when visiting clients	Likert scale
71.	Mobile apps	Intend to implement mobile technology apps to support staff when working on-site within date range	Date range

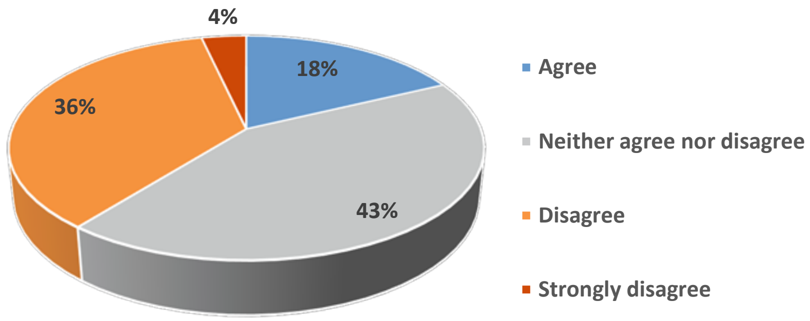
6.5.2 Analysis



It is encouraging that nearly half of the respondents state they have a clear vision and roadmap to implement technology linked to their mission.

For those that do not, a technology strategy toolkit is provided in the CHIA NSW and CHIA Vic Digital Transformation pack of documents, of which this readiness assessment forms a part. This sets out how technology objectives can be identified, prioritised and linked to the CHO's overall business strategy.

56. Focus on Departmental IT Solutions to Support Current Operations - NOT Digital Channels nor Tenant / Supplier Needs

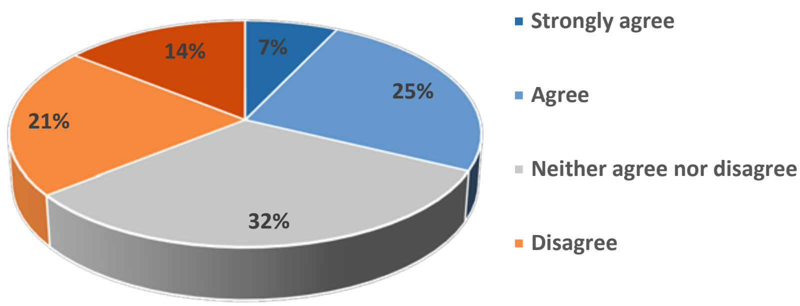


The responses to this topic would indicate that a sizeable proportion (40%) are at least considering or assessing digital channels.

The proportion not being able to express a view combined with those focusing on departmental IT solutions to support current operations, may indicate that digital has not yet been fully considered.

For those focusing on departmental IT solutions, this may also indicate ongoing work in addressing system deficiencies or undertaking workarounds.

57. Integrated Systems Implemented Providing 360-degree View of Tenants & Supporting Joined-up Operations

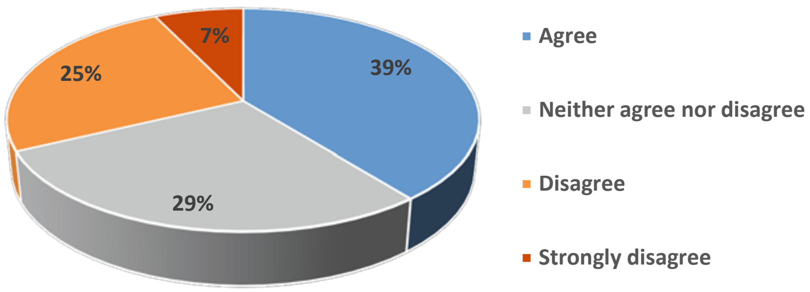


From these responses it is clear that many do not think their current core systems provide them with a 360-degree view of their tenants / customers nor are they capable of supporting joined up operations.

Just under one-third believe their systems provide this level of functionality.

The system rating assessment is provided in section 7. Of the 20 respondents using integrated systems, 64% (11 CHOs) stated they had minor deficiencies. Of the 9 CHOs using tenancy management systems 33% stated they had minor deficiencies and 22% stated major deficiencies. A more detailed breakdown is provided in section 7.

58. Keep Up-to-date with Latest Technologies & Products Related to the Housing Sector

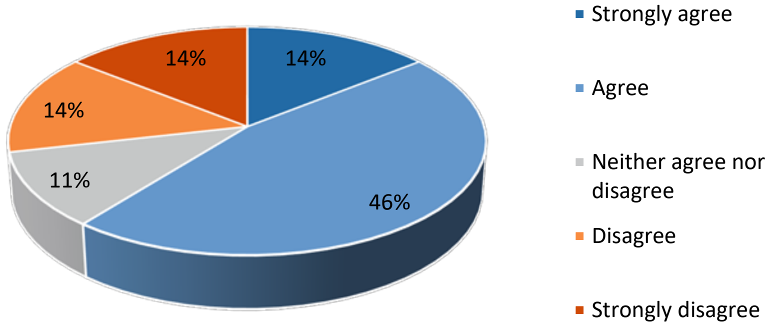


The majority of CHOs either disagreeing or strongly disagreeing comprise Cat 1 and Cat 2 sized organisations, although 2 Cat 5 CHOs also stated disagree.

The proportion not being able to confirm a view were split equally across all categories.

With digital transformation being subject to rapid and continuous evolution, it is important that CHOs maintain their awareness on the future application of technology

59. Use of Cloud-based Core Transactional Systems on a Software-as-a-Service Model

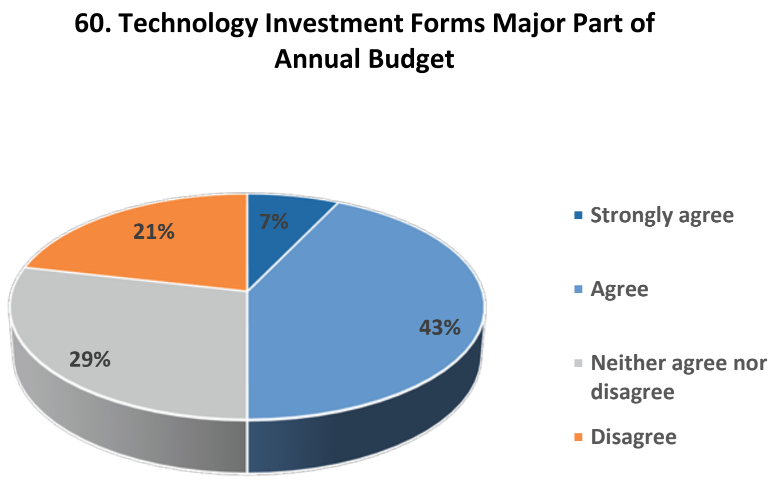


More suppliers are now offering their systems as cloud-based solutions and on a SaaS subscription basis, typically accessed via a web browser over the Internet.

Respondents confirming use of SaaS systems are split broadly equally across all categories. It is important to distinguish between a hosted and a cloud service.

Hosted services are offered by a vendor who owns and maintains physical servers in a private location. Some suppliers providing hosted services claim these to be cloud solutions.

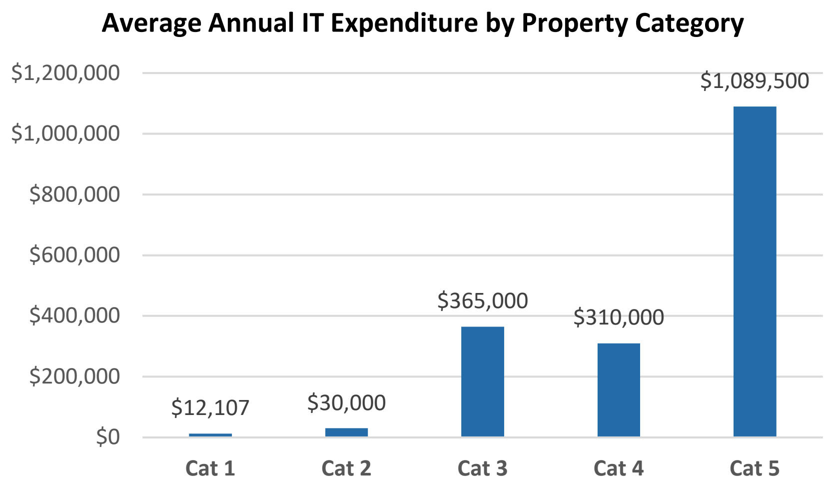
In contrast, cloud services are multi-tenanted - the sharing of resources and costs across a wide pool of users or businesses. Tenancy is one of the key differences between hosted versus cloud services. All tenants use the same software, platform, or infrastructure solution, hosted by the same public cloud, but the organisation's data is isolated and inaccessible by anyone outside the business.

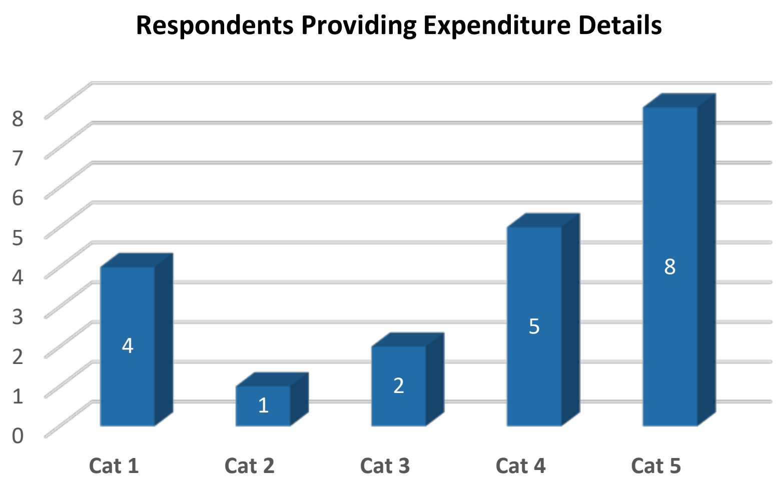


Half of the respondents indicated that technology forms a major part of their annual budget.

For those disagreeing to this statement, the breakdown is split equally across all categories.

Those not being able to state a view are predominantly smaller sized CHOs.





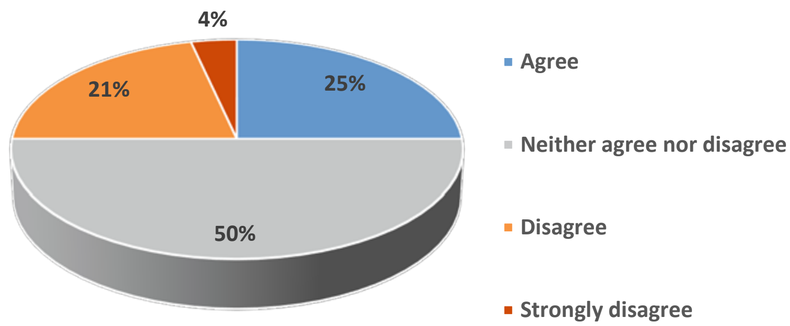
68% of respondents (19 CHOs) disclosed their annual IT spend.

Of the 32% not disclosing (i.e., 9 CHOs out of the total of 28), 7% were unable to as they were part of a group organisation of which IT formed a corporate part.

Based on the figures disclosed, the range for each category was as follows:

Category	From	To
Cat 1	$2,000	$30,500
Cat 2	$30,000	$30,000
Cat 3	$180,000	$550,000
Cat 4	$180,000	$360,000
Cat 5	$280,000	$2,500,000

62. Proven Track Record in Planning & Effectively Deploying New Technologies



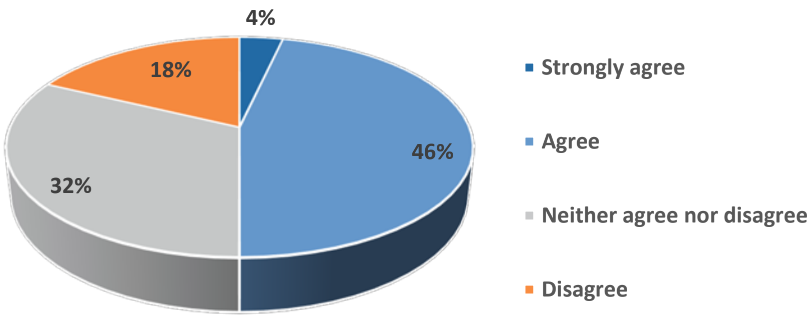
Only one quarter of respondents state they have a proven track record in planning and effectively deploying technologies. It is notable that 50% are unable to express a view and just over one-quarter do not.

One key reason why technology and system projects fail is due to organisations neither planning nor deploying sufficient internal resources to ensure success and on-time completions. These factors tend to result in project slippage and deliverables not being met with increasing acrimony creeping in.

As noted above in relation to topic 46, 57% of respondents have identified that the technical resource constraints in their organisations have an adverse impact on their respective capabilities and objectives.

As this document sets out, digital transformation is more than just technology so careful planning is needed in terms of improving customer experience, defining operational objectives and diligent change management. Resources will also be required and deployed effectively to ensure success.

63. Always Assessing Technology Capability, Business Process Impact & Implementing New Processes



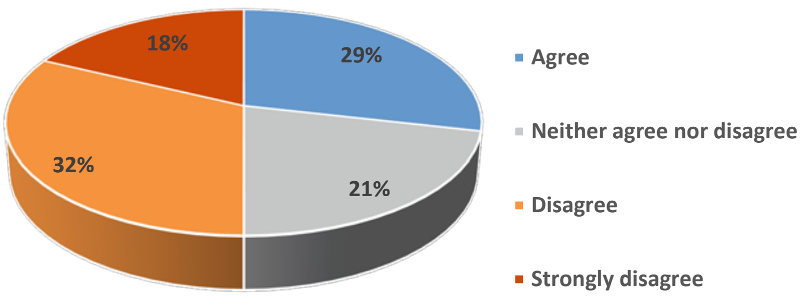
These responses contradict to a certain extent the answers provided to topic 29 (business processes reviewed in preparation for implementing digital service initiatives) and topic 31 (core functions digitised), where fewer respondents agreed.

The answers to this topic show some parallels with topic 33 (business process improvements identified to best maximise digital initiatives.

It is encouraging to see that half of respondents are always assessing technology capability and the impact on business processes however, just under a quarter of respondents do not with a further one-third not being able to express a view.

Digital transformation provides opportunities to deliver services in different and innovative ways. As set out in this document, digital technology offers the opportunity for CHOs to add value, provide additional customer service channels and make it easier for people to interact with them. In doing so, logically, this will entail a review of how the CHO currently provides services and assessing how such processes can be changed or improved. Technology is the catalyst to do this, seeking new ways to do things better and differently and improving the overall customer experience.

64. Current Systems Enabled CHO to be Digitally Connected with Suppliers, Contractors and Service Partners



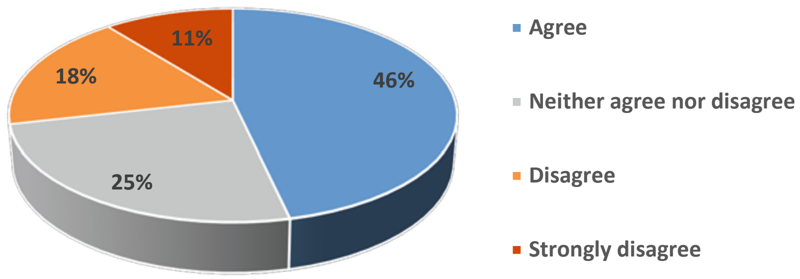
Many of the software vendors offering systems to the community housing sector now offer contractor and supplier portals as standard with their solutions, allowing users to initiate, monitor and complete the progress of each type of supply (e.g., electronically issuing purchase orders, receiving and processing invoices). Suppliers and contractors have access to a portal to lodge invoices and request changes, variations or amendments. Some products do not support this as yet, although it is known that some of these software vendors have plans to release such type of functionality in the near future.

For those disagreeing or not being able to express a view, this may indicate they are using older types of products or possibly they may not have fully explored the potential of the products currently in use or they may not be aware of their supplier's product roadmap.

These responses should also be viewed alongside those for topic 32 (key business functions are fully automated supported by established technology and systems where nearly two-thirds of respondents indicated that key business functions are NOT fully automated nor support by technology and systems.

With less than a third in agreement to this topic and with only 2 CHOs in agreement to topic 32, the responses would indicate that more work is needed to assess how system processes can be automated.

65. Current Systems Enabled or Capable of Enabling CHO to be Digitally Connected with Tenants and Customers

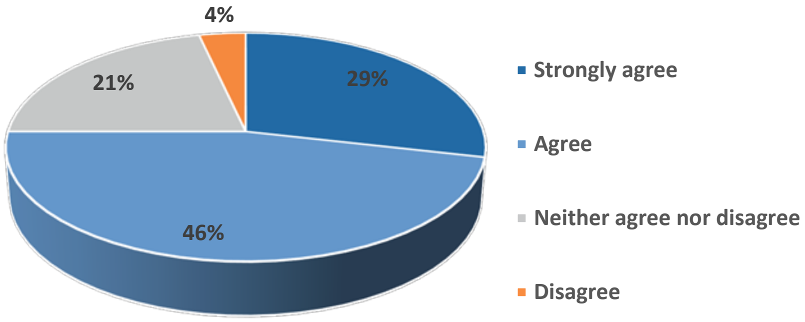


As with the above, most of the main housing system vendors now provide customer portals and mobile apps.

It is, however, known that the maturity and the usage of such products are still in their relative infancy across the sector. Certainly, these applications are capable of enabling CHOs to be digitally connected with their tenants and customers.

The responses to this topic show that a reasonably high proportion of respondents are aware of this or have implemented some or all of them. For the 8 CHOs not able to agree, this would indicate potential functionality gaps or weaknesses in their current systems.

66. Importance of Tenants & Suppliers Having Ability to View Latest Status of a Service Enquiry or Request Using Digital Channels

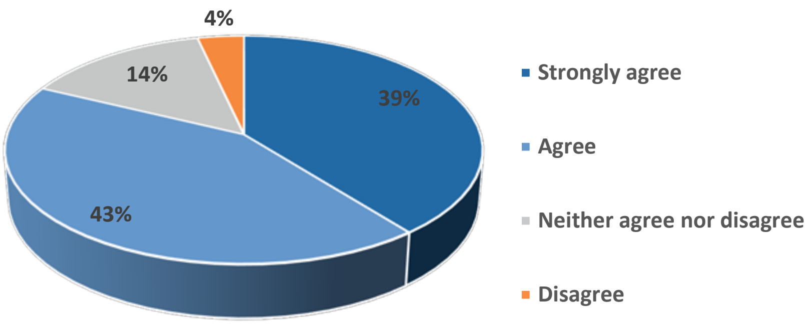


It is encouraging that three-quarters of respondents see the importance of tenants and suppliers having the ability to view the latest position of their service enquiry. This topic did not seek answers on whether CHO systems currently in use had the capability to support this.

Case studies prove how customers value the ability to track what is happening with their request or purchase.

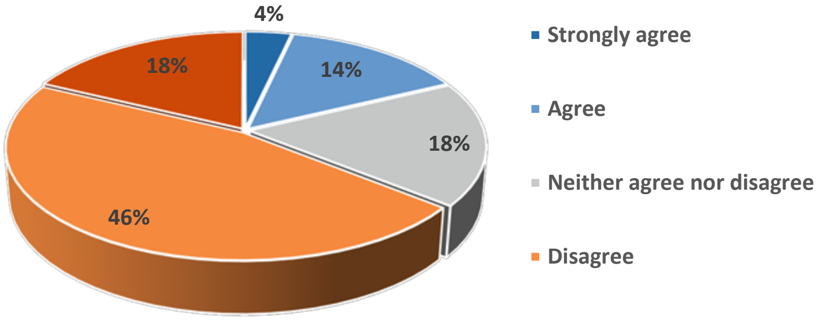
Only 1 CHO did not agree to this topic with a further 6 not being able to state a view. It is therefore questionable how these CHOs would view this topic in relation to measures they need to take to improve the customer experience.

67. Open to Using Specialist Digital Software Providers Rather than Main Software Supplier



An important point to note in relying on one software supplier is that one size does not necessarily fit all. Furthermore, taking into account the scope of housing systems available on the market, software vendors must continually devote resources to all of the product, focussing on product development roadmaps across the suite. Furthermore, not all main software vendors offer or focus on specialist digital apps. Suppliers which focus only on the digital market as best of breed offer a potential array of advantages, the main one being the supplier's focus only on its product rather than an entire suite.

68. Use of New Technology & Systems Must Support What CHO Does Now

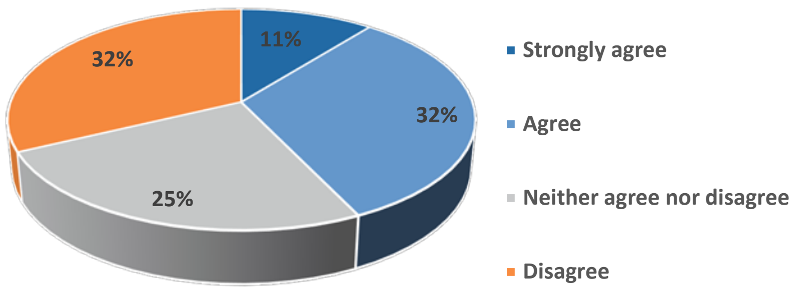


Less than one-fifth of CHOs take the view that use of technology and systems must support how they currently operate now on the basis their current approach is always how they have done it. The majority of respondents disagree which is encouraging in terms of future system implementations in determining how maximum value can be achieved by utilising technology effectively to implement new initiatives or new ways of working.

It is of course totally reasonable that a CHO should expect that its systems should support what it does now, however, this does pose questions as to how some CHOs actually view the use of future technology to drive new initiatives and how or whether they would change business processes as and where needed.

This in the most part correlates to the answers given to topics 40 (understanding of digital value) and 42 (digital appetite).

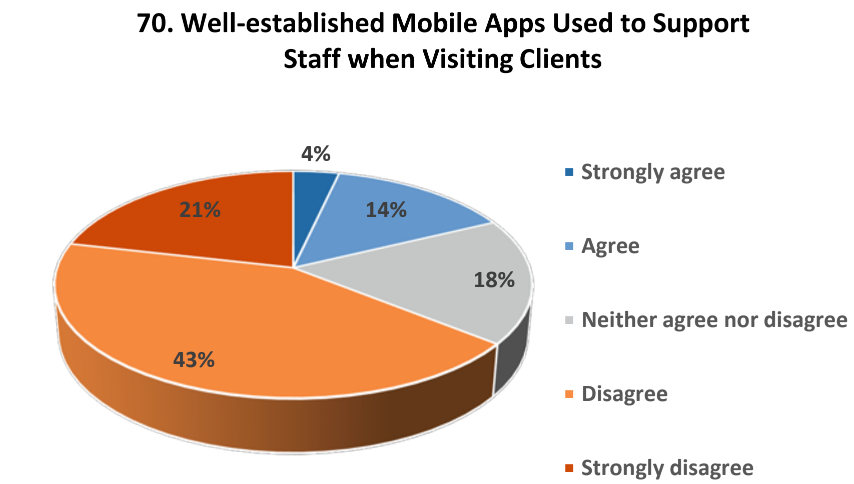
69. Current Reporting Tools Provide Real-time Data Analytics to Understand & Repond to Customer Demands / Workforce Needs



Only 43% of respondents have tools that enable them to understand and respond to customer demand and the needs of their staff.

These responses conflict to some extent with the answers to topic 19 (data analytics measuring tenant interaction) where only 4 CHOs stated they use real-time data analytics / reporting tools to measure interaction with tenants and customers.

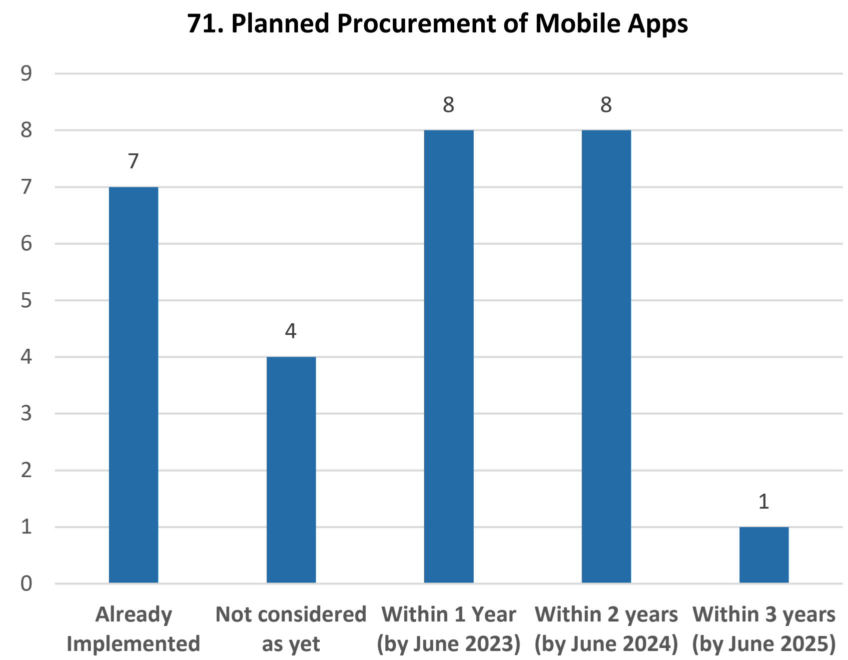
As noted above in the conclusions to customer experience, improving the use of data analytics to more effectively measure the extent of tenant interaction and their views on service quality is recommended.



The responses to this topic indicate the relative infancy to which mobile apps offered by the mainstream housing system vendors are being used across the sector.

In addition, there are a number of best-of-breed mobile app suppliers in the market place which have partnership arrangements with the core housing system vendors.

With nearly two-thirds of respondents in disagreement to this this topic, it is clear that the usage of mobile apps across the sector still has some way to go before maturity is reached.



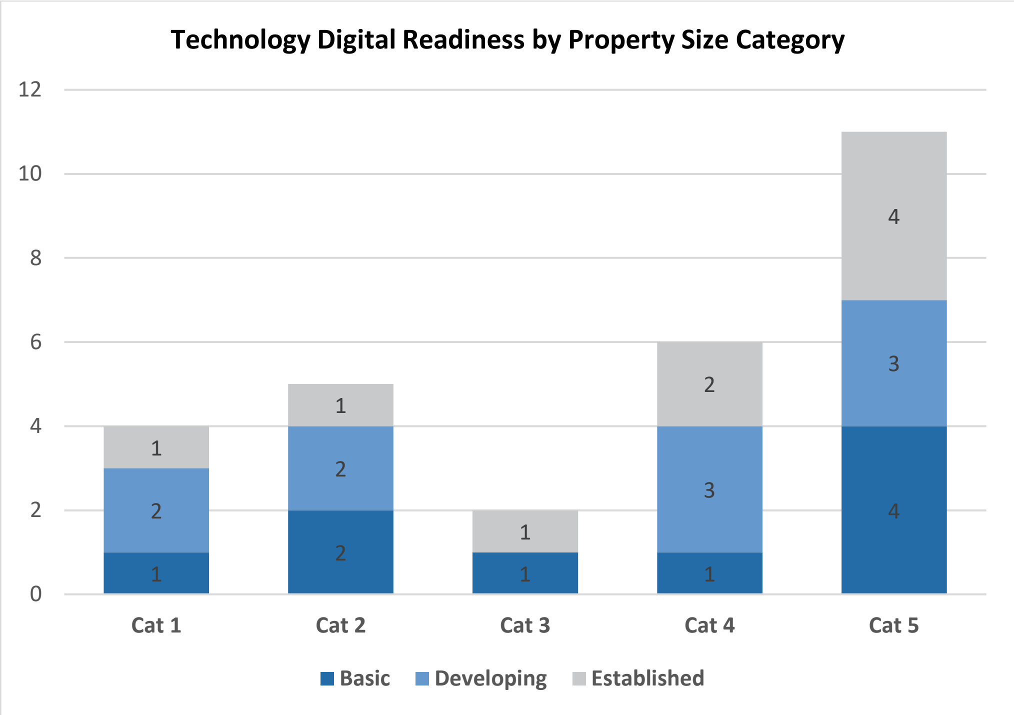
The responses to this topic broadly correlate to the number of CHOs stating they have use of well-established mobile apps.

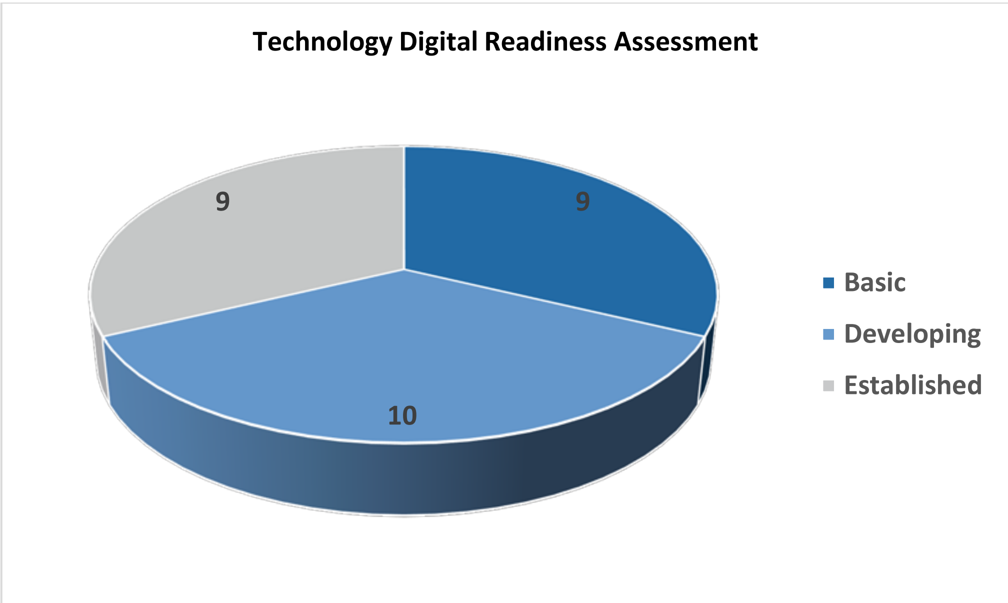
It is interesting to note that 5 CHOs have stated they have well-established mobile apps whereas the answers to this topic show 7 CHOs have already implemented. This could indicate that 2 CHOs believe mobile not to be well-established as yet.

Whilst the majority of respondents will have procured mobile apps by June 2024, it is of some concern that 4 CHOs have not considered use of mobile as yet.

6.5.3 Technology Assessment

Based on the responses set out above, when broken down across all property categories, the technology assessment in relation to digital readiness can be summarised as follows.





The criteria used in determining readiness banding for technology are:

Banding	Criteria
1. **Basic**	• Limited or no dedicated IT commitment and / or budget for digital initiatives • Reliant mainly on legacy technologies which may have been in use for some time • Minimal or no defined IS / IT strategy in place

Banding	Criteria
	• Adopts a largely reactive approach to procuring technology and software • No integration of digital channels with business processes or systems
2. **Developing**	• Some integration of digital applications and channels with business processes, systems and communications • Main focus remains on departmental ITT solutions and not how digital channels could better support customers • IS / IT strategy being assessed / formulated • Consideration being given to budget implications of implementing digital applications and tools
3. **Established**	• An IS / IT strategy has been defined with an annual budget allocated with digital transformation initiatives identified and included. • Systems integration either as a fully integrated suite or across multiple systems is in place, which supports the CHO in ensuring the operation of joined-up services and ensuring a 360-degree view of the customer can be maintained • CHO has an established IT team / department • IT systems and solutions comply with best practice in business continuity and security • IT is focussed on delivering the benefits set out in the digital strategy
4. **Advanced**	• The IS / IT strategy is aligned to the CHO's business goals and sets out a clear vision for future initiatives and projects, which have been costed for budgetary purposes • IT enhances the delivery of digital services and ease of implementing, maintaining and / or developing new digital services • IT team input ensures digital services are responsive to customers' chosen devices and comply with accessibility standards • IT team is adept at training and supporting CHO staff in use of digital applications, channels and tools
5. **Leading**	• The IS / IT strategy is entirely aligned to the CHO's vision and business strategy • IT is constantly optimising the benefits of digital service delivery • Resources and budgets are in place for supporting digital channels and activities • Business processes and IT systems are being driven by a combination of digital channels and customer needs • The CHO has resources in place to anticipate and respond to new technologies and digital innovation • Exploring and experimenting with new technology is common practice to identify how it can be best exploited and implemented

The responses show that two-thirds of respondents (19 CHOs) are below an established level in relation to technology and digital readiness.

The main reasons for this, combined with variable answers given by some, are:

1. It is notable that nearly one-third of respondents state they have a clear vision to implement technology linked to their organisation’s mission, goals and strategies and a quarter are unable to state a view. Less than a half were able to agree to this. For those that did not agree or state a view,

these CHOs may benefit from using the technology strategy toolkit provided in the CHIA NSW and CHIA Vic Digital Transformation pack of documents, of which this readiness assessment forms a part. This sets out how technology objectives can be identified, prioritised and linked to the CHO's overall business strategy.

As the results to the strategy section below will indicate, there are significant numbers who do not adopt a structured approach to implementing new ideas, do not fully understand the roles and responsibilities to implement digital strategies and do not consider establishing a seamless integrated digital experience to be a priority.

2. Only a quarter of respondents stated that they have a proven track record in planning and effectively deploying new technologies.
3. Less than a third of respondents believe that their current systems enable or will enable them to be digitally connected with suppliers, contractors and service partners. Half of the respondents were unable to agree with this. Some of the mainstream system suppliers offer contractor / supplier portals combined with workflow to enable third party organisations to interact and communicate digitally with the CHO. This would imply that for 50% of the respondents, their systems do not support this or it is not being fully utilised.
4. Two-thirds do not believe or are unable to confirm that their current systems are capable of providing a 360-degree view of tenants and supporting joined up operations.
    a. The systems rating assessment in section 7 below shows variable results
        i. The majority of respondents using integrated systems believe these are satisfactory or higher
        ii. A slightly higher proportion have identified deficiencies with their tenancy management systems
    b. It is therefore logical to propose that CHOs should undertake a detailed gap analysis of their current systems to assess their capabilities in relation to providing a 360-degree view of tenants and the extent to which they support joined up operations.
5. Over one-third of respondents have not yet implemented integrated systems providing a 360-degree view of their tenants and which are capable of supporting joined-up operations.
6. Nearly two-thirds do not assess or are unable to confirm that their organisations are continuously assessing the capability and application of technology, nor are they assessing the impact of technology on their business processes such that new processes are implemented.
    a. As noted consistently in this document, digital transformation covers more than just technology and will impact how the CHO delivers services. In turn this means that the CHO will need to establish new processes or re-evaluate what it does now and how it does it.
7. Many do not have or use reporting tools which provide real-time data analytics to understand and respond to customer demand and / or the needs of their workforce.
    a. These responses correlate with related answers given to customer experience and operations.
8. The use of mobile technology is very much in its infancy across the sector, with only a small proportion stating they have use of well-established mobile apps.

Aside from these adverse factors, it is important to note:

1. Two-fifths (40%) have started moves towards channel shift and are moving away from focussing on departmental IT solution to assessing digital channels and tenant / supplier needs which is encouraging. It should be noted that 12 respondents did not state a view on this topic.
2. Over 50% have use of cloud-based transactional systems on a software-as-a service model and state they have a proven track record in planning and effectively deploying new technologies, with a similar number whose systems enable (or are capable of enabling) their organisations to be digitally connected with tenants and suppliers.
3. The vast majority are comfortable in using specialist digital software providers rather than rely on their mainstream system suppliers.
4. Many recognise the importance of tenants being able to view the status of their service request or enquiry.
5. In implementing any new technology and system(s), two-thirds of respondents do not solely focus on supporting what they do now on the basis this is how they have always done it – in other words, this proportion are also looking at the better utilisation and application of technology which is encouraging. Whilst it is of course important in ensuring maintenance of day-to-day operations this does show commitment to future vision in how technology can be effectively utilised to support future initiatives. This in the most part correlates to the answers given to topics 42 (understanding of digital) and 47 (digital appetite).

6.6 Strategy

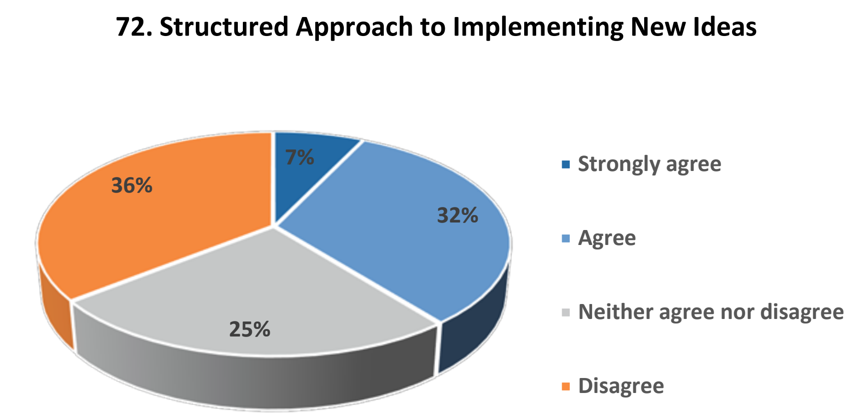
6.6.1 Topics

This section sought answers to the following topics:

Ref	Topic	Detail	Available Answers
72.	Approach to innovation	CHO has a structured and managed approach to implementing new ideas and innovative practices	Likert scale
73.	Approach to innovation	Technology, digital and innovation are among CHO's top business priorities	Likert scale
74.	Strategic alignment	IT strategy and performance are entirely aligned to CHO's organisational vision and strategy	Likert scale
75.	Digital strategy	The required roles and responsibilities for delivering a digital strategy are clear and understood	Likert scale
76.	Digital strategy	Establishing a seamless integrated digital experience across multiple digital channels is not a priority	Likert scale
77.	Data informs strategy	Strategic decision making is guided by the data collected	Likert scale
78.	Data analytics	Data analytics generate business data that provide great insights	Likert scale
79.	Data management	Data is treated as an asset and CHO seeks to maximise its value by regularly reviewing and maintaining it	Likert scale

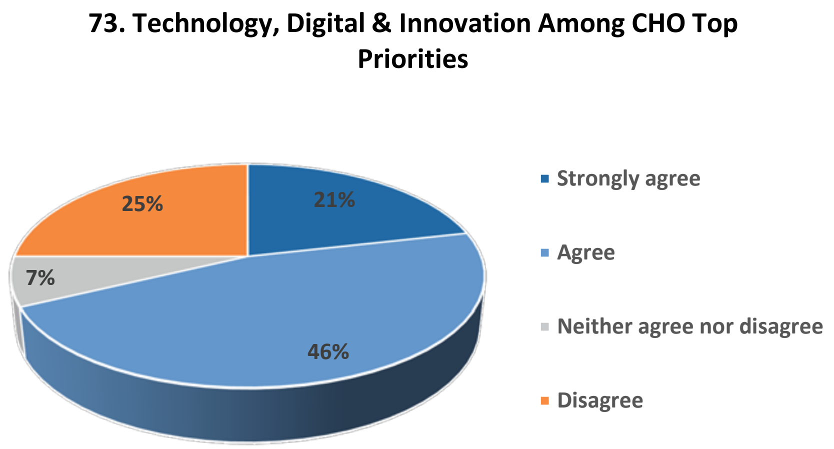
Ref	Topic	Detail	Available Answers
80.	Data management	A data management strategy is in place	Likert scale
81.	Digital strategy	A digital strategy has been defined	Likert scale
82.	Digital strategy	Business processes that are easy and cost-effective to deliver online have been identified and are either in place or will be implemented	Likert scale
83.	Digital strategy	The potential for digital channels to create new ways of engaging with tenants and customers and delivering services is being or has been explored	Likert scale
84.	Approach to innovation	The needs and expectations of our tenants and suppliers is driving innovation in how we deliver services	Likert scale
85.	Feedback informs strategy	CHO listens to all tenants, suppliers, stakeholders and partners, and act on suggestions in formulating our strategies	Likert scale
86.	Consultation Internet usage	CHO has consulted tenants on what they use in accessing the Internet and knows the level of Internet usage across our portfolio	Likert scale
87.	Digital partnerships	CHO has explored or is currently exploring initiatives and / or partnerships with third party organisations as to how it can best assist tenants in accessing the Internet	Likert scale
88.	Resource & delivery capability	CHO has the resource capacity and capabilities to deliver digital initiatives taking into account all other objectives, projects, funding and development opportunities	Likert scale

6.6.2 Analysis



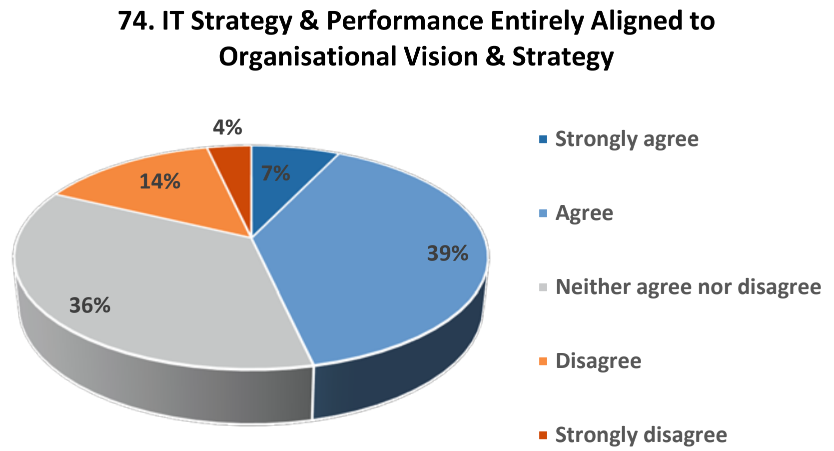
It is of some concern that just over one-third of respondents do not take a structured approach to implementing new ideas and over a quarter were unable to express a view.

As noted consistently in the CHIA Digital Transformation Toolkit, digital transformation covers more than just technology. It is an organisational-wide approach that will require thinking, planning and a dedicated implementation to ensure success.



Just over two-thirds of respondents agree that technology, digital and innovation are amongst their organisation's top priorities, however the responses to topics 40 (value of digital initiatives fully understood); topic 41 (digital opportunities and usage not understood or defined and topic 42 to a lesser extent (little or no appetite for digital service delivery) pose significant questions as to the level of understanding and the level of drive to implement digital initiatives.

Whilst digital and technology may well be part of the CHO's top priorities, the above responses indicate a need for improved understanding as to where digital could be applied.

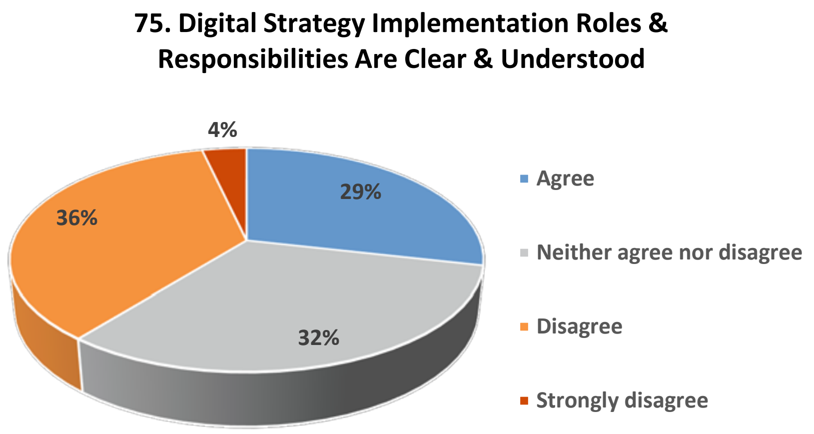


It is notable that those in agreement to this topic correlate to the answers given to topic 55 (clear vision and roadmap to implement technology linked to the CHO's mission, goals and strategies).

It is also notable that 7 CHOs (36%) were unable to express a view to this topic.

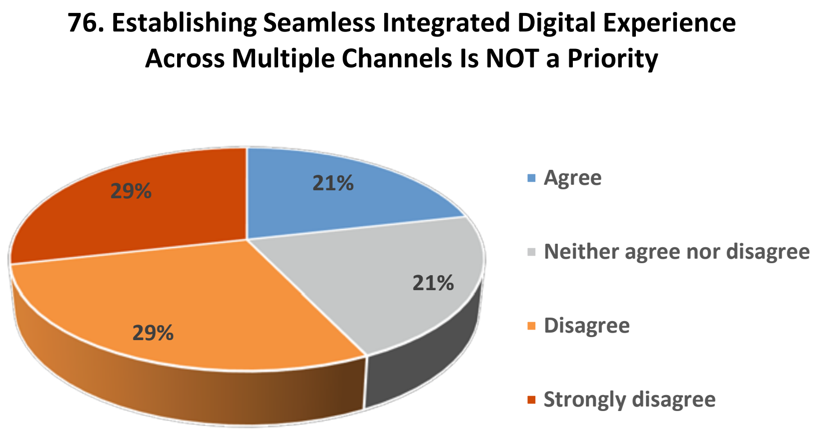
Wherever CHOs are now, when it comes to making decisions on technology and systems, there ***should*** be a strategy defined which sets out the direction they need to go in the future.

A good strategy links IS / IT initiatives to business drivers and goals. Refer to sections 4.3 and 4.4 in the document ***01 Developing an IS IT Strategy.pdf*** on suggested approaches.



Nearly 40% have not identified roles and responsibilities to implement the strategy with a further third of respondents not able to state a view.

With less than one-third in agreement, to this, combined with the previous responses on digital understanding and appetite, these responses suggest much more work is needed in assessing the implications of delivering digital initiatives.

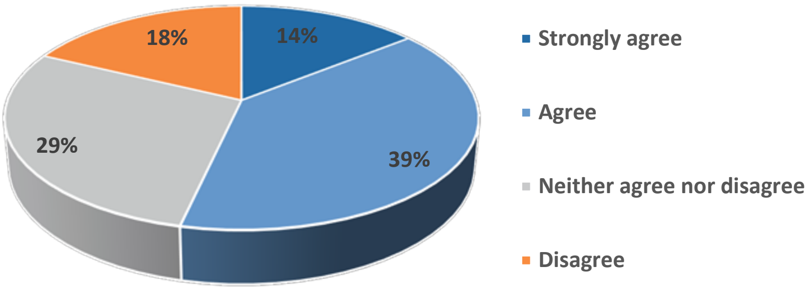


Just under 60% of respondents (14 CHOs) viewed establishing a seamless integrated digital experience as a priority. This broadly aligns with topic 25 in Operations where just over half of respondents were focused on digital meeting the needs of customers.

A seamless integrated digital experience is not seen as a priority by 6 CHOs. The reasons for this would need to be explored further. A further 6 were unable to express a view.

Is this due to more pressing operational matters which require attention and action, or is this due in some degree to ignorance as to what digital transformation entails with the potential benefits not being fully understood in the organisation?

77. Strategic Decision Making Based on Data Collected



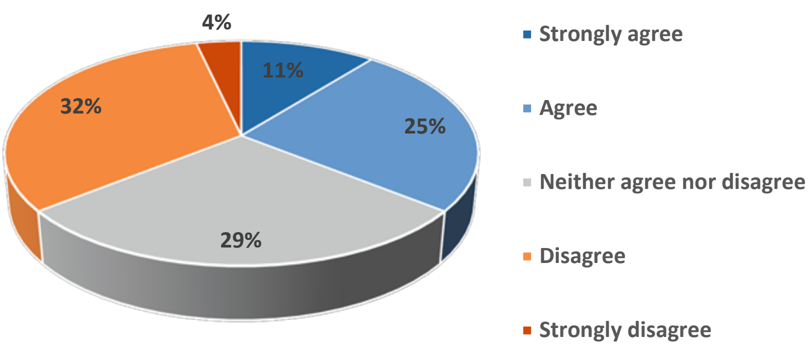
For strategic decision making on digital transformation, it is important that CHOs have strong, reliable analytical information on how services are being used and delivered and what tenants and customers think of those services.

Fewer CHOs disagreed to this topic than those shown in:

- Topic 69 (current reporting tools provide real-time data analytics to understand and respond to customer demand / workforce needs – 32% in disagreement)
- Topic 39 (reviews of data quality and accuracy – 25% in disagreement) and which is much less than the figures in topic 19 (real-time data analytics / reporting tools to measure how tenants and customers interact with CHO – 68% in disagreement).

The variations in these figures pose some questions as to how reporting tools are being used to inform decision-making.

78. Data Analytics Generate Great Insights



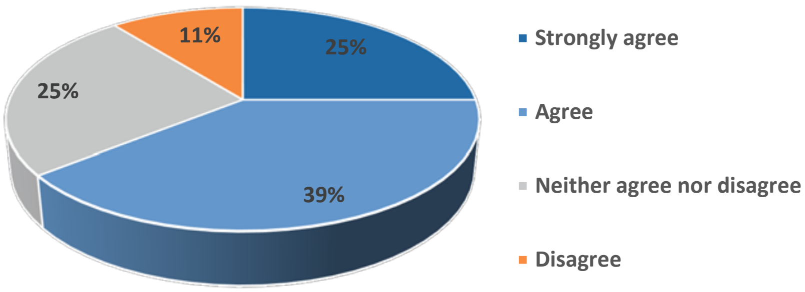
The responses to this topic reinforce the results on use of data and reporting across this survey.

Section 7.2.6 shows that whilst half of the 20 CHOs responding believe they have strong or satisfactory performing reporting tools, there are 25% who do not, with some not able to comment.

It is likely that the 50% which have indicated their reporting tools are excellent to satisfactory are able to generate great insights.

The responses to data analytics and data quality in this survey overall would however suggest that some CHOs need to review the configuration and functionality in their current systems; how data is currently being recorded and maintained as well as the capabilities of their reporting tools to extract the data needed to make strategic decisions.

79. Data Treated as an Asset & Regularly Reviewed / Maintained



It is encouraging that nearly two-thirds of respondents treat their data as an asset and that they review and maintain it.

It is notable that a quarter was unable to express a view which provides some degree of uncertainty.

It is also notable from these results that more respondents agreed that they regularly review and maintain their data than those who responded to topic 39 where 47% agreed or strongly agreed. More CHOs disagreed to topic 39 (25%) than the 11% here.

Data ***should*** be treated as an asset.

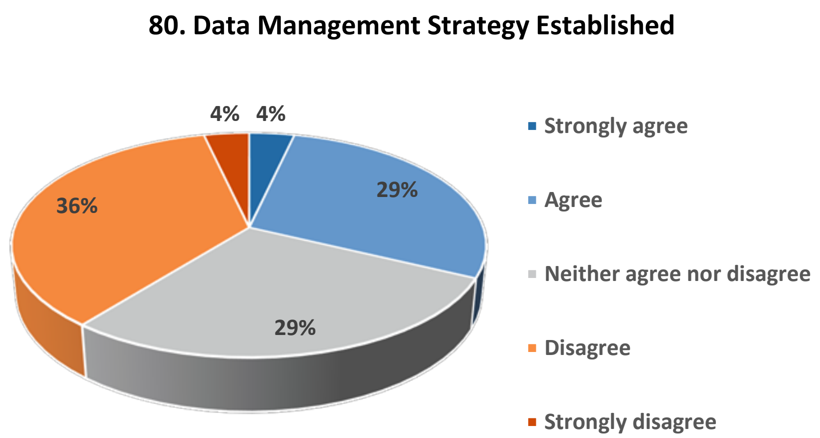
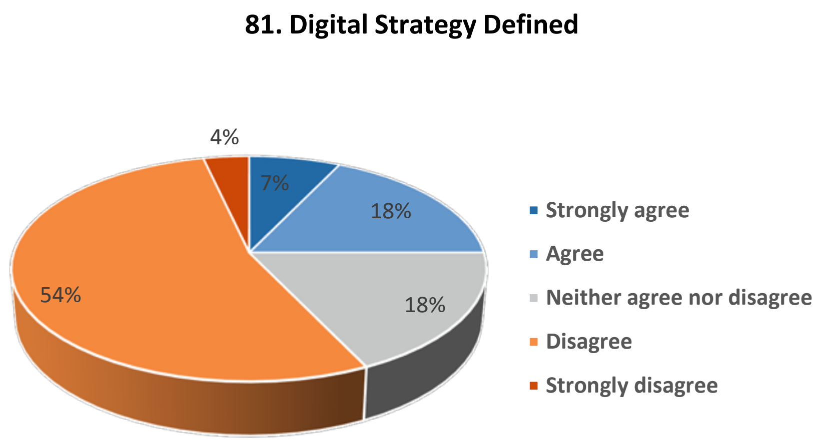
The importance of data is often overlooked in some CHOs and its existence taken for granted.

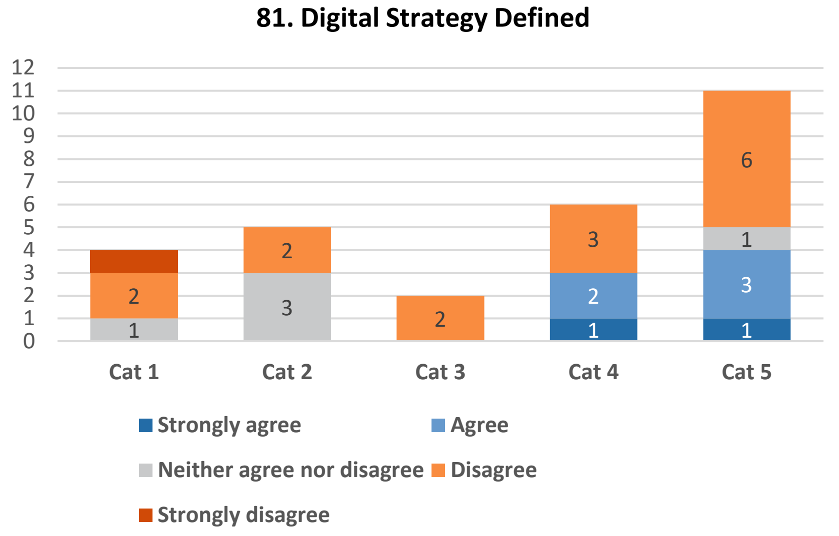
One of the key operational functions for CHOs is of course to maintain their assets, regularly reviewing their condition and defining programmes to assess maintenance issues.

The same could, and indeed, should be said about data and treating this as an asset with its condition being regularly reviewed and maintained.

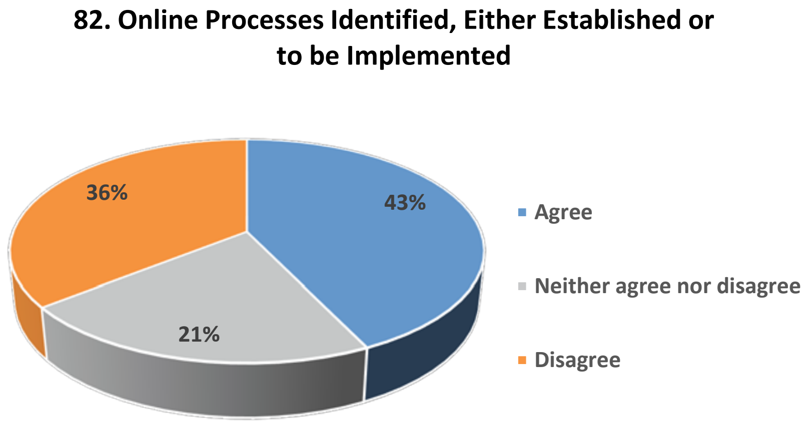
It is therefore imperative that CHOs should take a pro-active approach in managing their data. Without due care taken, the amount of effort to address evolving and compounding issues may well take significant resources and time to resolve.

A robust data environment is therefore needed to enable the CHO to efficiently and effectively operate and deliver against the overall strategy. For those disagreeing or unable to express a view, it is recommended that a high-level data

	strategy is prepared and a roadmap prepared to uplift their data capabilities. For further information, refer to section 4.2.6 in *Developing an IS IT Strategy* which is included in the CHIA Digital Transformation Toolkit
	The responses to this topic do not correlate with those given to topic 79 above. Whereas nearly two-thirds of respondents treat data as an asset and regularly review it, only one-third have defined a data management strategy. This could imply lack of awareness as to what a data management strategy should comprise, taking into account that nearly one-third could not express a view and 40% were in disagreement. The responses to this topic would acknowledge the importance by some of good data management.
	These responses clearly indicate the need for greater awareness of what a digital strategy comprises. This reinforces the need for further guidance on this topic. Refer to the following documents in the CHIA NSW and CHIA Vic Digital Transformation guide: 1. ***07 Digital Transformation Implementation Guide.pdf*** which sets out the steps CHOs need to follow in defining and implementing digital transformation initiatives. 2. ***08 Digital Transformation Planning Toolkit.xlsx*** which provides a toolkit of templates on defining and prioritising digital objectives, defining projects aligned to objectives, assessing risk and defining a digital transformation roadmap.

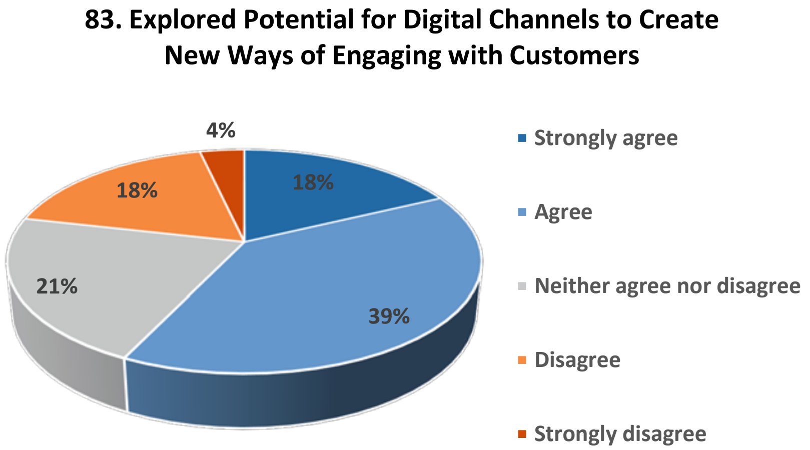


It is perhaps not unexpected that, of those CHOs which have indicated that their organisations have prepared a digital strategy, it is the larger CHOs which have in size categories 4 and 5. As can be seen not all larger CHOs have yet done this.



Aside from the limited understanding of roles (topic 75) this would indicate that just over two-fifths have given consideration to identifying business processes that are easy and cost-effective to deliver online and which are either in place or will be implemented.

With regard to the latter, the dependency may of course be the need to procure and then implement specific digital apps

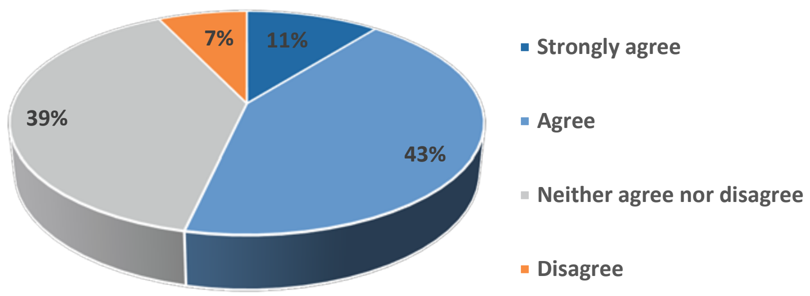


These responses would appear to contradict those on digital strategy (topic 81 above).

In defining a digital strategy, it is important to first assess how digital technology can improve or better support how the CHO engages with its customers and deliver a quality customer experience.

Case studies show how other organisations have assessed their customer needs and how digital technology can be effectively deployed to improve the customer experience.

84. Tenant Expectations & Needs Driving Innovation in Service Delivery



These responses broadly correlate with topic 18 (focus on tenant, supplier and customer needs in relation to use of technology) where nearly 64% of respondents agreed that they were focused on tenants, suppliers and customers; their needs and how technology could support them in delivering a quality experience.

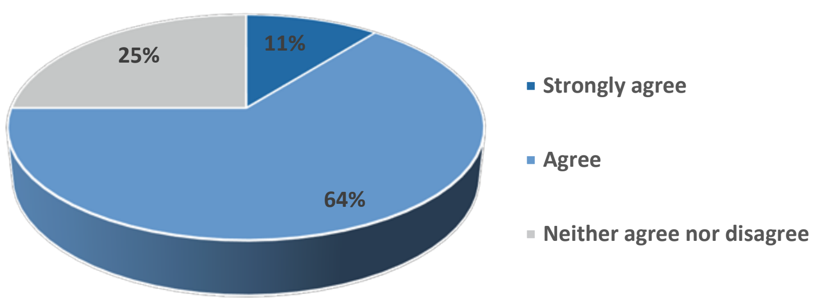
The responses to this topic do however contradict the answers to topic 37 (digital services & channels drive organisational structure) where 72% disagreed.

With 54% stating that tenant expectations and needs are driving innovation, this broadly correlates to those exploring new ways of delivering services (topic 83 above 57%).

Furthermore, there is also a broad correlation with the appetite for digital service delivery (topic 42).

This indicates the thinking and awareness of digital, however, fewer CHOs have yet combine this into a defined strategy.

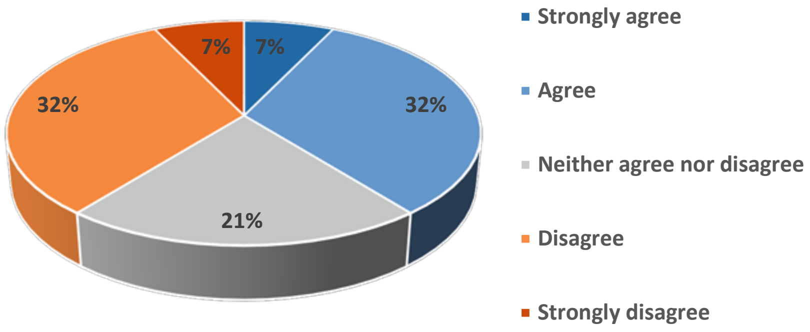
85. Listen to Tenants / Suppliers / Partners & Act on Suggestions in Formulating Strategy



Three quarters of respondents consider or incorporate tenant and supplier suggestions when formulating strategy.

It is perhaps of some concern that 25% (7 CHOs) could not express an opinion as to whether their organisation does this.

86. Tenants Consulted on Internet Access & Usage

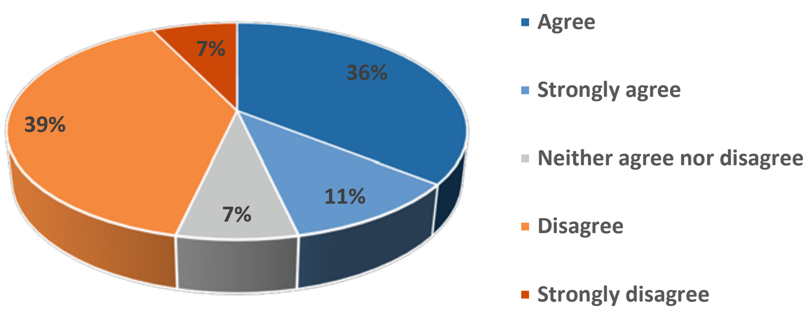


With those CHOs consulting tenants, this reinforces the thinking that is being devoted to implementing digital initiatives, however the outcomes from such consultation needs to be incorporated in a digital strategy.

The digital strategy needs to show the research undertaken on communication channels, access to technology and extent of Internet usage.

When defining online processes, it is possible that some CHOs have simply assumed that Internet access will inevitably grow and perhaps there is no need to undertake such consultation.

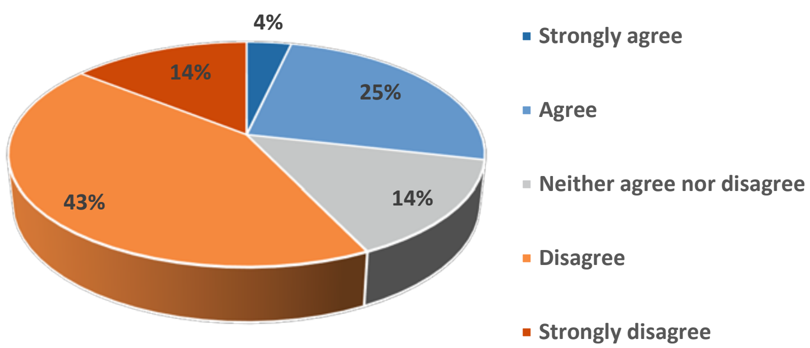
87. Exploring or Explored Initiatives or Partnerships with Third-Party Orgnisations to Assist Tenants Accessing Internet



With just under a half of respondents stating they are exploring or have explored potential partnerships with other organisations, this again reinforces the preparations being made by a good proportion of CHOs to implementing digital transformation.

With reference to the 46% which disagreed with this statement, this does indicate that further work is needed by some.

88. Resource Capacity & Capability to Implement Digital Initiatives

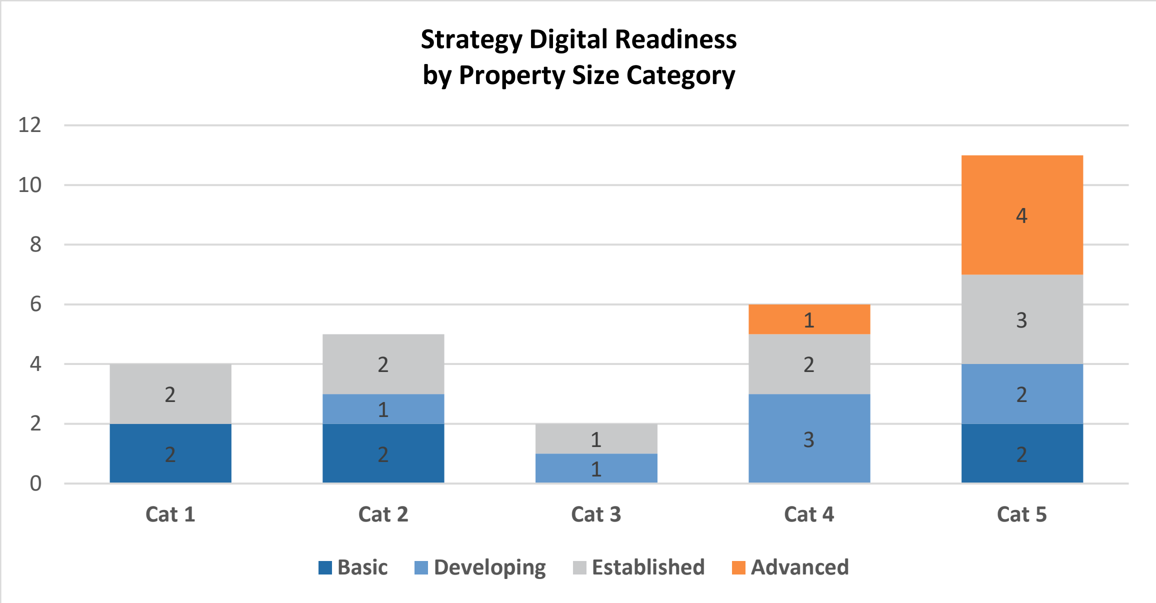


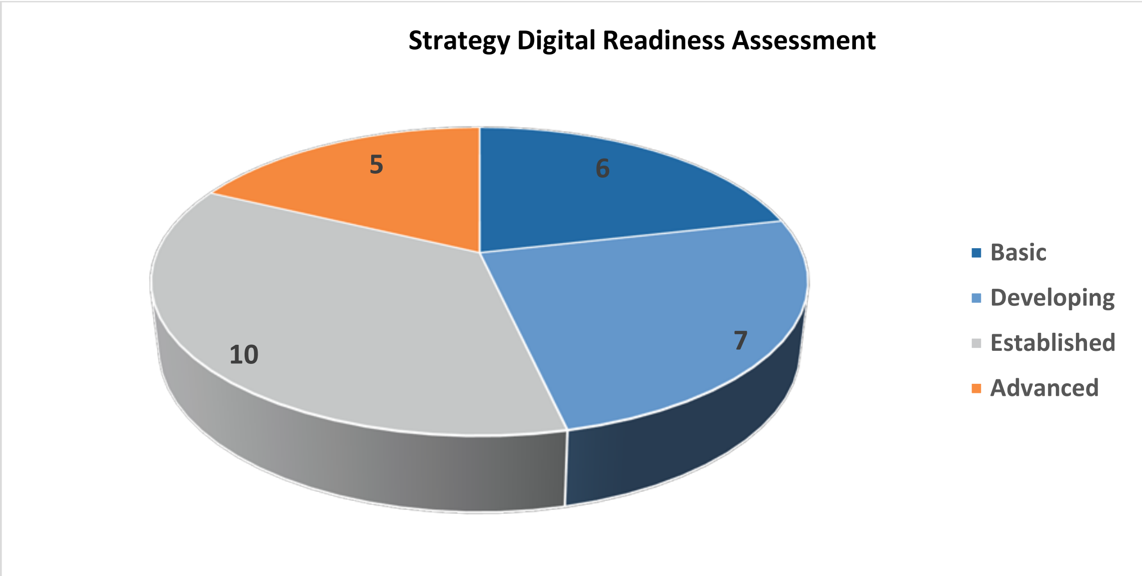
The responses to this topic are broadly aligned to those given to topic 46 (technical resource constraints result in adverse impact on capabilities and objectives).

This reinforces the challenge that CHOs face due to a lack of technical and human resources to effectively implement digital initiatives.

6.6.3 Strategy Assessment

Based on the responses set out above, when broken down across all property categories, the strategy assessment in relation to digital readiness can be summarised as follows.





The criteria used in determining the readiness bandings for strategy are:

Banding	Criteria
1. **Basic**	• The CHO may have a business plan but this does not include any provision or clear plan for digital transformation or initiatives • Thinking is still mainly in its infancy with either no or only limited attempts in considering how digital solutions may benefit the CHO and its customers • A website may exist but there is no digital strategy in place
2. **Developing**	• Beginning to explore the impact of digital initiatives and how emerging technologies could better support operations and service delivery • Business plan makes reference to potential use of digital applications

Banding	Criteria
	• Consideration is being given to defining a digital strategy
3. **Established**	• A digital strategy is in place • The CHO business plan makes specific reference to digital initiatives and how digital can support the business • CHO is focussed on its customers, suppliers and stakeholders together with how emerging technologies can better support their needs • Benefits of social media are understood and drive activity
4. **Advanced**	• Customer needs and expectations are driving innovation in service delivery, either through new services, products and relationships • New methods of delivering services are being actively or continuously explored • The business plan sets out a range of innovative new services and sets out how digital technology can support operations • Digital is fully integrated into organisational plans and the business review cycle
5. **Leading**	• The digital strategy is embedded in, and indistinguishable from, the CHO's vision and business strategy • The CHO, in its entirety, continually seeks ways to use digital channels and technologies to re-define customer services and generate new benefits • New services are born digital as a matter of course i.e., it is considered as part of strategy formulation and not afterwards • Digital services and channels are driving the CHO's structure and reporting

The responses show that just half of the respondents (13 CHOs) are below an established level in relation to strategy and digital readiness. This category does however show 10 CHOs as being established and 2 in the advanced category.

The main points to consider in this section are:

1. Just over two-thirds of CHOs consider technology, digital and innovation to be top priorities and more than two-thirds view IT strategy and performance being entirely aligned to their organisational vision and strategy.
2. Only 25% could state that a digital strategy has been defined. As indicated below in relation to digital understanding, it is clear there is more work to do in this area in terms of scope and deployment awareness.
3. Just over two-fifths (43%) stated that on-line processes have been identified or implemented.
4. Just over half acknowledge that tenant and supplier expectations and needs are driving innovation in service delivery.
    a. This correlates to topic 25 in Operations where 53% of respondents (15 CHOs) are focused on how digital can meet the needs of their customers.
    b. It should however be noted that 11 CHOs (39%) did not express a view on this.
5. Consultation with tenants, suppliers and partners is a key driver for the majority in formulating strategy, although 7 CHOs were unable to express a view which is a concern.

6. Awareness and understanding of how tenants use the Internet is clearly growing although with 39% of respondents in disagreement, this would indicate more work is needed in this area. The responses clearly show a need for more CHOs to explore partnerships to enable tenants to access the Internet and with 46% of CHOs not confirming they are exploring or have explored partnerships with third-party organisations, there is clearly more work to do in this area.
7. Nearly three-fifths (16 CHOs) have explored the potential for how digital channels could create new ways of engaging with customers. Taking into account the issues below, it is possible that some CHOs are possibly now acknowledging that tenant and supplier expectations and needs are driving innovation in service delivery, but have not yet fully thought through where improvements could be made.
8. Over half of the respondents stated that strategic decision making is based on data collected although as noted above, these results are in contrast to earlier questions on reporting and data analytics. The variations in these figures pose some questions as to how reporting tools are being used to inform decision-making. This could imply weaknesses in reporting capability, data quality, or possibly this has been the normal approach to strategy formulation. Key performance indicators as well as other reporting sources should be used to identify weaknesses of operation which should inform future strategy to address these areas.

The above factors would indicate why more CHOs are in the established and indeed advanced category when compared to the previous sections in this readiness assessment.

Key issues are however:

1. Organisational roles and responsibilities needed to implement a digital strategy are not yet clear nor understood with 40% not being able to confirm this and a further 32% not being able to express a view. This would suggest that these CHOs need to have a better understanding of digital and its implications on their organisations.
2. Resource capability would also seem to be a potential challenge with over half not having the resources to implement digital initiatives.
3. Establishing a seamless integrated digital experience across multiple channels is not a priority for over 21% of respondents with a similar proportion being unable to express a view. One of the key benefits of digital technology is its capabilities of creating a seamless integrated experience for the customer. This finding would therefore reinforce the view that some do not fully understand the potential capabilities and benefits of deploying digital technology. In turn, this would seem to suggest that further guidance would need to be provided across the sector. On the plus side however, 58% of respondents (16 CHOs) do see this as a priority.
4. The majority of respondents have not defined a data management strategy even though 64% treat data as an asset It is recommended above that CHOs should take a pro-active approach in managing their data. Without due care taken, the amount of effort to address evolving and compounding issues may well take significant resources and time to resolve. A robust data environment is therefore needed to enable the CHO to efficiently and effectively operate and deliver against the overall strategy. For those disagreeing or unable to express a view, it is recommended that a high-level data strategy is prepared and a roadmap prepared to uplift their data capabilities.

7. Systems Rating Assessment

7.1 Survey Scope

The survey sought answers to the following questions:

Ref	Topic	Detail	Available Answers
1.	Organisation	Name of organisation	Text
2.	Organisation	Name of contact person	Text
3.	Organisation	Email address of contact person	Text
4.	Integrated Systems	Do you use one fully integrated system to manage all of your tenancy, property, maintenance and finance management operations?	• Yes • No
5.	Integrated Systems	If yes, which fully integrated system is used?	• EMS • Greentree • MRI Housing & MRI Finance • SAP • SDM Housing • TechnologyOne • Other
6.	Integrated Systems	If a fully integrated system is used, how is it rated?	• Excellent • Good • Satisfactory • Minor deficiencies • Major deficiencies
7.	Integrated Systems	Comments on reasoning for rating	Text
8.	Tenancy Management System	If integrated system not used, which system is used to primarily support tenancy management operations	• Chintaro • Civica • Console • Geometry • MRI Housing • Property Me • Property Tree • SDM Housing Zavanti • Not applicable • Other
9.	Tenancy Management System	Tenancy management system rating	• Excellent • Good • Satisfactory

Ref	Topic	Detail	Available Answers
			• Minor deficiencies • Major deficiencies
10.	Tenancy Management System	Comments on reasoning for rating	Text
11.	Property & Maintenance System	If integrated system not used, which system is used to primarily support property and maintenance management operations	• Chintaro • Civica • Console • Geometry • Maintenance Manager • MRI Housing • Property Me • Property Tree • SDM Housing • Zavanti • Not applicable • Other
12.	Property & Maintenance System	Property and maintenance management system rating	• Excellent • Good • Satisfactory • Minor deficiencies • Major deficiencies
13.	Property & Maintenance System	Comments on reasoning for rating	Text
14.	Finance	If integrated system not used, which system is used to primarily support finance operations	• Microsoft Navision • Microsoft Business Central • MRI Finance • MYOB • Quickbooks • TechnologyOne • Xero • Not applicable • Other
15.	Finance	Finance system rating	• Excellent • Good • Satisfactory • Minor deficiencies

Ref	Topic	Detail	Available Answers
			• Major deficiencies
16.	Finance	Comments on reasoning for rating	Text
17.	Strategic Asset Management Planning	Which product is used for strategic asset management planning	• Assetic • Civica Asset Management • Microsoft Excel • SPM Assets • Not applicable • Other
18.	Strategic Asset Management Planning	Strategic asset management planning system rating	• Excellent • Good • Satisfactory • Minor deficiencies • Major deficiencies
19.	Strategic Asset Management Planning	Comments on reasoning for rating	Text
20.	Reporting	Reporting tool primarily used to generate ad-hoc / regulatory and business intelligence reports	• Alteryx • Avido • Business Objects • Cognos Analytics • Microsoft Power BI • QlikSense • QlikView • Tableau • Other
21.	Reporting	Reporting system rating	• Excellent • Good • Satisfactory • Minor deficiencies • Major deficiencies
22.	Reporting	Comments on reasoning for rating	• Text

The ratings were based on the following definitions

Rating	Definition
Excellent	Very effective, strong functionality and features, is very easy to use, intuitive, used by all staff, offers a good range of benefits and is well integrated

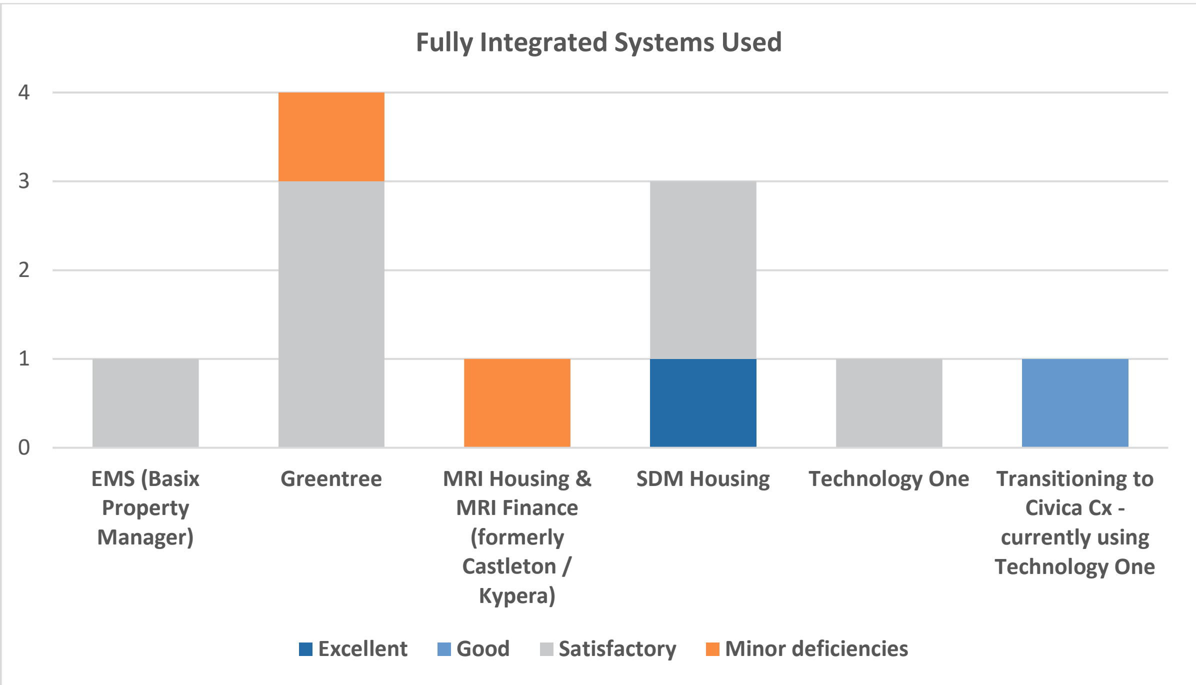
Good	Meets our needs, useful functionality, is reliable, working well, offers some benefits and is used by all staff
Satisfactory	Manages the basic tasks but could be better in certain areas, broadly supports the organisation and is used well by some staff who know how to use it
Minor deficiencies	Supports basic tasks but has minor deficiencies and functionality weaknesses such that staff need to rely on a combination of workarounds or manual processing, system enhancements are needed to improve it
Major deficiencies	Does not support a range of operational functions such that there are many gaps, staff rely on workarounds which causes significant user frustration and many enhancements are needed

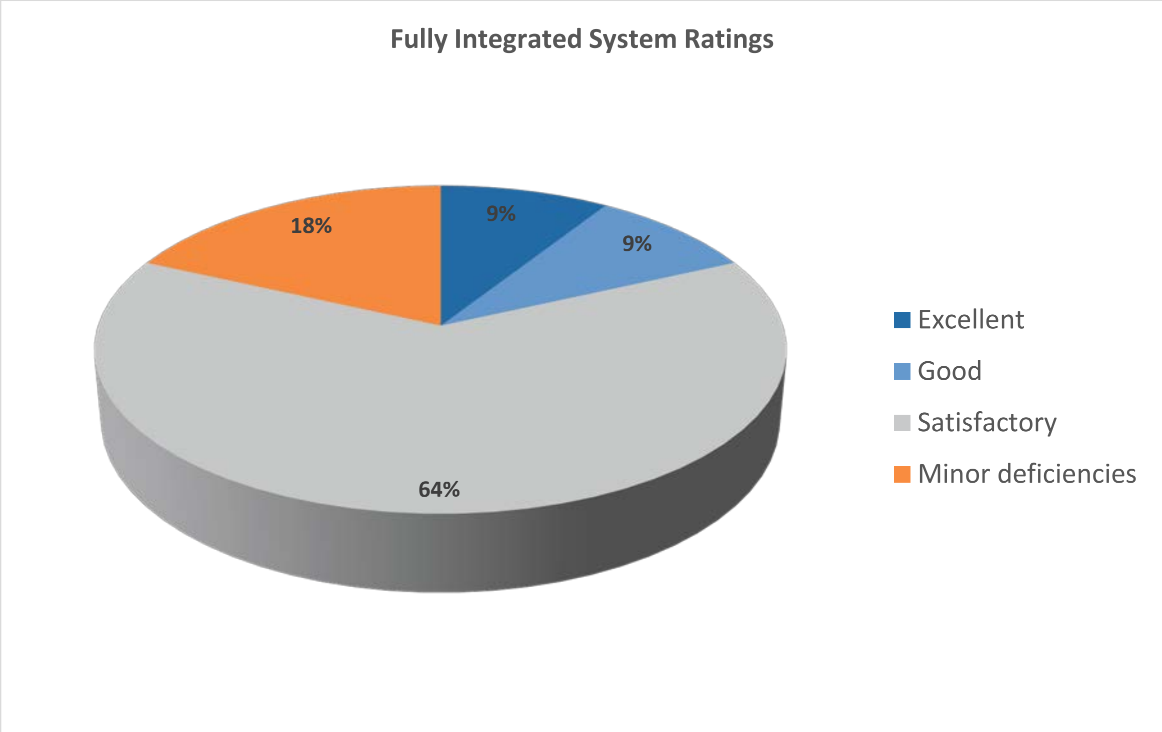
7.2 Analysis

Only 20 CHOs responded to the system rating survey assessment. It is therefore difficult to formulate a comprehensive view on the state of system usage across the sector.

7.2.1 Fully Integrated Systems

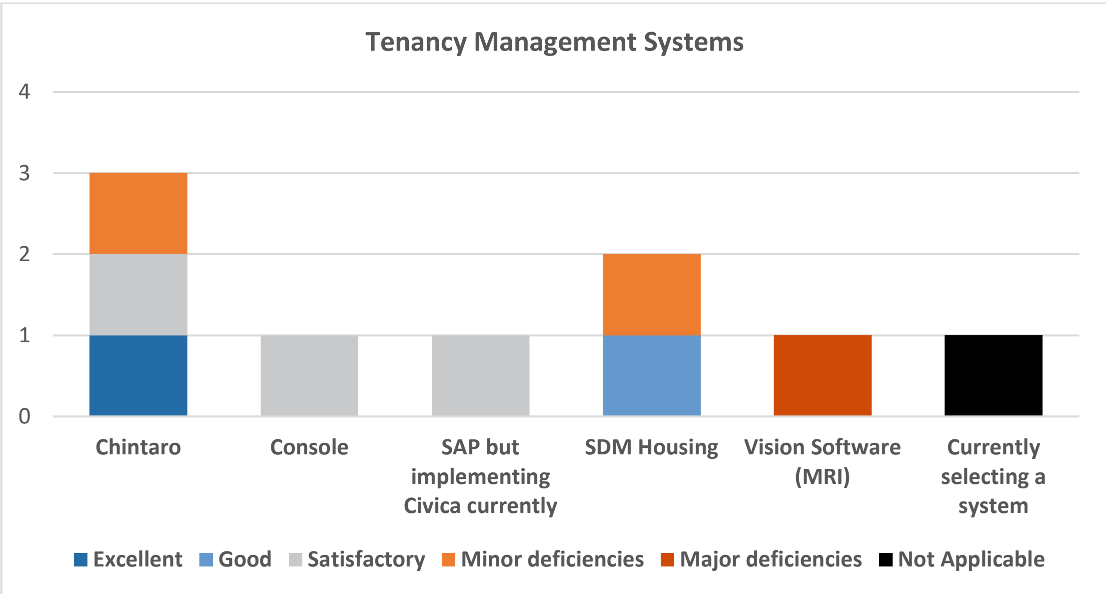
Of the 20 responding, a fully integrated system is used by 11 CHOs broken down as follows:

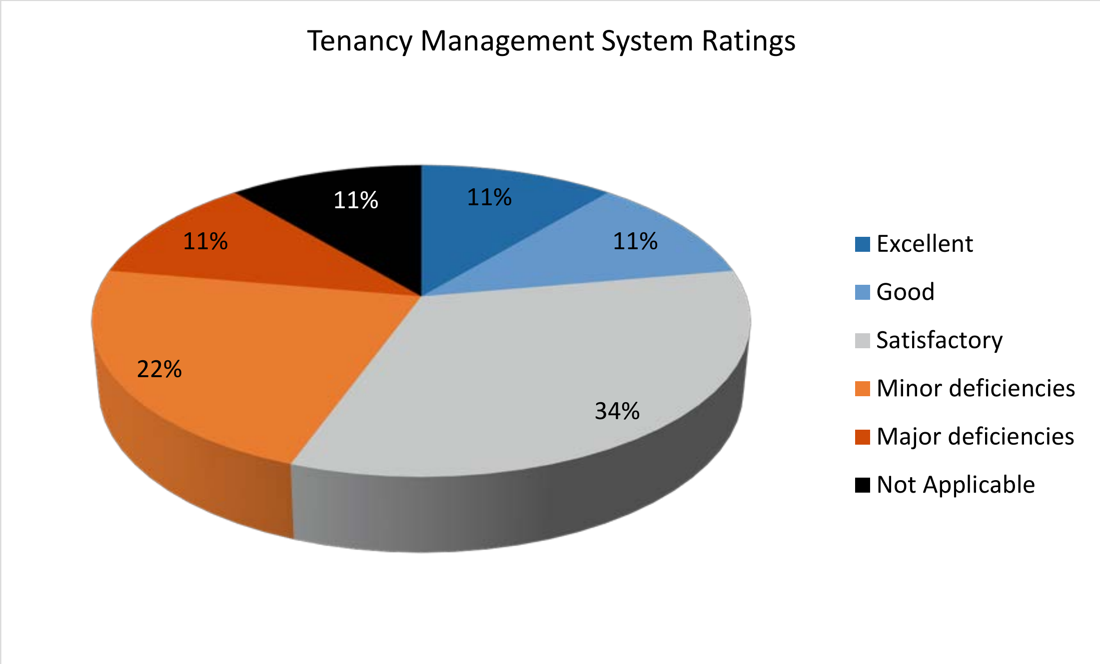




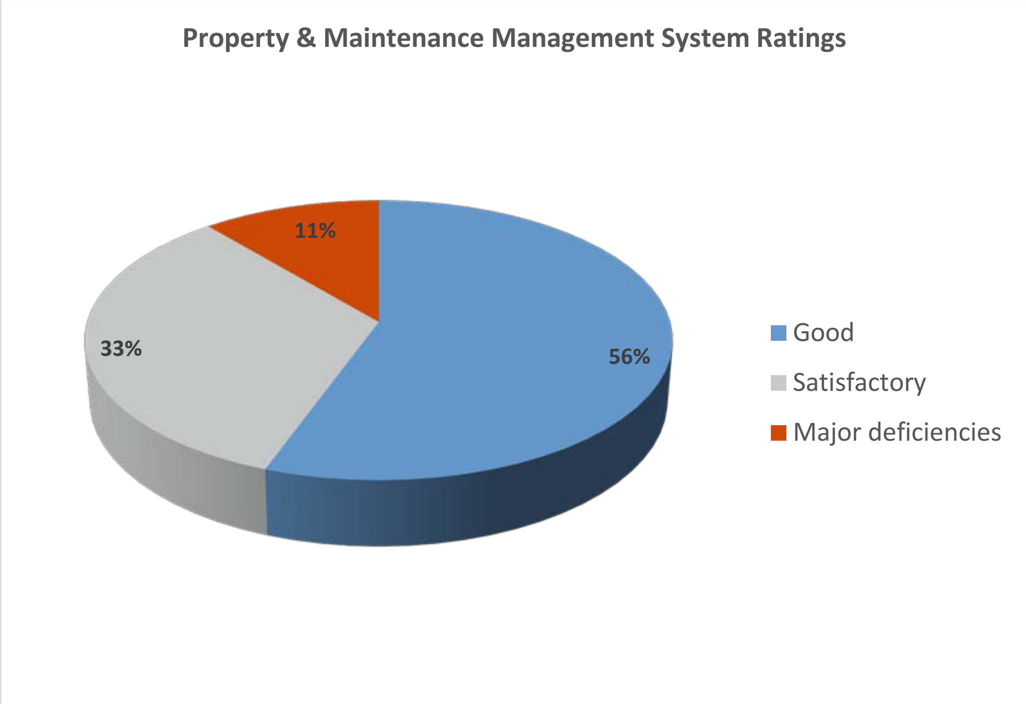
7.2.2 Tenancy Management Systems

For those CHOs not using a fully integrated systems, the breakdown of systems used for tenancy management are as follows

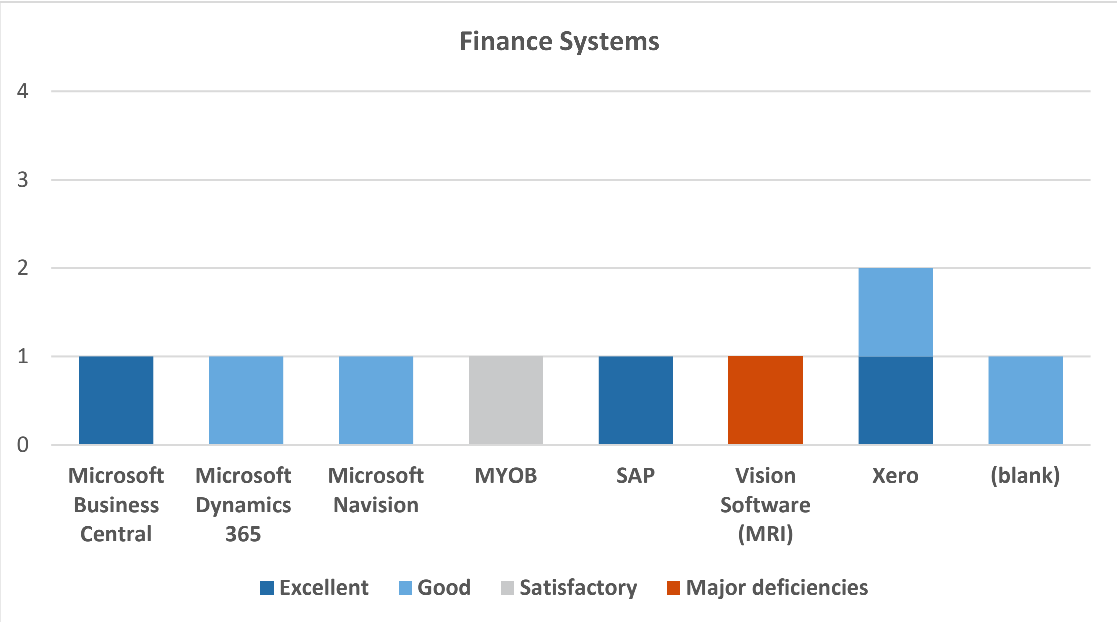


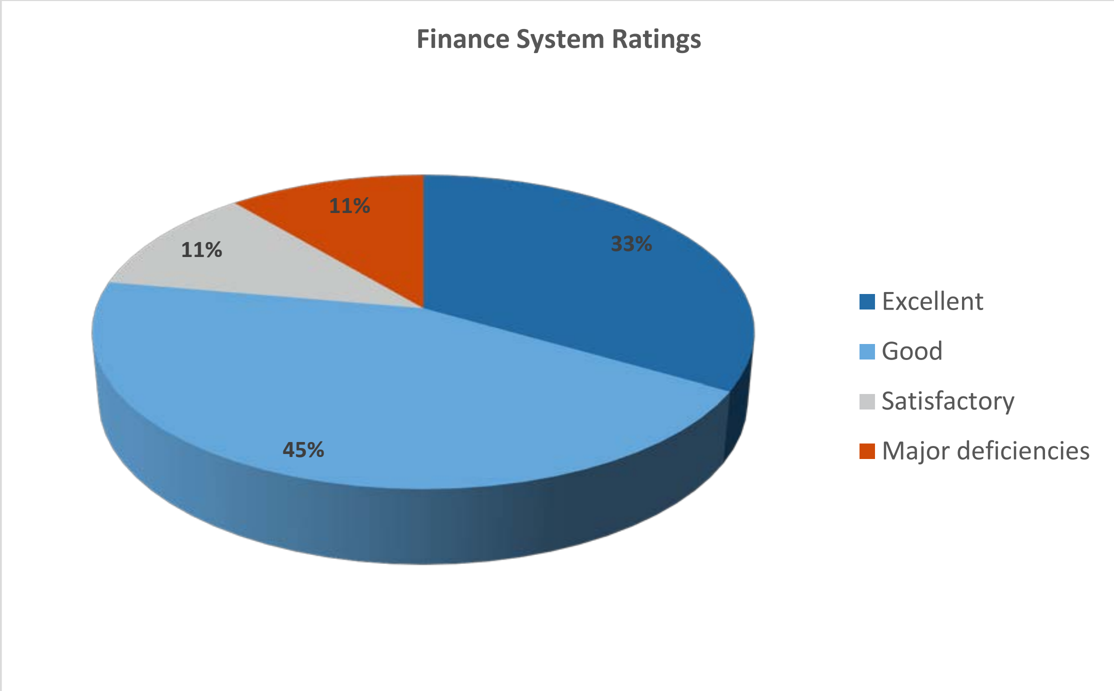


7.2.3 Property & Maintenance Management Systems

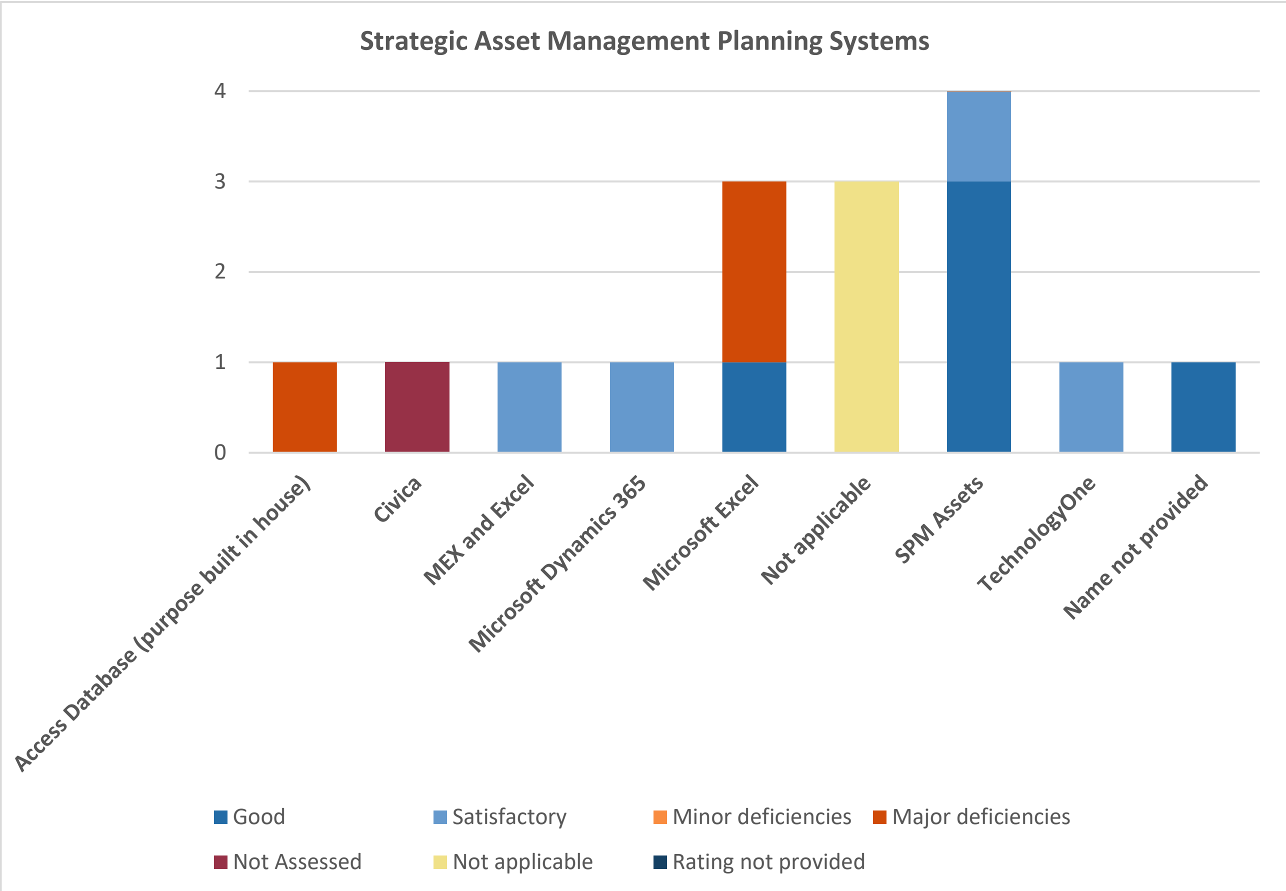


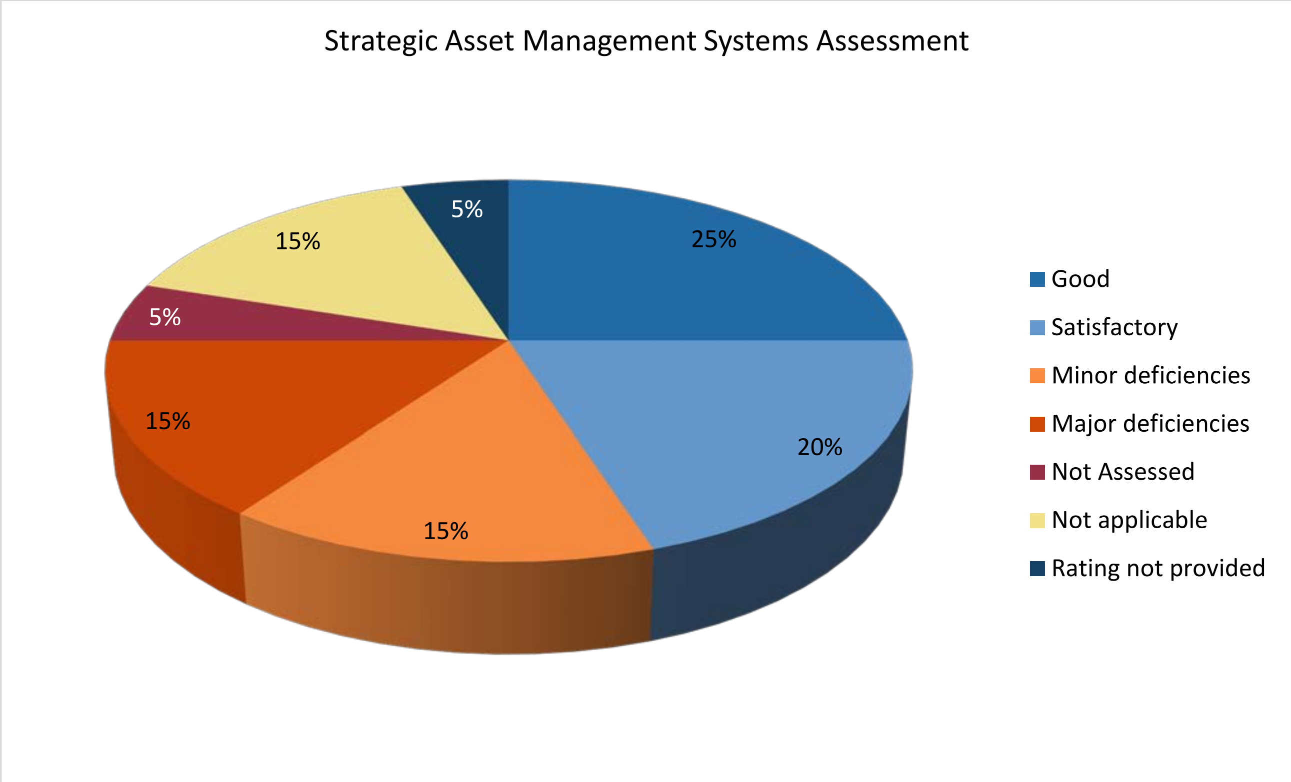
7.2.4 Finance Systems



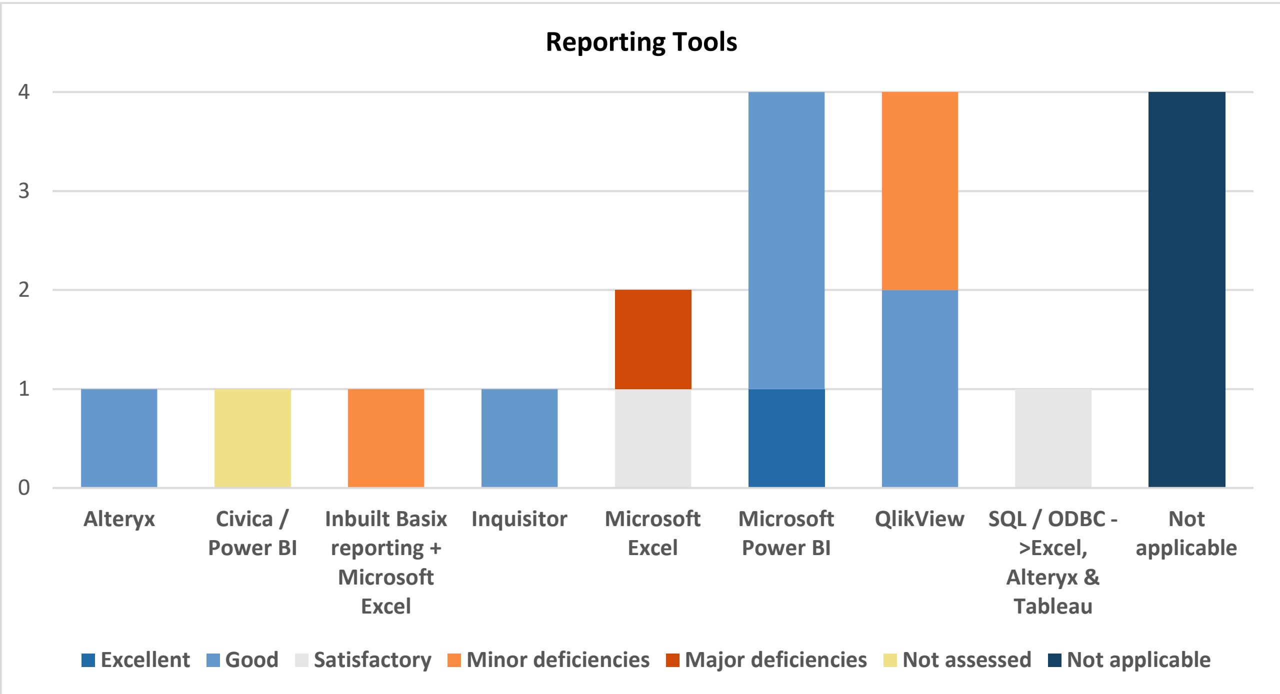


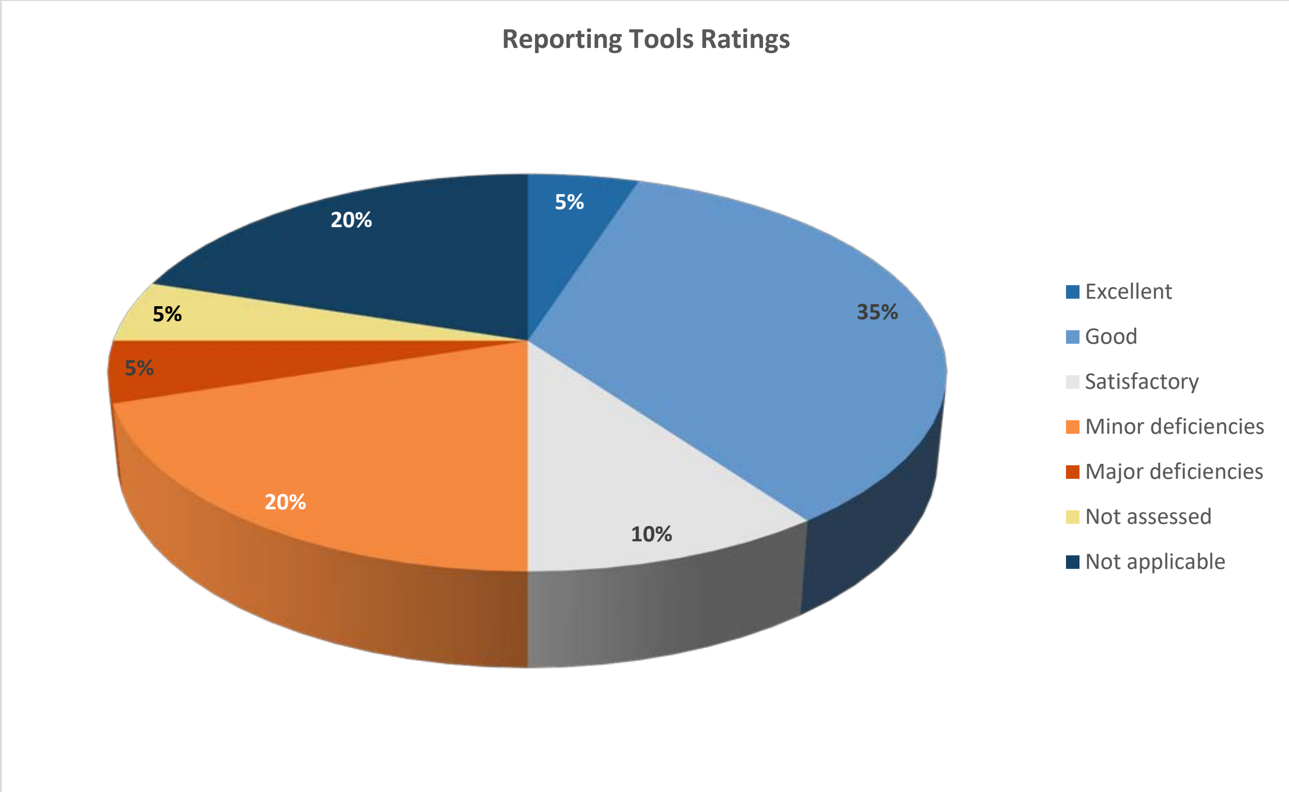
7.2.5 Strategic Asset Management Planning Systems





7.2.6 Reporting Tools




Reporting Tools Ratings
5%
35%
10%
20%
5%
5%
20%
Excellent
Good
Satisfactory
Minor deficiencies
Major deficiencies
Not assessed
Not applicable