socitm insight

Managing e-government – a discussion paper

- How do you ensure that e-government delivers the promised transformation of services?

- Have you a structure in place to manage e-government?

- Do you have a clear process for developing and agreeing your IEG statements?

- Do you have difficulties in allocating priorities to e-government projects?

- Should ICT managers make decisions over business priorities?

The purpose of this discussion paper is to propose answers to these questions and provide an opportunity for chief executives and senior managers to consider and comment on our ideas.

In order to assist with this process a short questionnaire developed in conjunction with SOLACE is available at *www.socitm.gov.uk/public/insight*

1   Why is it difficult to manage e-government?

- How do you ensure that e-government delivers the promised transformation of services?

- Have you a structure in place to manage e-government?

- Do you have a clear process for developing and agreeing your IEG statements?

- Do you have difficulties in allocating priorities to e-government projects?

- Should ICT managers make decisions over business priorities?

It is not surprising if you don't have an answer to these questions as a recent survey for the ODPM found a variety of approaches in supporting the implementation of e-government.

The survey provides a mixed picture of whether, and how effectively, local authorities have put in place the processes or frameworks suitable to support the implementation e-government. Whilst 90% and 48% respectively of authorities consult the public and businesses on their e-government programme, authorities are far more varied in the extent to which they have in place the right management processes – for example, cost-benefit analysis, risk management, evaluation, etc. Where these management processes are in place, it seems that they are often carried out on an informal basis, and tend to be restricted to individual projects – far fewer local authorities seem to be putting in place the same processes for their e-government programme as a whole.

Implementing local e-government –
A survey of local authorities
ODPM May 2003

Local e-government offers the opportunity for re-thinking the way we deliver services. In turn, this demands a radical transformation within the organisation of how to achieve that. As a result it is essential to re-think the way this process of transformation should be managed. Strong leadership is also required. It is very unlikely that existing management arrangements will suffice.

This paper provides an insight into how better governance of e-government and ICT should deliver the much promised benefits by improving the way that these issues are managed. It uses research from the private sector and also links into examples of good practice from local government.

There are many reasons why e-government is complex:

- Service delivery will be transformed by the use of ICT.

- The impact on people is considerable and may lead to resistance in some areas.

- The change has an impact on a wide range of functions, making it difficult to identify clear areas of responsibility.

- Some business managers see e-government as a technical issue for the ICT manager.

- Business applications sometimes suffer from inadequate ICT infrastructure.

- Technology is developing at a considerable pace with new products that are not fully tested being sold as robust systems.

- The different technologies that are deployed may interact in unexpected ways making testing very complex.

- Over-hyping its potential for driving change can result in major failures in deploying ICT.

Although some of these complex issues are technical and need to be managed by the ICT service, others are non-technical and have a direct impact on service managers' ability to:

- improve customer service

- reduce costs

- improve operational processes

- provide easy access to information

- improve decision making.

Further issues require collaboration between the service and ICT but misunderstandings between the two groups cause tension and frustration. For example, the expectation is that flexible ICT systems will join up partner organisations at minimum cost with no disruption to existing services and in a very short time frame. This is a goal that has a number of contradictory targets. For example, an infrastructure which is low cost normally comes at the expense of flexibility and is, therefore, not very good at joining up to other partners' ICT infrastructure. This difficult situation is often met with a response from the ICT unit characterised either by statements like: 'No, you couldn't possibly do that', followed by a long list of reasons of why it is not possible; or from the opposite extreme proposing over-hyped systems that fail to deliver the much sought after organisational flexibility and do not meet user expectations.

This description is exaggerated but reflects some of the difficulties in establishing an effective dialogue. Accordingly, the balance between cost and flexibility needs to be managed at a high level with both senior service and ICT managers understanding all the issues and both having input to the decision-making process.

These communications problems are exacerbated by different stakeholders who all have different needs. If, in addition, the ICT unit is delivering operational ICT services below acceptable performance, this is likely to make it more difficult for it to have influence on strategic decision-making. Clearly, there is potential for a serious gap in understanding to develop between the service and the ICT unit.

How do we manage e-government?

Effective governance arrangements are required that manage such complexities and conflicting pressures, ensuring that the authority's policies and priorities drive the e-government agenda, not the other way round. As the recent joint IDeA/Socitm *Insight* report *Local e-government now, 2003* stated 'bridging the gap between innovations in services areas and corporate visions, plans and resource allocations'. Effective governance will:

- focus the change on improved service and organisational processes, not the technology so that the re-design of business processes delivers the much needed service transformation

- make the service departments and ICT jointly accountable for linking service delivery strategies and make clear individual accountabilities

- encourage ICT decisions that benefit the entire organisation not just parts of it.

2 So, what is ICT governance?

2.1 What does the term cover?

Governance should not be confused with management. Management is about the decisions that you make. Governance is often a term used by elected members and chief executives to cover the structure or framework within which top-level decisions are made. Without governance you do not produce good decisions consistently. It is also a very appropriate term to use in the context of the management of ICT in that it makes clear the framework in which decisions need to be made, who makes the decisions about business and technology developments, who has input into the decision-making process and how the decisions are formed.

2.2 What decisions are required?

Decisions need to embrace:

- Determining the strategic approach to e-government and ICT within an authority:

  - How the e-government initiative should be used in the authority, to improve services, reduce costs, develop the community, etc

  - How fundamental e-government and ICT is to the authority

  - The way e-government and ICT is to be managed (eg by what mechanism and how is the resource to be managed)

  - The way investments are to be made and policies on realising and sharing benefits

  - How the required skills are to be procured (through strategic partnerships, in-house, through consortium, etc)

  - The principles that underlie the ICT architecture

- Setting priorities and determining e-government and ICT investment programmes.

- Managing the foundations and regulations regarding the core elements of the infrastructure:

  - Personnel – who will be responsible for their professional development and where certain skills should reside

  - Methods and techniques – what project/ programme management, development and operations management standards should be used

  - Charging mechanisms and services standards (performance management)

  - Information – standards to enable the effective sharing of information

  - Core applications – intranet, finance systems, payroll and personnel standards, etc

  - Technical – network, consolidated service desk, data standards

  - Security

  - Legal

- Determining the ICT architecture components

  - Standards regarding hardware and systems software platforms, and software applications (for example which version of Windows and desktop applications should be used across the authority).

  - Data standards relating to common data sets, and how data is to be exchanged with others.

- Determining the approach to selecting applications. Although financial and human resources systems fall into the applications category, these should be considered to be core elements of the infrastructure as defined above. Applications such as housing, social services, etc would fit here. Guidelines should determine how these applications should be selected.

Just defining these categories is a useful beginning. It is essential to ensure the framework covers both e-government (service transformation through the use of ICT) and the technical issues surrounding ICT, otherwise the initiative will fail. It is important that the scope of the framework embraces the new areas of work that are emerging. If services are to be joined up roles such as website management, information management, authentication and ICT legal advice all require different or enhanced skills from those in traditional ICT roles.

The emerging profession of **information management** and associated disciplines need to be identified and established in the management structure. Whether information management resides within the ICT unit or is a separate discipline will depend on existing skills and cultural issues. Regardless of where the information management function resides, it is essential that responsibilities are clear otherwise it will not be possible to deliver joined up government. The sooner responsibilities for this area are identified and allocated the sooner information management can promote its importance and establish policies for the use and management of data, information and knowledge.

2.3   Who should make decisions and how are they made?

Although the decisions to be made are generic and do not depend on organisational differences, who is involved in the process and how they are made does depend on a number of organisational and environmental factors.

For example, the need for a strong governance model will be influenced by how the chief executive and other key decision makers view the potential of e-government and ICT. A sceptical chief executive and corporate directors are less likely to see the need for strong governance and more likely to leave the decision-making process in the hands of individual departments or the head of ICT. Passing down the strategic decision making process is likely to lead to either a fragmented ICT development (constraining joining up services) or a technology driven organisation (with potentially limited connection to the organisation it is serving).

A research paper (*The CEO and the CIO in the Information Age*) by David Feeny of Templeton College, Oxford has identified seven types of chief executive, ranging from those who are convinced e-government and ICT is of little value through to the chief executive who is a believer in ICT as a significant enabler in improving services (see chart 1). These different attitudes will influence the design of any governance model.

Metaphor	Characteristics
Hypocrite	1 Espouses strategic importance of IT 2 Negates through personal actions
Waverer	1 Reluctantly accepts strategic importance of IT 2 Not ready to get involved
Atheist	1 Convinced IT is of little value 2 Publicly 'comes out' with this belief
Zealot	1 Convinced IT is strategically important 2 Believes he/she is an authority on IT, too
Agnostic	1 Concedes IT may be strategically important 2 Has to be convinced over and over
Monarch	1 Accepts IT is strategically important 2 Appoints best possible CIO to handle IT
Believer	1 Believes IT is an enabler of strategic advantage 2 Demonstrates belief by his/her own behaviour

Chart 1 Seven IT creeds of the CEO

There is perhaps an eighth creed – that of the **Enthusiastic Realist** who:

- thinks that ICT is strategically important, but

- is not sufficiently knowledgeable to be able to establish correct structures to manage e-government.

This paper is directed at this eighth type of CEO and senior manager and any others wishing to develop a better understanding of the subject.

The corporate culture of an organisation is another factor that will determine how and where significant decisions are to be made. Different types of decision are made at various levels within an authority, for example a corporate equal opportunities policy may be set by the senior management team, but a policy on the timeframe to re-let a contract to refurbish housing stock may be delegated down to individual departments. This decision-making process is probably not written down but has evolved over a significant period of time. The relative immaturity of ICT means that the custom and practice developed for other areas of decision-making has not yet been clearly established and requires a more formal approach for ICT governance.

To complicate the situation even further, different decisions need to be taken by different groups. For example, decisions about **e-government and ICT strategic issues** would normally be made by the senior management team (SMT) or a similar group and chaired by the chief executive or deputy. But who should make decisions about the **technical architecture**? Should it be the corporate head of ICT or a more federal approach by a group of heads of ICT drawn from departments?

Technical architecture

Research (MIT Sloan CISR and Gartner study) examining indicators such as the cost-effectiveness of ICT and the effective application of ICT shows that a decision-making process (about the ICT architecture not the other organisational areas) dominated by a corporate head of ICT is much more productive than a federal approach, but this does not mean that all organisations should adopt the statistically most-effective model as local circumstances will have an impact. For example, an ineffective ICT unit may well make below average judgements about corporate decisions and it perhaps is therefore better left to a federal consensus view. Alternatively, the professional standing and influence of the Head of ICT may be such that it does not inspire the confidence of senior managers to delegate the decision-making process. More deviously, service departments not working corporately and not wishing to be governed in areas of ICT by the corporate ICT unit may promote a federal approach as there are more opportunities for fudging decisions in their favour at the expense of the common good.

3   Public sector framework for managing e-government

3.1   Different approaches

Different authorities may require different framework arrangements but, if we examine a number of practical models, we should be able to draw up some good generic guidance. We have investigated several authorities that are considered to have effective governance models. The sample represents a spread of authorities including shire county, shire district, London borough, metropolitan district, and English, Welsh and Scottish unitary councils. Most of those authorities approached had been rated as 'above par', ie having a two-star service with promising prospects of improvement from inspections of Best Value reviews. We will publish detailed results from these authorities in a later report.

3.2   Role of the e-champion

Not surprisingly given government advice, the 2002/3 Socitm *IT Trends* survey found 98% of authorities now have an officer e-champion. The champions come from different backgrounds and levels of seniority, no doubt a reflection of an authority's internal organisation and political structures.

The ICT unit also reports into different groups. For example, in Dudley MBC it is accountable to the Economic Vitality and Jobs Scrutiny Board and the governance arrangements also centre on this group. In another, the ICT unit reports directly to the chief executive.

In some authorities where the e-champion was a senior post, they took a very active role and in others the role had to be given strong support by the head of ICT (or equivalent). This is not an ideal situation but may be necessary if the e-champion is unable to devote the time required for the task. Anecdotal evidence from the authorities in the sample and others indicates that e-programme managers or e-government officers are also in place to take on some responsibilities or support role to the e-champion. The officer e-champion normally chaired the ICT strategic decision-making group.

3.3 Managing framework in practice

Public bodies need to make the same types of decision as any other organisation. Even apparently unique areas such as joint working with health etc, are reflected in the private sector as supply chains linking ICT systems across organisations.

All the authorities surveyed had formal decision-making groups to cover the wide range of policies and infrastructure standards (see section 2.2) required to manage e-government. Given the need for decisions to be made at both strategic and operational levels, authorities have translated this into an array of groups loosely categorised as follows:

● E-governance

● ICT infrastructure

● Service development

Chart 2 shows the relationship between the different groups at Leeds City Council although it has just renamed the E-Council the Customer First Board reflecting the emphasis on the citizen rather than the enabling technology. In Leeds the ICT infrastructure group is referred to as the Service Delivery Group. The chart also shows the next level down the structure where an Information Management Board and an ICT Management Boards take responsibility for managing the different domains. These boards normally take responsibility for monitoring performance of individual programmes and projects.

In a different arrangement, at West Lothian Council the e-governance (IT Steering Group) and the strategic HR Steering Group meet together regularly as the Modernising Steering Group in an effort to ensure joined up working across the authority.
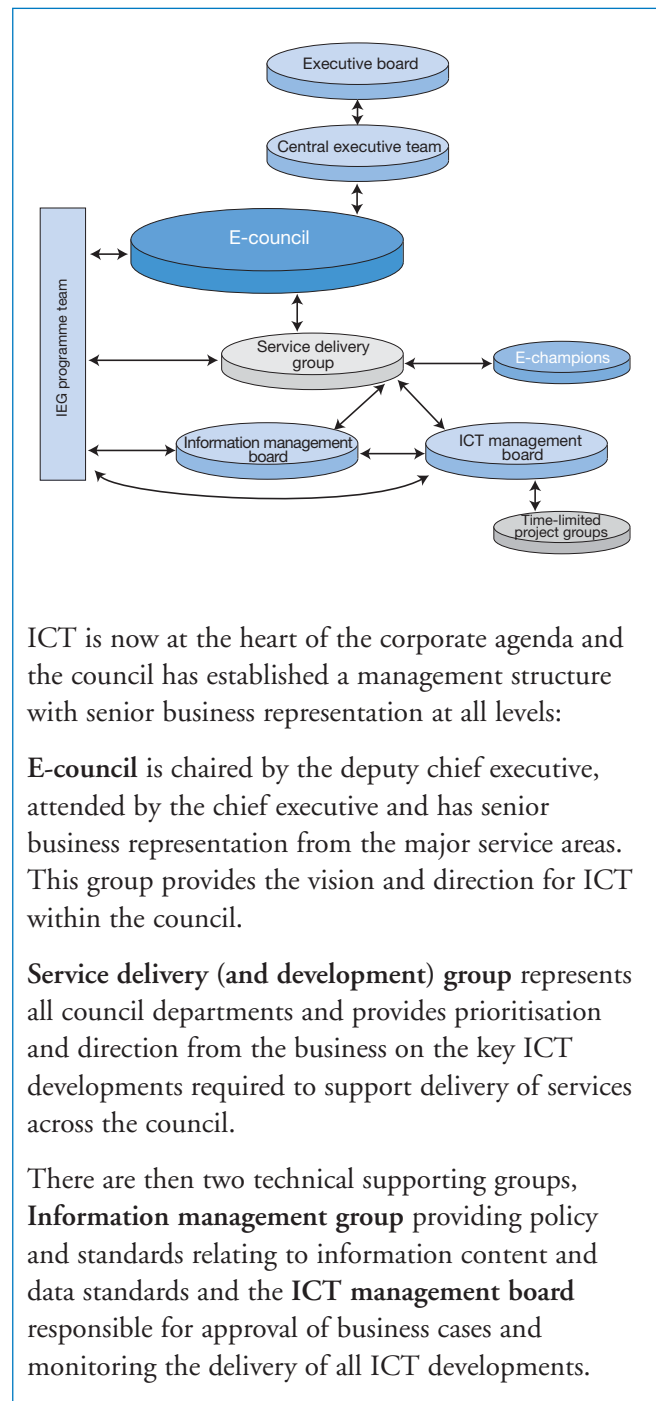

ICT is now at the heart of the corporate agenda and the council has established a management structure with senior business representation at all levels:

E-council is chaired by the deputy chief executive, attended by the chief executive and has senior business representation from the major service areas. This group provides the vision and direction for ICT within the council.

Service delivery (and development) group represents all council departments and provides prioritisation and direction from the business on the key ICT developments required to support delivery of services across the council.

There are then two technical supporting groups, **Information management group** providing policy and standards relating to information content and data standards and the **ICT management board** responsible for approval of business cases and monitoring the delivery of all ICT developments.

Chart 2 Leeds City Council relationship of different governance groups (extract from ICT strategy 2002-2005)

3.4 Framework for managing e-government

The chart below outlines the groups, responsibilities and membership of a local government e-governance model.

Name of group	Responsibility	Membership
E-governance group, or e-government management group or Customer First Board or Access to Services Board	• Promotion of e-government • Strategic direction of the authority (eg as reflected in *Implementing Electronic Government* statements) • Approval of ICT investment programme • Prioritisation of ICT projects • Performance management • Approval of decisions of subsidiary groups	Chief executive or e-champion (Chair) Directors of major service departments Director of finance Head of ICT Head of information management (when in post)
ICT infrastructure group	• Infrastructure management • Information management • Information architecture • ICT architecture	Service director or head of ICT (Chair) Members of departmental SMTs responsible for ICT Senior finance representative Head of ICT Head of Information management (when in post) Strategic partner representative (when appropriate)
(often supported by technical infrastructure and information groups)	• Working up policies and standards for ICT Infrastructure Group	Head or deputy head of ICT (Chair) Heads of ICT in departments
Service development group	• Application selection	Senior manager from SMT (Chair) Service managers Departmental head of ICT Representative of corporate head of ICT

Chart 3 Framework for managing e-government

E-government management framework group

A key aspect of the e-governance process is to ensure that the authority's corporate strategies such as Best Value, access to services and community development are closely coupled with the e-government or ICT strategy. In order to do this in some authorities these decisions are not performed by a separate group but by the senior management or corporate management team of authority. Although this provides senior management involvement in the decision-making framework, it is unlikely, given time pressures, that this gives the group sufficient time to consider the issues in adequate detail. Because of the lack of time or in smaller authorities limited resources there may be a tendency to merge the different groups. This should be avoided but provided the roles and responsibilities are adequately covered and formalised within the scaled down arrangements this should ensure all the issues are managed. Some authorities have tackled this by setting special e-government agendas for their senior management teams (SMTs) on a regular (monthly) basis. A number of authorities have now created formal groups such as the E-champion board (Bristol), E-Dudley Steering Group, E-government Steering Group (Hambleton) and E-Council (Leeds).

The **membership of this group** normally consists of the chief executive and corporate directors along with other key individuals such as the head of ICT.

ICT infrastructure group

With strategic issues tackled at the e-council level, much of the detailed preparation work and user department input to the strategies, policies and standards requires more effort as well as a forum to resolve issues and develop ownership. Most authorities have groups at this level with names such as Strategic ICT Managers Group (Bristol), Information Systems Steering Group (Denbighshire) and IT Working Group (Hambleton).

The **membership of this group** normally consists of the corporate head of ICT and managers responsible for ICT within departments (not normally the local head of ICT). There may be benefits, in authorities with a strategic partner, to have a partner representative on this group.

Service development groups

Application selection to deliver services is obviously a decision that needs to be made by the service department. These decisions will normally be made in the business unit ICT strategy group or at their departmental SMT, although they will still need to conform to infrastructure standards. Systems in this category exclude common systems such as e-mail, office productivity applications, payroll, personnel and finance where choice will be restricted to the corporate standards set within the ICT infrastructure group.

The **membership of this group** normally consists of the senior managers of the different business units and the head of ICT within the department.

What is in a name?

The role and nomenclature of each group, whether an independent group or part of a broader group, are important factors in recognising e-governance. Many would argue that given the importance of the e-government initiative and the size of the agenda such management groups should be independent to give them time to consider the issues rather than be squeezed into the authority's already crowded SMT agenda. Others would argue that the subject should be an integral part of SMT and should be integrated into the mainstream management processes. Certainly in the private sector large initiatives that involved multiple projects to bring about significant change are delivered through programme boards and corporate governance groups. For others it is not where the group sits, but how it is portrayed through its name, either functionally as the e-governance group or the e-council, or more citizen focused as the Customer First Board, or service focused as Access to Services Board. A final factor to take into account is how councils normally manage programmes of change. Roles and names should be sensitive to the council's culture.

What should the groups for managing e-government be called?

4   Summary

This briefing paper should provide the information for authorities to tackle the questions set at the beginning of this document. Chart 3 outlined the basic structure of an e-government governance model. Authorities will be at different stages in having an effective mechanism in place. Those that have not started should establish a framework to ensure they deliver the e-government programme. Although authorities will fit this model into their own structures, the basic principles need to be covered if e-government is to have the positive impact on service delivery.

This work is part of a larger study into how e-government should be managed and what skills are required to deliver it. Is this a model you agree with and how should it be improved? What are the skills required to deliver e-government?

We would appreciate your help in considering a number of key questions

- Is the proposed framework suitable for managing e-government?

- Should e-government be managed through a dedicated group with reports to the senior management team or by the SMT directly?

- What should the group be called?

- What skills are required by e-champions and heads of ICT to deliver the agenda?

During June 2003 we will be collecting your comments through a short questionnaire. The answers will be used to update this paper and develop further reports on programme management and on the skills required of e-champions and heads of ICT.

Please help us to help yourselves by completing either the paper based questionnaire or the electronic version at *www.socitm.gov.uk/public/insight*

Socitm *Insight* is a subscription service to which over 450 local authorities and other public and private sector organisations now belong. It identifies and encourages good ICT management practice.

Socitm *Insight* has produced a series of comprehensive and detailed guides on all the major ICT themes linked to the critical issues of the day, which provide valuable advice and support for ICT practitioners.

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Founded in 1986, Socitm is the professional organisation which represents those managers in local government who are responsible for ICT policy. The objectives of Socitm are to provide a focal point for ICT management, share experiences, promote the recognition of ICT and influence legislation. It has now over 1100 members and continues to grow. One example of its role is the Socitm *Insight* research programme.

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