

Public sector transformation: adaptability is the new differentiator

**DOING MORE WITH LESS – WHY ADAPTABILITY
MATTERS NOW MORE THAN EVER**

Public sector organisations aren't facing isolated challenges, they're navigating a web of pressures that feed off each other. Economic uncertainty is tightening budgets, limiting investment in skills and technology. Talent shortages are worsening the strain, making it harder to deliver services efficiently. Add rising regulatory demands and the complexity of transformation programmes, the result is mounting pressure on leaders to do more with less.

Our Transformation Index reveals why this matters. While many public sector organisations are investing in change, few feel confident they're ready for what comes next.



**only
6%**

have the critical skills for future workforce readiness



59%

say employees are fatigued by continual waves of transformation



54%

only occasionally adjust transformation programmes based on employee feedback



PUBLIC SECTOR'S REALITY CHECK

Transformation is under way, but often tactically, responding to immediate pressures rather than building long-term capability. The result is fragmented efforts, stalled momentum and missed opportunities.

- **There is a significant capability gap.** Only 6% feel confident they have the critical skills for future workforce readiness. Despite recognising the importance of skills such as resilience, agility and AI literacy, most organisations are still in the early stages of upskilling and strategic workforce planning. Without urgent action, this gap could undermine future transformation efforts.
- **Transformation fatigue is widespread.** Nearly 60% of public sector leaders say employees are fatigued by continual waves of change. This is compounded by the complexity of transformation programmes and the challenge of maintaining momentum across diverse functions and cultural contexts.
- **Employee feedback is under-leveraged.** Although 90% of organisations monitor engagement, often through focus groups and leadership listening sessions, over half rarely adjust their transformation programmes based on what they hear. This disconnect risks eroding trust and missing opportunities to course-correct early.

- **AI is gaining traction, but adoption remains uneven.** Compared to other industries, public sector organisations are more likely to view AI as strategic, but less likely to have the foundations in place to scale it effectively. While 43% say AI adoption has reshaped their technology strategy, many still face barriers such as integration challenges and limited internal capability.

To lead through change, public sector leaders must:

- **Close the critical skills gap with targeted workforce development.** Bite-sized learning, AI-enabled training and leadership alignment can accelerate capability building without overwhelming teams. For example, the UK Government has partnered with Google Cloud to upskill 100,000 civil servants with digital and AI skills by 2030, modernising the public sector's approach to technology.
- **Protect capacity to combat transformation fatigue.** Introduce prioritisation frameworks that stop low-value work, create space for experimentation and keep energy focused on what matters most. For example, when faced with a large portfolio of transformation projects, St Helens introduced a prioritisation matrix through its PMO. This allowed the council to score projects by strategic value and resource impact, rationalise low-value initiatives, and focus on 12 high-impact programmes aligned to budget and savings plans.
- **Turn employee feedback into action, not just insight.** Build real-time listening loops and empower leaders to act quickly, showing teams their input drives change. For example, while collaborating with NCL ICB to develop a bespoke transformation delivery framework, we focused on regular feedback loops and co-design to help staff feel heard and valued. This shifted perceptions and reinforced NCL ICB's commitment to development. We also iterated core deliverables based on feedback, including tools and templates, and capability self-assessment models.
- **Treat AI as a strategic enabler, not a tactical fix.** See AI as a core transformation tool to create a more efficient and effective Government, with citizen experience at the heart. For example, improving data analytics in the NHS to support more effective diagnoses, triaging enquiries to reduce wait times and improving the productivity of the civil service workforce (e.g. through coding assistants). Rather than defining a separate AI strategy, identify and focus on AI initiatives that support your existing strategy. Ensure the right foundations are in place to scale AI effectively (e.g. an infrastructure strategy to sustain AI across initiatives) and the transformation of end-to-end workflows are considered.

PUBLIC SECTOR'S NEXT MOVE

Public sector organisations must shift from tactical fixes to strategic reinvention. The most adaptable organisations are doing three things differently:



Championing their data

They use data to guide decisions, personalise experiences and scale AI responsibly.



Protecting their spark

They prioritise what matters, stop what doesn't, and protect teams from burnout.



Finding their value compass

They align every initiative to outcomes that matter – for their people and their communities.

READY TO LEAD WITH ADAPTABILITY? LET'S TALK.

We help public sector organisations overcome transformation fatigue, close critical skills gaps and embed technology that works for people, not against them. Whether you are rethinking your operating model, scaling AI responsibly or building a workforce fit for the future, we partner with you to make transformation stick.

Gate One is the global business and digital transformation consultancy, dedicated to helping clients thrive. With a uniquely collaborative approach, we guide clients through high-impact transformation projects across the UK, US, Ireland, France and India.

TALK TO US



NICK KENNELL

Partner

nick.kennell@gateoneconsulting.com