To successfully implement modern document applications, government agencies must carefully consider technological, human, and financial factors. They must ensure seamless integration, employee training, robust security, and the right choice between on-premise and cloud solutions. Selecting the right technology solution vendors is also crucial for long-term success.

Modern Document Applications: Boosting Efficiency, Security, and Service Delivery in Government

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Questions posed by: Nitro
Answers by: Louise Francis, Head of Public Sector Research, IDC Asia/Pacific

Q. Why is it important for the Australian government to adopt modern document applications?

At the core of the Australian government's Data and Digital Government Strategy is its 2030 vision of delivering simple, secure, and connected public services through world-class data and digital capabilities. This vision will shape the future of work across all levels of the Australian government, from federal and state agencies to local councils. Modernised document applications are a critical component of this vision as they enable the efficient, secure, and seamless management of information. This is reflected in overall intentions for transformation, with 46% of agencies, across government, investing in application modernisation, including document applications, by the end of 2026 (*IDC Asia/Pacific Public Sector Survey,* 2024).

IDC defines document applications as software tools that enable users to create, edit, secure, and share content. This can include text documents, spreadsheets, presentations, and artificial intelligence (AI) and/or autogenerated content. These documents may include embedded images, audio, and/or video.

The content or document workflow/management applications represent considerable spend for Australian enterprises. IDC estimated Australian enterprises spent close to A$3.3 billion in 2024 in content workflow and document management-related applications. This spend is estimated to grow to over A$4.5 billion in 2028. Roughly 10-15% of this annual spending comes from the government sector.

With these trends and spending level, it is important for Australian government agencies to adopt modern document applications to address the challenges faced as each one undergoes transformation of digital service delivery and an emphasis on employee experience.

Enhanced Efficiency and Productivity

58% of Australia's government agencies say that a critical indicator of success in their current digital transformation (DX) initiatives for 2025 is increased productivity and cost reduction (*IDC Australia and New Zealand, IT Ecosystem Survey,* 2024). For modern document applications, this includes:

- Automate routine tasks such as document creation, approval, and distribution, reducing manual effort and speeding up processes. In 2025, over half of Australia's government agencies expect to invest in intelligent automation solutions, such as this, allowing employees to focus on nonautomatable and strategic initiatives that enhance the citizen experience.
- Digitising documents reduces reliance on physical paperwork, leading to faster processing times, lower administrative costs, and less physical storage space. Tools like PDF generation and eSignature solutions also enable real-time collaboration among employees, enhancing productivity and teamwork.

Elevated Service Delivery and Citizen Experience

Australia's government has citizen experience, and what IDC calls 'invisible bureaucracy,' at the centre of many initiatives planned by 2030. As a result, 33% of Australia's government agencies are launching transformation plans to enhance customer engagement and experience. The modern document application plays an important role:

- Document applications enable quicker access to information and faster processing of citizen requests, improving overall service delivery.
- Digital documents can be easily accessed and shared across departments and locations, supporting remote and hybrid work models and ensuring continuous service delivery.

Robust Security and Compliance

- Advanced security features such as encryption, access controls, and audit trails protect sensitive government data from unauthorised access and breaches. These applications also help ensure compliance with data privacy and security regulations, which is crucial for government agencies handling sensitive personal information.

Cost Efficiency

- Alongside productivity, cost efficiency is now a critical priority for 28% of Australian government agencies (*IDC Asia/Pacific Public Sector Survey,* 2024). Automating document workflows and reducing the need for physical storage leads to significant cost savings on printing, paper, and storage. Furthermore, document applications reduce manual workloads, allowing employees to focus on higher-value tasks and improving overall productivity and efficiency.

Enhanced Employee Experience

- 37% of Australian government agencies have indicated that a top DX priority is improving employee experience, with employees expected to have the right tools to be productive and effective whether in the office or working remotely. With over half of Australia's government agencies investing in hybrid workspace solutions in 2025, the selection of the right document applications is essential to support remote and hybrid work models. (*IDC Australia and New Zealand, IT Ecosystem Survey,* 2024). This will enable employees to access, manage, and collaborate on documents from anywhere, at any time. This flexibility is essential for maintaining productivity and work-life balance.

Access to Document Insights

- Documents in an unstructured format, such as PDFs, contain important business information that is inaccessible to enterprise analytics. 60% of Australia's government agencies say they are investing in data analytics platforms and solutions by the end of 2026, so inbuilt analytics capability is an important component of modern document applications (*IDC Australia and New Zealand, IT Ecosystem Survey,* 2024).

Q. What are the key capabilities of modern document applications?

Modern document applications offer a range of capabilities that are essential for enhancing the efficiency, productivity, security, and digital service delivery of government agencies. These capabilities support the Australian government's vision of delivering simple, secure, and connected public services through world-class data and digital capabilities.

- **PDF generation:** Automating the creation of PDF documents ensures consistency, accuracy, and ease of distribution. This reduces the need for printing and scanning, leading to cost savings and a smaller environmental footprint.
- **eSignature solutions:** Facilitating secure and legally binding document signing processes, eliminating the need for physical signatures, and accelerating workflows. eSignature solutions also provide audit trails and encryption, enhancing security and compliance.
- **Document management systems (DMS):** Centralised platforms for storing, managing, and tracking electronic documents. A DMS ensures easy access, version control, and compliance with regulatory standards, making it easier to manage large volumes of documents efficiently.
- **Optical character recognition (OCR):** Converting different types of documents, such as scanned paper documents, PDFs, or images, into editable and searchable data. OCR technology improves accessibility and usability of documents, allowing for quick retrieval and analysis of information.
- **Workflow automation:** Automating repetitive tasks and processes related to document handling, such as approvals, routing, and notifications. Workflow automation improves efficiency, reduces manual errors, and ensures that documents are processed in a timely manner.
- **Analytics capabilities:** Modern document applications include analytics tools that provide valuable insights into document usage, workflow efficiency, and employee productivity. These insights enable informed decision-making and strategic planning, helping government agencies to identify areas for improvement and optimise their operations.

Q. What are the challenges of adopting modern document applications within the government workplace?

While the adoption of modern document applications offers numerous benefits, government agencies often encounter several challenges during the implementation process. These challenges can hinder the effective utilisation of these tools and require careful planning and strategic management to overcome.

Legacy Systems

Many government agencies still rely on outdated legacy systems that may not be compatible with modern document applications. IDC's research in 2024 revealed that over half of government agencies are challenged by the interoperability of advanced technologies (*IDC Asia/Pacific Public Sector Survey*), with legacy or future systems, and a quarter say that it is having a detrimental effect on transformation initiatives (*IDC Australia and New Zealand, IT Ecosystem Survey*). Integrating new tools with these systems can be complex and costly, requiring significant investment in upgrades and integration efforts. Migrating data from legacy systems to new digital platforms can be a daunting task, involving risks of data loss or corruption.

Cybersecurity Concerns

Ensuring robust security measures to protect sensitive data and prevent cyberthreats is a significant challenge, particularly given the legacy technology concerns highlighted earlier in this document. In 2024, 22% of Australian government agencies expressed concerns that they are vulnerable to cyberattacks due to legacy systems and out-of-date technology (*IDC Asia/Pacific Public Sector Survey*). As digital tools and increased connectivity of the data fabric increase the attack surface, governments must invest in advanced cybersecurity solutions and continuously monitor for vulnerabilities.

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Adhering to strict data privacy and security regulations while implementing new digital document applications can be challenging, especially when dealing with sensitive citizen information and strict legislative mandates.

Resistance to Change

IDC predicts that by 2026, two out of three Australian government agencies will focus on upskilling and reskilling employees to improve their work experience and citizen services. Employees and management often resist adopting new technologies, driven by a preference for familiar processes and apprehension about navigating uncharted territory. Overcoming this resistance requires effective change management strategies, including clear communication, training, and demonstrating the benefits of new tools. Lack of digital skills among employees can hinder the effective use of new document tools, necessitating extensive training and development programmes.

Budget Constraints

High initial costs for purchasing and implementing digital tools can be a barrier, especially for smaller government agencies. Securing funding and demonstrating the long-term cost benefits of digital transformation are crucial for overcoming budget constraints. Managing ongoing costs related to maintenance, updates, and support for digital document applications can strain limited budgets.

Data Privacy and Compliance

Ensuring that new tools comply with data privacy regulations and standards can be challenging. Governments must navigate complex regulatory environments and implement robust data governance frameworks to protect citizen data and maintain compliance. Maintaining comprehensive records and audit trails to prepare for and pass regulatory audits can be resource-intensive.

Q. What are the key considerations in implementing modern document applications in government?

Implementing modern digital document applications can significantly enhance the efficiency, security, and service delivery of government agencies. However, several key factors must be carefully considered to ensure a successful transition:

Measurable Return on Investment

With new technologies, government leaders are increasingly demanding tangible and measurable return on investment (ROI) before approving investments. In 2024, multiple surveys by IDC found that, for transformational technologies, 35–40% of government agencies pointed to difficulty building a business case and ROI justification as the biggest barriers to change. Therefore, the promise of new "intelligent" document applications needs to be validated through proven business value. IDC's research has identified three ROI metrics that must be incorporated

into the business case: how it will reduce costs, improvements in employee productivity, and faster delivery of government services.

Technological Integration, Interoperability, and Compatibility

It is unviable to expect government agencies to completely replace legacy systems. In a recent IDC survey, 42% of government agencies in Asia/Pacific said that legacy systems were preventing them from being agile and responsive to evolving citizen expectations. The challenge that needs to be addressed is how the siloed architectures of these systems can be bridged for the integration and interoperability essential to realize the benefits of investment in modern document applications.

Therefore, government agencies investing in new digital document applications must ensure that these solutions can seamlessly integrate with existing IT infrastructure and effectively work with legacy technologies. This includes evaluating software interoperability, data migration processes, and scalability to avoid disruptions and ensure smooth operation.

IT must audit and interrogate the compatibility of new tools with current systems to ensure the tools can work together without issues. This includes checking for compatibility with existing document management systems, collaboration tools used by employees in a hybrid work model, existing enterprise applications, and suitability for future enhancements.

Security and Compliance

Implementing strong security measures is essential to protect sensitive information. This includes encryption, access controls, and audit trails to safeguard data from unauthorised access and breaches.

Ensure that the digital document applications comply with relevant data privacy and security regulations. This is particularly important for government agencies that handle sensitive personal information and must adhere to strict regulatory requirements.

On-Premise Versus Cloud Solutions

On-premise solutions offer greater control, as a closed loop system, and can be more cost-effective in the long run, especially for agencies with existing infrastructure. They provide enhanced security and control over data, which is critical for agencies handling sensitive data or processes. On the other hand, cloud-based solutions provide scalability and flexibility but may involve higher ongoing costs. They enable faster innovation delivery and support remote work models. Agencies must assess their specific needs, including data security and budget constraints, to determine the best approach. In most circumstances, a hybrid approach can be taken to capture the benefits offered by both options.

Technology Solution Vendors

Selecting the right technology solution vendors is vital. Evaluate vendors based on their track record, customer support, and solution robustness. Partner with reputable vendors who offer comprehensive support and regular updates. Ensure that the vendor's solutions can integrate with existing systems and that they are committed to innovation and security.

Employee Training and Change Management

Preparing employees for the transition is essential. Provide continuous training and support to ensure that employees can effectively use the new tools. Resistance to change is common, and addressing it requires a comprehensive change management strategy. This includes clear communication about the benefits of digital tools, involving employees in decision-making, and fostering a culture of adaptability and continuous learning.

Financial Considerations and Cost Management

Conduct a thorough cost-benefit analysis to understand the financial implications of adopting new technologies. This includes evaluating initial investments, ongoing costs, and potential ROI and total cost of ownership (TCO) from

increased productivity and improved employee satisfaction. Ensure that there is a clear budget for these expenses and explore cost-effective solutions without compromising quality.

Two examples of the significant impact investment in modern digital document applications can have on productivity, are the substantial measurable ROI for cities in Australia:

- Shoalhaven City Council achieved a 364% increase in productivity by empowering teams with the right digital document tools for their needs.
- City of Vincent now empowers 500% more employees with cost-effective document productivity tools.

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About the Analyst

Louise Francis, *Head of Public Sector Research, IDC Asia/Pacific*

Louise's research focuses on public sector strategies and the use of technology as a key driver for each country's digital economy. These areas include benchmarking regulatory frameworks, innovation ecosystem development, digital trade assessments, best practice partnerships (government and nongovernment) and business models of a high-performing and inclusive digital government.

Joining IDC in 2008, Louise has over 30 years of experience in the ICT sector with a focus on tech buyer research. She has provided strategic direction and advice to public sector agencies over the last 12 years. She has contributed to significant research projects across major government agencies, value-based healthcare and healthtech, K12 education and digital learning, digital trade due diligence, and regulatory framework assessment.

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