

Electronic Governance and India Initiatives (continued)

advantage of providing services at an affordable cost to citizens will not be efficient and effective.

To summarise: the controls for existing manual, office procedures and processes for providing Governmental services have been reviewed, reformed and reprocessed to implement workflow automation in Governmental. This must be achieved within the legal framework providing security and secrecy and safeguarding Governmental interests in the decision making processes. It must make Government transparent to citizens and enable Government services through strongly connected information networks covering the entire Union of India, thus making it feasible the universal access and e-citizen services a reality.

The audit concern over this process is the security, safety, integrity of the information used for Governmental decisions and necessary protection features for citizens information handled by the Government. This must bring trust and confidence in the Governmental processes to the citizens at large and adapt simplified processes and procedures in the electronic environments which are e-Law supported to discharge most efficiently and effectively services to citizens at an affordable cost. We may have to take care of piracy and privacy of information stored in Governmental Information Warehouses and archiving Governmental information through various IT tools and techniques. Also we may have to provide guidelines for safeguarding information stored in electronic media by means of new legislation and modifying existing legislation, where information is stored over a long life cycle.

Progress toward

Professor Patrick Dunleavy of the London School of Economics and Political Science highlights some key issues in progressing electronic Government

The next decade of change in public administration is likely to be dominated by the development of e-government and the progressive implementation of electronic service delivery (ESD) in three stages - beginning with the extensive provision of government information electronically; moving towards more interactive applications where citizens communicate back to government; and finally accomplishing complete transactions from start to finish in an electronic manner. The implications of these changes for the structure of national governments and for the role of national audit bodies are difficult to understate. In some contexts, such as government-to-business (G2B) activities the electronic submission of applications, records, tax returns, procurement tenders and payments by businesses may automate or cause to disappear the roles of around 40 to 50 per cent of existing personnel, while boosting the quality and timeliness of public services and radically improving the quality of government's data flows and data-analysis capabilities.

Governments and agencies will have an important choice to make, about whether the Web-based automation of staff roles leads them to reduce personnel numbers (with consequent large-scale savings); or whether Web changes are used to extend the range of what government does into tasks that cannot at present be covered with available resources, such as improving regulation or customer services. In government-to-government areas the potential savings of paperwork and low-value use of resources are even greater. In both contexts the future holds out prospects for some agencies to become fully digital organizations, with 'zero touch technologies' substituting for many existing roles carried out by employees.

In government-to-citizen services the same trends are likely to develop, but perhaps more partially or more slowly. Even so, there are still enormous potential savings to be made from displacing some interactions with citizens from office visits, or paper-based administrative systems, to either direct Web-based transactions or Web-enabled call centres handling business by phone. In the UK the main tax agency has no less than 10,000 staff whose roles involve simply re-keying information from paper forms into electronic databases, while in social security around 68,000 staff still operate a largely paper-based system backed by dozens of discrete legacy computer systems. In virtually all countries there are literally thousands of public service forms and procedures which require

...s electronic Government

citizens to submit and staff to rekey simple data again and again, such as people's names and addresses and commonly used identification numbers. As Web-based interactions increase in other consumer fields closely related to G2C interactions - such as banking, personal finance, insurance, travel, medical advice, shopping for publications, etc - so citizens' demand for equivalent government provision is likely to progressively expand.

For top political leaders and for national audit agencies the great attraction of Web-based government is that the traditional incompatibilities of improving service quality and cutting costs need not exist in this area. Web provision is inherently quite cheap, although the internal intranets and often physical re-equipment of agencies' hardware needed to sustain e-government applications are more expensive. But the marginal cost of Web interactions is so low compared with phone calls, letters or office visits that the pay-back period for Web government investments that respond to public demands can be very short. And by laying out government processes in a more open and publicly available form than ever before, the 'disintermediation' impact of the Web can boost democratic overview and accountability to the public.

Yet getting government bureaucracies to change established ways of approaching their tasks is a much more substantial challenge than perhaps many governments appreciated when they

first launched ambitious e-government programmes a few years ago. To take a small example, the administrative arrangements of the US federal government are very orientated to strong independence for agencies and even for offices inside departments and agencies. As the leading Web and Internet economy the USA was also fertile ground for the rapid growth of federal Web sites from late 1995 onwards, with some recent estimates finding around 3,000 different Web sites within the Department of Defense alone.

For a long time US citizens faced considerable difficulties in finding their way around the jungle of federal Web sites, and it was not until autumn 2000 that the US succeeded in establishing an adequate central finder site, at www.firstgov.gov. The set-up costs for the new site were very small (\$4 million) in the scale of US government expenditure (now running at over \$1,500 billion). But the absence of a strong culture of integrated governance at federal level meant that the organizational barriers to its creation were substantial impediments. Similarly in the UK the central government started out well in the mid 1990s with a central finder site www.open.gov.uk that was very

innovative when it was first launched, but four years on has not subsequently developed much further. In both the UK and USA plans for a proper government portal are still some way off.

Perhaps the most sensitive problem for governments and audit bodies to handle is the risk of 'channel rivalry' between Web routes from communicating with citizens and existing government organizations. In the private sector motor dealers are typically not keen on car manufacturers selling vehicles

directly over the Internet to consumers at lower prices that omit the dealer's fees. And nor are travel agents happy for holiday firms' own Web sites to cut them out of the loop when people book holidays. In the same way, established government bureaucracies are potentially threatened by the

'disintermediation' effects of the Web, and the possibility of citizens having more direct and automated methods of transacting with government, making part of agencies' existing operations superfluous. But whereas in business the slowest firms bear the laggard's risk of being squeezed out by new competitors, government agencies which are slow to push through changes using the internet and the Web will rarely confront any

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adverse budgetary consequences. Cost-saving applications of ESD will simply take longer to arrive, or will be set-up in poorly thought-out ways which perhaps attract disappointing levels of citizen interest.

Guarding this potential 'passive resistance' has led many government leaders in Western countries to articulate radical, across-the-board targets for all their appropriate public services to become available in electronic form - such as the deadline in the USA for all federal services to be potentially available over the Internet by 2003, and a similar UK target of 100% ESD capability by 2005. The UK government has also moved relatively fast to toughen up incentives for agencies to be innovative on e-government since a critical NAO report in December 1999 (called *Government on the Web*) found that earlier staged government targets were being missed by slow implementation and an overly broad definition of 'electronic' delivery. The UK approach is now to build in stronger financial incentives for departments and agencies to make progress on the overall government pledges to develop Web access. And in an environment where virtually all government IT services are contracted-out, the centre also encourages each agency to nominate 'Information Age Champions' from among their senior officials, to create a more focused responsibility for promoting improvements in that organization.

In a report called "e.gov: Electronic Government Services for the 21st Century (2000)" the UK Cabinet Office's performance and innovation unit also strongly advocated involving businesses and voluntary sector organizations in taking on responsibilities for connecting

government to citizens and business. It warned that governments should not allow 'public monopolies' to grow up which could hold back the provision of electronic services and the development of best practice. In both Australia and the USA, for instance, the main taxing agencies have worked with commercial accounting firms to validate their software so as to allow citizens to make income tax submissions on-line, often years ahead of equivalent countries like the UK which relied on solely governmental efforts. When in 2000 the British government's first electronic tax return form failed to function as planned, the agency responsible was able to buy in a commercial tax return form and use that as a stop-gap provision.

The difficulties of getting government agencies and departments to change their established organizational cultures so that they adopt e-government creatively, energetically and in the shortest feasible time are likely to be the most important constraints in many countries in how fast they see useful levels of change. Small countries with well-educated workforces and a strong government commitment to developing e-commerce industries in their economy as a whole will probably make the most impressive progress in the next few years, especially where national identity numbers already exist to aid in solving issues of authentication. In Singapore, for instance, well-designed government Web sites and electronic access to services have both expanded fast in recent years with top-level encouragement, and this approach is also being followed elsewhere - notably in Hong Kong. Countries with relatively modernized public administration infrastructures and strong domestic IT industries can also make the additional investments needed to Web-enable

government more speedily than those which have to undertake major investments in re-equipping agencies from scratch with Internet-capable networks and PCs. Large countries with big and complex administrative machines and political cultures suspicious of the privacy implications of e-government applications are likely to move more slowly beyond the stage of giving information electronically and towards developing electronic transactions. Administrative cultures based on an absolute avoidance of risk (so that the civil service only does 'sure thing' changes) will also adapt less readily to the demands of incrementally but rapidly Web-enabling government, as will those which deliver improvements in public services in a 'big bang' planning manner.

The ability of Web-based governments to improve the quality of their provision for citizens may also be inhibited by some important constitutional and institutional features. In recent interviews in Washington we asked a wide range of decision-makers when they expected to see the 'joined up governance' aspects of the Web being developed in US federal government. Their replies were universally disappointing, with responses including 'Never' or 'not in my time here' or 'beyond 2010'. The difficulties they foresaw centred around the budgetary and legal independence of each agency and the lack of any ready mechanisms for running co-ordinated government initiatives across agency boundaries (which would also span across Congressional committee boundaries). By contrast more centralized governmental systems, such as those of Britain, France and Germany, may find it easier to set up and run inter-departmental projects designed to



provide radically more integrated services to citizens, on lines being pioneered by Australia.

Web-enabling government is often thought of by people who are not expert in the policy area as a fairly straightforward technical operation, a decision with no wider consequences for the organization like equipping civil servants with ball-point pens instead of pencils, albeit on a bigger scale. What's wrong with this view is that it does not take account of the genuinely transformative impact of electronic services delivery. To put up a good external Web site with colourful pamphlets in electronic form costs relatively little money and may involve few staff at first.

But just to keep that site up to date, accurate and wholly reliable for citizens and businesses to use requires the progressive involvement of the whole agency. Staff have to be able to see the Web site and be trained in how to use it and to advise citizens. The versions of material available on the Web have to be kept up to date and renewed, and the design of information which the agency puts out has to adapt to Web publication. An agency intranet is normally indispensable in getting staff involved and ensuring that content providers effectively 'own' their material and then develop new facilities for the agency's customers to use. Opening a proper Web site also means tackling the advent of e-mail for all major purposes, which requires new administrative systems and procedures if officials are not to be flooded out by repeat e-mails. It also feeds through into how agencies

store data, making paper file registries obsolete and requiring properly thought-through electronic document management (EDM) facilities. As major new investments in IT and organizational arrangements have to be made by each agency, Web-based alternatives and options need to be regularly compared with conventional solutions and traditional methods of working. The external Web site and the agency intranet normally converge and need careful management. And the transition to electronic services delivery needs to be carried through in a constructive, modular way, responding very closely to patterns of customer behaviour, and taking a 'build and learn' approach to IT investment.

“Audit processes also need to adapt in fundamental ways to the new era of e-government”

In each country supreme audit institutions can play an important role in encouraging productive government commitment to Web-based services. As guardians of the public purse and the interests of taxpayers, audit bodies have a very pressing responsibility to ensure that government agencies do not waste money by continuing paper-based and costly administrative practices longer or more extensively than absolutely necessary. Ensuring that electronic service delivery for key tasks affecting most citizens and businesses comes into being in a timely way, and that governments use intranets and Web-enabling promptly to improve their productivity and efficiency both promise to have far-reaching implications for styles of audit. To counteract any channel rivalry problems inside national government machines it will be

important that performance audit methods are fully developed and that valid comparisons are made with other countries' progress and with changes in equivalent private sector organizations. Audit processes also need to adapt in fundamental ways to the new era of e-government - for instance, by being able to audit joined-up governance initiatives and programmes, and by encouraging constructive and limited risk-taking by government agencies undertaking innovations. An audit culture which is obsessively single-departmental in its focus, or which retrospectively penalizes legitimate risk-taking that incurs failure costs, could easily create perverse incentives for agencies and departments to be correspondingly slow and conservative in their processes. As ever it will be a difficult balance for audit agencies to strike, but a very important one as the e-government wave begins to work through public administration systems worldwide.

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