

Horizontal Integration of Local Government: The Case of the Citizen Service Unit

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Abstract: The objective of this paper is to present empirical findings suggesting that it may be easier to develop a citizen service than to create more effective administrative procedures. Our starting point is a case study in which we followed a large strategically important development project in a Swedish municipality. The project aims to improve both citizen service and the municipality's internal effectiveness. Its main objective is to develop a Citizen Service Unit (CSU) that works as a one-stop-shop collecting service requests from citizens in one channel. According to the citizens the CSU clearly is a success. In the citizen survey we conducted the service of the CSU is rated very high. The answering rate has increased to 85%, every request is recorded in a document and workflow system and the citizen receives fast feedback from a handling officer at the responsible office. From an organizational perspective the CSU is not at all a success. On the managerial level there is a consensus on why and how they should change within their offices. On lower levels, however, clear roles, new work routines and routines for the communication between the CSU and handling officers to a large extent have been missing. Therefore, we suggest the following lessons to be learned: (1) Pay equal attention to the front-office and the back-office perspective. Reengineered business processes and new work routines will not show up by themselves, and (2) When developing one-stop-shops as the CSU make sure to also develop models for the relationship between the one-stop-shop and the rest of the organization.

Keywords: strategic development, one-stop shop, horizontal integration

1. Introduction

Today the public sector, both at a national and regional level, in many European countries are in a phase of extensive ICT-based transformation [1]. It is often believed that with the help of information and communication technologies (ICT) it is possible to develop the service to citizens and at the same time create more effective administrative procedures. Quite a lot of politicians, officials and IT consultants hope that through interactive e-services the tasks of the public sector will be conducted with better quality for the citizen, more effective and at a lower cost [2]. However, to a large extent we still lack evidence that this is the case. Empirical investigations of the actual outcomes of the use of ICT in public service are still quite few. A Danish study shows that the development of e-services has been more focused on what is technological feasible than on the demands of the citizens [3]. Research has also shown that it is not a straightforward road for citizens looking for e-services that governments have implemented. According to Vassilakis et al [4], there exists a "lack of knowledge about the existence of online services and inability to locate relevant sites".

The objective of this paper is to present empirical findings suggesting that it may be easier to develop citizen services than to create more effective administrative procedures.

Our starting point is a case study in which we followed a large strategically important business development project in a Swedish municipality. The project aims to improve both citizen service and the municipality's internal effectiveness. It is organized in several subprojects. In this paper we will focus on one of the subprojects – shared citizen service. Its main aim is to develop a Citizen Service Unit (CSU) that works as a one-stop-shop collecting service requests from citizens in one channel. One-stop-shops are still rather a unusual phenomena [5], but at least in Sweden they have become popular for the last years.

The remainder of this paper is organised as follows. In the next section, we present our case and the research method employed. In section three we describe the results of our empirical investigations. The results are divided into two sections; the first has its focus on citizens' experiences of interacting with the municipality, the second has a back-office perspective and discusses the experiences of handling officers and managers at the Municipality's offices. Finally, we conclude our paper and present a number of suggestions that can make the horizontal transition of the local government more efficient and coherent.

2. Research Site and Methodology

The case of the CSU takes place in a Municipality located in Sweden. In 2004 the Executive Committee of the Municipality decided that the Municipality should develop a one-stop-shop taking care of citizen service for all its offices. The development project got the name shared citizen service, and was a subproject of a large modernization project that had started a few years earlier. The modernization project had the aim of improving both citizen service and the Municipality's internal effectiveness.

One of the first actions of the modernization project was to investigate what the citizens thought of the Municipality. The result of that effort was rather depressing. For instance, a measurement of the rate of answered phone calls at the Municipality's offices showed that in some offices the calls not answered were more than the answered calls. As an example the call measurement at the office handling building and environment showed that during one week in April 2006 they answered 990 calls while 880 never were answered. The worst day of the week measured was Tuesday. That day they answered 199 calls, but 359 callers never got an answer. The department of the building and environment office handling construction permits answered 89 calls during the week, but failed to answer 238. This was alarming given that the Municipality knew that most citizens contact the Municipality by phone. Each week the Municipality gets about 28 000 calls.

Clearly, the Municipality needed to improve its service to citizens, and most people at the managerial level of the Municipality realised that they had to do something. Hence, the modernization project set up three different subprojects that they thought of as three different channels for contacting the Municipality. The first project was a redesign of the Municipality website. The Municipality had a website for a number of years, but they felt that it was time to redesign in order to enhance its usability. The new website was made public in the beginning of 2006. The Municipality also introduced a digital assistant, a robot, on the website. It was made public in the end of April 2006, and its aim is to make it easier for citizens to search the Municipality web for information. The third, and last subproject was the development of the CSU. The CSU is developed in two phases. During the first phase three of the Municipality's eleven offices was incorporated in the CSU. This phase ended in April 2007 when the CSU was officially opened. During the second phase, which will end in December 2008, the remaining eight offices will become a part of the CSU.

The main aim of the CSU is to provide service to all citizens phoning the Municipality. This means that the three offices currently incorporated in the CSU no longer receive any external calls. All calls are handled by the CSU, and all requested services become items in the document and workflow system (DWS) used by the CSU. If the service asked for do not

require any complicated handling, the citizen immediately get the service from the handing officer at the CSU. If the service asked for is more complicated, it is passed on to the office responsible for that particular service. The passing on is done in the DWS. An item passed on simply means that an email is generated to a handling officer at the office. This officer then takes over the responsibility for the service request and the further processing of it. When the processing is completed the item is marked as finished in the DWS.

An important base for the development and implementation of the CSU is the activities at the Municipality's offices aiming at changing their respective organizations and work routines to fit with the CSU. The most important of these activities has been the reviews of the organizational processes of the offices and in some cases, the following reengineering of the processes. This activity has also been an extremely important basic condition for the contract between CSU and the offices regulating the responsibilities regarding who is doing what in each work process. When this contract is signed it signifies that the office has agreed that the CSU takes over parts of the office's work processes.

2.1 Methodology

The results reported in this paper are from an on-going research project. Since 2006 we have followed and studied the planning and implementation of the development project at the Municipality. We have used an interpretive approach to conduct the field study [6 & 7]. The in-depth case study method was used to collect and analyse the data. During data collection triangulation of data sources was achieved through semi-structured interviews, participant observations and document reviews [8]. In total we have done thirty-nine interviews. During 2006 we interviewed the managers of eight of the municipality's offices. The three of them that was included in the first phase of the development of the CSU were interviewed again in 2007. During this year we also interviewed all twelve persons working at the CSU, including its manager, thirteen handling officers at three of the municipality's offices, and two politicians. We conducted all interviews according to the qualitative research interview as described by Kvale [9]. The interviewed persons were not given any questions in advance or in writing, and the length of the interviews varied from thirty minutes to one and a half hour. All interviews were recorded on tape and then transcribed.

We also did a citizen survey in October 2007. It consisted of twenty-three questions focusing the performance of the CSU. Survey data was collected through telephone interviews, and the respondents were selected based on simple random sampling. We selected randomly two days and asked all citizens that called the CSU those days (around 800 calls) if they would participate in the survey. Of these 800, 248 persons agreed to participate. A week later seven interviewers contacted the respondents and conducted the interviews. Unfortunately we were not able to reach 91 of the 248 respondents during the two evenings the interviews were done. This means that we conducted 157 interviews in total, which gives us an answering rate of 63,3%.

Obviously our sampling method is not optimal. For instance, there is no way for us to be sure that the two days during which we selected the respondents were normal working days at the CSU. Some types of service requests may have occurred more than on a normal day. The reason for using this sampling method is that we judged it as the only method that was manageable for practical reasons. However, our results show no evidence that our data is systematically biased.

Apart from interviews and survey data we have used data from the DWS used by the CSU. This data is from week 14 to week 50 2007, and contain 49 812 calls from citizens related to different matters. Each call becomes an item in the document and workflow system, and is accessible for further analysis.

Direct observations of project meetings, individuals at work and training classes has been made during the whole study. Most of these observations are conducted in an informal manner in the sense that they rarely were planned beforehand but rather done at the spur of the moment, i.e., when an opportunity arose. The field notes from observations were used to elaborate or corroborate data from interviews and documents. The reviewed documents included documents such as presentations of strategies, visions and goals, project material such as working papers, schedules, systems specifications and training material such as manuals and exercises. In addition, we participated in a training session in which we got some hands on experience of the new DWS. We have also obtained useful data from both meetings and informal discussions with users, managers and project members.

3. Results

3.1 The Citizen Perspective (front-office)

Our citizen survey shows that the conditions for developing the municipality towards a horizontal organization, with a one-stop shop, are fruitful in many senses. According to the citizens it is clear that the CSU has become a success. Our data shows that the CSU in average receives 1350 calls per week. Since its opening in 2007 the answering rate for the CSU has been 85% with an average waiting time of 52 seconds. This can be compared to the earlier mentioned measurement that showed an average answering rate at the municipality's offices of less than 50%. The respondents in the telephone survey were divided into 94 men and 63 women, with the largest group in age 50 to 64 years (33,8%). Most of them had been in contact with the CSU earlier (78%). Most of the respondents (42,7%) lived within the main city surroundings and 10% came from another municipality. In general the citizens were very satisfied with the CSU. Eighty-seven percent of the respondents said that the CSU answered directly or within a short waiting time. Regarding the waiting times the group 34 years and younger is the most positive (100% answered that the CSU answered immediately or within a short waiting time). The CSU uses an automatic phone system in which it takes approximately 20 seconds to go through the alternatives given. Almost eight of ten (79%) experienced that the phone system gives accurate and clear instructions.

In our study we also asked questions regarding the perceived service level at the CSU. About ninety percent (91,7%) rated the level of service either 4 or 5 on a scale were 1 was very bad and 5 very good.

Table 1: Level of service of the CSU

Level of service	Number of respondents (n=157)
1. Very bad	0 (0%)
2.	3 (1,9%)
3.	10 (6,4%)
4.	48 (30,6%)
5. Very good	96 (61,1%)

About eighty percent (82,8%) rated the competence of the staff as very high or high, and eighty-five percent had also received at least partly feedback from the municipality regarding their service request. In general, women were more positive than men, 95% of the women rated the service level either 4 or 5 compared to 88% for the men.

Table 2: Level of competence of the CSU

Level of competence	Number of respondents (n=157)
1. Very low	1 (0,6%)
2.	3 (1,9%)
3.	23 (14,6%)
4.	50 (31,8%)
5. Very high	80 (51%)

Nine of ten women rated the level of competence either 4 or 5 on the scale while the result for the men were 79%. One reason for the respondents' high rating of the CSU is that the CSU managed to handle multiple issues at the same time, that is, the citizen did not have to be in contact with several handling officers to get her service request taken care of.

Although there is a high level of Internet access among the municipality's citizens, very few of them used the option of contacting the municipality through other communication channels than the telephone. Almost seventy percent of the respondents answered that the telephone was the easiest way to contact the municipality, and 30% stated that they wanted to talk to a human when contacting the municipality. In the survey we also asked whether there were any other communication channels apart from the telephone that the respondents would like to use. Around forty percent answered that they would use email as an alternative, 37,4% preferred face-to-face visits, 12,3% would use the municipality's website and 8,8% would write traditional letters. However, this differs from how the citizens prefer to get feedback from the CSU. From April to August 2007 the CSU received 24 750 service requests from citizens. Only 3,7% of the citizens preferred to have their feedback by email, the majority favoured feedback through telephone.

Table 3: Preferred communication channels for feedback

Communication channels for feedback to citizens	Percent
Email	3,7%
Mail	2%
Telephone	36,6%
No feedback necessary	57,7%

A probable reason for the difference of actual use and preferred use of communication channel is that citizens already have made a choice of using the phone in the first place when contacting the CSU, and possibly like to continue to use that channel since it seems to be the most convenient and easy way.

3.2 The Organizational Perspective (back-office)

The interviews with the handling officers at the three offices currently incorporated in the CSU revealed that in general handling officers did not believe that a one-stop-shop outside their own office could obtain the necessary level of service. They also complained that since the implementation of the CSU they received more service requests than before. Given that the CSU has a distinct higher answering rate than the offices had, this is no surprise. The more phone calls that come through to the municipality, the more service request are asked for. According to the officers many of the citizens they talked to expressed disappointment with the CSU, but in the citizen survey it is absolutely clear that most citizens are very satisfied the services provided by the CSU.

One possible explanation to the fact that citizens express disappointment with the CSU when talking to handling officers may be that citizens that need to talk to handling officers

have more complicated service requests. These kinds of requests tend to take longer time to handle, which of course may make the citizen disappointed. Another source of disappointment is that quite a lot of the services offered by the municipality are services that the citizen has to use due to legal requirements. This, of course, sometimes makes the citizen disappointed, as she may have to request a service that she actually does not want.

The handling officers also had other complaints. When they receive a service request in the DWS they often need to phone the citizen who has the request in order to, for instance, sort out the details of the request. In the interviews several officers expressed problems reaching the citizens by phone. This was a very annoying problem. However, whether this is a problem that has its roots in the CSU or a problem that has always existed is difficult to tell. At the same time as handling officers complained about their problems when trying to reach citizens by phone, many of them said that this had always been a problem. The nature of quite a lot of the service requests that the municipality manages is such that handling officers need to discuss them with citizens to, for example, make sure that they have understood what the request is all about. Many offices lack routines for how to take care of the task of phoning up citizens. For instance, they lack guidelines for how many times a handling officer should try to phone up a citizen that is not answering. Is two times enough, or should the officer try five times before she gives up and make a note in the DSW that the citizen was unreachable.

We were quite surprised when we realized that the CSU had not brought any changes in the work routines of handling officers. Very few of them had developed work routines for the handling of service requests from the DWS. Some of the officers indicated that phone calls had first priority and regular emails had second priority while service requests from the DWS were handled last. For many of them, the new DWS was regarded as a secondary system and not at all a core system in their daily work. This means that the new way of working at the offices that the CSU presupposes does not seem to have been fully implemented at the offices.

This is of course a problem when the official policy of the municipality is that all service requests should be asked from the CSU and handled in the DSW, regardless of whether you are a handling officer at the CSU or at one of the municipality's offices. At some offices they had developed a simple work routine for handling items in the DSW. This routine meant that they scheduled the work of scanning the DSW in such a way that the handling officers took turn handling DSW items, that is, officer X was assigned week one, officer Y week two, etc.

In the interviews the managers at the municipality's offices claimed that they all support the CSU, but we also found a "we and them" attitude among them. Three of eight managers emphasized that their own organisation was so unique that they could hardly be a part of the on-going organizational changes. They argued that they already had efficient work processes and that they never have had any complaints from citizens. Even when we put forward that they had an average answering rate less than 50% for phone calls, they did not see any problems in their routines. Further, the strategic work necessary for the implementation of the CSU was handled differently at each office. Process analyses of work routines and local ICT-strategies were conducted with varying quality since the different offices had differing experiences of and knowledge on how to conduct this work. Half of the offices did not have any local ICT-strategy, and some managers meant that this was a disadvantage in their strategic work. The results of their internal change work is very important for the CSU since it is the foundation for the contract between the CSU and the office regulating responsibilities between them. Most managers regarded the contract as the final step of their organisational change, but this type of reasoning tends to make the relation between CSU and handling officers quite static. This is unfortunate as our study

shows that since the start of the CSU its work routines has changed continuously, but these changes are very difficult to handle if the existing contracts are regarded as fixed forever.

4. Conclusions

4.1 Discussion

According to the citizens the CSU clearly is a success, but from the perspective of the municipality's offices the CSU is not at all a success. On the managerial level there is a consensus on why and how they should change within their offices. On lower levels, however, clear roles, new work routines and routines for the communication between the CSU and handling officers to a large extent are missing.

This is not surprising. Earlier research has shown that many one-stop-shop solutions in local governments have spent most of their effort on delivering fast and reliable service to citizens, i.e. resources have been spent on front-office [10]. Spending most effort on front-office activities has often resulted in less effort spent on the work of establishing an effective organisation that integrates front-office with back-office activities [10].

The relationship between IT and business processes is rapidly changing from the traditional straightforward rationalisations of manual work into an intricate mutual dependency [11]. Not implementing the organisational and business process changes, as in the CSU case, therefore means that the mutual dependency of ICT and business processes may become distorted or in worst case non-existing. In the CSU case the routines and business processes needed to fully implement the new way of working simply are not in place. The DWS in many senses is similar to ERP systems such as SAP R/3. This kind of systems promotes an understanding of organizations as large series of interdependent processes that cut across the major functional divisions of an organization [12]. Thus, it becomes hazardous to adapt and implement this kind of systems without carefully rethinking and reengineering business processes.

Our results corresponds to earlier research in profit organizations which have shown that today many organisations feel tempted to launch IT-impregnated corporate strategies more frequent, and often at higher risks, than earlier. However, these strategies tend to fail rather than succeed [13]. Earl's investigation of experiences of strategic information systems planning in 21 UK companies reveals that one of the most common disappointments in this endeavour is that the strategic system was not fully implemented [14]. From our study it seems that the difficulties and shortcomings that the research on IT based business development in profit organizations has revealed also occur in IT based business development in non-profit organizations.

4.2 Concluding Remarks

Given the difficulties implementing the necessary organisational and business process changes when introducing IT innovations in organisations we suggest the following lessons to be learned for others undertaking similar endeavours: (1) Pay equal attention to the front-office and the back-office perspective. Reengineered business processes and new work routines will not show up by themselves, and it seems to be easier and perhaps more attractive to develop citizen service than to develop more effective administrative processes, and (2) When developing one-stop-shops as the CSU make sure to also develop models for the relationship between the one-stop-shop and the rest of the organization.

It is very important that one develops structured work routines for both front-office and back-office at an early stage of the development effort. In our case detailed routines for officers at the CSU were developed at an appropriate time, but the routines for officers at the offices in some sense were forgotten, both by the development project and the managers at the offices. This had the consequence that when the CSU started handling officers at the

offices were more or less left on their own. In most cases they had difficulties figuring out how to structure the handling of service requests from the DWS. In some offices handling officers managed to do this structuring, but having individuals doing the structuring independent of each other may create routines that in the long run become both ineffective and unmanageable.

If models and routines that describe and structure the relationship between the one-stop-shop and the rest of the organization are missing the organization may end up in a situation where the one-stop-shop becomes an autonomous unit. This may of course lead to a situation in which the one-stop-shop, for instance, offers services that the offices are unable or unwilling to deliver. Most likely, a weak relationship will also influence the organizational culture and the relationship between officers at the one-stop-shop and the offices in a negative way. Therefore, it is essential that the models and routines for this relationship are already developed during the development effort, and agreed on by all parties involved.

Finally, an important issue for further research that seldom is discussed in relation to one-stop-shops, such as the CSU, is that this type of units creates unique opportunities to develop useful interactive e-services. All service requests that enter the CSU are recorded in the DWS. This means that the municipality gets a large database of the services that citizens use, and by analysing the data in the database the municipality can see which services that are asked for. These services have a high probability to be financially sound to develop into e-services. Hence, the data in the DWS offers an excellent opportunity to develop e-services of services that citizens actually have asked for, rather than developing e-services that we think citizens are asking for.

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