

eGov

eBusiness Strategies for
Government

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Introduction

THE WEB AS ENABLER

Public-sector managers, government contractors, civic reformers, and socially concerned businesspeople all took notice in 1992 when *Reinventing Government*, by David Osborne and Ted Gaebler, argued for a “customer-driven” government that empowered citizens by pushing control out of the bureaucracy and into the community. The book was both a call to arms against bureaucratic malaise and a guide for those who wanted to build more effective public administrations. The authors foresaw a more entrepreneurial, mission-driven government with a civil service composed of knowledge workers who functioned as a team focused on outcomes not inputs. At last somebody was saying, “We don’t need more government or less government, we need *better* government.”

A reinventing government movement took hold in many countries, leading to some major behind-the-scenes transformations: public services were put out to competitive tender, outsourced, and privatized. The focus was primarily on reducing costs. Yet little attention was paid to the ability to meet the needs of individual citizens and businesses, government’s customers. The inflexible bureaucrats, the long waits and the multiple complex forms—they’re all still there. Dealing with government remains a hassle.

Public administration has not become more customer focused largely because little effort was ever made to induce culture change within government so that employees would share information, work as a team, and become knowledge workers. The people at the top who set the political agenda—politicians, press, pressure groups—have also never taken much notice of calls to reinvent government and remain stuck in the old political ways of personalized confrontation, left versus

right, right versus wrong. Nor should anyone underestimate the significance of public apathy and the low expectation of initiative in government. Why change when nobody cares?

The reinvention of government is badly in need of an enabler. Something that fosters teamwork and the sharing of information. Something that excites the politicians and press. Something that's useful to business. Something that's relevant to citizens' everyday lives and addresses their personal needs and circumstances. Something like the internet.

It is easy to be cynical about new technology as a cure-all for society's ills, and it is sometimes difficult to separate the internet from other types of technology solutions. Government especially has a history of putting its faith in large IT projects only to see them run late and over budget, and in the end failing and even shaking public confidence. In *Reinventing Government*, Osborne and Gaebler hardly gave computers a mention. But that was a decade ago, before everyone took off into cyberspace. The internet is proving to be something unique and different. It is enabling new ways of communicating, working, shopping, learning, and playing. Now it can enable a new way of governing.

Electronic government, or e-government, is the use of information technology, in particular the internet, to deliver public services in a much more convenient, customer-oriented, cost-effective, and altogether different and better way. It affects an agency's dealings with citizens, businesses, and other public agencies as well as its internal business processes and employees. The e-government movement is being driven by the need for government to:

- cut costs and improve efficiency
- meet citizen expectations and improve citizen relationships
- facilitate economic development.

While many agencies have made great strides to reduce costs, too often this has come at the price of cutting programs. Today, agencies are under

pressure to save money while maintaining or even increasing their level of services to citizens and businesses. By using the internet, the cost of processing transactions is greatly reduced, with savings in paper and printing, mailing, and personnel. Online transactions can streamline processes and lead to greater efficiencies with less human interaction. One of the primary reasons for inefficiency is that the basic model of government remains entrenched in the industrial age with a continued reliance on the centralized mass production of public services delivered through vertical “stovepipe” channels. Citizens today have diverse needs that must cut across the underlying structures, so the internet can be used as a collaboration tool for employees and departments.

The most publicly visible way for the internet to improve the public sector is through its ability to reduce the time and effort required for citizens and businesses to comply with government rules and regulations. As people become aware of the power of the web and experience good service in the private sector, they will become less tolerant of poor, impersonal service in the public sector. If people can buy an airplane ticket over the internet, they will want to renew their vehicle registration the same way. If they can go online to check how their stocks are doing, they will want to go online to check their medical records. In the digital age, public services need to be instantly accessible, around the clock, from home or work.

Ultimately, e-government is more than selling public licenses over the internet. It’s about making the transition from the industrial society to the emerging information society. Businesses are already moving their services and transactions online, and increasingly they are choosing to invest only in areas that offer the infrastructure and business climate needed to succeed in the new knowledge economy. By embracing the web itself, governments can make their municipalities, states, or countries more appealing to inward investment and help their own firms step out and become part of the world’s major markets, contributing to their region’s prosperity.

The internet started as a government project. Its origins can be traced back to 1969 and a US Defense Advanced Research Projects

Agency (DARPA) program to develop techniques and technologies that would allow computers to communicate across multiple networks. The result was ARPANET, which connected 40 computers at its first public demonstration in 1972. Private enterprise, university researchers, non-governmental organizations, and individual behavior—just about everybody but government—have led most of the subsequent internet phenomena: electronic mail, news groups, bulletin boards, the World Wide Web, browsers, surfing, domain names, search engines, spam, hacking, intranets, extranets, broadband, video streaming, multicasting, portals, e-commerce, e-business, and the wireless internet and m-commerce. ARPANET struggled through the 1980s and by 1990 had ceased to exist. While the US government still legally owns the internet's root server that forms the basis for top-level domains, the internet today is largely a government-free zone.

Many public-sector organizations do have websites. These are used primarily as marketing devices to promote the image of a particular department or to raise public awareness with general administrative information. They are cheaply designed and the content is renewed infrequently. The information is sometimes simply a scanned reproduction of already printed material, so-called brochureware. Some organizations provide more comprehensive and dynamic information, with searchable databases and email reply services. Very few provide a variety of interactive transactional services. Rarely can a person log on to a government website and submit a form, make an appointment, inquire about a job, apply for social benefits, purchase a license or permit, pay a tax bill or a parking fine.

While the private sector entered the twenty-first century transformed by e-commerce and e-business, until now the usefulness of the internet has not crossed the minds of most public officials and politicians. Government was more distracted than any other sector by the Y2K threat, and prior to 2000 most of the IT funding and expertise that could have gone into developing web infrastructure and applications were siphoned off to prevent a millennium disaster. However, even without

the Y2K anxiety, the public sector has not had the same incentive as the private sector to embrace the web. Specifically, competition hasn't driven it online. Businesses have to make sudden decisions to stay ahead of competitors and increase profits, whereas no equivalent market pressures bear down on public agencies. In government, making a right decision takes priority over making a fast decision. Government is generally slower to adapt to technological change because, out of necessity, it operates in a more risk-averse culture. The impact on society would be disastrous if dot-govs failed at the same rate as dot-coms. The public sector is more accountable than the private sector for the money it spends and is bound by more and different laws, in areas of procurement for example. It has to be more conscious of integrity, transparency, and openness. It must seek political support for its projects, and ideology is often involved. Finally, the sheer size and complexity of government completely dwarf most private companies.

AN E-BUSINESS PLAN FOR GOVERNMENT

As tempting as it might be, an agency cannot take a private company's e-business plan and implement it because there are simply too many differences between government and industry. An e-strategy doesn't come shrink-wrapped in a box. Governments must establish their own visions, considering all the ways to deliver quality, cost-effective public services in ways that citizens and businesses want to receive them. An e-business plan for government must strategically detail how the internet will be used to integrate service delivery across agencies, shift the mindset and culture within the civil service, and apply the "faster, better, cheaper" values of e-commerce to public services.

The first place an e-business plan ought to go is government's own backyard, from A to A, or administration to administration (also known as G2G, or government to government). Instead of merely talking to their boss and the person in the next cubicle, government employees can use

the web to communicate, share knowledge, and work with other employees in their department, other departments, other levels of government, other governments. Next, an e-business plan should take government from A to B, or administration to business (also known as G2B, or government to business). The internet can help government improve the way it deals with the business community, conducts its own business with suppliers, and works with private-sector partners to deliver public services. Finally, it's all the way from A to C, or administration to citizen (also known as G2C, or government to citizen), where all public transactions and form filling are done over the internet. The first part of this book looks at each of these three communication flows, but in reverse order, because the citizen must always come first.

The journey from A to A, B, and C is already being embarked on by a small band of enthusiastic agencies from around the world. Perhaps not moving quite as fast or as willingly as some would like, these trailblazers are nonetheless working hard to link organizational change with the establishment of portals, websites, intranets, call centers, and one-stop shops. They are acquiring new technologies and integrating old ones, forging new kinds of alliances and partnerships, sharing knowledge, and working as teams.

In Australia, for example, three-quarters of all income-tax forms are now filed over the internet. Truck drivers passing through the Czech Republic and ships entering the port of Dubai make their customs declarations electronically. Federal procurement officers in the US arrange online auctions and conduct billions of dollars worth of e-commerce transactions. Canada was the first country to connect all its schools and public libraries, while Sweden has used the web to advance telemedicine. Rural telecenters are becoming an important mode of government access throughout Africa and the Indian subcontinent. Brazil is a pioneer in electronic voting, helping the country become a vigorous democracy after decades of military dictatorship.

Innovation is not limited to a specific jurisdiction or region, and e-government isn't the preserve of wealthy and developed nations. While

America may be well beyond reach in its private and commercial use of the internet, its use in the public sector isn't any further ahead or behind other countries. If a trend exists at all, it is that smaller governments and organizations have been the quickest to embrace the e-government concept. Often being smaller makes it easier to work across departments, and there may already have been a tradition of doing so. Smaller governments also tend to be more naturally citizen centric.

In the Baltics, Estonia introduced new technologies to quickly "leapfrog" its larger industrialized European neighbors and become one of the world's most wired countries. Costa Rica invests more per capita than most developed countries on school computers and internet training for teachers. Belgium used technology to put its social welfare house in order. The city-state of Singapore is the most advanced in providing full online services to its citizens.

In countries with federal systems, modernization usually starts at the state level. The state of Victoria in Australia and the province of New Brunswick in Canada were two of the very first jurisdictions to get the e-government ball rolling. While Washington DC stumbles, many US states have raced ahead to issue birth certificates or renew driver's licenses through government portals. In the area of education, small campuses such as Mayville State and Valley City State universities in North Dakota were fully wired before the major state colleges. Locally, the remote north Canadian city of Yellowknife, population 17,000 or so, has a "smart community" initiative involving dozens of public, private, and nongovernmental organizations and voluntary agencies. The similarly sized Parthenay, in rural France, could teach Paris a thing or two about online public services.

Each example represents an island of best practice. When you put them all together, as this book sets out to do, you get a fairly good picture of how a government of the future might look. The book considers what each successful e-government project shares, what links the islands, and what are the common ideas, approaches, and beliefs.

Emerging from the various e-government strategies and action lines are five underlying principles:

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- *Put everything (information and services) online and do everything online.* All forms and documents are published initially in digital form, and printed on paper afterward only if necessary. Information is stored on an intranet or data warehouse, not in filing cabinets and boxes, because digital information is more efficient to create and maintain, and can more easily be analyzed, searched, updated, and shared. Rather than entering the same data multiple times, information is input just once. Agencies should establish a timetable and set target dates for putting services online and justify, on a case-by-case basis, any business areas that cannot go online for operational or policy reasons.
- *Ensure easy and universal access to online information and services.* Government has a moral obligation to ensure that all citizens have equal access to public services, including online services, regardless of their location, income, ethnicity, age, or education. In the information society, internet access is not a luxury, it's a necessity. Public services should be available 24 hours a day irrespective of location, and they should be accessible through a single contact point that is self-explanatory and easy to use. Services will be clustered into common themes or "life events" rather than displayed by government office. They will use everyday terms such as "my car" or "registering to vote" rather than government jargon.
- *Skill government employees to be knowledge workers.* Most public servants are hard working and dedicated, but often demoralized with the presumption that they're not as good as the private sector. So success in the civil service needs to be rewarded, restrictions that stifle innovation suspended, and employees given the opportunity to learn new skills throughout their careers. Front-desk staff should have fingertip access to the accurate and up-to-date information they require to deliver quality public services. Web-based technologies facilitate culture change by creating a workplace where data is organized across departmental boundaries, making it easy for employees to access information intuitively, share it, and work as a team.

- *Work in partnership to make it happen.* While government cannot be run like a business, it can learn from business and adopt private-sector techniques. The private sector should play a greater role in the delivery of public-sector services, and other societal players such as trade unions and the voluntary sector should also be involved in the governing process. There needs to be better cooperation between central and local governments, rather than one dictating to the other and one beating off the other. By adopting best-value policies and keeping an open mind about which kind of supplier—public, private, or partnership—can deliver the best service, different organizations bring together their respective skills and knowledge and, in the process, learn from each other.
- *Remove barriers and lead by example.* In the information society, government should proactively encourage business and consumer confidence by helping key sectors go online. It should set in place the legal frameworks needed to underpin the new economy, but avoid imposing unnecessary regulations and burdens that can stifle innovation. It should invest in people—education and training, health, mobility, culture, and quality of life—to ensure that the new economy does not compound existing social problems of unemployment, social exclusion, and poverty. And finally, government should lead by example by conducting its own business online, including e-procurement and the acceptance of electronic filing and electronic payments.

NOW THE HARD PART

Given its complexity and scale, the actual implementation of an e-business plan for government can seem like a daunting task, and many organizations risk trying to do too much too fast. IT industry marketing types often say that it's like eating an elephant: the only way to manage it is one bite at a time and eventually you'll finish.

The approach taken by most of the trailblazers is to “think big, start small, and scale fast.” Thinking big is the vision and plan itself. Starting with small projects limits risk and avoids high-profile disasters, allowing organizations to be more innovative and realize faster results. This will help win support for future projects from politicians, employees, businesses, and citizens. It is best to start with transactions that are repetitive (anything a person might have to do more than once a year) or prone to cause frustration (such as simple license renewals, for which people currently have to go to an office and stand in line). For larger projects, it is best to pilot an online application in one region before rolling it out nationwide. Government must then operate on internet speed to chalk up and take advantage of its successes. As soon as a pilot project has achieved the desired result, it has to be quickly scaled up to a full online service, and new services must be added constantly until there is full e-government.

Most of the problems in delivering e-government are organizational and political rather than technical. Left solely to an IT department, e-government will only automate existing processes. It is not a techie’s job to reinvent government. The public sector needs web-savvy central visionaries, but unfortunately most government leaders still don’t look on technology as a priority. Few use technology personally on a daily basis and not many people are able to picture their president or prime minister, governor or mayor, surfing the web. Policy makers don’t view the online community as voting constituents and many believe that there isn’t a large demand for electronic services, since only 25 percent of their country’s population has web access. That was last week. This week it’s 30 percent, next week it’ll be 40 percent, and soon the internet will be as common as televisions and telephones. Indeed, as digital television and third-generation cellphones enter people’s lives, the internet will converge with televisions and telephones.

E-government is nonpartisan. It does not favor left or right, one party or another. But astute politicians understand the mileage to be gained by talking about technology, and the internet is a gift horse for any

public official wishing to portray a modern, visionary, and dynamic image of government. Sometime soon, politicians will not be re-elected if they have not incorporated the internet in their vocabulary. Public officials—both elected and appointed—must take the initiative to understand the way cyberspace works and adjust their public duties in line with current trends.

The second part of this book looks at how the early leaders are applying technology to address the traditional areas of government activity, such as the environment, healthcare, social welfare, employment, education, criminal justice, and defense. It is about using the internet to deal with those issues that simply won't go away.

The digital age also throws up a raft of new issues that policy makers will have to grasp in order to make the right decisions for their constituents. The third part of the book considers some of the new challenges that are already coming to the fore and how some governments are reacting. Emerging issues include cyberterrorism and cybercrime, privacy, data protection, jurisdiction over cyberspace, e-commerce taxation, and the problem of "electronic emigrants." The discussion covers the various digital divides in society, and addresses how local communities can find their place in an increasingly global world. Finally, it looks at how the internet affects politicians themselves, and how the web can transform an ailing system of representative democracy into a more robust form of participative democracy.

In time, the internet will affect the public sector much more profoundly than it has the private sector, for the simple reason that people like to go out shopping whereas they dread the thought of making a trip down to a stuffy old government office and do so only out of necessity. The reaction of citizens and businesses any time a public service is put online is almost always overwhelmingly positive. Success by today's trail-blazing agencies will eventually bring all the others along, so the march to e-government can't be stopped. Governments that stick to the old ways of doing business will further open themselves to ridicule and accusations of incompetence and corruption. Citizens will want to know why

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they have to stand in line for a service when people in the neighboring town, region, or country can carry out transactions online and without fuss. This generation will be the last to tolerate standing in line; the next will expect to be online.