# Electronic Government

## Briefing to Minister of State Services and Minister of Information Technology

### Chief Executives' Group on Information Management and Technology

### December 1999

9 December 1999


Minister of State Services


**ELECTRONIC GOVERNMENT**

**Introduction**

1    The incoming Government has signalled, principally via the Labour Party's e-commerce policy, that it sees Government having a key role to play in New Zealand's information and technology environment as:

- a leader;

- a model user

- a promoter of New Zealand's interests internationally; and

- an active key enabler.

2    It is also noted that the Alliance has stated that "e-commerce is to be encouraged by getting the Government to lead the way".

3    This briefing is from the Chief Executives Group on Information Management and Technology, which has met regularly for the past two years.  It is intended to inform you about issues emerging under the banner of 'electronic government' ('e-government').  It briefly discusses the intersections between e-commerce, e-government and social issues, and identifies how e-government initiatives could support achievement of objectives laid out in the Government's e-commerce policies, and aspects of the wider agenda of the new Government.
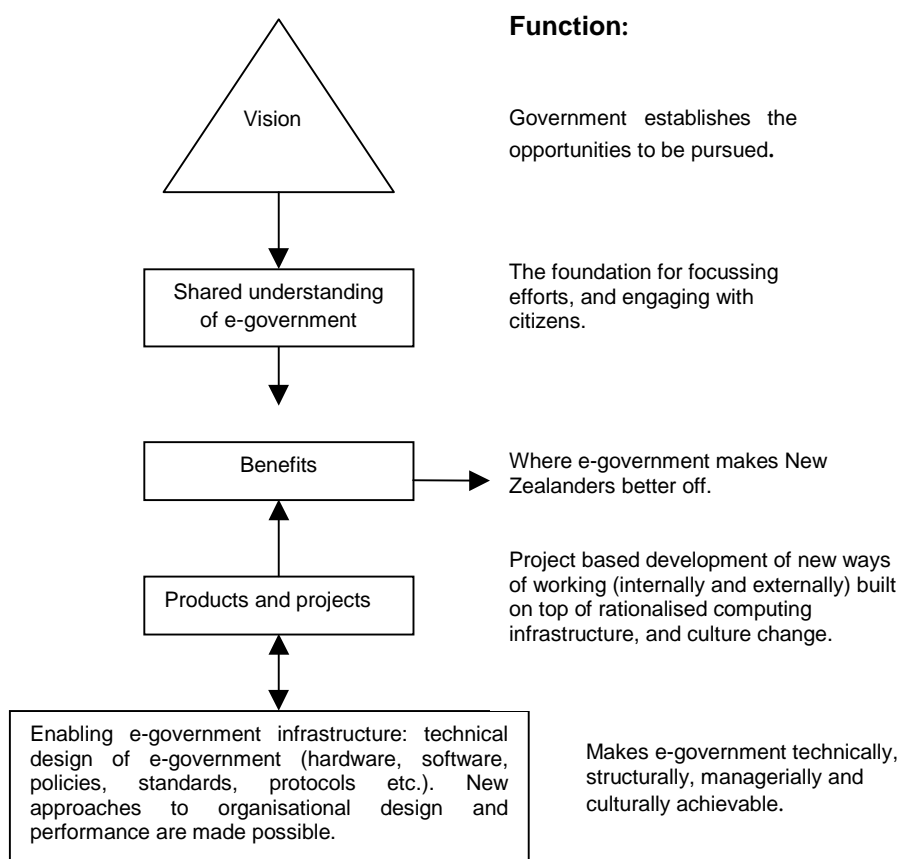
**Background**

*What is E-government?*

4    Alongside the spectacular rise of e-commerce, around the world we are witnessing the emergence of a related phenomenon that is being called 'information age government' or e-government.  Nearly all developed nations now regard developing e-government as a key strategy for ensuring their success in the early 21$^{st}$ century, and are rapidly implementing major initiatives in this area.

5    E-government presents challenges and opportunities to transform both the mechanics of government, and the nature of governance itself.  It affects all government functions and agencies, the private sector, and civil society.  Over time it has the potential to change the way government operates, and how citizens and businesses interact with government.  While a number of sophisticated technology applications already exist in our State sector, what e-government means most immediately for New Zealand is the integration and

transformation of service design and delivery, and information provision to citizens. We cannot yet fully envisage the nature of these changes in the absence of actively exploring the possibilities. Other Governments find themselves in exactly the same situation.

6    A well-designed and implemented e-government strategy should deliver a wide range of benefits. Doing so will require a number of factors to be addressed, ranging from having a well-developed and articulated vision through to building an appropriate technical and organisational infrastructure. A model that we have found useful for framing our work on this subject is presented below:

**Function:**

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       /  \
      /    \
     / Vision \
    /          \
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        v
 ┌──────────────────┐
 │ Shared understanding │
 │   of e-government    │
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        v
 ┌──────────────┐
 │   Benefits   │────────>
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 │ Products and projects │
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 │ Enabling e-government infrastructure: technical │
 │ design of e-government (hardware, software,      │
 │ policies, standards, protocols etc.). New        │
 │ approaches to organisational design and          │
 │ performance are made possible.                   │
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Government establishes the opportunities to be pursued.

The foundation for focussing efforts, and engaging with citizens.

Where e-government makes New Zealanders better off.

Project based development of new ways of working (internally and externally) built on top of rationalised computing infrastructure, and culture change.

Makes e-government technically, structurally, managerially and culturally achievable.

***What are the Opportunities of E-government?***

7    Behind the rhetoric, creating e-government involves major change. Many countries see it as a central component of efforts to "modernise" or "reinvent" government. A common feature of e-government initiatives around the world is their strong focus upon making government more citizen oriented. E-government objectives commonly include:

•      enabling citizens to effectively participate in the knowledge society/economy;

•      integrating, streamlining and customising the delivery of services;

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- improving the quality of policy and decision-making processes;

- reducing the compliance costs of government;

- improving the bottom-line effectiveness and efficiency of government;

- providing greater flexibility in the design and management of government; and

- enhancing relationships between citizens and the State, and strengthening (even revitalising) democratic processes and institutions.

### *How Does E-government Fit with E-commerce and Social Issues?*

8   In some ways e-commerce and e-government are mutually supportive concepts.  A superficial way of explaining e-government is to say that it involves the adoption and adaptation of the technologies and business models of e-commerce to the government sector.  An example of this is the use of Internet technology to streamline the process of providing PAYE schedules to IRD.

9   A richer way of describing e-government is to say that it involves making use of the power of information and communications technologies (ICTs) to rebuild government from the outside in.  Here, emphasis is generally placed upon focussing on the needs of citizens, communities and businesses, not those of government agencies or public management systems. In New Zealand, there has been discussion around using an e-government initiative to move government from what is best described as a 'silo' model to a networked model. A sense of the type of organisational and output change envisaged is provided by the following diagram:



Moving towards electronic government
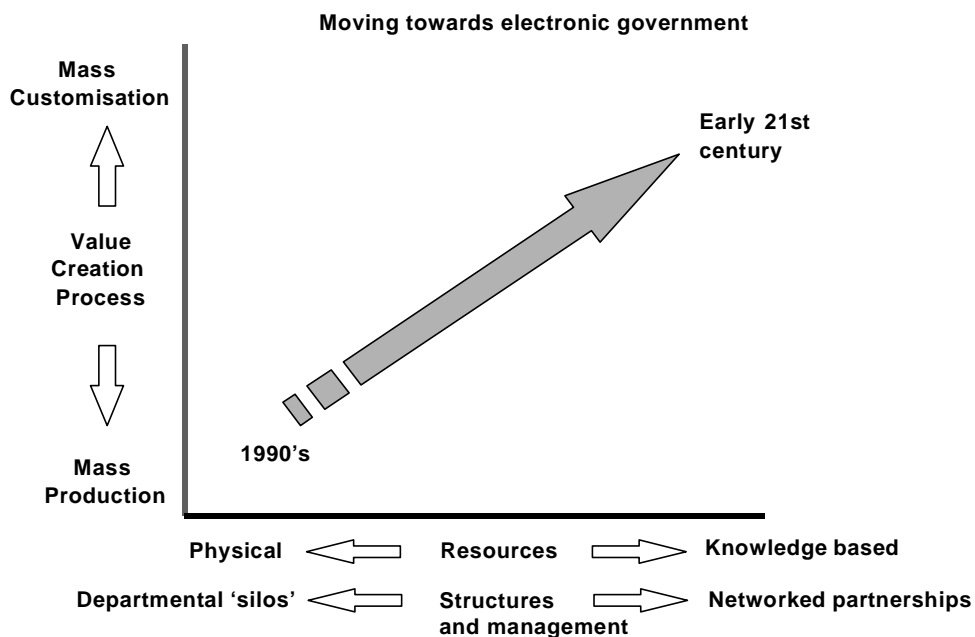
10  However, while the descriptions above are valid and helpful, they are in some ways quite simplistic.   The overlaps with e-commerce and organisational development or renewal are not the only important relationships that e-government can have to the role and functioning of government. Depending largely upon the breadth of understanding and vision, and objectives set, e-government initiatives can have strong intersections with social and economic issues, particularly in areas of education, social service design and delivery, community development and building a knowledge economy.

11  Also, there is an important set of constitutional issues surrounding the future relationship and balance of power between the State and the individual beginning to be identified.  The need to build safeguards for privacy and civil liberties is another common feature of e-government around the world.  Equally important are questions about the future shape of political institutions and processes, and issues surrounding jurisdiction and national sovereignty in an increasingly borderless world.

12  The following diagram seeks to illustrate the fact of these intersecting sets of issues, placing them in the context of the emergence of the so called 'knowledge society", globalisation, and sovereignty:
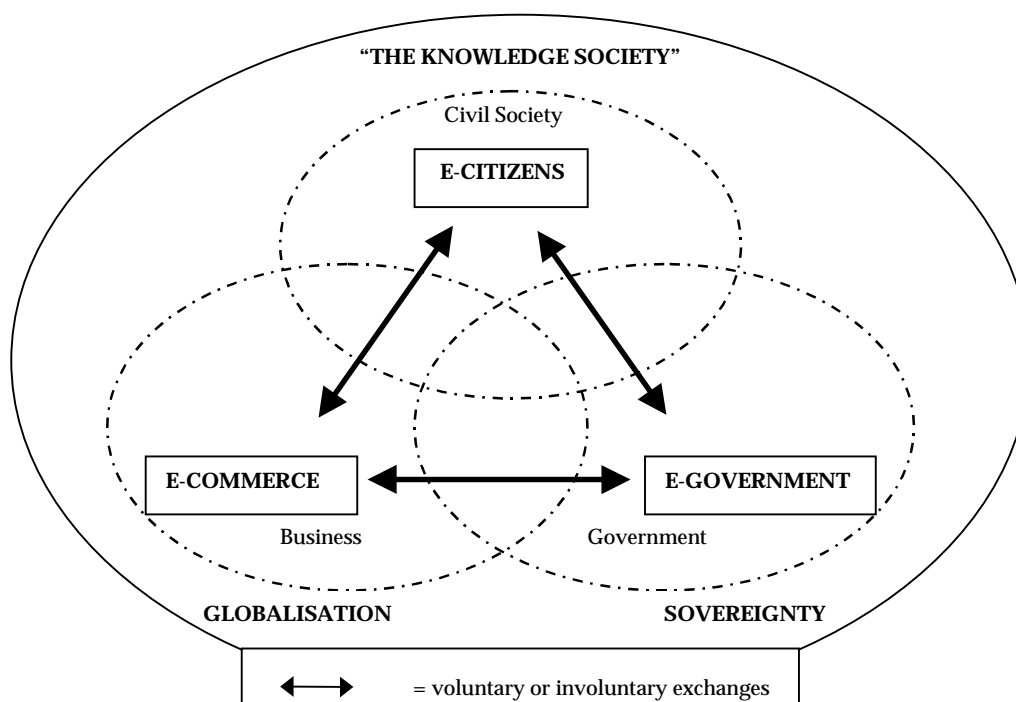


13 Given the scale, scope, multi-portfolio nature and transformational potential of e-government, we therefore advocate that it not be treated merely as an adjunct to work in the area of e-commerce.

**Current Situation**

*E-government in New Zealand – What Has Been Happening?*

14 On 28 September 1999 the previous Government released a vision statement for e-government in New Zealand. A shortened version of that vision statement and its objectives is attached as appendix two. The published version is available at http://www.govt.nz/evision.

15 That vision built upon the work of our group and the State Services Commission over the previous twelve months. Since the previous Government's endorsement of the vision, our group has been working with SSC to determine what would be required to begin achieving the objectives it laid out. We already have a number of projects underway.

16 Also, a concerted effort has been made to get all Public Service chief executives to agree to adopt inter-agency collaboration in the use of information and technology as a desirable way of operating in the future. Effective collaboration will be a key success factor for any e-government strategy. Agencies cannot do this alone, or in isolated clusters. This has been widely accepted in principle, and represents the beginning a significant, internally generated, change to the approach to departmental management that has predominated since the State sector reforms of the 1980's.

17 As noted above, a large number of possible e-government projects have been identified and are being progressed through their early stages. The table attached as appendix 1 lists these projects, and maps them against four things:

- the major e-government opportunities outlined in paragraph seven;

- a loose project taxonomy developed by the managers of these projects;

- the explicit objectives of the Labour Online policy; and

- the four key roles for the Government outlined in Labour Online.

18 As you will see, projects listed support achievement of many of the objectives laid out in the Labour Online policy, and extend beyond it in some areas. This is reflective of the amount of work that has gone into examining the nature and opportunities of e-government, and a clear understanding of deficiencies in the current government information and technology environment.

*Critical Issues*

19 Achieving e-government will be challenging. The big challenges are not technological but cultural. Achieving e-government will require a change management process that builds awareness, understanding, trust, common purpose and a genuine willingness to change if it is to move from an idea to a reality.

20 Critical issues that we can currently identify are:

- *Leadership*: Cabinet leadership, commitment and support will be critical success factors. The announcement of the previous Government's vision was a step forward, as it provided agencies with a set of goals to achieve through better collective use of information and technology resources. Leadership by chief executives will also be very important.

- *Strategy*: if the incoming Government wishes to successfully achieve e-government opportunities, a clear overarching strategy will need to be developed and implemented. Without such a strategy, any efforts will be inevitably be piecemeal, progress will be slowed, and opportunities will be lost.

- *Ensuring a focus upon citizens*: fundamentally, e-government is concerned with improving citizens' experience of government, and helping ensure that they are able to effectively participate in the economy and society of the 21$^{st}$ century. This is why there is a strong emphasis upon dramatically improving services, ensuring issues surrounding equitable access to technology and skills are addressed (i.e. closing the 'digital divide' between the information rich and poor), and seeking new and better ways to engage people in government in the future. Most immediately, it means that electronic delivery of services must improve access to services rather than leading to reductions in their overall availability.

- *Avoiding the 'digital divide'*: this matter merits separate identification. Many Governments are seeing that technology can enable individuals and communities (cultural, shared interest and geographical) to enhance their social and economic wellbeing, and participate more actively in society and the economy. Things such as enterprise, employment creation, health, education, learning, access to justice, interactions with government, and personal contact between people are increasingly being technology enabled. However, around the world a growing gap between those who are able to access and use ICTs, and those who cannot, is being identified. It is being called the 'digital divide'. This divide potentially has many dimensions, including those between young and old, between city and country, and between different ethnic and socio-economic groups. Right now, in New Zealand, this gap exists, and we risk widening rather than narrowing it. We do so at the cost of increasing disparity, reducing opportunity, and alienating a considerable percentage of the population.

- *Governance*: there is an urgent need for an overarching governance mechanism that is clearly mandated and adequately resourced to lead e-government related change. To be successful, any e-government initiative underpinned by collaboration will require strong co-ordination, facilitation, resourcing and guidance.

- *Integration*: e-government does not fit neatly within any one portfolio or government agency. Achievements will both enable and depend upon integrated effort across several portfolios, and multiple agencies. To be successful will require an acceptance by all agencies that participating in e-government is not voluntary or optional.

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- *Resourcing*: currently, much of the development of e-government thinking and projects has been undertaken as an activity additional to the outputs agencies have been formally funded to produce. This is creating a significant strain on departmental resources. Eventually, resources including allocation of scarce legislative time, funding and a properly resourced governance structure will be required. Current project scoping work indicates that e-government initiatives will not involve very large capital expenditures, but will require investment in the costs of change across time. These costs should be seen as strategic investments in government capability, and in the management of major change.

- *The need for communication*: a key theme of e-government is citizen engagement. Moving forward successfully will require a commitment to effective communication and consultation of New Zealanders. Developing e-government will fail if it becomes something that Government does to people, rather than with them.
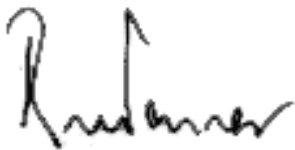
## Conclusion

21  The shift to the networked world, and the growth of knowledge societies that information technologies are enabling, will come to be seen as having been as significant for our time as the agricultural and industrial revolutions were in the past. The related and rapidly emerging concept of electronic government presents an exciting set of opportunities for New Zealand. It gives us the opportunity to move forward into the $21^{st}$ century as a member of the front rank of nations. It is not unrealistic to see in this a paradigm shift for government as an institution. We believe that, if approached carefully and strategically, it can be part of identifying and driving fundamental changes that could truly improve New Zealanders' experience of government, and contribute to improving their general wellbeing.

22  The State Services Commission and key chief executives were due to report to the previous Government, in February 2000, on how the e-government vision could be achieved. We look forward to engaging with you on this issue, and learning how you would like to proceed.

## Recommendation

23  This briefing is provided for your information. We recommend that you **forward** a copy to your colleague, the Minister of Information Technology. A copy is enclosed for that purpose.

Ross Tanner
Deputy State Services Commissioner
(on behalf of the Chief Executives' Group on Information Management and Technology)

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**Chief Executives' Group on Information Management and Technology**

**Members:**

| | |
|---|---|
| **Russ Ballard** | Chief Executive, Land Information New Zealand |
| **Margaret Bazley** | Chief Executive, Ministry of Social Policy |
| **Roger Blakeley** | Secretary, Department of Internal Affairs |
| **James Buwalda** | Chief Executive, Ministry of Research, Science & Technology |
| **Len Cook** | Government Statistician, Statistics New Zealand |
| **Graham Holland** | Commissioner, Inland Revenue Department |
| **David Hutton** | Public Trustee, Public Trust Office |
| **Colin Keating** | Secretary, Ministry of Justice |
| **Warwick Tuck** | Chief Executive, Ministry of Fisheries |
| **Ross Tanner** | Deputy Commissioner, State Services Commission |

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Appendix 1 : proposed e-government projects

| Objectives of Labour Online | Government role | E-government project | Project type | Type of generic e-government opportunity supported |
|---|---|---|---|---|
| Reform of legislation. 'Digital Signature' debate. Harmonisation of international rules. | Key enabler Promoting international interests | Legal environment for e-government. | Develop basic infrastructure needed for information age government | All |
| | Model user | Develop common data policies and standards. | | Organisational flexibility Effectiveness and efficiency. Improved policy. |
| | Model user | Develop common information systems policies and standards. | | As above |
| | Model user Leader | Create a government metadata framework. | | Citizen participation Service improvement Reduce compliance costs Management flexibility Effectiveness and efficiency |
| | Model user Leader | Secure Electronic Environment (SEE) for government agencies. | | Improved policy and decision-making Effectiveness and efficiency **plus** 'Protection of Critical Infrastructure' |
| Single window for government services | Model user | Develop NZGO website. | Finding innovative new ways for government to work and connect with itself, and with citizens & businesses. | Citizen participation Service improvement Reduce compliance costs Management flexibility Effectiveness and efficiency. |
| | Model User Leader Key Enabler | Citizen access and skills (closing the 'digital divide'). | | Citizen participation Citizen/State relationships |

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Appendix 1 : proposed e-government projects

| Objectives of Labour Online | Government role | E-government project | Project type | Type of e-government opportunity supported |
|---|---|---|---|---|
| | Leader<br>Model User<br>Key Enabler | Improve engagement with citizens. | Finding innovative new ways for government to work and connect with citizens & business, and with itself. | Citizen participation<br>Citizen/State relationships<br>Improved Policy and decision-making<br>Service Improvements |
| | Model User<br>Leader | Develop models for effective use of the Internet by government. | | All |
| 'Digital Signature' debate | Model User<br>Leader | Further development of online government registries (including enabling voluntary single point of change for key information) | | Service improvements<br>Reduced compliance costs<br>Increase flexibility<br>Improved efficiency |
| | Leader<br>Model User | Electronic billing and payments. | Improving governments' bottom-line efficiency | Improved services<br>Improved effectiveness and efficiency. |
| Electronic procurement | Leader<br>Model User | Electronic procurement. | | Effectiveness and efficiency |
| | Model User | CFIS net (streamlined web-based financial information exchange between Treasury and other agencies) | | Effectiveness and efficiency |
| | Model user | Rationalise core spatial data/systems. | | Improved services<br>Improved effectiveness and efficiency. |
| | Model user | Leverage greater returns from government IT Infrastructure. | | Improved effectiveness and efficiency. |
| | Model user | Office management and support for small agencies. | | Improved effectiveness and efficiency. |

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**Appendix 2: current e-government vision**

### *Vision Statement – Electronic Government in New Zealand*

*E-government will harness people and technology to revolutionise the delivery of government services to New Zealanders. The new services will be tailored, inexpensive, easy to use, personal and friendly.*

**E-GOVERNMENT:**

**Will meet individuals' needs**

Government services will be tailored to the particular needs of the individual citizen. Services will be available 24 hours a day, seven days a week, through a variety of channels, and from most places in the world.

**Will offer more open government**

People will find it easier to discover and access the government information that they think is important to them. Better information will take the puzzle out of dealing with government.

**Will make it easy to have your say**

People will be able to make their voice heard more easily. It will uniquely empower, for example, the disadvantaged. Policy-making will involve more continuous and open consultation with New Zealanders.

**Will be inexpensive to deal with**

Government information and services will be simple and easy to access. All government forms will be available over the Internet. 'One-stop-shop' interfaces will be created for personal and business needs. If people want it, information that is common to a range of processes, like names and addresses, will only need to be changed once - it will be automatically updated everywhere that it is used across government. Government processes will be streamlined.

**Will protect people's privacy**

New Zealanders will be able to have confidence in the security of the information that they provide to government, the integrity with which it used, and in the measures that government takes to ensure their rights to individual privacy.

**Will cost taxpayers less**

People will benefit from the fact that government is using the power of information technology as efficiently and effectively as possible. Administrative processes will be streamlined. Where there is duplication of information and technology that is not strictly necessary, there will be strong incentives for rationalisation. Greater value will be leveraged from current infrastructures. The bottom line costs of technology will be managed downward.

**Will bring a new kind of equality**

The Internet brings a new equality for the regions. By giving equal access to all, it abolishes the tyranny of distance.

**Appendix 2: current e-government vision**

## WHY E-GOVERNMENT?

Information is the lifeblood of government. It is a foundation for everything government does - making policies, creating and delivering services, and administering regulations.

The quality of government policies, decisions and services matters to all of us - they're vital to the social and economic wellbeing of all New Zealanders. E-government is about doing these things better in the 21$^{st}$ century. In the business world, electronic commerce is dramatically changing the way that goods and services are created and delivered. E-commerce is allowing business to provide cheaper, faster and more customised services in innovative new ways.

This vision is about doing the same things in government.

## What will e-government mean for people in government?

The New Zealand Government will rise to the opportunities and challenges of the information age. It will lead the world in getting the best from its people, and its information and communications infrastructures.

The Government expects its people to continuously find ways to improve New Zealanders' experience of government. This vision provides direction for the future development of government agencies. It provides a star to steer by in planning and managing future investments in government information and technology. It will also be used as the litmus test for future proposals for organisational change, and for investment in government information and technology.

Strategies will progressively be developed to drive achievement of the vision. The Government expects that local government will strive to achieve this vision as well.

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## Appendix 2: current e-government vision

## How could e-government affect New Zealanders by 2005?

## Indicative e-government objectives

| Today | 2005 |
|---|---|
| Today you can register a company on-line, saving time and money. | People (and businesses) should be able to electronically register anything with central government that they need or are required to (e.g. births, deaths and marriages), at a time that suits them, from wherever they live, or even from overseas. |
| Today employers can send their PAYE schedules to IRD on-line (IRFile). Very soon, people will no longer have to file IR5 tax returns. | People should be able to transact all their dealings with IRD on-line.<br><br>People should be able to transact all similar government related business on-line. They should be able to make all their payments to government on-line, at their own convenience. |
| Today, people can find out about a lot of government information and services through New Zealand Government Online (NZGO), or through agency websites. | By 2005, people should be able to find out a lot more about government through these channels.<br><br>All government forms should be available over the internet. All services suitable for full or partial electronic delivery should be available online.<br><br>NZGO should provide a comprehensive single point of access for government information and services. |
| Today, consultation over government policy is largely episodic. Many people do not have an opportunity to get involved.<br><br>To make better policies, more continuous and broad-based consultation will often be required in the future. The Ministry of Research Science and Technology's Foresight project provides the best current example of this new type of open, ongoing consultation. | By 2005, government should be better able to engage people who are interested in continuous consultation. It should provide a wider range of people with more diverse and frequent opportunities to have their say in the policy-making process. |
| Today, the Health sector is piloting the Health Intranet. | By 2005, the Health Intranet should enable authorised medical professionals anywhere in the country to securely access the definitive record of a person's health information. This should mean that appropriate health care for each individual, based upon accurate and up-to–date records of their previous medical and treatment history, can be provided every time. |
| Today, the Government is getting ready to introduce the necessary laws and policies to enable the use of digital signatures, and electronic security technologies (such as public key technology) for the protection of personal electronic privacy, government held information, and business transactions. | By 2005, the technologies, laws and policies necessary to ensure the security and privacy of information, and of electronic transactions of all kinds, should be in place and in everyday use by government, businesses, and ordinary people who want or need to use them. Government use of these technologies should help ensure that they can be trusted. |
| Today, the Government is developing the Landonline system for managing land survey and title information, and improving related processes. | By 2005 Landonline should enable subscribers to electronically post transactions from their office and receive documentation. This should remove significant overheads caused by delays in settlement of property transactions, reduce the costs of bridging finance and provide cost savings, greater convenience, improved quality and faster turnaround times to clients. |
| Today, when people move they have to manually change their address with lots of different agencies. | By 2005, if people wish it, they should be able to record a change of address or other personal information (such as their name) only once. The change should be automatically made everywhere that the information is being used in government. |

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