Quality of Public Administration
A Toolbox for Practitioners

Theme 5: Service delivery and digitalisation

Public services encompass not just the high visibility ones (health, education, welfare, etc.), but also every instance in which some form of exchange of information or finance takes place: registering, licensing, applying, paying, borrowing, making an enquiry, etc. How are services processed, packaged and delivered? At the same time as administrations search for more cost-effective ways of working, the digital society, 24/7 media and social networks have raised awareness of what is achievable. Citizens and businesses increasingly demand public services that are better, faster, cheaper, and often prefer to be online, not in-line. This theme explores how administrations can better understand needs and expectations, improve processes and simplify administration, ease access to services through one-stop shops or multi-channel delivery, exploit the advantages of eGovernment, interoperability, 'once-only' data registration and move towards 'digital by default' and 'open by default', commit to service standards and measure satisfaction, and manage their service portfolio more effectively.

Contents

Public services encompass all the interactions between citizens and businesses and their governments, at all levels. This interface is the front-line of good governance and public sector innovation, with the scope to enable enterprises to do business more easily, markets to operate effectively and economic goals to be attained, by ensuring services are delivered efficiently, creatively and in line with users' expectations. This chapter:
- ✓ Describes how to better understand user' needs and demands from public;
- ✓ Outlines methodologies for process improvement, systems thinking, and administrative simplification to reduce the burden on service users and increase value;
- ✓ Reviews the alternative modalities for converting these demands into the most suitable services or ways of delivery (channels);
- ✓ Reveals online channels that are helping make services better, faster and cheaper, and reducing the administrative burden through interoperability and the application of the 'once only' principle, moving to 'digital by default' and 'open by default';
- ✓ Describes the role of 'service charters' in committing to certain standards and the tools used to evaluate whether administrations are achieving the goal of satisfied citizens and other users;
- ✓ Explores new ways of thinking about the whole service portfolio and user needs.

Introduction

Public services can be understood as all the interactions between government and citizens, businesses and other service users[1], whether directly or by proxy through an intermediary. In other words, they encompass not just the well-recognised services provided by the state, such as health, education, police, fire service, welfare, social services, etc. They also include every instance in which citizens, businesses and others come into contact with the administration and some form of exchange of information or finance takes place: registering, licensing, applying, paying, borrowing, making an enquiry, etc. Public 'services' are mostly intangible, but they also can involve construction works, or the supply of equipment or items.

This interface is a daily reality for enterprises and citizens. Some public services enable revenue and statistical collection for the overall public good. Other services are necessary to comply with regulatory obligations, satisfy minimum standards and enforce essential safeguards. Still others make product and labour markets work more effectively, addressing information and other failures. This chapter is concerned less with the services themselves, and more on how they are processed, packaged and delivered. The quality of service delivery is intertwined with the ease of doing business (see theme 6), and hence each country's ability to meet the economic goals articulated in Europe 2020's drive for growth and jobs.

The motivation for improving service delivery can be manifold – whether in response to demands from citizens and businesses for higher quality or greater accessibility, or due to an internal search for more cost-effective ways of working and better organisation. As Europe's administrations are obliged to 'do better with less' in the current financial climate, the 2014 Annual Growth Survey under the European Semester highlighted the efficiency gains that can accrue from modernising service delivery, not just to governments and judiciaries, but also to the economy.

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[1] Throughout this chapter, we use the term 'citizen-user', to bring together the broader concept of a 'citizen' (who has the rights and duties of a member of society) with the narrower notion of a 'user' (who has the rights and expectations of a customer or consumer of a service). Similarly, this chapter also refers to business-user, as the other main beneficiary of public services. Public and non-profit bodies are also service users and covered by 'others'.

The rise of the 'digital society' has heightened expectations from e-Service delivery among citizens and businesses. Globalisation, the digital society, 24/7 media and social networks have opened the eyes of citizens and businesses to what is possible. Learning from their experiences with the commercial sector, they want services which are better, faster, cheaper, and in many cases, they want more from their public administrations. It is no longer the case that technology is simply employed to automate back office functions and improve public sector productivity - a worthwhile goal in itself; ICT has now assumed a transformative role in public service design and delivery.

> "*We are going to radically change the relationship between public administration and citizens. We want public administration to move at the same pace and speak the same language as its users. The approach of many administrations still focuses too much on obligations and procedures and too little on improving citizens' quality of life*." Marianna Madia, Italian Minister of Public Administration and Simplification, European Commission conference, 1 October 2014

Every country organises its public services in its own way, in accordance with its institutions, culture, traditions, and its choices regarding the boundaries between public and private provision, and state, community and individual. This chapter is not concerned with structures, but it is about channels: how does a modern public administration interact with service users, including other authorities? It focuses on the following questions, and sets out ways and tools to address them.

In the EU, the creation of the Digital Single Market Strategy for Europe (DSM)[2] provides a further motivation to ensure the creation of a real internal market, ensuring public services that also work cross-border. New EU policies aim to remove existing digital barriers and to prevent further fragmentation arising in the context of the modernisation of public administrations. (see EU eGovernment Action Plan for 2016-2020[3]) and ensuring high quality, user-centric digital public services for citizens and seamless cross-border public services for businesses. (See Ministerial Declaration on eGovernment - the Tallinn Declaration October 2017[4])

Key questions	Ways & tools
5.1 Do we know what citizens / users **expect** from our organisation in terms of services and their delivery?	▪ Direct contact (surveys, panels, policy labs and focus groups) ▪ Indirect feedback and representation ▪ Mystery shopping ▪ 'Life events' analysis & customer journey mapping ▪ Consultation, stakeholder participation, co-production ▪ Data driven insights from non-personal digital behaviour (e.g. from internet of things, digital infrastructures)
5.2 How do we improve our **systems and processes**, to optimise service delivery?	▪ Process re-engineering ▪ Systems thinking and the 'Vanguard Method' ▪ Organisational interoperability

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[2] COM(2015) 192 final
[3] EU eGovernment Action Plan 2016-2020 - Accelerating the digital transformation of government https://ec.europa.eu/digital-single-market/en/news/communication-eu-egovernment-action-plan-2016-2020-accelerating-digital-transformation
[4] https://ec.europa.eu/digital-single-market/en/news/ministerial-declaration-egovernment-tallinn-declaration

Key questions	Ways & tools
	♦ Administrative simplification
	♦ Implementing once-only principle in public administrations
	♦ Ensure digital interaction between citizens and public administrations
	♦ Create user-centred public services
5.3 Are user demands met through the '**front office**' interface with the administration?	♦ One-stop shops
	♦ End-to-end digital service delivery
	♦ Multi-channel service delivery
5.4 Given all of the above, do we make best use of **eGovernment** in delivering these services through online channels?	♦ Interoperability
	♦ Online 'life events' for citizens and businesses
	♦ Key enablers (eID, single sign-on, etc.)
	♦ 'Once only' registration
	♦ 'Digital by default'
	♦ 'Open by default', Government as a Platform (GaaP), and 'clouds of public services'
5.5. Do we know how **satisfied** users are with our services and how we deliver them?	♦ Users' service charters
	♦ Satisfaction measurement and management
	♦ User instant feedback
5.6 How can administration better **manage their whole service portfolio**?	♦ Public service portfolio management
	♦ Creative decommissioning
	♦ Sharing core internal services
	♦ Collaborative commissioning

5.1   Understanding users' needs and expectations

In designing and delivering services, public administrations should not only rely on their own expertise and insights. Public service users should be involved in expressing their needs and expectations, and already are more and more. Where traditional relationships with citizen-users were bureaucratic and hierarchical, the new relationships are instead more pluralistic and user-centric.[5] This demands an approach from public administrations to getting citizens and businesses involved, with the aim of gaining an insight into their perceptions, expectations and commitment through active participation.

> **Direct contact with citizens & businesses**
>
> **Indirect feedback & representation**
>
> **Mystery shopping**
>
> **Life events & customer journey mapping**

Growing demands on public services

The citizen-user has a different relationship with public services than with the private sector: by and large, the public are more ambivalent about government services, not giving them much thought at best, and at worst wanting to have as little to do with them as possible. Nevertheless, the public sector has come under growing pressure to match rising private sector standards. What has been achieved by leading commercial providers shows what is possible: *I only need to tell my bank once that I've moved, so why do I have to tell the 'government' so many times*? The media also encourages citizens to become more vocal and demanding.

With government now more open than ever, and awareness at its highest due to round-the-clock press coverage and social media, it should be in every administration's interests to follow the aspirations of citizen-users and business-users and how these translate into better services. Driven by global competition, advances in technology and the offerings of leading commercial players have raised the standard of what constitutes an acceptable level of service. If we want our services to be used and our interventions to succeed, we need to meet the public and enterprises on their terms, and manage needs and expectations more clearly along the way, seeing the results in higher satisfaction levels.

Expectations have a central role in influencing satisfaction with services, shaped by a very wide range of factors. It is arguable that the range of influences is even wider for public services than private ones. Before (re)designing and delivering services, the needs and expectations of users need to be captured. Different ways and means[6] can be used with service users - the choice depends on the situation faced by the service provider:

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[5] OECD (2001), *Engaging Citizens in Policy-making: information, consultation and public participation*, PUMA Policy Brief, No.10, July 2001.

[6] For a more detailed description on tools and examples see N. Thijs and P. Staes (2008), *European primer on customer satisfaction management*, EUPAN.

The administration ….	Potential tools ….
… has the time and resources to initiate original customer research, and hence make **direct contact** with actual and potential service users.	✓ Performing **user surveys** to ask citizens and businesses directly about their preferences and experience ✓ Setting up **focus groups** for more qualitative research ✓ Creating **citizen/user panels** for qualitative dialogue and continuity
…. makes the most of more readily available sources of information, to get **indirect feedback** from existing service users and their representatives	✓ Seeking insights from **front-line staff** (feedback they receive from users indicating needs) ✓ Performing analysis of **comments and complaints** made by existing service users ✓ Making formal and informal contact with **representative bodies**
… invests in **objective testing** of the suitability and strength of service delivery, simultaneously taking the users' point of view.	✓ Using **'mystery shoppers'** to independently evaluate the service experience ✓ Performing **'customer journey mapping'**, usually based on **'life events'**, to *walk* the path that users have to follow to receive the service

In fact, these options are complimentary, not mutually exclusive. All of these tools provide their own insights into customer wants, behaviours and motivations. They allow administrations to understand what is valued by service users, how this varies between different types of people or organisation, and thus where action can be taken to generate new services, try out new delivery channels, or make incremental changes.

The assessment of needs and expectations can take place using these techniques at different stages in the lifetime of a service, depending on whether it is newly-conceived or well-established: when identifying issues; at concept and design stage; during piloting; through implementation; and even when considering phase-out if a service is no longer felt to be required. Indeed, consultation should be seen as a continuum that starts with identifying initial needs and expectations, and later monitors and evaluates satisfaction that these preferences are being met during delivery or have evolved (see topic 5.5).

In principle, all evidence gathered through consultation activities should be made available to the public, and ideally via open data portals in machine readable formats. This will foster the participation of users in the design and development of digital public services, and will ensure better transparency and accountability of the administrations.

5.1.1 Direct contact with citizens and businesses

Current and potential clients can be approached directly for their views and insights. The main strength of **user surveys** is they allow for mass collection of information, and hence are especially useful in building up a comprehensive picture using quantitative data. If done correctly, this information should be representative of the

- Direct contact with citizens & businesses
- Indirect feedback & representation
- Mystery shopping
- Life events & customer journey mapping

population (whether citizen-users or business-users). Four types of user surveys are possible, within two main categories:

Topic 5.1: Understanding users' needs & expectations

🞣 Surveys which are led by a **competent interviewer** - the choice is face-to-face, telephone, online based;

🞣 Surveys which require **self-completion** of questionnaires by the respondent - the choice is postal or internet-based.

Some advantages and disadvantages of these four types are set out below.[7]

Survey type	Pros and cons
Face-to-face	☑ Surveys conducted face-to-face are able to collect fuller, more complex data.
	☑ The use of an interviewer gives more control over who is approached and therefore who actually answers the questions. This is important with strict statistically representative sampling designs.
	☑ Designed with care and administered well, they will generally have better response rates than other types of survey.
	☒ Face-to-face interviews are labour and time intensive, and are likely to be more expensive than other options.
Telephone	☑ This format can be very cost-effective, if the survey is relatively short and straightforward.
	☑ Appropriate for service-specific surveys where there is a contact number for each person from which to draw a sample (a pre-condition).
	☒ Some categories of people will be systematically under-represented, especially those who are hard-to-reach.
Postal	☑ Like telephone interviews, these need to be shorter than face-to-face surveys and use mainly simple, 'tick box' types of questions to achieve a reasonable response rate.
	☑ They can be very cost effective (cheap to set up) and provide anonymity which may prompt a better response rate for more sensitive topics.
	☒ They offer very limited scope to ask qualitative questions, even less than telephone surveys.
	☒ Response rates tend to be low, for example only 10-20% of questionnaire being returned. This has to be planned into the survey design.
	☒ There is a high risk that some citizen groups will be over or under-represented, such as those with language, literacy difficulties or with support needs.
Internet	☑ Electronic surveys can be very cost-effective with a high response rate for users which are easy to target through the internet, for example, professionals, public bodies, even businesses.
	☒ At present, web-based or email surveys are of limited value in customer research in public service contexts, because the distribution of access to the web is not evenly spread across all sections of the population.
Digital Non-personal Behaviour	☑ Emerging data technologies (advanced and predictive analytics, artificial intelligence) allow for real time, cost effective, data-driven insights.
	☒ Technical limitations; the emerging nature of these technologies creates difficulty to implement, raises great expectations with the risk of not as expected delivery. Limited skills available in the public sector. Procurement policies not allowing for innovative implementation.

The **choice of survey format** should be tailored to the purpose and the audience, by analysing the total population of users in advance. For collecting the opinions of users on a specific issue, rapidly consulting businesses, citizens or other interested parties, and conducting user satisfaction surveys, EUSurvey is available free of charge to everyone as an electronic survey tool.

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[7] Communities Scotland (2006), *How to gather views on service quality*, Scottish Executive, p.72.

EUSurvey

EUSurvey is an online survey management system for creating and publishing forms available to the public, e.g. user satisfaction surveys and public consultations. Built at DG DIGIT and funded under the **ISA programme**, EUSurvey is the European Commission's official survey management tool. Its main purpose is to create official surveys of public opinion and forms for internal communication and staff management, e.g. staff opinion surveys and forms for evaluation or registration. EUSurvey provides a wide variety of elements used in forms, ranging from the simple (e.g. text questions and multiple-choice questions) to the advanced (e.g. editable spreadsheets and multimedia elements). The application, hosted at the European Commission's Department for digital services (DG DIGIT), is available free of charge to all EU citizens. EUSurvey can be accessed from: https://ec.europa.eu/eusurvey

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The main drawback of surveys in general is that there are limitations on getting qualitative impressions from users, even with face-to-face interviews. While surveys don't have to be limited to closed questions (such as 'yes/no/don't know', 'how many times' or 'rank on a scale'), and can include open-ended questions with responses either captured verbatim or coded into types/groups later, it takes a skilled interviewer and a semi-structured questionnaire to engage in dialogue with a service user. This technique can capture new insights through several rounds and layers of questions, but at the cost of fewer topics and a smaller sample group than quantitative surveys would allow.

A more appropriate device for in-depth qualitative research is either the **focus group** (bringing together a small but diverse group of actual or potential users for a one-off discussion) or the **user panel** (sometimes also referred to as 'user group').

Merits of a user panel

A panel is essentially a group of service users who have consented to be part of a pool of people that will be used to select samples to take part in periodic research and consultation exercises. They are chosen to be broadly representative of the whole population of real or desired service users. The main advantage of user panels is their continuity, which allows a dialogue to develop and different scenarios to be tested over time.

A variety of methods may be used to collect data from panels. For example, panels can be used as a basis for sampling for a survey or as a source of people to recruit to focus groups or other qualitative approaches. Set-up represents the bulk of the costs, but panels also need to be actively monitored and refreshed to maintain the desired level of 'representativeness', and are not immune from all the common problems of research fatigue that are evident in other approaches.

In the private sector, the boundaries tend to be well-defined - the business supplies and the customer buys – and the contribution of the user group to improving products and processes is similarly clear-cut. In the public sector, where the citizens choose their elected representatives and hence have a stake in the administration, there is scope for more participatory relations. At the local level, there is scope for citizen-user panels to become more than just 'sounding boards', if the municipality choses to give them a formal advisory role, or even decision-making powers on grants and initiatives, as a form of co-decision (see topic 1.2).

Whichever direct techniques are employed, they should be 'fit for purpose'. When Liverpool City Council wanted to make their website more user-centric, they brought in an expert on customer-centric websites to conduct research that had the actual needs of the beneficiary in mind, rather than with what the institution thought the needs were. Analysis showed that the more important a task was to a customer, the less content was being published on it, and vice versa. By looking at what users were *actually* doing when they clicked on the site, the City Council was able to turn that relationship around.

Inspiring example: Liverpool City Council's task-focused website (United Kingdom)

"The new Liverpool City Council website is one of the best examples of a top task focused website I have come across. One of the hallmarks of a truly excellent website is that you can start doing the top task on the homepage. So, ten years ago you went to a hotel website and you saw a picture of a room on the homepage. Now, you can start booking the room. If you go to a hotel website today and you can't do that, what's your impulse? Most people will want to hit the 'back' button. If you go to the Liverpool City Council website homepage, you can immediately start selecting a leisure facility. You can also very easily find a library, find out when your bins are being collected and report a fault.

In 2010, we did a top task analysis for Liverpool. Customers were asked to vote on 84 tasks. The top 6 tasks got as much of the vote as the bottom 49 tiny tasks. A great website makes its top tasks really easy to complete. To do this is makes sure they dominate the design and that they are continuously improved. It is possible to continuously improve 6 tasks, but it is impossible to continuously improve 84. To make a top task easier to complete, you will almost always have to make tiny tasks more difficult to complete. This is hard to do. The tiny tasks know they're tiny and will fight hard to get more prominence on the website. All tiny tasks dream of growing up to be top tasks and taking their rightful place on the homepage.

Liverpool took a 'facts not opinion' approach to developing their website. Once the top tasks were established, they were tested with real customers. To achieve excellence in web management, you must make decisions based on what your customers actually do on your website. Not what you would like them to do. Not even what they tell you they would like to do. What they actually do when given a task.

By embracing evidence-based decision making, Liverpool City has achieved a level of clarity and simplicity that is rare for a government website. Another council website that has also done an excellent job with top tasks is Lancashire. In Lancashire, we found that the top 5 tasks got as much of the vote as the bottom 55 tiny tasks. Despite the fact that Liverpool is a city, and Lancashire is more rural, there is a lot of similarity between their top tasks. Customers are interested in roads, bin collection, jobs. We have found that the same type of top tasks emerged again and again.

Government takes two things from us: our money and our time. By having a great website, Liverpool City gives services back to its citizens in double quick time. Governments should embrace the concept of citizen productivity. A mark of a great government website is that it allows us to complete top tasks really quickly."

Source: http://www.gerrymcgovern.com/new-thinking/top-tasks-and-council-websites

5.1.2 Indirect feedback and representation

Trust in public services starts with openness, which means willingness to accept feedback even when it is critical, and to learn from it. **Comments, suggestions and complaints schemes** are valuable sources of information for public administrations on service relevance and quality. Such schemes often tend to record

- Direct contact with citizens & businesses
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formal complaints in which the service user is seeking explicit redress. It is vital to regularly monitor and act expediently on such concerns, as the Complaint Front Office in Milan demonstrates using several channels (contact centre, website, post and fax) to generate an impressive track record in quickly responding to citizen concerns on service quality.

Inspiring example: 'Complaint Front Office' for service quality (Italy)

The 'Complaint Front Office' aims to bring the public administration and the citizens closer together. The administration's contact points are the website, the contact centre and the multi-functional front office. The website offers online services and exhaustive information about the sectors in which the body operates. The contact centre and the front office are the two indirect ways of communicating, thanks to an operator and/or facilitator.

The Complaint Front Office records and manages the dissatisfaction with the public services provided to Milan's two million inhabitants. Before the creation of this service, there was no front office able to record and manage all incoming complaints. The complaint management procedure is an integral part of the Quality Management System implemented by the City of Milan according to the UNI EN ISO 9001:2000. This certificate guarantees the quality of the administration's services and allows the users access in many different ways.

In April 2015, the City Council of Milan launched a new "Complaint Front Office for Service Quality" using a customer relationship management (CRM) system integrated with the other channels, such as the channel used to ask for information. The project has involved a major reorganisation in the back offices and a rationalisation in the number of civil servants engaged in the service.

From 21 April 2015 until August 2016, the citizens submitted: 33,000 information requests; 7,500 warnings; 6,200 complaints and 610 suggestions. All of them were taken care of, while the answer for 1 306 was being prepared.

The access network has been reconsidered as previously the interaction was not registered and the single complaint handed as a paper form could be lost. Besides, registration of any document presented to any public office is mandatory according to the Italian law. This is also why it has been decided to collect the complaints through the institutional website and at the 10 records offices spread around the city. The persons in charge of the records offices must collect the complaints and enter the data regarding the complaints directly into the CRM. In this way, the operators in the back office receive the complaints and answer to the citizen by e-mail or postal service as indicated by the citizen.

An integrated CRM will give access to our Planning and Control Department to the citizens' requests. In this way, it will be possible to analyse and categorise the requests with the aim of asking the departments receiving the complaints to consider improving the services they manage. The Communication Department, the CEO office, the IT Department and the Planning and Control Department have contributed to defining the specific framework for lodging the claim.

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As another example, the Netherlands introduced a cross-government policy on complaints handling and conflicts resolution. This starts from the recognition that the procedure for complaining, objecting and appealing decisions carries high costs for both the administration and the citizen / business, and that the best way to raise satisfaction levels is for officials to take the initiative and make quick and direct contact with the complainant.

Inspiring example: The Informal Pro-active Approach Model (the Netherlands)

In the Netherlands, the Ministry of the Interior and Kingdom Relations initiates, stimulates and supports an Informal Pro-active Approach Model (IPAM) for all government organisations. The model provides a fundamental change for complaint handling and conflict resolution in public administration. From a traditional, formal, judicial, procedural and written approach towards an informal, pro-active and personal approach.

Both the private sector (citizens and businesses) and government spend millions in hours and euros every year on complaint, objection and appeal procedures against government decisions. Of the total amount of administrative burdens (red tape) for citizens in the Netherlands, 11% is caused by complaint, objection and appeal procedures.

The government is a bureaucratic system and operates according to rules and regulations. Government organisations are responsible for decisions on whether for example an individual can be granted a building permit, is entitled to receive income support, must pay taxes or is entitled to receive a refund or a subsidy. When citizens do not agree with such a government decision, discover mistakes, or do not understand a decision taken, traditionally their only possibility to address this is through a formalistic, legalistic and written complaint, objection or appeal procedure.

The new pro-active, personal and solution driven approach consists of two interventions:

- Upon receiving an objection against a government decision, a public servant ensures quick and direct personal contact with the citizen concerned (telephone call or informal meeting); the public servant uses communication skills such as listening, summarising and questioning from an open, unbiased approach, and certain conflict management techniques that can lead to de-escalation and conflict resolution.

- During the preliminary phase in decision making, a public servant contacts the citizen to test that the information on which the decision will be based is correct and complete, and to explain why a certain decision is about to be made and to explore possible alternative solutions with the citizen.

Research into the effects of a pro-active solution-driven approach to complaint, objection and appeal procedures shows a reduction in the number procedures, saving the authorities time and money (20%-30% cost reduction) and increasing citizen satisfaction by 40% and improving job satisfaction for government employees by 20%. In 40%- 60% of the cases where the informal approach was used, a solution was found and the objection procedure was cancelled. It also showed a positive effect on the processing time of objection cases (37% reduction of processing time).

For further information: Lynn van der Velden, Project Leader, Ministry of the Interior and Kingdom Relations, lynn.velden@minbzk.nl

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Many informal suggestions may go unrecorded in comments and complaints schemes, but can also provide valuable insights into service users' views. They can be utilised alongside other data collection techniques to assess performance and highlight areas of good practice. Tips for consideration to make best use of both formal complaints and informal comments include:

- Contemplate all the possible avenues by which feedback can be gathered, not just the traditional face-to-face and hand-written complaints, and look to the experience of the private sector which is increasingly using **social media** as the main channel (setting up dedicated Twitter accounts and Facebook pages) – but which also requires systems in place to deal rapidly with the potential volume;

- **Train staff** to spot informal 'complaints', see them as valued, and record them consistently;

- Consider **definitions** - what is actually meant by a complaint; for example, if service users actually request information, but these requests can only be recorded as 'complaints', statistics may be misleading;

- Review the complaints systems to ensure **clarity and consistency** in recording (including informal ones), classifying across the organisation, and analysis by management, but also ensure that this does not become too bureaucratic or burdensome for staff;

- Be ready to **provide an instant response**, especially to complaints through social media where both the comment and the response are highly visible, but equally allow time to **investigate the substance** of a complaint (beyond the immediate obligation to establish if redress is warranted), to understand what happened and to draw out the wider lessons; and

- Collect detailed information to help **identify patterns or causes** of complaints in relation to geographical areas or service user characteristics.

In some cases, administrations may wish to focus their research on specific target groups that face a higher risk of being excluded from accessing public services, if their specific circumstances are not taken into account sufficiently. The case of people with disabilities using Łódź–Bałuty tax office demonstrates the merit of reaching out to **representative bodies** in identifying improvements in both communication and physical access.

Inspiring example: Improving access to the Łódź–Bałuty tax office (Poland)

Since 2006, the Polish Tax Office Łódź–Bałuty (Drugi Urząd Skarbowy Łódź–Bałuty) has made special efforts to improve their service to citizens with disabilities. By establishing cooperation with organisations representing and associating with disabled persons, the Head of the Office hoped to obtain valuable insight into their needs, to enhance their social functions, and particularly to facilitate the process of fulfilling their fiscal duties. The Head of the Office organised a number of meetings with representatives of the aforementioned organisations, and consulted with them directly about the accommodation in the office, with the aim of improving the conditions in which disabled people are served. He also asked for their opinions on manuals in which guidelines were set out for providing services to the disabled.

During the meetings, emphasis was placed on modern, safe and costless way of accounting for the tax office electronically. The participants were informed about the possibility of deduction of income tax from individuals, particularly relief rehabilitation. Organisations of persons with disabilities are informed regularly (every quarter) in electronic form on the planned training courses organised at the headquarters of the local office, including its scope including, among other things, changes in tax law. This resulted in a number of effective actions: an instruction manual and training in sign language and communicating with the blind for the employees, and architectural improvements (room admissions for people with disabilities, an access ramp for wheelchairs, bright colours and contrast in materials displayed in wall-mounted display cases, etc.). The

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headquarters office is in contact with the local tax office to provide access to the services of an interpreter of sign language into Polish and from Polish into sign language, using wideotłumacza. The film promoting the above method of communication can be found at http://youtu.be/RLuK_xrEgV4. In addition, the office has implemented a system that allows the transfer of information and communications to customers via SMS / e-mail related to the fulfillment of tax obligations. For example, customers with disabilities are sent information about relief rehabilitation.

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5.1.3 Mystery shopping

Sometimes, the best way to understand service delivery from the user's perspective, and to spot the opportunities for improvement, is to send a representative out into the field to see for themselves. 'Mystery shopping' is a well-established technique in the private sector that has transferred to

public services: the use of individuals trained to observe, experience and measure any customer service process, by acting as service users or customers and reporting back on their findings in a detailed and objective way. This procedure can be used over the telephone, in face-to-face situations or by email. The idea is to test out the actual customer experience of services. It might be used as a free-standing exercise, to follow up an issue identified through other methods such as a user survey, or after analysing recent complaints. Telephone-based mystery shopping may be well suited to covering any large, dispersed population. There may be the scope to undertake this kind of approach on an ongoing basis to get more regular feedback.

The exercise involves deciding on suitable scenarios - typical situations or issues that service users may present, rather like 'frequently asked questions'. The quality and value of the mystery shopping process depends on the **design and execution of the scenarios** used to test service delivery:

- Don't be too ambitious - **planned but simple approaches** are likely to be the most effective;

- Be careful to ensure **ethical behaviour and not entrapment -** it is important that staff and other appropriate parties such as trade unions know that mystery shopping is planned, although they should not be told exactly when and where it is to happen as this would undermine the process;

- Emphasise **learning lessons not allocating blame**, as (like the use of complaints as feedback), the critical issue is the culture of the organisation, meaning that the identity of the parties involved is not really the point; and

- Provide **feedback to staff** on the findings and the intended follow-up actions, so that they see the value of the process from beginning to end.

Topic 5.1: Understanding users' needs & expectations

The value of mystery shopping was illustrated by the Belgian social welfare service, which examined how easy it was to contact the federal office and get a consistent and timely response, leading to the 'Front Desk' initiative.

Inspiring example: Mystery shopping for social welfare (Belgium)

The Belgian Federal Service for Social Integration (POD MI) helps 589 local public centres for social welfare by giving them financial aid and support for various groups of people (e.g. refugees and people without any means of support). A mystery shopper project in 2007 revealed that:

- It was not always easy to contact the POD MI. Our clients could reach the POD MI in only 60% of cases. Sometimes the telephone was not answered and sometimes e-mails were not dealt with quickly enough.

- If the same question was asked of two different departments, clients did not always receive the same answer.

- The time spent by experts on responding to standard questions was too great.

That is why we decided to install a Front Desk to receive, deal with and distribute all incoming calls and e-mails. The Front Desk receives and deals with all incoming calls, e-mails, faxes and letters. The Front Desk tries to answer questions by using a large database of FAQs. If the Front Desk is unable to answer a question, the back office is contacted. Via the Trinicom Web Self Service Module, the database of FAQs is also available to our clients on our website.

In 2015, a study was ordered by the Belgian Federal Service for Social Integration. This study analysed how social assistance seekers were received by the local public centres for social welfare and especially if all requests were registered. This study was made according to the following methods:

- An online questionnaire;
- Workshops with workers of centres for social welfare and with social assistance seekers; and
- Mystery shopping.

This mystery shopping pointed out that requests were not registered if seekers did not have their eID. Among recommendations of the study, it was therefore reminded that registration of every request is a legal obligation.

For further information: Julien Van Geertsom, Chairman of the Management Committee, julien.vangeertsom@mi-is.be

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The Government of Malta, through its Strategic Human Resources & Quality Unit, has used mystery shopping to strengthen its service delivery, allied to other initiatives: collected standards of procedures, departmental ratings, performance management, training and development, and succession planning.

Inspiring example: Mystery shopping to strengthen standards and performance (Malta)

The **mystery shopper** project was launched officially by the Government of Malta in June 2016 with the publication of a 'Framework Agreement for the Provision of Mystery Shopper Services in the Public Administration'. The aim of the project is to evaluate and assess the services offered by over 130 Government departments that deal directly with the public. The first call-offs following the Framework Agreement were scheduled to be published by the end of October 2016, with the first mystery shopper visits starting in Q4. Reports presented to the Strategic Human Resources & Quality Unit following the mystery shopper visits should include recommendations targeted at improving the individual departments' services, with a specific focus on

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the timeframes related to such services. Responses and rectification from departments concerned will be coordinated between the People & Standards Division and the ministries concerned. This will be carried out through the pilot units for Governance, Quality & Standards launched in Q4 2016. The project is expected to last for up to four years, and from 2017 all recommendations included within the reports will be compared to the findings emerging from the departmental ratings (see below).

In 2016, the People and Standards Division embarked on a thorough and detailed exercise collecting **standards of procedures** (SoPs) for all services offered by over 130 Government departments which deal with the public directly (whether face-to-face, by email or on the phone). Information sessions were provided to Directors and/or Directors General to guide them in the completion of this exercise. These SoPs focus specifically on client-oriented services, rather than the internal workings of the departments. In addition, the departments were asked to indicate the timeframes for every service offered and to provide reasonable justifications for services which take a considerable amount of time to be completed. The collated SoPs will be utilised to help the mystery shoppers to assess and determine the way to continuously improve these services. They will also be required to provide recommendations for the simplification of services that take exceptionally long to be finalised.

In addition to SoPs, all Government departments dealing with citizens directly were asked to complete a general self-assessment based on the following 10 determinants of service excellence: access, communication, empathy, competence, courtesy, credibility, reliability, responsiveness, security, and tangibles. The objective of this exercise was to give the departments a general guideline of the aspects of the services they offer that will be audited by the Quality Audit Officers in 2017, with the aim of improving the service offered to their customers. These audits will be used to give **departmental ratings** of 1 to 5 stars which will be published on every department's individual webpage.

In parallel, a new **performance appraisal system** was launched on 1 August 2016 in support of the Public Service Renewal Programme, with the objective of assessing employees in a holistic manner. In June 2016, the Strategic HR & Quality Unit launched a series of over 40 training sessions to give supervisors the tools and skills necessary for managing the performance of their staff. Most of these sessions were expected to be concluded by the end of December 2016. Furthermore, training on performance management is provided to those who applied for the management toolkit module (see also topic 4.1 on performance management).

In conjunction with performance management, the Government of Malta is embarking in 2017 on a project to spearhead the analysis and improvement of **training and development** in the direction of the initiation of skills matching project also linking to the holistic perspective of the development of people to enhance the standards of service delivery, internal and external customers and stakeholders. The People and Standards Division is also finalising a **succession planning** policy, whereby potential future leaders or senior managers are identified and developed, as well as individuals to fill other business-critical positions, either in the short- or the long-term. Good practices will be suggested. In 2017, ministries will be asked to identify their future needs, any key positions and related competencies. High potential candidates will be selected, and the necessary coaching, training and development identified and implemented. (see also topic 4.3 on managing, motivating and developing staff).

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Mystery shopping is the technique used in the European Commission's annual eGovernment benchmarking study (see also topic 5.4), which is applied to seven 'life events' which have been broken down, phase-by-phase and step-by-step, through customer journey mapping.

5.1.4 Life events and customer journey mapping

While individual services can be assessed at specific points in their life cycle, a more dynamic analytical approach is to evaluate users' experiences of '**life events**' – common, crucial moments or stages in the lives of citizens or the lifespan of a business. For the user, accessing the service that they want -

Direct contact with citizens & businesses
Indirect feedback & representation
Mystery shopping
Life events & customer journey mapping

or are entitled or obliged to receive, in the case of registrations, permits, taxes, charges and duties - typically involves multiple contacts with more than one administration. Often, individual elements of the 'life event' service are fragmented across units within one organisation or across several different institutions, according to the competences assigned by the executive. The 'life event' approach is both a tool of analysis, and the basis for organising public services, especially electronic services online that can exploit the processing and networking power of ICT (see topic 5.4).

There is no universally agreed definition or directory of 'life events', but the following are typical examples:

Citizen-users	Business-users[8]
✦ Having a baby (including registering the birth)	✦ Starting and registering a business
✦ Attending hospital	✦ Applying for licenses and permits
✦ Arranging for childcare	✦ Building, buying, renting or renovating a property
✦ Studying (enrolling in higher education & applying for finance)	✦ Hiring an employee
✦ Using a public library	✦ Running a business
✦ Looking for a job	✦ Paying tax and social security contributions
✦ Starting a job	✦ Trading across borders
✦ Paying income taxes and social contributions	✦ Closing a business (including insolvency proceedings)
✦ Becoming unemployed	
✦ Marrying	
✦ Changing marital status	
✦ Buying, building, renting or renovating a property	
✦ Travelling to another country	
✦ Moving within one country	
✦ Moving to another country	
✦ Applying for a driver's licence (including renewal)	
✦ Owning a car	
✦ Reporting a crime	
✦ Starting a small claims procedure	
✦ Applying for a disability allowance	
✦ Retiring	
✦ Dealing with the death of a close relative	

The essence of 'life events' analysis as a technique is two-fold:

- ✦ Understanding all the **individual steps** involved in achieving the desired outcome; and
- ✦ Identifying all the **institutions** and their units or agencies that are involved along the way.

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[8] Business events are explored further under topic 6.2.

The transferable element of 'life event' measurement is the **perspective**: it has a clear added value above other methodologies for (re)designing services and their delivery, by offering both a user-centric and government-wide picture, revealing where services are both more and less appreciated. The aim is not simply to assess the service performance of each individual organisation in isolation. The fundamental point is to understand each event as a whole - as the citizen or business sees it. This technique evaluates the experience of the *whole* service coming from multiple organisations.

This leads to the concept of **end-to-end service delivery**, whereby a request for service delivery with the administration is opened, processed and delivered at the same point of entry for the user, irrespective of how many individual public institutions are involved or how many back-office transactions take place to satisfy the request.

In some cases, there will be **links between individual 'life events'**, especially with cross-border services. For example, moving to another country may be preceded by applying for a job or arranging to study in that country, and once it happens will include arranging property, registration, changing the address of a driving licence, updating information in the country of origin on tax, pension, social insurance etc. When it comes to cross-border service delivery, interoperability is essential between different entities that receive, process and deliver services (see topic 5.4).

As an analytical tool, 'life event' analysis is most useful for a coordinating ministry. Increasingly, it is also the basis for designing e-Services (see topic 5.4). Picturing the 'life event' is not enough on its own, if the goal is to achieve better performance. To design a service that is truly fit-for-purpose, this means also conducting an **in-depth investigation of process steps**, as well as data used in the interactions with end-users, and how they can be managed to create the optimal path and most satisfying experience for the user.

This is where additional methodologies come in, like **customer journey mapping**, to translate the analysis of 'life events' into action to improve them. Even with the best specialists being recruited, trained and nurtured in a public institution (see theme 4), the real expert in relations with the administrative authorities is the user, who is often the only person, whether citizen or business manager, with a whole view of the administrative journey taken to benefit from a service. This journey often does not involve one simple action alone, but rather a series of interactions with several government agencies - documents to be provided, case files to be opened, timings to meet, deadlines to be complied with, etc. Some of these tasks follow on from each other and some may be completed at the same time.

> ### *Mapping the customer's journey*
>
> A customer journey map is a way to describe the experiences of a customer during their interaction with a service or set of services and the emotional responses these provoke - from their first consideration of a related need, to receiving the service outcome. When exactly do users feel dissatisfied and why? To answer this question, it is essential to understand very precisely the steps that users have to go through.

*Topic 5.1: Understanding users' needs & expectations*

Customer journey mapping typically starts with separate interviews with a sample of individual users, each of whom is asked to comment on each of the steps and to describe the reasons why they are satisfied or dissatisfied. The main 'hot spots' that are found again and again can be identified by putting the mapping and the comments together. As well as identifying users' expectations and dissatisfactions as they go through the necessary procedures, this mapping allows us to identify all the different types of dissatisfaction, some of which relate to poor quality of reception at the counter or other entry point, lack of information, a process that is too complex to complete a procedure, inconsistency between different services within the government agency, etc. In general, three different techniques can be applied:

- **'Buddy up'**: The assessor accompanies a customer and front-line staff member going through the same process or system, experiences things exactly as they do, notes down the steps taken and levels of satisfaction from both perspectives, and compares internal and external experiences.

- **'Walk the walk'**: Like mystery shopping, the assessor steps into the shoes of their users, takes time to walk personally through the entire system/customer journey step-by-step, takes detailed notes focusing on time taken, duplication, points of high and low efficiency, and compares thoughts with colleagues.

- **'Steal with pride'**: The assessor identifies agencies/companies/service providers who have systems like the one being mapped, from both public and private sectors, and asks the following questions: What do they do differently? Which parts of the system are better/worse? What can you learn and use in your own system?

The main 'hot spots' can be identified by putting mapping and comments together (e.g. poor reception quality at the entry point, lack of information, procedures too complex to complete, inconsistencies, etc.). In government, customer journeys are often complex, with multiple interactions taking place over extended timeframes. Customer journey mapping is a particularly useful tool to help describe the user's experience of a series of individual services, their thought processes and reactions. It can help to ensure a consistently good overall service experience, optimising outcomes for all customer groups, increasing efficiency, and ensuring the individual services are designed correctly.

> ### Inspiring example: From measuring complexity with life events to mapping the journey with businesses (France)
>
> The Modernisation State Department in France (*Secrétariat général pour la modernisation de l'action publique*) carries out a large-scale survey amongst user groups (individuals, businesses, local authorities and associations) in its **bi-annual complexity barometer**. The initial survey in 2008 was based upon 6,000 telephone interviews split between 3,015 individuals, 1,029 businesses, 804 local authorities and 805 associations. A quota sampling method was used to ensure that each sample was representative. The study was organised around life events for citizen-users (buying a house, getting children, etc.) and business-users (recruiting staff, paying taxes, etc.). The perceived complexity is measured for all these events, as illustrated in the following graph for businesses.

Priority preoccupations for the enterprises
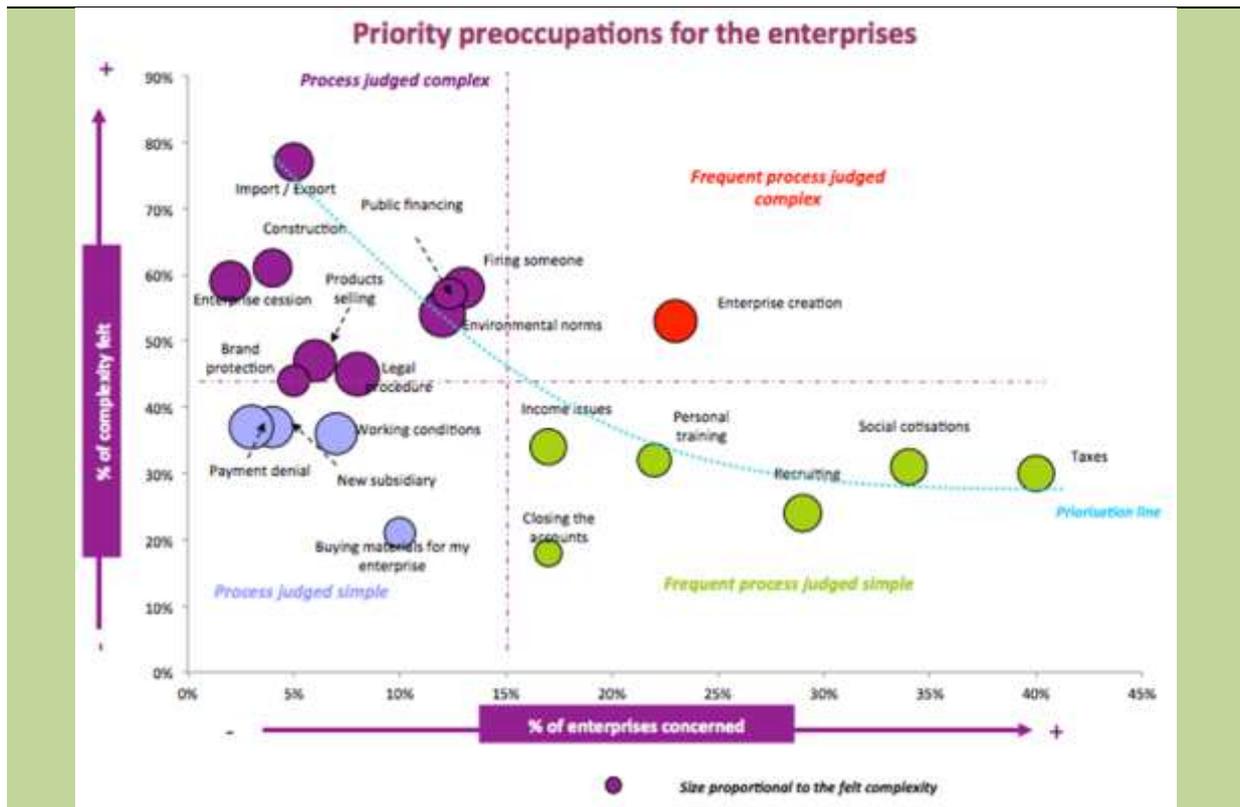
One of the events perceived as the most complex and frequent was the "creation of an enterprise". Over 300,000 businesses are set up every year, an administrative procedure characterised from the outset by its length. To analyse in detail the exact sources of dissatisfaction with concrete moments of interaction with the public administration, and to identify opportunities for improvement, *customer journey mapping* is used as a qualitative technique.

Of all the administrative procedures studied, **setting up a business** is one of the longest and most complex in terms of the number of steps and the number of documents to be obtained. Customer journey mapping, or recording the event from the user's point of view, allowed seeing these two realities in a new light, revealing, for example, that administrative pressure grew, reaching its peak during the first few months the business is operating, just when the entrepreneur needs to devote all his or her energy to helping it grow. It also, of course, identified a number of administrative inconsistencies. A business that has been formed in legal terms still must obtain an operating license (covering equipment, receiving the public, etc.) to start up its activity (this is true of at least a hundred types of activity). In concrete terms, this sometimes means waiting several months before actually being able to launch operations. This finding is very important in focusing improvement efforts since the users' progress clearly shows that, even though some problems remain, the effort made to improve the "legal" company formation phase has improved the situation, by setting up one-stop shops in the Business Registration Centres (CFE). By contrast, issuing operating licenses has not so far been covered by the streamlining initiatives, especially the paperless process.

This second phase in setting up a business, **from legal formation to operational activity**, is a difficult and, by its nature, very dissatisfying period for entrepreneurs, who thought or hoped they would be able to launch their activity but find themselves confronted with new government agencies, new contacts, etc. This is the second major lesson from the study. While entrepreneurs feel that they have plenty of support upstream, where it is simply a question of developing their project, as soon as the company has been formed in legal terms, they are subject to multiple obligations, repeated declarations and all sorts of red tape. Faced with these difficulties, they find that the government, as a partner, also becomes the source of all the irritation. Having to comply for the first time with requirements they didn't know existed, entrepreneurs find themselves drawn away from the heart of their activity and, either alone or with their accountant, rapidly must take on this new management role. It is therefore necessary to allow commercial activity to start up more quickly and, as far as possible, to give the project founder the means to respond to government requirements, which must be

clarified and rationalised. Some very tangible improvements have been realised:

- ✓ Ensuring applications are complete when filed with the Business Registration Centre and guarantee formation times (48 hours for CFE + registry, i.e. 48 hours to obtain Kbis);

- ✓ Allowing activity to start up quickly by also guaranteeing the time required to obtain all operating licences;

- ✓ Abolishing requests for unnecessary documents that act as stumbling blocks. Example: evidence of lease, which can only be obtained once the Kbis has been issued!

- ✓ Offering a completely paperless process right to the very end (legal notice), with a single online payment;

- ✓ When the business is launched, abolishing all duplicate requests for information by making the business registration file available. The corollary of this streamlining is: abolishing the need to register the articles of association with the tax authorities, abolishing start-up declarations, self-employed status (RSI) requests, etc.;

- ✓ Offering a different form of administrative treatment to entrepreneurs and promoting access to public markets for young VSEs (very small enterprises); and

- ✓ Harmonising the guidance offered to young entrepreneurs and making guidance generally available during the first year's activity.

For further information: http://www.modernisation.gouv.fr/en/mapping-users-journey-improve-service-public
Françoise Waintrop, General Secretariat for Modernising Public Action,
francoise.waintrop@modernisation.gouv.fr

Topic 5.1: Understanding users' needs & expectations

5.2   Improving systems and processes to benefit service users

Administrative burdens are the costs to businesses and citizens of complying with the information obligations that arise from laws and regulations (see theme 1). In the words of OECD, they "*refer to regulatory costs in*

> **Process re-engineering & systems thinking**
>
> **Administrative simplification**

the form of asking for permits, filling out forms, and reporting and notification requirements for the government." In delivering 21st century public services that meet user expectations, one of the main policy drivers has been the desire to achieve **administrative burden reduction (ABR)**, usually known as 'cutting red tape'. [9]
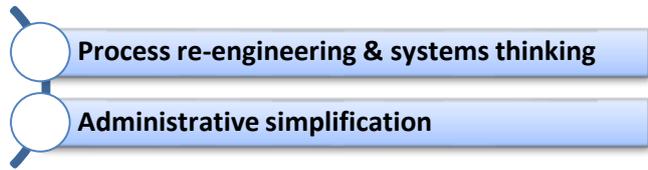
ABR typically starts from **regulatory reform** – abolishing unnecessary laws and regulations (or avoiding creating them) and simplifying essential ones as far as possible – following a process of review and impact assessment (see topic 1.2). This is an especially hot topic for business ABR (see theme 6). Regulations determine what documents are required, what checks are made, what follow-up is needed. When a regulation is amended or abolished, this can remove the need for an entire function or unit within an administration, or it can fundamentally change its *modus operandi* (e.g. regarding permits or inspection). Minimising the regulatory burden has a direct impact on service delivery, as it affects both *what* institutions do and *how* they do it (including when, where and in some cases, how much they charge).

Regulatory reform generates some administrative simplification by itself and creates the right climate for more. But this is not the whole story.

- ⁺ Regulations are often open to interpretation by administrations, in respect to how they are implemented. Public administrations have **choices** about how information requests, inspections and other processes are applied - the way in which requests are made, the number of steps and time taken, the checklists used, the procedures applied, the format of documents requested. In some cases, administrations apply charges for performing these tasks, which add to the costs to the service user, on top of their time. Sometimes these charges were not envisaged when the regulation was first designed.

- ⁺ Public administrations also have **decisions** to make anyway about the organisation of services, the location of facilities, the delivery channels offered to users, the number of staff that are recruited, trained and incentivised, and the IT and other resources that are utilised.

- ⁺ Public administrations often have **discretion** when considering applications from citizens and businesses, within the framework of the rules. This can be a positive factor if the decision requires expert input or judgement, produces value for money in using limited resources and/or takes account of circumstances instead of being constrained by overly rigid rules. However, this discretion can be negative, if the process is not well managed, or if it is abused by officials for personal gain and a source of unethical behaviour (see theme 2).

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[9] OECD (2010), *Cutting Red Tape. Why Is Administrative Simplification So Complicated? Looking beyond 2010*.

All these factors affect the user's experience of the service. Even without regulatory change, public administrations can **streamline and simplify processes** to reduce the burden on citizens and businesses. In many cases, it is in the administration's own interests to do so, to free up resources and realise savings.
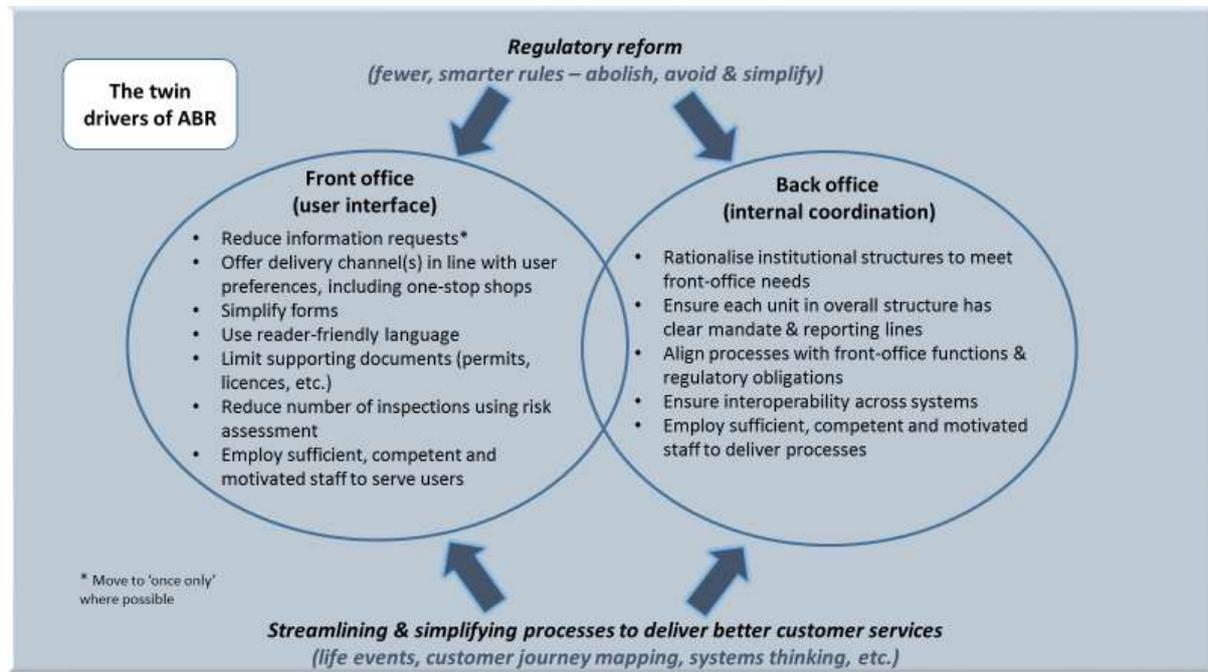
In meeting user needs and expectations, the challenge for governments is to balance, on the one side, the necessity of administrative procedures as a source of user information and a tool for implementing public policies, and on the other side, the compliance costs to citizens, businesses, NGOs and public authorities that arise from these requirements. To organise themselves in the optimal way to reach this balance, administrations need to understand, manage and improve both their internal working processes (back office) and the interface with the user (front office), keeping in mind their policy objectives. This is where 'customer journey mapping' (as illustrated in topic 5.1) can be the inspiration for streamlining and simplifying processes, centred on a dialogue with the service user.

The example of the Austrian Government's programme illustrates clearly the cost for citizens in time and money of administrative compliance. Their chosen solution is a combination of back office and front office reforms, and making optimum use of eGovernment (see topic 5.4).

Inspiring example: Reduction of administrative burdens for citizens (Austria)

In April 2009, the Council of Ministers decided on a comprehensive programme to reduce administrative burdens for citizens and improve the quality of governmental services. The aims were two-fold:

- ✓ Cutting time and costs spent on **information obligations -** reducing official channels by fostering the use of eGovernment solutions, enhancing intra-governmental cooperation, providing one-stop-shop solutions; and

- ✓ Improve **service quality** - making questionnaires and forms more comprehensible and easier to access, providing information in a barrier-free way at a central point of interest, and developing interactive procedures.

After the first quantitative and qualitative research, the 100 most burdensome activities were identified and workshops were organized to discuss potential mitigating solutions. Participants of the workshops were drawn from: legal experts from the ministries; civil servants from enforcement agencies; and stakeholders. Around 4,000 interviews were conducted by opinion-pollsters to estimate the burden and to identify starting points for reforms. It was calculated that these most burdensome information obligations for citizens cause 22 million requests, solicitations, petitions and declarations per year. This equals 32.3 million hours total burden for all Austrian citizens, consisting of: 4 million hours for obtaining information, 18.8 million hours for processing, 9.5 million hours for arriving at the local authority, and €113 million out-of-pocket-expenses (copies, fare, etc.).

About 140 measures have been planned and partly implemented by line ministries. Simplification measures in implementation amount to a time reduction for citizens of 12.7 million hours. Key measures are setting up an electronic register for the civil status of citizens, the simplification of free public transport for pupils and trainees and the introduction of the Mobile Phone Signature ("mobile citizen card") in administrative procedures. During a major tax reform in 2015/2016, the preconditions for the so-called automatic tax declaration were created. It will serve as a no-stop solution for citizens with a reduction potential of 3.1 million hours in the medium term.

The latest report on the measures can be found in an annex to the budget:
https://service.bmf.gv.at/BUDGET/Budgets/2016/beilagen/Better_Regulation_2016.pdf
For further information: Michael Kallinger, Federal Chancellery of Austria, michael.kallinger@bka.gv.at or Gerald Reindl, Federal Ministry of Finance, gerald.reindl@bmf.gv.at

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5.2.1 *Process re-engineering and systems thinking*

Processes are what make institutions function. They are the set of activities that turn inputs (people, information, money, etc.) into outputs (services delivered, actions fulfilled, etc.) with the aim of meeting policy and operational objectives.

Process re-engineering & systems thinking

Administrative simplification

They are often complex, especially when they run across more than one organisation, or even various functions and units within the same organisation.

While the service user has a high-level objective ('get a job'), the practical steps mean they have to engage in a sequence of individual interactions with the public administration and achieve a series of intermediate goals first. Each 'life event' (e.g. finding a job) is a composite of *individual public services* (e.g. help with searching for job vacancies), each of which is usually made up of several

processes (e.g. registering interest with employment services), and each process in turn comprises several *operations* (e.g. finding the local employment office, meeting an advisor, completing a form with personal details and aspirations, etc.).

This decomposition of life events is implicit in customer journey mapping, and presents the reality of acquiring public services from the user's viewpoint; the citizen or business has to break down the life event into its constituent parts. The citizen or business performs a series of operations and processes, which are formulated and 'consumed' as individual services, which might be presented as a life event. From the administration's perspective, the challenge for each unit responsible for a process is: how do we bring all these operations together into a process that is easy for the user to access as a service, within the whole life event? This involves both back office and front office considerations, in which ICT and interoperability now play vital roles.

Optimising process flows is a precursor for major advances in front-end service delivery, such as creating one-stop shops (see topic 5.3) and online delivery (see topic 5.4). In this regard, public administrations can learn from successful practices to improve process flows in the private sector. Some Member States, for example, are borrowing techniques of '**lean thinking**' from the auto industry, that originated in the Toyota production system for car assembly. Also known as 'just-in-time', lean production was designed to improve efficiency, minimise costs and improve quality: each car would be made to order (triggering demand for the individual inputs to reduce the 'waste' of spare parts being unused); the steps in the production process would be carefully sequenced; each step would be performed by a well-trained team (not individuals who can be under- or over-loaded); progress to the next step would only happen when the process was free of defects (ensuring quality); and performance monitoring was driven by continuous improvement in a blame-free culture. These techniques enabled Toyota (and other Japanese carmakers) to enjoy rapid and profitable growth in the late 20th century and become global market leaders. Obviously, there are major differences between manufacturing and transactional service delivery, not least that the latter involves the customer directly, the scope for a personalised 'product' is far greater, and there is no inventory / stock (the service is created and consumed at the same time).

Process re-engineering also entails looking at how the interface with the administration is experienced from the end-user's perspective and tailoring the 'back office' processes to make service delivery as user-friendly as possible. The Danish Business Authority (DBA) launched a project to improve the functioning of their online services (see also topic 5.4) in two areas: the process of selecting industry codes when business start-ups register online with the DBA; and the mandatory reporting of pesticide use by farmers. Through a process of '**co-creation**' – working with end-users to develop new or better solutions and cooperating across administrations – the DBA was able to realise time savings for both the authorities and the businesses themselves.

Inspiring example: Using co-creation to develop user-friendly digital services (Denmark)

The Danish Business Authority (DBA) works actively to ensure that companies experience their interaction with public authorities as being easy and efficient. When businesses save time and costs on public reporting and registrations, they can instead spend their time creating growth within their business and in society. Efficient public services also mean that the public authorities use far fewer resources on enquiries and correcting errors. The DBA has used co-creation as a way of developing new solutions that can achieve this goal. Co-creation happens when public authorities involve the end-users in developing new or better solutions to the challenges businesses face in relation to public administration. The end-users can be both the companies themselves and the case workers in the public administration. Co-creation does not mean that the power to make decisions about the initiatives to be implemented is delegated to the users, rather that they take part in a cooperation with a cross-disciplinary team representing resources from different disciplines, such as service design, quantitative methods and qualitative methods.

Public services in many Member States are undergoing profound changes these years, increasingly transformed into self-service digital solutions (see topic 5.4). This also counts in regulating businesses. However, new problems can arise as the digitisation process progresses. Both time and wage costs can be saved by digitising reports and registrations, but when the helpful contact person disappears, companies also lose the opportunity for specific and personal assistance. This is costly for both companies and public authorities, as many self-service solutions today do not invite companies to serve themselves. Ultimately, this can cause a range of problems: companies must use multiple channels simultaneously to solve their problem, they make errors, or they are simply unable to comply with regulation even if they want to. An end-user perspective is therefore necessary to create a self-service solution that can efficiently replace the competent voice on the phone.

In 2011, the Danish Business Authority conducted a project designed to explore and create a more efficient and user-friendly digital service. One of the concepts developed in the project was a digital solution for companies to select an industry code (also known as a NACE code) when registering their business online during start up. NACE is the acronym used to designate the various statistical classifications of economic activities developed since 1970 in the European Union. NACE provides the framework for collecting and presenting a large range of statistical data according to economic activity in the fields of economic statistics (e.g. production, employment, national accounts, in other statistical domains. Statistics produced on the basis of NACE are comparable at European and, in general, at world level. The use of NACE is mandatory within the European statistical system. It is thus obligatory to select a NACE or industry code when starting up business in Denmark.

Another digital service which involved end users and co creation methods, was the development of a digital service called the 'spray journal', which is a mandatory digital tool for reporting farmers' use of pesticides on their fields to the Danish AgriFish Agency. The project involved end users in developing a digital service which was easy and user-friendly, and causing as few administrative burdens as possible. The project made use of methods such as ethnographic interviews with farmers, agricultural consultants mapping their needs and challenges with using the spray journal and testing an early prototype. The results were used to improve the final construction of the digital service, the "spray journal", and to improve the administration connected with it.

The lessons from these two projects showed that good digital service often means that public authorities need to cooperate across silos, to provide digital solutions that are efficient for companies and public authorities alike. Four goals for the digitisation of public services were identified in the project:

Goal number one 1: The purpose of the electronic self-service solution must be communicated clearly.
"Do you have any idea what they will use it for? Is it some kind of 'Big Brother is watching you' and they are waiting at the ready to pounce on you?"* (Farmer, commenting on a new digital service that farmers should use to report the use of pesticides).

Business owners' uncertainty is often compounded by digitised contact, because nobody is available to explain the purpose of the regulations to citizens and companies. When the purpose is unclear, companies

fear making mistakes with unknown consequences. Therefore, it is important that all public self-service solutions begin by communicating the purpose of the solution clearly and simply. Clear communication regarding requirements, inspections and penalties will make business owners more secure about using digital self-service solutions.

Goal number 2: The digital system, not the end user, should handle the complexity of the digital self-service solution.
"I think it was that industry code, because it was under building and construction activities, which requires specialisation. But there was also a code called 'other building completion'. If I mark that industry code, then I'm not sure if it's right or not. It was pretty much a guess." (Carpenter, on searching for the correct industry code).

Many public digital self-service solutions have chosen to place responsibility for correct reporting on companies, instead of reducing the complexity of the solution. Designing a system that takes greater responsibility for ensuring users submit registrations and reports correctly requires a change of attitude among public authorities, which often assume that users understand the administrative language, or are at least willing to learn it. What is needed is solutions that users can use without any real expertise in relation to the system. If this approach is not taken, users will stop serving themselves and contact the public authorities – or they will simply make mistakes. This is not only costly and time consuming for business owners, it is also a significant waste of resources for the public authorities, which must spend time and personnel resources on serving those who encountered difficulties with the digital solution.

Goal number 3: The digital service must be based on the end-users' reality and needs.
"It sure is complicated. It is not made for those with multiple fields. This simply takes too long. Especially when it is only something I have to do because I must report it. I can't use it for anything." (Farmer, on using the digital self-service solution in reporting his use of pesticides).

Legal documents, terminology and expert knowledge permeate many of the public self-service solutions. As they are developed by the public authorities themselves, they are often based on that authority's own language and knowledge. However, a successful digital self-service solution should be based on the user's needs and knowledge about the area, as this will make it both easier and more attractive to use the site.

Goal number 4: The public authorities involved need to cooperate in developing digital solutions.
"If the Danish Commerce and Companies Agency is in doubt, then they refer the companies to Statistics Denmark. We do not have any cross-organisational cooperation. That would be quite interesting. If nothing else, it would be interesting for the agency to see how we work. Sometimes I think: 'How big of a difference can there really be in the way we work and the way they work?' We're working with the same material!" (Employee at Statistics Denmark).

Companies and citizens do not distinguish between the various bodies when contacting the public authorities. They often expect that the authorities cooperate on the digital self-service solutions and that they only need to send information to a single recipient. Designing a user-friendly self-service solution therefore requires extensive cooperation between the various public authorities. By taking joint responsibility and cooperating, authorities can reduce costs and time consumed in forwarding companies to other authorities, answering e-mails and calls. Furthermore, cooperation should be based on companies' actual experiences and processes. Insight into companies' actual problems with public regulation makes it clear to authorities why cooperation is necessary and how to design self-service solutions in the most efficient way for all parties.

Through co-creation, we unfolded how businesses and citizens do not distinguish between the various bodies when contacting the public authorities. They often expect that the authorities cooperate on the digital self-service solutions and that they only have to send information to a single recipient. Designing a user-friendly self-service solution therefore requires extensive cooperation between the various public authorities. The cooperation should be based on businesses' actual experiences and processes. Insight into businesses' actual problems with public regulation makes it clear to authorities why cooperation is necessary when designing self-service solutions in the most efficient way for all parties. An organisation can benefit from basing its development project on co-creation if the organisation is about to implement a

previously-decided initiative to reduce bureaucracy. Here, user-centric innovation and co-creation can contribute to making better informed decisions about the many detailed questions concerning the practical design, work processes, required guidelines and desires connected with the initiative.

Due to the project, the Danish Business Authority has co-created a new digital platform between businesses and public authorities to support registration of industry codes. The project has given us thorough insights into users' challenges and has made clear how public authorities can work together to provide effective solutions that are efficient for companies and public authorities alike. A business case was developed, showing that a new self-service site for industry codes will save companies time equivalent to DKK 25 million over a four-year period (equivalent to almost €3.4 million). At the same time, the solution will also reduce the expenses of the Danish Commerce and Companies Agency and Statistics Denmark by DKK 930,000 (equivalent to around €125,000).

For the spray journal, the involvement of farmers and agricultural consultants made it possible for the Danish Agrifish Authority to aim at reducing administrative burdens followed by the mandatory digital reporting of pesticides and developing a digital service which fitted the reality and needs of end users.

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Reforms to service delivery are increasingly being driven by **systems thinking** (see topic 1.1). The OECD paper 'Working with Change: systems approaches to public sector challenges' sets out some examples, including the reform to child protection in Amsterdam and the similar Munro Review in the UK, both of which challenged the way in which clients were treated by the system and brought about major process changes. The Amsterdam case drew on the **Vanguard Method**, which is a customer-centred approach to studying service organisations, in both the public and private sectors, as systems to make informed choices for their redesign. The hierarchical model of management that is integral to 'Weberian bureaucracies' (see theme 4 on organisations), and the fragmented nature of public administrations both vertically and horizontally (see theme 3 on multi-level governance) create 'silos' of thought and process[10], which constrain the effectiveness of organisations in serving people's needs.

> "*Most troubles and most possibilities for improvement add up to proportions something like this: 94% belong to the system (the responsibility of management); 6% are attributable to special causes*".
> W. Edwards Deming

The Vanguard Method draws much of its inspiration from the philosophies of Deming, who propounded continuous quality improvement (see topic 4.2 on quality management), and Taiichi Ohno, the architect of the Toyota Production System, to highlight the pivotal role of the system in service delivery. It maintains that the system governs behaviour and delivers performance, and hence proposes an approach of Check-Plan-Do. This involves first stepping back and studying how the system operates in practice, from what happens at the *point of transaction* with the service user (in other words, when the customer interacts with the service organisation), which can exhibit huge variety. It then distinguishes two types of demand: [11]

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[10] See G. Tett (2015), *The Silo Effect*, Little, Brown.
[11] See J. Seddon (2003), *Freedom from Command and Control*, Vanguard Press.

☑ 'Value demand' arises from serving and satisfying the customer;

☒ 'Failure demand' represents the pressure on the system from dealing with failing to do so, which can be linked to a 'command and control' management culture and slavishly pursuing targets (see topic 4.1).

Failure demand incurs costs on the service organisation and reduces value to the service user. For example, systems that prioritise dealing with customers quickly (e.g. primary care doctors allocated a maximum 15 minutes to see each patient, or minimum number of visits per day assigned to dealing with social housing repairs, or all customer care put through call centres) can generate a much higher burden of work *later* to remedy inadequacies in the initial service. Upfront targets may appear to have been met, but this disguises the flaws in the overall system, which is based on false efficiencies. As well as distinguishing between value and failure, the Vanguard Method also differentiates between predictable and unpredictable demand. In broad terms, once the performance of the system and its capabilities are understood from a service users' perspective, ('check'), the next phase is to re-design the system to satisfy customer demand ('plan') and put the changes into practice to eliminate the inefficiencies and waste, and alter the system conditions to increase the flow of value demand through the system ('do'), before measuring the results ('check' again).

The Vanguard Method sees the 'front office' and 'back office' as a false distinction, as the emphasis should be on the 'economies of flow' and how best to design the overall system to maximise value to the service user. It also puts organisational design *before* automation. This contrasts with the public (and private) sector experience of expensive IT projects that fail, because they start from the perspective of technological possibility without properly considering operational need.


Systems thinking and automation

"Comserv/MTS, a private-sector provider working with Portsmouth City Council, has developed a housing repairs service that provides repairs on the day and time the tenants request... The design developed by the players delivers the service at half the original cost. It represents an economic benchmark; an extraordinary example of improvement. Having developed the organisation design manually they then brought IT skills in to automate the features required. The new IT system, supporting this economic benchmark, cost all of £3,000! Most IT systems bought for managing repairs work cost upwards of £100,000 – to measure and control the wrong things."

Source: J. Seddon (2010) "Why do we believe in economy of scale?"

5.2.2 Administrative simplification

Administrative simplification is designed to reduce regulatory complexity and uncertainty, and reduce unnecessary burdens created by bureaucracy and paperwork, either on an *ad hoc basis* focused in a sector, or on a comprehensive and long-term

Process re-engineering & systems thinking

Administrative simplification
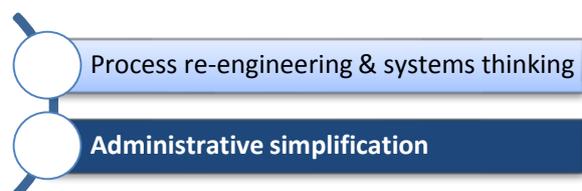
perspective. There are different routes to simplification; there is not one single model that can be applied everywhere. Administrative simplification for business is covered extensively in theme 6 within the context of administrative burden reduction (ABR), a broader concept which also includes removing or replacing unnecessary, outdated or ineffective regulations (see topic 1.2). There is also an increasing attention on ABR for citizens across Europe, often as part of a wider programme to reduce burdens on businesses, administration, civil servants, professionals and/or taxpayers.

Through its work, the OECD has set out **success factors** to overcome five strategic[12] and seven technical[13] barriers to administrative simplification.[14] The following tips draw in large part from this guidance:

- *Take a 'user-focused' approach.* Government needs to build a constituency for administrative simplification. The public and business community should be consulted and become active partners in the policy (see theme 1). Collect complaints from citizens and businesses regarding burdensome and irritating administrative procedures (see topic 5.1), and identify affected groups. Develop guidelines for civil servants on user-friendly delivery services and award civil servants that improve and simplify the treatment of service users. 'User-focused' can be considered from the perspective of internal as well as external customers.

- *Establish a comprehensive programme with broad policy priorities.* Administrative simplification should be systematically adopted, rather than relying exclusively on *ad hoc* measures, to ensure continuity, the creation of synergies and the sustainability of reforms. Ensure the programme covers data collection and management: many administrative burdens arise from the information flows from citizens and businesses to government. The administration needs to avoid excessive requests and to collect, store, use and re-use data efficiently (see topic 5.4).

- *Take a "whole-of-government" approach.* Simplification should include all levels of government, territories and agencies. Administrative simplification is rarely embedded in the mandate of government institutions, it needs to be pushed forward. Establishing administrative simplification units inside government, and taskforces, can help with co-ordination and keeping up the path of reforms. Effective coordination is critical to oversee the programme and ensure a comprehensive and coherent approach.

- *Get powerful support from a highly visible political figure.* A strong declaration of commitment should be followed by concrete action, including signing off on the comprehensive and realisable strategy, and assigning responsibilities across government for its implementation. High-level commitment and leadership helps to overcome resistance to

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[12] Lack of high political support, lack of co-ordination, resistance to change, lack of a comprehensive administrative simplification strategy, and limited resource availability

[13] Legal complexity, lack of human skills & capacities, lack of understanding of the use of administrative simplification, lack of information & data, digital divide, lack of standardisation of procedures, lack of measurement & evaluation mechanisms.

[14] Derived from OECD (2009), *Overcoming barriers to administrative simplification strategies: guidance for policy makers*. Other relevant publications include OECD (2006), *Cutting Red Tape: National Strategies for Administrative Simplification*, Paris, and OECD (2010), *Cutting Red Tape. Why Is Administrative Simplification So Complicated? Looking beyond 2010*.

change at other levels in the administration. 'Refreshing' this commitment regularly over time can maintain the momentum.

🔸 *Ensure administrative simplification is independent from the electoral cycle.* While high-level political commitment is necessary, simplification should be (and usually is) seen as politically neutral or enjoying cross-party support. To ensure reforms are enduring, use the sanctioning power of the Finance Ministry to drive reforms forward, and keep the focus on technical solutions, including the contribution of ICT and eGovernment.

🔸 *Prioritise based on evidence.* Quantify the costs and benefits, so that objectives can be established and tasks can be prioritised and sequenced. However, be careful that the benefit of some improvements may be hard to 'monetise' (express in financial values) while still being highly valued from the user's perspective. For example, some processes that are considered 'burdensome' by businesses and citizens are not the most time-consuming or expensive, but the most 'irritating', simply because the user cannot see the point of them. Focusing on burdensome processes that are widely used and/or create much irritation captures the public's attention.

🔸 *Make institutions accountable.* Define expected outcomes so they can be checked later, and ensure responsibilities are clearly assigned and understood. Consider setting up a 'watchdog' at the centre of government to assess impact and hold ministries, municipalities and others to account. Monitor and evaluate by developing performance indicators as benchmarks. Create awards to recognise success in the administration.

🔸 *Use success stories and 'early wins'.* Present the efficiency gains as they emerge, use numbers and stories to persuade, obtain ongoing political support, and to fight against any resistance to change.

🔸 *Promote a 'reform and innovation' mentality.* Administrative simplification is about challenging the *status quo*, being analytical, assertive and creative. Officials should be asking the question: What are the alternatives to the current way of doing things, which will achieve the same results without any material increase in risk? The OECD uses the example of *ex-post* notification procedures, instead of *ex-ante* approval mechanisms, to obtain licences and permits for low-risk activities, meaning the applicant can make a start before actually obtaining the document itself. Officials can be encouraged and trained to take on board this type of thinking through guidance, workshops, incentives, performance appraisals, career development, etc. (see theme 4).

🔸 *Adopt a multi-disciplinary approach.* Different specialists each bring their own expertise to bear on a bureaucratic problem, the strength lies in the blend. Legal complexity in drafting and applying regulations, for example, is not best solved by lawyers alone, but by other perspectives - political scientists, economists, engineers, sociologists, psychologists etc. This should be considered particularly for central services that provide technical assistance or 'hand-holding' for other departments.

- 🔸 *Develop guidelines and offer help-desk assistance.* Many countries adopt standardised guidance, for example on drafting regulations, assessing the impact of rules and procedures, etc., so that the whole administrative system is coherent and consistent. These guidelines should be reader-friendly, tailored to the audience, and supported by the core simplification team or a 'help-desk'. They should be reviewed regularly, and updated in response to facts on the ground and new innovations, taking input from both officials and service users.

- 🔸 *Find simplification 'champions' to act as ambassadors for the programme.* Individual officials in high profile positions, particularly those that operate across the administration, can be vocal champions for administrative simplification, inspiring and motivating others. External stakeholders, for example, service users themselves from the business community, can also be effective in selling the merits of the programme, if they have an active stake in it.

- 🔸 *Build ownership and momentum with users.* As the OECD states: "*If work on administrative simplification goes unnoticed, it is highly probable that support will diminish. Moreover, sound communication contributes to cultural change and to building a sense of ownership*". Businesses and citizens should be kept up-to-date on the transformation, especially as they are directly affected by changes.

- 🔸 *Internalise the benefits of simplification to citizens and businesses within the administration.* Administrative simplification saves time and money, but these savings are not typically collected and made directly available to governments so that they can invest somewhere else. Simplification is an expression of efficiency gains, freeing up time and resources for more productive activities, which is the ultimate goal for both administration and service user.

As an example of **leadership** in overcoming both strategic and technical obstacles, the Netherlands took a decision at the top of Government and found the greatest administrative burden on citizens the delivery of social assistance. A particularly interesting dimension of the Dutch programme was the 'seduce and support' approach, whereby municipalities were pushed on by each other's successes ('seduce'), while in parallel, regional advisors on cutting red tape were hand to provide practical assistance ('support').

Inspiring example: Bureaucratic simplification of social assistance (The Netherlands)

In 2007, the 4th Cabinet under Prime Minister Balkenende committed itself to a real, noticeable reduction of administrative burden to citizens by resolving the 10 major bottlenecks experienced by citizens in their contacts with the government, one of the most prominent being the process of applying and accounting for social assistance benefits. At municipal level, this process accounted for roughly 40% of the total administrative burden placed on citizens. Four themes were identified that were crucial in improving the social assistance delivery:

- 🔸 Less burden of proof of eligibility;
- 🔸 Speeding up procedures;
- 🔸 Legality;
- 🔸 Control and accountability.

Emphasis was placed on the 'noticeability' of improvements: not only would a reduction of total minutes spent

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by the public be judged a success, but a marked change in the experience of the individual claimant would also have to be realised. A project to bring about these changes was set up by the Ministry of the Interior and Kingdom Relations, in cooperation with a large number of municipalities, which have responsibility for social assistance, all over the Netherlands. The objectives of the project were manifold: noticeably improving the quality of social assistance services by municipalities, reducing administrative burden for citizens applying for and receiving social assistance benefits, but also bringing about a change in the culture in which social assistance applications were assessed. This involved moving from a system of suspicion and control, in which every claimant was viewed as potentially fraudulent, to a system of so-called 'high trust', were applications are viewed as principally legitimate. One notable specific objective was the abolishment of the monthly entitlement form.

The ministry adopted a 'seduce and support' approach, whereby municipalities were persuaded to implement improvements by showing them the advantages and the progress made in other municipalities. This was done at a number of workshops and conferences, and through widely disseminated brochures detailing best practices throughout the country. Regional Red Tape Ambassadors were deployed to assist municipalities in the implementation.

All the while, the project was part of a much wider effort to reduce administrative burden on citizens, professionals and administrations. In terms of measuring results, the main quantitative indicator used was the Standard Cost Model for citizens – a tool which enables the quantification of administrative burden on citizens in both time and monetary costs. Results of the project were substantial on an individual, local and national (aggregate) level. For individual social assistance claimants, administrative burden was reduced by as much as 40% in time and 20% in out-of-pocket expenses. For the total administrative burden placed on citizens in the Netherlands, this translated to a reduction of about 3,500,000 hours. At municipal level, yearly savings of between €100,000 and €1,000,000 could or had been realised, depending on the size of the municipality and the degree of implementation. More than 60% of municipalities no longer required the monthly entitlement form. The ministry continued to monitor administrative burden placed on citizens by municipalities, and many municipalities conducted follow- up projects to the ones described here.

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ABR can be organised at **any territorial level** of public administration and in any field. Portugal's Simplex programme of administrative simplification, which was organised at the national level under the responsibility of the Minister of the Presidency of the Council of Ministers from 2006 to 2009 (see theme 1), was extended to municipalities as a partnership with central government in 2008. Along with Porto and seven smaller municipalities, the municipality of Lisbon launched the 'Simplis' simplification programme. Their citizen survey identified the priorities as being multi-channel service delivery and Internet access, as well as cutting decision times. The programme was not a one-off, but has grown over the years.

Inspiring example: 'Simplis', the Lisbon simplification programme (Portugal)

Back in July 2008, Lisbon Municipality launched its simplification programme 'Simplis', a new impulse for the city, and with that, a new age of delivering efficient services to the citizens began. This was a yearly programme, built with the participation of several levels of the organisation, from the elected to road menders, and all levels of civil society, from structural organisations to individual citizens.

More than 100 measures and actions were taken, crossing many branches, such as service delivery, internal improvement and citizens' engagement. A couple of them clearly stand out from the others in terms of the level of improvement in the way services are delivered and the recognition of it by the citizens, as well as knowing that this was achieved with a low (or no) budget. Within this simplification programme, with a strong link between services, the municipality managed to increase citizen satisfaction levels. Citizens stated that measures that allow access to services via the web, create multiple points of entrance, or decrease the number of days between instruction and decision, simplified their life, thus allowing them faster services,

more information and lower costs. To respond to this call, the approach was focused on the following measures:

- Na Minha Rua (Fix My Street);
- Plantas de Localização (Location Plans);
- Horários de Funcionamento (Business Schedule Map);
- Atendimento Personalizado Online (Personalised Chat);
- Licenciamento Aberto (Open Licensing);
- Balcão Único e Descentralização do Balcão Único (One-Stop-Shop Start and Grow);
- Serviços na Hora – Certidão/Reprodução (Just in Time Services – Certified Copies and Plans);
- Gestor do Munícipe (Citizen Manager); and
- Filmar Lisboa (Filming in Lisbon).

The choice of these measures was not random. They were the result of a survey taken at the beginning of 2013 among Lisbon's citizens, and were the measures quoted by citizens and those which they use the most. They represented 70% of the overall measures.

The Municipality of Lisbon prepared the sixth edition of the programme, in which the main focus was to be a macro programme of the virtualisation and the dematerialisation of information and requests, aiming to achieve even higher satisfaction levels from citizens, as well as internally gaining data storage space, and promoting an electronic data interchange (EDI) within similar organisations, so as to store documentation as metadata.

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In an example from Italy, the focus of administrative simplification in Milan was registration and housing of immigrants. The solutions were found in a blend of organisational reforms, within and beyond the municipality, and simplifying information requirements.

Inspiring example: Administrative simplification and process re-engineering in Milan (Italy)

'Municipal Processes Re-engineering to Improve Performance' was an experimental project launched by the Municipality of Milan in September 2007, as part of an innovation programme promoted by the Ministry for Public Administration and Innovation. This was an administrative simplification initiative that involved the procedures for legal registration of foreign citizens and the suitability of their housing, encouraging the use of self-certification. In a European metropolis like Milan, immigration has been a priority area for the attention of the municipal authorities because of its important economic and social implications. Effective absorption of immigrants and the rational management of the related administrative paperwork could on the one hand represent an economic opportunity for the local area; on the other hand, it could help mitigate the negative consequences of poor integration of immigrants.

The methodology used always encouraged discussions with the stakeholders as the measure and inspiration of change. In particular, constant interactions between the central level, the local level and the institutional level led to a particularly productive atmosphere in which concrete, effective measures could be adopted for the user. The aim of the Municipality of Milan was to define a process methodology that would be valid over a broad range of issues involving the management of the paperwork for immigrants. Administrative simplification was split into four main areas:

- **Simplification of information**, meaning the quality, quantity and availability of information necessary for the correct functioning of the offices and better relations with users;
- **Creation of better interfaces** between users and the public administration whether in face-to-face contact or in the back office;
- **Internal organisational change**, relating to the efficiency and effectiveness of the processes and the alignment of the municipality's structural setup in the field;

⏚   **Enhancement of inter-institutional dialogue**, meaning the formal and informal relationships between the municipality and the other institutional stakeholders.

A key element of the experimentation was to improve the quality of the applications. By intervening on the demand for the service (i.e. making sure that the users presenting themselves are well informed with regard to the process, with pre-compiled forms), it was possible to make significant improvements in the service, because less time was needed to complete each case and the citizen's overall satisfaction with the public service is increased in terms of the time taken and the level of information available. Furthermore, constant interaction with the demand side made it possible to evaluate carefully the results of changes by measuring divergences from the initial objectives and, in the final analysis, allowed the services to be redesigned as a function for the end-users.

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5.3   Meeting user expectations of easy access to services

Accessibility is a crucial aspect of service delivery and can be both physical and virtual. This raises a plethora of delivery concerns, like quality of texts, physical access for people with disabilities, internet access & literacy, use of social media, etc. Again, the underlying principle here is

> **One stop shops**
>
> **Multi-channel service delivery**

aligning with users' expectations, even if this means an adjustment in the administration's approach, subject to affordability and available resources. Two hot topics will be dealt with here. The first one is the preference among many citizens and businesses for a single 'shop-front', to be able to access all the relevant services ideally through one portal, which has led to the creation of one-stop shops (OSSs). Perhaps paradoxically, the second topic is offering multi-channel service delivery, to reflect the diversity of users' preferences for interfaces with the public administration.

> Administrations should design and develop public services, taking account of users' needs and requirements. Special attention should be given to the following users' expectations:
> ✓ Physical and digital channels should be made available to citizens and users of public services.
> ✓ A single point of contact should be made available to citizens and business.
> ✓ Users' needs and feedback should be regularly collected and assessed.
> ✓ Administrations should request to citizens and users of public services to provide information once only, in respect of applicable legislation.

All EU Member States and European Free Trade Area Countries have agreed that the design and delivery of their services will be guided by specific principles of **user-centricity**. The commitment is part of the **Ministerial Declaration on eGovernment signed in Tallinn in October 2017**:

> ### Service standards for citizen/business interaction with public administrations
>
> *Digital Interaction*
> ╬ To have the option to digitally interact with their administrations
>
> *Accessibility, security, availability and usability*
> ╬ That the services are made more accessible (including findable) and secure, and can be used by all in a non-discriminatory manner, with appropriate assistance available upon need
> ╬ That the principles of universal design have been applied to the setting up of the services and that the websites are simple to read and easy to understand
> ╬ That the authenticity of digital public services is secured and can be recognised in a clear and consistent manner
>
> *Reduction of the administrative burden*
> ╬ That public administrations make efforts to reduce the administrative burden on citizens and businesses, namely by optimizing and/or creating digital processes and services where relevant and possible, and by offering personalised and pro-active services
> ╬ Not to be asked to provide the same information to public services more than once, in due respect of data protection rules and regulations

Topic 5.3: Meeting user expectations

> ### Service standards for citizen/business interaction with public administrations (cont.)
>
> *Digital delivery of public services*
> - That public services can be fully handled online, as much as possible and appropriate, especially upon request of the user, including the provision of any evidence required to obtain a right or fulfil obligations
> - That the status of service delivery can be checked online where relevant
>
> *Citizen engagement*
> - That digital means are used to empower citizens and businesses to voice the views, allowing policy makers to collect new ideas, involve citizens more in the creation of public services and provide better digital public services
>
> *Incentives for digital service use*
> - That the barriers to use digital public services should be effectively removed, including by extending and promoting the benefits of, for example, higher confidence, speed, effectivity and reduced costs to individuals who are able to use them
>
> *Protection of personal data and privacy*
> - That the handling of personal data respects the general data protection regulation and privacy requirements in the EU and national levels, when applicable informing citizens about the use and storage of their personal data and allowing citizens to access and ask for the correction and deletion of personal data, where appropriate
>
> *Redress and complaint mechanisms*
> - That redress mechanisms are available online and that citizens and business have access to complaint procedures online, while also in other available channel(s) of their choice

5.3.1 The one-stop shop

A one-stop shop (OSS) is essentially a single channel (office or webpage) where multiple services are offered and hence the customer can find the information they need and typically conduct transactions (including applications, registrations, payments, etc.) in one

> **One-stop shops**
>
> Multi-channel service delivery

place.[15] The OSS is usually described as bringing many services 'under one roof'. This scenario is popular among municipalities in many countries, for example, for representing a range of functions or departments in a single location, as an alternative to the town hall.

Regarding target customers, OSSs are typically aimed at businesses, and many have a statutory underpinning under the Services Directive 2006/123 EC; the role of OSS in developing a business-centric administration, including Points of Single Contact (PSCs) is elaborated further in theme 6. Other OSSs are designed specifically for citizens, or a mix of citizen- and business-users, such as the Single Digital Gateway (SDG), which will build on the PSCs *inter alia* (see also topic 5.4).

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[15] Please note: 'One stop' is not the same as 'once only' (see topic 5.4). The OSS is a mechanism to access multiple services, but does not necessarily mean that user information will be shared across administrative units and never again requested. While *some* OSSs do also offer 'once only' data registration, this is not a definitive characteristic of an OSS.

The Single Digital Gateway

Under the Digital Single Market Strategy for Europe and the subsequent eGovernment Action Plan 2016-2020, the Commission committed to submitting a proposal for a Single Digital Gateway (SDG) during 2017, as an online OSS for businesses and citizens. In the words of the Action Plan: *"Currently, Single Market-related information, advice, problem-solving mechanisms, contact points and procedures do not operate as a whole but are dispersed, incomplete, not sufficiently inter-connected and not consistently user-friendly – both at EU and national level. It is therefore difficult for users to find the right information and assistance required. The Commission will therefore propose the creation of a Single Digital Gateway, based on existing portals, contact points and networks, expanding, improving and streamlining all information, assistance and problem solving services needed to operate efficiently across borders, and enabling users to complete the most frequently used national procedures fully on-line".*

The target audience for the SDG will be two-fold:

- ✓ **Enterprises** that wish to do cross-border business (e.g. establish an operation, purchase or sell goods and services, or perform works, in another EU country); and
- ✓ **Citizens** that wish to travel, live, study or work in another EU Member State.

The Single Digital Gateway will build upon, and improve, existing tools and services, such as the Points of Single Contact (PSCs), Product Contact Points, Construction Product Contact Points, the Your Europe portal and SOLVIT, at both European and national levels.

The creation of the SDG was opened to public consultation. According to the launch webpage: *"The Gateway will focus on addressing the current information gap and fragmentation by integrating, completing and improving relevant EU and national-level online information, assistance services and procedures in a user-friendly way. It aims to guide users through the whole process, from accessing information to getting advice and assistance when encountering problems*."

In May 2017, the Commission published its proposal for a Regulation of the European Parliament and Council on establishing the SDG, including the impact assessment and results of the public consultation.

The case studies below illustrate three **different types** of OSS within Member States:

- OSSs are sometimes created with the aim of serving users in **remote (as well as urban) locations** (the network of Citizens Services Centres in Cyprus), including the establishment of a **mobile** OSS (the Bürgerbüro in the Austrian district of Reutte).

- OSSs can deliver **cross-border benefits** in rural border regions (such as the Public Services Relay in the Ardennes, France-Belgium).

- OSSs can be created for **specific services**, such as taxes (as exemplified by the 'Exclusive Office' in Romania), or buying and selling a property (in the case of the 'On the Spot House' in Portugal).

Inspiring example: One-stop shops at the service of citizens (Cyprus)

The need for more efficient, effective and qualitative provision of services to citizens is nowadays of utmost importance in all modern States. The inability of the traditional, bureaucratic public administration to effectively meet citizens` needs, has led to the necessity to search for new methods with regards to the structure and operation of the public sector.

In view of this, Citizen Service Centres (CSCs) have been established all over Cyprus, based on a strategy plan, with the aim to provide multiple services from one point of contact/location, thereby offering citizens the convenience of having all their requirements met in one stop. The ultimate goal is to have a citizen-centric public administration which does not engage its citizens in long-winded, time-consuming and frustrating procedures, but is in a position to effectively meet citizens` needs in a timely manner. Acting as an alternative channel for dealing with public agencies/ organisations, CSCs offer more than 90 different services from a number of governmental organisations, such as issuing of birth certificates, identity cards, driving licenses, road tax licenses, social insurance contributions records etc. In addition, CSCs receive applications for the issuing of passports and refugee identity cards, for registration in the electoral register, for grants, allowances, benefits and pensions. The on-the-spot provision of services and information to citizens from a single point of contact is rendered possible, by fully utilising modern Information and Communications Technology. The network currently comprises seven CSCs in total (five operating in urban areas and two in rural areas).

The competent authority for the CSC, the Public Administration and Personnel Department (PAPD) of the Ministry of Finance, manages the project relating to the establishment of CSCs and the organisation, staffing, supervision and coordination of their operation, with a view to ensuring their efficiency and effectiveness. An important stakeholder in the whole project is the Department of Information Technology Services, which is in charge of the installation and support of the IT systems/equipment.

Despite the small geographic distribution of the island, the impact on citizens has been remarkable. It is noteworthy, that, over an 11-year period from the establishment of the first CSC, the seven CSCs have provided a total of 6.6 million services to citizens who have visited them (3,000 services per day on average), while 2.3 million citizens received information over the phone (data as of end of May 2016).

At present, the seven CSCs operating on the island act as an alternative channel for citizens to deal with the public administration. The PAPD is committed to continuing the improvement of the relationship between public administration and citizens, by establishing new CSCs and by constantly upgrading and improving the effectiveness of the already established CSCs. To this end, the PAPD has established a quality management system based on ISO 9001 and all the Citizen Service Centres have been certified according to this standard.

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The plan in Cyprus to establish a mobile OSS to reach residents in **remote locations**, who might otherwise be excluded, is echoed in the case of the Bürgerbüro in the Austrian district of Reutte, which is far from the regional capital of Innsbruck.

Inspiring example: All in one – Bürgerbüro in the Tyrolean district of Reutte (Austria)

The district of Reutte covers an area of 1,250 km² with only a small number of inhabitants (about 32,000) in the north-west of the Tyrol and can only be reached by car or by train (2.5 hours' travel) from the capital Innsbruck. The distances to the district capital of Reutte are long, some of the 37 municipalities are more than 60 kilometres away from the local administration. The Bezirkshauptmannschaft Reutte is the office of the local administration and security board. Until 2007, there were separate offices for passport issues, vehicle licensing and for driving licenses and these offices were spread over three levels. So for example, if you needed a driving

license, you had to go to the license office at level 2, where you received an invoice. You then had to go to level 1 to pay the taxes and then go back up again to the level 2 license office to file the application. After that, you had to wait for one or two days before receiving the license. The building was not easily accessible for people with disabilities and there were no lifts. Since the administration was going to move into a new building, there was also an opportunity to tackle changes in the administrative organisation.

The 'Bürgerbüro' opened in 2007 in the new Bezirkshauptmannschaft Reutte, with brightly lit and transparent rooms, quite near to the main entrance of the office. Three offices had to be closed and 20 employees had a new type of work to deal with. The team in the 'Bürgerbüro' works open hours and does a lot of job-sharing. Everyone in the team is able to carry out all duties; they organise their own holiday replacement, they make a weekly plan of which hours everybody will work and they share a collective guidance in their group. The new office is now open for the citizens from 07:30 until 16:00 with no break at midday. The 'Bürgerbüro' now also collects the taxes, so that everyone really gets what he or she needs all in one place ("one-stop shopping"). The new 'Bürgerbüro' has already appeared several times in the newspapers, on radio and local television.

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Similarly, the Public Service Relay in the Ardennes is a prime example of a national initiative targeted at a rural region of France, but in this case, also has **potential cross-border benefits** as the prefecture neighbours, Belgium.

Inspiring example: Public Services Relay Ardennais (France)

The French State introduced the 'Public Services Relay' label in 2006 because the prefecture and public services based in the Ardennes wanted to reinforce the presence of public services in rural zones, particularly in the cross-border area. Two-thirds of the Ardennes population live along the border between France and Belgium. The improvement of the quality of public services in rural and cross-border areas is at the heart of the implementation of a national initiative to a local cross-border one.

Co-piloted by the General Directorate for State Modernisation (GDSM)[16] and the Inter-ministerial Delegation for Competitiveness of Territories (IDCT), the plan was to facilitate the access to public services, allowing the state to be more involved, improving the quality of its public services especially in rural zones, and introducing an officer to guide the users in their administrative procedures. Thus, it became now possible to see one person in one place, when gathering information and carrying out administrative procedures coming under several public organisations.

The project invested considerably in its human and technological resources. One big change was the collaboration of people from different services who, in a 'win-win' partnership, were then able to work more efficiently together, thereby giving the users of public services a higher quality service, particularly in the cross-border context. The establishment of this partnership was possible due to an improved organisation between the back office (partners of public services), the front office (local authorities) and the middle office in charge of the coordination (prefecture). Each authority still retained its areas of competence when it comes to managing and treating cases with Public Services Ardennes. In addition, each 'Public Services Relay' put at least one officer at the point of information, who was trained by the partners to welcome and help the users in their administrative procedures, and was responsible for each 'Public Services Relay'. The back office makes a referent available for each Relay, the middle office was in charge of managing and leading the network of 'Public Services Relay', and the front office completed the 'Public Services Relay'. In addition, each 'Public Services Relay' was equipped with a computer connected to the internet and a telephone at the disposal of the users for their administrative procedures. In the future, the network was to be equipped with video counters.

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[16] Currently by the **C**ommissariat **G**énéral à l'**E**galité du **T**erritoire (CGET)

This sort of partnership can easily be applied to other situations and can be transposed in other European cross-border areas. This public service label worked in French territory, but it could easily become a European cross-border label and ultimately it could work throughout Europe. Although the project was only launched in 2008, the results were significant: 10 000 administrative procedures were performed in the 'Public Services Relay' in 2012, some of which were cross-border especially in the field of job search.

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Sometimes, OSS are set up in **specialised fields**, such as tax administration, as exemplified by the 'Exclusive Office' in Romania.

Inspiring example: Exclusive office (Romania)

From 2001 to 2011, the public administration in Constanta developed payment types such as cash payment at the counter, POS payment at the counter, payment order, online payment with credit card; it also increased the number of counters for collection by another 16 in the Romanian Post and five at Guarantee Bank; and, more importantly, it also set up 32 exclusive offices where tax inspectors were trained to guide, collect and record tax returns for both individuals and legal entities.

This project 'Exclusive Office' presents the evolution of tax inspectors from an office with split-off operation divided into individual entities, legal entities, payment and record of tax returns, to exclusive offices that provide all these services.

Basically from 2011, any citizen could go to any of the 32 counters (exclusive offices) of The Public Service of Local Taxes, Fees and Other Revenue in Constanta, where any issue related to local taxes can be solved on the spot at the exclusive office without going to other counters. This project contributed to reducing the citizen's waiting time at the counter and to standardising the work processes. The Public Service of Local Taxes, Fees and Other Revenue offered to citizens 32 exclusive offices, 50 offices where local taxes can be paid, and more importantly an online office, SPIT (https://etax.spit-ct.ro).

This project was developed over time through training of tax inspectors, through software modification and by informing citizens of the facilities that the system offers.

Also, the need was felt to focus the work when the Romanian government decided in 2010 that public sector employees should be dismissed, including SPIT. The main objective of this project implemented since 2011 was to increase citizen satisfaction by decreasing the number of claims or complaints. Increasing the number of counters and payment methods should also lead to an increase of revenues from taxes and local taxes. The overall objective was to ease the necessary procedure for recording, tracking and collecting local taxes. The intention was that the project Exclusive Office should continue to grow by simplifying work procedures and by introducing an online declaration system for local taxes and fees. Statements of changes in data could be submitted online with username and password of the account, without the need for tax payers to go to the agencies.

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The On-the-Spot House in Portugal was also an initiative that arose out of the national Simplex administrative simplification programme (see theme 1 and topic 5.2.2), and caters exclusively for the '**life events**' of buying and selling a property.

Inspiring example: On-the-Spot House (Portugal)

On-the-Spot House (or in Portuguese, *Casa Pronta*) is a public service which allows all the necessary formalities to be performed for the purchase and sale of homes (buildings), with or without a mortgage, the transfer of a bank loans to purchase a house and other housing contracts, in a single window service.

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Before the implementation of the On-the-Spot House project, to perform legal transactions on immovable properties, such as the purchase and sale or simple loan with mortgage, citizens and companies had to contact several public entities, such as: tax authorities; notaries; land register office; municipal services; entities responsible for the management of the historical and cultural patrimony; commercial Register Office and Civil Register Office. For a simple purchase and sale of a property it was necessary, for example, to obtain several certificates from the Land register office, the Commercial Register Office or the Municipal Council. In addition, a property's tax document from the Revenue Office was also required. It was also necessary to conclude a deed in the notary office and to request and wait for the registries and the availability of the certificates, since the registries are carried out immediately and the certificates delivered to the interested parties.

Business in an immovable property implied, in short, frequent and repeated visits to several public services to request and later to obtain documents, to schedule acts and later on to materialise them, and so on, which had high costs. This situation represented a major weakness within the Portuguese real estate market and, consequently, within the economic activity in general.

This project was based on the analysis of the then existing situation, evaluating the need of each formality associated with businesses in immovable properties, to eliminate useless steps and to concentrate the ones which were necessary into a single place, thus avoiding repeated dislocations, saving time and money. There was a Simplification Commission in the Ministry of Justice, essentially for representatives of all civil society areas, including employees' and employers' associations, legal practitioners and representatives of several economic activities. This commission identified excessive bureaucracy associated with businesses in immovable properties as an important barrier to the economic activity, with costs to citizens and companies. Once the problem was identified, a work group was created within the Portuguese Ministry of Justice, which included registrars from the land registry and other experts from the Portuguese Institute of Registries and Notary. It became the entity responsible for rethinking the process within the land register offices and proceeding to the respective re-engineering, as well as, as a result, preparing the necessary legislative amendments. At the implementation stage, this work group was also integrated by ITIJ technicians, for the design of technological solutions supporting the project. This service became available on 24 July 2007, at seven land register offices, five Portuguese municipalities, covering only purchase and sale, simple loan and any other credit and financing contracts concluded by credit institutions, mortgage and transfer of credits.

Today, this service is spread all over the Portuguese territory, at the Land Registry Offices, and allows not only the purchase and sale to be performed and the consequent entry at the Land Registry, but also other contracts such as donation, swap/exchange and transfer in lieu of payment over immovable property. The On-the-Spot House can also be performed by registrars at the bank agencies, to avoid the need of displacement of the interested parties. 541 191 contracts were performed through this on the spot service.

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The aim should be that the citizen or entrepreneur can initiate, process and complete a request to the administration through a OSS. There are certain requirements for this to be achieved: users need to know what administrations can do for them, which translates into a 'catalogue of services', so that everyone is aware of what is available for delivery; the description of these services should be standardised in such a way that it can be read, understood and replicated across different parts of the administration; and the services should follow the structure of 'life events' whether business or personal (see topic 5.1.4).

There is no template for designing an OSS. Usually, the OSS is a type of cooperation, working within and across organisations, which does not require the merger of individual agencies or wholesale restructuring. The form of an OSS generally follows its function. Broadly speaking, OSS fall into three categories, although individual OSS in practice can mix elements from each one:

- **'Reception'**: This model is effectively a signposting role only, with the front desk to the administration providing information, and pointing the user towards the individual agencies and services they require, possibly making appointments for them. This is the most limited form of OSS, and runs the risk of being just '*one more stop*', rather than a 'one stop shop'.

- **'Surgery'**: In this model, the OSS is like a general practitioner, able to provide a diagnosis, feedback and to deal with common conditions, but referring to specialists when more complex cases need to be treated.

- **'Multi-clinic'**: This model is full service, able to manage the case end-to-end, from initial consultation to completion, with all specialist inputs provided along the way.

Most OSSs can be categorised as falling into the surgery or multi-clinic models, or some combination of the two in specific fields. Where an OSS deals in one policy area only, such as tax administration or housing in the previous examples, it is more likely to fulfil the 'full service' role. OSSs that cater for all citizen and/or business services tend towards the more generalist 'surgery' model.

Two elements are particularly important in the early stages of the development of the one-stop shop: planning and managing OSS projects; and linking the OSS to administrative simplification and process mapping. When contemplating an OSS project or implementing an existing one, whether physical or virtual, here are some **questions to consider**:

Question	Considerations
Are there any legal barriers to establishing the OSS?	Legislation that assigns responsibilities to specific levels of government or territories (e.g. regions, provinces) can limit the development of OSS' as a national network whereby citizens can access services anywhere in the country. In planning the OSS, time should be allowed to develop and adopt solutions in the legislative programme of the government.
Is the OSS just a 'window' into the administration or does it involve a more substantial relocation or reorganisation of resources?	In the case of a physical OSS, the office will need to be staffed. If the 'receptionist' model is foreseen than staffing levels may be minimal, if the surgery or multi-clinic model is planned, the OSS will require a management and staff structure which mirrors the organisation(s) it represents. The more staff that are transferred to the OSS, the more important it will be that they play a full role in its development and buy-in to the concept.
Does the OSS have the authority to make decisions?	If the intention is to follow the 'receptionist' model, then no decision-making powers are necessary, but if the OSS is to move beyond diagnosis and referral, it must have delegated authority from the parent organisation(s) to decide on individual cases. This means appointing or assigning staff with enough seniority and experience of staff, in the case of a physical OSS.
Is the OSS in effect a new and additional agency?	There are arguments for creating physical OSS as separate legal entities within or outside the administration, but risks too. The parent or partner organisations may be reluctant to make qualified staff available (their 'best people'), and/or resent the transfer of powers and resources to the new body. Some OSS have failed in the past because of 'turf wars', which makes the initial planning and internal negotiations over the OSS especially critical to its success.
If the OSS is a physical location, it is accessible and visible?	To be effective, the OSS must have 'presence'. In other words, it must be actively promoted to its target group, and easy and low cost to access if a physical OSS, including by public transport if aimed at citizens.

Are staff competent to handle the OSS role?	This is not just a matter of technical knowledge and experience, but also inter-personal and analytical skills for customer service. These should be assessed before appointment / assignment to the OSS, and coached if there are gaps.
Has the OSS been properly costed and its benefits evaluated, to justify the spending and upheaval, and is it sustainable?	In principle, single portals represent a step-up in access to public services for the citizen or business. But like any organisational change, an OSS requires upfront investment, including staff movement and training, and on-costs. Many of the financial benefits will accrue to the user, rather than the administration.
Has the OSS been accompanied by administrative simplification?	If the OSS is essentially a professional interface with the citizen or business, then it is simply acting as a guide to navigate the service through the labyrinth of the administration's bureaucracy. This is a vital role in itself, but the real benefits (and economies) come from marrying the single portal to the seamless process, which is essential in the case of the virtual OSS online.

Once they are in place, OSSs can also provide valuable feedback on further possibilities for administrative simplification, helping identify the most cumbersome procedures. The example of Hungary's Government Windows (below) illustrates some of the potential pitfalls if governments seek to short-cut consultation with affected stakeholders, and focus too quickly on the front-office interaction, without giving full attention at the outset to the back-office consequences, something which the administration has subsequently sought to rectify.

Inspiring example: Government Windows (Hungary)

'Government Windows' (Kormányablak) are Hungary's one-stop shops for citizens and businesses, introduced as part of the wave of top-down public administration reforms from 2010 onwards.

Until this time, almost every municipality and every agency had its own service point, more than 2000 in total. Client services had become **unsustainable**, operating in a fragmented and inefficient manner, with disharmonious opening hours (at times between 8.00 and 18.00 depending on the individual service point, with most serving clients only on specific days during the week, also not harmonised across the network), non-standardised service qualities, and dissimilar operating and management systems. Citizens had difficulties to orientate themselves in this diverse bureaucratic system. The citizens should be able to expect all their needs for public administration services could be met by a single service point operating to a standardised quality.

The **stated goals** of the OSS on the government's side were: better coordination of public administration as a whole; improving the customer-oriented character of administrative services; achieving cost savings by reducing fragmentation, duplication and overlaps; and moving towards regulatory convergence, namely the EU's Services Directive (2006/123/EC) which set the objective of dismantling administrative barriers that were hindering business in the internal market, by the simplification of administrative procedures. In pursuance of this goal, the Services Directive foresaw the creation of **Points of Single Contact** for services companies. For the users, the aims were: standardised service levels, with civil servants having the same level of qualification; extended and unified opening hours (from 8.00 to 20.00); service delivery points within a short distance from citizens; and cutting time and cost of providing administrative procedures by providing a single point of contact with the public administration.

The broader context was **territorial administrative reform** and the 2011 Law on Local Self-Governments that came fully into effect from 1 January 2013. The Hungarian administrative structure comprises three levels:

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central; 19 counties (megyék) at NUTS-3 level, which are further divided into 175 districts (járások) at LAU-1 level; and 3 175 communities (települések), which includes county-towns, towns and municipalities. The capital city Budapest also has county status and its own 23 districts. Hungary also has seven NUTS-2 regions since 1999 for purely statistical purposes. The map (right) shows the county structure of Hungary.

Below the national level, Hungary has both de-concentrated central government and elected self-government. The central government subsystem is divided into ministries and a number of agencies with nation-wide competence, responsible for building, property registration, unemployment, social welfare, healthcare, pensions, etc.), many of which have field offices at the county or district levels.

- At the county level (19 + 1), most of these de-concentrated field offices were absorbed into centrally-directed County Government Offices in 2011, along with the administrative tasks of the Document and Registration Office, which is tasked with issuing various personal documents and licenses. The elected county self-governments (existing since 1990) have a fairly narrow scope of competencies.

- At the district level (175 + 23), District Administrative Offices took over most of the centrally defined administrative tasks previously delegated to the municipalities.

For the Government Windows, the relevant level is this intermediate one (counties and districts) that was the subject of comprehensive reform in 2011. In the first phase of the overall project, the County Government Offices provided the host for the Government Windows, each of which acts as an **entry point to public services**, with a uniform appearance, standardised equipment, a user-friendly atmosphere and comfortable reception, along with family-friendly features, such as children's playrooms. The responsibilities and activities can be distinguished in four categories:

1. They provide **access to the central eGovernment platform** (Ügyfélkapu) and help clients to fill in electronic forms (such as the declaration of entrepreneurial activity).

2. They provide customers with **information** concerning the process and the deadlines of the administrative procedures (mostly the social and healthcare matters), on the rights and the duties of the clients, and help clients fill in the necessary forms. By early 2016, this applied to 181 types of procedure.

3. The clients' requests and attached documents are received and **forwarded** by the Government Window officers to the relevant back offices deciding the case. By early 2016, this applied to 333 types of procedure.

4. A small proportion of the complete administrative cases can be **fully completed on-the-spot** (e.g. modify records in official registries). By early 2016, this applied to 84 types of procedure.

To help the Government Window officers with administrative processes and case management, there is a **knowledge centre** providing information on how the administrative procedure should be managed and what types of steps should be taken (what types of documents are required from the clients, which organisation should receive the documents etc.). At present, the process cannot be tracked in real-time.

The **roll-out** of Hungarian OSS has been as follows:

- The first 29 Government Windows were launched in January 2011 in Budapest and Pest County, covering 30 types of administrative procedures.

- By summer 2011., the scope of this authority had been extended with another 31 services;

- By 2013, the scope of authority had been extended further to more than 150 different services;

- In October 2013, the Government initiated the 'Prototype OSS', with a standard organisation, design, equipment and civil servants able to offer the same quality service throughout the network;

- By 2014, the OSS was offering more than 250 different public services.

The next step is to offer arm's length and outsourced customer service points, such as post offices, and mobile OSS on the district and municipal levels. By 2015, the OSS was offering 633 services in more than 240 service points. The goal of the Government Windows is to cover 2500 procedures across 300 service points.

The main steps of the **HRM process** for new recruits are: promotion, recruitment and selection; an initial training programme with basic knowledge of public administration; and preparation for the 'real' working place condition. More generally, personal development is characterised by blended learning, which includes lectures (face-to-face learning), technology-based and web-based training (e-learning), online tutorial forums, case studies and of course, on-the-job training.

To make systems more comprehensible to citizens, the Government Windows are organised around **life events** which trigger people's need for services. It should be simple for individuals and front officers to handle a life event such as marriage, becoming unemployed or losing a home. This could be done by using multiple choice system that maps all administrative procedure that might link to the special life situation. The system would bring either the front officer or the client's attention all the services that might help them.

In this context, the **training modules** offered to staff are summarised below:

Training modules	Contents
(0) Learning to learn - learning strategies	Introduces different learning techniques.
(1) Core skills in public administration	Focused on key structures, relationships and processes, which underpin and shape the Hungarian government and public administration.
(2) Public administration procedures	Covers the legal framework of administrative procedure.
(3) eGovernment technologies on the field of costumer services	An introduction to eGovernment solutions in Hungary with the primary focus on IT technologies within customer services.
(4) Typical life situations and their administrative relations	Covering all the administrative sectors and procedures those have linkages to typical life events and life situations. It aims to prepare the civil servant to know his or her way around the 'labyrinth of the administrative bureaucracy'.
(5) Communication and interpersonal skill training for customer service officer	Developing the "soft" (interpersonal) skills – verbal and non-verbal communication skills, behavior competencies, negotiation skills of the civil servants.

Staff development also involves customer services **simulation software**, featuring 'quick skill drills', 'walk-around practices', 'role-plays' and 'respond-in-role'.

A 2013 survey found that most users are still following conventional 9-5 opening hours, and indeed only 10% were aware of the extended opening times (8-8), with less than 7% of users attending the Government Window after 17.00. The most popular uses are for car registration (19%), issuing ID cards (16%), issuing driving licences (13%) and issuing address cards (10%), while 6% of requests were outside the scope of services on offer.

Unfortunately, the OSS initiative in Hungary to date appears to have suffered from two **fundamental and related weaknesses**:

- First, the **emphasis in these initial phases has been entirely on the front office** - providing easy off-the-street access to citizens, so that they can bring their 'life event' problems straight to the administration. This is highly laudable, but without action to simplify administration and strengthen interoperability (with the front office and across back offices), this is likely to simply create bottlenecks and stresses elsewhere in the system. Processes are unlikely to become quicker and more efficient, but rather the opposite, as an effective front office just serves to create a higher caseload for the back offices, leading to dissatisfied clients and over-worked officials. However, it is **important to note** that the Government has since launched a programme of administrative simplification to cut back on bureaucratic burdens, which should reduce costs and the time taken by administrative processes.

- Second, **no consultation took place with most of the affected organisations or societal stakeholders**. This is confirmed by top-level officials of agencies affected by the Government Offices / Government Window reforms. In the initial phase, only parent ministries represented the agencies. The agencies themselves became directly involved in the process only after all decisions had already been taken. There was no structured inclusion - the heads of national agencies were convened in an *ad hoc* manner and sent

the decisions about the creation of the Government Windows. Later on, during the implementation phase (early 2012), the Government was not open to the suggestions of agency heads, and declined to take exposed problems into account. There is also no evidence of any attempt at consulting other stakeholders. The result was overly ambitious plans in the initial phase (initiating 2500 types of procedures) and objectives far from the reality (due to the lack of interoperability), mistrust due to lack of collaboration, and strong resistance from sectorial agencies.

The Hungarian experience yields several valuable **lessons** that other administrations can learn from:

- ✓ Ensure strong and long-term political support – the Government Windows were driven forward by a commitment and desire from the Centre of Government (COG) to reform service delivery;
- ✓ Set clear objectives and expectations for what OSS can achieve, in dialogue between the political and administrative levels;
- ✓ Focus on building strong relationships and permanent communication channels between all the participating agencies and other stakeholders
- ✓ Take development step-by-step, enlarging the structure and portfolio gradually;
- ✓ There should be a pilot phase (in this case the 'Prototype OSS'), in which the administration can test the extended task portfolio and the physical and IT environment;
- ✓ Simplify the administration and take a holistic, system-wide approach, not just a client-facing perspective.

Developing OSSs requires a complex approach and multi-level collaboration - reform requires a mix of political, technical and administrative actions taken at different levels. It is important to maintain flexibility and adaptation to a changing environment: Unexpected conditions can change the schedule and the way of implementation.

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5.3.2 Multi-channel service delivery

During the last decade, users have become accustomed to new means of service delivery in the private sector. Nowadays, service users expect the same level of variety from the public sector: they want their interactions to be convenient, and they prefer to be online rather than in line. To meet this expectation, administrations need to deploy a variety of channels for their service delivery – channels that allow users to consume their services anytime, anywhere and anyhow. It should always be possible to provide citizens and businesses with the option to interact via digital channels with public administrations, if they choose to. This is recognised by European Member States, hence the principles of digital-by-default, inclusiveness and accessibility which aim to ensure that European citizens and businesses may interact digitally with public administration, if they choose to do so and whenever feasible and appropriate from a cost-benefit and user-centricity perspective.[17] (See Below 5.4.3 Moving towards digital by default).

An administration's user population is not homogeneous, nor should it be treated as such. To be able to deliver quality services, services should be tailored to the needs of individual users, as far as this is possible. Although fully-customised service provision may be a thing of the future, user segmentation is a valuable step in the right direction. Segmentation means that the user population, ideally per service or group of related services, is subdivided into subsets of users who share an

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[17] *Ministerial Declaration on eGovernment - Tallinn Declaration, https://ec.europa.eu/digital-single-market/en/news/ministerial-declaration-egovernment-tallinn-declaration*

interest in the service(s), based on one or more characteristics. Common criteria are:

- **Demographic**: age, gender, urban or rural based, region, etc.;
- **Socio-economic**: income, socio-economic category, level of education, sector, number of employees, volume of business, etc.;
- **Psychographic**: life style, values, sensitivity to new trends, etc.;
- **Physical and psychological**: abilities, attitude, loyalty, etc.

The segments are then 'targeted' in the most suitable way over the most appropriate channels, based on their needs. Generally, users want services to be flexible, accessible, complete, easy and secure. A user's channel preferences are influenced by circumstances such as the nature of the service required or his/her need for direct, person-to-person interaction. New developments in ICT allow the public sector to meet these preferences by adapting their front and back offices: allowing new ways of interaction through a variety of channels, restructured services that accommodate their users' needs, and re-organised business processes within and between separate administrative bodies. This is often a challenge for public sector services, which are typically built as 'silos'. Scenarios range from traditional channels, such as the counter and telephone, to e-channels such as internet, e-mail, SMS-messaging, interactive voice response systems and digital television. Each has its case, as indicated by an earlier European Commission study (overleaf).[18]

Overview of channels with potential advantages and disadvantages	
Call centre	☑ Can handle voice contacts (e.g. telephone), internet contacts (e.g., chat, e-mail), written contacts (e.g. faxes, regular mail)
	☑ Can deliver services ranging from simple general information requests (e.g. self-service through IVR systems) to complex transaction services (e.g. in direct contact with a human agent)
	☑ The use of computer telephony integration (CTI) enables it to be a one-stop shop
	☑ Cheaper to operate than traditional channels
	☑ Can be used as an add-on channel for other channels
Counter	☑ Provides direct and personal contact
	☑ Suitable for complex services that cannot be provided over self-service channels expensive to operate
	☒ Physical distance and limited opening hours may be a barrier
E-mail	☑ If organised around automated response: suitable for simple services that don't require personal contact, and available on a 24*7 basis
	☑ If organised around manual response: suitable for complex information and communication services that require personal contact
	☑ Less formal than regular mail
	☒ Expensive to operate
Instant messaging	☑ Suitable for asking brief questions and for obtaining a prompt answer
	☑ Faster than e-mail
	☒ Danger of misunderstanding due to brevity of messages
Interactive Digital TV	☑ High potential for including until now excluded social groups
	☒ Seen by many users as an entertainment device
	☒ No single technical standard yet
	☒ Low penetration rate
Interactive Voice Response (IVR) systems	☑ Accessed over a phone line
	☑ Suitable for simple services
	☑ Available on a 24*7 basis
	☒ Seen by many as user-unfriendly (phones with visual readouts may remedy this)
Mobile devices	☑ Enable users to access services irrespective of location
	☑ Offer functions such as SMS, e-mail, access to the internet (depending on the model), in

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[18] Based upon: European Commission, DG Enterprise, Interchange of Data between Administrations Programme (2004), *Multi-channel delivery of eGovernment services*, p.77

		addition to telephony
	☑	Raise inclusion in areas with poorly established fixed telephone line system by offering telephone, SMS and internet (m-services)
	☒	Size of screen is a limiting factor to providing services
	☒	Functionality of different devices is converging (e.g. PDAs and mobile phones)
Personal computers	☑	Widely used device to access the Internet (home, work, school, public access points)
	☒	Internet connection needed: modem over standard telephone line, ISDN line or ADSL connection
Public Internet Access Points (PIAP)	☑	Intended for users who have no access to the internet at home
	☑	Usually located in public places with dedicated staff available to assist users
	☒	Physical distance may be a barrier
SMS	☑	Offered by the GSM network
	☑	Send short (max. 160 characters) messages to and from mobile phones
	☑	Suitable for notification services
	☑	Can be combined with other channels (websites, e-mail boxes)
	☑	Technology becoming available that allows messages to be sent via the fixed line telephone system
Telephone	☑	Very high penetration rate
	☑	Type of services, "opening hours" and costs dependent on the receiving
	☑	End of the line (an administration's employee, a call centre agent, an IVR system or an answering machine)
	☑	Preferred by many users (instead of e-channels)
	☑	Speech / auditory impaired may be helped by text phones & communication assistants
	☑	May be used to access websites
Websites	☑	Can contain very large volumes of information
	☑	Suitable for services that are not too complex
	☑	Available on a 24*7 basis
	☑	Parallel or add-on channels such as a call centre can make websites appear more direct: a call centre agent guides the user through his web session
	☒	Devices are needed to access websites (overall internet penetration rate in EU is still below 50%)
	☒	The nature of the accessing device (PC, mobile phone) determines viewing and thus services (e-services vs m-services)

An administration's first step in defining a multi-channel strategy consists of determining its objectives: why does it want to offer a variety of channels? Only if it has a clear vision can it make properly motivated choices, in terms of which channels it should implement and how it can redesign its services to reap the optimal benefit. A multi-channel strategy can address two objectives faced by today's public bodies: improving the services provided to the user community and/or reducing the costs of providing its services. Because success in service delivery depends on a vast range of parameters, there is no single formula or solution that fits all situations. Instead, each administration wishing to implement a multi-channel strategy must make its own investigations and choices. This is exemplified by the case of customer service reforms in the City of Linz in Austria, which has put in place a multi-channel offer of personal, telephone-based and online citizen services, including the OSS approach.

> ### *Inspiring example: Three channels in the City of Linz (Austria)*
>
> In the administrations of municipalities (communities), which are the smallest units in the structure of the federal state, the administration and the citizens interact on a virtually equal footing. Due to this close and direct contact, the municipalities are compelled to constantly scrutinise and improve the way in which they deal with their citizens. In 2001, the municipal authorities of Linz launched a service offensive with the aim of giving their citizens much better access to the individual services. Based on their customers' need for information, communication and interaction, which had undergone some changes, new forms of organisation were created for the three most important access routes:

+ **Personal**: Services for which there is a great demand, which can be dealt with quickly and do not require any special knowledge (which can therefore be standardised) were bundled together. These so-called quick services were offered at 'single points of contact' which were easy for the customers to get to (Citizens' Service Centres, decentralised libraries). In addition, services that were in great demand but for which special knowledge was required were spatially and organisationally brought together in so-called specialised centres (e.g. Construction Service Centre, Fee Service). Since 2008, services for special target groups have been offered within the framework of the 'mobile citizens' services' at locations which can be flexibly arranged and are convenient for the customers (e.g. at the start of the semester, students can register places of residence and get active passes at the University of Linz; before the travelling season, travel documents can be obtained in larger firms in Linz).

+ **Internet**: The platform 'service A-Z' under www.linz.at offers citizens access to comprehensive information and many online services. There is also a special portal for entrepreneurs (www.linz.at/wirtschaft) to ensure the best possible service to this target group around the clock.

+ **Telephon**e: With the establishment of the Teleservice Centre (TSC) in 2006 and the continuous expansion of the services it offers in recent years, it has been possible to optimise the means of access to the municipal administration that is most frequently utilised by citizens. The TSC thereby completes the comprehensive service concept from which both the citizens of Linz and the municipal administration benefit: the citizens enjoy an improved quality of services and the administration can deploy its resources more efficiently. The value of this approach has been confirmed by the excellent results obtained in the surveys of customers and the 'mystery actions', both of which are carried out at regular intervals, as well as by contacts with customers (both direct and by phone).

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Each administration should find out the preferences of their user segments in relation to the services and the types of transactions required. The smaller, or the more uniform, an administration's sphere of activity, the less channel preferences will vary. Bearing in mind differences between individual users, preferences vary considerably depending on:

+ *Demographic and socio-economic factors:* These might include gender, location (urban or rural based, region) and health.

+ *Phase in the service delivery process:* For example, whether orientation, information, consultation or transaction.

+ *Complexity:* Research has shown that the channel over which users seek information is often also the channel they prefer in the following service steps. But the more complicated an interaction with an administration, the less the user wants to do it over indirect channels like the internet. In that case, telephones remain the overwhelmingly favourite way to communicate.[19]

+ *Personal or impersonal:* Users with a preference for personal contact when seeking general information are not usually inclined to use the telephone or the internet in the following process steps. Users who use the telephone to obtain information are more inclined to switch to the internet channel, a possible explanation may be that they are less afraid of non-visual contact.

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[19] L. Boutamine (2013), *The ethnographic approach: an aid in understanding the behaviour of users of public services. An example from the tax area*, presentation made at the 7th European Quality Management Conference; E.J. Klootwijk and E. Maatje (2001), *Channel Preferences in Europe. Multi-Channel Strategies and the Customer Activity Cycle*, Beerens Business Press, Woerden, p. 45; and R.A. Malatest & Associates Ltd. (2002), *Clients Speak. A Report on Single-Window Government Services in Canada*, the Institute of Public Administration of Canada, pp. 13.

- ⚜ *Type of service:* The type of service may change the overall picture of channel preferences. For example, although overall the percentage of women using the internet is lower than the percentage for men, in both the EU and US females are more likely to use the internet to search for health-related information.[20]

Customer preferences are not set in stone, however, and technology does not stand still. Service providers must always be diligent in responding to users' requirements in the immediate term, but should also be looking to innovative solutions in the medium-term, in dialogue with service users. The EU's eGovernment Action Plan 2016-2020 and the Ministerial Declaration on eGovernment - Tallinn Declaration put forward a number of principles to be considered when introducing new public services, such as making them inclusive and accessible, open and transparent, and digital by default, which are explained further in the next topic.

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[20] Work Research Centre (2003), *Benchmarking Social Inclusion in the Information Society in Europe and the US*, p. 27

5.4   Using eGovernment to access faster, cheaper, better services

Performance gains in the public sector are among the key drivers of the productivity that generates economic growth. As a labour-intensive sector, public administration was constrained in the past by the limits of technology. These days are long gone. ICT's blend of processing power, data management,

From information to interaction

Interoperability & 'once only'

Moving towards 'digital by default'

flexibility and networking capabilities has unleashed untapped potential for better, faster and cheaper service delivery. This entails more than technological innovation. It reflects and requires a radical shift in thinking about back office functions, as well as the interface between administration and user, whether citizen, business or other administrators.[21]

Digitalisation of public administration is not an end, but a means to improve efficiency, to reduce bureaucracy, to increase user-friendliness and accessibility, and to promote ethical practices and reduce opportunities for fraud and corruption (see theme 2). This transformation builds on openness - sharing information and data between administrative silos, and opening up to stakeholders. Another core element is interoperability: the ability of institutions to work together, and systems to talk to each other. Many Member States are moving towards 'once only' registration of personal data by citizens and businesses, where desired and permitted by law, and towards online channels being the default option for accessing public services ('digital by default'). In this light, it is important that no citizens are left behind by technological change, so services should also be inclusive and accessible. The EU's eGovernment Action Plan 2016-2020 recognises these as the underlying principles when creating new public services. Within the context of Europe 2020, the Action Plan is guided by the following **vision**:

> By 2020, public administrations and public institutions in the European Union should be open, efficient and inclusive, providing borderless, personalised, user-friendly, end-to-end digital public services to all citizens and businesses in the EU. Innovative approaches are used to design and deliver better services in line with the needs and demands of citizens and businesses. Public administrations use the opportunities offered by the new digital environment to facilitate their interactions with stakeholders and with each other.

The eGovernment Action Plan aims to remove barriers to the completion of the Digital Single Market (DSM) within the frame of the DSM Strategy for Europe[22] through 20 actions[23]. Further actions may be proposed either by the Commission or by stakeholders, including Member States and public administrations at all levels through the digital stakeholder engagement platform, which is an example of co-responsibility for public services.

These actions fall under **three pillars**:

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[21] ICT's impact on good governance extends beyond service delivery in making processes faster, more efficient and effective, of course. Today's digital technologies are being integrated into all aspects of government operations and contributing to co-creation of new policies, greater transparency, tackling societal challenges and achieving better outcomes, through the transition from eGovernment towards digital government (see OECD's Recommendation on Digital Government Strategies).

[22] See also http://europa.eu/rapid/press-release_IP-15-4919_en.htm

[23] The actions are explained further and their progress can be followed in the Actions Dashboard.

✓ Modernising public administration with ICT, using key digital enablers ('make it simple');
✓ Enabling cross-border mobility with interoperable digital public services ('make it for all');
✓ Facilitating digital interaction between administrations and citizens/businesses for high-quality public services ('make it together').

All initiatives to be launched under the Action Plan should observe the following **underlying principles**, which are strongly supported by stakeholders:


### *The seven principles of eGovernment*

1. **Digital by default**: Public administrations should deliver services digitally (including machine readable information) as the preferred option (while keeping other channels open for those who are disconnected by choice or necessity). In addition, public services should be delivered through a single contact point or a one-stop-shop and via different channels.

2. **Once only principle**: Public administrations should ensure that citizens and businesses supply the same information only once to a public administration. Public administration offices take action if permitted to internally re-use this data, in due respect of data protection rules, so that no additional burden falls on citizens and businesses.

3. **Inclusiveness and accessibility**: Public administrations should design digital public services that are inclusive by default and cater for different needs such as those of the elderly and people with disabilities.

4. **Openness & transparency**: Public administrations should share information and data between themselves and enable citizens and businesses to access control and correct their own data; enable users to monitor administrative processes that involve them; engage with and open-up to stakeholders (such as businesses, researchers and non-profit organisations) in the design and delivery of services.

5. **Cross-border by default**: Public administrations should make relevant digital public services available across borders and prevent further fragmentation to arise, thereby facilitating mobility within the Single Market.

6. **Interoperability by default**: Public services should be designed to work seamlessly across the Single Market and across organisational silos, relying on the free movement of data and digital services in the European Union.

7. **Trustworthiness & security**: All initiatives should go beyond the mere compliance with the legal framework on personal data protection and privacy, and IT security, by integrating those elements in the design phase. These are important pre-conditions for increasing trust in and take-up of digital services.

5.4.1 Information to interaction

Increasingly, public administrations and the judiciary are using the Internet to bring services to citizens and businesses. This evolved quickly from the passive (one-way access to basic public information) to the interactive (two-way engagement, allowing sophisticated transactions to take place). DG CNECT's

- From information to interaction
- Interoperability & 'once only'
- Moving towards 'digital by default'

2014 eGovernment benchmarking study described the five stages of eGovernment development in public service delivery:
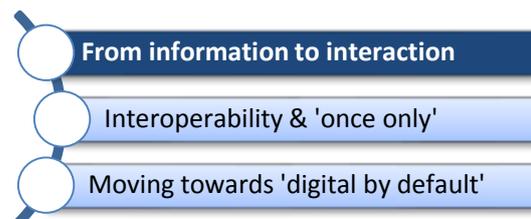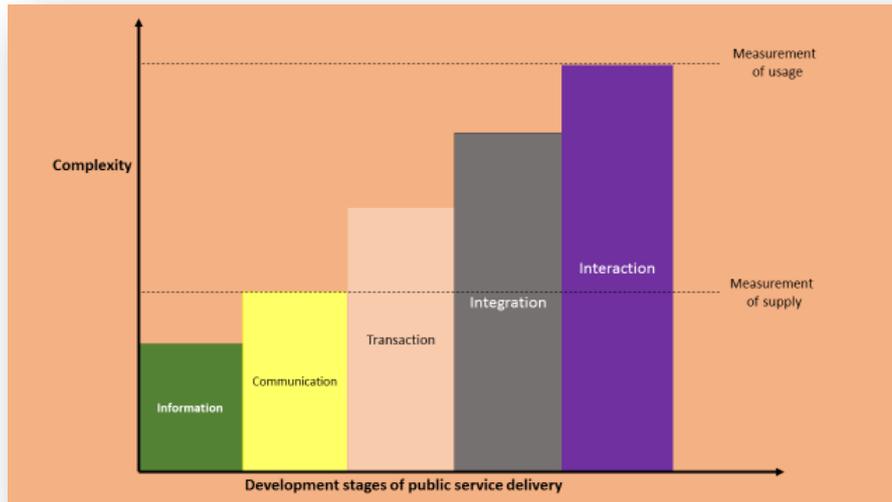
Breaking down these stages:

1. The most basic level of eGovernment is the provision of useful **information** to citizens and business users on public services online, which can also help to promote transparency and accountability (see theme 2).

2. This evolved into more sophisticated **communication**, whereby the administration moves beyond setting out basic information (such as opening hours of public facilities, citizens' rights and entitlements to services, etc.), and opens a dialogue with service users, allowing information sources to be interrogated (such as real-time availability of public transport), ask questions, make comments and complaints etc.

3. Opening communication channels leads logically to **transactions**: enabling citizens, businesses and public authorities to access and use public services online, for example in submitting applications, registering births or business start-ups, making payments or purchasing certificates (as illustrated by the example of Ireland's www.certificates.ie below).

4. Dealing with individual administrations on individual steps in the transaction process is hugely inefficient, especially for the citizen or business. The big leap forward in the productivity and quality of the user's experience comes from **integration**: the bundling of services across several administrations, so that the interface between them is seamless and the connections between the various 'back offices' becomes effectively invisible to the consumer. This puts the onus on the administration to deliver the right package of information and accessibility, rather than on the user to find it.

5. This leads logically to full **interaction** with the user, whereby the citizen or business can engage directly - and if desired, exclusively - with the administration online, providing data and managing its updating and usage. The citizen or business can monitor in real-time what is happening with their services and their personal data, in the same way they can track

delivery of a parcel on a private sector website. The power of the Internet permits a whole new paradigm in service delivery and democratic governance.

Public administrations are now moving **'beyond interaction'** to a new stage of e-service maturity, where interaction is not even necessary as the service is automatically delivered in a phenomenon that has been termed the 'no-stop shop'. This is possible because of systemic interoperability and the application of the 'once-only' principle (see the example of Austria's child benefit without application in topic 5.4.2). Along with the 'once-only' principle public administration should ensure that citizens and businesses supply information to a public administration only once. Public administrations take action with consent of the user to internally re-use this data, in due respect of data protection rules.   By minimising the *need* for interaction, administrations can reduce the burden on citizens and enterprises, while creating public value.

Inspiring example: Purchasing public certificates online worldwide (Ireland)

The website www.certificates.ie was developed in a tight economic climate as a smart way to enable clients to purchase certificates of life events (i.e. birth, adoption, marriage, death and still-birth, and more recently civil partnerships) online from any internet connection in Ireland or abroad. It was a new and innovative way of providing the service, resulting in real savings, both by using an online solution, and also taking the opportunity to re-evaluate the current business model, designing and implementing re-engineered processes which increase efficiency, which was the main goal of this project.

The adopted joined-up government approach was led by the Civil Registration Service – Eastern Registration Area (CRS-ERA), on behalf of the Civil Registration Service (CRS) nationally and the General Register Office (GRO) utilising internal ICT resources. The national CRS generates significant income – during 2008 around €7.7 million was generated, over 591,000 certificates issued, and over 128,000 life events registered. The website was launched in November 2009 and by the end of 2010, approximately 5% of all certificates had been issued from online applications, and turnaround time had reduced to less than 5 working days in 92% of 'customer-not-present' applications (online, by telephone or postal). Previously, to purchase a certificate, a person had to attend in person, post a detailed description/ completed downloadable application form with a cheque/postal order, or in more recent times could apply by telephone using a credit/debit card. Within the CRS, a government-approved Modernisation Programme had clearly set out the value of online services and the REACH project had also developed a detailed proposal in this regard. However, with many legislative and other large-scale initiatives ongoing, including development of online registers of birth, death and marriage, this project had not been progressed further. Prior to the development of this site, the take-up on telephone applications demonstrated that clients welcome 'customer-not-present' approaches for purchasing certificates.

Going online delivers savings for the state through reduced staff intervention as clients now input details, and reduced cash-handling by using a secure financial system that reduces administrative overheads e.g. cash counting/balancing. With little available external resources, an innovative approach was necessary to keep costs to an absolute minimum and a partnership approach saw this site being developed locally by an in-house project team comprising of a partnership between ICT and staff from the CRS service. For CRS-ERA, key advantages include: improved customer experience – empowering the citizen; enabling customers to order certificates of birth, adoption, marriage death or still-birth from the comfort of their own home or any location with web access at any time; more effective use of staff resources – ability to manage workloads better, diminished need for public space at some offices, facilitating better customer experiences. This has been a joined-up partnership approach with other government agencies to benefit both the state and the citizen through exploiting online technology and its application. A review of 2013 figures showed a marked increase in online users with 25% of orders placed for certificates in the Dublin office coming through the website, which was accessed from 72 distinct countries.

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With Governments across Europe looking to increase further the availability of online services, the question for public administrations is: how best to generate demand among businesses and citizens by ensuring the highest quality user experience, both nationally and across borders? The answer brings us back to **citizen and business 'life events'** (topic 5.1). To recap, 'life events' package public services that are usually provided by multiple government agencies around a subject that makes sense to the citizen. The challenge then is for the IT systems of the participating agencies to cooperate (or to use the correct term, 'interoperate') for the seamless delivery of the e-Service.[24]

> *A life event captures the user's journey irrespective of government domains and tiers …*
> *Life events cut across the silos of public administrations, underlining the need for collaboration between different administrations to satisfy the users' needs.* [25]

The most basic point about 'life events' is that they rarely involve just one interaction with one public authority. They are almost always the composite of many individual services. Each main life event can be broken down into a set of individual public services, which can be as many as 10-20 or more. For example, the Commission's eGovernment study identified 15 public services under 'losing and finding a job' and seven for 'small claims procedures':

Examples of individual services linked to a life event

Losing and finding a job	Starting a small claims procedures
1. Register as unemployed and apply for benefits	1. Obtain information on how to start small claims procedure
2. Get assistance from public officer	2. Obtain information on related legislation and rights
3. Ensure continuity of medical insurance	3. Start a small claims procedure
4. Ensure continuity of pension payments	4. Share evidence/ supporting documents
5. Obtain guidance related to housing	5. Obtain information on case handling
6. Access debt counselling	6. Retrieve judgement
7. Access health promotion programs	7. Appeal against court decision
8. Obtain guidance in case of sickness/injury	
9. Access social welfare appeals	
10. Receiving benefits that apply to you	
11. Orientation on labour market	
12. Search job vacancy data base	
13. Receive job alerts and set up job profiles	
14. Subscribe to training & education programmes	
15. Subscribe to vocational career advice	

So, what is the **state-of-play with life event e-Services** across Europe? The European Commission's 2016 benchmarking study of seven life events (five citizen, two business) shows 81% of national public services are available online, but cross-border services much less so. For example, 25% of services required by foreign entrepreneurs to start their business in another country are completely *offline*: meaning there is no information - let alone a service - available online.

Benchmarking eGovernment in Europe

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[24] http://ec.europa.eu/idabc/en/document/1644/5848.html
[25] DG CNECT (2014), *Delivering on the European Advantage? How European governments can and should benefit from innovative public services*, Final Insight Report.

Governments are increasingly aware of the importance of making their online services user-friendly, but the focus has been mostly on making services available, leaving ample room for improvement in areas such as speed and ease of use. The EU's eGovernment benchmarking reports contain the first complete measurements of online public services across the EU-28 plus Iceland, Norway, Serbia, Switzerland and Turkey, using **'mystery shopping'** techniques to recreate the journey through government websites and services for seven life events: five for citizens (studying, losing & finding a job, moving, owning & driving a car, and starting a small claims procedure), and two for businesses (starting a business & early trading operations, and regular business operations). Each life event is analysed every two years (in alternative batches of three and four events), to allow time in between for actions by the public administrations to take effect. For the first time, the 2016 report allows comparative data to be presented for two full-cycles (data from 2012-2013 and 2014-2015) for all seven life events.

Regarding **user-centricity**, the 2016 report found that governments have advanced in making public services digital, but focused less on the quality of the delivery from the user's perspective. On average, 80% of public services under the life events were available online in 2014-2015, representing an 8-point increase from 2012-2013. Over the same period, usability features (support, help and feedback functionalities) are widely present on government websites (83%, an increase of 6 points), However, the mystery shoppers' assessment of ease and speed of use shows much less progress, standing at just 60% and 57% respectively, an advance of only 1 percentage point in each case. Mobile internet is a relatively new technology, but has a huge impact in terms of usage and applications. However, the response of public administrations to applying this technology, to empower citizens to easily navigate information about public services and organisations, has been slow.

Transparency was also measured, in relation to governments' openness about their own responsibilities and performance, the service delivery process, and the personal data involved. The best performance could be found in organisational transparency, which was the highest scoring sub-indicator, showing an average score of 64% (up 5 points). The sub-indicator on transparency of personal data had also risen to 55% (up 8 points). The largest gain but still the least impressive result came in transparency of service delivery, which concerns the extent to which users are furnished with information from the request to the receipt of their e-service, which achieved a score of just 47% (albeit up 9 points).

The report shows that there is still some way to go in giving businesses and citizens seamless access to online public services when they are away from their home country. Nevertheless, availability of **cross-border** public services to citizens of a different EU country stood at to 53% (five life events), while for businesses, it was 64% (two life events). For all life events, eGovernment services are more user-friendly to nationals compared to foreigners. The most common barriers are language, lack of information on the foreign website, and the need for a physical encounter to perform the service successfully.

The study also found significant **variations** in performance across countries, as well as within countries between national, regional and local administrations.

For further information: https://ec.europa.eu/digital-single-market/en/news/eu-egovernment-report-2016-shows-online-public-services-improved-unevenly

At present, ***life event journeys are rarely completed end-to-end without interruptions***. Interrupted journeys imply incomplete availability of online services. France's www.service-public.fr is a good example of a country with a comprehensive online offer through a one-stop shop portal.

Inspiring example: Access to government entities through a single national page (France)

In addition to the national portal, the Government has also developed an official website for the French civil service, www.service-public.fr, available to private citizens, businesses and professionals. All administrative information is presented clearly and simply in three sections:

1. On citizen's rights and procedures, there are about 200 folders, 2,500 data sheets and answers to FAQs and several thousand links to useful resources, including forms, online procedures, reference

texts, public websites, etc.

2. There are practical services to help with administrative procedures, e.g. online services, calculation modules, downloadable forms, standard letters, call and contact centres and a message service.

3. A civil service directory includes 11,000 national services, 70,000 local civil services and accesses to the main portals of the States in the European Union, European institutions and international organisations. The official civil service website facilitates and simplifies access to administrative information by selecting the various resources available on the public network and organizing them to meet citizens' needs. For each topic, service-public.fr collects all the relevant information and makes it instantly available.

Source: United Nations e-Government Survey 2014

In approaching service delivery from a 'life event' perspective, public administrations need to take account of the following factors:

- *Users know their own needs best*. Every citizen or business wants a package of services that corresponds to their individual circumstances. For example, someone who is about to start a job may need to de-register from welfare benefits, move home, buy a car or register in a new town. They might need to complete all these tasks, some or none of them. The job of life event portals is to help them to find, assemble and process the set of public services that they require as seamlessly and efficiently as possible.

- *Life events overlap.* When a citizen is planning to relocate, for example, this can mean for the citizen any combination of 'starting a job' or 'studying', 'moving', 'buying, renting or renovating a property', etc. When a business is planning to start new operations in another locality, this might involve 'registering a new company', 'employing staff', 'buying, renting or renovating a property', etc. Some individual services appear under more than one life event, which has consequences for how they are packaged and presented to the user.

- *Users achieve their life event goals with a mix of public and private services.* In most cases, the user will look to private service providers, not just the public administration, to fulfil their full package of needs. A citizen who is considering travelling abroad will deal with the public administration for their passport application or renewal, and applying for a visa if needed, but private providers for flights, insurance, etc. A potential entrepreneur that wants to start a new business will deal with the public administration for registering the company, applying for licenses and permits, registering for VAT etc., but will approach the private sector to establish a bank account, and could be accessing finance and renting a business unit from either public or private providers. For the user, the life event journey is not finished until they have completed all the steps.

- There is evidence indicating that *users take an 'atomised' approach to handling their life event.* Rather than following a systematic end-to-end plan, research for a European Commission study[26] found that citizens approach life events by focusing on a series of discrete activities. "*The individuals involved in the experiment tended to segregate the*

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[26] Deloitte (2010), *User expectations of a life events approach for designing e-Government* services, SMART 2009

separate actions, tasks, and information they needed related to the life event and approached the issue at hand in a 'disaggregated' way." The study also showed that a significant proportion who started with government portals found they were not effective in meeting their needs, and so exited them and used search engines instead. "*Users found their questions answered significantly faster by searching on private sector sites and Wikipedia rather than on government sites*".

The implication for public administrations is that **user interfaces should be personalised**, whether for the individual citizen or the specific business. Online access needs to cater for users that like to move in and out of government sites as they assemble their own bundles of public services to deal with life events, while helping them with orientation (*what do I need?*) and navigation (*where do I find it?*).

The headline challenge for public administrations is to design **packages of online services** (or catalogues of public services) to be fully user-centric, with two objectives in mind. They are:

  ♦ **Comprehensive enough**, so that every eventuality is covered;
  ♦ **Flexible enough**, so that users can chose the route that reflects their situation.

This leads to three challenges for public administrations:

Challenge	Answer
1. Making sure the user does not have to 'break' their journey because they find themselves at a dead-end.	Ensure each individual service that could come within the scope of a 'life event' is online, accessible and covers all the small steps necessary regarding orientation, information, documentation, transactions, etc.
2. Helping the user to take the path that suits them best, irrespective of their starting point.	Package services loosely enough, so that there is not a single A to Z, but instead the customer can start at C, or meander from F to B and back to N, miss out L, jump to P, if this works best for them.
3. Ensuring the user does not get lost along the way	As some services are relevant to more than one life event, users need a 'map', but more essentially signposts to potentially linked services (and hints on which paths they should consider), with information to varying degrees and depths at different stages to make the journey more pleasant.

This tailor-made approach to life events implies that the portal can navigate the user through the potential maze of online services and help them to put together their customised package, including links to private websites. This links to the growing trend for collaborative e-services (co-production) involving governments and citizens, NGOs, private companies or even individual civil servants, which is the subject of an EU-funded study on collaborative production in eGovernment (see also theme 1 on co-production for more references). Each individual public service needs clear parameters (a consistent set of rules, information requirements, data and service consumption and provision and sequence of processes) that are both reader-friendly and administratively straightforward to access. This also means using terminology that translates the public sector's legal and administrative jargon into language that is familiar to citizens and businesses. This takes us back to the benefits of administrative simplification (topic 5.2).

In some cases, the reason for the gaps in online services might be service complexity. Those which are relatively straightforward by nature (such as the service 'notifying change of address', within the life event 'moving') are easier to standardise and remain usually unaffected by changes in policy or legislation. By contrast, services that are case-specific demand more agility from the public administration and its back-office processes, and a high degree of interoperability.

5.4.2 Interoperability and 'once only ' principle

The changing relationship between administration and service user through eGovernment can only happen with a parallel revolution in the way that administrations operate. While the first wave of digitalisation involved individual institutions in putting their individual services on the Internet, the

- From information to interaction
- **Interoperability & 'once only'**
- Moving towards 'digital by default'

real benefits started to materialise when institutions began to link these islands to meet the user's needs. This can only occur if institutions are willing and able to work together – within countries, but also across EU borders. This is all about interoperability at different levels: technical, semantic, legal and organisational.

> ### What do we mean by 'interoperability'?
>
> Different parts of the public administration are often responsible for different elements of a public service, whether in the same country or across borders. In the context of eGovernment, interoperability is the ability of systems to interact towards mutually beneficial goals, involving the sharing of information and knowledge between these organisations, through the business processes they support, by means of the exchange of data between their respective ICT systems. It allows administrative units to work together - within or across organisational boundaries – to exchange, interpret, use and re-use information. Interoperability is relevant to every policy field where data is shared, whether health, trade, tax, justice, etc. In the EU, investment in interoperability for public administrations is one of the longest-standing initiatives in eGovernment, with ISA[2] being the latest EU programme. More than 20 years of consistent efforts have brought results by putting interoperability at the heart of digital public service creation and delivery.

The development of the Internet in the 1980s was the take-off point for interoperability, as it allowed a global system of networks to connect computer devices across the world and to communicate with each other using standardised protocols (TCP/IP). If two or more systems are able to exchange information, this means there is **syntactic interoperability**. This requires data to be formatted to a common standard (e.g. all alphabetical characters are expressed in ASCII or Unicode format) and codified using an agreed set of rules (a grammar or schema) in a language that is both human-readable and machine-readable. This capability to share data is the most basic level of interoperability, and is an essential precondition for the next level. Today, we take it for granted.

To interpret and apply this information, however, systems must also have **semantic interoperability,** which is about the meaning of data elements and the relationship between them. Crudely, this means that what is sent by one system is *understood* by the other system (not just received through

agreed data formats and protocols). This can only happen if both systems share a common and unambiguous reference framework for information exchange. There are all sorts of real and potential obstacles to achieving semantic interoperability, with regards to language, meaning and presentation. Semantic interoperability includes developing vocabularies and schemata to describe data exchanges, and ensures that data elements are understood in the same way by all communicating parties. As an example, the address of a citizen or business in any country might have: the street name before the building number or vice versa; a post code or a zip code with a mix of letters and numbers in various orders; and alphabetical characters with or without accents. Accepting and interpreting received information is not an automatic process, especially across borders where meanings vary according to cultural and linguistic factors.

The European Interoperability Framework (EIF) sets out 12 principles for establishing interoperable public services at the EU level.

General principles for establishing interoperable European public services	
1. Subsidiarity and proportionality	7. Inclusion and accessibility
2. Openness	8. Security and privacy
3. Transparency	9. Multilingualism
4. Reusability	10. Administrative simplification
5. Technological neutrality and data portability	11. Preservation of information
6. User-centricity	12. Assessment of effectiveness and efficiency

Governments can lay the foundations for interoperability and wider innovation by opening up non-sensitive public data as part of the open government approach (see 'principle and values'), and in line with the PSI Directive. To achieve interoperability, especially across borders, an administration should base the development and delivery of its online public services on **standards**, as well as describing services in a consistent and commonly agreed way, so that relationships can be formed between datasets. In this way, data can be linked, not locked-in.

In the context of service design and delivery, information exchange and use also requires the administration(s) to address the technical, legal and organisational layers of interoperability, as well as the semantic layer.[27] In each case, the issues that arise can be resolved through agreements between the involved parties, as described below.

Layer	Issue	Solutions
Technical	Covering the applications and infrastructures linking systems and services	Interface specifications, interconnection services, data integration services, data presentation and exchange, secure communication protocols, etc.
Semantic	Ensuring that the precise format and meaning of exchanged data and information is preserved and understood throughout exchanges between parties	Reference taxonomies, vocabularies, code lists, data dictionaries, sector-based libraries, etc.
Legal	Ensuring that organisations that operate under different legal frameworks, policies and strategies can work together	Enact legislation, including transposing European directives into national legislation, adopting bilateral and multilateral agreements, interoperability and digital checks of proposed

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[27] European Interoperability Framework

Layer	Issue	Solutions
		legislations, compliance with data protection requirements, coherence with relevant legislation
Organisational	Ensuring services are available, easily identifiable, accessible and user-focused by documenting and integrating or aligning businesses processes, and formalising the organisational relationship for establishing and operating public services	Memorandum of understanding (MoUs) or service-level agreements (SLAs) that specify obligations of participants in processes and define expected levels of service, support / escalation procedures, contact details, etc.

As well as facilitating interoperability, Governments are also taking action to put in place the **key enablers**, prioritised in the eGovernment Action Plan, that enable public administrations to offer secure and seamless electronic services to citizens and businesses. The Commission's eGovernment benchmarking study identifies five key enablers: electronic identification, single sign on, electronic documents, authentic sources (base registries) and electronic safes.

What it is	What it does
Electronic identification (eID)	Issued by the Government, eID verifies that the user is who he or she claims to be. This protects the citizen or business from the misuse of personal or corporate information and the effects of identity theft, and builds trust in the user through the reassurance of secure log-ins. It also covers a range of electronic trust services (e-TS) namely e-Signatures, electronic seals, time stamp, electronic delivery service and website authentication.
Single Sign-On (SSO)	SSO is a functionality that allows users to get access to multiple websites without the need to log in multiple times.
Electronic documents (e-Documents)	These are authenticated documents, recognised by the public administration, which allows users to send and receive 'paperwork' online.
Authentic sources	**Base registries** used by governments to automatically validate or fetch data relating to citizens or businesses, allowing online forms to be pre-filled, so that they are received by the user either partly or fully completed for checking, amending if necessary, and adding information as required.
Electronic safe (e-Safe)	The e-Safe is a virtual and secure repository for storing, administering and sharing personal electronic data and documents.

The most **mature** enablers are eID, SSO, e-Signature and e-Documents, which are used in just over 60% of studied life event services on average.[28] Countries are increasingly developing national solutions, so that citizens and businesses don't have to keep track of multiple requirements for electronic authentication. DigiD in the Netherlands is a good example of a solution growing into widespread usage through its open availability, practical simplicity, and the momentum that is generated by mass take-up.

Inspiring example: DigiD (The Netherlands)

DigiD is the Dutch government's authentication system for citizens. Although not obligatory by law, DigiD has become the standard. More than 600 government organisations or private organisations performing public tasks are connected to the DigiD service, which is managed by Logius. When someone logs on to a government website using his DigiD, DigiD will feed the Citizens Service Number (unique identifying number) back to the respective organisation. Using this number, the organisation can find out from its own administration or

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[28] 2016 eGovernment Benchmark study (op. cit.)

personal records base register whom it is dealing with and which information already is available. DigiD is available at two different levels: basic (user name and password: DigiD) and middle (DigiD + SMS-authentication) representing STORK QAA level 2/31.

DigiD was developed by large executive agencies as a common solution, creating a broad usage among citizens – and among others, by obligatory use for digital tax filing - and then made available to other government organisations. The solution is easy to acquire, free of costs for citizens, and students need it, get used to it, and keep it. More than 117 million DigiD transactions were conducted in 2013. For the 11 million citizens who have activated their account, DigiD is the key to a wide range of public e-Services, such as:

- The pre-filled income tax form offered by the Tax Agency, which citizens only need to check, accept or modify;
- The e-Services of the Social Employee Agency, which unemployed people need to use when they register as job seeker or apply for unemployment benefits; or
- The digital certificate request or notification of change of address at the municipality.

DigiD is a push factor for new digital services, both for smaller organisations and more work processes.

For further information: Peter Benschop, Coordinator for Digital Identity, Ministry for the Interior and Kingdom Affairs, Peter.Benschop@minbzk.nl ; www.digid.nl

To facilitate cross-border online services, a European regulation ('eIDAS') for eID and e-TS (electronic trust services) in the digital single market was adopted in July 2014. The regulation proposes a predictable regulatory environment. This will benefit not only public services, but also e-Business in all its forms across the EU, by ensuring that people and businesses can use their own national eID schemes to access public services in other EU countries where eIDs are available, and creating a European internal market for e-TS by ensuring that they will work across borders and have the same legal status as traditional paper-based processes. This means, for example, that a qualified electronic signature will have the same legal effect as handwritten signatures everywhere in the EU. You will also be able for instance to send a registered e-mail from Germany to Greece. The message will be legally recognised as having been sent and received at a given time and will have to be recognised by courts in case of conflict.

However, the eGovernment research shows there is much still to be done to put all key enablers in place across the EU. Overall, key enablers were implemented in just 54% of the life events studied.

- **eID, SSO and e-Documents** are important to enhance the functionality and quality of the user's experience and are the most widely implemented in the EU. Accelerating the take-up of eIDAS services is a priority action under the eGovernment Action Plan 2016-2020.

- **Authentic sources (base registries) and e-Safe**, as back office tools which link data systems securely, are vital to more advanced stages of online service delivery, allowing fully integrated packages of information and transactions to be offered to businesses and citizens seamlessly.

The more advanced the eGovernment development, the greater the reduction of administrative burdens on businesses and citizens. Going back to the five stages of development, this means moving towards full interaction, which inevitably requires interoperability and the key enablers:

Development stage	Description
Transactions	This is the first stage in which the public administration has scope for significant ABR, as it allows businesses and citizens to interact with public authorities at a time and place of their convenience, 24/7. The benefits are much greater if accessibility is matched by simplification.
Integration	This stage is all about linking data across different public administration systems, so interoperability is essential. The development and application of the key enablers of eGovernment (electronic identity, common base registries, single sign-on, etc.) are an advantage, but not a precondition.
Full interaction	At this most advanced stage, the key enablers should be in place, and the public administration moving towards or achieving full interoperability (semantic, technical, legal and organisational).

Interoperability, base registries and system security are the integral elements of delivering composite services for life events from individual services, as envisaged under the European Interoperability Framework (EIF).

To ensure that a coherent vision on interoperability exists in the EU, in relation to interactions between European public administrations and with citizens and businesses, the Commission will revise the EIF and provide support to take-up by Member States over 2016-2020
(as foreseen in the eGovernment Action Plan). When conducting its regulatory fitness (REFIT) exercises to review the existing internal market acquis and/or drafting new proposals (see topic 1.2), the Commission will pay particular attention to interoperability and the benefits that the effective use of digital technologies can bring. The aim is to remove unnecessarily complex, paper-based or duplicating processes (e.g. multitude of contact points, reporting processes, data exchange or systems requirements).

The prospective benefits to citizens and businesses materialise at both national and especially European levels. The Commission's 2016 eGovernment Report shows that there is still some way to go in making **cross-border** public services available to nationals of a different EU country. Services involving an electronic transaction between the user and the administration are possible cross-border in very few cases, causing unnecessary burdens for citizens and businesses that want to move, work or start up in another EU country. To move things forward, the Commission has

supported Large Scale Pilot (LSP) projects to devise and test practical solutions in real operating environments across Europe:

Breaking down digital borders

Many public services are now online in individual countries, but this is not always the case across borders where interoperability is a greater challenge. Seven Large Scale Pilots (LSPs) have been selected as projects for funding under the Competitiveness and Innovation Framework Programme (CIP), run largely by and/or with Member State administrations:

- **eID**: STORK (Secure idenTity acrOss boRders linKed), launched in 2008, aims to enable citizens and government employees to use their national eIDs securely in any Member State. STORK delivered a common set of specifications and a common platform for interoperability of eIDs, including a Europe-wide Quality Authentication Assurance Scheme, and was demonstrated through six operational pilots. A follow-up LSP, STORK 2.0, was launched in 2012 to extend the authentication to legal persons (private sector), with a special focus on SMEs, and four new pilots: eLearning and academic qualifications; e-Banking, public Services for Business, and e-Health (http://www.eid-stork.eu/).

- **e-Procurement**: Pan-European Public Procurement On-Line (PEPPOL) aimed at making public procurement easier and more efficient by improving electronic communication between companies and government bodies, thereby reducing costs and increasing competition (see also theme 8). Completed in 2012, the sustainability of this LSP is assisted by the non-profit international association OpenPEPPOL AISBL (www.peppol.eu).

- **e-Business:** Simple Procedures Online for Cross-Border Services (SPOCS) aimed to build the next generation of electronic Points of Single Contact (PSCs) as one-stop shops, operating as the intermediaries between national public administrations and private service providers, disseminating information and helping them to complete administrative procedures online (see also theme 6). SPOCS was completed in 2012.

- **e-Health:** Launched in 2008, European Patients Smart Open Services (epSOS) aimed to improve the medical treatment of citizens while abroad, by providing health professionals with patient data in a secure electronic format. epSOS sought to achieve technical and semantic interoperability across different European healthcare systems, with the initial focus on solutions relating to patient summaries, emergency data and medication records (www.epsos.eu).

- **e-Justice:** Launched in 2010, e-CODEX aimed to improve cross-border access by citizens and businesses to the judicial systems of other countries and to link them to the European e-Justice Portal (see also theme 7). e-CODEX mainly builds on existing national solutions by adding a pan-European interoperability layer between judicial authorities, and reusing the building blocks from other LSPs. By connecting existing systems, the exchange of legal information is possible through common technical standards in the fields of eID, e-Signatures, e-Payment and e-Filing (www.e-codex.eu).

- **eXtending LSP solutions**: Since 2013, Electronic Simple European Networked Services (e-SENS) has been launched to builds on the achievements of preceding LSPs, to consolidate and extend their potential to more and different domains. By providing a set of Basic Cross Sector Services in key areas such as health, public procurement, business mobility and justice, ready for reuse, e-SENS lays the ground for the CEF Digital Services Infrastructure (www.esens.eu). All LSP projects' results have been taken over by the Commission under CEF DIGITAL (https://ec.europa.eu/cefdigital) as Building Blocks (eID, eSignature, eDelivery, eInvoicing …).

For further information on the LSPs: https://ec.europa.eu/digital-single-market/en/cross-border-pilots

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Both key enablers and cross-border interoperability will be pushed forward in 2014-2020, with support from the **Connecting Europe Facility (CEF)**. CEF is designed to support the establishment of

transport, energy and digital infrastructure, with a total budget of €33 billion in 2014-2020. CEF Telecom has been allocated €1.14 billion, out of which €170 million has been assigned to broadband infrastructure and €970 million CEF Digital dedicated to Digital Service Infrastructures (DSIs) delivering networked cross-border services for citizens, business and public administrations. Under the eGovernment Action Plan 2016-2020, the Commission is committed to the long-term sustainability of the DSIs, as well as to the re-use of basic DSIs called 'building blocks' (see below).

Two types of CEF Digital Service Infrastructures (DSIs)

DSI projects deploy trans-European digital services based upon mature technical and organisational solutions in areas as diverse as electronic identification, online dispute resolution (see topic 7.2) and interoperable health services. The projects contribute to improvements in the daily life of Europeans through digital inclusion, to the connectivity and interoperability of European digital services, and therefore the development of a Digital Single Market.

CEF supports basic and re-usable digital services, known as building blocks, as well as more complex digital services. The building blocks can be combined with each other and integrated with the more complex services.

Building block DSIs are intended for re-use in other digital services:

- eID and e-Signature: Services enabling cross-border recognition and validation of e-Identification and e-Signature.
- e-Delivery: Services for the secured, traceable, cross-border transmission of electronic documents.
- Automated translation: Services allowing pan-European digital services to operate in a multilingual environment.
- e-Invoicing: Services enabling secure electronic exchange of invoices.

Read the full catalogue of reusable digital services.

Sector-specific DSIs deliver more complex trans-European online services for citizens, businesses and public administrations within specific policy areas:

- e-Procurement: Services enabling EU companies to respond to public procurement procedures from contracting entities in any Member State.
- e-Health: Services enabling cross-border interactions between citizens and health care providers as well as between the health care providers.
- Other interoperable cross border online services such as e-Justice, Online Dispute Resolution (ODR), Electronic Exchange of Social Security Information (EESSI).
- Business registry: Services to interconnect business registers in all Member States to enable the exchange of information.
- Business mobility: Services to enable the handling of all administrative procedures for setting up and running a business in another EU country electronically through Points of Single Contact.
- Open data: Services providing facilitated and harmonised access to data sets created and managed by public bodies across the EU.
- Europeana: Services providing access to European cultural heritage.
- Safer Internet for Children: Services ensuring that children, parents and teachers have access to the right tools and information for a safe use of the internet and new technologies.
- Cybersecurity: Services to enhance the EU-wide capability for preparedness, information sharing, coordination and response to cyber threats.

The list of digital services supported by CEF is available in the annex of the guidelines.

DSI implementation

CEF is implemented via annual Work Programmes (e.g. for 2017), identifying the priorities and the actions to

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be launched during the year. CEF offers funding opportunities either via calls for tenders to procure services for the core components provided by the European Commission, or calls for proposals (grants) to help linking the national infrastructure in the Member States to the core components.

- The first call for proposals in 2016 closed on 19 May and covered the areas of Business Registers Interconnection Systems (BRIS); Electronic Exchange of Social Security Information (EESSI); and e-Procurement.
- The second call for proposals closed on 15 September and covered the areas of e-Delivery; e-Identification and e-Signature; European e-Justice Portal; and public open data.
- A third call opened on 20 September with a deadline of 15 December. This call allocated €25.5 million in the areas of: automated translation, cyber security, e-Invoicing, Europeana.
- A fourth call opened on 20 September with a deadline of 18 October. It allocated €1.1 million for a safer internet. Read details of the 2016 CEF Telecom Safer Internet call for proposals.

The Innovation and Networks Executive Agency (INEA) is implementing the CEF Telecom calls for proposals on behalf of the Commission. More information on the calls is available on INEA's website.

For further information: https://ec.europa.eu/digital-single-market/en/connecting-europe-facility; https://ec.europa.eu/cefdigital/wiki/display/CEFDIGITAL/CEF+Digital+Home

Base registries, combined with interoperability, allow network benefits to be unleashed, including implementing the **'once only' registration principle**, which aims to ease the administrative burden on businesses and citizen, and is increasingly being applied across the EU. 'Once only' is rarely a standalone initiative, but instead typically fits within a wider eGovernment agenda. Given the scale of its impact and the timescales of its implementation and requires a long-term policy framework and resourcing.

Let the data do the work, not the user

Subject to the user's consent, the principle of '**once only**' registration is that citizens and businesses should not have to provide the same basic information (e.g. address, ID number) to the public administration multiple times. After it has been registered once by one authority, it will not be requested again. The implication is that all the relevant authorities must cooperate, take action to store and share this data securely, and put the user first.

While 'once only' registration is easy to conceive in principle, however, it is harder to realise in practice. The public administration faces legal, institutional and technological obstacles, and important considerations of data protection and privacy. The European experience of benefits and barriers has been explored through research by Ernst and Young (EY) and Danish Technological Institute (DTI) for DG CNECT.[29]

For administrations contemplating introducing the 'once only' principle, the following **factors** should be taken into consideration:

- *A robust legal framework is essential.* 'Once only' should be underpinned by appropriate legislation, which defines *inter alia* which entities and officials can use which data. The definition of data protection within the law is critical, as too narrow an interpretation could

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[29] EY & DTI (2014), *Study on e-Government and the Reduction of Administrative Burden, Final Report: A study prepared for the European Commission, Directorate-General of Communications Networks, Content & Technology*

conflict with applying 'once only'. Some countries are restricted from sharing citizens' data by law. One option might be to allow citizens to 'opt-in' to allowing information to be used by other named agencies, so that agreement is fully consensual.

- ✦ *Data belongs to the citizen or business.* Trust in the administration and its systems is critical to the success of 'once only'. For businesses and citizens to feel they have control over their data implies three conditions: the data is safe in the administration's hands; individual citizens and businesses can determine who has access to it; they can take corrective action, if the data is felt to be incorrect or insecure. Citizens and businesses should be able to view their data, amend errors and improve quality (a legal right for citizens in Estonia, for example). Citizens and businesses should also be able to monitor which entities have used their data (the United Kingdom, for example, places data in a 'personal safe box' and enables citizens or business to decide which entities can see and use it).

- ✦ *Data protection means authentication*. Allowing people and businesses to manage their own data (track and control) means eID must be in place to confirm the user's authenticity. In countries without a national ID system, alternatives are available ('identity assurance' in the United Kingdom uses an industry-agreed set of protocols, standards and certification through which organisations can collaborate to allow citizens to use assets they own to validate and verify their identity).

- ✦ *'Once only' requires back office cooperation, not an internal market for data.* Some governments have centralised their data collection. However, this may not be viable or desirable, depending on governance arrangements, for example in federal or decentralised systems, in which case a high level of interoperability will be. As a principle, it should be clear which authority is accountable for which dataset or base registry, and that they are clearly responsible for maintaining data quality and security, and avoiding data loss (back-ups). A central body within government should be designated to issue instructions to each authority, so there are common standards and methods for using and re-using data, based on agreed definitions and taxonomies. They might introduce sanctions, if individual units fail to share data effectively, but inter-agency fees for data exchange should not be levied, as they undermine cooperation and the spirit of open government.

- ✦ *Good technology is not enough, interoperability and cultural change are critical.* Obviously, all relevant units of the administration involved in 'once only' must be technically capable of collecting data and/or storing it securely in databases or base registries, according to their roles. Similarly, technical and semantic interoperability must be assured, before the system goes fully live. Above all, 'once only' means adjusting working practices and administrative cultures, ensuring effective communication across government, and overcoming caution to adjust to a new model of collaboration across 'silos' in the administration.

The institutional coordination and system interoperability required for 'once only' opens the door for administrations to move beyond reaction and become pro-active in their service delivery. Very few Europeans receive services without having requested them. According to the 2016 eGovernment benchmarking study, just 3% of life event services on average are provided

automatically, meaning that the user does not have to do anything to receive them. Under the eGovernment Action Plan 2016-2020, the Commission - as a public administration itself - will gradually roll out the 'once only' principle in its interactions with its own suppliers and grants participants, and examine possibilities to introduce the 'once only' principle for other stakeholders. The once-only principle is currently being implemented, see Tallinn declaration.[30]

The Commission has launched large-scale pilots on 'once only' for business (see also theme 6), and assess the possibility of applying the 'once only' principle for citizens in a cross-border context.

In some countries, 'once only' has transcended the status of *opportunity* for citizens, and become established as a *right*, enshrined in law and hence an obligation for the administration. In these cases, governments have a choice:

✦ Put the infrastructure in place first, before converting 'once only' into an entitlement, on the assumption that the system created is robust enough to handle an upsurge in demand; or

✦ Make the policy decision to lead with 'once only' registration as a right, and thereby create the pressure on the administration to respond.

Several administrations have followed this second route, including Estonia and Spain, and have succeeded in generating the impetus to find organisational and technical solutions. The X-Road data exchange layer in Estonia is a prime example of a solution borne out of necessity, and which has become the backbone of public service delivery to citizens and businesses, because of its openness, simplicity, flexibility, scalability and security. It requires minimal investment by service providers (X-Road gives the provider of data services a universal tool for organising secure data exchange equally with many parties), and allows citizens and businesses to control the quality of their data and access by officials.

> ### *Inspiring example: The X-Road (Estonia)*
>
> Running a modern State is a data-centred endeavour. Ensuring the functioning of the state requires administering very large quantities of data. In Estonia, where there is no centralised or 'master' database, data is stored where it is created and each agency administers its own data separately. But the State authorities and agencies need data outside their purviews to function. For example, the police constantly require information from the Population Register. Likewise, the Unemployment Insurance Fund depends on information from the Health Information System.
>
> The genesis of the X-Road goes back to the late 1990s, when Estonia had many separate information systems and a lot of projects to connect them. The reality then was very little paperwork in the back office, but plenty demanded of citizens and businesses, shifting the burden from the administration to the service user. Instead of trying to create a centralised database or channel all information through a central server, which would have created a single point of failure (SPOF), the Estonian administration built "the X-Road" as its interoperability solution: a **secure, Internet-based, platform-independent data exchange layer**. The X-road infrastructure consists of software, hardware, and organisational methods for standardised usage of national databases.

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[30] *Ministerial Declaration on eGovernment - the Tallinn Declaration https://ec.europa.eu/digital-single-market/en/news/ministerial-declaration-egovernment-tallinn-declaration*

Launched in 2000 and available since 17.12.2001, the X-Road is a technical and organisational environment that provides the interface between portals (for citizens, businesses and administrators), base registries (population, health insurance, social insurance, vehicle, tax and customs databases etc.) and the state's information systems, enabling 'once only' data registration and a comprehensive and flexible package of online services to be made available. Originally, X-Road was a system for making queries to the different databases. Now in its 5th version (soon to be 6th), it has developed into a powerful ecosystem that enables searches to be performed across several databases, transmitting large data sets, and writing to multiple databases. The private sector also participates, with banks, law firms, energy and telecommunications companies now connected to X-Road, extending the benefits to citizens and businesses still further. X-Road is particularly suitable for queries involving **multiple agencies and information sources**, and hence for processing 'life events'.

The major strengths of the X-Road platform are its **openness and simplicity**. X-Road is developed from freeware components, uses XML, and exchanges data through the public Internet, encrypted through SSL (no virtual private network is required). Each IS remains under the control of the responsible institution. It uses a common protocol, so that information systems based on different platforms can interface with the X-Road's secure servers and successfully communicate with each other simultaneously, unhindered by their individual characteristics - they do not have to change their FURPS setting levels[31]. The X-Road liberates public authorities to focus on designing and implementing new services, adding them incrementally when they are ready, knowing they can rely on the existing infrastructure.

X-Road is also **scalable**, as additional systems can be added at low cost. It is easy to install, as it just requires a standardised secure server (with software that includes a local monitoring system, downloadable for free from the State Information Agency) and a software adapter server on any development platform. The prospective service provider then creates services in their adapter server that can then be offered to others over X-Road via the secure server. The service user can connect the service provider's open web services to their own information system. The Mini Information System Portal (MISP) software can also be adopted for using the service, as a simple user interface that has mechanisms for user authentication and authorisation.
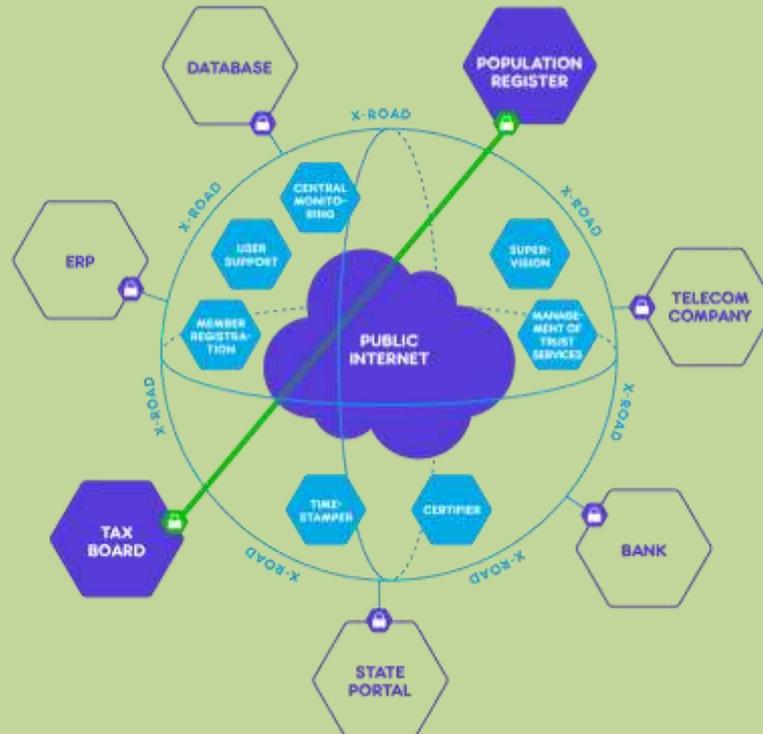
X-Road is the solution that ensures the state does not ask twice for basic data. The '**once only**' principle has been a citizen's right and the administration's mandate since 1997, well before X-Road was conceived, and was a major push factor in its development. The X-Road also enables the public to have oversight and control over

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[31] Functionality, Usability, Reliability, Performance and Supportability

their personal information as by law people own their data. People are seen as the 'donors' of their data to the administration, and can decide, for example, whether a new doctor sees their e-Health record or not.

The **security** of X-Road is paramount and is guaranteed by its architecture together with regulatory, organisational and technical measures. All exchange of data with and between governmental agencies must satisfy three requirements to be secure:

- ✓ First, the data must be easily accessible by the authorities that are authorised to use it.

- ✓ Second, the integrity of the data must be maintained; no third party should be able to make any changes to the data while it is in transit.

- ✓ Third, the data must remain confidential during its journey; it must be protected from the eyes of unauthorised parties

As a data exchange platform, the **X-Road fulfils all three conditions**. To access online services, citizens must first authenticate themselves with an ID card or via an Internet bank, while entrepreneurs are authenticated on the basis of data from the Commercial Register. X-Road uses a versatile security that employs multi-level authorisation, a high-level log processing system, and encrypted and time-stamped data traffic. In the X-Road environment, encrypted data are directly transferred through secure servers from one information system to another. Data does not pass through the X-Road centre and cannot be viewed there; the centre only has statistical information about data transfer. The X-Road central server issues certificates to secure servers and provides a list of trusted certificates to systems connected to the X-Road. Additionally, the central server accepts log hashes from secure servers so that if needed, a chain of service usage can be constructed later.

X-Road enables a wide range of otherwise complex services to be offered **quickly, conveniently and safely**. Administration system for the state information system (RIHA) serves as a catalogue for the state's information system and as the procedural and administrative environment for connection with and administration of the X-Road.

Officials can use the services intended for them (for instance, the document exchange centre) in the information systems of their own institutions. This avoids the labour-consuming processing of paper documents, large-scale data entry and data verification. Communication with other officials, entrepreneurs and citizens is faster and more accurate.

The **meta-architecture** of the relationship between user (citizen, business or public official) and the government agency, can be visualised as a series of layers:
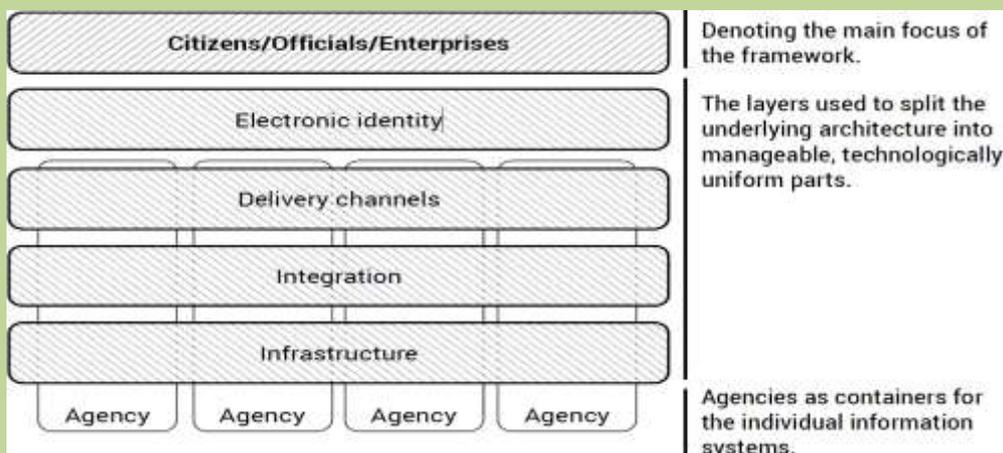
Putting the diagram into words, eGovernment services require a way to relate citizens to their portfolio of rights and obligations via their *electronic identity*, and a distinct set of solutions providing electronic access to the information systems of the agencies through *delivery channels*. The *integration* layer joins the information systems of different agencies allowing for sharing of data and functionality through X-Road, while all the

software described in previous layers needs servers and network *infrastructure:*

- The **electronic identity (eID)** is organised by the State using a PKI-based smart-card, which is compulsory for all citizens, alongside an optional SIM card as a secondary token, which can be used for eID through mobile phones. Each card is tied to the unique ID code of each person, with little other information – just the code, and the authentication and sign certificates which enable the ID to be authorised. This digital signature is then legally equivalent to the physical one. To give an idea of the scale of usage for interactions and transactions with the public services, each person performs on average 2-3 digital signatures per month.

- The web is the main **service delivery channel** for the most widely-used services; mobile phone access is also developing. Since 2016, for example, citizens can now submit their tax declaration using their mobile for the first time. For more complex or tailored services, citizens and businesses still use branches of the public administration for physical access. Over 120+ different contact points exist - centralisation is low, although a central service portal for citizens does exist.

- The **infrastructure** remains mainly dispersed. Although most government networks have now been consolidated, there is still a large number of tiny hosting facilities with varying levels of quality. However, there is a readiness and a plan to move towards a central platform offering a state 'cloud'.

The X-Road has enabled a steady evolution in the **quality of service delivery** to citizens and enterprises, progressively reducing the time and cost of interacting with the public administration, and increasing the convenience. The example below shows how X-Road has helped to evolve public services, especially for key 'life events' such as driving a car.

Example: Applying for or renewing a driver's licence

Year	Nature of interaction
2010	To get a driver's license (or ID card), the citizen had to take 4 paper-printed photographs separately from a professional photographer, which are then scanned and printed into card
2012	Photo-boxes are available within Citizenship Offices
2013	A photo from the last valid document is available over X-Road and can be accessed by police traffic control (an additional level of authorisation)
2014	A photo from the last valid document from the citizenship system is available for renewing the driver's license (by the Road Administration Service) over X-Road, so there is no need to take an additional photo.

To carry the driving example forward:

- You no longer need to carry automobile documents with you while driving. The police traffic control can do the history check of the vehicle and validate its status (not stolen, up-to-date insurance, passed technical inspection etc.).

- You also don't need to carry your driving licence with you. The traffic control police can authenticate you and your right to drive (including any previous penalties) based on your ID card, using X-Road.

- In fact, you don't even need to carry your ID card with you. The police can authenticate you and your rights based on your ID code, your photo and a few additional background questions

Checking a vehicle's data, for example, has become quicker for the Police and Border Guard Board. Before X-Road, it took three police officers and 20 minutes to conduct one background check on a car; now it takes one police officer just two seconds – by him/herself in the police vehicle or with a handheld device on the street.

As another example of change to benefit the public: in the past, citizens had to pay a fee for public services (such as document issuing) BEFORE they received them. It is now planned that the citizen can pay AFTERWARDS, as he/she will have been authenticated and hence there is proof of receipt and they cannot avoid payment.

Exchanging data via the X-Road saves citizens' time. For example, when a child is born, information about the birth is sent directly from the hospital to the Population Register via the X-Road and the child's unique ID code is generated. From there, it is sent automatically to the Health Insurance Fund, so that the child will have health insurance and a family physician. This prevents the creation of excessive paperwork and saves time. The state functions in the background.

The X-Road helps authorities make work processes more convenient. Many activities can be automated, which frees employees to deal with matters that require human involvement. Authorities also don't have to worry about the authenticity of data; they can be confident that data received from the Tax Board is definitely originated from the actual Tax Board. Additionally, the X-Road can be used regardless of what technology an authority uses.

In 2016, 96% of working-age people file their taxes of 2015 electronically, which typically takes less than 5 minutes, as the forms are already pre-filled with data from various systems and just need to be reviewed.

For the public administration, the X-Road, above all, makes it possible for authorities to efficiently exchange data among themselves. Sensitive information moves securely, and the system itself is so resilient that it cannot be easily brought down by those with malicious intentions. Since X-Road was born in 2001, the system has operated continuously without interruption. The X-Road helps the State see the big picture of how different authorities are connected to one another. In addition, the X-Road makes it possible to exchange data not only within the country, but also across national borders.

Over 250 information systems are now accessible over the X-Road in Estonia, providing access to over 1,600 services. Over 1,000 organisations and enterprises use the X-Road daily in Estonia, and over 2.6 billion transactions have been made through the system so far. The **rapid growth in service requests** through X-Road in the last 10+ years is testament of its success.

Growth in X-Road service usage since 2003
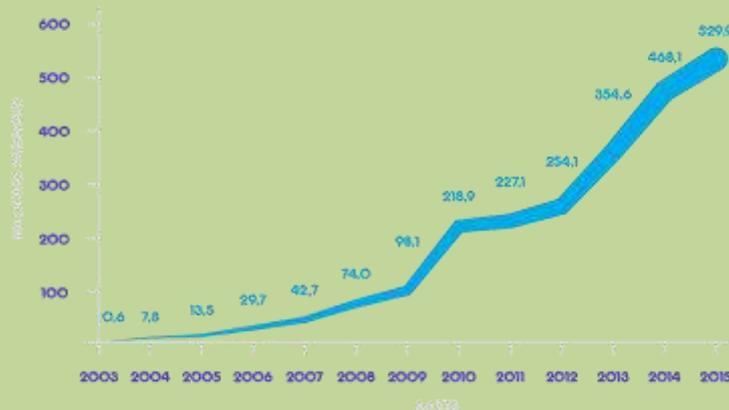
The biggest beneficiaries of the X-Road are, of course, the citizens. They enjoy the benefits of a better functioning state and save all the time they would otherwise spend submitting papers and forms. How much time? You can track it live on this site here!

For further information: Mr Heiko Vainsalu, X-Road Area Manager, or Mr Toomas Mölder, X-Road Project Manager, ria@ria.ee or info@x-road.euwww.ria.ee/en/x-road.html
Material on X-Road has been compiled with help from "Raising Public Awareness about the Information Society", supported by the European Regional Development Fund (ERDF)

While much of the EU is at different stages in taking-up 'once only', the scope is already clear for **cross-EU benefits** for citizens and businesses that operate or move across borders and wish their data to follow them, although there are also obstacles. Estonia's X-Road is a mature innovation, but

continues to be updated and upgraded. An important development is so-called X-Road Europe, as citizens and businesses demand that their data follows them wherever they work and live. The next version of X-Road will enable the federation of national data exchange layers or integration platforms to enable cross-border data exchange (e.g. between public administrations). One of the first major steps is cooperation with Finland, which has been granted rights to the X-Road solution. "Palveluväylä" is the Finnish version of X-Road and was launched on 18 November during 2015, with cross-border data exchange and joint e-service pilots planned to start at the end of 2016.

Under the eGovernment Action Plan, the Commission has launched a large-scale pilot project on implementing the 'once-only' principle across borders in the business-to-government area with the participation of Member States. In 2019, the Commission will also assess the possibility of applying the once-only principle for citizens in a cross-border context, in due respect of the legal framework on personal data protection and privacy.

On its own, 'once only' can involve a net increase in public spending, as the benefits largely accrue to businesses and citizens, while the upfront costs are borne by the administration. That is why it is typically part of a much broader eGovernment programme, especially when it is a stepping stone to 'digital by default', where the net savings from ABR are enjoyed by all parties.

The latest generation of service delivery is taking advantage of interoperability to introduce the concept of '**no-stop shops**', whereby citizens and businesses receive the services they need *automatically* without demanding them. This extends the once-only principle[32] creatively to another level, by using the established data exchange among back offices of the public administration, which is integral to making 'once-only' work, to trigger the transaction (e.g. welfare payment or tax rebate) to those members of the community who are entitled to it. One of the early examples is project 'ALF' in Austria, whereby citizens no longer need to fill in forms and make requests to receive their child benefit entitlements after birth.

> *Inspiring example: Child benefit without application (Austria)*
>
> Following a decision of the Austrian Federal Government, the project *Antragslose Familienbeihilfe* (ALF) – in English, 'Child Benefit without Application' - started in December 2014. ALF is a cooperative project between the Federal Ministry of Finance and Federal Ministry of Families and Youth, with the intention of reducing the administrative burden on citizens and administrative staff and saving costs. ALF eliminates the need to make an application for getting child benefit after childbirth - in other words, the implementation of a 'no-stop shop' solution.
>
> ↓ Before ALF, the citizen had to make an individual application for child benefit, either personally at the fiscal authority (41 offices in 80 locations), by post, or online (20% used the IT application 'FinanceOnline for Citizens'). The case officer would then need to collect relevant data manually and assess the application on the same basis.
>
> ↓ With ALF, the data collection, the application review and the scoring of the application are all automated. The process is triggered by an electronic transfer of personal data in case of a live birth without the need for an application. Potential entitlement to child benefit is system-generated from the issue of a birth certificate in the central register of births, marriages and deaths, which sends the

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[32] Citizens and enterprises need to provide basic information to any public authority only once, it will not be requested again.

information to the master data administration of the Finance Ministry (BMF). These data are matched with those from other external databases, for example, income/salary information and National Insurance data. By applying a set of business rules, the system checks the benefit entitlement and determines who is the claimant (mother, father, family solicitor, etc.). If banking information (IBAN, BIC) is available, the person eligible for child benefit will start to receive regular payments quickly and without complication. If additional data are necessary, they will be gathered by mail through an automatically created information letter.

ALF depends on the integration and interoperability of systems from different government ministries. It is an example of a new ICT application, within an appropriately robust ICT environment, acting as a facilitator for process change, capable of managing automatic data exchange and rules-based calculations without human intervention. In this case, they are also underpinned by an appropriate legal basis for data transfers. The project was implemented within seven months using agile software, validating the prototype with users at a time when changes could still be incorporated, and with skills transfer to the public sector of the project through close cooperation between ICT staff from the Federal Computing Centre and the external experts developing the software, which underpinned the project's sustainability. Results from live running from June 2015 to early September 2015 showed just a 2% error rate and average time of application processing of 2 days, with automatic payment in more than 60% of cases and in 45% of remaining cases requiring no more than bank account details.

ALF is the first step of the programme FABIAN, which is defined to improve the whole service delivery process for family allowance. There are approximately 80,000 births per year and an annual budget for child tax allowance and child benefit of €4.2 billion, covering 1.15 million entitled citizens and 1.7 million children. The time saving to citizens has been estimated conservatively as 39 000 hours per year (around 30 minutes per person). The project also promotes social inclusion, since automatic generation of entitlement reduces the risk of exclusion as a result of intellectual or linguistic capability.

By reducing staff time needed to process applications, it enables them to be redeployed to perform other tasks, such as entitlement control functions and other functions within the tax administration. The estimated savings for the ALF project are 15 full-time equivalent staff, but the intention is not that the saving in staff time will lead to redundancies. Thus, it has not in itself to date generated significant concerns for labour unions. The concept is capable of being used in other environments, irrespective of language or culture for universal benefits (e.g. not subject to income declaration criteria) and uniformly paid (i.e. where recipients are not able to choose how they receive services or benefits). This could be applied elsewhere at national level, or, via a shared service platform, for a universal benefit paid by all sub-national entities within a territory. The project has high-level political support from the Finance Minister and the Family and Youth Minister.

ALF was a nominee for the 2015 European Public Sector Awards (EPSA), as one of the three finalists in the 'European, national and regional' category.

For further information: Wolfgang Katzmann, Head of Department International Matters, Family Benefit, Real Estate, Austrian Federal Ministry of Finance (BMF), wolfgang.katzmann@bmf.gv.at

Developments like Austria's ALF initiative suggest that the EU's public administrations have reached a stage of service delivery evolution where almost anything seems possible. And yet public bodies remain largely rules-based organisations, and this often leaves them constrained by 'paper trail' thinking, rather than a 'solution-orientation'. In other words, many administrations are:

☒ **Fixated on documents** - how to ensure we have papers from citizens and businesses which have been verified by signatures and, in some cases, counter-signed by notaries;

   … instead of …

☑ **Focused on data** - what information do we need, what sources can readily provide it, and can we find an easy and efficient way to ensure it is valid.

Many public administrations, affected by the inertia of traditional practices, require citizens and businesses to provide paper-based documentary evidence to access public services. The rationale is that this proof is required by law, but this is increasingly outdated in a digital society and being rapidly overtaken by eID. As well as being costly and time-consuming, it also conveys an absence of trust in the service user, which is then reciprocated in a lack of trust in the public administration.

"In the country I know best, we figured out that, just because of e-signatures - digital signatures - we were able to save 1 working week during the year. It means 2% from our GDP, which is equal to our defence expenditures. So, defence expenditure in Estonia is coming from e-signatures". European Commissioner Andrus Ansip[33]

Public administrations can make leaps forward by **thinking 'data' not 'document'**: in other words, asking the question 'how can the necessary information be found most easily', and considering the sources of data as the starting point - flexible and open to re-use in potentially many alternative situations.

This logic is inherent in the 'once only' principle of data registration and is well encapsulated in the experience of Estonia. While various individual elements have been presented in the Toolbox, especially X-Road (above) and E-File (see theme 7), Estonia's case study in overview is presented concisely below.

Inspiring example: Providing eGovernment and self-service (Estonia)

Estonia has been described as one of the world's most digital societies. Its government was quick to embrace the digital economy, focusing on building an open e-society in the 1990s and introducing its "tiger leap" project to invest in IT infrastructure in 1996. The push for digitalisation continued through the millennium, and digital solutions are now at the heart of every citizen's interactions with the government. Estonians can vote electronically in elections, file their tax returns online and sign legally binding documents over the internet. There are similar benefits for businesses: company registration is done online and property deeds can be accessed digitally. Estonia's eGovernment has become a model for the rest of the world, giving citizens online access to information and public services, and powering paper-free communication in the public sector. Not only is the idea of 'thinking data not paper' well understood and in widespread use, but even more the principle 'e-service only, no paper as backup', supported by the ideas of 'not only thinking, but doing as well' and 'not just data, but service'.

Estonia's digital society was created not through a single overarching infrastructure, but through an open decentralised system linking together multiple services and databases. The flexibility this provides has allowed new components to be developed and added over the years. All eGovernment services for citizens have a common user interface and a standard authentication system. Citizens and businesses conduct all their digital interactions with the government through one website.

Development began with the establishment of a functional architecture that contains the X-road system (a secure data transport system for government databases), the ID card and the public key infrastructure. Once these core services were in place, new elements were progressively added since 2000: digital signatures and strong encryption, m-ID (mobile-ID, a system for verifying online identity), an eGovernment portal eesti.ee, an

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[33] European Commission Vice-President for the Digital Single Market and former Prime Minister of Estonia, 'From ISA to ISA[2]' Conference, 3 March 2016, Brussels, https://ec.europa.eu/isa2/isa2conference_en

ID-based bus ticket and loyalty client-cards, m-parking (mobile phone payments for parking), company establishing and administering online, e-banking and online payment services, the e-tax board (electronic tax filing), e-police (a system providing patrol officers with a positioning system and a mobile workstation), e-health (digital health records), e-prescription (digital prescriptions) i-voting, etc. All the above-mentioned and a number of other e-services allowed Estonia to introduce the idea of e-residency in 2014.[34]

The uptake of eGovernment has been aided by the popularity of the internet (used by an estimated 88% of the population in 2016[35]) and widespread support from government officials, businesses and citizens. In future, Estonia plans to integrate its service provision for all levels of government and offer a cross-platform self-service interface.

X-Road employs a versatile security solution: authentication, multilevel authorisation, a high-level log processing system, encrypted and time-stamped data traffic. X-Road system works in tight cooperation with trust service providers and allows federations between different states and cross-border data services.[36]

Although there are variations between departments, eGovernment has significantly increased the efficiency of public services overall. For example:

- Registering a company now takes less than 20 minutes (reducing the time it takes to set up a business from five days to two hours)[37]

- More than 95% of tax declarations are made through the e-tax board, saving €7 per declaration[38].

- The introduction of paper-free communications is generating significant savings across the public sector, with almost €2 million in savings for the Estonian Road Administration in 2011, for instance.

The 2007 cyber-attacks in which hackers compromised a number of government websites and services demonstrate that security still presents risks in Estonia[39]. As more services are digitalised and more people come to depend on electronic services (30 percent of participating voters submitted i-votes in the 2015 parliamentary elections, compared to 2 percent in the 2005 and 21 per cent in 2013 municipal elections, for instance[40]), security continues to be a priority.

Source: McKinsey & Company (2015) and Information System Authority, Estonia (2016)

5.4.3 Moving towards digital by default

'Digital by default' means that public administrations should design and deliver services digitally (including machine-readable information) as the preferred option (while still keeping other channels open for those who are disconnected by

From information to interaction

Interoperability & 'once only'

Moving towards 'digital by default'

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[34] https://e-estonia.com/e-residents/about/
[35] https://freedomhouse.org/report/freedom-net/2016/estonia
[36] https://www.ria.ee/en/x-road-trust-federation.html
[37] https://e-estonia.com/component/e-business-register/
[38] T. Kalvet, M.Tiits and H. Hinsberg (eds.) (2013), *Impact assessment of the Estonian e-government services*, Tallinn: Institute of Baltic Studies & Praxis Center for Policy Studies (study funded by the Horizontal Technical Assistance of the EU Structural Funds)
[39] McKinsey sources: S. Herzog, *Revisiting the Estonian cyber-attacks: Digital threats and multinational responses*, Journal of Strategic Security, Volume 4, Number 2, 2011, Exhibit 3, Source: "Innovation in government: India and Estonia," McKinsey Quarterly, June 2012; e-estonia.com; interviews
[40] http://vvk.ee/voting-methods-in-estonia/engindex/statistics/

choice or necessity). In other words, at least one digital channel should be available for accessing and using a given public service. In addition, public services should be delivered through a single contact point or a one-stop shop and via different channels.

Put another way, the digital service should be so widely available and accessible that the user could be expected to choose the online channel over other delivery options (face-to-face, telephone, postal), unless there are compelling or unavoidable reasons to do otherwise. To put the emphasis on 'pull' rather than 'push' factors, the digital service should be more appealing than the alternatives. As well as benefits to users, 'digital by default' typically presents cost savings to the administration, in comparison to other service delivery channels. [41]

To reach the point of readiness, the public administration already needs to have an engrained approach to 'thinking digital' and have attained a high degree of **maturity in online service delivery.** 'Once only' data supply is likely to be in place, although this is not a pre-condition. Public services have been through a transformation: a process of administrative simplification, to reach the point where they are cheaper, faster, better. Portfolios of services are packaged under life events, for maximum ease of access to citizens and businesses. For this reason, digital by default is either established or well advanced in just a few EU members, principally Denmark, Estonia, Finland, the Netherlands and the United Kingdom.

Given the intention is that all service delivery (or as close to 100% as possible) is online, this will generate a huge **upsurge of digital service demand** that will need to be matched by server capacity and system maintenance. It will also test the quality of these channels, their capacity to meet users' needs, and the 'back office' support to customer enquiries.

User-centricity will need to keep pace with demand. What requires close attention is **not digitalising the bureaucracy**. Digitalising public services and providing them 'digitally by default' requires changes in organisation, culture of designing, creating delivering and using services, and finally standards-based data management in the back office of the administration.

Not all public services need to move to 'digital by default' at the same time. In this context, the Commission itself plans to gradually introduce the 'digital by default' principle when interacting online with external stakeholders, using eIDAS services (in 2018), eInvoicing (in 2018) and eProcurement (in 2019). Similarly, most countries take a **phased approach**, starting with the most advanced e-Services where online take-up is already high, or the services with the greatest reach (number of users). The preparation of a business case and implementation plan should precede the careful selection and sequencing of services, which takes account of where and how services are used, the processes involved, the maturity of online delivery, the readiness of the client group, the alternative channels and/or support required to prevent digital exclusion, etc. Some governments look to 'quick wins', by targeting services with the largest number of transactions to maximise net savings. This allows the administration to sell the early achievements to any sceptics. Momentum is also valuable. Users that become experienced with some e-services will find it easier to switch to

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[41] The following analysis draws on the EY and Danish Technological Institute (DTI) research for DG CNECT (op. cit.)

online delivery of others: a natural progression. Strategies for rapid roll-out are likely to have the greatest impact, as 'digital by default' creates its own inevitability.

Initiatives that drive 'digital by default' share many of the characteristics of administrative simplification programmes (see topic 5.2). Member State experience suggests many of the **success factors** are the same, but even more vital given the scale of transformation envisaged in service delivery: build the business case around costs and benefits; get a political mandate; align (with) the law; invest in forward planning with a realistic timetable; involve all affected entities from very early in the process; ensure effective coordination; and take the users with you. This last point is particularly critical. The administration should consult with citizens and businesses from the outset, and communicate intentions and expected timetables, including the target date when the service(s) move to 'digital by default'. Users must be ready and willing to accept the shift to e-Services as the dominant delivery mode. Put another way, 'digital by default' will fail, if the customers do not see the attraction of online services. The public must be partners in change.

These various elements of an effective approach are well illustrated by the United Kingdom's Digital Strategy and its 'Digital by Default Service Standard', which emphasises user research, open standards, data security, simple and intuitive services, and rigorous testing, iterative development and feedback from prototype onwards.

> ### *Inspiring example: "Digital services so good that people prefer to use them" (United Kingdom)*
>
> The United Kingdom's Digital Strategy, published in November 2012 and updated in December 2013, sets out how the Government will make its digital services so straightforward and convenient that all those who *can* use them will *prefer* to do so. This is expected to result in savings of £1.7 to £1.8 billion each year. The strategy was developed collaboratively across the government, as part of the Civil Service Reform Plan, and was accompanied by 'departmental digital strategies' for each ministry, published in December 2012. Progress reporting takes place on a quarterly basis, with departmental progress summaries and cross-government progress summaries, action by action. Implementation is supported by a cross-government approach to assisted digital provision.
>
> The Digital Strategy committed the Government to redesigning and rebuilding 25 significant 'exemplar' services, making them simpler, clearer and faster to use. The aim was to ensure that each one complied with the Digital by Default Service Standard by April 2014 and be completed by March 2015. Each service was assessed against the standard's criteria and must continue to meet them after launch. Originally 22 criteria, the package was re-worked, including amendments to some criteria, the addition of two entirely new criteria and the merger of others, thereby reducing the total criteria to 18. Each criterion is accompanied by its own guidelines.
>
> 1. **Understand user needs:** Research to develop a deep knowledge of who the service users are and what that means for the design of the service.
> 2. **Do ongoing user research:** Put a plan in place for ongoing user research and usability testing to continuously seek feedback from users to improve the service.
> 3. **Have a multidisciplinary team:** Put in place a sustainable multidisciplinary team that can design, build and operate the service, led by a suitably skilled and senior service manager with decision-making responsibility.
> 4. **Use agile methods:** Build your service using the agile, iterative and user-centred methods set out in the manual.
> 5. **Iterate and improve frequently:** Build a service that can be iterated and improved on a frequent basis and make sure that you have the capacity, resources and technical flexibility to do so.
> 6. **Evaluate tools and systems:** Evaluate what tools and systems will be used to build, host, operate and

measure the service, and how to procure them.

7. **Understand security and privacy issues:** Evaluate what user data and information the digital service will be providing or storing, and address the security level, legal responsibilities, privacy issues and risks associated with the service (consulting with experts where appropriate).

8. **Make all new source code open:** Make all new source code open and reusable, and publish it under appropriate licences (or provide a convincing explanation as to why this can't be done for specific subsets of the source code).

9. **Use open standards and common platforms:** Use open standards and common government platforms where available.

10. **Test the end-to-end service:** Be able to test the end-to-end service in an environment identical to that of the live version, including on all common browsers and devices, and using dummy accounts and a representative sample of users.

11. **Make a plan for being offline:** Make a plan for the event of the digital service being taken temporarily offline.

12. **Make sure users succeed first time:** Create a service which is simple and intuitive enough that users succeed the first time.

13. **Make the user experience consistent with GOV.UK:** Build a service consistent with the user experience of the rest of GOV.UK including using the design patterns and style guide.

14. **Encourage everyone to use the digital service:** Encourage all users to use the digital service (with assisted digital support if required) alongside an appropriate plan to phase out non-digital channels and services.

15. **Collect performance data:** Use tools for analysis that collect performance data. Use this data to analyse the success of the service and to translate this into features and tasks for the next phase of development.

16. **Identify performance indicators:** Identify performance indicators for the service, including the 4 mandatory key performance indicators (KPIs) defined in the manual. Establish a benchmark for each metric and make a plan to enable improvements.

17. **Report performance data on the Performance Platform**.

18. **Test with the minister:** Test the service from beginning to end with the minister responsible for it.

No service can pass unless it offers appropriate assisted digital support for those people who cannot use online government services independently.

For further information: https://www.gov.uk/service-manual/digital-by-default

The success of 'digital by default' relies on both **willingness and ability to access online services**. In an ideal world, take-up would be universal (100%), but this is an unrealistic ambition for any country at present. One-fifth (20%) of all Europeans had *never* used the Internet in 2013. This ratio is falling steadily each year, but shows a wide variance across the EU, from less than 5% non-use to over 40%.[42] Even with seasoned surfers, the EU's mass citizen survey illustrates the scale of the challenge. The EU's eGovernment online survey found that convenience is the principal driver for using online public services.

Take-up across the EU

The 2014 e-Benchmark study surveyed online 28,000 citizens in 2012 across the then EU-27 members plus other countries, exploring 27 questions and 19 typical user events. This provides a picture with 95% confidence (relevancy) of the views of 600 million European citizens

Based on citizens' preference for traditional or electronic channels, the study defined four typologies of attitudes towards online public services:

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[42] https://ec.europa.eu/digital-single-market/en/our-goals/pillar-vi-enhancing-digital-literacy-skills-and-inclusion

- ⚜ 'Believers' (33%): citizens who had used online public services, and will continue to do so;
- ⚜ 'Drop-outs' (13%): those who had used online public services, but do not intend to return;
- ⚜ 'High potentials' (16%): citizens who had not used online public services, but want to do so next time;
- ⚜ 'Non-believers' (38%): those who had not used online public services, and will not do so next time.

Not surprisingly, those countries who struggle to provide user-centric services also have more 'non-believers'. Citizens also rated their satisfaction on average higher with commercial services (7 out of 10) than public services (6 out of 10). More concerning, there appears to be an inverse relationship between interaction and satisfaction with public services: the more interaction with government is required, the lower the satisfaction. This also results in lower usage of these services.

The survey found the dominant reasons for using online services were: saving time (80%), flexibility in time and place (76%), and saving money (62%). Other factors were: simplified and more transparent process of service delivery and better control over it, increased trust in the public administration, and better quality of service. In a few countries (Estonia, Norway, Sweden and the United Kingdom) simplification was a particularly prominent factor. In a handful of countries, saving money emerged more prominently (Croatia, Cyprus, Czech Republic, Estonia and Poland).

The eGovernment Benchmark 2016 shows that 'digital' is not yet in the DNA of governments, and that online public services improved unevenly. The report quotes UK Government Digital Services' Executive Director Stephen Foreshew-Cain: "*The biggest problem we face is re-shaping ourselves so that we're better placed to change as rapidly as the world around us*".

Source: European Commission (2014) "Delivering on the European Advantage?", op cit. and European Commission (2016) "A turning point for eGovernment in Europe?"

This suggests that more than half of EU citizens are 'non-believers' or 'drop-outs', unable or unwilling to take-up online public services, even though a high percentage are daily Internet users. What influences their behaviour? What are the obstacles preventing or dissuading them from using eGovernment portals? Assuming public services are online and hence available, public administrations face five main potential barriers as the basis for designing policy solutions:

Barrier	Key question
Accessibility	Do citizens and businesses have internet access, and if not, how can coverage be ensured?
Awareness	Are businesses and (especially) citizens sufficiently aware of online channels as an option for accessing the administration?
Ability	Are there any physical obstacles to using online services, such as sight, other physical handicaps, mental ability, and if so, how can prospective users be helped with access?
Aptitude	Do potential users have the comprehension and competences to interact with online channels, and if not, how can these be best provided or circumvented?
Attitude	Are users resistant to using online services, and if so, what are the reasons?

Accessibility is the most fundamental obstacle. Broadband infrastructure is increasingly well-established across the EU, and yet 24% in 2012 did not have Internet access at home, with higher figures in the south and east of Europe.[43] There remain sections of society which face disadvantages. Rural and other remote communities are often not reached by broadband infrastructure, or only at low bandwidths and speeds. Poorer households may not be able to afford internet services. Mobile technologies also offer a way to bridge the digital divide, overcoming under-developed landline infrastructure, especially in countries with high smartphone ownership.

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[43] https://ec.europa.eu/digital-single-market/sites/digital-agenda/files/DAE%20SCOREBOARD%202013%20-%203-INTERNET%20USE%20AND%20SKILLS.pdf

According to the 2014 e-Benchmark study, 21% of the respondents were not aware of online services. Perhaps surprisingly, lack of **awareness** was found to be highest among young people. Based on the data, the study finds that Austria, Bulgaria, Croatia, Greece, Ireland, Italy and Poland would most benefit from awareness-raising campaigns. Under the Commission initiative 'Digital Champions', Member States have appointed ambassadors for the Digital Agenda - creative and motivated people who lead innovative projects in ICT education, digital inclusion, access and eGovernment. Many actively promote the development of digital skills and entrepreneurship by young people, helping tackle youth unemployment by sharing innovative ideas which have worked in their own country.

Once the physical and informational obstacles are overcome, citizens and businesses still need the **aptitudes** to utilise eGovernment. Almost half the EU population (47%) having either "no" or "low" digital skills. The proportion rises to almost two-thirds (64%) among citizens with one or more of the following characteristics: unemployed, retired or inactive, low educated or low income. To function effectively in the digital society one needs at least medium level or "basic" skills.[44] To tackle the digital skills shortage in Europe, the Commission has launched a multi-stakeholder partnership, the Digital Skills and Jobs Coalition, to develop a large digital talent pool and ensure that individuals and the labour force in Europe are equipped with adequate digital skills.

While the competence gap can be closed through education and adult training, it also implies that a 'safety net' will be needed to ensure that citizens with limited Internet skills are not left behind and to provide a bridge to digital competence by helping them to learn and become self-sufficient. For example, some administrations have introduced telephone helpline services, or 'drop-in' centres (at colleges, libraries, community facilities, etc.) with computer terminals and supportive staff who can guide users through the process. This also applies to citizens who are willing but unable to use electronic channels due to physical or mental **ability**, and who must not be excluded from accessing services in the transition to digital by default.[45]

As the EU's 2012 user survey indicated, **attitudes** can be the most rigid barrier. From the eGovernment benchmarking survey, 80% stated they were not willing to use online services. They either preferred personal contact, expected to have things done more easily by using other channels, believed that personal visits or paper submission were required anyway or did not expect to save time. Furthermore, 11% stated they did not trust the service, because of concerns about protection and security of personal data. Given these groups are drawn from a survey of regular Internet users, this is a cause for concern. Two-thirds of non-users of online services stated they preferred to have face-to-face contact with officials in the administration. The benchmarking study found that this is partly because their expectations are coloured by their experience with private service providers, such as internet banking, while by contrast public e-services do not always reach the same standards. The answer lies in building confidence among these active non-users that have taken an informed decision, as well as the 'hidden' non-users who will utilise online services in the future. This could entail one or more of the following measures:

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[44] European Commission (2014), *Measuring Digital Skills across the EU: EU wide indicators of Digital Competence*.
[45] The Web Accessibility Directive after transposition into national legislation will ensure people with disabilities, especially persons with vision or hearing impairments, will have better access to the websites and mobile applications of public services.

- Increase generally the **transparency** of the public administration;

- Provide the required level of **data security** (eID with secure authentication) and consider **trustworthiness** when introducing new services (see the principle in the eGovernment Action Plan), as all initiatives should go beyond mere compliance with the legal framework on personal data protection, privacy and IT security to build trust and take-up;

- Recognise the **diversity** of customer segments among citizens (by age, employment, education, ability) and businesses (by age/phase, size, sector), and customise both promotional messages and actual services accordingly;

- Make **service reliability** a prime concern; and

- Provide **supportive customer services** to assist the user in navigating problems when they arise, such as helplines, discussion forums and live chat (as well as more conventional contact details and FAQs), and take on board user feedback.

Some administrations are taking steps to actively reassure citizens and businesses on the security of their data, as illustrated by Italy's privacy policy and the creation of a privacy office.

Inspiring example: Privacy & data protection to orient public administration to citizens (Italy)

Public administration offices must ensure that EU directives are implemented, in addition to those concerning privacy, access, transparency and personal data protection. This is particularly true in the case of healthcare public administration. Nowadays, technology offers a wide range of tools allowing sensitive data to be handled automatically. In addition, it is important to connect healthcare databases to ensure effectively the best healthcare assistance.

To achieve this objective the administration, already committed to digitising its activity to comply with the EU eGovernment Action Plan for 2011-2015 (which carries the slogan '*use information communication technology to promote a sustainable, intelligent and innovative administration*'), must review its internal procedures, which are often disinclined to offer citizens digital services. This organisation solved this problem by implementing a novel system that ensures that sensitive data is handled, while guaranteeing the privacy of the citizens. A new model has been developed and a privacy policy has been drafted. A 'privacy office' has been instituted, with a risk management system for dealing with the critical issues to be solved regarding processing personal data. This model allows the following:

- The privacy company quality system to be equipped with a management incentive system linked to the internal quality control, giving annual targets to ensure privacy which, when not met, affect the subdivision of remuneration of economic result;
- A network of employees to be created, ensuring that privacy procedures are respected in every section of the organisation, in conjunction with the Central Privacy Office, by reviewing internal data management processes;
- Increased knowledge among operators, improving their skills and attitudes towards customer care and protection;
- An innovative communication campaign to be launched requiring customer participation, thus ensuring maximum results from the measures already adopted, increasing the empowerment and the relationship between citizens and administration, involving the citizens to give suggestions on how to improve the services on offer;
- Managing every new data processing project through a preliminary privacy assessment impact, together with doctors and computer technicians, to ensure the utmost respect of citizens' data;

- A custom made front desk to be created, both online and on-site, to offer citizens a quick and dedicated communication channel and solutions to their problems; and
- Measuring periodically the stakeholders' satisfaction.

The improvement plan involves the entire company and its corporate management executives and operators, and has clear potential to be used in other complex administrations. Therefore, it shows that, with an integrated and systemic approach to a complex discipline, it is possible to obtain an improvement in the following matters: quality performance, participation and acknowledge of operators, fulfilment of customers' requests and needs; and good relations and cooperation between public administration and customers.

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The example of Viladecans in Spain is a municipal initiative under the title "W!Ladecans. Digital City Viladecans. Smart City", designed to tackle multiple barriers to digitisation at the same time. Not only is the town targeting 100% connectivity to high speed broadband by 2020, it is also backing up accessibility with education, training and applications, ensuring that citizens and business have a reason to be online.

Inspiring example: Digital city – smart city (Spain)

Viladecans is a town of around 68,000 people in Catalonia. Under the auspices of the project "W!Ladecans. Viladecans Smart City", the administration began a scanning process that took in all aspects: territory, citizenship, services and applications, and are now pursuing their goals in three complementary areas:

- **Infrastructure**: with the name of W!FI, W!CABLE, W!HOME and W!ESCOLA, the administration started several projects in the short or medium term to provide ICT infrastructures in Viladecans that allow the connectivity demands of enterprises, households and schools to be met. W!FI is a project that provides free wireless connectivity for all citizens of Viladecans in public facilities, parks, beach and green areas of the city. 'W!CABLE' is a public wholesale network open to all telecommunication operators to send fibres to the home (FTTH). In a first stage, completed in February 2011, it provided fibre connections to about 2,500 homes, offering services around symmetrical 100 Mbps. Nowadays, it reaches about 10.500 homes and five operators are currently providing services up to 1Gbps on it. W!ESCOLA is another network project aiming at providing fibre to all schools with the goal to start innovative educational projects. By 2020, all houses in the city will be connected by a FTTH network; the wireless public space access will be mainly dedicated to the provision of public services, typical of a smart city (internet of things, M2M); and free access to all citizens in public facilities.

- **Training and education**: XPLAI, which means 'network of public internet access', is the entity entrusted with training and awareness-raising of internet use. It is specially aimed at those who have more difficulty accessing the internet and that are subject to an increased risk of digital divide, either due to social, economic or generational reasons. Viladecans has launched eGovernment projects with the implementation of the public folder administrative formalities online. The municipality has started work on e-Education (W!ESCOLA) with the digitisation of all schools in the city (incorporating digital whiteboards, computers and wifi connectivity), developing collaborative applications to support teaching. The XPLAI network has started new lines of work according to the new tendencies of digital production and following MAKER's philosophy, using 3D printers, scanners. There is also another line of work in the schools that is focused on encouraging and introducing programming and robotics in classrooms. This work is being done through formation plans to teachers and directly to the students. Finally, it is envisaged to start projects in the line of the Internet of Things.

- **Applications and services**: An e-Health project is being promoted from the Viladecans' Hospital and the CAP (Primary Care Centres) and the City Council is streamlining the institutional structure of the city by setting up social networks for collaborative work of all entities. Beyond the goal of 'Smart City'

(it is important to note here that Viladecans is now working on the new Smart City Master Plan), Viladecans wants to become a 'Living Lab' in which the municipality is a test where products and services can be developed based on a new telecom infrastructure. Viladecans has all the elements to develop innovation and development projects using the methodology 'Living Lab': it hosts a Campus of the Polytechnic University of Catalonia (UPC); it has research centres in the country (Agropolis, I2Cat), a very active business community with two local business organisations (Viladecans Business Association, Viladecans Entrepreneurs Club).

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In the short-medium term at least, there will be a sizeable proportion of the population that is not able or willing to take up online services, even if the intention is to make 'digital by default' mandatory. To **avoid digital exclusion**, this percentage should be estimated in the original planning (including the cost-benefit analysis), and arrangements made to ensure either alternative channels or 'hand-holding' assistance is available (see previous text on 'aptitudes' and 'ability'), so that they are not denied their rights to public services. Contingencies should also be prepared, in case the projected number turns out to be too low.

This places the onus on public administrations to ensure that service design reflects user expectations, which can be aided by behavioural insights (see topic 1.2). Ultimately, citizens and businesses will be willing to utilise public services online when they are user-friendly, intuitive, easy to understand, free-to-use, fast, efficient, and above all, accessible. Once this reputation is established, spread by word-of-mouth and social media, digital can become the **consensus channel** for service delivery.

Interoperability and increasing connectivity also pave the way to realising the potential of '**open by default**'. This is a concept that builds on the foundations of 'open data' (see theme 1) in that government-collected data is *presumed* to be available to all - in free, accessible and machine-readable formats - unless there is a compelling reason to keep it confidential, such as privacy or security reasons. The effect is to increase transparency and accountability, and to generate opportunities for creating new businesses[46]. Already, for example, governments across the EU (such as Denmark, the Netherlands, Portugal and Slovak Republic) have adopted open formats for their documents, so they can be read and exchanged by anyone, generating momentum towards more ambitious applications of the principle. Openness and transparency is also the foundation of many Horizon 2020 projects, such as DigiWhist, YourDataStories and OpenBudget.eu (see topic 2.3).

Moving to 'open by default' raises the prospect of extending the principle further, by automatically offering both public datasets and online services for widespread re-use. By providing building blocks of online information, public administrations can open the space for third parties (other administrations, enterprises and individuals) to engineer their own solutions - **Government as a Platform (GaaP)**. This would enable them to combine modular services into new, personalised, user-friendly and innovative e-services, characterised by an EU-funded study as the 'cloud of public services'. This could ultimately achieve the aspiration of citizens and businesses being able to assemble their own, fully customised, service solutions to meet their individual 'life event' needs at a

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[46] See 'A Vision for Public Services'

time and location of their choice, using an online application offered by the public administration or a third party. This would be based on open data and interoperable services, open source software and easy-in-easy-out contracts for ICT and cloud services. The GaaP building blocks include:

✓ **Open data portals**, used by public administrations to publish large volumes and variety of data, without the burden of having to respond to individual requests. These are web-based gateways to make it easier, with the help of search functions, to find re-usable datasets. The portals can also offer Application Programming Interfaces (APIs) that enable direct access to data for software applications. The European Commission operates the EU Open Data Portal, which will feed into the European Data Portal (see also topic 1.1). Examples at the national level include www.data.gouv.fr, www.dati.gov.it, www.data.overheid.nl, and www.data.gov.uk, and at the local level, www.dati.piemonte.it

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European Data Portal

The European Commission is providing funding through the Connecting Europe Facility (CEF) programme for a Europe-wide digital service infrastructure (DSI) for open data. The main objective is to provide a single point of access in all 24 EU official languages for data published by public administrations at all levels of government in Europe, covering EU Member States, countries of the European Economic Area (EEA) and certain other European countries.

To foster comparability of data published across borders, the DSI will present metadata references in a common format (DCAT application profile for data portals in Europe) using RDF technology. Using machine-translation technology, it will progressively provide translations of metadata descriptions in all 24 languages. Called the European Data Portal, it has been available in beta mode since November 2015. Further features and linguistic versions are being developed. The portal complements national, regional or thematic open data portals, as well as the EU Open Data Portal. This infrastructure will stimulate cross-border use of re-usable information in Europe, by improving the ability to search and find data across countries, and supporting the development of data applications and products including data from different countries, for example, by offering assistance on applicable licensing conditions.

✓ **Catalogues of standards**, such as the EU Catalogue of ICT standards and technical specifications, which is being assembled by the European Commission as an EU-wide resource for public procurers preparing calls for tenders, or the Dutch stelselcatalogus.nl;

Inspiring example: Stelselcatalogus (The Netherlands)

Data from base registries has the potential to be heavily reused within public administrations and beyond. Stelselcatalogus.nl is the online catalogue of definitions developed by the Dutch government, comprising all concepts that are included in the registries. By providing a complete view and explanation of available data & terms, it makes their content transparent and accessible. Stelselcatalogus is compliant with the European Interoperability Reference Architecture (EIRA). Its source code is available online under the BSD2 licence through the open source software 'gegevenscatalogus', which was developed and offered by Logius, the digital government service of the Dutch Ministry of the Interior and Kingdom Relations. Anyone is able to access and develop new applications based on the source code, provided they follow the necessary licences of other libraries used. Gegevenscatalogus was developed independently, meaning any functional modification to Stelselcatalogus.nl does not affect it.

Source : https://joinup.ec.europa.eu/news/stelselcatalogusnl-released

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✓ **Catalogues of services**, such as the EU Catalogue of Public Services, a European Commission initiative to identify common service attributes or descriptors, which can then enable users to find similar web-based public services in other Member States, within the frame of the Digital Single Market (being able to sell, work and locate across the EU).

GaaP enables administrations to create an open environment in which the creativity of citizens and businesses can flourish, as they are encouraged to use public information (open data and other content) and instruments (applications, catalogued standards & services, etc.) to generate new social value, which can also directly benefit the actors themselves, such as CivicApps in Portland, United States. Under the eGovernment Action Plan 2016-2020, the European Commission will create a platform for public authorities to open their data and services as part of the European Cloud Initiative, creating a Government as a Service (GaaS) base for the EU.[47]

The extensive reform process that emerged from Spain's Commission for the Reform of the Public Administration (CORA), and its subsequent implementation, features many of the most novel features of transactional e-Service delivery profiled here, including: 'data not paper' thinking; once-only registration as a citizen's right; digital by default with safeguards to avoid social exclusion; a catalogue of common services; and open data portals to increase transparency, access and open government. CORA is not a collection of disparate initiatives, however, but rather a comprehensive package of organisational, governance, regulatory, infrastructure and simplification measures acting in concert to improve efficiency and user-centricity.

Inspiring example: Administrative simplification & eGovernment in CORA (Spain)

The CORA reforms in Spain are a comprehensive approach to creating a transparent, agile (active & sharp) administration with a focus on efficient services to citizens and businesses (see theme 9 on making positive change happen)*.* To achieve these objectives, a large part of the 222 CORA measures are based on cooperation between administrations, the use of technology and the promotion of eGovernment. The use of electronic channels and more efficiency through common or shared services aims to ensure and enhance the quality of public services.

Digitalising administrative procedures was not just one more option to be considered, but rather one of the most important **strategic measures for continuous improvement of the public administration**. It has enabled Spain to maintain - and even improve in some cases - the quality of public services within the context of austerity, major budget cuts and a very limited intake to fill public sector vacancies. These shared services and systems not only allow Spain's administrations to do more with less, but also to make a clear contribution to simplifying procedures and reducing administrative burdens (70% of savings from lightening burdens are achieved by facilitating online interaction), removing the need to submit documentation already held by another part of the public administration, and developing more personalised services.

No less important is its contribution to projecting an image of a **single administration** to citizens and businesses (the concept of government as whole and indivisible). By developing interoperable systems, actions and services can be coordinated between different administrations, particularly in the fields of education, justice, employment and healthcare. Significant cases include the Employment Portal, and interoperability projects in the healthcare field (e-prescriptions, health insurance cards and medical histories that can be shared by all Autonomous Communities). In a country that is as decentralised as Spain, it is crucial that the different authorities work together (as developed extensively by CORA) in planning the strategy and implementation of interoperable solutions, so that comprehensive services can be provided with citizens' and

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[47] The Digital Service Infrastructure (DSI) building blocks under the Connecting Europe Facility are also relevant here, as they can be re-used in digital services: eID, e-Signature, e-Delivery, e-Translation and e-Invoicing.

businesses' needs in mind, and not restricted by jurisdictional boundaries.

The starting point for the CORA reforms regarding e-Services was Law 11/2007 on Electronic Access to Public Services, which placed a duty on public administrations throughout Spain at all levels to make their transactional services (records, payments, certificates, notifications, and others) available through the Internet. The Law gave citizens a fundamental right to relate to public administration by electronic means, namely:

- ✓ To choose the channel to interact;
- ✓ To submit forms and documents;
- ✓ To make claims;
- ✓ To make payments and transactions;
- ✓ To get electronic copies of documents;
- ✓ To not provide data and documents already in the possession of the public administration;
- ✓ To choose the applications to communicate with public administration.

In effect, the 2007 Law embodied both the 'once-only' registration principle and 'digital by default'. Such an obligation created momentum, but took time to operationalise. By 2011, 95% of procedures and 99% of overall administrative transactions in central administration had been adapted as e-Services. However, digital by default also needs high internet penetration and digital skills for its benefits to be fully felt. Law 11/2007 fixed a deadline for the central administration, while for the regional and local administrations, there was a precondition: budget availability. The fact that the law had to be implemented in times of crisis, with huge reduction in budgets, was an important barrier for territorial public administrations.

CORA's new efforts fostering administrative simplifications and eGovernment have been focused on four lines of action:

1. Organisational structure & governance

A new structure and governance model has been created in the central administration that would support the implementation of the measures and to make the management of ICT more efficient. Major organisational decisions have been taken, such as:

- ✓ Creation of the Chief Information Officer (CIO) with horizontal and executive competences throughout the central administration (which, until then, could only coordinate) in policy, budgets and personnel, with some exceptions;
- ✓ Creation of the General Secretariat for Digital Administration, which lead the strategy and development of common infrastructures;
- ✓ Definition and implementation of the digital transformation strategy; and
- ✓ Implementation of a framework of shared services in the central administration.

2. Regulatory framework

A new framework has been defined with the publication of Law 39/2015 on the Common Administrative Procedure of Public Administrations and Law 40/2015 on the Legal Regime of Public Administrations. These laws were complemented by the reinforcement of national interoperability schemes.

- ✓ Law 39/2015 provides that electronic processing must be the ordinary activity of public authorities, to better serve the principles of efficiency, efficiency, cost savings and transparency. It incorporates a complete and systematic regulation of external relationships with citizens and businesses regarding administrative procedures. Furthermore, it instituted full and mandatory electronic relations between business and all public administrations.

- ✓ Law 40/2015 consolidates a scenario in which the use of electronic media is to be the general rule and not the exception. It regulates public administrations in relation to their internal organisation and the relations between them.

For the public administration, the goal should be, on the one hand, to encourage citizens and businesses to make intensive use of electronic services, and, on the other, to implement paperless internal processing, which leads to real improvements in efficiency and effectiveness (lower costs, better services with fewer staff, shorter processing times, a more personalised service at a higher quality, more transparency and accountability, etc.). Laws 39/2015 and 40/2015 reinforce the obligation of the electronic relationship, including the submission, notification and compulsory exchange of information in electronic format among all administrations. Published in October 2015, their obligations will come into force gradually over three years, so the effort to remove paper-based processes is going to be very intense. They also reinforce the role of collaboration, cooperation and coordination between administrations, since the objective is to optimise the whole administrative network and not just isolated organisations. Laws 39/2015 and 40/2015 consider digital administration as a national policy - a factor of transformation of Spanish society and economy, and an element of efficiency in the management of public resources.

3. Common technical infrastructures for all public administrations

Common infrastructures for the implementation of Law 11/2007 (the building blocks) have been strengthened, and new infrastructures have been created in CORA. These include:

- ✓ A common network of inter-administrative communications;
- ✓ A common system of identification and electronic signature that includes advanced and simplified systems (Spain has been the first EU country to implement an eIDAS node);
- ✓ A data intercommunication platform;
- ✓ A procurement platform;
- ✓ Electronic invoice platforms;
- ✓ Payment gateways; and
- ✓ Common electronic notification systems, etc.

Each is included in a **catalogue of common services** (more than 30) available to all public administrations and in the Technology Transfer Centre, where a community of experts from all administrations share knowledge and applications to foster the implementation of common solutions. All of them can also be found in the portal: www.administracion.gob.es. Simplification of electronic identity and digital signature systems (CL@VE) has become a driver to increase the use of all electronic services. Advanced electronic signatures are currently a barrier for some citizens and many public services do not represent a major risk that requires a maximum level of access security. Provisions to allow legal representatives to make electronic presentation on behalf of third parties have also been strengthened.

4. Administrative simplification

Development of concrete simplification measures has been mostly part-driven by ICT and eGovernment. When CORA was launched in October 2012, two of its four sub-committees had a remit of particular relevance to eGovernment, namely administrative simplification and management of common services & resources, respectively. **More than 100** relevant proposals in CORA's 2013 report covered *inter alia*:

- ✓ e-Procurement and e-Invoicing platforms to increase budgetary control and transparency, and reduce late payments;
- ✓ Creating a centralised public information agency;
- ✓ Establishing a General Access Point as a gateway to government administrations;
- ✓ Simplification and reducing administrative burdens;
- ✓ Creation of the National Health System (SNS) healthcare card database;
- ✓ Creation of unique, comprehensive databases of all public administration grants and collaboration agreements (to the transparency website);
- ✓ Introducing interoperable computerised health care records and interoperable electronic prescription;
- ✓ Establishing a virtual one-stop shop for foreign trade;
- ✓ Enhancing the data intermediation platform as a means of implementing the citizen's right not to submit documents already held by the administration;
- ✓ Establishing automated administrative actions in some public services, with no need for civil servant

- ✓ actions to increase productivity and reduce time of processing;
- ✓ Extending the mandatory electronic filing of tax returns and other documents;
- ✓ Using e-Tendering, extending e-Notifications, and promoting electronic auctions;
- ✓ Introducing a new electronic case file system in courts;
- ✓ Joint technology planning for then Justice System (decentralised in Spain)
- ✓ Electronic processing by health centres of births and deaths;
- ✓ On-line processing of motor vehicle certifications;
- ✓ General Deposit Bank´s Virtual Office;
- ✓ Digital Office of Information and assistance for victims of terrorism;
- ✓ Centralisation of ICT purchases;
- ✓ Providing electronic certificates to non-residents;
- ✓ Creation of a MOOC platform; and
- ✓ The Technology Transfer Centre.

Evidence of the continual progress being made in the digitalisation of Spanish society can be found in how the State Tax Administration Agency (AEAT) ran the **Personal Income Tax (PIT) campaign**, which reflects the spirit of the CORA reforms. The PIT return is possibly the administrative procedure that affects the largest number of citizens in Spain, including the population segment that has most difficulty in using the Internet. The 2015 campaign saw the greatest increase in returns filed online over the previous 10 years, which was made possible by a number of factors resulting from different reform measures, including: simplifying the authentication process; replacing paper correspondence with electronic communication; automating administrative processes; reducing the average wait for a tax refund for returns processed online; and making it possible for third parties to represent a taxpayer in the filing of his or her PIT return.

Independent reviews by the OECD

On ICT and eGovernment, the **OECD's 2014 Public Governance Review** noted that "*the CORA reform agenda recognises the importance of reaping the untapped potential of government data and information to improve performance, increase trust and foster cultural change in the administration; the need to focus on achievements made as a result of investments made in e-services; and the priority need to enable the new Chief Information Officer (CIO) and governance structure to be operational as soon as possible to also allow stronger co-ordination.*"

The **OECD's 2016 Progress Report** recommended *inter alia* that further reforms include:

- ✓ Linking the transparency and open data agendas more closely, to boost the proactive disclosure of data and information, and would help move from a legal compliance approach to a real collective commitment across the administration. As a side effect, this could ease up the change of culture within the administration and create more opportunities for public engagement, thus creating higher value;

- ✓ Reinforcing the integration of data and information across the administration, both as an overarching strategy to improve internal efficiencies and service delivery as well as part of broader efforts to develop a "data-driven public sector";

- ✓ Using data analysis more actively to spur the public sector and maintaining efforts to build a culture of information sharing and public data release across the Spanish administration, especially for economic data and particularly in real time. Raising awareness and increasing the capacities of civil servants can provide an important incentive to further contribute substantively to the portal; and

- ✓ Considering the expansion of use of the Transparency Portal as a platform to engage citizens in policy drafts. This is a common practice linked to the implementation of the transparency policy in countries such as Mexico and Portugal, which has created important externalities in terms of public engagement in policy making and regulatory reform.

Following the OECD recommendations, the transparency website and the open data website have been strengthened and all statistics on the use of electronic services have been published. Datos.gob.es, the Spanish

open data website, is one of the most advanced in Europe according to EU's maturity of open data websites report. The Office for the Execution of the Reform of the Administration (OPERA) has led the development and implementation of the transparency website and the relations with Open Government Partnership (OGP) organisation. The election of a new national government in 2016 has led to the role of OPERA being taken over and taken forward by a new General Directorate of Public Governance.

Lessons learned

The success of the reform process has been underpinned by the comprehensive development of eGovernment solutions, as outlined in the four action lines above, covering structures, governance arrangements, accountability, legislation, common infrastructures, simplification of access, and concrete measures. A critical factor is the reinforcement of organisational collaboration between public administrations.

The reform has given impulse to the use of electronic channels with citizens and businesses, by setting 'electronic relationship' goals for each organisation (which is imperative) and measuring the use of the electronic channel in each specific voluntary public service. However, it also important to be careful to avoid some segments of users falling into the 'digital divide', by enhancing assistance services in the first steps of an electronic obligation and offering an easy-to-use appointment system when a face-to-face relationship is needed.

Continuous monitoring of public administrations' compliance with the new legal obligations (set out above) has been made possible by defining a performance scorecard. As a conclusion, with fewer resources it has been possible to improve the quality of public administrative services and reduce processing times (published on the Internet in the context of a specific CORA measure).

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5.5   Committing to service standards and measuring satisfaction

Ultimately, the test of good service delivery is whether it has lived up to the needs and expectations of the customer. This brings us full circle back to the first step – understanding what users want (topic 5.1). Administrations have two potential instruments to

Service charters

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define and check performance. The first is to codify user expectations in the form of service charters: committing to a set of standards against which services can be judged. The second is to engage in measuring customer satisfaction to ensure performance levels are being reached, and ideally exceeded. In both cases, these tools can be a catalyst for action and further innovation.

5.5.1 Service charters

A citizen or user charter is a unilateral declaration by a public service provider - within the framework of its mandate and tasks stipulated by legislation and regulations - whereby the provider defines a number of standards for its services and subsequently

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publishes these standards. This allows members of the public to address the service in question as directly as possible.

The essence of a user charter is the promise of expected quality from the service, which can be summed up by the 3Cs:

- **C**lient-oriented standards,
- **C**ommunication and
- **C**ommitment.

What is the purpose of a service charter?

The radical idea behind the user charter is to give rights to the clients of public services. These rights are not statutory, but the 'pressure' of the promise is such that the organisation will do a great deal to fulfil the commitments it has made. With this approach, the user charter helps the client switch from a relatively passive role of waiting for what the organisation has in mind for him or her. The offered rights stimulate the idea that the organisation treats them with respect. This gives the client a certain dignity. It also helps to build trust in the administration.

The service standards indicate what the client can expect - the client can then determine whether the standards are met or not:

- The charter can comprise a **'soft' standard**, such as: "*We will treat you with friendliness and respect*". But soft standards alone are not enough.

⁘ The most important standards are 'hard' - concrete and measurable. Therefore: "*you will be helped within 15 minutes*" and not "*ready while you wait*", which is not sufficiently specific.

⁘ A standard is formulated from the **individual client's perspective**. Therefore, for example, "*you can expect to receive an answer from us within two weeks*," rather than "*95 percent of the letters are processed within two weeks*".

⁘ The standards can concern the **entire spectrum of service**. They can say something about: the service/product in itself (e.g "*the street lighting will be repaired within two working days*"); the process (e.g. "*you will receive a digital report confirmation*"); and the content (e.g. "*on your request, we will speak with you in a closed consultation room*").

This focus on the whole service can bring user charters closer to the **'life event' and 'customer journey' approaches**, as illustrated by healthcare charters in The Netherlands and the United Kingdom, where the commitment to certain standards starts from the doctor's initial consultation all the way through to referral and hospital treatment (if necessary), and follow-up aftercare.

> *Inspiring example: User charters in health care (The Netherlands and the United Kingdom)*
>
> The concept of the service charter was originally developed in commercial organizations and was then adopted by public services and healthcare. In the **United Kingdom**, the concept has been used in all National Health Service hospitals since 1991 in the form of the Patient's Charter. Healthcare organizations in Italy, the USA and the Netherlands have also adopted the concept. In several Dutch healthcare services, the multi-attribute specific service charter is used. This consists of a number of promises covering the patient's journey from general practitioner referral through to discharge from the hospital and follow-up arrangements. The specific goals in implementing service charters are:
>
> ⁘ Increasing the responsiveness of healthcare services to the wishes of patients;
> ⁘ Making healthcare services more accountable;
> ⁘ Ensuring patients know what to expect so that they can become more equal partners in the healthcare process;
> ⁘ Being used as a listening mechanism;
> ⁘ Increasing feedback from patients; and
> ⁘ Improving patient satisfaction.
>
> In the **Netherlands**, an integrated regional stroke service involving five organisations has developed and implemented a single service charter. Based on the concept of integrated care, regional stroke services have been established in the Netherlands. Integrated care is an organizational coordination process that seeks to achieve seamless and continuous care that is tailored to the patient's needs and based on a holistic view of the patient. Three phases of the integrated stroke service can be distinguished: acute care involving the emergency department and stroke unit of the regional hospital, rehabilitation involving rehabilitation centres, specialized nursing homes and home care and, finally, long-term support. Delivering optimal care with this range of providers requires a complex mix of collaboration on operational and individual levels involving streamlining information flows and the transfer of acute patients. On a tactical level, this can involve performance indicators on the care-chain level and, on the strategic level, financial and logistical agreements. These interventions aim to improve patient care and medical outcomes, objectives that fit into the general goals of care integration: enhancing patient satisfaction and quality of life, efficiency and outcomes.
>
> *Based on: Thomassen, Ahaus and Van de Walle (2014), "Developing and implementing a service charter for an integrated regional stroke service: an exploratory case study" in BMC Health Services Research 2014, 14:141*

The user charter is suitable for **all organisational elements with client contacts**. Clients include citizens, entrepreneurs, students, patients and non-governmental organisations. The most important users of the charter are of course the *clients who apply to your service*. With the charter, they will have more insight into your service and will attune their expectations on the basis of the service standards that are included in the charter. Together with the *clients*, *the employees of the front office* are an important user group of the citizen charter. If all goes well, having a charter leads to a change of attitude, working method and performance. And last, but not least, improving the methods and performance cannot be achieved without the involvement and commitment of the management.

Benefits of service charters

✓ Help public agencies to manage the expectations of service users;
✓ Provide a framework for consultations with service users;
✓ Encourage public agencies to measure and assess performance;
✓ Make public agencies more transparent by telling the public about the standards they can expect and how agencies have performed against those standards;
✓ Push public agencies to improve performance where promised standards have not been achieved;
✓ Increase satisfaction of service users

The whole idea behind a charter is that the organisation is committed to realising the standards and clearly indicate the **consequences** if a promise is not kept. The possible actions differ per country. It could be solved internally within the organisation. In practice, there are countries that do not provide some kind of exchange, while others do. In the latter case, options are letters of apology to clients, or small compensations. The latter are primarily symbolic, but since they have a financial component, the signal to the budget makers will be clear. Providing some kind of exchange (a letter of apology or compensation) convinces clients that the organisation takes them seriously. This gives the formerly 'powerless' client a convenient tool to seek immediate rectification from the organisation. Providing a kind of exchange also stimulates the organisation. It impresses the gravity of the situation upon every employee and manager. For example, if a compensation is awarded too often, this will act as a catalyst for improving (or guaranteeing) the quality of the service. Of course, the goal of standards with some kind of exchange is to rarely need to give it.

In this way, the charter encourages the user to hold the administration to account and demand corrective action, if the service falls short of the published standards. In this way, the charter could be said to set a benchmark for assessing performance.

5.5.2 *Measuring and managing satisfaction*

In terms of service transformation, measuring and managing satisfaction is a key strategic tool: sophisticated approaches to modelling customer satisfaction allow an organisation to identify the

> Service charters
>
> **Measuring & managing satisfaction**

'drivers' of satisfaction or dissatisfaction – the factors that determine whether the user is happy or not. This information supports the analysis of trade-offs between alternative resource investment

within a service. It gives organisations an understanding of the 'drivers' that they can actually shape (as compared to issues around perception and the media, over which they have little control), and allows them to monitor performance and service evolution over time.

Users' experiences of services can be explored in various ways:

- **Qualitative** research techniques can be used to better understand a service through the customers' eyes, and to explore in depth their experiences and expectations.

- **Quantitative** research can provide numerical measures of customer satisfaction and statistically representative findings to assess the performance of a service and provide information to drive improved service quality.

The tools set out in topic 5.1 – especially surveys, panels, complaints handling and mystery shopping – are all applicable here. Thinking well in advance about what the organisation wants to achieve with satisfaction measurement is important in deciding which measurement tools and techniques to apply to which user groups:

Important questions in setting up satisfaction measurement
- What do you want to know?   - Why do you want to know this?   - Should the customers be segmented (e.g. by sector, location, regularity of contact) and different measures or techniques applied to different groups?   - Are there baselines for comparing performance and progress over time?   - Are there benchmarks which the measures should be aiming to achieve (e.g. service charters)?   - What is the motivation for measuring satisfaction (reporting, reforming) and how does this affect how you collect and capture information?   - Will the measurement itself and the choice of tools) act to strengthen relations with your users?

Using the right instrument for the right needs of the organisation – as far as citizen/user satisfaction management in all its aspects is concerned – can provide a great deal of input for organisational improvement and better service delivery. The example of Ghent City Administration shows the value of using multiple methods - in this case, face-to-face and telephone surveys, and 'mystery shopping' - to feed into refining or re-designing services, in line with citizen-user responses.

Inspiring example: Quality of service of the Ghent City Administration (Belgium)

The City Service Centres of the City of Ghent are the places to be for citizens who want to apply for a construction licence, who want to register their child or who are in need of a new ID. But how happy are Ghent's citizens with the quality of service provided by the Ghent City Administration?

The city wanted to know the answer and requested an investigation into the quality of service provided by its administration by means of phone calls, mystery shopping and interviews with approximately 1,000 citizens who had just been visiting one of the City Service Centres. Four different locations were investigated: the central Administrative Centre, the decentralised City Service Centres of Sint-Amandsberg and Wondelgem, and the information desk at City Hall.

The results of the investigation were very flattering. The citizens rewarded the service provided by the City Administration with an average score of 8/10. Most of the visitors to the City Service Centres were served within a few minutes. In the Administrative Centre, 78% of the visitors were served within 10 minutes and in

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the City Service Centres, 90% of the visitors were served within five minutes. The citizens of Ghent were very pleased with the service-orientation of the civil servants and had no complaints.

The investigation also produced some recommendations. Uniform signposts were suggested, with large letters in bright colours, and visitors expressed the need for reading material in the waiting room. There was a notable difference between older and younger visitors: older visitors were even more pleased with the quality of service than younger ones. Young adults in particular wanted everything to be done more quickly. The introduction of 'quick desks' in the City Service Centres and the further development of eGovernment will be able to meet the expectations of the next generations.

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Dissatisfied with using mean average scores to track satisfaction with public services over time, the Dutch Government has turned to private sector practice, and is now using the 'Net Promoter Score' to reveal the difference between those citizens and businesses that rate the public service highly ('promoters'), and those that give it a score below acceptable levels ('detractors').

Inspiring example: The Net Promoter Score for the Public Sector (the Netherlands)

The Dutch local governments use diverse instruments to track satisfaction with public services over time. One of them being the 'Net Promotor Score'. Coming from the private sector, the Net Promoter Score reveals the difference between those citizens and businesses that rate the public service highly ('promoters'), and those that give it a score below acceptable levels ('detractors').

The Net Promoter Score (NPS) is a customer research tool. It produces a clear and easily interpretable customer score, which can be monitored over time. The method used is simple and is not too demanding for clients. It produces qualitative control information that can be used to improve service delivery. There is an increasing awareness that public organisations can only achieve greater efficiency and effectiveness if they are aware of the user's perspective. That includes giving priority to the wishes and needs of members of the public/business people/users (also referred to as clients) when designing service processes.

In the business community, the traditional measurements of client satisfaction were found to be poor predictors of profitable growth. An excessive averaging effect between dissatisfied and satisfied clients often generated scores of between seven and eight. Many large companies nowadays use NPS as a customer feedback tool. A pilot study in the Netherlands by N3Wstrategy found that - with some modifications - the NPS method could be made suitable for use in the public sector. NPS in the public sector means:

- Better insight into customer needs through a mainly qualitative approach
- Less administrative pressure on members of the public (filling in forms)
- Greater staff involvement
- Greater focus on specific measures

The NPS distinguishes three categories of individuals - Promoters, Detractors and Passives - and reports the difference between the percentages of Promoters and Detractors.

- Promoters = respondents awarding a score of 9 or 10;
- Passives = respondents awarding a score of 7 or 8;

- Detractors = respondents awarding a score of 0 to 6.
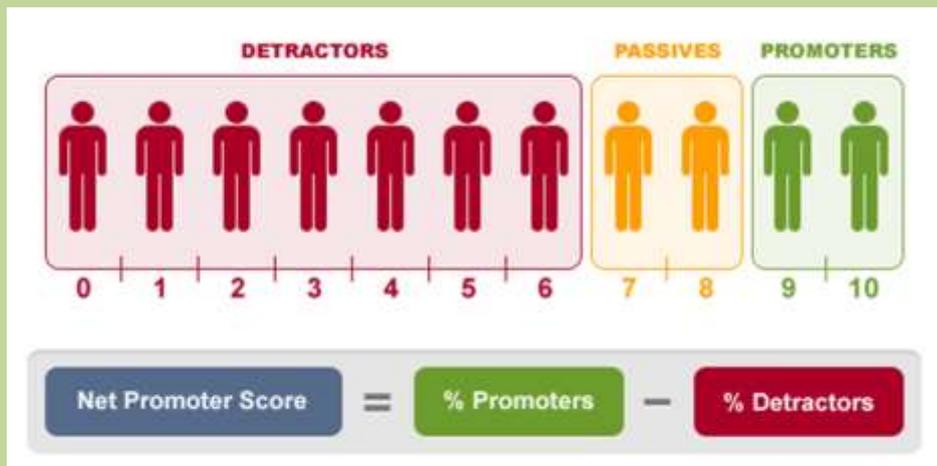
An absolute score is not particularly meaningful. More useful information is gathered when tracking the evolution of the NPS over time. The most important aspect of the NPS is the generation of qualitative information about the needs of customers and about opportunities to improve public services (especially their operational processes). This information is easy to understand for all employees and provides the input that managers can use to direct the organisation. In addition to a wealth of improvement points, direct contact with clients can generate a great deal of energy, when compliments are given.

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While good research can be used for performance management and/or to meet statutory requirements to collect monitoring data, the most successful programmes are motivated by the desire to put customer focus at the heart of an organisation. Customer-focused organisations view satisfaction measurement as a means rather than an end, as part of a cycle of continuous improvement in service delivery, and as part of a wider toolkit of customer insight techniques. This is well-illustrated by the example of citizens' pivotal role in evaluating local services in Southern Italy, which goes well beyond simple surveys to active participation in designing solutions.

Inspiring example: Citizens evaluating local services and facilities (Italy)

In Southern Italy, the cooperation between the Italian Department for Public Administration and the non-profit organisation *Cittadinanzattiva* resulted in a new citizen participation initiative related to service quality. Citizens were given the opportunity to evaluate local services and facilities - not just through citizen surveys, but as civic evaluators who provide information to local councils about the state of public services and infrastructure and who contribute to prioritising improvements. In particular, it focused on issues of the maintenance of green space and roads, street lighting, public transport, garbage collection, cultural and social events.

The first phase of the project, funded under the ESF 2007-2013, started in November 2009. A focus group at national level discussed the elements, dimensions and indicators of urban quality. The focus group consisted of public managers, citizens, members of citizen associations and technical and professional experts who were considered to be "issue experts". As a next step, one or several quality dimensions for each of these issues were defined. For example, on the issue of public safety, the dimensions are physical safety of people and safety of public infrastructure. Last but not least, the quality indicators were defined to operationalise the quality dimensions, for example, for the dimension "safety of public infrastructure" two indicators were defined:

1) Number of houses declared unfit for use (this information needs to be provided by the local authority concerned);

2) Number of threats to safety on the selected road (this information has to be provided directly through the monitoring by citizens – e.g. by counting potholes on the road surface, broken pavements, wrecked steps, inclining poles).

The working group then worked with representatives of *Cittadinanzattiva* to prepare the tools for the civic evaluation, including an operational manual and monitoring grids. Afterwards, the challenge was to get citizens engaged. The local authorities and the local representatives of *Cittadinanzattiva* marketed the project. Not surprisingly, the take-up was particularly positive in those local authorities which were able to embed the evaluation project in other participation initiatives and which already had a strong network of associations at local level and thus much social capital.

Interested citizens were then invited to a joint one-day seminar where they learned about the overall purpose of the project and were trained practically in how to use the monitoring grid. After the training, the citizens involved together with the local representatives of *Cittadinanzattiva*, decided collectively that those zones seen as particularly significant for the city should be monitored (for example because they contained important public buildings, a train station and so on). The citizen monitoring then started, either involving the observation of specific aspects of public services or infrastructure (e.g. indicator 2) or simply requesting public agencies to provide data which they already collected (e.g. indicator 1).

After the participating citizens had filled out the monitoring grid, they met together to agree their overall assessment of the quality of the public services and infrastructure and to prioritise improvement actions. This was all included in a report shared with the local administration. Both citizens and local authorities considered the contribution of civic associations as positively helpful to the management of the local activities during the experimentation. The public managers appreciated the participation of citizens not only as an opportunity of learning new way of managing public services but, moreover, as a way of developing social capital and a feeling of civic belonging.

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When an organisation is able to understand how satisfied (or not) its customers are, and why, it can focus its time and resources more effectively. This equally applies to the use of European funds, where the case of Lithuania's European Social Fund Agency shows the potential for engaging with the 'customers' who prepare and implement ESF-financed projects. This is important in the context that project performance is vital to the success of European Structural and Investment Funds (ESIF), and this type of feedback can help the managing authority and intermediate bodies to better build capacity among beneficiaries (see also topic 8.3).

Inspiring example: Measuring customer satisfaction in the European Social Fund (Lithuania)

The European Social Fund Agency in Lithuania prepares and performs surveys on the quality of services it provides. The first measurement of customer satisfaction was performed in 2006. The main aim of the survey was to receive customers' feedback on trainings and seminars organised by the Agency. The first survey to evaluate the quality of all the services provided by the Agency was performed in the beginning of 2008, and then again at the end of each year. The Agency uses a combination of several tools for measuring customers' satisfaction:

- Once a year, the Agency distributes an e-mail satisfaction survey on the quality of services provided, including the following aspects: quality of the services provided, professionalism, communication and perfection.
- Self-completion surveys are distributed after each training and seminar, including the following aspects: is the aim of the training clear; does the information provided during the training correspond

- to the level of knowledge of the participants; the quality of the presentations, slides, hand-outs; the competence of speakers; overall organization of the event, etc.
- Surveys via the SurveyMonkey tool are sent after evaluation of the applications process is completed, including the following aspects: had the applicants received enough information about the evaluation process; were the decisions taken by the assessors when evaluating applications reasonable; what is the rating of the project manager on the a) service speed, efficiency, b) cooperation in solving problems, c) service culture, d) employee competence (professional knowledge, qualifications), etc.
- Telephone calls are made to customers (on a random basis) after the project completion phase, to know whether the customer was satisfied with the service provided by a concrete project manager.
- Net Promoter Score (NPS) is used to gauge the loyalty of the Agency's customers' relationships.
- Customer panels are organised; during these events, project promoters (representatives) gather together and share their positive and bad practices while implementing projects and working with the Agency.
- Group interviews/meetings with the ministries (the Managing Authority and Intermediate Bodies) are organised to receive feedback on the quality of the Agency's work and to agree upon the best ways of collaboration. Several meetings have been organised so far.

The mix of instruments allow the evaluation of the Agency's performance from different time perspectives (e.g. annual surveys and surveys after each training) as well as from different stakeholder perspectives (ministries and project promoters). In addition, the different forms of customer satisfaction measurement (e.g. e-mail survey and customer panels) complement each other:

- E-mail surveys enable the Agency to reach a large number of project promoters with their enquiry;
- Customer panels enable to discuss particular questions in detail and often to take certain decisions during the session together with the customers.

Based on the results of the evaluations, appropriate actions are foreseen to improve particular areas. Improvements related to the evaluation of the seminars are for example: changing/coaching the trainers, choosing more appropriate places for the subsequent venues, improving the quality of the slides. Improvements related to better feedback to customers are, for example: informing the customers about the status of the problem that the Agency is in the process of solving; providing longer terms for customers to submit additional information; confirming the receipt of the message, etc. Actions of higher significance are included in the Agency's action plan.

For further information: Ms Neringa Poskute, Head of the Project Management Division,
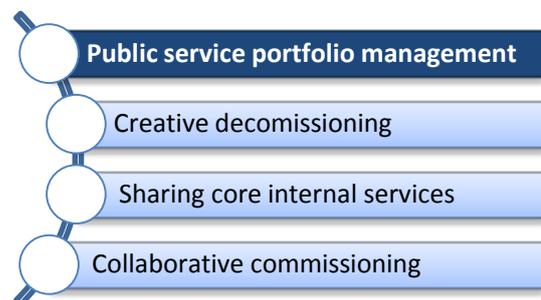*neringa.poskute@esf.lt*

5.6   Managing service portfolios

The design and delivery of public services does not stand still. Over time, the essence of interaction (registration, certification, etc.) and 'life events' might stay the same, whether for individuals or enterprises (e.g. births or new starts, marriages or mergers), but the ways and means do not. Administrations are increasingly obliged to consider *what* they offer, *how* they organise delivery, and *who* they involve. They must adjust not just to emerging channel preferences (e.g. online), but to expectations of content too. Every EU economy is dominated by its service industries, typically accounting for around 2/3rds or more of GDP and employment. As major players, responsible for huge service portfolios (including those helping in-house customers), public administrations should be up-to-speed with service innovation. This might mean retiring or replacing services which are no longer fit-for-purpose or where better alternatives are available. In the spirit of co-responsibility (see theme 1), this also implies inviting the participation of citizens and businesses in designing new services for procurement.

5.6.1 Public service portfolio management

Like Janus, the mythical Roman god who could look in two opposite directions at the same time, modern public administrations should have both an outward and inward perspective in managing public services. The primary focus is *external* relationships: how best to serve the 'customer', whether citizen, business, or other administration.[48]   However,   public administrations can also think more holistically, drawing on the notion of **service portfolios**, which captures *internal* inputs, as well as interactions with third party providers. This concept was originally formulated for managing IT services within (mainly private) organisations, but is starting to gain traction within public administrations too for a wider set of services. At whatever level, from the supranational to the subnational, administrations are responsible for often 100s of internal and external services. The total service portfolio, not all of which is visible to the 'client', comprises three elements:

- ✓ **Service 'pipeline'** - services which have not yet been launched, and are under development or testing;
- ✓ **Service 'catalogue'** - active services, both internal and external; and
- ✓ **'Retired' services** - services which have exceeded their usefulness.

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[48] It is also critically important that public administrations are founded on a strong capacity of competent and well-motivated staff, which is a key message of topic 4.3 regarding human resources management. "*Happy staff are proud staff, and proud staff deliver excellent customer service*"

The diagram below indicates how these three elements relate to each other and to organisational resources, 'customers' (including through co-creation) and the involvement of third parties who supply services (for example, outsourced on contract), either as direct provision, integrated within another service offer, or procured as support services to the administration.
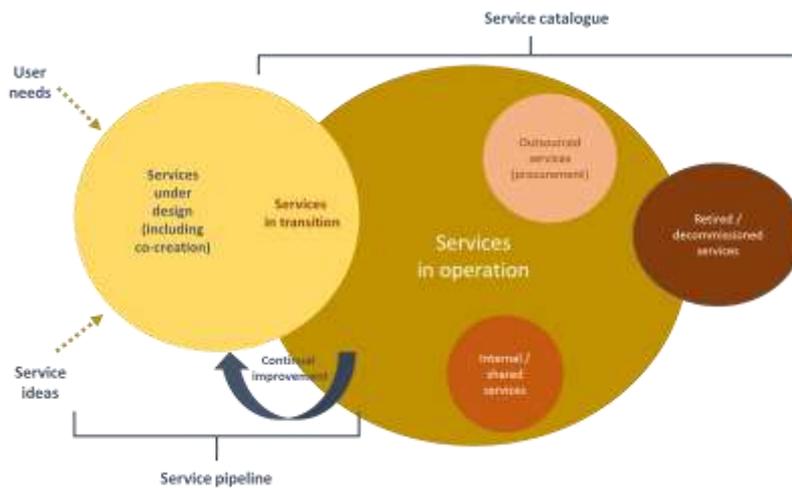
As a conceptual framework applied to public administrations, **public service portfolio management (PSPM)** can be a useful tool for thinking about first, the life cycle of public services, and second, the synergies and interlinkages between individual services. While techniques such as life event analysis and customer journey mapping (see topic 5.1.4) look at public services from the perspective of the user, PSPM starts from the position of the provider. In both cases, the user-provider interface is critical.

In 2013-2014, Estonia's Government Office commissioned PwC to conduct a study into PSPM, focused on transactional services by central government, with the support of the ESF-funded Foundation of Smart Decisions, alongside various partners inside and outside the administration[49]. While some of the findings are specific to the Estonian context, there are also **insights of potentially wider interest**:

☒ Public authorities don't think in terms of managing a service portfolio, it is an "*unknown concept*", although many elements exist in practice: service descriptions, documentation, monitoring and updating. Without recognising it, however, **portfolio mismanagement can happen unconsciously**, especially in the administrative culture of EU Member States that follow the Napoleonic code.

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[49] The Information System Authority, the Ministry of Economic Affairs and Communications, the IT and Development Centre of the Ministry of the Interior, and the Estonian Association of Information Technology and Telecommunications.

> ### *'Paper thinking' in public service design*
>
> The life cycle of public services is often determined by legislative drafting – new services are created, reshaped, and ended by changes in legislation. Although the initiative for creating, reshaping, or ending the services may come from several places, first the laws need to be created and only then the services.
>
> Creating legislation and creating services are two independent processes with different participants. As a result, the outcome may be a "paper service" in which the legislation prescribes numerous doubling activities or strict procedural acts that may not be in the interests of the client. The client goes out of focus because the legislation does not enable the client to be served better, or have their interests put first.
>
> In designing the services, it is important to change the "paper" way of thinking because it hinders development of the services. Authorities are unable to distance themselves from the existing legislation when creating new services, and the restrictions are overly taken into account. If the legislation does not allow something, it is taken as a rule and a novel service may be left unimplemented for legal reasons.
>
> *Source: Summary of the study "Integrated Portfolio Management of Public Services"*

☑ There is then a good case for **regular reviews of the service portfolio**, for example on an annual basis as recommended in the Estonian report. The logic is similar to that of EU and Member States' approaches to regulatory reform through stock-taking, such as the European Commission's REFIT (see topic 1.2), and sunset clauses.[50] The aim would be to check whether: the services are still aligned with policy objectives and/or user needs; the services are actually being implemented as intended; they are effective or are encumbered by legislative constraints; and they remain relevant or should be retired.

☑ The review should be **portfolio-wide**, as it will need to consider patterns and interlinkages, inputs and outputs. Some services are contingent on others (especially client-facing services on internal administrative services), or packaged together into an integrated service offer – either by the provider or user - which is especially the case with life events for citizens and businesses.

☑ PSPM, and especially the regular reviews, requires a **common language to describe public services**. This is especially necessary to enable interoperability of e-Services, within and across institutions, levels (e.g. national, regional and local) and borders. This should include a vocabulary of public services or meta-database, such as the EU's Core Public Service Vocabulary (CPSV), and catalogues of standards.

> ### *Inspiring example: Defining the common vocabulary for describing public services (Estonia)*
>
> The Estonian Information System Authority (RIA) has developed a metadata harvesting solution based on the Core Public Service Vocabulary Application (CPSV-AP). The CPSV-AP has been employed to define the common vocabulary for describing public services in Estonia. The solution is part of the Estonian Metadata Collection Reference Architecture. This achievement shows that the CPSV-AP can be used as the common data model for harmonising and integrating machine readable descriptions of public services. This pilot is part of the ISA[2] Programme, and in particular of the semantic interoperability package.

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[50] There is also an overlap between regulatory reviews and service stock-takes, as many of the transactional services exist to carry out regulatory objectives, such as applying for licenses and permits, and may be reformulated or retired due to regulatory reform.

The pilot revealed no critical obstacles in achieving full conformance between CPSV-AP and the data model implemented in the Estonian web form tool. This example can be followed also by other EU Member States that are planning to implement decentralised/federated catalogues of public services.

The pilot architecture poses no limitations concerning neither the number and the type of data sources nor the number of public services descriptions to be aggregated. The current version of the harvester does have the data validation functionality. Adding the automated CPSV-AP conformance features to the harvester would be a valuable development option.

The pilot demonstrated that it is possible to have a disperse set of organisations document their public services in a way it is possible to convert into a machine-readable format. The aggregated data was stored and made available for further use and reuse, through both human and machine-readable interfaces.

Source: https://joinup.ec.europa.eu/community/semic/news/estonia-pilots-metadata-harvesting-solution

☑ Service delivery demands the **informed choice of a channel**, whether over-the counter (face-to-face), telephone and/or electronic. While the trend is towards e-Services (in the direction of digital by default as a preferred option, while keeping other channels open still for those who are disconnected by choice or necessity), the public still expects a diversity of channels to match their preferences, ensure access and close the digital divide. The cost of service delivery through each channel requires its own calculation, and a considered assessment made of the channel mix according to demand. This require a conscious effort.

An example of how the public service portfolio might be reviewed and some services identified for retirement is provided by Germany's Hartz reforms in the 2000s, as applied to the Federal Employment Agency.

Inspiring example: Reviewing and retiring employment services (Germany)

Between 2003 and 2006, Germany implemented a series of labour market reforms known as the Hartz laws. Hartz III focused on reforming the Federal Employment Agency – Europe's largest public agency, with more than 90,000 employees and 176 regional employment agencies. As part of these reforms, the agency reviewed all its services to understand how long they took, what they cost and what value they provided for job seekers. It discontinued a range of services found to have low impact and refocused on its core mission of reducing the duration of unemployment for job seekers. Each job seeker was assigned a single case worker, and the number of job seekers per case worker was reduced – identified as one of the most important factors in meeting job seekers' needs. As a result of these and other reforms, the agency transformed a €1 billion deficit in 2005 to a surplus of €16.7 billion in 2008, while reducing the average interval between jobs from 164 days in 2006 to 136 days in 2011.[51]

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[51] Original source: McKinsey and Company (2015)

5.6.2 Creative decommissioning

The UK innovation charity, NESTA, has coined the phrase 'creative decommissioning' to capture the concept of stopping those services that are no longer serving their original purpose satisfactorily, and in this way, releasing resources for more effective replacements. This is distinct from the strictly financial, contractual or regulatory reasons for closing services (budget cuts or performance failure),

- Public service portfolio management
- **Creative decommissioning**
- Sharing core internal services
- Collaborative commissioning

although the drivers include more effective use of public resources and a desire for better results. Rather, the rationale is transformational: in the words of NESTA: "*actively challenging incumbent service models and mindsets to invest properly in new approaches*." [52]

NESTA's research is based on a survey of over 200 public leaders from UK local government and health organisations, and analysis of over 60 cases of public service decommissioning. Some of the cases summarised below may appear, on the surface, to be potentially controversial (such as closing homeless hostels), and hence it is vital in creative decommissioning that the process is not solely driven by a cuts agenda (especially when the service centres on providing care to the vulnerable), but about the most effective deployment of resources.

Creative decommissioning

NESTA's study presents eight case studies from Poland, the United Kingdom and the United States, of which six are summarised below:

✓ Since 2002, the London Borough of Tower Hamlets has set about closing 15 outdated and under-used libraries and in their place created a clutch of Idea Stores, sited close to larger retail markets and transport hubs. There are fewer libraries but they are used much more intensively; since the introduction of Idea Stores, library visits have risen from around 500,000 to over two million a year – one of the highest participation rates in the country.

✓ Warwickshire's Fire and Rescue service analysed data on where most fires occurred and established that three of its fire stations were not in the best place. Those stations were closed, shift patterns changed and staffing levels reduced. As a result, the service invested £1.8 million in fire prevention and community services, such as more frequent home visits and fire safety training, to create a more effective service at lower cost.

✓ Glasgow City Council has embarked on a programme to close all its large hostels for homeless men, in the light of mounting evidence that the hostels did little to address the underlying social issues – poor health, mental illness, drug abuse, family breakdown – which led men to become homeless. The aim is to redirect more resources to community-based services that will prevent men from becoming homeless in the first place.

✓ Over 15 years, Central Middlesex Hospital has moved out of a slew of Victorian hospital buildings into a purpose-built facility that has enabled it to redesign services to help people without admitting them to hospital. More people are being treated by a hospital with 400 fewer beds because resources have been invested in community-based and out-patient services, to help people manage their health at home.

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[52] L. Bunt and C. Leadbeater (2012), *The Art of Exit, In Search of Creative Decommissioning*, The National Endowment for Science, Technology and the Arts (NESTA)

✓ New York State closed 18 youth justice centres and eliminated 1 035 professional posts within four years, following evidence that inmates were being systematically abused. The resources freed up by the closure programme are being redirected from centres into a community-based model of restorative justice. Incarceration rates have dropped by more than half.

✓ In one year, Poland closed 4,000 primary schools, transforming many into new lower secondary schools to provide children with an additional year of general secondary education. This shift is partly what has propelled Poland up the PISA rankings published by the OECD.

The public servants involved in these changes did something difficult and contentious yet necessary. They created more effective solutions to a pressing social need and, in tandem, they closed a less effective service. This allowed them to shift resources out of an old, under-performing system to fuel the growth of a more promising approach (which often involved a change in the use of capital assets). This capacity will be vital throughout the developed world in the next decade as pressures mount to improve efficiency and efficacy in public services.

The NESTA study argues that this is by no means an easy journey to embark upon, it can be contentious and challenging: "*Threats to stability can cause existing providers and firms to resist innovation…. The politics of taking decisions to close or decommission existing models of service provision can be prohibitive given public scepticism and the upheaval implied. Substantive operational barriers such as redundancy or retraining costs, sunken assets and institutional structures make this a difficult art… We have come across many examples of brave efforts that have encountered huge opposition or delivered limited change… Nonetheless, strengthening this capability is going to be critical to the public sector for the foreseeable future, as constraints on public finances intensify and the demands on public services continue to grow."*

NESTA argues that creative decommissioning is:

✓ **Strategic and integrated**: There are two strands which must work together, the creative one and the decommissioning one. Whether they happen in parallel or in series (one following the other), they have to be linked and should be mutually reinforcing. Dissatisfaction with existing provision should drive the demand for better approaches, and the vision created should in turn heighten dissatisfaction with the status quo. Closing existing facilities frees up resources for the new. Early wins through testing should build a virtuous circle of further demand.

✓ **Entrepreneurial and creative:** Proper preparation and planning pays off. Creative decommissioning takes time and should not be rushed. But it is also a very uncertain process, which should be approached iteratively, testing what works in practice as it proceeds. It also requires dedicated resources, typically a team that is taken from their normal jobs and assigned to the task of innovation.

✓ **About building and breaking alliances:** As the status quo is typically preserved and protected by powerful alliances of service producers, users and politicians, creative decommissioning requires these existing alliances to be broken up and new ones formed to support an alternative pattern of provision. These alliances may need to be built up bilaterally, pairing commissioners and community leaders, providers and users, politicians

and providers. This is by nature a political process, not a purely technocratic and managerial one.

✓ **About the context:** As theme 9 argues ('making positive change happen'), there is no recipe for change. Even if the ingredients are the same, the skill is shown in the combination to suit each individual creative decommissioning case which depends on the context, including whether the new provision has been implemented elsewhere or whether the commissioning takes place at the national, regional or local levels.

The first stage in the process identified by NESTA is to **challenge** the status quo in public services:

✓ Do they meet **existing need** at affordable and high enough standards of quality?

✓ Are they well designed to meet **emerging needs** and make use of assets?

The challenge stage is then followed by six further **blocks of activity**, described below. Three blocks involve innovation (engage & understand; create a vision & mobilise around it; and formalise & scale), and three concern decommissioning (show current provision is untenable; plan to make the break; dismantle, switch & deploy). These are presented sequentially, but some of these blocks can be performed simultaneously.

| Activity	Description
Challenge	In some cases, the momentum comes from a recognition, often brought on by external review or inspection, that current services are performing poorly (e.g. the case for innovation in Tower Hamlets' library services was made easier because traditional services did badly, compared with services in similar London boroughs). In other cases, where current services are performing quite well, the initiative comes from addressing future needs (e.g. Warwickshire's Fire and Rescue services started their creative decommissioning programme by examining how well aligned services were to meet emerging demand). Effective challenge must be open and forward looking, rather than seeking to pin blame for poor quality on existing systems. Trends towards open data make public scrutiny of performance more feasible, and new policy instruments such as people's 'right to challenge' and more individual budgets mean that the means to challenge what is currently provided are potentially more widely distributed. As with any commissioning process, establishing an appropriate business case for creative decommissioning needs not only to assess the evidence of whether what is currently provided is less effective, but must also account for the costs of managing the transition appropriately.
Engage and understand	Successful projects engaged service users, staff, pressure groups and politicians, from an early stage, in efforts to understand the needs a service had to address and define the key outcomes to be achieved. Many techniques can be used in this process from ethnography to facilitating discussions and analysing aggregate data. This process cannot be rushed because establishing the goals for a new service is critical. However, it needs to be clear from the outset that this is part of a forward-looking process designed to lead to action.
Show current provision is untenable	The critique of existing provision must be sustained, over months and sometimes years. Often this involves managers intentionally challenging current provision, inviting customer feedback, external review and evaluation, and comparisons with other services. An effective case against a current configuration of services is rarely made in a single report or meeting. A concerted effort is required to communicate the rationale for decommissioning, from politicians, managers, service users and even staff.

Topic 5.6: Managing service portfolios

Create a vision, mobilise around it	People will not rally around a vague plan. To persuade them to break their allegiance to a current service requires a tangible, attractive alternative. That means being able to show realistic prototypes, models and designs for a new service which convey how it would look, feel and work. Creative decommissioning is more likely to succeed the wider the support base for the change. Building demand for change makes the job of creative decommissioning easier. If change is entirely driven by an isolated group of managers it may well not gather the kind of momentum needed for success.
Plan to make the break	For commissioning organisations, break with a current service might involve applying policy tools such as sunset clauses to decommission existing contracts. This requires formal and sufficient notice for providers, consistent communication and engagement with those involved. Where services are provided in-house, breaking out of an existing approach means personnel are moved or made redundant, locations change or buildings are closed. Often, breaking internal cultures and working practices is the most challenging part of this process, and needs leaders to embody new behaviours. Most formal guidance focuses on this aspect of decommissioning – such as how to terminate a contract with a poor performing provider or how to support service users in transition as a means of support is closed.
Formalise and scale	As the process unfolds, operational skills become more important, for instance to retrain staff, design new brands, implement new service formats and fit-out new buildings. To scale across many sites an innovation should be relatively simple, effective and compelling to be adopted by staff not involved in its creation.
Dismantle, switch and redeploy	Though planning for closure might take months, in action the switch from one service to another should be as seamless as possible, limiting or managing disruption to users and staff switching from the old service to the new as much as is realistic.

Source: L. Bunt and C. Leadbeater (2012), op. cit.

This process of challenge and renewal can be applied to all aspects of public service organisation, including in the digital arena.

5.6.3 Sharing core internal services

The 'total service' perspective of PSPM means contemplating how in-house service delivery can be better organised and oriented. Recent years have seen a vogue among public administrations for considering the merits of shared services, an organisational solution that has been largely practised in the public sector globally since the 1990s, but on a small scale only. It has tended to be more prevalent in major business

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conglomerations with multiple subsidiaries and sites.[53] Research by the European Public Administration Network (EUPAN) in 2016 found that most Member States' central administrations were either implementing shared services or expected to integrate it into their reform agendas.

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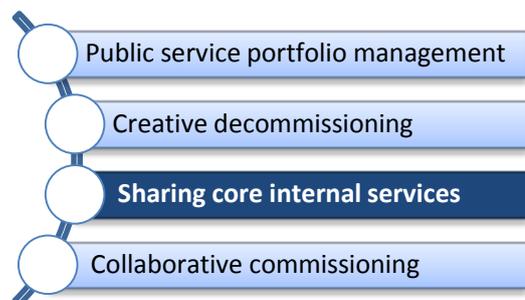
[53] Deloitte's 2015 global shared services survey of 311 organisations included just 15 from the public sector, http://www2.deloitte.com/us/en/pages/operations/articles/2015-global-shared-services-survey-results.html

> The shared services model involves the consolidation of back-office operations that are used by multiple parts of the same organisation or group of organisations (e.g. ministries, municipalities, hospitals, police forces, universities) to deliver a common service as a single provider in a particular field, typically human resources management[54] (e.g. recruitment, payroll), information & communications technologies (e.g. maintenance), finance (e.g. accounting) and/or procurement[55].

There is no single organisational model in the EU's central administrations, according to EUPAN. Shared service centres (SSCs) may be directly under the Government's supervision or constituted as independent agencies (e.g. Sweden). Their scope might cover the entire administration or all the units of an individual ministry. Shared services are also increasingly popular among municipal administrations.[56]

The main argument for shared services is efficiency and the expectation of cost savings, which explains the uptick in interest following the global financial, economic and fiscal crisis, especially among municipalities (see also theme 3). It is sometimes seen as an alternative to outsourcing, and is sometimes organised on a 'hybrid' basis, through a joint venture between the public body and a private provider. The principal **case for** shared services is built around economies of scale, standardisation and specialisation[57]:

- ✓ **Overheads** can be reduced by consolidating two or more similar operations (e.g. fewer managers, buildings, a single IT and accounting system, etc.); and

- ✓ The single operation can **standardise** different approaches and become a **specialised** source of expertise and resource for all.

The SSC becomes an internal service provider and its resourcing is shared, either using a chargeback formula to bill the 'customers' for usage, or as a central overhead of the entire administration. Typically, the performance of the SSC is monitored using key indicators, such as caseload, unit cost, timeliness etc.

Within the EU, the case of Denmark has been captured in McKinsey's 2015 report "World-class government: An agenda for change in an era of austerity".

> ### Inspiring example: Shared services in IT, finance and HR (Denmark)
>
> The 2008 economic crisis had a deep impact on public administrations all over Europe, prompting reforms to improve financial management and administrative efficiency. In Denmark, the Ministry of Finance set out to modernise the overview and control of public administration costs at all levels, from the state to councils and municipalities.
>
> To streamline processes, improve internal efficiency and ensure the delivery of eGovernment services, the government established shared service units under the Ministry of Finance in 2010. The Financial Shared Service Centre, was to take responsibility for finance, salary and transport, while the second, Statens IT (SIT),

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[54] See also theme 4 on managing, motivating and developing staff.
[55] See also topic 8.2 on public procurement.
[56] See theme 3 on multi-level governance for links to the UK experience in local self-government.
[57] As confirmed by the EUPAN 2016 survey responses from Estonia, Finland, Germany, Greece, Hungary, Ireland, Italy and Lithuania, Netherlands, Slovenia and Spain.

was to provide all IT services for public bodies, centralising IT operations and maintenance to increase efficiency, foster economies of scale, drive savings and improve service quality and customer satisfaction. The consolidation of IT infrastructure and applications was expected to yield savings of up to 230 million kroner (about £25 million).[58] In 2011, the government also established the Agency of the Modernisation of Public Administration, merging functions from across the ministry with the Danish Economic Council and the Central Human Resources Body to form a platform for improving efficiency and financial management across the public sector.

SIT was set up in 2010 by means of a top-down approach in which support service personnel were transferred to the shared service centre and ministerial budgets were reduced accordingly. In the first phase, from 2010 to 2012, eight ministries joined SIT and their IT departments were merged. The aim was to merge servers, streamline IT processes and build common platforms over the two years. As of 2015, SIT provides IT services for ten ministries and their 11,000 users. The agency's main goal is to build the foundations for the digitalisation of the state, including the development and harmonisation of IT policies and services across public bodies. SIT is responsible for operating an effective IT support service and ensuring a high-quality and consistent IT service throughout the Danish government. It operates under a contract with the Ministry of Finance that sets performance requirements, measures the agency's performance and sets annual goals.

The Agency for the Modernisation of Public Administration's main goals were to modernise administration activities, creating transparency and management prioritisation within the public sector; take responsibility for key HR activities including pay and pensions; deliver effective, safe and targeted guidance and system support and bring a new standard of corporate governance to the public sector. To pursue these goals, the agency developed and implemented measures for quality and sound financial management. It followed a top-down approach, setting annual targets for its own tasks as well as for administrative efficiency in the broader public sector in line with its four main goals.

The integration and consolidation of IT systems in Denmark continues as they are harmonised across divisions. The latest annual report shows that of the government's 25 performance requirements across four areas (strategic goals, central projects, key performance indicators and measures of good financial management) in 2013, 16 were satisfied, six were partly fulfilled, two failed to meet the target and one was discontinued. Between 2011 and 2014, the number of full-time employees rose from 230 to 251 as temporary staff joined to work on consolidation projects. According to SIT, IT operating expenses fell by 32.7 million kroner (£3.4 million) overall between 2012 and 2013. The full financial benefits of the shared service centre will not be known until integration is complete.

By centralising administrative tasks in one unit, the Agency for the Modernization of Public Administration has succeeded in reducing costs and freeing up resources for use elsewhere in the public sector. It also provides clarity on financial management throughout the Danish public sector and acts as a role model for other departments. Speaking in 2011, the Minister of Finance said, "With the new agency, we establish target-focused institutions and create an effective public sector. Considering the past years, it is crucial that we maximise each krone in the best possible manner and secure a working welfare system for years to come."

Source: McKinsey & Company (2015)

The National Shared Services Office (NSSO) was established within Ireland's Department of Public Expenditure and Reform (DPER) in 2012 and given the mandate to expand and accelerate the use of shared services in the Irish Public Service, as one of the key cross-cutting reform initiatives under the Public Service Reform Programme. NSSO created PeoplePoint, the HR and pensions administration SSC for the civil service, and the Payroll Shared Service Centre. There are also examples in the health sector, with the establishment of Health Business Services, and in local self-government with MyPay, the SSC for payroll and superannuation.

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[58] *Denmark: Efficient E-government for smarter public service delivery*, OECD e-Government Studies, June 3, 2010

In the rest of the world, Shared Services Canada - established in 2011 - is one of the most expansive shared services initiatives in public administration. The SSC reports to Parliament through the Minister of Public Works and Government Services, and is mandated to deliver email, data centre and telecommunication services to 43 federal departments and agencies (partner organisations), and thereby improve the efficiency, reliability and security of the Government's IT infrastructure, including renewing ageing systems. It also provides other optional services to government bodies on a cost-recovery basis. Shared Services Canada is moving the Government to a single, shared telecommunications network infrastructure. Over the course of 2015 and 2016, the Email Transformation Initiative (ETI) is moving 550,000 mailboxes from 63 email services to a single system (your.email@canada.ca). The SSC is also consolidating the Government's 485 data centres into just seven, based on an analysis of current and future requirements, in consultation with the partner organisations, but also industry experts.

Nevertheless, shared services are not without their **potential downsides**:

- ⬥ The process of establishing SSCs can be **disruptive** to the workflow while a centralised facility is established and existing operations are transferred and wound-up, and potentially de-motivating to the workforce as it often involves re-location and redundancies, as well as changes to work practices.

- ⬥ By concentrating all expertise in a central unit, shared services can **remove useful skills** which are needed 'down the line' (e.g. the gains from a centralised SSC for accounting might be offset by the loss of financial management inputs in decentralised units, which can be invaluable for budgeting).

- ⬥ Any net analysis of costs and benefits needs to take account of the **initial set-up costs**, some of which (like the effect of disrupted services and the loss of intangible skills) can be hard to quantify, while SSCs can take longer to establish than the expected timeframe.

- ⬥ The expected net efficiency savings (cost reductions) and performance gains **do not always materialise** as predicted.

- ⬥ Shared services can even lead to a **reduction in service quality**, if they become disconnected from the operational needs of the specific entities they serve, the obligations on both parties are unclear or not carried out (including the 'client' side, in making requests and providing any necessary inputs to the SSC to enable it to fulfil its functions), or there is inadequate oversight or insufficient staff.

The concept of shared services has also found its critics within proponents of systems thinking. Professor Seddon, the creator of the Vanguard Method (see topic 5.2.1), argues that "*We may grant the 'cost-savings' argument for fewer managers, IT systems and buildings. But we should have strong doubts about the 'organisation design' argument – simplify, standardise, centralise – for fear it will have an adverse impact on the service. Is this a sound method? From a systems' view it is not, since*

*this approach will prevent the system absorbing variet*y".[59] He also cites examples of shared services initiatives from the UK that cost considerably more than budgeted.

In their 2013 **review of international experience** with shared services, Ireland's Institute of Public Administration (IPA) has noted that they "*do not necessarily run smoothly and attention needs to be given to potential limitations if it is to be successful*", pointing to the experience of Western Australia which withdrew from pursuing shared IT services in 2011 due to cost overruns and poor service delivery. The cost-benefit analysis inquiry by the State's Economic Regulation Authority showed that the original business case had over-estimated the proposed benefits and under-estimated the costs, the timescale for roll-out was unrealistic, and the mechanisms to hold both the SSC and the client agencies to account for their respective obligations were flawed, with minimal incentives to improve service delivery. The Western Australia inquiry identified the following lessons from this experience:

✓ Before embarking on shared services, conduct a **risk assessment** of likely outcomes and strength-test all assumptions.

✓ An **incremental approach** based largely on existing systems when aggregating services is likely to be less risky than a 'big-bang' approach which implements new systems (e.g. new software).

✓ Ensure that **service level agreements (SLAs)** between the clients and the SSC define the expected service standards, clearly state the responsibilities of the clients (in respect to the information and resources they provide to the SSC), and set out the key performance indicators (KPIs) - and monitor their performance to ensure accountability of the shared service provider.

✓ The **governance arrangements** should ensure that there is a designated individual who is responsible for the SSC, and that the governing body's role in operational decisions is transparent.

The recent experience of Estonia (below), forged in the fiscal crisis, provides an interesting illustration of an approach that weighed up alternative scenarios and opted to move forward incrementally with centralised solutions in each ministry, but also created the space for multiple ministries to voluntarily create a single service centre - an opportunity that seven ministries seized. The Estonian example includes robust SLAs with clear obligations on both sides. Most significantly, the State SSC has become highly **customer-focused**.

Inspiring example: Centralisation of State shared services (Estonia)

To set the scene, Estonia in 2009 had a population of 1.4 million, and like the rest of Europe was in the grip of the financial and economic crisis. A budget deficit equivalent to around €100 million over State revenues of €5.48 billion ran counter to the long-term policy of a balanced structural budgetary position and the criteria for joining the euro which was a political commitment (and was fulfilled in 2011). The Government took the decision to cut salaries of state employees by 10%.

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[59] J. Seddon (2010), "*Why do we believe in economies of scale*".

At the time, financial management was highly decentralised across the administration. Estonia had 253 state agencies, each with their own independent financial accounting, HR accounting and payroll calculation. The agencies were operating with different systems, according to the ministries to which they were accountable: 14 financial accounting and 11 HR accounting software solutions. There was no common reporting system across the whole administration. The financial and personnel accounting software were not linked to the main IT systems.

This fragmentation was the starting position for reform, because of the inefficiencies created by high investment needs (any changes to accounting methods required changes in 14 different systems), the poor quality of data which was not comparable across the administration, and the lack of management information. Something needed to be done. The Government was also already using accrual accounting and was planning to move to accrual budgeting, and hence the future demands on financial management systems was a live concern.

The Government engaged in a considered approach, to set out and reflect on the pros and cons of four options, starting with the most minimal change:

1. **Standardisation** would mean that every state entity would retain its own systems & solutions, but they would be expected to conform to the same standards. On the plus side, this would be the easiest option to implement with low initial investment costs, as no new IT system or people would be needed, it would allow the entities to retain their independence, while at the same time making it easier to link with the State's main information systems. On the minus side, the State would continue to bear high administrative costs (operation and maintenance) for IT. There would be a low level of automation, so data would need to be collected and processed centrally, with an ongoing risk of quality problems, and there would be no access to information that could be used for management purposes in real-time. The conclusion was that scenario 1 would be a marginal improvement only and would not address the underlying inefficiency in internal service provision.

Options 2-4 centre on common software solutions for accounting and other systems, the differences being the extent to which services were organised through the 253 agencies (option 2), the 11 ministries (option 3) or 1 shared service centre (option 4).

2. **Common IT solutions but still decentralised services** would still afford State entities a high degree of independence and would be relatively easy to implement compared with options 3 and 4. On the plus side, it would reduce the costs of IT maintenance, incorporate a higher level of automation, and ensure real-time management data was available. On the minus side, however, service provision remained inefficient and data quality continued to face risks. With so many small units, there would be less comparable data in practice to assess service quality than would be available under options 3 and 4, and the lack of a common platform across State entities meant it would be more difficult to implement future developments. This second scenario would be better than standardisation, but did not lay down a path to easily take on board further improvements.

3. **Common IT solutions and centralised services within ministries** would mean less independence for state agencies, but a stronger superintendence role for ministries. It would be more difficult to implement than scenarios 1 and 2, and would continue to risk data quality problems, but like option 2 would make real-time management data available, and would also lower the costs of IT maintenance. It would increase the efficiency of internal service provision, but not as much as option 4, and like options 1 and 2 would be sub-optimal for implementing future developments. There would also be less data for comparison of service quality and a lesser focus on client relationships than option 4.

4. **Common IT solutions and a single service centre for all state agencies** would be the most difficult to implement, and would lead to the least independence for state agencies. On the plus side, however, it would reduce the costs of IT maintenance, make available real-time management data (like options 2 and 3), lower the risk of data quality problems, make it easiest to implement future developments and, crucially, would offer the greatest focus on client relationships and the highest efficiency in internal services provision. With option 4, however, there was a risk that the service centre would lack understanding of the agencies' core activities, what these institutions do and what problems they have

Both options 3 and 4 had the downside that centralising services might leave (smaller) state agencies without accountancy / financial knowledge, and therefore less able to fulfil other activities such as budget preparation and execution. After weighing up the benefits and risks, the Government decided to proceed with **option 3 in the first phase**.

Phase I: Common IT solutions and centralisation

According to a State Government decision of 29 December 2009, there should be centralisation of accounting, personnel & payroll services within administrative areas of ministries, and all state agencies should use common financial accounting, personnel accounting and payroll software. This was achieved by the end of 2015, with SAP being the chosen system. The decision also required the introduction of e-invoicing and a web-based reporting system to the relevant accounting areas. Again, by the end of 2015, there was one service point for accounting and payroll services in every area of government (17 accounting entities). Most of personnel and assets information is gathered and processed through self-service environment, and there is a common standard and quality for management information. Integration of state core activity information systems to financial management, personnel and payroll information system. Implementation of operational models, which regulate the division of functions between government institutions and service provider. By the end of 2015, the number of staff concerning accounting, payroll and HR accounting had been cut by 32%.

The 'Support Services Centralisation Project', under the responsibility of Ministry of Finance, involved all 253 state authorities (41 000 employees) and a budget of €5.5 million for 2010-2014, of which €3.8 million consisted of investment in information systems, and €1.7 million went towards personnel costs dealing with implementation of common IT systems. The project involved:

- ✓ Centralisation of accounting, HR accounting and payroll within administrative areas of ministries;
- ✓ Introducing a common financial accounting, HR accounting and payroll information system under enterprise resource planning (ERP), with Germany's SAP being the chosen solution;
- ✓ Development of self-service information system for automatic data transmission;
- ✓ Introduction of e-Invoices for fast processing; and
- ✓ Development of web-based reporting system for financial and HR data that allows citizens to access all the government's financial data in the interests of transparency and scrutiny.

Under the new self-service and integrated system, for example, an employee can request annual leave from their manager electronically, and once the latter agrees online, this information is automatically recorded with HR.

The goals of the project were reduction of support service employees by 40% (from 440 to 265 accountants), improvement of the quality of accounting according to the National Audit Office's assessment, paper-free accounting, and availability of comparable management data both on central and institution level.

**Phase II: State Shared Services Centre (SSSC)**

While option 3 was the selected scenario, the Government's decision allowed ministries to combine their services into a shared centre, if they desired – effectively a hybrid of option 4.


The creation of the SSSC grew out of the Support Services Centralisation Project. Four ministries (out of 11) decided to create a common service centre, to be co-located with the Accounting Centre of Courts, an existing state institution under the Ministry of Finance. The SSSC started operations on 1 January 2013, and offers the following services: financial accounting; HR accounting and payroll; state general accounting; development of state financial standards, implementation and advice; management of

state claims; development and administration of common accounting and payroll information system; and (since 2016) public procurement. Since its inception, the SSSC has expanded to take on the services of **seven ministries** in total. As at February 2016, the SSSC had 138 employees, an annual budget of €4.03 million (mainly salaries), and was based at 3 sites (Tallinn, Tartu and Viljandi), overseen by a Supervisory Board.

The SSSC operates on the basis of a **clear division of responsibilities** with the client ministry, set out in a service level agreement (SLA), which regulates the rights and obligations of the parties. It lays down: principles concerning the provision of services; modes of communication and responsible persons; detailed model of operations; who does what; deadlines for each activity; and forms or minimal requirements of information provided. It does not include key performance indicators (KPIs). The respective functions for financial accounting are shown in the diagram below. The process is highly automated.
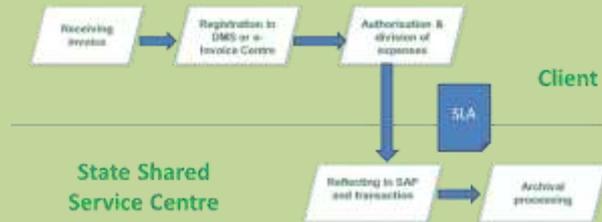
As the SSSC takes on the services of a new ministry (client), it follows an **agreed plan** each time, described below:
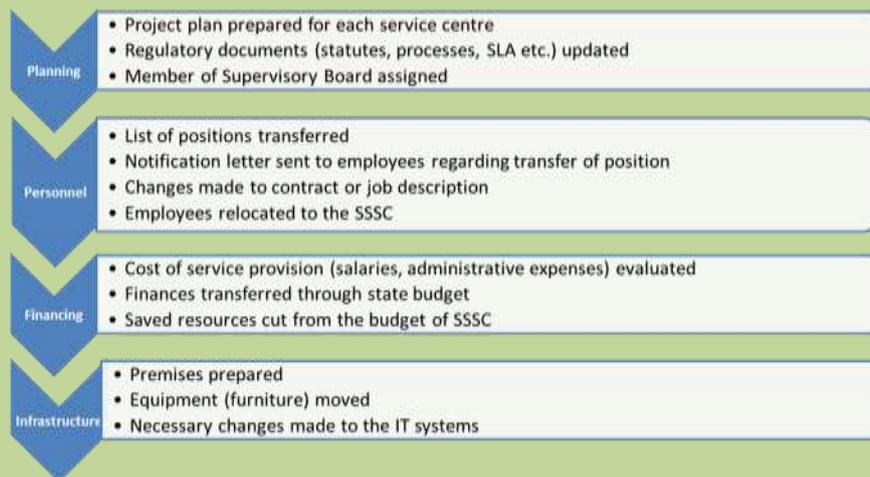
The SSSC now accounts for 85% of all government services in financial accounting, and 35% in HR accounting and payroll. The number of employees has fallen by 32%, but the level of customer satisfaction for specific functional areas, measured over in the last 3 years (right), shows a consistently high service standard. Staff reductions have largely been through 'natural wastage' (e.g. retirement). The expert know-how of SSSC and the organisation's reputation has equipped leavers with excellent skills to apply for jobs, including as finance managers within state agencies.

Regarding efficiency indicators, the table below shows a strong recent performance, as measured by invoices processed and employees per full-time equivalent (FTE) accountant in SSSC, and stretching targets for 2018.

Goal : High Cost Efficiency	Indicator	2012	2015	Target 2018
Financial accounting	Number of invoices processed per accountant FTE	535	741	1000
Personnel accounting	Number of employees per personnel accountant FTE	724	1159	1300
Payroll	Number of employees per payroll accountant FTE	724	1086	1250

The SSSC can also contrast the learning points of a shared services approach with a traditional centralised (ministry) service. The most difficult transition and also the most important success factor is a **change in mind-set of the 'public official' to a customer orientation**. There is a strong client focus and an emphasis on service quality, efficient and continuous development, reflected in client relationship management (regular not ad hoc meetings), satisfaction measurement and incident management. The SLA provides clarity over the respective roles of service provider and client, agreement on common processes and service standards. Costs are not the primary concern, but the fact that the SSSC can be located anywhere means that inexpensive sites outside of the capital city become a viable option, which can mean job creation in less prosperous regions.

Results of phases I and II

As at 31 December 2015, all state agencies were using common financial software (SAP), all invoices were processed in e-invoice environment (although just 10% are presented as fully digital e-invoices), financial and HR information is available on web-based reporting system (SAP BusinessObject), and a self-service environment has been developed for information concerning vacations, business trips, trainings and assets. The number of employees in support services had reduced by 32%, but the quality of accounting has improved by both the opinion of The National Audit Office and the client (according to client survey).

Regarding the **future**, the next phase has already begun. Full-digital business-to-government (B2G) e-invoicing will be implemented, as will accrual budgeting in 2017 and result-based state budgeting in 2020. The Government Decision of 29 May 2015 lays down a path for the further development of SSSC, including offering shared services to state foundations. The financial, HR and payroll accounting of all state institutions will be consolidated into the SSSC by 1 April 2017, and at least 50% jobs related to provision of support services in SSSC will be based outside of Tallinn. SSSC's central procurement unit will be built up, and analyses continued to implement additional support services through SSSC, including recruitment, training and other HR services

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5.6.4 Collaborative commissioning

As previous topics have highlighted, the role of citizens and enterprises is evolving from passive recipients to active participants in service design, delivery and feedback – at the administration's invitation or as the result of taking the initiative themselves. When it comes to their participation in procurement, however, public administrations can be constrained by conventional approaches to commissioning and contracting services (see also topic 8.2).

- Public service portfolio management
- Creative decomissioning
- Sharing core internal services
- **Collaborative commissioning**

As a way forward, the OECD[60] has drawn attention to **'collaborative commissioning'** as a tool for involving service providers and especially service users in the preparatory stages before the procurement process becomes competitive. The example below of people powered health commissioning is set in the specific context of commissioning primary care in the UK's National Health Service (NHS), and centres on an experimental approach to outcomes-based procurement.

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[60] M. Daglio, D. Gerson and H. Kitchen, *Building Organisational Capacity for Public Sector Innovation*, Background Paper prepared for the OECD Conference "*Innovating the Public Sector: from Ideas to Impact*", Paris, 12-13 November 2014.

This focused on patient's well-being as much as clinical need, and hence involved engaging with the community in co-designing the outcomes framework and evaluation methods, and encouraging service providers to share their insights.

Inspiring example: People powered health commissioning (United Kingdom)

In November 2012, the Secretary of State for Health issued the NHS Commissioning Board's mandate. One of the 19 objectives in the mandate focused specifically on commissioning improvements in health care for long-term conditions, by involving people more actively in their own health:

"*We want to empower and support the increasing number of people living with long-term conditions. One in three people are living with at least one chronic disease. By 2018 nearly 3 million people, mainly older people, will have three or more conditions all at once. The NHS Commissioning Board's objective is to ensure the NHS becomes dramatically better at involving patients and their carers and empowering them to manage and make decisions about their own healthcare and treatment. For all the hours that most people spend with a doctor or nurse, they spend thousands more looking after themselves or a loved one.*"

There is renewed support for commissioners to take bold, brave and radical steps towards not just the commissioning of new kinds of services but entirely new models of commissioning that:

- ✓ Put long-term outcomes for people, not short-term outcomes for institutions, at the centre of decision-making – a refocusing on who (rather than what) commissioning is for;
- ✓ Ensure the commissioning process reflects the lived experience of users, through processes of co-design, community research and pathway mapping;
- ✓ Re-frame the role of commissioner as one of visionary leadership of genuine partnerships and collaboratives – working in partnership with those from every part of health and social care, including patients, practitioners and providers;
- ✓ Move away from commissioning as procurement of existing services to commissioning as market-making, with a focus on commissioning different types of services, supporting alliances of providers, embracing provision from outside the mainstream and building up existing provider capacity.

There are, of course, legal and regulatory rules around procurement that commissioners must follow, but these are often less constraining than is assumed. The key principles that must be rigidly applied are parity, fairness and transparency, along with robust evidence that the approach being adopted is in the best interest of the public and those who use services. After that, regular and constructive provider dialogue is possible. In the commissioning process, there will come a time when relationships are separated, to observe due process and comply with legal requirements. But before and after that happens, open and honest dialogue between commissioners and providers is essential.

There is a growing movement in commissioning to include wider measures of social value in contract requirements, by writing social, economic and environmental requirements into the core of contracts. By factoring in the value of social outcomes, the cost of the status quo and the ways in which requirements differ over time and between people is made clear and allows providers to deliver broader long-term value. Outcomes that could be measured alongside existing biomedical indicators to demonstrate improvements for people living with long-term conditions include:

- ✓ Patients' confidence and control over their own health;
- ✓ Behaviour change and improvements in lifestyle;
- ✓ Healthy social networks and relationships, reduced social isolation and increased social networks of support and care;
- ✓ Patient motivation and aspirations to improve health; and
- ✓ Patient perception of distance travelled.

A focus on different outcomes requires new structures and measures for evaluating progress – and a commitment to including a wide range of people in this process:

✓ Co-designing the outcomes framework - based on what matters to patients and communities, both at an individual and system level;
✓ Co-designing the methods of evaluation - reviewing services with the people who use them and work in them in ways that are useful to both; and
✓ Sharing data openly and quickly - making evaluation real and actionable. This includes cost data, patients' own records and data on providers.

Because people powered health is an assets-based approach, mapping assets (skills, knowledge, connections and resources) is as important at all stages as identifying needs. This requires processes that:

✓ Create spaces for the community, commissioners and providers (including front-line care givers) to have a new commissioning conversation and to develop networks;
✓ Gather insights, listen to and understand the stories of local people and families who use services and those who deliver care at the front line, to deeply understand what matters to them, what are the assets in the community and what are the barriers to improving outcomes within the locality; and
✓ Make it easy for people to contribute to the process in ways that recognise and value their expertise and experience.

Co-design in commissioning looks at the overall path of patients' care (not just the end point), and the process of designing these pathways requires collecting, using and valuing different forms of evidence at every stage of the design and delivery process:

✓ Evidence from the point of view of those who interact with services about how well they work;
✓ Evidence about the impact of other services and methods; and
✓ Evidence about new ways of working and the value of the process, including aspects that are difficult to measure, such as culture, capabilities and well-being.

Crucial among these is narrative-based evidence – stories, testimonies, user journeys, service maps, video and ethnographies that show the interactions between patients and services as on-going experiences, not a set of disjointed outputs and measures from institutions. This type of evidence is often thought of as being less valuable than data sets from large cohorts of patients, but in fact these stories provide more nuanced and powerful information about what really does, and doesn't, work. Evidence from patients that services really make a different to their lives is difficult to argue with. The switch from treating people's diagnoses to focusing on what they want to achieve means finding ways to measure outcomes according to patients' own metrics of success.

In Stockport, using an Experience Led Commissioning (ELC) process resulted in a significant shift in the commissioning questions asked, following the introduction of a more participatory, assets-based commissioning approach. Commissioners started out by asking what people in Stockport needed to help them to return to independent living following care from the mental health trust. At the first ELC event, participants wanted to change the question to, "what needs to happen so that people with mental health issues in Stockport can live life to the full?" This transformed the dynamic of the commissioning conversation and ensured that the process shed more light on what really matters to people and families living with mental health issues in Stockport.

"*Co-producing commissioning is about a mature relationship with providers and stakeholders, and commissioners agreeing the vision, where we want to get to – and a dialogue about how we're going to use the resources we've got to get there*." Nick Dixon, Joint Commissioning Manager Mental Health, Stockport

Source: NESTA and Innovation Unit (2013), People Powered Commissioning: Embedding Innovation in Practice

5.7   Conclusions, key messages and inspiration for future action

Public administrations, whether civil or judicial, are essentially service organisations. They provide services to politicians, prosecutors, judges, businesses and, of course, the public at large and individual citizens:

- In some cases, the service is **advisory** - such as when public servants lay out their considered opinions to decision-makers based on the available knowledge.

- In other cases, these services are **practical** - providing education, healthcare and social care, law enforcement, etc.

- In many cases, these services are **transactional** - exchanging information or finance, through registering, licensing, applying, procuring, paying, borrowing, enquiring, etc.

- They should also be **transformational** – effective in improving outcomes for citizens and businesses in society.

Among citizens and enterprises, public service 'clients' present themselves in different forms, according to circumstance:

- Often, they are '**voluntary customers**', facing a genuine choice between alternative providers, including from the private sector (e.g. in the fields of higher and adult education, transport, healthcare), and applying the usual market-place selection criteria – availability, attributes, cost, etc.

- Sometimes, they are '**service takers**', reliant on monopoly or near-monopoly provision (e.g. primary education, infrastructure, welfare).

- In other occasions, they are **'forced users'** of public services (e.g. paying taxes, asking for permits).

The client's role at any one moment (which changes continually) will undoubtedly shape how they see public administrations at that time and the nature of their relationship with them. But even where the service is mandatory or involves a monopoly, rather than an open market, citizens should be able to expect high quality delivery and, in a democracy, they ultimately elect and therefore select the provider.

The main thread running through this theme has been how to make user-centricity a reality in public service delivery. Many of the techniques used by administrations apply across the full range of policy fields, as theme 6 (business environment) and theme 7 (justice) will also demonstrate:

Topic 5.7: Conclusions & key messages

- Gathering information on needs and expectations, to fine-tune services and the channels that deliver them, through surveys, panels, comments, complaints, mystery shoppers and representative bodies;

- Interpreting 'customer intelligence' in the context of life events and journey maps, based on the steps that citizens and businesses *actually* take, not what the administration thinks they do (including complementary contacts with non-public services), and identifying bottlenecks, dead-ends, detours, repeat requests for information, and missing links along the way;

- Acknowledging users' growing preference to be online not in-line, and to minimise their necessary contacts with administrations, but also their diverse circumstances and the varying complexity of their interactions, so that 'once only' and digital can be the default scenarios, but personal contact and hand-holding assistance should remain on offer;

- Ensuring a complete, comprehensive and interoperable digital service offer, so that each citizen and business can assemble the fully-customised and cloud-based package that fits their individual situations, backed up by support services, as needed;

- Enabling this radical transformation in the relations between public authorities and service users to happen by re-engineering back office and front office functions, ensuring interoperability between systems, and achieving a seamless user interface, by engaging in systems thinking;

- Committing to service standards that correspond to customer satisfaction, according to user feedback; and

- Considering the whole service portfolio, whether systems remain relevant or could be updated and upgraded, in dialogue with enterprises, citizens and civil society representatives.

This ambitious agenda represents a daunting challenge, to stay in step and up to speed with the expectations of citizens and businesses in the digital age, but the experience of Member States shows that public administrations are increasingly rising to it.