

## How e-government are you?

*e-government in France: State of play and perspectives*



deeper

*IBM Public Sector in collaboration with IBM Institute for Business Value  
Europe Middle East Africa*

### Introduction

Across Europe, there is a consensus that e-government can fundamentally change how governments operate, improve the quality of life of its citizens and increase the competitiveness of the European Union in a global economy. e-government has the potential to create significant benefits both internally for employees and externally for citizens and businesses as well as for other levels of governments – regional as well as central.

Central and local governments across Europe are embracing new technologies, learning from the best practices of the commercial sector and using technological advances to improve operational efficiency and organizational effectiveness. Many governments have established broad visions for the e-government initiative, and Europe is home to some of the most progressive e-government projects. In general, this sounds impressive, but few governments have actually advanced past the preliminary stages of placing existing services online.

An economic downturn across the globe has led to a reduction in public spending. In addition, many governments are faced with socio-economic, political and environmental challenges that will forever change citizen expectations of government. Many governments are taking significant action to address potential budget deficits, and the e-Europe 2005 Action Plan initiatives are key catalysts for e-government progress.<sup>1</sup>

In France, under the current pressure of a second decentralization phase, central and local governments working to achieve their objectives face some critical changes. Primary goals for these governments are to improve operational efficiency and organizational effectiveness to resolve significant, long-term challenges that include economic growth, increasing healthcare costs, the impact of an aging population, improving education, digital inclusion, security threats and fiscal pressures.

The central and local French governments need to use existing resources more efficiently to provide public services that better match the public's expectations. They must gear their organizational capability to attract, retain and develop talented individuals and drive operational efficiencies. They must improve budgetary control to be able to do more with less and to plan for the future with a greater understanding of future liabilities and with greater visibility of ongoing transactions. They also must promote economic development to revive community life.

Within the French context, e-government potentially can serve as one of the key instruments to help achieve state reform. It can be used to help simplify and enhance public services and modernize the public administration.

### Study of French e-government initiatives

To better understand the French public administrations' e-government transformation priorities and progress made to date in implementing e-government initiatives, IBM conducted a study from December 2002 to January 2003.<sup>2</sup>

Another objective of the study was to promote understanding of the relationship between government initiatives and their effect on operational efficiency and organizational effectiveness.

The study included 108 French government professionals who participated in a Web-based survey (a questionnaire presented in French). Most of the respondents (75%) were from regional and local governments. The study research focused on the following four areas:

- Measures of the importance given to some key components of an e-government transformation (the vision) and the current stage of advancement of the related projects
- Initiatives that government agencies have invested in over the past two years
- Goals for the initiatives that government agencies have invested in over the past two years and that were considered as most successful
- Overall impact of these initiatives on operational efficiency and organizational effectiveness.

The study findings provide a benchmark that governments can use to better understand the current progress of e-government initiatives, to enhance operational efficiency and organizational effectiveness of current initiatives, and to improve future strategic planning endeavors.

### Study results

Results of the study show that French government entities have focused on improving information access and exchange. While they recognize the need for profound restructuring in internal organization and processes and collaboration across agencies to achieve the real value of e-government transformation, they have not yet established the capabilities to accomplish this. As a result, initiatives to date have only provided mundane benefits in terms of operational efficiency, cost reduction and organizational effectiveness.

To be successful in e-government transformation and reap the full benefits, a cultural change for government employees needs to take place. This cultural change is one of the most important factors to manage. Processes need to be redesigned so they become “citizen-centric”, placing a higher priority on citizen satisfaction. Much focus has been placed so far on the front-end, but one can attain the full benefit of e-government only by including the back-end processes in the transformation. Reorganizing these processes requires “out-of-the box” thinking, crossing the traditional boundaries of current departments and organizations. The current state of technology will be an enabler in achieving this vision, but it is not the end-goal in itself.

Key findings of the IBM study showed that:

- Over the last two years, the areas most frequently invested in by French government agencies were messaging and Web sites/portals; these areas also were considered to be the most successful initiatives.

- The primary benefits of these initiatives to date were improved communication internally and externally and more effective/efficient customer service.
- Overall, the 17 initiatives evaluated in the study have not significantly improved operational efficiency and organizational effectiveness. Of the initiatives considered, messaging and intranet use were shown to have had the most important impact.
- e-government developments are more focused on the customer relationship (e.g., providing an easier and multichannel access to services), which was a higher priority than government integration and knowledge sharing.
- The largest gap between the government vision and the current implementation resides in the government integration area. This gap is due to needed transformation of internal organization and processes to help deliver government services in a customer-focused way, and lack of collaboration across government agencies.

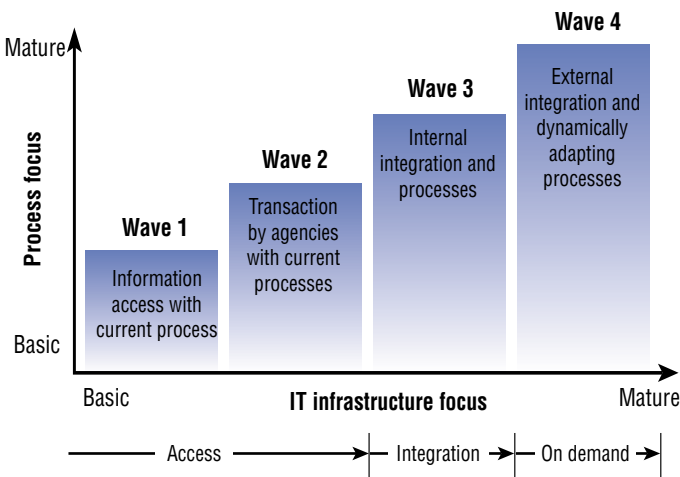
**State of play of e-government in France within the European context**

Like private-sector businesses, governments are moving into the digital information age by implementing e-government initiatives. The overall e-government evolution can be viewed as having four basic stages or waves of change (see Figure 1). These waves of change move from Access (Waves 1 and 2) to Integration (Wave 3) to On demand (Wave 4), which is a dynamic and highly responsive stage. Each wave is characterized by a common set of achievements and objectives driven by similar concerns and challenges.

The e-government evolution waves, by definition, overlap, and, as governments move through them, the specific route and pace depend on the choices made regarding which processes to improve with information and communications technology. Different countries will prioritize their objectives differently according to their different political agendas, customer needs and market forces.

To analyze the relative state of e-government in France and other European countries, IBM evaluated the individual countries in terms of the sophistication of their e-government front-office, based on the European Commission benchmarking of online services,<sup>3</sup> and in terms of e-business readiness of the country to embrace online public services, based on the findings of the 2003 e-business readiness rankings by the Economist Intelligence Unit and IBM Institute for Business Value.<sup>4</sup>

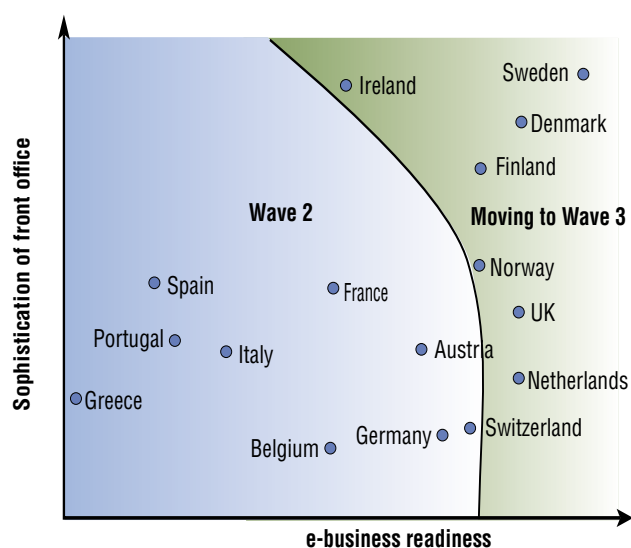
Figure 1. e-government evolution: four basic stages or waves of change.



Source: IBM Public Sector.

As defined by the European Commission benchmark, the level of online sophistication of 20 public services was measured based on a four-stage framework: 1) posting information online, 2) one-way interaction, 3) two-way interaction and 4) full online transactions. The e-business readiness of countries was measured using six indicators: 1) connectivity and technology infrastructure, 2) business environment, 3) consumer and business adoption, 4) legal and policy environment, 5) social and cultural infrastructure and 6) supporting e-business services. (For a detailed description of these six indicators, see the Appendix).

**Figure 2. e-business readiness rankings of France compared to other European countries.**

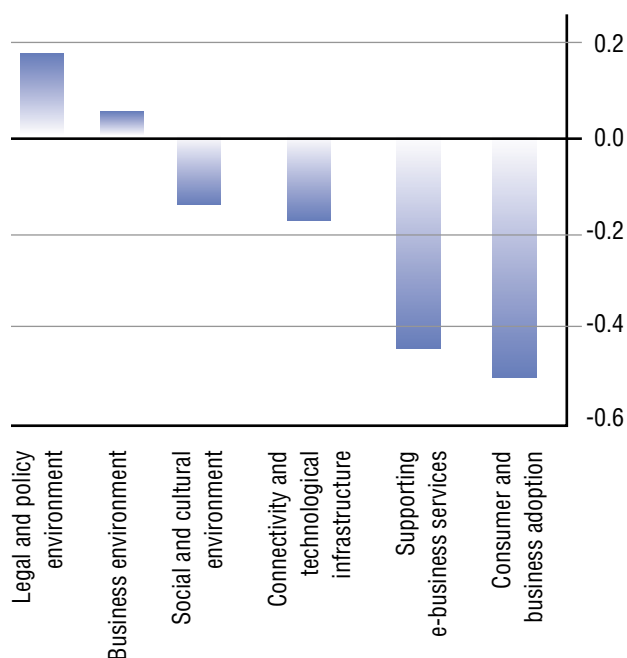


Source: IBM Public Sector.

The evaluation shows that France is in a middle position between leaders and followers in regard to e-government evolution. Figure 2 illustrates this point.

In terms of e-business readiness, France shows more conducive political, regulatory, and business environments compared to the average of Western European countries (see Figure 3). However, it is lagging behind in consumer and business adoption, support of e-business services, connectivity and technological infrastructure, and the social and cultural environment.

**Figure 3. France e-business readiness versus average of Western Europe.**



Source: e-business readiness rankings by the Economist Intelligence Unit and IBM Institute for Business Value.

### ***Trends in French public administration***

In France, the new wave of decentralization and, more generally, the new state reform policy framework are bringing with them some very significant, long-term challenges that require action and investment. These challenges are described below.

### **Current state of e-government**

Over the last few years, central government administration has commissioned several reports on e-government and a new strategy for delivering services within the state reform policy framework. However, the impact of these initiatives in terms of implementation has been very limited, especially because there has been no consistent and integrated approach to deliver customer-centric services.

A recent report by Pierre de la Coste on electronic government – commissioned by the French Secretary of State for State Reform – "l'Hyper-République: bâtir l'administration en réseau autour du citoyen",<sup>5</sup> highlights the necessity of leveraging a citizen-centric approach in French e-government initiatives. De la Coste promotes cross-organization integration and collaboration as well as creation of a "Personalized Administration Account" for constituents to simplify their dealings with public administrations. The report highlights the need for improvement of the service offering to the constituents – a substantial gap exists between political engagement in "Information and Communications Technology" and the reality of delivering services to the citizen. To encourage a high degree of trust with citizens, electronic government must offer citizens value-added services. Stakeholders also need to be educated on the use of this new channel. A recent survey shows that current engagements of citizens with the administration consist mainly of performing information searches.

Service offerings must be based on final "customer" expectations – French administration has always been inclined to offer a range of services in relationship to its own needs and internal demands without taking into consideration the final "customer" expectations. In de la Coste's report, three major drivers are identified to help strengthen e-government in France: improve services delivered to citizens, enhance democracy and reduce administrative costs.

The report provides a snapshot of issues currently affecting the development of e-government in France. It also proposes a five-year action plan based on key proposals. These proposals include:

- Creating personalized online accounts for citizens and businesses
- Improving and rationalizing the government's Internet presence through a customer-oriented design and universal accessibility
- Developing e-business democracy through using and assigning legal value to online consultations
- Encouraging the use of e-government services through financial incentives and an adequate communication strategy
- Helping to encourage the emergence of partnerships and joint IT projects between local authorities and the creation of regional agencies and regional e-business services portals
- Enabling and encouraging the necessary internal change within administrations by creating a new status for government IT staff, redeploying staff to handle customer services tasks, and developing internal change management policies and quality procedures including customer satisfaction measurement.

The main obstacle to moving to a citizen-oriented service delivery model is the administrative culture and the resistance to change. However, there is a certain degree of awareness that administration departments need to collaborate, breaking down the very powerful silo organization within the French central administration. From this perspective, local government administrations have the opportunity to play a key role as service providers promoting a new relationship with citizens and businesses.

### **Guiding principles for e-government adoption and strategy to move forward**

Within the state reform policy framework, French authorities defined some guiding principles that the administration should consider in implementing and adopting electronic government. These guiding principles include the following:

- Promote an exchange of best practices within the European Union to benefit from other country's successes
- Strengthen the accessibility of information technologies by creating kiosks, especially in rural areas
- Promote a multichannel approach (e.g., telephone, mailing, personal interaction) to enhance the quality of services provided.
- Simplify the administrative "language" and access to information by integrating the different levels of government (e.g., local government portals should integrate key information from the central "service-public.fr" portal to foster easier access).

Following the recommendations of recent reports on e-government, some key strategic initiatives have been adopted and are being implemented by France. These initiatives include the following:

- Create a French agency for the Development of Electronic Government (Agence pour le Développement de l'Administration Électronique – ADAE), bringing together in one organization all the different administrative institutions, committees and competencies on e-government.
- Establish the "daily life" card for citizens. Through this simple smart card, citizens will be able to enroll children in school, pay for sport activities, use public transport, access information on social situations and related benefits, etc.
- According to the objectives of the e-Europe 2005 Action Plan, establish a nationwide project for promoting the adoption of broadband and create public access points for citizens.

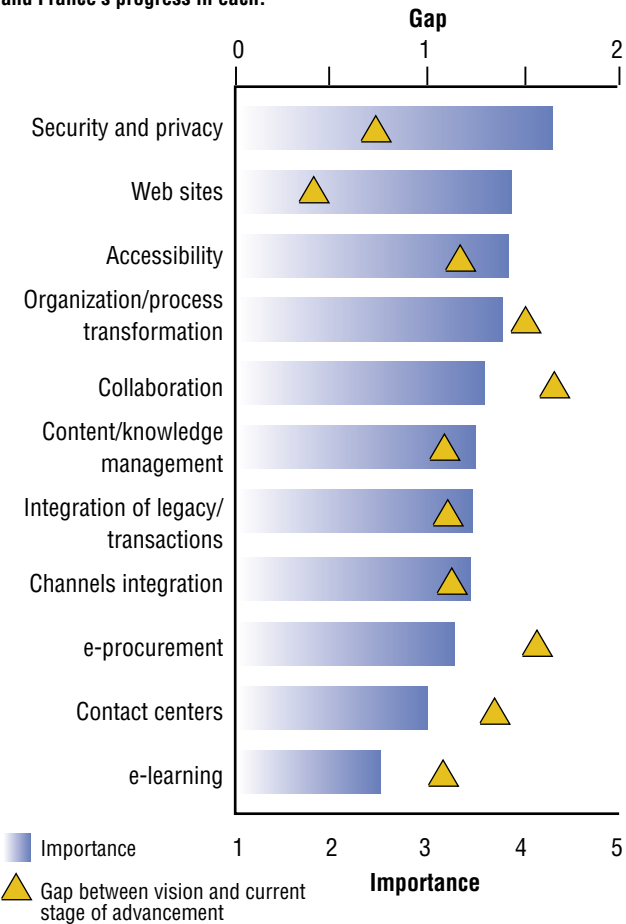
A key success factor for the balanced implementation of e-government initiatives is political support for realizing electronic government. The French Prime Minister directive ("circulaire") of September 18, 2003 and the elaboration of the Strategic Plan for the e-government 2003-2007 show an increasing commitment of the French Government to adopt electronic government through cross-agency collaboration and integration.<sup>6</sup> This adoption is a key element contributing to a wider public administration reform process.

Transforming the government operating model – survey analysis

Current state of French investment in e-government

The IBM survey shows several interesting findings for the state of e-government in France. As Figure 4 illustrates, the survey results show that security and privacy, Web sites and accessibility are considered the most important building blocks, with a relatively low gap between the

Figure 4. Building blocks of government transformation to e-government and France's progress in each.



Note: Importance was scored using a 1-5 scale where 1 means 'not important at all' and 5 means 'very important'. The gap between vision and current stage of advancement is the delta between the importance score and the stage of advancement score measured in a 1-5 scale where 1= 'not planned', 2= 'evaluation phase', 3= 'pilot phase', 4= 'started to implement', 5= 'up and running'.

Source: IBM Public Sector survey.

current stage of advancement of related projects and the associated vision (importance given to that area). This proves that much of the investments made to-date have focused on getting into "Wave 2".

The largest gaps between government-given importance to a component of e-government and the current stage of implementation occur in the organizational/market process transformation space, collaboration across agencies and electronic procurement.

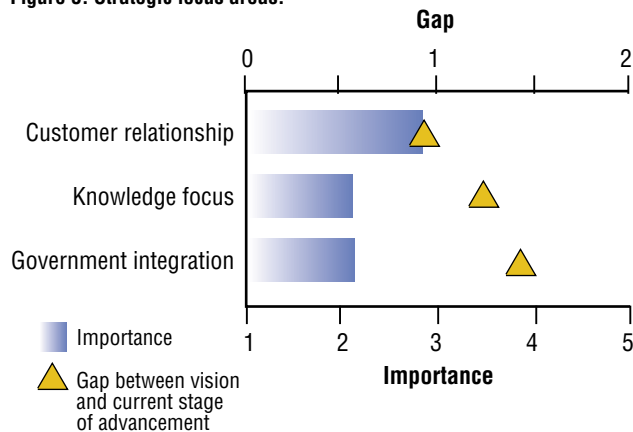
While governments recognize the need for profound restructuring in internal organization and processes and collaboration across agencies to achieve real value of e-government transformation, they have not established the capabilities to accomplish this. Simplifying the processes and transforming government from a bureaucracy or agency-centered structure to a citizen-centered structure is recognized as a major step in achieving substantial performance improvements and promoting customer use of e-government services.

Strategic focus areas

Analysis of data from IBM's study shows that French organizations have placed a high degree of importance on initiatives to improve the customer relationship (overall score 3.71), which are relatively advanced according to the relatively smaller gap measured between importance accorded and current stage of advancement of initiatives in that area (see Figure 5).



**Figure 5. Strategic focus areas.**



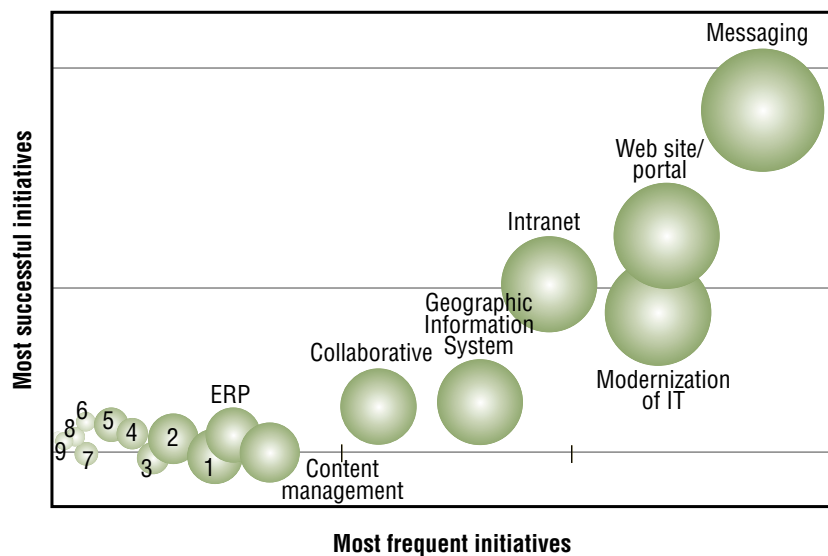
- Customer relationship: Priority placed on establishing connectivity to enable mutually beneficial relationships between customers and governments
- Knowledge focus: Information captured, integrated, analyzed and routinely converted into knowledge for improved policy decisions and governmental services
- Government integration: High degree of interoperable processes, organizations and technology between agencies and levels of government to facilitate seamless and often virtual decision-making and service delivery.

Source: IBM Public Sector survey.

On the other hand, government integration and knowledge focus showed a larger performance gap. Together with the results shown in Figure 4, this indicates that the efforts so far have been concentrated on the "front-end" (i.e., contact with the client), while the back-end process (i.e., the internal processes and structure) has not been transformed in accordance. To guarantee a smooth customer-oriented service end-to-end, this is a mandatory condition to fulfil and to enter the next stage (i.e., Wave 3).

The most frequent areas of investment in the last two years were messaging and Web sites/portals, which were also the most successful initiatives (see Figure 6).

**Figure 6. The 17 e-government initiatives.**



The 17 initiatives include messaging, web sites/portals, modernization of IT, intranet, GIS, collaborative, content management, ERP, case management (1), business process (2), business case analysis (3), strategic planning (4), CRM (5), e-learning (6), outsourcing (7), e-business procurement (8) and none of the above (9).

Source: IBM Public Sector Survey.

Perceived primary benefits

Primary objectives of the initiative perceived as the most successful were to improve communication internally and externally, and improve responsiveness of public services delivery (see Figure 7).

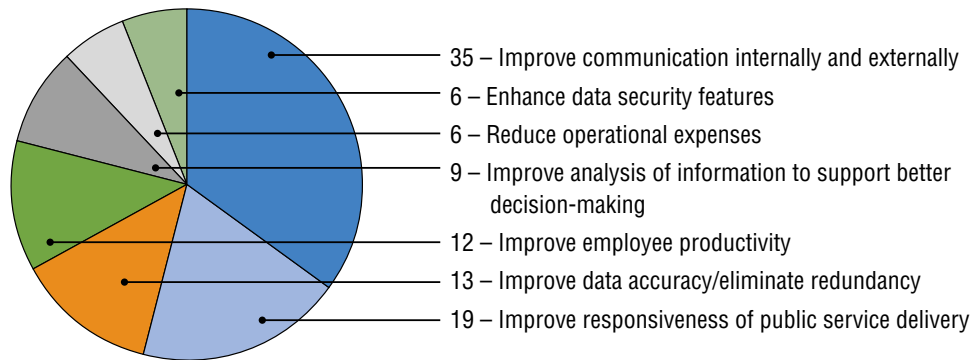
Impact on operational efficiency and organizational effectiveness

Impact on operational efficiency and organizational effectiveness from the initiative perceived most successful was moderate overall (see Table 1). However, messaging and intranet provided the highest impact on operational efficiency and organizational effectiveness. These initiatives are successful since they incorporate greater cross-functional collaboration.

The overall moderate impact score given by survey participants may stem from several factors:

- Investments were made primarily to improve information access rather than to improve business processes/ improve employee skills through e-learning.
- Initiatives do not provide major changes to the existing processes, organizational structure, roles or business models. Instead, benefits were anticipated to improve information exchange and quality.
- Most investment areas require significant transformation in business culture. Successful initiatives combine technology investments with business and organization transformation.

Figure 7. Perceived primary benefits, in percent.



Note: "Reduce operational expenses" was one of the least mentioned anticipated benefits.  
Source: IBM Public Sector Survey.

Table 1. Impact of initiatives on operational efficiency and organizational effectiveness.

Initiatives		Impact on operational efficiency score	Impact on organizational effectiveness score
Strong performers	Messaging	4.05	4.05
	Intranet	4.00	3.82
Moderate benefits	Modernization of IT	3.44	3.12
Some improvement	Web sites/portals	2.82	2.67
Total 17 initiatives		3.64	3.60

Note: Impact was measured using a 1-5 scale where 1 means 'to no extent at all' and 5 means 'to a great extent'.  
Source: IBM Public Sector survey.

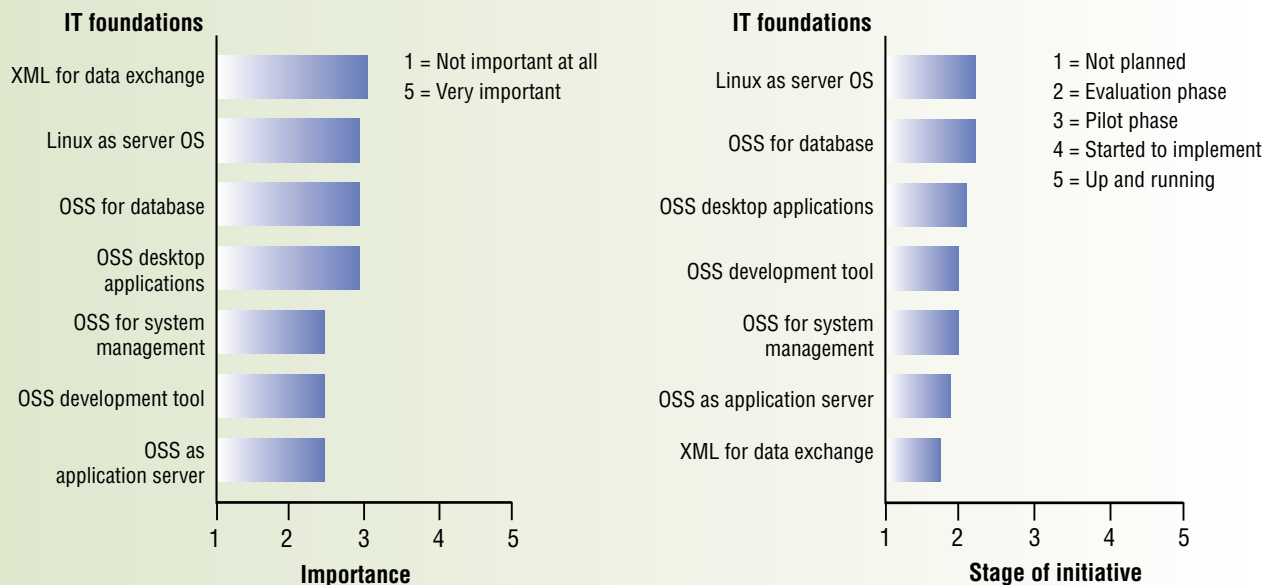
### Use of open standards

Figure 9 shows an evaluation of the importance of technological infrastructure components for interoperability, along with progress of the initiative to date.

The research indicates that XML standards are considered to be the most important component of technological infrastructure among the components evaluated. While the level of awareness is relatively high, the stage of implementation of XML standards is very low, between “not planned” and “evaluation phase”.

The use of Linux as the server operating system dominates in perceived importance of the use of open source software (OSS) for database, for desktop, for system management, as a development tool and as an application server. It is also the most relatively advanced initiative between the components evaluated. Nevertheless, for this initiative, public organizations are only between the evaluation phase and the pilot phase.

**Figure 9. Evaluation of importance of technological infrastructure components for interoperability and progress of the initiative.**

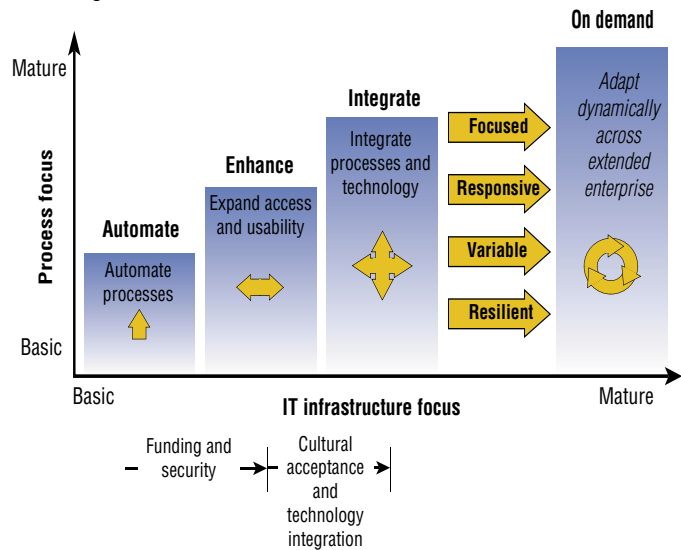


Source: IBM Public Sector survey.

**The next stage of e-government transformation: Moving toward on demand**

External pressures – both service and cost-related – are forcing governments to invest in the systems and transformation required to enable effective e-government. To complete the transformation to flexible, outcome-focused organizations that citizens are learning to expect, governments will need to develop on demand capabilities. Moving to an on demand environment will require an open and scalable infrastructure, new technologies, and appropriate and targeted implementations of reengineered processes (see Figure 10). These steps will help break down traditional service delivery silos and challenge the very roots of government culture.

**Figure 10. Progressive stages of technology infrastructure for e-government.**



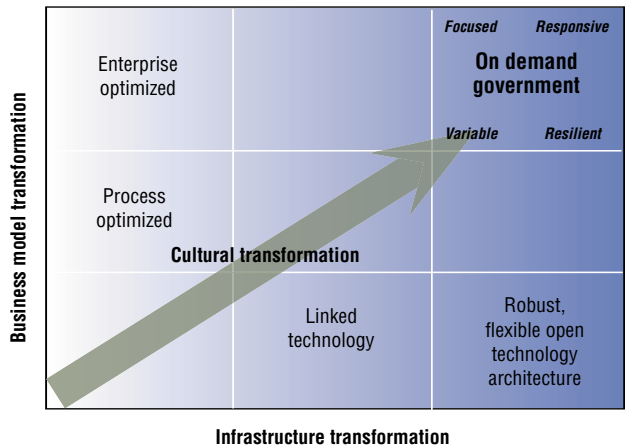
Source: IBM Institute for Business Value analysis.

**Progress beyond Wave 2**

Governments do not have to make many changes to existing applications or policies to reach Wave 2. Initial focus on citizens and Web presence is relatively straightforward. However, further progress toward Wave 3 requires serious planning as transformation of business processes and integration is more difficult. To progress to Wave 4, which is an on demand environment that is highly responsive and that extends dynamically across an extended enterprise, means an even more drastic transformation where the government has to rethink how it makes decisions and delivers services.

Transformation to an on demand model involves three paths: business model transformation, infrastructure transformation and cultural transformation. These paths are illustrated in Figure 11 and discussed below.

**Figure 11. Three transformation paths for e-government.**



Source: IBM Institute for Business Value analysis.

For each of these transformation paths, the following key steps should be followed:

### **Business model transformation:**

1. *Re-think the business model:*
  - a. What value do we provide customers?
  - b. Are we the cheapest one who can do it?
  - c. Are we the only one to do it? Are we the most flexible to do it?
  - d. What are our unique advantages (e.g., risks, privacy, security, etc.)?
2. *Identify core- and non-core processes:*
  - a. Deconstruct the business architecture
  - b. Identify natural processes for integration (e.g., administrative processes – HR, Finance, Procurement)
  - c. Determine critical functions.
3. *Establish Partnership Models:*
  - a. Assess partnership benefits, costs and risks
  - b. Set performance standards, and establish monitoring framework
  - c. Establish security-rich, compatible technology environments
  - d. Evaluate different funding models.

### **Infrastructure transformation:**

1. *Optimize the Infrastructure:*
  - a. Consolidate to reduce cost and complexity
  - b. Build security features into the system versus making them an 'add-on'.
2. *Establish architecture and standards:*
  - a. Use real industry standards, not product defaults
  - b. Define overall enterprise architecture
  - c. Define enterprise portal strategic (e.g.,) look/feel, linkages, updates.

3. *Extend infrastructure to other governments and private sector partners:*
  - a. Pay attention to identity, security and privacy
  - b. Develop interfaces based on industry standards
  - c. Force electronic interchange whenever possible.
4. *Consider utility IT capabilities:*
  - a. Grid computing (e.g., dynamic/variable computing power)
  - b. Autonomic features (e.g., manageability, availability)
  - c. Sourcing alternatives.

### **Cultural transformation:**

1. *Demonstrate proactive senior leadership:*
  - a. Provide a compelling vision and reason to change
  - b. Senior leaders should act in unity
  - c. Focus on one or two priorities at a time.
2. *Change the culture:*
  - a. Focus on the customer experience, not just government offerings
  - b. Utilize customer advocates to define needs
  - c. Provide a clear plan for employee development.
3. *Create governance system:*
  - a. Have leaders report to the CEO or CFO
  - b. Position business leaders as champions
  - c. Provide clear ownership for initiatives and accountability for results.
4. *Develop on performance-driven environment:*
  - a. Identify key performance measures
  - b. Develop a sound business cases and metrics
  - c. Track and measure value.

There are reasons why governments are not further along the path of transformation to e-government. Developing truly customer-centric, integrated user experiences is not a trivial undertaking. To ease the path, the following key pointers should be noted:

- *Gain top-level commitment to drive the required business transformation.* This step is essential to verify that departments or agencies that have roles to play in a single customer-centric transaction can understand and modify the processes and information flows that best support the desired outcome. It is also necessary to reach a degree of technical convergence on how information is to be shared and how processes are to be integrated to achieve the desired outcomes for citizens.
- *Deal with security issues.* Examples include privacy, electronic authentication via digital signatures or certificates, and sharing of information across departmental boundaries.
- *Enhance cross-agency cooperation and integration.* The historical stovepipe organization is reinforced by traditional budgeting and funding mechanisms that rarely allow for cross-department or cross-agency resource requirements. All of these factors can become major obstacles to the progress of transformation.

e-government has the potential to address these issues and create significant benefits in working with citizens and businesses, with employees, and with other ministries and governments. But e-government involves more than simply delivering services online. e-government involves transformation government around a citizen-focused model – one that is capable of meeting the complex pressures, threats and opportunities of today's operating environment. As such, it requires a much more holistic approach to modernization as well as leadership with the skills and vision necessary to drive transformation throughout the organization.

### **Key international experiences in e-government transformation**

Government entities such as those in the province of Manitoba in Canada, the State of Michigan in the United States, Dade County in Miami, Florida in the United States, the city of Naestved in Denmark, Singapore and a handful of others are already embarking on the journey toward realizing the enhanced e-government vision. While these local and central government entities are still in the minority, they provide prime examples of e-government success stories.



Following are international examples of e-government transformations in local and central governments.

### **Enhancing cross-administration collaboration:**

In the *Province of Manitoba (Canada)*, the “Better Systems Initiative” calls for a consolidated view for the citizens it serves, accessible from a broad range of electronic communication devices such as telephones, PCs, interactive TV and electronic kiosks. Family Services performed the necessary process reengineering, system development and established the necessary infrastructure to integrate both provincial services and city services into one common management system. Additional efforts included integrated taxation, licensing, royalties and miscellaneous revenue services to establish a common system to collect and record revenue and process refunds regardless of department.

*Ontario (Canada)* also established a unique Chief Information Officer (CIO) structure to facilitate cross-boundary integration. The CIO for the province manages infrastructure, standards and strategy, and seven other CIOs serve clusters of related ministries. These innovations help break down the traditional department lines.

### **Transforming government and public sector operating model:**

The French GILFAM project represents a best practice in terms of an innovative transformation program. The objective of this project is the automation of the land registry of three provinces in Alsace and Moselle. The solution implemented responds to the needs of the jurisdiction in terms of property publicity and helps ensure a security-rich access to property data by the constituents.

This project is a pilot experience in France and Europe enabling the implementation of a reliable digital signature device allowing user's authentication. IBM Zurich Technology Research Laboratory has built an innovative solution composed of an “electronic tattoo” system and of an authentication system based on a smart card and biometric identification. The quality of the data captured and offered, as well as an overall change management process for user adaptation, represented major success factors for this key transformation program.

As the biggest region in Europe, the “Conseil Régional d’Île de France” is the first region in France to partially outsource its information system. It is an e-business on demand™ case study since the solution includes the elaboration and implementation of an on demand financial management system.

In the *Principado de Asturias (Spain)*, the regional government's objectives were to increase responsibility, accessibility and efficiency in the relationship between the Public Administration and citizens and, consequently, to deliver quality services through a multichannel Citizen's Service Bureau (CSB). IBM Business Consulting Services helped Asturias define the services to be offered by the CSB and design and implement a multichannel Customer Relationship Management application. This e-government implementation, which has improved information management processes to improve the quality of services, has positioned the regional government to become a modern organization that can meet its citizens' needs. Asturias' implementation of this integrated state-of-the-art solution that is designed to meet future needs makes this innovative project a prime example of transformation to an “on demand” government.

In *Italy*, *Consip* – a company owned by the Ministry of Economy and Finance that provides consultancy, support and IT solutions to public sector organizations – was tasked with delivering a solution capable of supporting common e-business procurement strategy across central government. It was considered to be one of the most ambitious and complex projects ever launched by the Italian government. The “e-Marketplace” solution that was developed was designed to enable rapid and efficient online ordering with significantly reduced margins for error and duplication within the procurement process. End users are provided with a more



responsive service as government agencies can rapidly provide them with access to certified suppliers that meet proven efficiency and reliability standards. The “e-Marketplace” solution allows agencies to be more focused in the services they offer and more resilient to the increased budgetary pressures they face. Constituents benefit from more favorable pricing and reduction in procurement costs, and the organization can operate a more variable cost structure through increased visibility of expenditures on an ongoing basis.

In *Spain*, the tax services have experienced a complete transformation and now play a proactive role in the tax-return process for companies and citizens. The solution that is now up and running has the following added value for users:

- Users can find out what information the Spanish Tax Agency has about them
- Users can apply for money paid previously in cases where they are so entitled
- Users can avoid forms and delays, in essence cutting through the bureaucracy
- Users are assured of using safeguarded procedures that guarantee integrity and privacy.

Whereas previously users had to fill out the tax form themselves, now it is pre-filled and sent to them by the government's tax entity. Users only have to add information (if necessary), agree with the statements (certify electronically) or request changes (if necessary). As a result, a lot of Tax agency employees have been reallocated to do other tasks, such as focusing on fraud detection.

### **Implementing citizen-centric approach to local “e-democracy”:**

Regardless of government level, facilitating “e-communities” is a strategic ingredient of e-government. Internet technologies offer virtually unparalleled opportunities for government to enhance communities. Once the e-government technology infrastructure is in place to offer online services through a portal, adding additional components is easily done at a marginal cost.

In *Dortmund (Germany)*, the Digital City Administration project is geared to make all services and products of Dortmund's local government available over the Internet. The goal is for an electronic agent to take over the task of going to city offices for the citizen. The new electronic means of access to the city administration focuses on doMap, the personalized work folder. Citizens can place all requests, work orders and applications for the city administration in this folder. Requests and work orders for municipal offices are gathered and the results documented so they can be retrieved later.

The *city of Naestved* in Denmark offers another leading example of fully integrated service. With sustained leadership over nearly a decade, Naestved has become a model e-government. Naestved launched an impressive series of integrated “e-community” initiatives to attract investment and bring the information society one step closer to reality. NaestvedNet (a semi-private company) drove creation of the NaestvedNet Business Council to stimulate growth of local businesses. Initiatives included providing cheap, high-speed Internet access to households and businesses and providing self-services with “New Pathway” centers on the City Web site to serve the physically impaired, senior citizens and the unemployed. Naestved served as a European pilot (Open Digital Administration) to implement digital signatures. Interactive virtual classrooms using Learning Village technology have also been created and offer distance learning to technical, trade and business schools.

Esslingen in Germany has developed a concept for an “e-city” with the focus on local enterprise. e-government implementation includes a portal, local advertisements, local services and mobile telephone access to advanced online applications (e.g., information about available parking slots).



### ***Conclusion***

The IBM analysis of e-government initiatives in France shows that France is benefiting to a degree but is not yet reaping the full benefits of these initiatives. Initiatives have focused on the front-end, i.e., on providing connectivity with the customer, which is a start. But to reach the ultimate stage and beneficial impacts of e-government on demand, the French Government will need to concentrate on making its processes citizen-centered and integrate the back-end processes (i.e., internal processes and structure) within functions, across functions, across agencies and across jurisdictions. To accomplish this wide-reaching integration, the French Government will need to implement the necessary enabling technologies. This evolution will culminate in transformation to e-government on demand. On demand government will help enable the French government to improve customer responsiveness, improve customer relationships, and extend across the extended enterprise in a dynamic fashion. Other European countries can use the IBM study results on French e-government initiatives and progress as a benchmark for their own e-government initiatives.

Appendix

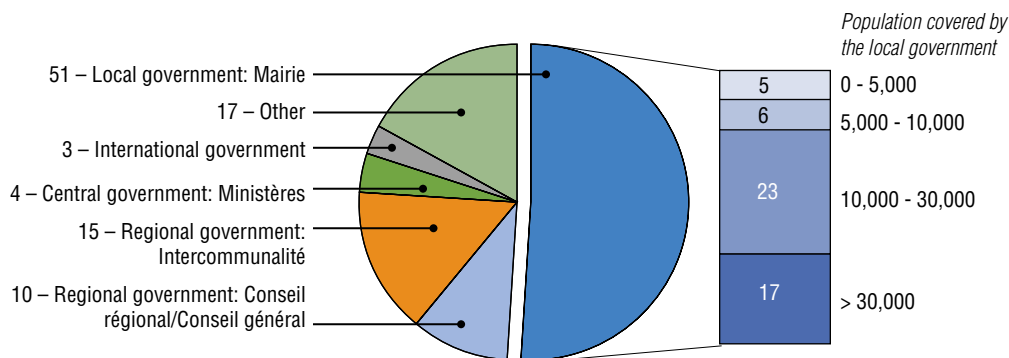
Methodology

Data was collected by ibm.com using a Web-based survey, 108 organizations responded to the survey – that is a response rate of 4 percent. Due to the small response rate, the findings may not be representative of the total government population but are an indication of the trends for a segment of the population. Data collection was completed between the beginning of December 2002 and the end of January 2003.

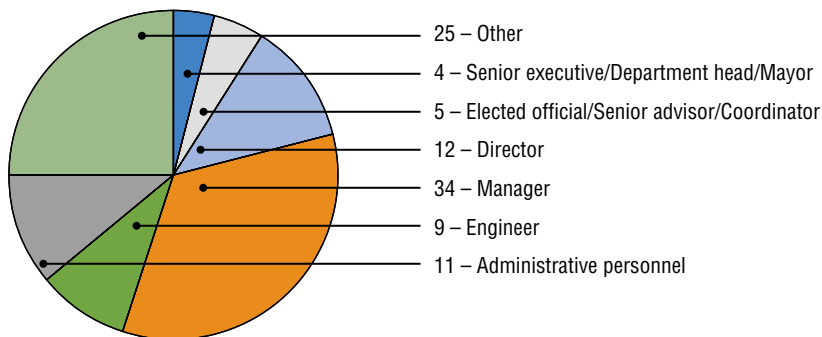
Agency profile

Organizations surveyed were mostly local and regional government agencies (76 percent of total). Most of the local government agencies surveyed administrate between 10,000 and 30,000 inhabitants.

Agency profile, in percent.



Respondent profile, in percent



### Definitions

#### *e-business readiness*

To assess e-business readiness, six indicators were measured:

##### *1. Connectivity and technology infrastructure*

Weight in overall score: 25 percent

Category description: Connectivity measures the access that individuals and businesses have to basic fixed and mobile telephony services, personal computers and the Internet. The affordability, quality and reliability of service – all functions of the level of competition in the telecoms market – also figure as determinants, as does the security of content delivered and transactions conducted via the Internet.

Category criteria: Fixed-line penetration; mobile-phone penetration; Internet penetration; PC penetration; telecoms charges as proportion of disposable income; level of competition in telecoms industry; quality of Internet connections; security of telecoms infrastructure.

##### *2. Business environment*

Weight in overall score: 20 percent

Category description: In evaluating the general business climate, the Economist Intelligence Unit screens 70 indicators covering criteria such as the strength of the economy, political stability, the regulatory environment, taxation, competition policy, the labor market, the quality of infrastructure, and openness to trade and investment. The resulting business environment rankings measure the expected attractiveness of the general business environment over the next five years (2003 to 2007). Calculated regularly as part of the Economist Intelligence Unit Country Forecasts, these rankings have long offered investors an invaluable comparative index for 60 major economies.

##### *3. Consumer and business adoption*

Weight in overall score: 20 percent

Category description: The e-business readiness rankings assess how prevalent e-business practices are in each country. What share of retail commerce is conducted online? To what extent is the Internet used to overhaul and automate traditional business processes?

And how are companies helped in this effort by the development of logistics and online payment systems, the availability of finance and state investment in IT?

Category criteria: State spending on information technology as proportion of GDP; level of e-business development; degree of online commerce; quality of logistics and delivery systems; availability of corporate financing.

##### *4. Legal and policy environment*

Weight in overall score: 15 percent

Category description: e-business development depends both on a country's overall legal framework and specific laws governing Internet use. How easy is it to register a new business, and how strong is protection of private property, in particular, intellectual property, which can easily fall victim to digital-age piracy? Governments that support the creation of an Internet-conducive legal environment – both through policy and enforcement – get high scores. Those more concerned with censoring content and controlling the Web score lower.

Category criteria: Overall political environment; policy towards private property; government vision regarding digital-age advances; government financial support of Internet infrastructure projects; effectiveness of traditional legal framework; laws covering the Internet; level of censorship; ease of registering a new business.

*5. Social and cultural infrastructure*

Weight in overall score: 15 percent

Category description: Literacy and basic education are pre-conditions to being able to navigate the Web. In addition, the rankings consider a population's "e-literacy " – its experience using the Internet and its receptivity to it – and the technical skills of the workforce. And because Internet business involves risk-taking, the rankings assess the national proclivity to business innovation and entrepreneurship.

Category criteria: Level of education and literacy; level of Internet literacy; degree of entrepreneurship; technical skills of workforce.

*6. Supporting e-services*

Weight in overall score: 5 percent

Category description: No business or industry can function efficiently without intermediaries and ancillary services to support it. For e-business, these include consulting and IT services, and back-office solutions. The rankings also take into account whether there are consistent, industrywide technology standards for platforms and programming languages.

Category criteria: Availability of e-business consulting and technical support services; availability of back-office support; industry-wide standards for platforms and programming languages.



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- <sup>2</sup> Study conducted by IBM from December 2002 to January 2003 involving 108 regional and local government professionals who participated in a Web-based survey, which was a questionnaire presented in French. Seventy-five percent of the respondents were from regional and local government. The objectives of the study were to better understand French public administrations' e-government transformation priorities and progress made to date in implementing e-government initiatives, as well as to promote understanding of the relationship between government initiatives and their effect on operational efficiency and organizational effectiveness.
- <sup>3</sup> European Commission, Web-based Survey on Electronic Public Services, 2003.
- <sup>4</sup> e-business readiness rankings by the Economist Intelligence Unit and IBM Institute for Business Value analysis, 2003.
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- <sup>7</sup> Plan Stratégique de l'Administration Electronique (PSAE) pour la periode 2003-2007 – August 2003 – by the Agence pour le développement de l'administration électronique (ADAE).



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