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Modernising Government: Time for the Next Steps

Introduction

2005 is now not far away, and it is possible that the current targets for e-Government could be delivered without achieving the objectives of Modernising Government or any practical benefit at all for the citizen. The critical issues are around setting appropriate targets and expectations for quality of service, the organisation and skills (including Project and Programme Management) of the departments that must deliver and the relationship with the citizen. This paper forms part of a set of three briefings that address these issues, together with ensuring that we do not repeat the mistakes of the past (Briefing 37 – Making IT Work) and interoperability of systems across departments, programmes and functions (Briefing 36 – Interoperability).

Modernising Government is a huge change programme on an unprecedented scale: Health, Education, Criminal Justice and Transport involve in excess of two million people in the delivery of services. Delivering real change involves new working practices, business processes, communications styles and service culture in central government departments, non-departmental public bodies (NDPB), Local Authorities and suppliers. These organisations have a mixed track record of change and the application of technology, making this exercise very high-risk. Historically, 60-70% of much smaller change programmes fail to deliver any business benefits.

This is clearly recognised by Government bodies, such as the Office of Government Commerce, Centre for Management and Policy Studies, National Audit Office, Office of the e-Envoy and the Performance and Innovation Unit (now part of the Cabinet Office Strategy Unit), that have been set up to drive the programme. A range of initiatives is increasing chances of success and EURIM is very supportive of these actions.

The e-Envoy is tasked to ensure that all Government services are available online and that everyone who wants it has access to the Internet. By the end of this year the UK is targeted to be the best environment in the world for e-commerce. These e-targets have served an important purpose in focusing attention on ICT infrastructure. It is now time for a new phase of the programme to address the real issues around service levels and benefits to the citizen and removing the barriers to achieving these.

Recommendations

Cultural and Organisational

1. The Cabinet Office should proactively develop the culture of the Civil Service which, together with NDPBs and Local Authorities, must adapt to embrace change, manage ambiguity, focus on delivery and put the customer, whether citizen or business, first. Organisational structures, authorities and responsibilities must be designed to enable cross-cutting change programmes to be delivered and cross-functional services to be provided in a customer centric fashion.
2. Radical change will involve risk-taking and the occasional glitch. Public watchdogs and Parliamentary members and committees should acknowledge the risk/reward trade-off in their scrutiny of change programmes.

Targets and performance measures

3. Those responsible for delivery of the modernisation programmes should identify the top 5% services for first attention on the basis

of need/benefits that can be delivered and focus on early benefits.

4. Realistic service and benefit targets must be set, with timescales for improvements in speed, accuracy, accessibility, choice and convenience. The emphasis should be on rapid delivery of each service to realise benefits and test efficacy and demand. 2005 might be a realistic target for delivering the top priority 5% of services and 2010 for the top 20%.

Take up

5. Put in place take up strategies (including promotion, social inclusion and accessibility) and targets to ensure that the above service benefits are delivered to the citizen in a compelling way and at an acceptable cost to the taxpayer. Roll-out programmes must be responsive and adapt to early experiences of take-up through customer research and proof of concept.

Programme Management

EURIM Briefing 33 drew attention to the criticality of effective Programme Management in delivering Modernised Government. Specific recommendations addressed the targets, methods and skills, leadership and procurement. All of those remain issues. However, the Government is taking action to improve the level of skills within the departments and their capability to manage this kind of complex, ICT-enabled change:-

- Office of Government Commerce (OGC) Successful Delivery Toolkit - making OGC guidance more accessible.
- Prime Minister's Office of Public Services Reform (PMOPSR) to increase capability through better management processes, recruitment, rewards and incentives training and tools for all levels from support to permanent secretary.
- OGC Gateway reviews - starting to have an impact on departments in identifying where help is needed.
- OGC/Intellect (formerly the Computing Software Services Association) Senior IT Forum - a joint Government/IT industry body that is providing a mechanism for exchange of views on the supplier/customer interface.
- National Audit Office (NAO) Report: "Better Public Services through e-government" - a frank appraisal of some of the obstacles to progress, with highlights of some of the successes.

The Government has clearly recognised the nature of the challenge and is seeking to enhance the

ability of its managers to control change through a wide range of developmental actions. These are essential actions to stimulate change but we are yet to see whether these will translate into reliable delivery of projects and policy outcomes. A more fundamental shift is the need to develop a *leadership* style that proactively seeks out opportunities for change and drives through its realisation.

While Government is working hard to improve, industry should also take steps to ensure that its own development of competence as supplier is matched to the capability of the public sector as customer, which we hope will benefit over the next two years from the initiatives highlighted above.

The perception of public sector competence is coloured by the intense scrutiny to which it is subject by the NAO and Public Accounts Committee. Almost by definition, the private sector has not undertaken change on this scale and, if it did, any lack of effectiveness would not be advertised. Government (in the widest sense) should be careful not to stifle change by being too critical of its own failure, while being careful to distinguish managed risk-taking from recklessness or incompetence.

The history of the last 30 years of projects and programmes suggests that the mistakes of the past have often been repeated and we need to break this cycle now if Modernised Government is to be delivered. EURIM Briefing 37 suggests some measures to build on the government's current initiatives and ensure we succeed this time round.

Targets, Performance Measures and Priorities

Modernising Government has an inspirational vision from the top (and an inspirational vision is needed to drive change). However, the visionary headline target (to provide all services online by 2005) is often misinterpreted as meaning that Government will be modernised by that date. Offering online connection to Government information, and even enabling transactions, is actually a small part of improving the service, which, in reality depends on changes in delivery process and behaviour. This is not achievable for all services in the next three years.

There is a prospect that by 2005 most Government departments will indeed offer the opportunity for the computer literate, "web-enabled" population and those that now want, but do not have access to, the Internet to interact with services online, meeting two of the key targets. However, this will not, of itself, deliver any benefit from e-Government. Now is the time for the next set of targets to be set (or revealed). These targets must relate more directly to the quality of service and

the benefit that will be delivered to the citizen, in terms of accessibility, speed of response, quality of outputs and convenience, compared with existing channels. For change to be worthwhile, these must show "take-up" that demonstrates recognition of these benefits by the public, while safeguarding privacy and security and, ultimately, reducing cost.

Failure to have delivered extremely complex change across the whole of the public sector should not be interpreted as a failure of Government or management; it was neither intended nor possible to start with. However, failure to bring about any significant change or to declare a set of achievable, meaningful, value-added objectives that can be realised will result in dissatisfaction amongst the electorate.

Targets and measures of performance should reflect a prioritised, progressive advance towards the vision of online, joined up Government. The targets and performance measures can then be

used as a means for monitoring progress and taking corrective action to deliver the end result.

So, given that not everything can be delivered at once, there is also a need for prioritisation of objectives; for to try to do everything at once will mean certain failure. How, then, should we prioritise? One basis might be to focus on those services that involve the maximum number of transactions, leaving services such as requesting Burial at Sea, used by only a few people a year, to later in the modernisation cycle. Alternatively, we might consider services with the highest chance of take up, such as business-to-Government interaction, or services where e-Government might make the greatest difference to speed of response and convenience.

We should also take account of the most

appropriate channels through which to deliver improvements. For example, many people would rate the introduction of Self Assessment of Income Tax as a positive step with excellent telephone service and responsiveness. However, the ability to submit returns via the web has failed to offer any real improvement over paper and telephone. On the other hand, the use of web technology in the National Land Information Service is making possible large reductions in access time (from days to minutes).

The implementation of 25 government services through appropriate channels with proven, quantifiable benefits to business, government and the various sectors of the population would pave the way for establishing a rapid take-up of services and enable the long term goal of better services at lower cost.

Take up of Services

“To modernise or not to modernise?” is not a question any government has to, or will have to ponder for very long. Changes in the way citizens get their services should be driven by customer needs not by departmental agendas.

50% of the population have an expectation that they can deal with Government in the same way that they buy a book from Amazon or order a pizza from Domino's and manage many other aspects of their lives. Of course, while 50% is a huge share of the market that would drive most private enterprises to the web, Government has to be concerned with 100% of the population. Automating dealing with half the population, while pushing paper to the other half is the most expensive worst of both worlds. 50% of the population is on the wrong side of the digital divide: unwilling or unable to use the web because of socio-economic or cultural barriers and the

Government has recognised this, implementing multiple channels via telephone, digital television, kiosks and so on.

The bigger problem is incentivising everyone to use the channels available to them. This, in turn, hinges on the perceived benefit. There has to be something in it for the citizen. Government must be realistic about take-up as part of the targets and performance measures. Perhaps the best example of demand driven service is the web itself, which was not planned top down but driven by public enthusiasm - but even this has taken years to reach its current level of usage.

So, the Government needs to be clear about benefits and costs over time, promote the new services aggressively, with the use of education, promotion and training. Timescale targets must be realistic, remembering Modernised Government will be demand-led and progressive.

A New Government Culture

Joining up Government to be customer-centric flies in the face of tradition. As has been increasingly the case in the private sector, customer-centric service implies process that cuts across functional silos and the implementation of such processes must be managed as cross-cutting initiatives. There is not currently a cross-government programme of modernisation. In October 2000, EURIM Briefing 29 highlighted the challenges of cross-department working and in the main we have yet to see progress on those points.

Resistance to change is endemic (not just from officials but from incumbent advisors, consultants and suppliers) and in the face of a complex challenge and lack of capability, change is difficult

to drive and easy to stop, as highlighted in the NAO review of e-government, which included a treatise on cultural issues around the use of IT. Effective change management requires a can-do, risk-taking, decisive management style.

The vision of a management structure that will deliver the new style of public services must include cross-cutting team structures that recognise the policy-to-delivery cycle as a holistic process or system, transcending departments, agencies and local authorities, and whose deliverables are policy outcomes and benefits:

- Cross departmental funding linked to the introduction and management of customer-centric processes for service delivery.

- Abandonment of departmental bureaucracy in favour of collaborative, networked communications (in the cultural sense rather than technical).
- Implementation programmes with clear, strong leadership in the hands of an effective driving team outside any individual department's control. Teams would be seconded to a programme structure rather than a functional structure for the duration of the change programme.

The latter point begs the question of reporting lines and where the expertise would come from to manage such exercises. The answer may lie in one or more of the organisations that have been set up as advisory bodies around Modernising

Government. Recent changes in the structure and reporting of the PMDU, PMOPSR and OeE seem to offer the promise of strong management and leadership capable of delivering cross-cutting reforms. We look forward to seeing these operate within a genuine programme of Modernising Government, ensuring a coordinated approach to procurement of common elements of Modernised Government infrastructure, delivery of common building blocks and management of change programmes.

In support of these cross-cutting initiatives, the creation of "joined up" systems is a critical challenge at the outset of any and every programme. We provide guidelines for approaching this in BR 36 on Interoperability.

Conclusions

The annex to this paper reviews the issues critical to Modernising Government, actions being taken on each, and the EURIM position on each. Much progress has been made in paving the way for Modernised Government, recognising the challenges of introducing major change and equipping public servants with the skills to manage the process, especially in regard to Information and Communications Technology.

The next stage of the process should focus squarely on changes in service and delivery that result in measurable benefits to the citizen. Modernising Government is a continual, progressive process, so there is a need to prioritise and target effort on limited objectives that will deliver early benefits. The achievement of the combined benefits will depend on the take up of this form of service by a critical mass of the population. Enabling this must be a key objective of the next phase of change.

Changes in the culture of public service will be essential to both deliver the change and to operate the new model of service delivery. This is possibly the greatest challenge but a necessary condition.

References

1. EURIM Briefing 33 - The Critical Success Factor: Delivering Modernised Government through Programme Management
 2. Better Public Services through e-government, NAO, April 2002
 3. Better Public Services through e-government, Academic Article in support of NAO, April 2002
 4. EURIM Briefing 29 - A Shock to the System – Joined up Electronic Government
 5. EURIM Briefing 36 – Interoperability – Joined Up Government Needs Joined Up Systems
 6. EURIM Briefing 37 – Making IT Work – the Preconditions for Public Sector Systems Success
- (All recent EURIM Briefings are available in the public section of our website: www.eurim.org)*

Annex to EURIM BR35 – Key Issues in Modernising Government

Issue	EURIM Reference	Government Action
Setting Objectives and Measuring Performance		
In terms of service levels and delivery channels rather than technology	Briefing 31: Integrating Service Delivery	KEY ISSUE
Realistic and achievable	Briefing 31: Integrating Service Delivery	KEY ISSUE
Take up		
Promotion of services		KEY ISSUE
Socially inclusive	Working Group to be established	Kiosks, Digital TV, Cybrarian
Leadership and Management		
Senior Civil Service level committed and motivated to support change	Briefing 32: Change Management Briefing 33: Programme Management	KEY ISSUE
Can do, decision-making, risk taking / managing, reward based culture	Briefing 32: Change Management Briefing 33: Programme Management	KEY ISSUE
SRO to drive the delivery	Briefing 32: Change Management Briefing 33: Programme Management	OGC/CMPS development programme - IPPD Senior IT Forum
Modernising Government as a joined up change programme	Briefing 33: Programme Management	KEY ISSUE
Programme, project and risk / benefit management competence	Briefing 33: Programme Management	OGC/CMPS – IPPD initiative OGC – Management of risk Senior IT Forum
Procurement		
A procurement framework and philosophy focused on partnership and value rather than cost and conflict	Briefing 33: Programme Management	OGC Senior IT Forum
Technology and Infrastructure		
Moving away from the “Big Bang” 5 year project cycle to a prototyping, rapid application development approach based on iterative, 6 month phases	Briefing BR37: Making IT Work	Treasury Invest to Save Budget
Interoperability as a design requirement	Briefing BR 36: Interoperability	Government standards published
Shared Broadband communications infrastructure	Draft - Broadband	E Envoy / OGC study on Broadband procurement
Regulatory		
Providing a regulatory and legal framework to exploit standards for security and data sharing	Response to PIU Consultation on Privacy and Data Sharing	PIU consultation on Privacy Data Sharing