Why E Governance Projects Fail

E Governance, especially in developing countries, is looked upon as a means to change the very concept of governance resulting in empowerment of citizens and increased transparency in public dealings by governments; increased efficiencies in delivery of public goods is an inherent underlying assumption. This paper, by Dr Ashutosh Sharma, shares some of the problems that may derail the process and need to be guarded against by vigilant auditors who should bring these to public attention in a timely fashion.

"Part of the inhumanity of the computer is that, once it is competently programmed and working smoothly, it is completely honest"

Isaac Asimov

In the award winning legendary Hindi novel *Raag Darbari*[1] (meaning 'The song of the court') there is a character who intersperses the story of the main protagonists in a tragicomic manner. His quest for the Holy Grail is translated into futile attempts at getting a copy of the land records from the village bureaucracy. E governance would have been good news to him and his millions of fellow beings.

However according to an oft quoted 2003 survey on e-government initiatives in developing/transitional countries, only 15 per cent of e government projects can be termed as successful with 35 percent as total failures and 55 percent as partial failures where the outcome is classified as follows:

- Total failure: the initiative was never implemented or was implemented but immediately abandoned.

- Partial failure: major goals for the initiative were not attained and/or there were significant undesirable outcomes.

- Success: most stakeholder groups attained their major goals and did not experience significant undesirable outcomes.

Though this survey was on e government and not e governance nevertheless a very large number of e governance projects have, over the years, belied the promise that they once showed.

SAI India, over the last four years, has conducted numerous audits of e governance projects with the scope ranging from evaluating the system development methodology to the overall performance in terms of the achievement of objectives. The results brought into focus the fact that the issue of e governance is much more than a technological initiative but is made of a complex set of relationships between the stakeholder's commitment, structured developmental processes and adequate infrastructural resources. There were a number of reasons for e governance projects not doing well or falling short of expectations. Many should be applicable across national boundaries and could serve as guiding points for the auditors. Some of the more important ones are shared below:

1 Lack of business process modification

in many well meaning projects, and duplication of the manual processes in the IT environment were seen as major reasons for the end users/citizens not associating any value addition with the projects and looked upon e governance as an unwelcome addition to the hurdles to be crossed before getting 'the work done'. For example in departments which maintain land records especially in rural areas the details regarding land ownership, cropping patterns etc were computerised but no legal sanctity was given to the output generated by such systems in absence of a commensurate change in the statutes. Similarly lack of horizontal integration also means that e governance projects would continue to deliver services in a fragmented and unsatisfactory fashion resulting in the end users having to approach a multitude of government agencies thus defeating the promise of 'less government in your life'.

Moreover an ambiguity about the very concept of e governance results in many government entities categorising e government projects such as office automation and inventory management

1   Author Shrilal Shukla. English version in Penguin.

as e governance projects. Thus vast sums of money are spent on computerisation activities without giving the e governance related benefits to the end users.

2 Vendor driven initiatives

Currently e governance is the buzzword in the corridors of power in governments and the international donor agencies. Vast sums of monies are being promised and given to implement such schemes.

However a close scrutiny reveals, startlingly, that the preference for IT components such as the hardware and software such as operating systems and RDBMS change dramatically for similar projects within the same country in the same period of time. This is sometimes reflected in a kind of a secular trend resulting from an unstated agenda or a conscious shift. While there may be only limited objections to choosing one technology over the other, auditors need to monitor and examine the trends.

It is also seen that often the Acquisition and implementation processes are not monitored in an effective fashion and deliverables are often less than the specifications. However due to a hurry to 'get things going' the projects may be operationalised even when they are not fully ready.

Moreover it is not only in the Acquisition and Implementation but also in the Delivery and Support areas that excessive dependence on the developer(s)/vendors is seen resulting in large revenue expenditure while the untrained work force of the government entities sit idle.

Additionally there is often poor control over outsourcing. The benchmarks for evaluating performance of the service provider are not set out in a transparent fashion and are often biased towards it. For example a penalty clause for deficient services and extended liability is often absent or too poorly drafted to be legally enforceable.

This completes the chain which started from lack of transparency in selection of technology/vendor then goes through to less than adequate receipt of deliverables and continues to large payments for services which are not monitored for performance; the citizen or the governed being the only loser.

3 Individual led initiatives

In many projects at the system development stages, especially when the user requirements were being made, there was no effective communication between the users to share the domain knowledge with the system developer(s). This was particularly true of projects which were being implemented as a result of individual initiatives emanating from the top of the management hierarchy. In such cases the developers also felt answerable to none except the management at the very top. This soon caused even the enthusiasts at the operational level to lose interest and the projects were implemented by 'going though the motions'. This led to the development of systems which were inherently deficient and soon ran into the ground after the change of guard at the top management level.

Even where the systems become operational and were hailed as success stories poor change management controls meant that over a period of time they completely stopped doing what they had set out to achieve.

Sometimes e governance projects, paradoxically, become victims of their own success. The demand for the services rendered by them may end up outstripping the capacity both of the infrastructure and of the organisational preparedness. This is especially true in cases of 'start small, rollout fast and scale big later' model which is increasingly gaining in popularity.

4 Vested interests

It was often seen that there was clearly stated commitment from the Political establishment but continuous resistance by a section of the executive and other stakeholders adversely affected by transparency brought in by e governance. E governance is a catchy slogan which translates into 'power to the people' and paints a picture where the omnipotent computer(s) would take over all those functions of the state which entail an 'unnecessary' interaction of the common man with a government official. This immediately attracts the fancy of the citizens who are also potential voters, and look forward to a corruption and discretion free system where each individual is treated according to transparent rules. This enthusiasm for IT enabled e governance allows the governments to announce and launch mega e governance schemes which often translate into large scale expenditure on hardware and software. These are often associated with lack of transparency in acquisition and creation of technological and physical infrastructure, an irony since the projects themselves seek to increase transparency in the governance mechanisms.

However there are also strong vested lobbies which feel threatened by this transparent governance and often they were seen to do anything to either discredit a new project or not allow it to take off at all. Though the bogey of unemployment resulting from computerisation is long dead, the resistance continues as it has been realised that automation of backend procedures would eventually result in e governance.

5 Confidentiality issues

A major concern is the lack of attention to issues relating to the confidentiality of the data such as in e tendering systems or regarding personal details of citizens etc.

For example if an e tendering system does not store the data regarding the bids before the opening date in unencrypted fashion, PKI is not mandatory for submission of bids, logical time locks to disable access to the bid details before the bid opening date are absent and there is inadequate provision of activity logs for system and data administrator activities then the system can be labelled as extremely prone to manipulation and does more harm to the cause of IT in improving governance. One may be surprised to find such cases where large contracts have been decided on the basis of such a system. Information Technology indeed cuts both ways!

Similarly if personal details such as social security numbers or taxation details in an e tax return filing system are not kept in a secure environment, it would ultimately undermine the confidence of the users in the use of such systems.

Ironically IT-enabled e governance can also facilitate frauds. It was observed that in cases of computerised 'lucky draws' for houses/residential plots the algorithm was tampered with to favour a few. This was completely contrary to the spirit of a 'lucky' draw where the results should be random. As a result, some sections of citizens started blaming IT for the problem. Clearly the issue was not one of IT enabled fraud but of the organisation not addressing the risk arising from the very nature of technology.

6 The digital divide

There is always a risk that the implementation of e governance projects is prioritised so as to benefit only a certain section(s) of society. Additionally e governance delivery mechanisms may not account for the existing digital divide. This would cause even the most well intentioned initiatives to not achieve their objectives. Though innovative methods were seen, especially such as e governance kiosks manned by paid non government facilitators to help citizens, the fact remains that without bridging the digital divide e governance projects may not gain critical mass to be effective.

Successful e governance implementation is about four main components. End users need:

- Identification,
- Business Process Modification,
- Use of Information Technology, and most importantly,
- Committed Government Intent.

Deficiencies in any of these would result in e governance projects failing to achieve their objectives.

Note

Identifiable and measurable parameters to assess the success of e governance projects are not easy to formulate. This is especially true regarding the intangible/soft benefits which are in the forms of increased transparency, sense of economic and social empowerment by access to information and better efficiencies in delivery of public services. In the absence of benchmarking, due to the uniqueness of some of the projects, making a quick judgment about their success or failure is a risk that must be guarded against by all auditors

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