

The Future of Government

Lessons Learned from around the World



A Discussion Paper

Global Agenda Council on
the Future of Government

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The views expressed herein represent a collation of various viewpoints emerging from a series of discussions among the **Members of the Global Agenda Council on the Future of Government**. Although the observations and proposals in this document enjoy support, they do not necessarily reflect the individual institutional viewpoints of any of the companies or institutions that took part, or of the World Economic Forum.

Foreword

Governments around the world are faced with new demands, new expectations and a fast growing array of new technologies and tools. The challenges increasingly span national borders and require resources and expertise to be mobilized on a scale that far exceeds those of governments. To be efficient and effective in today's complex, interlinked and fast-changing environment, governments need to redesign their structures and processes to capitalize on a new set of actors and tools.

In this context, the Forum is pleased to present *The Future of Government: Lessons Learned from around the World*, a discussion paper elaborated by the World Economic Forum's Global Agenda Council on the Future of Government. The paper provides a summary of the discussions that have taken place in the Council on how the strategies, structures and practices of governments are changing, and are likely to change, and how information and communication technologies (ICT) can be used in this transformation.

The Council on the Future of Government consists of 15 of the most innovative experts and leading practitioners from some of the most advanced governments and international organizations. The paper includes a series of "policy briefs" on FAST government, open government, citizen participation, civil service reform, and case studies drawn from some of the countries represented in the Council.

The Council is looking at such questions as:

- How do governments and international organizations build capacity to operate effectively in complex, interdependent networks of organizations and systems lying across the public, private and non-profit sectors to co-produce public value?
- What concrete, practical experiences exist in the implementation of networked governance, citizen engagement and public-private partnerships to promote innovation and the co-production of public value?
- Social media and new technologies hold great promise to improve societies, but how do governments deal with such risks as those related to cyber security, transparency and open data?
- How can governments develop the capabilities of civil servants and what capabilities are key for future governments?
- How can develop measures that better reflect and support networked governance, citizen engagement, innovation, agility and other dimensions of the future of government be developed?

This paper serves as a spring board for discussions at the World Economic Forum Annual Meeting 2011 and select regional meetings during spring 2011. Although great variations will remain among governments, there are certain globally valid recommendations, best practices and lessons learned from more advanced countries' progress towards more networked government from which less advanced countries could benefit. The Council seeks to identify cross-cutting areas that are globally relevant and to "test" them for regional variations to get to robust conclusions with global force.

This discussion paper illustrates the role of the Global Agenda Council community as a platform for interdisciplinary thought and collaboration. The Council members trust that this process will stimulate an early and more informed debate among policy-makers and others on the future of government and contribute to sharing best practice and lessons learned within this area.

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Background

Governments have been catapulted back to their central position during the past few years amid economic crises and large-scale challenges including healthcare, ageing populations and climate change. Amid these challenges, governments operate increasingly in networked environments working with the private sector, civil society, and regional or global partners. The Internet, social media, mobile broadband and other dimensions of the digital revolution offer profound potential to governments and citizens, just as they have transformed business and society. Governments have opportunities to strongly enhance transparency, collaboration, participation, efficiency, problem-solving capacity and service delivery to citizens. Social media allow citizens to have a voice as never before and to become producers as well as consumers of information and knowledge.

Last year, the Council on the Future of Government devoted particular attention to the impact of new networks on democratic processes, focusing on citizen engagement. While this issue remains centrally important, this year the focus broadens to encompass how the strategies, structures and practices of governments will change in the coming years, and how new information and communication technologies and networks can be used to transform government capacity.

In the spirit of Davos, this paper includes the recommendations of the Global Agenda Council on the Future of Government and a set of selected “policy briefs” elaborating on key topics and introducing case studies of best practice.

Recommendations

1. The future of government lies across networks that include government, business, NGOs and civil society at multiple scales and levels, from global institutions to neighbourhood and tribal councils. Locating the most effective nexus for particular activities and understanding how governance works in this new complex ecosystem are at the core of the future of government. Powerful ideas such as government as a platform and open government emphasizing transparency, collaboration and participation rely on a strong orientation towards networks, thus the Council gives primary attention to this core concept.

The Council recommends that governments focus strongly on building capacity to operate effectively in complex, interdependent networks of organizations and systems lying across the public, private and non-profit sectors to co-produce public value.

Sovereignty and territoriality remain core principles of national governments, but governance is increasingly transboundary. The recommendations that follow are meant to strengthen support for the advancement of networked governance.

2. The effective sharing of best practices can speed innovation globally. Currently, best practices are gathered, but efforts are fragmented across different regions and managed by different organizations. Bringing these efforts together would speed up the transmission of knowledge and capacity for innovation. The Council has focused on knowledge sharing: what concrete, practical experiences exist in the

implementation of networked governance, of citizen engagement, of public-private partnerships to promote innovation and the co-production of public value? How can best practices in networked governance be identified, shared and adapted worldwide? Several regional and global benchmarking efforts exist, but attention to best practice for networked governance still lags.

The Council recommends that the best and worst practices in the emerging areas of networked governance, transparency, collaboration, participation and efficient public service production and delivery be gathered and shared globally to promote innovation.

Although great variations will remain among governments, there are certain globally valid recommendations, best practices and lessons learned from more advanced countries' progress towards more networked government from which less advanced countries could benefit.

3. Government institutions are staffed by civil servants, who are often the key implementers and policy experts for emerging networked governance. Yet civil servants may be intractable points of resistance. Public-private partnership and citizen engagement supplement but do not replace civil servants. Attracting and developing civil servants for 21st-century networked governance will require cultural change, incentives, new professional education and training. Increasingly, mid- and upper-level civil servants are networked with their counterparts in the private sector, in civil society and in other governments globally. Governments are among the largest, most important organizations in the world and require decision-makers and administrators of the highest calibre, equipped with the mindset and skills for innovation and adaptation.

The Council recommends that governments modernize their civil service to accelerate innovation in government. In addition, professional schools and public management and administration programmes should be updated to educate and train civil servants for 21st-century government.

4. Measures and indicators developed in the 1990s for e-government readiness and for e-government do not sufficiently reflect the new realities of networked governance, of citizen engagement efforts, or of the explosion of new media in governance. The Council recommends an effort to examine the currency and utility of the most frequently used measures with a view to bringing them into alignment with current needs. Several regional and global benchmarking efforts exist, but attention to best practice for networked governance still lags. Without proper metrics, progress will not be measurable and resources will not be allocated optimally. Governments increasingly rely on measures and indicators, often collected by international organizations, to identify key dimensions for strategic attention and to benchmark progress relative to their counterparts. The new dynamics of global competition, environmental challenges, financial reform and emerging global norms regarding privacy, surveillance, cyber security and more require the development of measures and indicators that reflect the realities of networked governance.

The Council recommends that measures be developed to reflect and support networked governance, citizen engagement, innovation, agility and other dimensions of the future of government.

Deliverables – How Do We Want to Achieve This?

The Council will not try to define the future of government since it is too unpredictable (“stuff that never occurred to you will happen”) and governments will continue to reflect deep variations in politics, economics, social and cultural history. The Council instead seeks to identify cross-cutting areas that are globally relevant and “test” them for regional variations to reach robust conclusions with global force. Key questions include:

- How can governments do more with less through networked government, multistakeholder partnerships that change “partners” from shareholder to stakeholder, new divisions of labour, citizen engagement and the co-creation of public value, allowed by new information and communication technologies? What works and what doesn’t?
- How can governments develop the capabilities of civil servants and what capabilities are key for future governments? Given the substantial financial pressures on the public sector workforce around the world, how can new technologies promote efficiencies without the loss of expertise and capacity?
- Social media and new technologies hold great promise to improve societies and economies, but how do governments deal with risks related to transparency and open data, cyber security, minority capture in public participation and deliberation, the high failure rate of ICT projects in governments, and the risk of being locked into expensive low performing systems?
- How can governments develop robust indicators to measure innovation, networked governance, readiness for change, and other key dimensions? The Council recognizes the importance of indicators and benchmarking, concluding that what is measured happens, and further recognizing the strong impact of benchmarking on national reform initiatives it seeks to remedy the inadequacy of indicators that capture key dimensions of networked governance, including collaboration and participation.
- What are the drivers of change for governments? How can an appetite for change be created? Drivers include more informed citizens, media attention, competition linked to indicators and benchmarking, incentives and compensation, the exchange of experience on a regional and global level, and financial pressures.

In the pages that follow, the Council presents a series of “policy briefs” including thematic notes on FAST government, open government, citizen participation, civil service reform, and the importance of measures, as well as case studies drawn from selected countries and regions. In the spirit of Davos, this paper includes the joint work of the Council and examples drawn from best practice in some of the most innovative governments and international organizations in the world.

“FAST” Government (Flatter, Agile, Streamlined, Tech-enabled)

Leading governments throughout the globe are transforming themselves into flatter, agile, streamlined and tech-enabled (“FAST”) organizations. FAST governments develop innovative public services, effectively meet citizens’ needs, care for scarce natural resources and create new public value. FAST does not necessarily mean

speedy, although the timeframe for many decisions may be shortened with the help of collaboration platforms, tools and analytics; nor does FAST mean ignoring the core government values of merit, equity, checks and balances, accountability and jurisdiction. The following provides an outline of FAST government for leaders everywhere.

Government must be flatter. Governments become “flatter” in four ways:

Citizen engagement. Flattening here means decreasing the distance between government and the people through the use of social media, mobile devices and mapping tools; increasing participation through online deliberation, consultations, surveys and other communication modes; committing to open data that provide citizens and businesses with access to much more public information in easy to use, searchable electronic formats.

Administrative efficiency. Flattening here means decreasing layers in hierarchies between top management and line personnel and removing red tape, aided by collaborative work environments, business process redesign and business analytics to foster evidence-based decision-making.

Decision-making processes. Flattening of the decision-making process can be accomplished vertically as new data and analytical processes put information where it is needed by policy-makers and others, and horizontally by building collaboration within and across government departments, agencies and ministries.

Intergovernmental and cross-sectoral collaboration. Networks that lie across public, private and non-profit sector organizations and across various government entities will be critical in the 21st century to solve complex problems, gain economies of scale and scope, and leverage innovative ideas and best practice.

Government must be agile.

Agility and adaptability are critical to effective and innovative governments. Successful governments are able to organize themselves to marshal public and private resources quickly to address challenges. As important, governments must be able to “de-”organize themselves when specific structures and processes are no longer needed. This requires an agile workforce, made up primarily of highly skilled knowledge workers with broad problem-solving capabilities and armed with real time data and business intelligence – working in teams and networks often with private sector partners. Agility and adaptability include organizational structures and processes, service delivery models, civil servants and others employed in government work and flexibility in regulatory and legal structures.

Government must be streamlined.

Government in the 21st century will be marked in many countries by reductions in the size of the civil service. Just like diets, in many cases these “crash” workforce reductions only prove successful in the short run if at all. Virtually all governments are reducing staffing levels, most often without any real reduction in service levels. Carefully planned workforce reductions coupled with the significant organizational, technological and workforce advances inherent in FAST governments result in slim and streamlined organizations that can thrive in the new world order. Adaptive governments that share services, labour and resources through networked approaches and Gov 2.0 strategies can remain slim while still delivering on their mission in effective and innovative ways.

Government must be tech-enabled and tech-savvy.

Governments of the future must be fully tech-enabled with a tech savvy workforce. Policy, legal and regulatory frameworks and processes must be redesigned to align with the dynamics of the networked world. Information infrastructures must support new modes of collaboration, information intensive governance. Even in the poorest areas of the globe, for example, brilliant examples of service innovation have been driven through the use of cheap mobile and wireless technologies. FASTer governments are more likely to attract and retain a new breed of civil servant who thrives on problem-solving, results and innovation.

As governments become FASTer, the next decades of the 21st century will witness a renaissance of government and public service, when the “best and the brightest” seek out public service — whether through government agencies, civil society organizations or businesses working in the civic sector.

Open Government

Governments globally are using the power of the Internet and Web, including social media, to transform governance, to empower citizens and to rebuild the social contract between political leaders and citizens. Although the emphases and details differ from country to country, many central governments are making more government information public and easily available on the Web in formats that citizens can reuse.

Tracking and mapping tools and systems allow citizens to examine government activities and expenditures. Citizen engagement platforms and tools allow governments to reach out and incorporate the perspectives and ideas of citizens in decision-making and policy-making. Still others are building networked relationships between the public and private sectors to solve challenging problems that cannot be addressed by either sector working alone.

Several countries are building transparency and accountability and driving public and private innovation through the use of information and communication technologies, including social media.

Transparency and Accountability. Tracking systems used in countries such as India, Kenya and Brazil allow and engage citizens in the monitoring and exposure of inefficiencies and corruption.

Right to Information. Several countries – including Indonesia, Mexico, Turkey and India – have recently passed legislation guaranteeing the right of citizens to public information and requiring ministries to make information accessible to the public. The Obama administration has inked an open government partnership with India to exchange best practices and share data.

Open Data. Today ten countries or more have open data portals. Significant Data.gov initiatives are now established in Australia, Canada, Estonia, Norway, the United Kingdom, the United States and New Zealand. These efforts are designed to make government data accessible in a form that may be used by citizens.

These innovations tap not only emerging information and communication technologies but the expertise and creativity of individuals, of the private sector and

of the power of collaboration and participation using data and evidence for decision making.

Citizen Engagement in the OECD

Social media has opened powerful new possibilities to public administration for dialogue and cooperation with citizens. The use of social media is exploding globally, but clearly public administrations have advanced in its use more slowly than the rest of society. Citizen engagement has instrumental value, including better outcomes at less cost, more innovative solutions, responding to greater diversity, better use of resources and knowledge and higher compliance to decisions. But it also has intrinsic value, including building greater trust and strengthening democracy. Through public discourse and participation comes collective commitment to the impacts of joint decisions on future generations. Public dialogue and citizen engagement support multi-stakeholder evaluation of policy-making and increase the quality of preparatory work. At its best the interactive dialogue can increase efficiency, innovation and genuine accountability, when the work of administrations becomes more transparent.

What's different now? Participation 2.0. Previously, our governments have thought about the linkages and dialogue between the administration and citizens and civil society organizations from a bilateral perspective and at best as a two-way interaction. In their efforts to inform and engage citizens, OECD countries have used e-tools accordingly. Examples include information to citizens through websites and e-mails, consultation through online forms or online dialogue, participation with discussion forums, etc. Countries have not taken into account that they are not just dialoguing with isolated individuals. Citizens themselves are interconnected.

How citizens interact with each other is crucial to how public administrations should design processes and tools for participation. Government is just one part of the network. In the participation 2.0 world, the tools that can be used are also different. For information, tools like RSS feeds, tag clouds and webcasts are used. For consultation, blogs, online polls and participation through e-petitions, jams, wikis, crowd sourcing and virtual worlds denote the new social media environment.

Governments still use ICT more to inform than to engage, which suggests that the ideas of dialogues and networks with citizens and civil society are not yet fully in use. Governments can use the participative Web both for their external relations with stakeholders as well as to improve internal capacities for knowledge management. In its external use the government must remember that it competes for the attention of those online. It needs to go where the action is and not just wait for citizens to come and call. People can be highly connected online but have no connection to government. It is not just a matter of the tools governments use or the actions they take, but that they be present where their citizens are. More important than governments' own choices are what the people want and which technologies they wish to use to interact with the government.

Citizen engagement will also make a difference to civil servants. Social media tools are easy to use, but civil servants need support and training to develop dialogue and interaction skills. Governments cannot expect their civil servants to master the new information management skills needed to foster participation without help.

Tools do not create networks; they are means. Social media tools by themselves do not create networks; they are the means for doing so. For governments social media may facilitate building new networks and strengthening existing ones. The difference between now and the past is that governments can feed information to networks and launch consultations, but afterwards that information does not simply stay between the government and its networks, it lives and sometimes also dies, transforms or develops further or is clarified by others in other networks that have come to define the public sphere. Governments are well aware that citizens themselves can use social media to organize e-petitions or consultations where governments are the receiver, not the initiating actors.

What has not changed? The OECD has worked on principles of open and inclusive policy-making. Whether governments work online in social media or face to face with citizens, the same principles are important. The government needs to be genuinely interested; this is not a public relations trick. If governments try just to be “cool” by being active in the social media, the effort backfires. That is why commitment is perhaps the most important of these principles. Commitment means not making promises to citizens that government cannot keep. If there are issues that have already been decided upon, these decisions need to be transparent to citizens. Citizens should be engaged in issues in which they can genuinely have a say.

Core OECD principles include the rights of citizens related to access to public information, legislation, clarity, time, resources, coordination, accountability, evaluation and active citizenship. The OECD countries have reported that they have been most successful in implementing the principles of rights, active citizenship and commitment. They have met with the most challenges in dealing with resources and time for engagement as well as evaluating quality.

The principles are good guidance in the day-to-day, practical work to plan open and inclusive policy-making and in engaging citizens. What has been found to be particularly hard in the OECD countries is evaluation. Both best practices and lesser practices for citizen engagement are necessary lessons. In particular, best practices in the evaluation of engagement in terms of both quantity and quality are needed.

Most governments face the challenge of mainstreaming public engagement. Much has been accomplished but citizen engagement is still mainly a separate project, not a factor embedded in daily work. Governments need to mainstream public engagement, develop effective evaluation tools to measure engagement, leverage social media or the participative Web, and adapt public administration principles to support emerging practice.

The Power of Innovation for Development

The power of innovation can make an enormous difference in large, important international organizations, such as the World Bank. Innovation can be seen in two ways. Innovation is doing things differently – changing institutions, systems and the work of reform. Innovation is also doing different things. The World Bank is exploring doing things completely differently, with partners bringing to the table lateral, non-linear approaches to development, and thinking about completely different ways to solve old problems, with new partners and new approaches.

In many countries, citizens are looking to the private sector to access public goods, whether it be education in the context of Western Europe and the United States, or

health, education, water and power in the context of the developing world. The public sector on its own can no longer meet the needs of the poor, so non-traditional partners must be centrally involved in the production and delivery of public goods.

There are many examples in the private sector of how people are responding to a failure of public markets. A range of **social entrepreneurs** are focused intensively on improving the delivery of services to the poor and the delivery of public goods in the developing world. Their potential is yet to be unleashed. This is where the development marketplaces have played a transformative role over the past decade. World Bank projects have been able to support social entrepreneurs who provide goods and services to the poor, when the public sector has been unable to do so. The challenge now is how to do this at scale. The opportunity currently exists to engage social entrepreneurs for systemic change.

The private sector, in particular commercial and non-commercial entities, is playing a role in the delivery of basic services to the poor, mainly public goods, in the developing world. The notion that small is good exists and examples abound. But the problems are huge and time is in short supply. We must accelerate the rate at which these solutions serve the poor and help them achieve scale much more quickly. Herein lies opportunity for the Development Marketplace. Traditionally the World Bank has focused on support for small-scale, early-stage enterprises. A subset of these has produced proven results and excellence begs scale. So how can the world of social investing be brought into the pipeline provided over the past 10 years and match growth finance with enterprises that are investment ready? This is where an opportunity exists.

A new group of investors, calling themselves **social investors**, collectively represent over US\$ 50 billion of capital a year. But they are constrained by efficient deal flow and pipeline. A subset of these investors are the **hybrid investors**, who are not only optimizing for a financial return but are trying to find optimization between a social return and a financial return. Businesses can be very powerful vehicles to provide public goods and services to the poor and, if they are not solely concerned with the financial return, they can be powerful levers to deliver effective goods and services to the poor. That's the opportunity for the hybrid investor.

The power of innovation and the power of entrepreneurship are beginning to converge with the delivery of services to the poor. While traditional development institutions, non-governmental organizations and governments have been working a long time to meet the challenge of serving the poor, a unique opportunity exists to really engage with the private sector, technology companies and non-traditional actors in a way that creates a concerted effort, and with the convergence of technology, scale and entrepreneurship in a way that really makes a difference in poverty alleviation.

The Civil Service in the 21st Century

In most countries, the civil service systems of today's governments require a major overhaul. Current civil service systems are relatively structured, rigid, inward-looking and based on outdated competencies. As stated elsewhere in this brief, governments need to network and collaborate increasingly, be more transparent, more flexible and participatory. A number of measures to align civil service systems to these new characteristics are required. Pressure to decrease the size of some countries' civil

service should not be confused with the need for modernization as these issues are separate.

Updating the legislative framework. In most countries, legislation governing the civil service dates back several decades. Such legislation in most cases does not provide the civil service with the authority or flexibility to share information or to engage with business and the non-profit sector for the co-production of public goods.

Reforming organizational structures and processes. Civil servants operate in very pyramidal public organizations and their work is organized in compartmentalized silos. Procedures and practices are cumbersome and inefficient and do not provide scope for initiative and innovation. Structures and procedures need to be simplified and streamlined to provide civil servants with the ability to network among themselves, with other actors and to innovate. The main challenge in this respect is striking a balance between offering flexibility and guaranteeing accountability and integrity, particularly in the areas of financial management and procurement.

Changing organizational culture and civil servants' mindset. Civil servants learn quite early to work in organizational compartments. Information and knowledge are jealously kept within individual organizational units. Rivalries exist between different agencies vying for recognition and/or funds. In many organizations, initiative and efficiency are frowned upon, particularly among frustrated and disillusioned tenure staff. Management styles are often traditional and either paternalistic or authoritarian. Modernization, therefore, requires special programmes that teach public management and staff to work proactively and collaboratively.

Promoting the sharing of information. "Open government" initiatives should be introduced to promote the sharing of information and increase transparency. The sharing of information and knowledge facilitates the involvement of other actors in the delivery of services and also enables civil servants to take advantage of information resources through "cloud computing". The creation of common data platforms to be shared among various agencies would facilitate information exchange and sharing among civil servants.

Overhauling recruitment, advancement and remuneration systems. Recruitment systems, including examinations and interviews, should be modernized to facilitate the recruitment of staff with new competencies and skills. Selection methods should assess not only knowledge but also attitudes and behaviours. Job descriptions for posts should not be a rigid framework within which management and staff cannot operate with flexibility and initiative. As advancement in the public sector is very often linked to seniority, criteria that reward efficiency, effectiveness and initiative should be given more importance in the promotion of staff. Also, remuneration systems should be able to reward those civil servants who are particularly effective, innovative and engaged.

Most civil service systems are fairly rigid when it comes to the ability to exchange staff between the public sector and the business and non-governmental sectors. Governments of the future should draw from all sectors of society, particularly at the managerial level, and should facilitate the movement of human resources from and to the civil service and other sectors.

Modernizing public administration education and training. Public administration schools and institutes offer a strong curriculum in traditional disciplines, such as political science, economics and social sciences, but are extremely behind in developing newly required competencies and behaviours. Their curriculum should

also focus on building competencies in collaboration, networking, public-private partnerships and citizen engagement. Competencies in using social networks and current information infrastructure should be embedded in core curricula. The same can be said for pre-service or in-service training programmes offered by civil service schools or training departments.

Major challenges. At a time when civil service systems require a major overhaul, many governments are facing a serious financial crisis and are forced to reduce the costs of the public sector by eliminating programmes and/or freezing recruitment and salaries. Under these circumstances, great creativity and innovation are required to carry out the necessary reforms. Greater efforts must be placed on re-training existing staff, introducing non-monetary incentives and promoting partnerships between the public and other sectors for the delivery of services.

Given the complexity of the issues to be addressed, the governments of the future require staff who are highly specialized in various disciplines. At the same time they require staff with flexible skills, able to perform various functions and to move from one position to another during their career. These apparently contradictory requirements need to be reconciled through well-designed and implemented recruitment, rotation and training systems.

New Government Requires New Measurements: Metrics of Government Transformation

Over the last decade, significant efforts have been deployed to better measure governments' work to improve their performance. Such efforts include the World Economic Forum *Global Information Technology Report*, a long-standing collaboration between the Forum's Global Competitiveness Network and INSEAD, which examines the degree to which 133 economies employ advances in information and communication technologies to increase growth and development through the methodology of the Networked Readiness Index (NRI). The United Nations E-Government Survey makes available a biannual evaluation of national online services, telecommunication infrastructure and human capital in the 192 Member States. These two global surveys have largely focused on assessing how a better and wider use of ICT in the public sector could affect the ability of governments to service businesses and citizens. Resulting rankings have attracted the attention of decision-makers (public and private) and contributed to improving the visibility and efficiency of efforts to modernize governments.

Yet addressing the challenges and seizing the opportunities mentioned in this policy brief requires significant additional effort in the area of metrics of government transformation (MGT). Such efforts should be guided by the following principles:

- Include more qualitative dimensions to existing quantitative indicators (example: customer satisfaction vs number of services online)
- Focus on competitiveness, ease of doing business, value for citizens, e-inclusion
- Adopt a time-bound definition of objectives in government transformation (see the World Bank's Logical Framework/METER framework)
- Provide a set of internationally recognized and accepted indicators of government transformation, allowing benchmarking and the identification of

success stories and best practices; such indicators should also contribute to better alignment between government transformation objectives and the overall socio-economic objectives of a nation

- Develop MGT at the international, national and local levels (cities in particular)
- Make the various components of MGT be amenable to real-time, transparent, readable communication with stakeholders (government staff, businesses, citizens) and be integrated in Web-based dashboards, on which all could comment/discuss and suggest improvements

Country and Regional Cases: Best Practice and Lessons Learned

SINGAPORE: E-GOVERNMENT STRATEGY

Today, information and communication technologies (ICT) have very much become a part of the public sector of Singapore's DNA for public administration and public service delivery. Singapore's e-Gov strategy over the years has benefited the public sector in the form of greater efficiency gains, while Singapore's citizens and businesses have enjoyed unprecedented levels of convenience and cost savings when using public services.

From 1980 to 1999, ICT drove **public sector efficiency** gains through the automation of public service and the development of key IT infrastructures and data hubs. From 2000-2005, ICT drove **public service excellence** through e-Government Action Plans I and II, with a focus on online service delivery (1,600 e-services were deployed) and integrated services (Online Business Licensing Service), bringing greater convenience to citizens and businesses. From 2006 to 2010, ICT drove **whole-of-government integration** through the iGov2010 strategy, focusing on the integration of data, processes and systems across the government. During the same period, the mobile government programme also deployed more than 300 mobile government services. Moving forward, a few key trends are noteworthy.

Trend 1: Technology is becoming easier to use. In 2010, there were about 900,000 iPhone users in Singapore. Government services increasingly happen on mobile devices, particularly through smart phones.

Trend 2: Citizens are becoming more sophisticated. Half the population of Singapore is on Facebook. Eighty percent of youths and 50% of professionals use Internet services for communications through instant messaging, social networking and other social media and Web 2.0 communications.

Trend 3: The environment is becoming more complex. Green issues are prevalent in information and communication technologies. The risks of pandemics and environmental catastrophes call for more sophisticated information infrastructures and analytics to be built into policy-making environments and response units.

In addition, the ICT industry in Singapore grew by 11% from 1998 to 2008. From 2008 to 2010, the mobile penetration rate increased from 125.6% to 142.5%; computer access in households increased from an already high 92% to 95%; and the percentage of households with broadband access grew from 71 to 80%. Given these trends, the next phase of e-Government from 2011 to 2015 will focus on collaboration *within* and *outside* government. In this phase, ICT will drive **government-private**

value innovation and economic competitiveness. The new e-Gov strategy will facilitate the major shift from a “**Gov-to-You**” mindset to a “**Gov-With-You**” mindset – to **fuel innovation** and to **encourage co-creation**.

One of the key e-government strategies embraces the notion of government as a *platform provider*, in addition to its traditional role as a *public service provider*. This aims to encourage participants, whether private sector or individuals, to freely innovate and create new value-added services. One of the ways to encourage development of innovative services is to facilitate access to public sector data. Examples of such services include: Neighbourhood Community Geo-tagging (by a local Singapore company), which is a location-based community service for its users, in which information concerning events in a neighbourhood could be shared with the community. When users indicate their geographical position, they are informed about events, activities and news in their vicinity, based on their indicated preferences. Quantum Inventions Pte Ltd’s Customized Real-Time Navigation provides motorists with routing information as real-time traffic information is processed along with information from users regarding current road conditions.

Besides opening more government data for the creation of innovative services, Singapore is also looking at more extensive use of business analytics (BA) on the huge amount of data that it has, and is building BA as a public sector capability. BA will be strategic in moving government from *collecting data* for service delivery to *drawing new insights* from the collected data for more sophisticated decision-making.

The ubiquity of computing demands greater bandwidth. By mid-2012, 95% of Singapore’s residential homes and businesses will have access to the new, ultra high-speed all-fibre network capable of up to 1,000 Mbps (1 Gbps) available under Singapore’s Next Generation Nationwide Broadband Network (NGNBN). This opens up new next-generation services like telemedicine, immersive learning and interactive video services.

Within the government, Singapore is developing the next-generation government intranet to foster greater collaboration among public officers. A government standardized operating environment is currently being deployed to provide a single environment for public servants’ collaboration. Cloud computing is being designed as the next generation infrastructure for government to enable increased business agility, higher levels of systems resilience and optimal use of computing resources. Through shared services, government has also gained greater efficiency, economies of scale and standardized business requirements, while sharing best practices on business processes.

Singapore’s e-government strategy is focused on collaboration within and outside government to spur innovation in the community and in the private and public sectors, to move from “Gov-to-you” to “Gov-with-you” by building platforms, tools and creating a culture for collaboration; by stimulating co-creation of public value; and by fostering innovation across civil society, the private sector and the public sector.

UNITED ARAB EMIRATES: AN EVOLVING HOLISTIC APPROACH TO GOVERNMENT MODERNIZATION

Government modernization and reform programmes have always been at the top of policy-makers’ agenda, and the events of the past few years have added to the importance of making governments efficient and effective. Around the world,

governments are faced with new demands, new expectations and a fast-growing array of new technologies and tools by which such demands and expectations can be met.

Depending on the priorities of government, modernization and reform efforts come in multiple forms and go through various cycles – typically swinging between big vs small government (the public sector being called to the rescue when the economy suffers, and urged to “get out of the way” when conditions improve). This reform is often prescribed under large-scale national efforts, involving multiple stakeholders and entities.

However, a review of international experience reveals two common factors in government reform programmes deemed to be successful: a holistic and coherent approach that focuses, drives and synchronizes efforts across the whole of government (and engages the citizens), and the ability of a government to react, adapt and, in many cases, tailor the approach to changing times and different needs. A number of governments in the Gulf Cooperation Council region have already started adopting the holistic approach in driving their development plans and have achieved some tangible results. The United Arab Emirates (UAE) is one such government. The approach adopted in the UAE builds on successful international experiences in Canada, New Zealand and Singapore, for example, and tailors the approach to suit the current developmental stage of the UAE and its future ambitions. The following is a brief outline of the two cornerstones of this approach.

Although its importance is universal, the approaches and methods for government modernization and reform are not. A number of governments around the world (in Western Europe, the Middle East or Asia) have undertaken and delivered successful large-scale modernization programmes and managed to drive their countries forward on the path towards sustainable growth and development. These advances are typically measured by such global benchmarks as competitiveness, quality of life, etc. Central to these success stories is what is commonly known as a holistic approach to managing government change that melds four critical roles:

A champion at the centre. A central entity typically champions and steers overall policy-making (here the focus is on the concept of “champion” as opposed to “lead”), facilitating the formulation of a national vision and strategy in collaboration with key governmental and societal stakeholders, planning and optimizing resource usage, and coordinating key legislations. In the UAE, this entity is the Prime Minister’s Office.

Accountability. This is achieved by managing outcome-based performance against set plans, and closely overseeing the implementation of a few high-impact and cross-cutting programmes, such as national competitiveness or e-government. This performance management role is key to ensuring follow-up and the accountability of announced plans, in addition to providing selected programmes with the right level of support and buy-in among government entities. In the UAE this role is played by the Prime Minister’s Office, driving the system. From this experience, and as is the case with performance measurement, this role is among the most complex as accountability always incorporates resistance and fear of measurement, especially in cross-cutting programmes that are owned by the “whole of government”. While these programmes are technical in nature, their successful implementation relies more on negotiation and internal change management (intra-government) and less on large-scale designs and blueprints.

Flexibility. To keep pace with global and local change, governments need to continuously reinvent themselves. They need to constantly develop and create new and improved versions of themselves through enhanced institutional efficiency to optimize their operating model (including government structure, targeted strategic human resource management and innovative public service delivery mechanisms). In the UAE, this has been a key factor in driving successful reform, as government entities do feel empowered (and indeed are expected) to innovate in creating public value, and to continuously improve their delivery.

Effective decision-making. Governments need to deliver effective policy advice (based on structured impact analysis tools and scenario planning) to the cabinet to ensure timely, coordinated and data-driven responses to the various entities' policy proposals. This enables effective decision-making and supports transparent internal and external communication, which is critical to cascade and disseminate directions.

Shifting gears. The success of governments that have adopted a holistic approach to modernization and sustainable development, spanning from national planning to performance management and innovative service delivery, hinges partially on their ability to balance the leverage of each of the above-mentioned roles and their sub-activities, according to the priorities and requirements of the reforms. The UAE experience makes clear that what is applicable and needed at the beginning of a large transformation programme (e.g., during the foundation setting phase) may not be as effective in other phases. Moreover, responsiveness to the change and the external environment may also impact how people react to certain practices. This means the government needs efficient and effective feedback loops and "change management radar" to know when to shift gears.

Successful governments are those that have managed to adjust the emphasis of each role within that holistic approach, based on institutional maturity, stakeholder reactions and external developments. For example, in the post-financial crisis period, the focus shifted towards service efficiency and cost optimization. This took precedence over innovation in creating public value. More focus is now given to performance measures and accountability. Another example from the UAE experience is related to the maturity and experience of the civil service. As internal capabilities are developed, the nature of performance management takes a different angle and becomes less intrusive (shifts from control and monitoring to collaborative dialogue on improvements).

Moving forward. There is no universal model for government modernization. Success depends greatly on a nation's needs, goals, political structure and history and the make-up of its government. What works for one government may not be the best solution for another. In this context, one of the key lessons in the UAE government example is that the ability to learn and adapt is "the" main capability that a government needs to modernize and continuously improve. No single answer exists; instead, much experimentation and continuous learning are needed.

Regardless of its approach and structure, a holistic methodology seems to bear fruit in most cases. It helps form an inclusive national vision and strategic plan, and then helps execute this plan and monitor progress so that it can suggest and introduce changes as needed. Key is the ability for governments to adapt their approach according to changing requirements and external factors to ensure consistency, inclusiveness and effectiveness in the design and implementation of their programmes.

UNITED STATES: DEVELOPMENTS IN OPEN GOVERNMENT

The current administration's approach to creating more effective and efficient government focuses on three principals: (1) government should be transparent; (2) government should be participatory; and (3) government should be collaborative. To implement these commitments to openness, the US federal government has accomplished the following.

Data.gov, an initiative to put hundreds of thousands of public datasets in easily used and retrievable form in one location, is meant to democratize access to data. Well over 300,000 datasets have been posted to Data.gov, providing "unprecedented transparency" in policy areas including healthcare, employment, drug safety, nutrition, air travel, automobile safety and workplace safety. The public availability of these datasets has been an incentive for the development of applications, or "apps," using private sector innovation to make data easily searched and used by the public. More importantly, every major department and agency is in the process of inventorying its data and putting it online. For example, agencies like the Department of Labor, the Environmental Protection Agency and Department of Transportation have data catalogues online with even more information that has yet to make its way onto Data.gov.

Open government Web pages and plans have been developed by approximately 30 federal agencies with the goal of disclosing more public information and encouraging public participation in agency activities. Among the most widely used have been initiatives of the Environmental Protection Agency, the Department of Health and Human Services, the Food and Drug Administration and the Department of Housing and Urban Development.

To promote transparency and accountability, several agencies have developed "dashboards" that allow the public to monitor and track expenditures and activities using visualization tools, geocoding and mapping to gain precision about geographic data. The Information Technology dashboard, for example, has exposed underperforming IT programmes, including US\$ 54 million dollars in information technology projects in the US Department of Veterans' Affairs. Other dashboards track the use of economic recovery funds appropriated through the Recovery Act through Recovery.gov.

Social media to tap expertise. The administration has initiated a variety of new technologies, prizes, competitions and new guidance to leverage developments and use of social media in order to gather expertise from people inside and outside the government. The government launched Challenge.gov to allow government agencies to improve outreach and to increase collaboration to solve some of the country's most pressing problems. A second successful example draws on the expertise of federal employees to make the government more effective and efficient. The SAVE Award (Securing Americans' Value and Efficiency) has garnered more than 38,000 proposals from civil servants, many of which currently are being implemented.

White House openness. The White House has established new levels of openness by posting salaries, staff financial disclosures, visitor records and ethics waivers on the White House website and by increasing access to presidential records and initiating reforms to the Freedom of Information Act (FOIA). For example, the Department of Justice has established a FOIA dashboard to allow users to evaluate FOIA compliance over time and across 92 federal agencies. The White House is also

modelling new levels of openness by posting online records of the Troubled Assets Relief Program, stimulus lobbying, and the Emergency Economic Stabilization Act.

LESSONS FROM THE ASIA-PACIFIC ECONOMIC COOPERATION TELECOMMUNICATIONS AND INFORMATION WORKING GROUP

APEC TELMIN (ICT Minister meeting) has challenged the future of government in terms of ICT sectors in the Asia-Pacific region this year. Its prime concern is how the public sector uses the available ICT technologies. ICT usage in the public sector focuses on how to measure a government's ability to use ICT and its related applications. The following are the major leadership issues for government.

The key leadership issue concerns implementing ICT use for highly efficient management of governments for new technologies can be seen as a way to achieve internal effectiveness and efficiency in governmental operations. This issue includes as well the broader scope of e-Government policies that support implementation, such as the development of legal frameworks, promotion activities, organizations/bureaus involved, budgetary distribution system and the existence of third-party committees for oversight evaluators. Leadership in government is the top priority and a necessity for e-governance.

Green ICT for environment and climate change. In recent years, awareness of the environment through daily contact with air pollution and industrial waste has been increasing, helping to put such issues in the public mind. Some of the more popular environmental issues are the Global Warming Effect and its potential impact on rapid climate change. A number of governments have responded and have begun looking at ICT as a tool to address environmental problems, as well as making ICT usage itself more environmentally friendly.

Government 2.0 and social media. There has been a very noticeable rise in the use of Web 2.0 technologies. This does not refer to an update of technical specifications but to cumulative changes in the ways software developers and end-users use the Web. Web 2.0 is commonly associated with applications that facilitate interactive information sharing, interoperability, user-centred design and collaboration on the World Wide Web. The technologies and forms based on Web 2.0 include RSS (Really Simple Syndication) and other syndicated Web feeds, as well as blogs, wikis, photo-sharing, video-sharing, podcasts, social bookmarking and social network systems for e-government interactive communication tools.

Business continuity planning (BCP) for disaster reduction. The 2005 Indian Ocean tsunami demonstrated the importance of addressing disaster reduction issues far in advance of their occurrence. Terrorism is also a huge threat to many governments, which can negatively affect their ability to carry out business as usual. The ever-increasing reliance of government on ICT to provide services suggests that major technological failures as well as malicious electronic attacks can severely interfere with government operations and service delivery to citizens. Countries that have addressed disaster recovery issues ahead of time tend to respond better when disaster strikes. In light of terrorist threats, natural disasters and cyber security threats, governments must review their disaster reduction and business continuity plans.

From the digital divide to digital opportunity. Despite the potential benefits that can be offered by ICT, developing countries face significant obstacles to ICT connectivity. The underlying causes of low levels of ICT penetration in developing countries include a lack of awareness of what these technologies can offer,

insufficient infrastructure and Internet connectivity, expensive ICT access, the absence of adequate legal and regulatory frameworks, a shortage of requisite human capacity, the failure to develop local language content and a lack of entrepreneurship and business culture open to change, transparency and social equality. These problems are reflected in highly uneven growth in the use of ICT across countries. A major challenge for policy-makers at the national and international levels, therefore, lies in addressing the issue of the digital divide and digital opportunity for all.

Strong mutual linkages between central and local government. Strong coordination and collaboration between central and local governments are key factors for the delivery of public services and are essential for ensuring interoperability, avoiding duplication, ensuring coherent action in a range of crucial areas, such as security and privacy, and for providing a framework and capacity for seamless services. Thus, many countries are refocusing attention on how to collaborate more effectively across agencies and various levels of governments. Many governments must overcome the lack of talented ICT manpower (such as CIOs) by training their own local government staff.

WHY IS SUPER-FAST BROADBAND SO IMPORTANT? LESSONS FROM THE UNITED KINGDOM

In 1981, Bill Gates famously said, "640K ought to be enough for anybody." Since then, the world has transformed; we are fundamentally technology dependent, and customers demand speed. Super-fast broadband enables a wealth of opportunities.

In business, the new opportunity is to provide state-of-the-art technological platforms for new enterprises to drive wealth creation, and localized technology "hotspots". Businesses and governments need faster broadband speeds to innovate, increase efficiency, improve productivity and compete. Multiple bandwidth hungry applications must be able to run at the same time and send and receive large amounts of data much more quickly and efficiently. Computer processing and the storage of files must become more sophisticated and secure, using cloud computing technology. The technology will enable faster back-up of computer systems and wider use of high quality videoconferencing. It will help keep costs low and provide greater control of resources and the quality of services, backed by tighter security management.

In society, the opportunity for a sustainable and inclusive way of living is enhanced, providing citizens with opportunities to live and learn in different ways and to interact with government and each other, facilitating the growth of the ICT sector. Home and agile jobs can become a realistic option for many, leading to more efficient working practices and a reduced carbon footprint. Applications, such as high definition and 3D content on demand, will become widespread and customers will be running not just one but multiple high definition channels at the same time. This facilitates growth in the development of data-rich, real-time public services, including eHealthcare applications such as remote access to medical experts, enhanced online education and training for eLearning, low-carbon economy ICT solutions such as for integrated smart communities, and the introduction of a range of eGovernment services such as eProcurement.

A number of international case studies and related research support the positive impact that super-fast broadband can have on a country's outlook. In 2009, the World Bank concluded that cheaper access to broadband is key to economic development:

for every 10% increase in high-speed Internet connections, there is an increase in economic growth of 1.3%. A study by the Public Policy Institute of California (January 2010) into whether broadband boosts local economic development concluded that a 6.4% change in employment growth could be associated with an increase in broadband availability.

Hence, policy discussions about the scale of deployment of fibre and high bandwidth mobile are happening in every country. These include at least three core economic factors: 1) a substantial investment is required and there is no airtight commercial case for fibre and 4G; governments and business have to believe that customer demand will follow, and countries estimate affordability and return on investment differently; 2) countries face the challenge of maintaining competition while avoiding a “patchwork” of local players and ensuring economies of scale can be realized; 3) rural areas must be reached, or the challenge of the final third, where either full government funding or a public-private partnership are required, challenging governments to work innovatively, often crafting public-private partnerships.

The extent of service and infrastructure competition and public investment varies country by country, but some public funding support is needed, at least in remote areas to ensure digital inclusion. The **UK government** is proposing public tenders for rural area deployment and will offer some public funding (approximately US\$ 750m) to support private investments; avoiding issues around a patchwork of systems with interconnection issues will be key. Much more substantial public funding is available in the United States to operators providing services in remoter areas, e.g. via stimulus package monies. The **South Korean** government spent over US\$ 3b (approximately US\$ 200 per household) on first-generation broadband deployment and demand stimulation programmes to 2005, and has plans to spend another US\$ 1 billion or more (or around US\$ 65 per household) on super-fast broadband deployment activities. South Korea’s population density is very different from the United Kingdom’s, with 40% of the population living in multi-dwelling units (MDUs) and 75% of all new houses being built as MDUs.

Singapore has 1.1 million households; 90% of people live in multi-occupancy units. This significantly reduces the cost of deploying fibre-to-the-premises (FTTP) per customer. However, government funding of US\$ 750m—the equivalent of US\$ 600 for every household in Singapore—has been required for this deployment. State policy to drive broadband infrastructure will see next-generation access networks cover 60% of homes this year and 95% of homes by 2012. **In Australia**, the government has created a new, functionally separate entity to deliver the national Next Generation Broadband Network. The Australian government will pay Telstra over US\$ 10B for the migration of assets (duct, poles, fibre) into the new entity as customers migrate from copper services. **Finland** aims to cover 99% of residences with 100 Mbps connectivity by 2015: the “next generation access for all” policy requires a fibre backhaul connection to be provided within 2 kilometres of a community, where a “community” is defined as an area with 70 people per square kilometre. However, when the Finnish government kicked off their procurement process for their nine next generation access lots, three were “no bid” because no operator could make them commercially viable. This implies that a public-private partnership is need in some areas.