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# Government Reform as a Key to Success for e- Government

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Hirozaku Okumura

Visiting Professor

Graduate School of Public Policy

The University of Tokyo

# ICT & Public Sector Reform



- E- government is *not a panacea*. Although it can facilitate change and create new, more efficient administrative processes, e- government will not solve all problems of corruption and inefficiency, nor will it overcome all barriers to civic engagement.

[http:// www.infodev.org/ section/ programs/ mainstreaming\\_ icts/ egov](http://www.infodev.org/section/programs/mainstreaming_icts/egov)

# ICT & Public Sector Reform



- Moreover, e- government does not happen just because a government buys more computers and puts up a website. While online service delivery can be more efficient and less costly than other channels, cost savings and service improvements are not automatic. ***E- government is a process that requires planning, sustained dedication of resources and political will***

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# What is e- government?

- G2C, G2B, G2G, IEE
- Politicians2Constituency, Electric Vote
- Juridical process
  
- Every public activities by government using ICT are e- government!!

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# What is motivation to e- government?

- Citizen- centered, customer- oriented?
- Internal EE improvement?
- Market leader of advanced technology?
- Catch- up / follow advanced governments?
  - Very important
  - Lots of political rhetoric!!!
  - But who cares seriously?

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# **World E- Government Status in 2005**

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**UN Global E- government Readiness  
Report 2005**

# *Gbbal E- government Readiness Index*

Regions	2005	2004	2003	2005- 2003
North America	0.8744	0.8751	0.867	0.0074
Europe	0.6012	0.5866	0.558	0.0432
South & Eastern Asia	0.4922	0.4603	0.437	0.0552
South & Central America	0.4643	0.4558	0.442	0.0223
Western Asia	0.4384	0.4093	0.41	0.0284
Caribbean	0.4282	0.4106	0.401	0.0272
South & Central Asia	0.3448	0.3213	0.292	0.0528
Oceania	0.2888	0.3006	0.351	- 0.0622
Africa	0.2642	0.2528	0.246	0.0182
World Average	0.4267	0.413	0.402	0.0247

**Red: over World Average Increase**

# Readiness Index top 10

2005			2003		Change : 2005- 2003	
Country	Index		Country	Index	Index	Ranking
1 United States	0.9062		1 United States	0.927	- 0.0208	0
2 Denmark	0.9058		2 Sweden	0.84	0.0858	2
3 Sweden	0.8983		3 Australia	0.831	0.0583	- 1
4 United Kingdom	0.8777		4 Denmark	0.82	0.0637	1
<b>5 Republic of Korea</b>	<b>0.8727</b>		5 United Kingdom	0.814	<b>0.1357</b>	<b>8</b>
6 Australia	0.8679		6 Canada	0.806	0.0369	- 3
<b>7 Singapore</b>	<b>0.8503</b>		7 Norway	0.778	<b>0.1043</b>	<b>5</b>
8 Canada	0.8425		8 Switzerland	0.764	0.0365	- 2
9 Finland	0.8231		9 Germany	0.762	0.0621	1
10 Norway	0.8228	10 Finland	0.761	0.0448	- 3	
Average	0.86673	Average	0.8103	0.05648		
World average	0.4267	World average	0.4024	0.0243		

# Readiness Index top 11- 20

2005			2003			Change : 2005- 2003	
Country	Index		Country	Index	Index	Ranking	
11	Germany	0.805	11	Netherlands	0.746	0.043	- 2
12	Netherlands	0.8021	12	Singapore	0.746	0.0561	- 1
13	New Zealand	0.7987	13	Republic of Korea	0.737	0.0807	1
14	Japan	0.7801	14	New Zealand	0.718	0.0871	4
15	Iceland	0.7794	15	Iceland	0.702	0.0774	0
16	Austria	0.7602	16	Estonia	0.697	0.0842	5
17	Switzerland	0.7548	17	Ireland	0.697	- 0.0092	- 9
18	Belgium	0.7381	18	Japan	0.693	0.0681	5
19	Estonia	0.7347	19	France	0.69	0.0377	- 3
20	Ireland	0.7251	20	Italy	0.685	0.0281	- 3
	Average	0.76782		Average	0.7111	0.0567	
	World average	0.4267		World average	0.4024	0.0243	

# Web measure index :

## A component of Readiness Index

Country	Top 10 in 2005		Top 10 in 2003	
	Index	Rank	Index	Rank
USA (Benchmark)	1	1	1	1
United Kingdom	0.9962	2	0.777	5
Singapore	0.9962	2	0.703	8
Republic of Korea	0.9769	4	0.607	18
Denmark	0.9731	5	0.694	9
Chile	0.9115	6	0.838	2
Australia	0.9038	7	0.812	3
Canada	0.8923	8	0.764	6
Sweden	0.8654	9	0.683	10
Germany	0.8423	10	0.683	10
Average	0.93577		0.7561	

# Web measure index :

## A component of Readiness Index

Country	Top 11- 20 in 2005		Top 11- 20 in 2003	
	Index	Rank	Index	Rank
Finland	0.8269	11	0.603	19
Mexico	0.8192	12	0.808	4
Japan	0.8154	13	0.524	30
New Zealand	0.8038	14	0.552	25
Norway	0.7962	15	0.581	20
Malta	0.7923	16	0.568	23
Brazil	0.7500	17	0.576	21
Austria	0.7423	18	0.476	36
Philippines	0.7423	18	0.747	7
Netherlands	0.7346	20	0.539	27
Average	0.7823		0.5974	

# *Readiness Index Increase*

## *Top 10*

*They are all developing countries*

2005- 2003	Region	Country	2005 World Ranking	2005 Index	Change 2005- 2003 Index	2003 Ranking
1	S&E Asia	Timor- Leste	144	0.2512	0.1642	25
2	S&C America	Venezuela	55	0.5161	0.1521	38
3	Africa	Egypt	99	0.3793	0.1413	41
4	Europe	Hungary	27	0.6536	0.1376	17
5	S&C Asia	Bhutan	130	0.2941	0.1371	31
6	Europe	Belarus	51	0.5318	0.1348	30
7	S&E Asia	Republic of Korea	5	0.8727	0.1287	8
8	S&C Asia	Kyrgyzstan	76	0.4417	0.1147	34
9	W Asia	Cyprus	38	0.5872	0.1132	13
10	S&E Asia	Thailand	46	0.5518	0.1058	12

# *East & South Asia Readiness top10*

Ranking in Asia	Country	Index 2005	Global ranking in 2005	Global ranking in 2003	Change 2005- 2003	
					Index	Ranking
1	<i>Republic of Korea</i>	<i>0.8727</i>	<i>5</i>	<i>13</i>	<i>0.1287</i>	<i>8</i>
2	<i>Singapore</i>	<i>0.8503</i>	<i>7</i>	<i>12</i>	<i>0.1043</i>	<i>5</i>
3	<i>Japan</i>	<i>0.7801</i>	<i>14</i>	<i>18</i>	<i>0.0871</i>	<i>4</i>
4	Philippines	0.5721	41	33	- 0.0019	- 8
5	<i>Malaysia</i>	<i>0.5706</i>	<i>43</i>	<i>43</i>	<i>0.0466</i>	<i>0</i>
6	<i>Thailand</i>	<i>0.5518</i>	<i>46</i>	<i>56</i>	<i>0.1058</i>	<i>10</i>
7	<i>China</i>	<i>0.5078</i>	<i>57</i>	<i>74</i>	<i>0.0918</i>	<i>17</i>
8	Brunei Darussalam	0.4475	73	55	- 0.0115	- 18
9	Maldives	0.4321	77	79	0.0221	2
10	<i>India</i>	<i>0.4001</i>	<i>87</i>	<i>87</i>	<i>0.0271</i>	<i>0</i>
<b>World Average</b>		<b>0.4267</b>			<b>0.0243</b>	

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# Prerequisites of E- Government

- 1. Human Capital
  - Literacy
  - Skill to use technology
- 2. Network Infrastructure
- 3. Management skill
  - IS governance
  - Total management of Human, financial and information resources to serve citizen

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# Case of Japanese E- Government Initiative

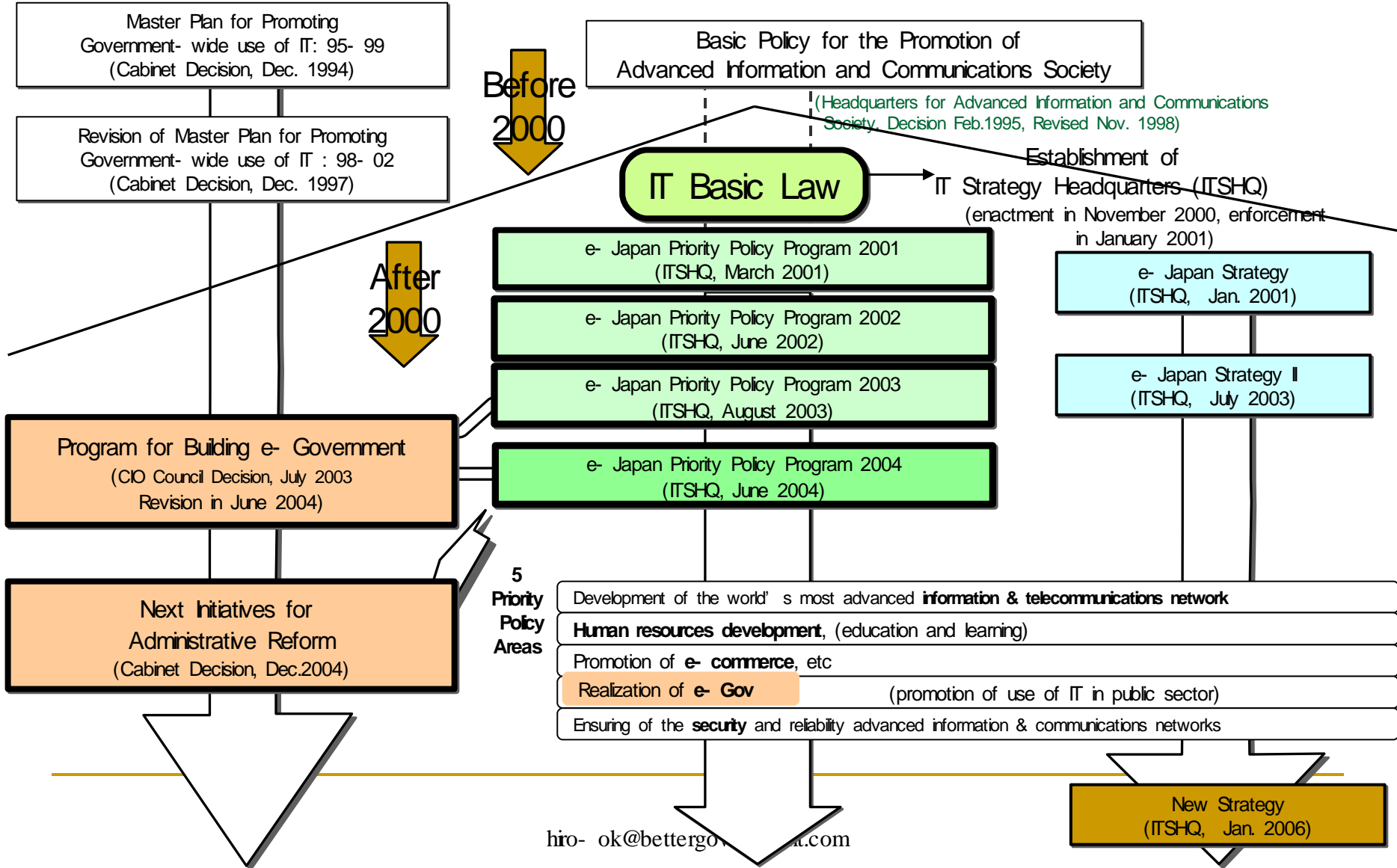
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# E- Government Policies in Japan

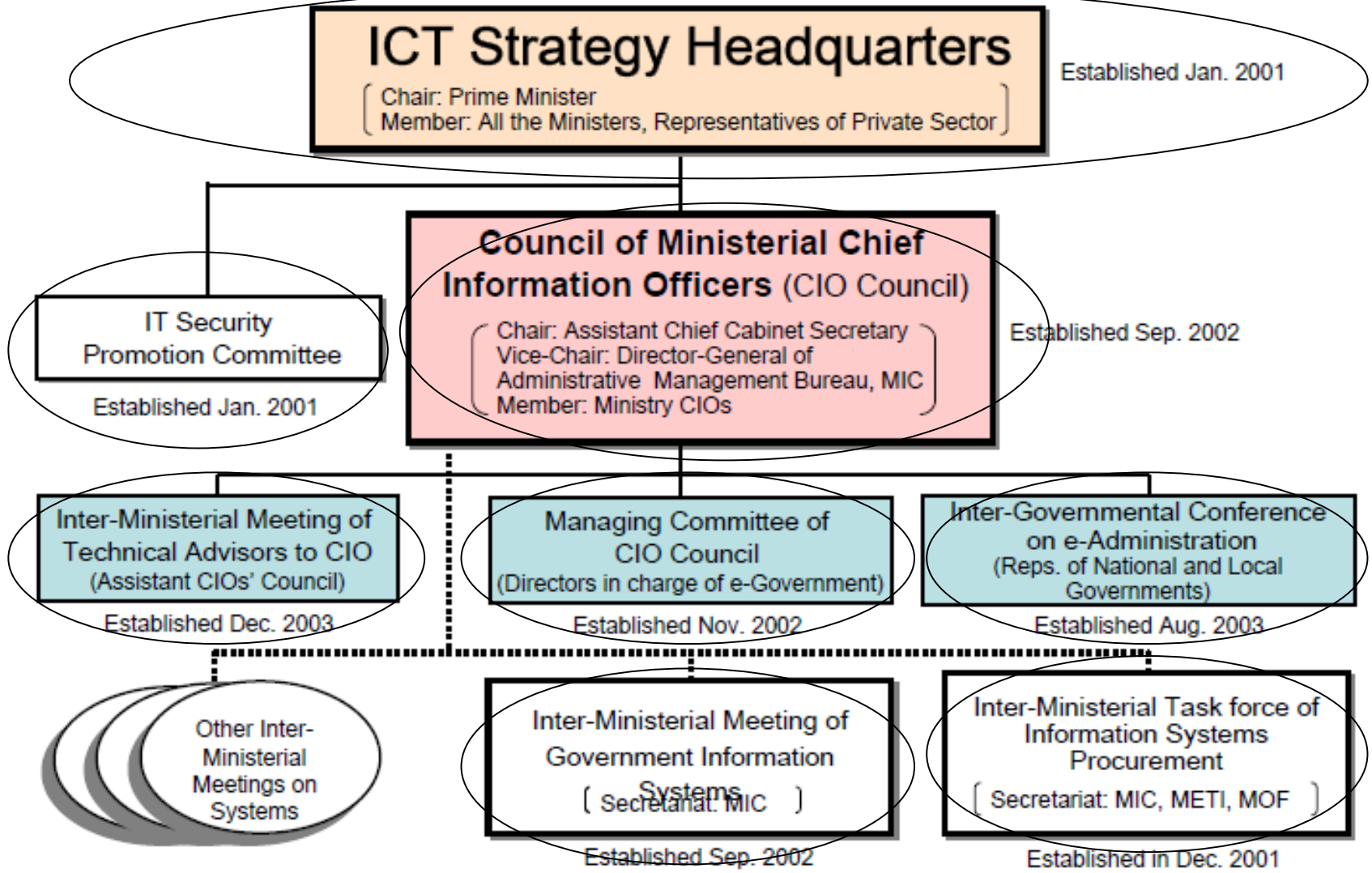
source: Japanese Government revised by Okumura

[Adm. Reform through Use of IT]

[Promoting Use of IT in the Society]



# Apparatus for Promoting e-Government



Source : Ministry of Internal Affairs  
& Communication 2006

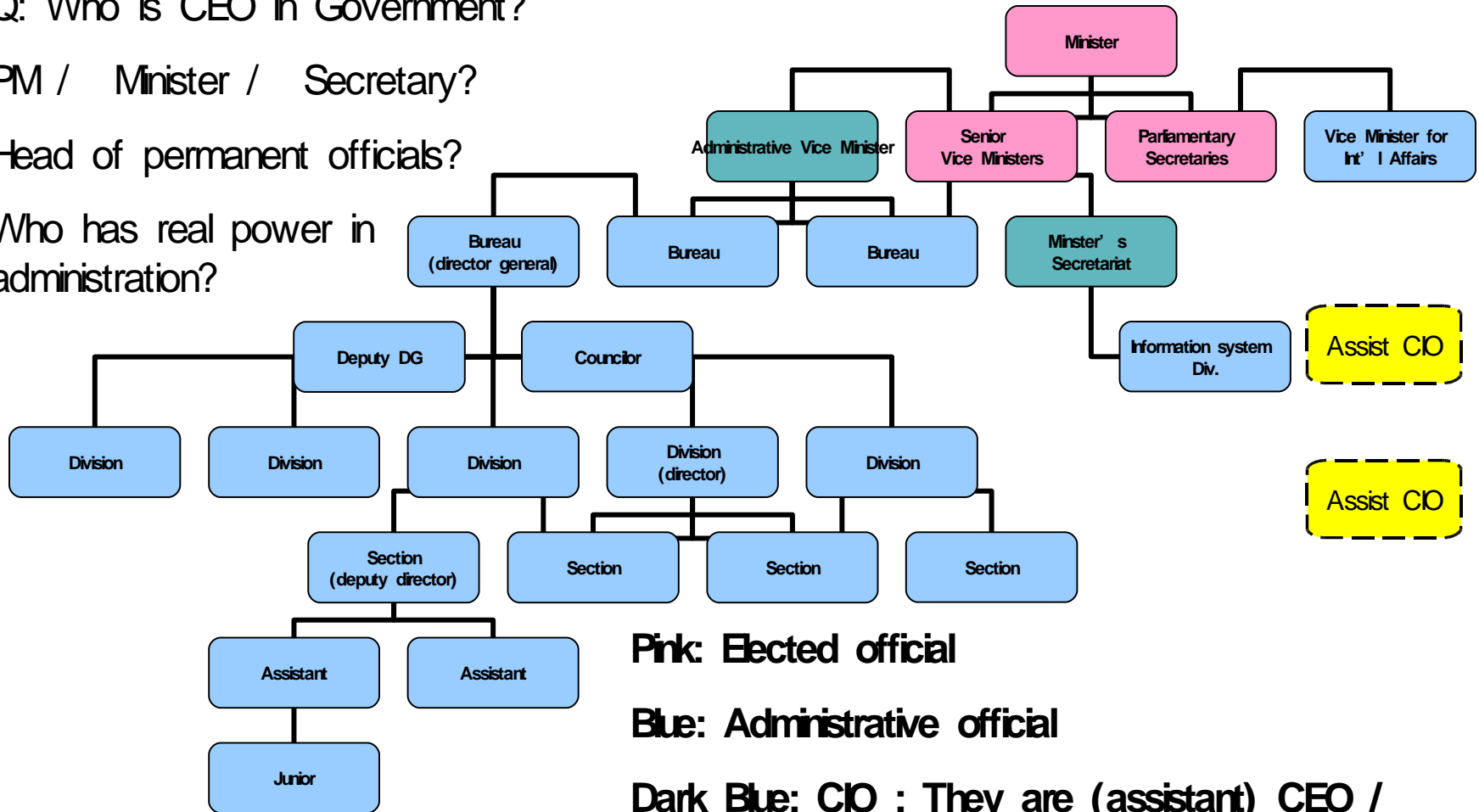
# Government's hierarchy in Japan

Q: Who is CEO in Government?

PM / Minister / Secretary?

Head of permanent officials?

Who has real power in administration?



**Pink: Elected official**

**Blue: Administrative official**

**Dark Blue: CIO : They are (assistant) CEO / have not IT expertise**

**Yellow: Assistant CIO (from private sector)**

# Japanese Government CIO

## It's uniqueness

- Agency CIO  $\neq$  real CIO in general
  - They are (assistant) CEO
  - They have potential power to change management
  - But, they don't care about IS, except to the extent of budget cost. And, usually don't have knowledge about ICT.

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# Japanese Government Assistant CIO : Useful staffing

- To Cover the weakness of CIO
  - They have technical expertise
  - But, they have frustrations of weak IT management and less linkage of IT and general management in the Government

# “ Program for Building e- Government” (Outline)

( Decision by Government “ CD Council” Jul 2003/ revised Jun. 2004 )  
Program period: from FY2003 to FY2005, subject to annual review. )

- Goals: 1 Provide “ User- oriented Administrative Services”**
- 2 Realize “ simplified Public Administration with High Budget**

**Efficiency”**

## **Basic Principles of Initiatives**

### **Provide better services to the public**

Provide the public with information they need with easy access for 24 hours a day, 7 week & 365days.

Provide secure one- stop administrative services through a single website on the Internet.

### ***Renovate business process and system***

Make a zero- base review on business processes/ systems to make them more rational and efficient by:

- introducing unified systems for back- office operations, - outsourcing various operations of

### **Improve infrastructure for building e- Government**

Strengthen infrastructure for e- Government, e.g.: *staffing “ assistant CDs” (technical advisors appointed from outside the Government)* and fortifying measures of security and legal system of protecting personal information.

## **Programs by Individual Ministries**

Specified Actions and Initiatives that individual Ministries shall take in line with the "Basic Principles" above.

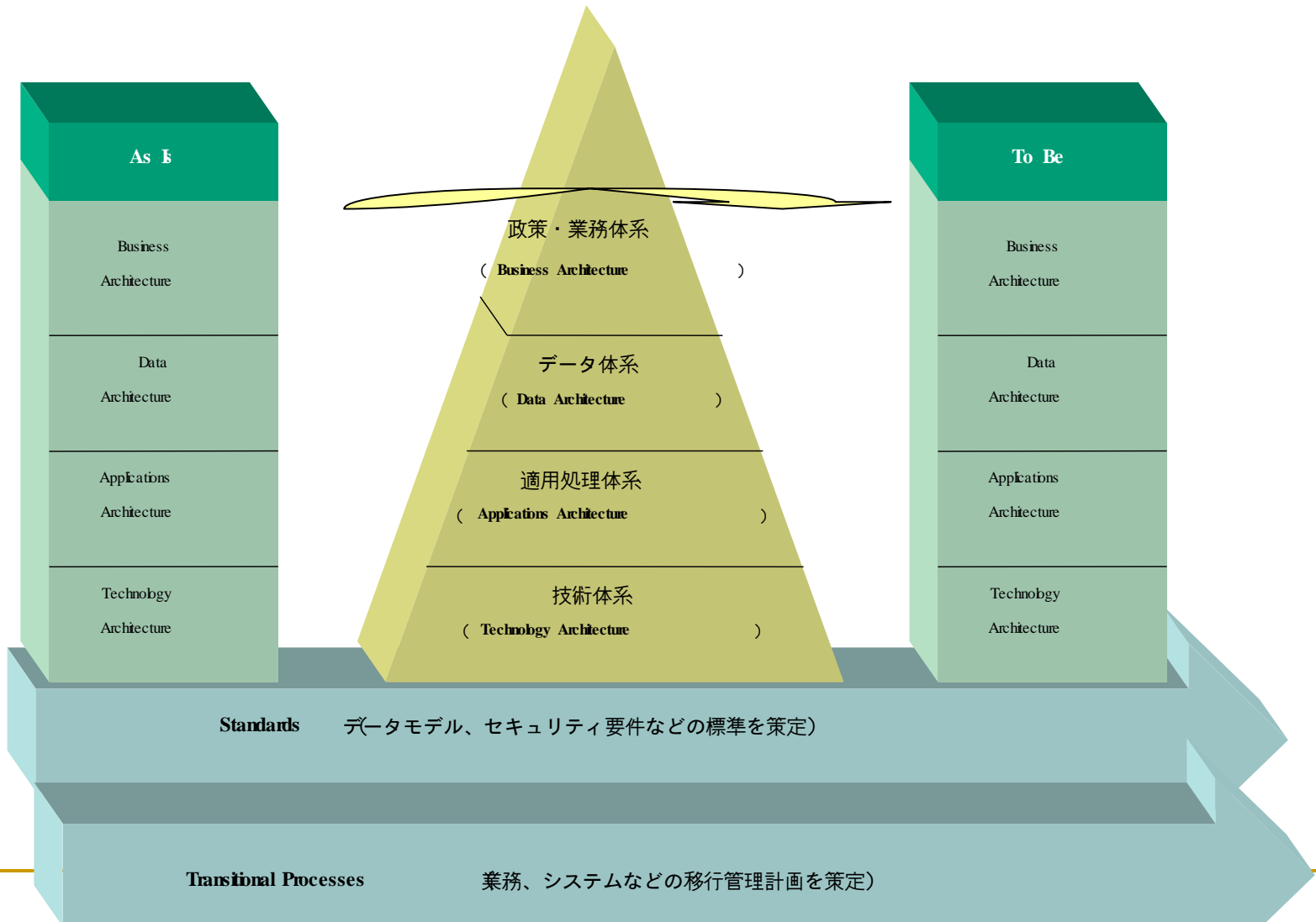
# Initiatives for “Renovating Business Processes and Systems”

- ◆ Develop *Optimization Plan* : Optimize 83 nominated areas of business operations (23 cross-agency common operations and 60 individual agency systems)
  - (1) Decide “GuideLine for Review” respectively to clarify the whole picture of renovation (by Jun. 2005 at latest).
  - (2) Decide “Optimization Plan (OP)” s to optimize business process and system (as soon as possible by *Mar. 2006*).
  - (3) ~~Implement optimization plan accordingly (after Mar. 2006).~~
- ◆ Quantify estimated *Effects of Reducing Processing Time and Costs*”
- ◆ *Buil government- wile* unified “Common Operations” *systems*  
⇒Scrap overlapping investments in building systems for efficient budget spending.
- ◆ Significantly cut costs and streamline operations of “Legacy (old) Systems” by:
  - (1) Clarifying “Investment Effectiveness” by complete renewal of systems,
  - (2) Transition to “Open Systems” ,
  - (3) Re- examining Contracts for Data Communication Services, and
  - (4) Shifting from Negotiated Contract to “Competitive Bidding” .

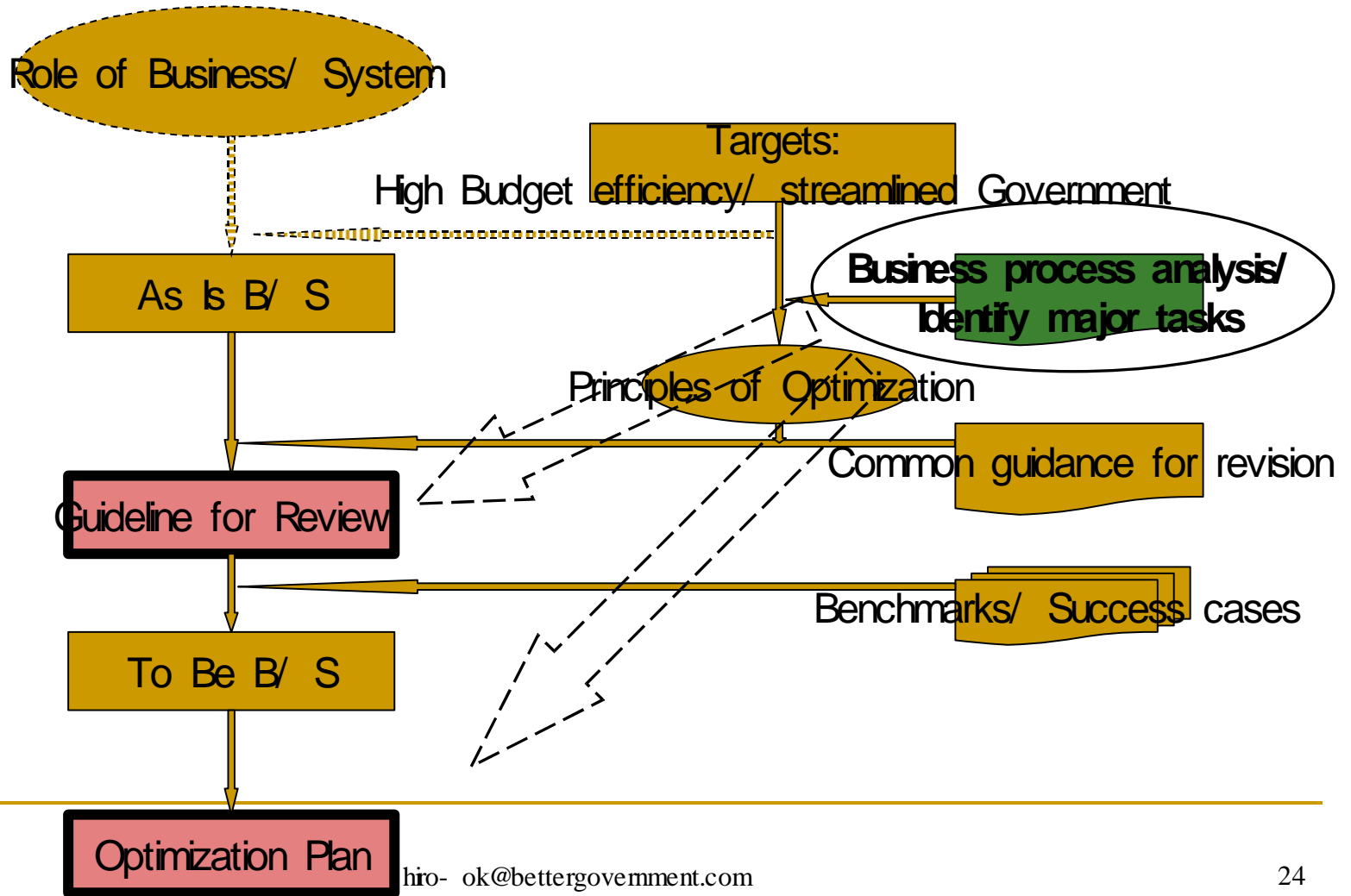


**Promote simple, efficient and rational administrative operations  
strategically and consistently to ensure overall optimization.**

# Business/ System Optimization Plan



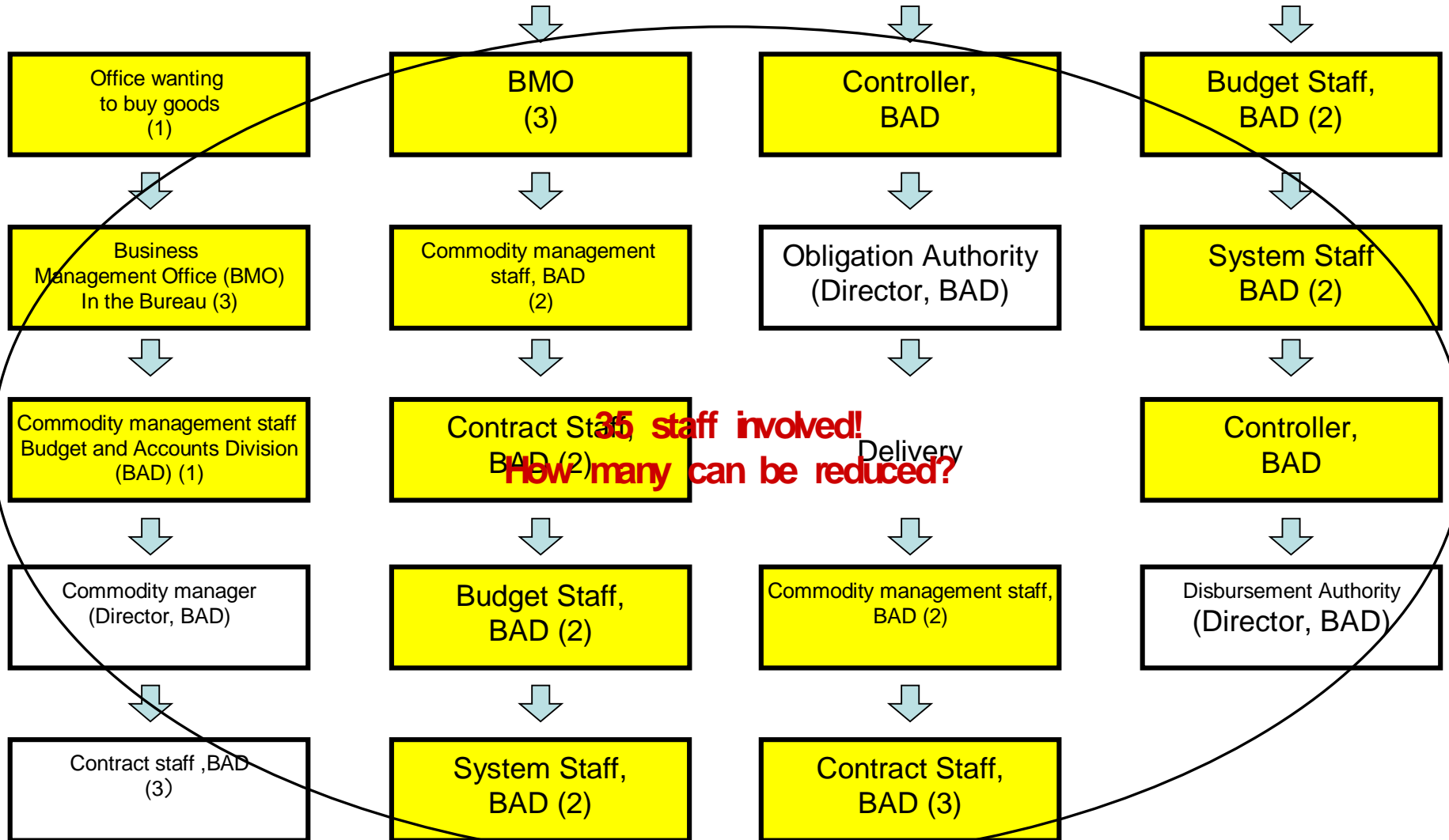
# Development process of Business / System Optimization Plan



# **An Example : Business process analysis/ Identify major tasks (G. Document)**

<b>Priority</b>	<b>Major tasks</b>
<b>1</b>	<b>Amendment of relevant laws &amp; regulations, if necessary</b>
<b>2</b>	<b>Streamlining business process</b>
<b>3</b>	<b>Paper reduction of business process</b>
<b>4</b>	<b>Training experts</b>
<b>5</b>	<b>Monitoring business performance</b>

# Business flow : during purchase process of goods



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# *Next Step of Japanese Government*

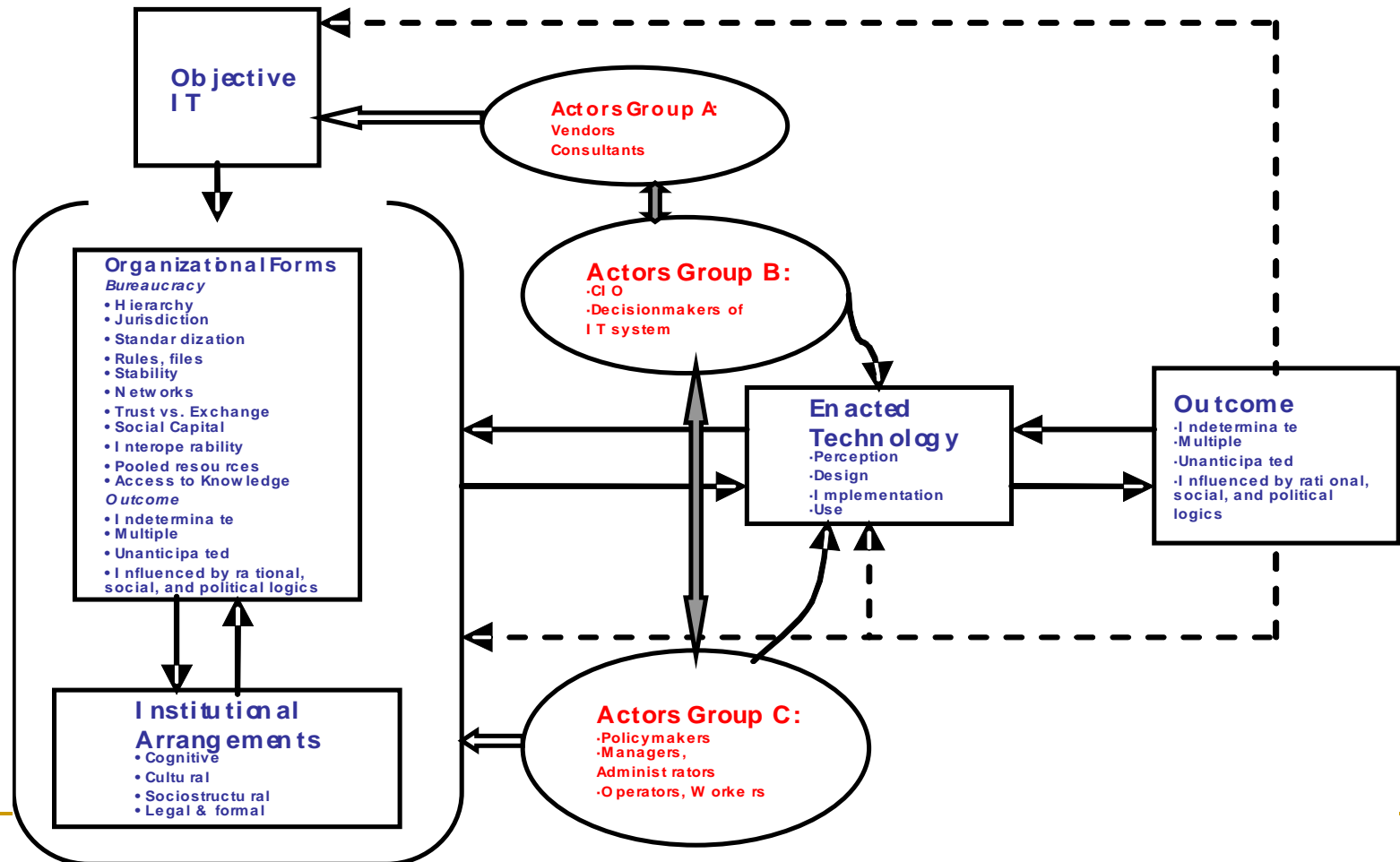
- 1. Government Program Management Office (GPMO)
  - Under IT Strategy Headquarters
- 2. PMO in each agency
  - To improve IS governance by supporting activities of CIO & assistant CIO
- 3. Assessment Committee
  - Under IT Strategy Headquarters

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# Lessons Learned

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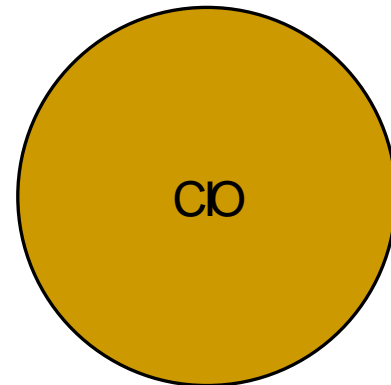
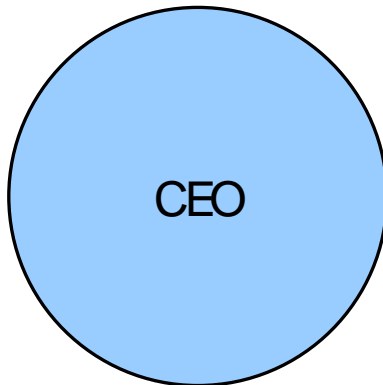
# Technology Enactment & Actors



# Distance : CEO vs CIO

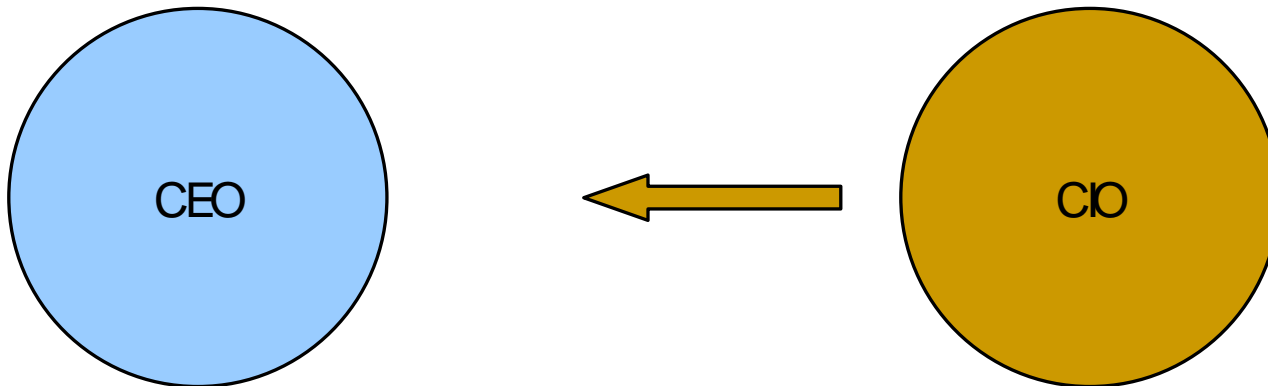
CEO does not care about IT.

CIO does not care about Management.



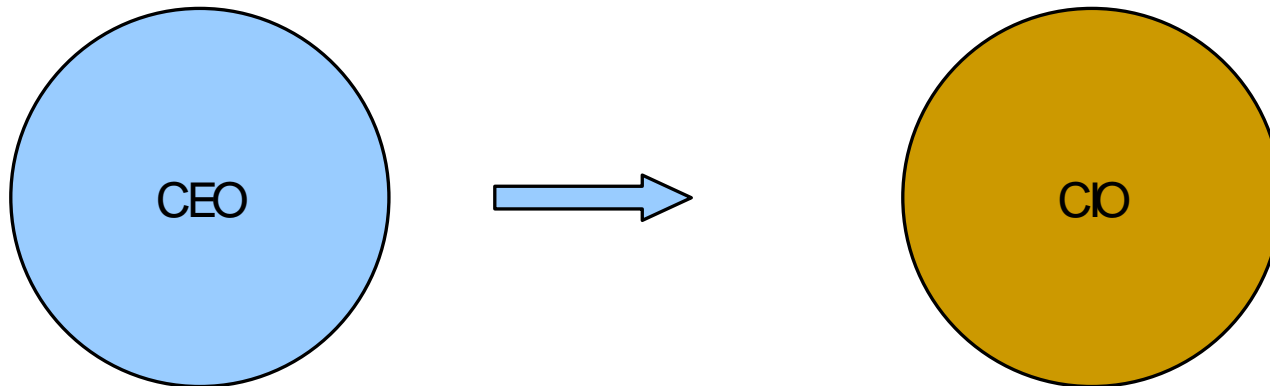
# Move from CIO to CEO

Japanese Government so far  
& next step are still in this  
state.



# Move from CEO to CIO

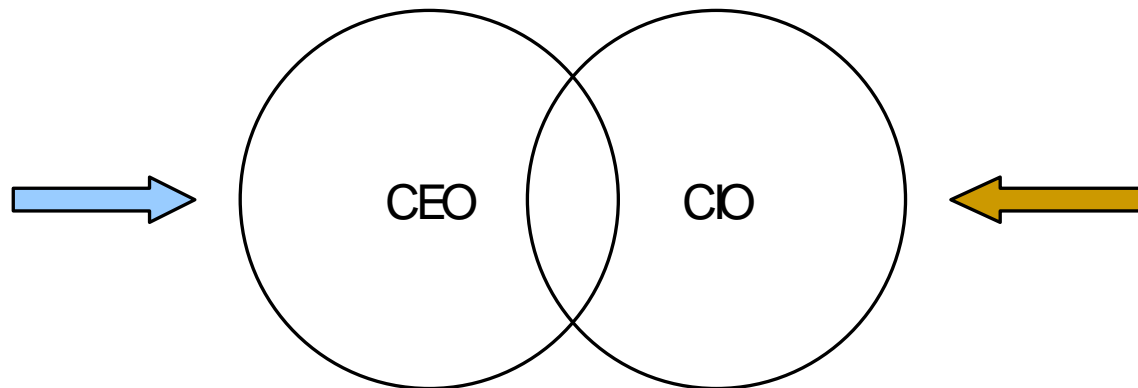
Very few think about this  
in Government



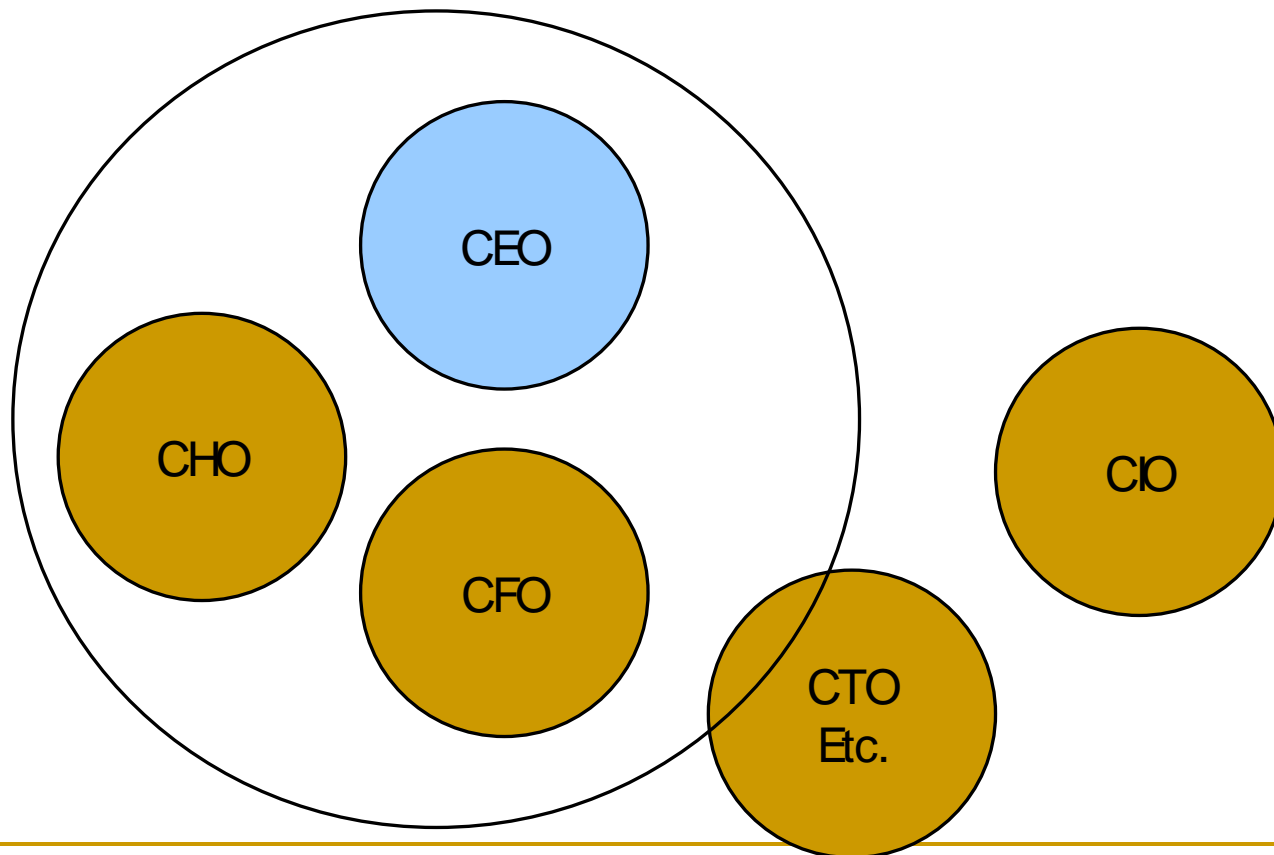
# Both CEO & CIO move

Is it possible?

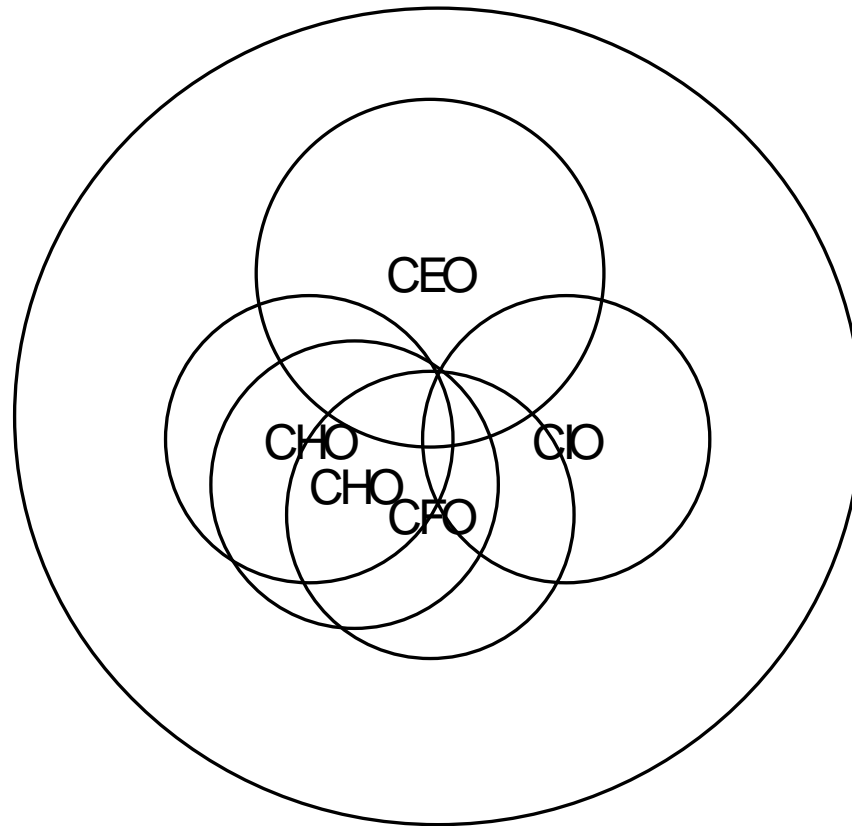
But, indispensable!



# Mbst Real Cases



# Deal positions



# Desirable Knowledge for CEO

## - the essence of information-

- How information is used / dealt in business
  - *Create / reuse / compare / revise*
  - Communicate / Share
  - *Authorize* → take actions
  - Store / Retrieve
- Different business operations may be brought down into the similar package of information use
  - Information system design

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# Desirable Knowledge for CEO

## - Management & Information-

- Human and Information interaction
  - Information, if used by organizations, become meaningful in organization
  - Information used by organization is a reflection of institutional arrangement
- Total management : **SBCT** approach
  - Whom must government business **S**erve?
  - **B**usiness process management
  - **C**ost & **B**enefit of IT investment
  - **T**otal management of human resources, financial resources and information resources

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# Government vs Private

- Incentives to change management
  - Weak vs strong
- Fair & accountable business process
  - Strong vs weak
- Beautiful rhetoric vs action
- Performance requirement
  - Weak & difficult vs strong & easy
- Monopoly vs Competition
- Organizational system
  - Complex ( Central, Local, within them, ) vs simple
- What is Motivation for Change ?
- → Pressures from sense of urgency without big failure+ !!

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# Solutions

## - short & mid term-

- Peer pressures on governments, agencies
  - International comparative studies on Government management and IS governance
  - Effective evaluation / monitoring mechanism by independent experts
- Develop particular incentives for change management in government

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# Solutions

## - **bng term**

### ■ CEO education

- To overcome digital negligence by CEO / potential CEO / CFO / CHO.
- To develop concepts & language bridging Human Resources management, Financial Resources management & Information Resources management and manage them totally.
- To educate the concept of “whom government serves” in the above management skill

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# CEO Education as a key to the better Government

*not a panacea but a herb medicine*

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Hirokazu Okumura

gbg01065@nifty.com