

## AFFINITY GROUP WORKSHOP

**Chair: Hans Werner Ksica,**

**Austria**

### **Introduction to the Affinity Groups.**

Affinity group sessions provide an opportunity for information exchanges with other ICA members and for the identification and analysis of significant topics important to all jurisdictions as determined by feedback from National Representatives.

**Hans Werner Ksica, Austria.** I am your Chair for Affinity Group activity. I would like to introduce you to the excellent and experienced experts who will be acting as facilitators of your Affinity Groups. Tomorrow I will also Chair the session when you report back.

I am happy to introduce you to **Affinity Group 1. The subject is ‘Measurement of Metrics’** and your facilitator is Helen McDonald. Helen is an Assistant Secretary in the Office for Government Online and Service Strategy in the Treasury Board of Canada. She is responsible for articulating a multi-channel vision for the delivery of federal government services; a comprehensive strategy for transforming information and transactional services for online delivery by 2005 and for the identification and resolution of related privacy and information management issues. Prior to this she shaped the industry Canada online strategy and set up government mechanisms to guided implementation and also guided the development of privacy legislation for the private sector.

**Affinity Group 2. The ‘Digital Divide’.** The facilitator for this group, at very short notice is Arja Terho from Finland. Arja is a counsellor working for the Ministry of Finance, her responsibilities include information management, information security and IT Contingency Planning. She holds a Master of Science and Engineering degree, her previous positions include IT Manager, Finnish Security Police, telecommunications administration centre, and a shipyard. Welcome Arja.

**Affinity Group 3:** we have been talking about **‘Services to the Citizen’** since 1998 and we still do not have much to show for it. These words came from Frank McDonough, past Chair of ICA and former Deputy Associate Administrator for GSA’s office of Inter-Governmental Solutions on the occasion of the annual management of change conference in Dallas in 1999. Frank got a heavy influenza, just before he left for Tallinn. We all wish him the very best for a return to health. I am happy to introduce Barry West from Washington as your facilitator in this affinity group. Barry is the ICA National Representative for the USA. He is CIO of the National Weather Service, President of the Federation of Government Information Processing Council and Associate Professor for Information Technology at the Graduate School in the University of Maryland. Thank you Barry for taking this job at such short notice..

**Affinity Group 4 is to discuss the ‘Use of Industry as a Service Broker’.** Our facilitator, Shimon Broner from Israel, holds many honors: Computing Engineering at the Tel Aviv University, he became Bachelor of Arts in Economics at the Bar Elen University Israel and a year later, Management Skills Development in IT for CIOs. His profession, of course, is in very broad fields, specialisations include analysing, designing, developing and implementing applications for large organisations using ERD or DFD techniques and integrated case tools. His skills include a number of computer languages, the Internet and PC’s structures. His current post is also a form of a CIO in his government and administration.

Conference will now break up into its Affinity Groups and report back to Conference on its findings tomorrow.

### **Affinity Group Report Back Session**

**Hans Werner Ksica, Austria.** May I first ask the facilitators to come to the stage? To save time I ask facilitators to follow on one after the other if you don’t mind. Question time will follow each presentation. Ladies and gentlemen, I don’t want to waste time with formal introductions, this was done yesterday. May I first ask Helen to give us an overview about your results from Measurement and Metrics?

#### **Measurement and Metrics: Affinity Group 1 Report Back**

**Helen McDonald, Canada.** We had a very good discussion yesterday on measurement and metrics and Robin Fleming from Australia has kindly agreed to report back to us on our key findings.

**Robyn Fleming, Australia.** We had a fairly lively discussion, for our discussion on measurement, and I think that that reflects the stage where many of us are. Some of us are quite well developed and the auditors are on the horizon, and we can see the gleam in their eyes as they start to scope their audit for some of the projects that we’ve been putting in over the last couple of years. And for others of us, we are really looking at a range of new services and how we would shape those, and how we would ensure that there is a return on investment. Accordingly, the group really focused on four key themes: where to focus, what the priority settings were, how we better track the results of those particular exercises, assessing performance against strategic goals, how we measured the outcomes rather than the outputs of some of the projects that we are doing, and how we go about building better business cases.

The room divided into two groups: I think again reflecting some of the experiences that people had. There was one group that were talking about the gut feel that you get when you start to implement these things over time and then there was a bit of a debate about when this kind of gut feel makes sense. How do you know that you are actually heading in the right direction in an environment where the technology is changing so rapidly? I always remember a very wise management consultant used to say to me that you can put your head up but you should only put it up this far, and not this far. Keep your head. When do we need better metrics? When is metrics helpful? When does it become an art form in its own right and be overplayed so that you spend more time measuring than you do doing it. There was another bit of discussion around a middle-ground. Because if you do take a leap of faith and you get it wrong, governments, by their nature, are not good at abandoning some of the projects that they put in place, so you tend to see them through to the end whether they are the right thing to do or not. So there was a bit of discussion about introducing phased or pilot approaches for different projects, and the extent to which we need to develop a culture around value, and the extent to which measurement can cement both good and bad behaviour within an organisation.

When we talked about measurement, again there was a bit of discussion around whether we were measuring return on investment, whether we were applying a more generic cost benefit analysis, and the extent to which we had something that was robust enough to stand up. There was another section of the discussion around how we better capture the productivity gains on some of the things that we are doing, the efficiencies. Whether we are measuring at the end of the day, or whether we are actually measuring the original government service, and how we get the indicators that distinguish between those two things, and how we are clear about what we are measuring. Another part of the discussion focused on the fact that some of the things we are doing are an investment in ICT, and some of them are a cost and we need to make sure that we are clear about when we are measuring for cost efficiencies and when we are measuring for investment, because they are different aspects of measurement.

A further part of the discussion talked about the need to cover the external environments whereas the internal measurements: what do the customers really want? Are we giving them what they want? and I think we touched on this a bit in yesterday afternoon's discussion. Again, people tended to focus on the degree to which when you are anticipating the market; it is very difficult to actually understand whether you are delivering something that people want. Another element was international. International is important, particularly where you may be the only service nationally, such as tax services. However, when we are measuring internationally whilst, I suppose, everyone was doing the same thing: putting services on-line, it was easy to create international benchmarks. Those benchmarks are maybe more difficult in an environment where we are getting more diversity and is looking more like government than just placing things on-line so there was a focus around the services in the countries, rather than the country performances overall. In that context, there was discussion around clusters being useful in that basis, so that you are comparing the like services with like services to get meaningful indicators, and again, just the extent to which there was a culture of measurement, and how able that was for individual agencies. That is a bit of snapshot of people's discussion and if anyone else thinks that I maybe not done justice to their particular point of view they might like to raise that particular point of view?

**Hans Werner Kisca, Austria.** As there are no questions I thank Robin and Helen for your contributions. Now, Arja please, did you divide your group into several digital armies? Digital divide?

#### **The Digital Divide: Affinity Group 2 Report Back**

**Arja Terho, Finland.** Thank you, we had a lively discussion. I was surprised it was so lively, because I thought everything had already been said about digital divide earlier but Kieran Coyle promised to present our views on that.

**Keiran Coyle, Ireland.** Technology is catching up on me. I was reminded very late last night by my Irish colleagues that the job of rapporteur is to report on what actually happened. However, what you will see in my slides is what I heard which is not necessarily what was said. Although we did not formally define the digital divide, I thought it came out in the discussions and it was the divide between those who have the technology, and who have not the technology; the divide between those who can use the technology, and those who cannot use the technology; the divide between those who will use the technology and those who will not use the technology; and, the divide between those who do have the technology and the services, and those who do not and will not ever use it. We talked about barriers and we listed a large number of barriers to the technology. And there was the infrastructure itself: those who have not PC's, those who have not the telecomms infrastructure; those who have not modems, etc. We talked about the cost of using

the technology. Again, cost of PC's, costs of signing onto an ISP, costs of telephone calls, etc. We talked about the complexity and how difficult it is to use the actual devices themselves: the inter-operability, the configuration of them, and the complexity of the actual applications that power the transactions themselves. We mentioned security as a barrier, and we talked about viruses, we talked about hackers, we talked about security of transactions, especially about payments across the internet. We mentioned maintenance, and we talked about, quite often someone may buy the technology but then they have to continue to update, the PC becomes obsolete, there are new releases of software, new releases of virus software, etc, and this becomes a barrier. We talked about education, and it starts with the very basis for the people who can't read or write, and who would be able to use the technology to the people who may or may not be PC literate, and even if you are comparatively PC literate, and literate quite often, particularly government documents and government regulations are very complex, and very difficult to understand, and these are barriers.

We also talked about isolation. We mentioned this particularly about older people who like a certain amount of routine to their lives, people may go to the bank once a week because it gives them a routine and they may go to the local government authority and to do something, because again it gives them a certain amount of routine in their lives. And also it keeps them in contact with others and it was mentioned that people like to be recognised at the local bank, and be referred to by name: it gives them a sense that they still exist and they are still valuable people.

We talked about the quality of the service. Sometimes it is too slow, sometimes it is too unreliable, sometimes the quality of the data is not correct, it is old data. We talked about usability, and again I think we mentioned that earlier on.

We talked about the culture barriers: some people like to work face to face with an individual, they don't like talking to a machine, they don't like dealing with a hole in the wall. Some people just prefer to write rather than to type, and that can be a problem. Some people just don't like change, they have done it in a particular way all their lives and they want to continue to do things in a particular way. We talked about language, and it impacts on a lot of cultures. Now that you may have three, four or five languages in which you have to deal with people, and if you are only providing your services in one or two languages, there is a problem. And again, we talked about age being a barrier. It is universally accepted that young people are very PC literate, whereas you get older and greyer and balder you get less and less computer literate.

So then we talked about how we can reduce or eliminate some of these barriers. First of all, to reduce the cost and there were various initiatives mentioned, like giving grants, aiding the poorer members of society so that they can enable them to buy PC's. We talked about giving free PC's to people, making PC's freely available. We talked about initiatives such as one where the local telecom operator give you, arrange hire purchase of PC's and put it on your phone bill, give you free internet access and then everything is included in your phone bill so you pay over a number of years. We talked about the difficulty in using PC's and providing intermediaries who will help you in local offices who will conduct your e-business for you, show you how to use the applications, or maybe actually transact the business for you. In some cases these are part of the public services and in some cases they are private individuals or in the private sector who are paid per transaction.

We talked about improved education and training, and there are a large number of initiatives there from increased use of PC's in school, not just to teach IT but to teach all subjects using PC's, to classes for the elderly and community centres, and for adult classes around the world. We talked about having more attractive services: making services more attractive starting of with easy

services that people use, services that people need, and it was mentioned that entertainment is often a driving force here, the entertainment industry has pushed ADSL. We talked about how other non-business applications encourage people to start, some people like to be able to communicate with their families who are abroad, and this brings them into the IT world. We talked about the attractiveness of having 24 hour access where people can conduct their services outside of business hours. Then we also talked about providing faster and cheaper service to the individual, lots of administrations provide discounted services if you conduct your business across the internet, you get a discount: this makes it more attractive. Some services by conducting on the internet, you get a much faster turnaround and you may eliminate unnecessary travel. In some cases, you may have to travel long distances to a town and conduct business, and having it on the internet or having the digital version, again, makes it more attractive. In some cases, it was mentioned that email may be more secure than the regular mail or the state mail and this may be an attraction.

As you guys accessed the many facilities being pushed, some areas have malls, some areas have PC's in kiosks and libraries. They have kiosks in government offices, there are digital community centres, some administrations with local post offices now provide digital services, all folk centred. It was suggested that maybe other communities could have IT available as well. For example, in a non IT factory kiosks/PC's could be made available; where individuals don't have PC's they can do their business in stores; army bases, where you have numbers of people with the same sort of social background or work background will be able to transact business electronically, and by being part of a similar group they won't feel so isolated. We also talked about linking services and one of the issues where there are a lot of transactions with central government is done once or twice a year, it was pointed out that when you apply for a passport it maybe once every ten years so you don't get familiar with the actual processes but local services are conducted much more frequently and you start with these, and get people familiar with these and you link those into the central government services.

We talked about matching the services that channel and quite often you can use a sledgehammer to crack and quite often a less sophisticated service would be the more appropriate one. For example, somebody mentioned sending SMS messages out to people to inform them that a service they have applied for is ready to be collected, or whatever. Finally, on the digital divide, we discussed the fact that the government should not be the driver, it should facilitate but it should not be the driver. Channels: we talked about channels when we mentioned a lot of channels and I won't go through them now but the conclusion we came to there is that you cannot replace 100% of human contact. What should happen, or what does happen, is that the human contact changes. Instead of providing the service, you should start by facilitating and then adding value. We agreed the existing channels should remain and we also felt that new channels should be adopted as they become available as a variety of channels. Thank you.

**Hans Werner Kisca, Austria.** Thank you Keiran. Any questions to Keiran?

**Arja Terho, Finland.** We had a lot of discussion on the question as to whether government can or cannot be the driver. I think we decided that the e-Government, not government, cannot be the driver because there is not so much interaction between government and the citizens.

**John Grant, Australia.** It sounds like there is a bit of a divide here, doesn't it? Keiran, I was just wondering whether you had a discussion about whether there really is a digital divide? In fact if you are going to keep a whole bunch of channels and perhaps the ICT on line channel is providing the infrastructure, the consistency, is there really a digital divide?

**Keiran Coyle, Ireland.** Well I think that although we didn't discuss it as a topic my own view is that there is a digital divide but because there are a large number of channels including the human channel you minimise it and if you want to transact business digitally it has acted as a divide.

**Jean-Jacques Didisheim, Switzerland.** I was not in this group when you concentrated your discussion about the digital divide within one country. Most of you might be aware that Switzerland will host in December world summits on the information society organised by the UN and we expect there that digital divide will be a big topic of discussion but not for much in this sense but of course in the sense of a divide between North and South or between the third world and the first world so this is just a remark that actually under the heading Digital Divide this aspect is also very important and we expect actually a very difficult summit because many people say, maybe rightly so, that some countries will actually not be interested in discussing about the information society as long as they have to fight for food and water and health services.

**Michael Lin, Taiwan.** I have an idea about the digital centres you just mentioned that we had problems with a project about digital centres in one of our areas. Four years ago we established about 170 points for those digital centres but after two years problems included the sustainability programme; lack of the support of the local community and lack of a sustainable budget from the Government. So it was quite an issue. How to make a digital centre sustainable is really a big issue and we cannot depend upon any commercial operation just like a BOT model supported by the private sector or NGO so building a digital centre is quite difficult so we have these kind of painful experiences. So this issue of whether the government should be or should not be the driver for digital divide depends upon the type of area the centre is intended. My point is that for some areas I think Government should be the driver. Thank you.

**Marty Wagner, United States.** In the United States the digital divide really seems to be an argument about haves and have-nots with one side thinking that the Government should intervene and do something and another side saying its all going to work out anyway as technology spreads out the market will solve the problem so its really an argument about what to do about those who have it more or not and whether some think the Government should intervene and some do not.

**John Riddle, Canada.** In a way it relates to that last comment I was going to ask the panel since we were talking about measurement a minute ago and you are talking about digital divide one would ask the question are there any objective measures, or did your panel discuss any objective measures to see whether this gap is widening or in fact closing and if so what kind of measures?

**Arja Terho, Finland.** I had some statistics of the gap in Finland and it was slowly closing but there still is a huge gap

**Benny Raab, Israel.** In bridging the divide we are experimenting with some small towns where bridging the gap has shown that within a few years by using computers in schools, community centres and all that for example in one Arab and Jewish town of 25,000 people, children passing what you call in England A Level or matriculation in the United States rose from 28% to 62% of the high school; that's one measurement. In another town we have Ethiopians who arrive and do not know how to read and write; within two years most of the elder generation has learned how to read and write because they were taught on the community centre computers. So we have these measurements and I think the only way to do that is to compare it within smaller areas. Another thing I think at least from attending e-Gov in Washington that quite a few states in the USA have tried to bridge the gap within the state and county.

**Hans Werner Ksica, Austria.** I will now invite Arja to sum up; are we building e-Government for the better part of society and what do you say we will do for the others?

**Arja Terho, Finland.** Thank you, I think Kieran answered it in our slides that the multi-channel view is the best we can have to close the gap and also by training and educating people but I think one of the people in our group said that there will always be a certain amount of people who will not want to use the internet for one reason or another and he called them losers. As for the question about Governments giving out TVs there has been an initiative in Finland that when you have those digital boxes that you are supposed to receive digital TV, our Government gives them out for free but its not been successful.

**Hans Werner Ksica, Austria.** Thank you Kieran and Arja for your contributions.

Information Management, Information Technology, Business Processes; Barry you had the biggest number of participants in your group. How could you bring them all under one head; did you?

### **Services to the Citizen: Affinity Group 3 Report Back**

**Barry West, USA.** Yes, we had a great lively discussion over the 2.5 hour period. Notice in the title here not everything is important. I think John Riddle actually phrased that in our group meaning we have got so much data and information that is out there. What is really important and that's key as we went through our process during this discussion How we use information to make better decisions and provide better information came out of our group discussion, how we create, assemble, store, retrieve and present the information and we had a lot of talk about document management systems and how they have moved along over the years, where they have now matured into enterprise content management systems and records management systems and as opposed to knowledge management the human interpretation of information where we have taken data and information even to the next step where we have knowledge systems that provide important information and there have been many case studies on knowledge management that have proved successful especially in the medical field its proven very successful.

IM definition that was one of the first things we talked about. What does it really mean and we got some different views on this. We start with data in its primitive form so data plus context equals information and context seems to be a new term now that we are hearing more and more. Information plus skill or the capability equals knowledge. Context of the data is important but should not be confused with content so think of context is to content as views are to databases. Some of our discussion items centred around records and registries versus documents, structured versus unstructured data and when can you share and bring date together when is the important time to do that and make the most useful information out of it. Some of the key barriers that we talked about, some of these similar to some of the other discussions this morning, some of the similar barriers are security, privacy, legal, lack of common business roles and common definitions so even if we were able to share information such as a national address registry we may run into legal barriers that would prevent us from doing that along the way.

Some of the key information management issues; how do we move the information management agenda forward even when a variety of activities have demonstrated a need to do more and can we ever get to a stage where we can foresee and prepare for eventuality or where we will always say that we should have known in hindsight. This got us into some of the issues of such as 9/11 in America or the SARs case. Maybe if we had the information ahead of time we could have prevented some of these disasters from happening. Which led into the scenario base planning, as been used in one country to demonstrate legislative gaps. In an actual experience managing a

crises has demonstrated that the legislation supported IM activities in another area. Then we got off topic a little bit, but it related.

Discussions moved to the national registers and the challenges faced by governments in harmonising their information. Also, it is felt that those nations that have a national ID system have a leg-up on those without. It was mentioned that four hundred years of history is hard to duplicate, I think it was Sweden that mentioned about their national ID card and the success that they have had. There is a feeling that globalisation may put pressure on governments to implement the national registers. When we concluded, information management continues to be a challenge in governments: be it in capturing the attention of the decision makers or in its practical implementation. Informational management must deal with the culture and may require a change in culture. Information management will change the business process as we move forward. I thought it was interesting – I was on our federal government website this week, and I noticed that we are seeing a paradigm shift between chief knowledge officers which we have seen three, four, five years ago, we are moving away from those, and now we are seeing directors of information management. I found it interesting that the job description of the director of information management which was a senior executive service position comparable to a CIO, listed a lot of the topic areas that we talked about in our discussion. The duties of the job related to data information knowledge, and records management, information technology, implementation of information management procedures, and in dealing with policy guidance and direction for enterprise systems management, messaging, discovery mediation collaboration, user assistance, security, storage and application support services required to implement the global information grid.

Do any of my colleagues want to add anything from our discussion that we had?  
Any questions?

**Nachman Oron, Israel.** Are you saying there is the information management and knowledge management are becoming one entity?

**Barry West, USA.** Yes.

**Benny Raab, Israel.** Just one question. What do you mean by ‘...may require change in culture’. Can you change the culture of a country or do you mean something else in the change in the culture?

**John Weigelt, Canada.** I think the discussion focused around change in organisational cultures, changing the way you do business, changing the thought that information belongs to your organisation only; if we look at the security agenda, policing agency, sharing information with the non-policing agencies. It could be a similar case with taxation and social services: sharing information. So changing organisational culture to say that it is acceptable to work together.

**Olav Ostberg, Sweden.** Did you discuss the ownership of information if information that the citizen has provided, if that citizen owns that information or if it is the government that owns it?

**Barry West, USA.** We did not really talk a lot about the ownership piece but that is an important bit of information, yes. We did not talk about that.

**Helen McDonald, Canada.** Just wondering on the challenge to get decision makers’ attention. Was anyone successful in doing that outside of having some major catastrophe perhaps that would point attention towards that we were not valuing information as an asset or information

measurement practices were insufficient? Was there anyone who managed to put it in terms that were appealing to politicians?

**John Weigelt, Canada.** I think that a lot of the discussion focused around how there were responses to crises so there were a number of audits that revealed that information management needed to be done better, response to crises that said it had to be done better, and yet nothing was still being done. I don't think we heard of anybody that had a positive response as a result of a crisis or as a result of somebody saying you need to do more for information management. There was an interesting case for Singapore when they responded to the crisis and they found that their information management practices and their legislation was actually useful, and helped them, so they had a process – it actually worked to allow them to share the information but other than that I don't think we heard from anybody that said yes as a result of activity X we were able to receive more funding or implement a programme.

**Dave Molchaney, USA.** I think the one thing that you said was pretty interesting about the job description for information manager directors in the U.S. government, because when you actually look at when I talked about what my role is, it is really that for the county as CIO, I actually focus on the information point, not technology. The technology people, my CTO and her staff, take direction from me but the global idea about how information flows, is used, is protected, etc is really my responsibility. I think that is a change, with the technology people really taking a direction from someone that is responsible for information.

**Barry West, USA.** That is a good point – it could be a change in the actual CIO title as well.

**Hans Werner Kisca, Austria.** Are there any more questions? Thank you Benny and John.

We have the last, the fourth group on the Use of Industry as a Service Broker. Shimon: would your group move to an initiative of using the private enterprise site as a service broker immediately, tomorrow or when?

#### **Use of Industry as a Service Broker: Affinity Group 4 Report Back**

**Shimon Broner, Israel.** I will tell you. The reason I am showing the subject of the Affinity Group first is because really our discussions have started with the finding what is the meaning of the subject? We had a discussion on what we mean by saying private service broker, and after understanding and agreeing on the name of the Affinity Group the discussions got started. I think I would like to take this opportunity to thank all the participants in the Infinity group, especially to Diane who helped us to summarise all the agreed points in the earlier discussions.

After agreeing of the subject, we started to define what is private broker out of agreement means? We come to four points of definitions. First of all, we are talking about contractual obligations between public organisations and the supplier. The scope of the contractual obligation can be one, we mean overall system operation, it can be partial in-source, and out-sourcing. The service can be provided to both government and citizens, and the last point is that accountability resides within government, which was a very important point. After defining what we are discussing, we tried to search for the kind of modules in order to make out-sourcing sound good. We agreed about three main models. Of course, we find some more models but they are examples of the others already there. On those three models, we all agreed as a group. The first model we are talking about out-sourcing between the government and the service provider, which means that there is a SLA -service level agreement between the government, the service provider and of course movement is from the government to the provider.

The second model we were discussing the model that we are partners between government, the broker and the client. The client is the citizen. In that model, there is a service level agreement between the government and the broker, but the money for the broker comes from the client. That means that the client pays to the broker for the services he gets. Of course, this needs clarifying in the SLA agreement which we will talk about later.

The third model we agreed on is also government, broker and client, but here the client gets his services from the broker without charging any money, and the broker moves the dollars to the government, except in some cases where the broker provides the citizen or the client with some more services, from them he collects the money. Now, after clarifying the three models of the out-sourcing, we tried to look for the key ingredients which compose all the three models. At the beginning, what is common to all the three models we are talking about dollars which payment to the broker and, of course, accountability which comes in all the three models. We were discussing the models in two separate ways: one when he sells operational, which means he sells the back office. That means I give him all the services or system to operate and the agreement is between the government and the broker. Secondly, when the private broker deals with the programme which means the front office. That's the face to the citizen. In both operations, we find different ingredients. In the first one, we are talking about reliability, we are talking reduction of costs to the government and, of course, we are talking about risk management. While, on the other side, on the connection between the private broker and the citizen, we are talking about visibility, relevance, we are talking about trust: the citizen or the client must trust the system, must trust what he gets – the service – from the government. We are talking about public interest or public goods. Tolerance, and we must keep at arms length, which means that the government is still keeping an eye, is still controlling, what is happening with the citizen.

The next subject we were discussing concerning out-sourcing was the advantages and disadvantages on both operational and front office issues. We find advantages by going to out-sourcing in the operational field; first of all, expertise. Systems will work better, that improves our service to the citizen. We are talking about certainty, rationalisation, efficiencies and potential cost effectiveness. What we mean by potential cost effectiveness is by moving some systems to the private broker, we get the same before, and that the service will cost us less so we have some extra money to put in core systems; systems that we know how to do. On the other hand, disadvantages: we have gained lots of institutional knowledge by giving systems to the private broker. One of the critical things is losing information and service definition means loss of control, and loss of flexibility, just one of the issues that can happen while giving certain services to a private broker.

If we are looking at the front office – that means the connection between the private broker and the client, we can see there are advantages. A rationalisation of presence, what we are talking of is 'storefront', brand trust, integration, market forces and membership are signs that by working in a partnership with a broker, both sides gain money. The disadvantages are political, sustainability. In order to work with all kinds of models for out-sourcing, the service level agreement must be made in all kinds of the models. The service level agreement defines who must do what, how, and when. But exceptionally, because of the models, we found out we have initial points concerning government, concerning the supplier and concerning the citizen. On the government side, a successful accomplishment of the SLA agreement, must take care of accountability; financial control must be brought up in the service agreement.; terms and conditions needed to control operations.

On the supplier side, we must take care that delivery will be part of the agreement.

Billing is crucial; sometimes too many requests at the same time. By giving the service to some employers we create a competitive environment which will make the service less expensive. Of course, it must be profitable otherwise the supplier or the private broker will not agree to work with the government. And on the citizen side, we are talking about the subject itself, what the citizen should get from the government; what service; the citizen's must know their rights; their obligations and of course, entitlements.

**Hans Werner Ksica, Austria.** Thank you Shimon.

**Olav Ostberg, Sweden.** I don't think we agreed on the disadvantages, politics with two exclamation marks. I think it was two question marks, but really to have politics as a disadvantage, it was too cryptic just to say politics, we have to explain what we meant by that.

**Shimon Broner, Israel.** I agree with you, what has happened is because we were representing some different countries where the structure of the government is different; we were discussing some various points of how to implement the outsourcing. And of course, its affects on the citizen, the end user of the client.

**Diane Fulford, Canada.** Olav maybe I can add something? I think our discussion was more around, what are the lenses that you should be aware of in making decisions to outsource and in that particular case it was to outsource a front end programme, an interface programme between government and client, and we were saying that part of delicate issues that you are going to have to face are those about loss of visibility of your government. If you have third party entity delivering a government program, you have to accept the fact that there maybe a loss of visibility for your government. There may be also a loss of relevancy from your citizens to your government, the other around. So that the issues become political. I mean your political masters have to be aware of the upsides and the downsides of doing this. I think the issue that was raised from some of our colleagues, were around the kind of very short political windows, that we all work under. So as we know e-Government is sort of a long term programme we have to sustain over many political mandates and how do you keep that fresh and sustainable over what happens to be for most countries, a rather short political window.

**Luis Vidigal, Portugal.** Yes. I put that question in my group. The question is that no government wins an election saying that. So sometimes in the short term, because we have to manage short life political cycles; sometimes we have to push. Many governments do it and I think that in my country sometimes, it happens, push those kind of service to brokers. Because you can do in that period, because frankly perhaps they don't believe in public administration so they prefer believe on private sector. So it is something that it is more political oriented than service oriented and the question of sustainability, is really very important because when the political life cycle finish we have the same problem and you don't change really the public administration you move to private sector to solve the problem, but you don't solve the problem inside public administration from the structure point of view. That's why I put this question.

**Hans Werner Ksica, Austria.** I have only one question to you. You had in one slide that the service broker is paying for all and the client pays nothing. How do the service brokers get the money.

**Shimon Broner, Israel.** Now what you are talking about is a case that the government service is given free to the citizens by the broker, but when the citizen comes to get the service, he uses other services that are paid for.

**Marty Wagner, USA.** A comment from the US experience. These decisions need to be made strategically not based on simple-minded calculations of costs. You also need to be careful about making one way bets. So you outsource it. You as a political matter at least in the United States, cannot bring it back in. So you have to be very careful that way. And more a comment on the slide about loss of control. You can actually design these programs to have more control and not less than you would in a bureaucracy. It is a case of designing the incentives properly. Thank you.

**Hans Werner Kisca, Austria.** Thank you Shimon and all contributors. I think you all will agree that we had top value Affinity Group Discussions and remarkable conclusions. Thank you to all participants for your contributions and questions.

# AFFINITY GROUP ONE

- Applying Measurement/Metrics
- Where to Focus/Setting Priorities
- Tracking Results
- Assessing Performance Against Strategic Goals (Outcomes not Outputs)
- Building Better Business Cases

# Measurement

- Strategic Focus
- Gut Feel/Leap of Faith
- -when does this make sense
- Do we need better metrics
- -an art form in its own right
- Middle Ground
- - phased pilots

# Measurement

- How do we translate real benefits
- - ROI/ Cost Benefit Analysis
- How do we better capture productivity
- Are we measuring e-government or government
- Is it a cost or an investment

# Measurement

- Need to cover external as well as internal
- - measure demand for new services
- International important
- - often only measure -tax
- - need to focus on services not countries
- - clusters may be useful
- culture is important

# **The Digital Divide**

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- Facilitator: Arja Terho, Finland
- Rapporteur: Kieran Coyle, Ireland

# The Digital Divide

## Those who

- Have v Have Not
- Can v Can Not
- Will v Will Not
- Do v Don't

# The Digital Divide

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## Barriers (1)

- Infrastructure
- Cost
- Complexity
- Security
- Maintenance
- Education

# **The Digital Divide**

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## **Barriers (2)**

- Isolation
- Quality of Service
- Usability
- Cultural
- Language
- Age

# **The Digital Divide**

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## **Eliminators (1)**

- Reduce Cost
- Provide Intermediaries
- Improved Education & Training
- Attractive services
- Faster & Cheaper

# **The Digital Divide**

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## **Eliminators (2)**

- Digital Centres
- Link Services Together
- Match Service to Channel
- The Government should not be the Driver

# The Digital Divide

## Channels

- Can't replace 100% human contact
- Existing Channels should remain
- New ones should be adopted as they become available