

<eGISE POSITION PAPER>
**EGOVERNMENT INFORMATION SYSTEMS EVALUATION:
CONCEPTUALISING 'CUSTOMER ENGAGEMENT'**

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Abstract

There is compelling evidence that highlights the need for a radical change in the way that public services are delivered to provide an electronic service delivery environment - so called eGovernment systems. eGovernment within the next few years will transform both the way in which public services are delivered and the fundamental relationship between government, the community and citizens. This 'research note' identifies and proposes contemporary ideas for eGovernment initiatives in this respect. The focus is argued to be the emergence of processes from efficiency and effectiveness through to the engagement of 'customers' within the public sector.

1 INTRODUCTION

A major driver for eGovernment in recent years has been the desire to reduce costs and make revenues go further. 'Efficiency' savings of up to 20% have been reported in the commercial community, as organisations network their supply chains by utilising e-Business (Burn and Hackney, 2000; Gershon, 2004). In the global public sector, U.S. federal, state and local procurement spending on materials and services in 2000 was estimated at around \$550 billion, and in the European Union member states' combined procurement spending was around \$778 billion (Symonds, 2000). Clearly, should a cost reduction of 20% be achieved in the public sector then estimated savings of around \$250 billion are apparent.

UK Central Government public spending review of 2002/3 allocated £6bn over three years to government electronic service delivery, which is set to be reviewed again towards the end of 2005/06 (PCS, 2002). In 2003, the Public Accounts Committee (PAC) reported that the UK-Government had 100 major information and communication technology (ICT) projects underway, with a total value of £10 billion (PCS, 2002; POST, 2003). However, the parliamentary office of science and technology (POST) recently reported that the cost of cancelled or over-budget Government ICT projects over the last six years is greater than £1.5bn (POST, 2003).

In the UK, Gershon's well-publicised 'efficiency' review in 2004 (Gershon, 2004) called for significantly increased efficiency and 'Effectiveness' in the public sector. This led to public bodies rationalising and modernising systems, processes and procedures by deploying a portfolio of e-Government initiatives. Consequently, this electronic approach to service delivery quickly moved from being the preserve of a few public sector innovators into the mainstream of public sector service delivery and management. The UK public sector is now expected to make procurement savings of £14bn over the next three years, with an initial £2bn to be saved by April 2006. This target, set by the Office of Government and Commerce, is very ambitious and early indications suggested that it will be difficult to achieve. However, some major financial savings and improved operations have already been realised as growing numbers of public sector organisations replace their traditional and often bureaucratic acquisition processes with efficient and effective electronic purchasing systems, such as e-Auction, e-Marketplace and e-Procurement which have emerged in recent years.

UK public bodies are now publicly declaring the significant savings that have been realised through the use of efficient and effective e-Procurement systems. Some recent case study examples include e-Auctions that have saved Lewisham Borough Council £35,000 annually on its electricity bill, saved £12,500 annually from both Preston City Council and Chorley Borough Council's spend on paper. Perhaps most significantly, the Welsh Procurement Initiative announced earlier this year that it has saved more than £950,000 annually on the purchasing of ICT hardware equipment across all Welsh public sector organisations through one reverse e-auction. UK public sector bodies are therefore achieving considerable cost savings, faster purchasing and more effective tendering through the implementation of e-Procurement systems.

An important additional driver for improved public sector efficiency and effectiveness comes from an 'engagement' with citizen expectations. These stakeholders may be regarded, in the context of eGovernment, as 'customers' external to the organisation. These customers now have a far greater access to information, are far more knowledgeable and assertive, and are increasing demanding personalised experiences when interacting with public sector services (SOCITM, 2002).

Successful public sector organisations have recognised that developing a customer focus is an absolute necessity to improve service delivery efficiency and effectiveness (Cavanagh and Livingston 1997). One proposed solution has been the creation of government portals such as the Singapore or UK portals. These have been designed around 'life events' such as changes in marital status which allow users to find what they are looking for by using 'How do I - - ?' type questions rather than invoking complex search patterns frequently to numerous departments. In reality these government portal acts as a virtual organisation front interacting with customer driven demand. This type of solution requires major changes within and without government and as yet, there is no clear evidence of success. (Jellinek, 2000).

Early reference to the enhancement of government services through internet developments were identified in the PIPER letter (1995),

'...when government delivers information, in many ways it is delivering the government service itself. This new interactive medium, with its built in measurements and feedback loops, allows government to 'relate' to individual constituents with a depth and frequency. It can add an entirely new dimension to governments relationship to its stakeholders.'

The nature, culture and scope of e-Government concepts may be succinctly noted as follows (Heeks, 2001):

- eAdministration - improving government processes by reducing costs, managing performance, making strategic connections and creating empowerment;
- eCitizens and e-services – connecting citizens to government by consulting with citizens, supporting accountability, listening to citizens, supporting democracy, and improving public services;
- eSociety – building interactions beyond the boundaries of government by working better with business, developing communities, building government partnerships, and building society.

These processes are clearly crucial to the successful operation and function of public sector bodies. Therefore, the 'engagement' of the public sector with external stakeholders (the customer) to develop web sites and electronic media to interface with constituent customers to provide efficient, effective and improved service delivery via the deployment of e-Government is a major challenge.

2 ENGAGING THE 'CUSTOMER' COMMUNITY

Government is a burgeoning phenomenon nationally and internationally, with huge investments being made to modernise public sector institutions at all levels. It is therefore critical to determine the efficiency, effectiveness and resultant engagement of appropriate strategies, policies and initiatives to ensure improved service delivery. ICT-enabled change is problematic in any organization, but the political, managerial and cultural environments within the public sector add additional degrees of complexity (Bannister, 2001). The situation is further exacerbated by the traditional bureaucratic structures of governmental organizations that is resistant to change and the diversity of the services provided. This prevailing scenario within government adds an additional level of complexity to the engagement process (Burns & Barnett, 2000; Bannister, 2001). eGovernment, therefore, is affected by the diversity, nature and context of the organisational structures involved. In addition, traditionally the UK public sector has not been strong on promoting services, the argument being that it is a waste of taxpayers money as the customer can usually only receive the service from a public body. This is certainly the case with statutory services, such as Planning Applications and Policing.

The following table is proposed therefore, which could be adopted as a template for identifying a customer engagement research agenda.

Dimension	Action
Promotion	develop e-Government marketing and promotion
Customer insights	conduct customer 'deep dives' to explore hidden needs and to develop ideas about added value community services
Knowledge insights	proactively approach target customers to identify knowledge areas and explore opportunities for community building
Communication modes	develop approaches to construct communication of requested services
Competence development	facilitate staff training in community preparation and initiation
Customer constellation	choose teams with a willingness to advocate service provision and responsiveness
Customer communication	development ICT infrastructure through a 'collaboration' platform
Customer interests	identify social networks and potential inherent conflicts
Community assessment	conduct an evaluation of ICT-driven customer requirements

The rationale for undertaking and managing engagement with customers is based upon systems evaluation that reflects the reasoning and preferences of public sector professionals and external customers engaged in eGovernment activities.

3 ICT EVALUATION OF 'ENGAGEMENT'

The contemporary literature on evaluation, defined as, '...working out the value of something', clearly identifies the exercise as a highly subjective process. Recent evidence suggests that the core of ICT evaluation necessitates a consideration of soft organisational issues that include internal managerial behaviours and external (customer) responses. This suggests an analysis to determine the

real value of an entity or context beyond a prescriptive quantifiable or measured outcome. Tacitly driven decision making, which attempts to capture the soft complexity of the business environment, is a process that is frequently ignored in the ICT evaluation domain (Irani, 2002). Another issues is the indirect cost of implementation. This cost is often overlooked, yet it is an important aspect of evaluation. This is certainly a problematic area of concern as the variables involved are fluid, transparent and difficult to determine.

The essence of the analysis requires to a large extent on the intuitive experiences of the service delivery staff engaged within the customer interface. As noted, '...(analysts) are not concerned with the specifics of ICT assessment metrics, detailed benefit measurement formulae or mechanistic evaluation techniques. They are concerned (only) with successful outcomes.....' Jones and Hughes (2004). A often neglected feature of improved public sector service performance is to acknowledge, respond, develop and endure customer relationships. A useful starting point is for customers to be aware of service delivery channels and options, to indicate their preferences and to evaluate the systems in place that purport to improve a specific service area.

It is important to gain customer involvement both prior to, and additional to, the noted technology-driven engagement communication strategies. Clearly, if the consumer is unaware of available services then any approach for securing their involvement is significantly reduced. It is argued therefore that promoting e-Government and gaining customer attention is equally, or indeed, more important than a rational long term focus upon traditional customer relationship management enabled through e-Government. What is required is a strategic focus on the real complexity of the customer and organisational relationship, and some initial proactive action from the public sector to establish a link and connection with its customers. This would also complement the blunt instrument of public sector branding and advertising where passive and indifferent customer behaviour is frequently evident. The core of individual activity is driven by identified motivations and recognised goals, which are based on the perceived need, relevance and quality of the public sector services offered.

It is cautionary to note that aspects of advertising and branding are argued to be insufficient to capture the real dimensions of consumer behaviour, especially in the public sector. There is, of course, a proliferation of techniques, often subliminal to audience perceptions, related to ambient advertising and promotion where the message is strategically positioned in an attempt to maximise customer awareness. The success of these approaches is regarded to be varied and limited given the huge amount of available sources to the customer (Tan, 2003). Similarly, the notion and implementation of branding, particularly on the internet, results in a significantly diluted message given the extent of the information communicated. Consequently, efforts are frequently made to attain loyalty from consumers and again evidence leads us to believe that this provides limited success (Mazur, 2000). A perspective emerges in this respect that most approaches through advertising and indeed clever branding are highly passive in their impacts. We need therefore to be more adaptive, proactive and responsive to the dynamics and the political environment of the public sector to usefully attract the conscious level of customer attention, interest and interaction. An evaluation of e-Government implementations should be researched to determine the critically important factors that should be considered in this respect. The nature and extent of gaining customer engagement is central to this fundamental objective.

4 ENGAGEMENT RESEARCH NOTE

A primary objective for research will be to enable public sector officers to relate specifically to their own environments to conceptualise, consolidate and gain a deeper understanding of knowledge for customer engagement. It is important to expand the domain of e-Government research to a wide and eclectic audience of academics, consultants and executives who are involved in the management of public organizations for service delivery enhancement and performance. These notions have been identified as 'Communities of Practice' which are defined as; '... an activity system about which participants share understandings concerning what they are doing and what that means in their lives and for their community' (Lave and Wenger (1991, 98). It is important to develop a knowledge domain, which exists outside of the formal public sector organisation and inaugurate a shared sense of identity between staff and citizens.

Clearly, there is a need to generate original theoretical and empirical research relating to the application and adoption of e-Government for successful service improvements where attention is paid to customer values and needs. It is particularly useful to analyze the results of inter/multi disciplinary investigations and relate these to the intersection of theory, method and empirical findings. Of interest will be research that contributes to the theoretical concepts of the acquisition, organization, and dissemination of e-Government to support functional and cross-functional organizational engagement planning and decision-making.

This will subsequently enable improved service performance gains associated with the deployment of e-Government and their evaluation towards ensuring the social inclusion of citizens. There is significant research which highlights the difficulty of implementing ICT in the public sector (Wired-Gov, 2003). A sector, in common with all organisations, that is characterised by a resistance to change. For example, there have been well researched and published case studies on ICT failures. The issues, contexts and problems associated with change instigated by eGovernment initiatives are equally complex and requires further investigation (Devadoss et al, 2002).

The primary interest is on practices, methods and obstacles associated with customer relationships and any aspect of the engagement agenda. It is argued that empirical studies are required with strong critical theoretical content, including;

- Case studies of failed initiatives highlighting the cultural, organisational and technical obstacles to CRM;
- Success stories highlighting re-usable good practice or engagement
- Methodological studies describing bespoke eGovernment approaches, with reports of operational experiences of social inclusion
- Studies of the wider impact of eGovernment projects, e.g. the effect on social exclusion and the digital divide;
- Critical studies of the ideological motivations underlying the eGovernment agenda
- Benefit, cost and risk evaluation of information systems in the public sector; in doing so, extrapolating through isolation the notation of public sector value

An important issue is that of ensuring investigations which consider **social inclusion** through eGovernment. Often, ICTs reinforce the existing patterns of social inequality and political participation and these need to be identified and rectified.

5 CONCLUSION

A key to the success of an eGovernment strategy may be a network of open communication, together with a combination of sharing and listening, flowing both horizontally and vertically throughout the organisation (Norris, 2002). The main aim of this research note is to argue that all services revolve around the constituent customer, as opposed to establishing bureaucracies that they need to break into to obtain the services they require – only then can we claim true eGovernment engagement.

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