

Process-Centred Government: The Road to 2010

This white paper is provided courtesy of



I. Introduction: A New Agenda

Public services in Europe are at a crossroads. The EU and most of its national governments recognise that a government machine based on bureaucracies created in the nineteenth and twentieth century, with staffing levels established in the paper age, is no longer sustainable.

This realisation comes at a time of many new policy challenges emerging at European level. Priorities include:

- Enabling freedom of movement within the EU, based on borderless access to public services, including health.
- A more competitive environment for business, including less red tape, transparent administrative procedures and access to markets, especially public sector ones, across Europe.
- More open government, exemplified by the Environment Information Regulations and national freedom of information legislation.
- Cutting the cost of public administration while maintaining and improving the quality of front-line services.
- Improving cross-border communication and access to information to more effectively respond to or prevent threats related to crime and terrorism.
- Accommodating a growing awareness of the need for data protection and privacy.
- Enabling greater transparency and accountability throughout government organisations at all levels.

Europe's high-level response to these challenges, set out in the i2010 information society programme, is to re-engineer government with the use of IT so that public services are centred on users not bureaucracies. This ambition is not trivial. It represents a significant step beyond first-generation e-government, which focused merely on making public services available via the internet and other digital media. The new agenda requires the automation of end-to-end processes stretching across tiers and between silos of government.

This paper argues that the i2010 programme needs to go further, and deeper, in its thinking on how to re-engineer Europe's government machine for the twenty first century global economy. In particular, it needs to examine the process challenges posed by the new agenda, such as workflow, document and case management and e-procurement, and to encourage ways of delivering those processes in radical new ways. This will require governments to make use of new technology; but more important it will require governments to think about business process management (BPM) as a strategic initiative.

Governments are demonstrably willing to invest in IT systems. According to figures from market researcher IDC, Western European governments' spending on IT will grow faster than the market average for the next few years¹. They intend to invest 39.7bn euros in information technologies in 2009, compared with 30.8bn euros in 2004. This represents an annual growth rate of 5.3%, compared with an average of 4.5% for the IT market as a whole. Local government will grow at a faster rate than central (5.8% against 4.5%).

Investment in IT on its own, however, does not transform public administration. To date, Europe's investment in e-government – while welcome – has had little connection with the reform agenda. To achieve the ambitions for 2010, with its emphasis on efficient and transparent government, will require new ways of thinking.

As part of this transformation, public agencies must formalise and automate procedures, restructure, re-

¹ *Western Europe, Government Sector, IT Spending Forecast, 2004–2009, IDC, May 2005*

engineer or consolidate activities, adopt better management practices and discontinue obsolete services and programmes. All of this will require a centralised, focused approach to process management.

A move to process-centric thinking involves:

- a) Streamlining operations by automating manual, repetitive processes;
- b) Increasing efficiency and productivity of operations;
- c) Leveraging existing systems and data to provide seamless web-enabled solutions;
- d) Improving citizen and employee services by offering online access;
- e) Complying with legislative mandates to improve citizen access and reduce complexity;
- f) Tracking and managing correspondence to ensure communications are routed to action within mandated time frames.

II. Current Process Challenges: Efficiency and Effectiveness

The challenge in public services facing policy makers today is universal – the need to do more with less. European governments face relentless pressure for growth in tax-funded services, driven by changing demographics, ever-rising expectations of citizens and new demands posed by globalisation and security threats.

The obvious response is to increase the efficiency with which existing organisations manage their services. Some forward-thinking government organisations around Europe have already shown that real efficiency savings are possible through the imaginative use of IT.

Efficiency, however, is only part of the recipe. The second challenge is to improve customer service – both to citizens and to business customers. Governments need to improve the credibility of public services – this includes modernising them to meet the expectations of today’s demanding and technology-savvy consumers. Online self-service, on-demand access to information, and fast response times are all expected but most government organisations have yet to deliver. The consequence of failure is a spiral of social exclusion, disengagement from democratic process and economic decline – so failure is not an option. Business Process Management – both as a discipline and a technology – is fast emerging as a platform for modernising government services and managing the transformation to true e-government.

To make this happen, public administrations must start from scratch to consider what business processes

Case study: Transparency at the Presidency, South Africa

The Presidency deals with the flow of all information from citizens, government departments, businesses and other non-governmental organisations, to the executive office of the President and the Deputy President of South Africa. As the public face of the highest office in the land, it has to set a high standard for transparency and efficiency.

Traditionally, all correspondence to the Presidency was tracked and forwarded to the appropriate department by hand. Because of the huge variety of incoming letters and emails, it was difficult for the office to respond quickly enough to maintain the standard expected from the highest office of government. However by using business process management software to automate, manage, and control the process, the Presidency has transformed the efficiency and transparency with which it deals with correspondence. The system allows 350 staff working across the whole organisation to record and track correspondence so that it can be dealt with promptly.

Maria Farelo, project manager at the Presidency said: “By using this technology to streamline government business processes we will be setting the standard for e-government in South Africa.”

Case study: Transparent e-government, Bracknell Forest, England

Bracknell Forest Borough Council, in the Thames Valley county of Berkshire, wanted to be the first English local authority to provide its citizens with secure web access to public services. The aim was to cut the cost of administering services to its 110,000 population and to create a better place to live and work by making the machinery of local government more accessible and transparent.

The Bracknell Forest system was tailored so that citizens can open a personal, secure account electronically and access information about refuse collection, repair of street lights and paying local taxes. They also can offer online comments about development projects underway in the local area.

The system was created by making imaginative use of business-process management. This ensures that citizens' requests are automatically routed to the right back-office system to manage them. For the citizen, or local business, contacting the council is quicker and less stressful; for the local authority, less time is spent answering requests by telephone or mail and appropriate action is taken in much less time.

Thanks to the business process management project, Bracknell Forest became the first authority of its kind to offer a secure web portal to its citizens. In the first two weeks after the site went live, 400 people logged on to access the planning applications tracking system of the tax payment system. An indicator of the productivity and customer service improvements achieved is that 40 % of contacts through the system have come in outside of office hours since the capability was implemented.

they need to operate – grant permission for construction, for example – and to consider how best to make those processes happen, from the point of view of customers rather than public agencies.

A final challenge is the state of the current e-government infrastructure. Up to now, e-government projects have generally operated in a parallel universe from that of mainstream public sector reform. Funding for e-projects tends to come from separate “innovation” budgets, which means that senior managers do not have to make tough choices about paying for new service availability. While this way of working has helped the acceptability of e-government among public sector unions, it cannot be sustainable.

III. The 2010 agenda

The EU's forthcoming action plan for e-government will be based on the principle that a significant change in thinking is necessary for the next wave of e-government. The year 2010 is to be the deadline for a whole raft of e-initiatives aiming to create “a European information society for growth and employment.”

The EU and member states recognise that the only practical way to maintain the existing European social model while remaining competitive in a global economy is by reforming public services with the help of IT. According to Viviane Reding,

EU commissioner for information society and the media, there is a demonstrable link between economic competitiveness and the quality of public administration. Governments that are efficient and trustworthy and create less red tape are more attractive to investors. In Europe, Finland, Sweden and Denmark, which come first, third and fourth in the most recent World Economic Forum competitiveness ranking, also score high in the quality of their public administrations for efficiency and trustworthiness. “This link between good public administration and business success is at the heart of our efforts for more growth and jobs in Europe,” says Reding.

With this in mind, the EU is launching a four-pronged e-government programme under its i2010 initiative which outlines the following ambitious targets:

- 1. Inclusion by design.** By 2010, public administrations are to make public information and services more easily accessible to all citizens, including the socially disadvantaged, through innovative use of IT. To achieve this end, member states are to agree a “roadmap for inclusive e-government objectives”.

Process improvements required will include joined-up e-access to information, case-handling and correspondence management. Process improvement is also key to delivering existing services more efficiently to needy citizens.

2. High impact services designed around customers' needs. This requires member states to focus their efforts on those e-government services that will contribute most to the i2010 agenda. Top of the list come services related to pan-European mobility, such as cross-border job searches, together with access to personal information such as patient records, education and pensions. The process improvements required will include correspondence tracking, document management and case handling. This section of the declaration contains the most concrete target for 2010: that at least 50% of public procurement above the EU public procurement threshold will be carried out electronically (the figure today is about 9%).

3. Mutually recognised electronic identifications to provide trusted access across the EU. By 2010, according to the declaration, European citizens and businesses shall be able to benefit from secure means of electronic identification that maximise convenience while respecting data protection for secure cross-border e-government services.

4. Effective and efficient government.

This aim covers four 2010 targets: high user satisfaction with public services, significantly reducing administrative burdens, “considerable” gains in efficiency and increased transparency and accountability “wherever possible and relevant”. One way to achieve measurable steps towards this goal is to tackle it through BPM. Several state organisations have already demonstrated process improvements that can underpin transparency by enabling freedom of information. A web-based business process management (BPM) system automatically assigns tasks and escalates requests based on specific customisable rules. Such systems should integrate with existing and future document management (DMS) and scanning/imaging (DIP) systems.

Meeting these objectives – especially the last – will require a big leap in e-government sophistication. In particular, e-government projects will need to become intricately entwined with wider programmes of public sector reform. Both citizens and public employees need to understand why change is essential – and understand that the costs of doing nothing could be devastating.

Case Study: Hampshire Expands Citizen Services

Hampshire County Council's occupational therapy service “OT Direct” has transformed the process of giving citizens access to essential pieces of home care equipment such as bath seats, grab rails and bed and chair raisers, allowing them to go on living at home independently. Callers talk to advisers trained in helping supply equipment, and if they need more than advice and standard equipment, arrangements are made to see an occupational therapist for an assessment at home or at a clinic.

The success of the service is a result of a unique partnership between Hampshire's IT and social services departments, and has resulted in real improvements for those who use OT Direct. Since it began, waiting lists for access to occupational therapy services across the county have fallen by a third. Occupational therapists have also had their time freed up to concentrate on the more complex aspects of their work.

The foundation for the OT Direct services is business process management technology which is increasingly proving its worth as a platform for process-based e-government across a variety of applications.

Case Study: Freedom of Information Compliance in the UK

Business Process Management software is proving to be a valuable asset for both process efficiency and compliance. One such case is UK-based Portsmouth County Council who needed help meeting Freedom of Information Act (FOIA) compliance requirements. With help from a local solutions provider, Portsmouth Council developed a specific FOI solution based on business process management software that enables them to track Freedom of Information requests as they progress through the organisation and to monitor the work done on the requests. As a result, the solution has helped Portsmouth County minimise the resources needed to respond to requests and reduce the chance of receiving penalties for not processing information requests within the required response period. It also helps them to shorten the timeline for compliance, freeing up more time to focus on core, value add services to citizens.

Examples include:

Workflow. Legislation to implement environmental information regulations and freedom of information requires public authorities to acknowledge and respond to requests according to strict timetables. Responses must comply with legislation covering data protection and privacy. Business Process Management technology can help governments not only control workflow but also manage timely escalations and maintain an electronic audit trail – easing the challenge of compliance considerably.

Efficient application management. Applications for permits and licences, including from across borders, must be handled transparently and efficiently. This means routing them to ensure that they go to the correct back-office system for automatic processing – and, exceptionally, to the correct official for human intervention. Interested parties, including citizens and other stakeholder agencies, must have access to transparent and reliable procedures for entering information and comment. Business Process Management technology can help governments quickly create self-service portals that citizens can use to initiate and track requests, with approval routing managed completely by the system to enforce regulations on permits and licences while at the same time enabling better citizen service.

E-procurement. This “high impact” service requires rigorous, auditable, process management. Business Process Management technology has been proven by numerous commercial and government organizations around the world to be an effective platform for e-procurement.

Cross-border case handling. In a Europe of free movement of citizens and business, public service and law enforcement agencies will need to contribute data such as social insurance premium payments into common systems. These must be accessible and transparent to the citizen. Again, Business Process Management technology can play the role of facilitator in enabling open communication while at the same time enforcing adherence to regulations and boundary laws. An electronic audit trail is automatically captured to provide a record of all communication and activities. This audit trail can be analysed to improve processes or used to troubleshoot incidents that may occur.

As a first and urgent step, more people need to be persuaded to use e-government services – for transactions as well as browsing for information. Today the rates of take-up vary widely across Europe. In Estonia for example 29% of citizens have used the internet to obtain government forms; the figure in the UK is 8%. To encourage take-up, citizens and businesses must be offered something in return. Such carrots include convenience, speed and trust. All can be delivered through effective Business Process Management (BPM).

IV. Process change – The Key

All four of the 2010 objectives require radical improvements in process management if they are to be delivered efficiently and effectively.

Case study: Revolutionising Planning Permission in Luzern

By applying BPM technology, Luzern Canton, Switzerland, has transformed the process of approving building applications. The process requires many different departments, such as environment & energy, transport & infrastructure, monument protection & archaeology examining each individual application and drawing up a statement. The approval process requires intensive cooperation of and communication between all departments, so that each team is able to complete its report on time. Traditionally the preparation of reports was done manually and any communication by e-mail or internal post.

The task of collating all of the reports and putting them all into a standard format fell to the Canton's approval & coordination centre, and it was very time-consuming. Deadlines were often missed and the approval process was delayed. As it is a legal requirement for the Canton to complete the approval process within 23 days, it had to find a solution that would make it easier for employees to create reports, combine data from many sources into one document, and to meet their deadlines. At the same time, the Canton wanted to create a new level of transparency to ensure the flow of information between the many offices concerned.

Luzern used BPM software to solve the problem. Today, upon receipt of a planning application, an officer starts

the examination process by completing a form in a standard internet browser. When this is complete, all departments involved simultaneously receive the relevant information so that they can process it. The system links together communication and information tools to form a completely transparent system. When all of the reports from the examining offices have been received by the approval & coordination centre, all the text is inserted into the appropriate Word document in the correct order at the touch of a button. Text modules aid the preparation of these reports. The final decision is then structured into sections containing the facts of the case, deliberations and the legal ruling.

A major advantage of the system is that it is now possible to monitor the length of time that the process takes and keep it within the legally stipulated deadlines. Automatic reminders and memos are sent via e-mail and escalation routines are initiated. As soon as there is a possibility of the 23-day processing period being exceeded, the appropriate heads of each department are informed.

Automating the process has removed officers in the approval and coordination centre of a considerable administrative burden. The resources freed up in this way are now channeled into specialist examination of more difficult applications.

While existing processes can be automated to some extent, a more holistic view of process management is needed to fully achieve the i2010 targets – and to achieve them in the most efficient and effective way while still staying within budgets and improving citizen service. The i2010 targets give some indication of the changes that need to be made, and when. Fortunately, the necessary technology has already been proven in forward-looking public agencies throughout Europe and other parts of the world.

V. Conclusions

When a process is automated, the process should change. Changes may be caused by changes to the organisation itself, changes to the environment in which it operates or changes forced upon it by new legislation and government policy. The key to managing and proactively embracing change in a process is having visibility into all aspects of your organisation and having access to the right information to make intelligent decisions and process improvements. Technology that supports the full roundtrip process life-cycle allows managers not only to model and automate processes, but also to monitor critical aspects of the process, analyse change, and apply continuous process improvements across the organisation.

Our examples show that, at the level of individual services and public sector organisations, real breakthroughs in effectiveness and efficiency can be achieved in line with the i2010 agenda. These go hand in hand with improvements in transparency and good governance.

Although there are many challenges ahead, there are also opportunities for organisations willing to embrace change and adopt efficient practices in business process management. By dovetailing efficient business practice with European aspirations and initiatives, there is no reason why public sector organisations should not benefit from the European eGovernment agenda.

By focusing on the process not the agency, the goal of efficient and effective government by 2010 becomes achievable.

This white paper is provided courtesy of Metastorm, Inc. As the first breakaway BPM vendor, Metastorm is a leader in business process management (BPM) software and best practice methodologies for modeling, automating, integrating, and improving both human and system-based processes. Metastorm BPM™ is a complete solution for roundtrip process improvement, designed specifically to address complex processes that are unique to organizations. Metastorm's 1200+ global client base in manufacturing, retail, financial services, business services, healthcare and government are achieving rapid ROI and Enterprise Process Advantage® in customer service, supply chain operations, risk management, and internal operations. More information is available at www.metastorm.com.



1-877-321-META (6382) +44 (0) 208-971-1500 www.metastorm.com

© 2006 Metastorm, Inc. All rights reserved. Metastorm BPM and Enterprise Process Advantage are either trademarks or registered trademarks of Metastorm, Inc. Other product or company names herein may be trademarks of their respective owners.