Public Services and ICT - FINAL REPORT

How can ICT help improve quality, choice and efficiency in public services?

By Alexandra Jones and Laura Williams
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the work foundation
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Information and communication technology (ICT) has transformed how we live our lives and the way we interact as individuals and with organisations. Bank account balances are sent by text, pensions paid direct into bank accounts and taxes paid online. And the benefits of ICT – efficiencies and customer focus – are at the heart of many existing and proposed public service reforms, such as those outlined in the Gershon Review.

However, scepticism remains about whether investment in ICT is worth the money and whether service delivery can be made demonstrably better. So, how can ICT improve quality, choice and efficiency in public services?

This is the question that The Work Foundation’s year-long Public Services and ICT programme has investigated. Through interviews with senior managers, surveys of the public and frontline staff, focus groups and case studies we sought to find out what people thought ‘quality’ public services looked like, and what role they thought ICT might have in achieving that vision.

This report brings together the findings. Its central theme is that ICT offers huge potential for transforming the relationship between citizens and public services, and the way in which services are delivered. But, this will only happen if ICT is part of a wider strategy for public service reform, and if the right technology is then matched to the right people and the right service.

Adobe is delighted to sponsor this research study into the ‘why, what and how’ of ICT and public services. We believe that ICT is a powerful tool for change. The key to its success lies in using it to empower people, both citizens and public service staff.

We are also delighted to be working with The Work Foundation. Its history of in-depth and independent research into public services, performance and productivity issues means it is ideally placed to investigate these issues around better public services and technology.

We hope that you find this report interesting and useful.

Ian Cockerill
Government Practice Manager
Adobe Systems Europe
• Information and communication technology (ICT) has the potential to transform the relationship between citizens and public services, and how public services are delivered – but only if it is clear what the ICT is being used for, and appropriate ICT is used to achieve these objectives.
• Currently, senior managers and frontline staff are struggling to realise the potential benefits of ICT for efficiency and customer service.
• There is a lack of clarity about what high-quality public services look like, and an urgent need to articulate a clear vision of ‘better’ services to public service workers and citizens alike.
• The case for ICT has not yet been made effectively: two-thirds of frontline managers do not see ICT as integral to future reforms. E-enthusiasts need to advocate where ICT has benefits – and where it does not – in language that relates directly to public service objectives.
• Leaders of organisations must take responsibility for understanding and managing the potential of ICT, and managing the risks of its failure.
• Customers must be segmented to respond to the needs of different demographic groups and to the type of service. For example, people are more willing to pay taxes online than to discuss medical issues this way. Fit-for-purpose ICT must then be used for different services: the flashiest technology is not always the most appropriate.
• Improved procurement and more effective supply chain management are critical to ICT delivering efficiencies.
• Staff engagement is vital: public services continue to miss a trick by not listening to staff when designing and implementing ICT projects.
• Communication is fundamental to the success of ICT-enabled projects. The public needs to be encouraged to use ICT-enabled alternatives, such as online services, where possible. Staff need to know how ICT might benefit them and be given the space to help make it work.
• ICT will transform information management in public services, and there is an urgent need for a high-quality debate about the implications this has for customer service and for privacy.
• Organisations need more information about how best to use ICT to improve choice and efficiency, and to create high-quality services.
1 Introduction

The golden thread running through any debate about public services is a desire for high-quality public services that are delivered efficiently. Yet, as always, the devil is in the detail: move beyond high-level statements and it becomes evident that neither politicians, public servants nor the public have a shared vision of what ‘high-quality services’ look like.

This lack of clarity raises huge challenges for those grappling with the detail of public service transformation. In particular, it makes it difficult for public servants struggling to reconcile the two themes that dominate the public service reform agenda: efficiency and choice.

**Efficiency**

Efficiency has become a rallying call for all political parties. The belt on public finances is being tightened several notches, restricting room for current and future spending. Moreover, people are calling to see more evidence of the returns on the high levels of public investment over the past six years.

The Gershon Review has heightened these pressures, demanding that organisations reduce costs by 2.5 percentage points year on year between 2004 and 2007. The review has identified ‘auditable and transparent efficiency gains of over £20billion in 2007-08 across the public sector’. These gains are predicted to derive predominantly from making savings in the back office, procurement and transactional services; and from improving productivity through more effective policies, regulations and use of frontline workers’ time. Described as ‘inescapable’ by the senior managers we interviewed, the Gershon Review is causing many a sleepless night for senior public servants seeking to meet their efficiency targets.

**Choice**

Running in parallel with the efficiency drive is the emphasis on ‘choice’ in public services. Identified as a key element in increasing customer focus in public services, choice is regarded by its advocates as a critical lever for increasing efficiency and effectiveness, and for creating a quasi-market in public services. This quasi-market is created through funding being attached to people, meaning that if people make choices to use a particular public service, then that service will receive more funding. This is argued to incentivise poor performing institutions, which will be losing money because fewer people will use their services, to improve their service delivery and become more effective and efficient. Advocates of choice also argue that market processes and greater devolution of responsibility generate more innovation, although this link remains difficult to prove.
Critics of choice counter that talking the language of ‘customers’ confuses the consumer values of the private sector with the citizenship and democratic values of the public sector. Sceptics also contend that choice could increase inequality by raising standards for the educated few who are likely to exercise choice at the expense of lower income individuals less likely to do so.

However one regards the merits of these arguments, efficiency and choice dominate the public service reform agenda. Yet, too often these objectives are poorly specified and often seem to be contradictory. Offering more choice often requires surplus capacity – so a popular school or hospital can respond to fluctuating demand for example. But, surplus capacity means that some resources are not being fully utilised; the outcome can be nothing other than inefficient. Too often, ‘choice’ is used as a confusing label for opportunities for more ‘voice’ instead. This is where the lack of clarity about objectives raises acute difficulties. It makes decisions about where costs should be reduced for efficiency, or potentially incurred to create more choice, fraught with difficulty. Frontline workers all too frequently find themselves walking a tightrope between the two, while simultaneously being required to jump through other hoops to meet targets, respond to media scrutiny and accommodate a relentless flow of policy initiatives. This is a very unstable environment in which to deliver service improvement through the more intelligent use of ICT.

Even so, information and communication technology (ICT) is viewed with great enthusiasm as a mechanism for transformation of services and for meeting the demands of both dominant themes. Already transforming the way we live and work, ICT not only creates new ways of doing old things, such as paying taxes online, but also new ways of doing new things, such as being able to conduct job searches online through JobCentre Plus kiosks.\(^1\) The road to using ICT to make efficiencies is well-trodden by a range of organisations. As far back as 2000, US banks were saving a fortune by incentivising customers to move from transactions with tellers costing $1.27 or from ATM transactions costing $0.27 to online transactions costing only $0.01 a time.\(^2\) ICT has also enabled organisations to be more customer-focused through customer relationship management (CRM) systems that enable a customer’s history to appear at the touch of a few buttons.

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\(^1\) UN ESCAP, Economic & Social Survey of the Pacific, PDD, 1999
Yet, the public sector has not fully capitalised on the potential ICT offers – as the dependence on the Gershon recommendations for ICT demonstrates. This is not to overlook the significant challenges of using ICT in public services, including the:

- scale of provision required
- challenging ‘customers’, such as prisoners
- demand for public accountability by parliament and the media
- significant privacy issues raised by information sharing
- need for universal and equitable provision with different access routes to services: eg in-person, on the phone and online, so requiring services in person and on the phone, as well as the cheaper online options.

Customer expectations and efficiency imperatives make it increasingly urgent that the public sector finds ways to overcome these barriers and reap the benefits of ICT.

Some public sector programmes have risen to this challenge successfully and used ICT to both respond to and actively manage changing customer needs and expectations – online tax returns being one example. All too often, however, ICT projects have not achieved their objectives. High-profile failures, such as those at the Child Support Agency, have reinforced existing scepticism about whether investment in ICT is worth the money, and whether – and how – it can contribute to wider public service goals. For many public servants the question remains: how can ICT improve quality, choice and efficiency in public services?

This is the question that The Work Foundation’s independent year-long Public Services and ICT programme set out to investigate, supported by Adobe who wanted to better understand the challenges facing the public sector. The project aimed to analyse the impact of ICT on public services, without falling into the trap so many ICT research projects fall into of assuming that ICT is a good in itself. We aimed to look at the ‘why, what and how’ of ICT, and:

- whether the case for ICT had been made
- what kind of ICT citizens needed
- how ICT could be implemented most effectively.
We talked to three distinct groups: senior managers who set the strategies; 500 frontline staff who implement the strategies; and 1,000 members of the public plus two low-income and high-income focus groups who experience the results of all those strategies. We asked them what they thought ‘quality’ public services were, and what role they thought ICT might have in achieving that vision.

This final report is the culmination of the year’s research. It summarises the findings of our first three publications, looking at how high-quality public services are defined and assessing ‘why, what and how ICT?’; and then concludes with specific recommendations designed to contribute to debates about the government’s e-strategy and the future of ICT in public service transformation.
2 What are ‘high-quality’ public services?

Critical to understanding where ICT might and might not be useful for improving public services is understanding what ‘high-quality’ public services look like. While published reform strategies give an insight into politicians’ views about public service reform, our research sought to understand what the frontline staff implementing those strategies and what the public using the services thought high-quality services would look like.

Both frontline staff and citizens broadly agree on what makes services high-quality: 83 per cent of staff and 68 per cent of the public said that the most important indicator is a high level of customer satisfaction. Even more encouragingly, frontline staff are clearly committed to their work – 85 per cent think it is worthwhile – but most (54 per cent) recognise that more needs to be done to improve the way in which public services are delivered.

While these headline results suggest some shared understanding about the nature of high-quality services, many questions remain unanswered. For example, citizens and public service workers may have rather different views about what drives customer satisfaction, and beyond this may attach different priorities to the elements of high-quality services. This is precisely what we found when we probed a little further.

For example, frontline staff believe that the second most important indicator of high-quality public services is staff satisfaction, whereas the public thinks it is value for money (see Table 1 below).

**TABLE 1** The two indicators seen as most important for ‘quality’ public services – comparison between frontline public sector workers and the public

<table>
<thead>
<tr>
<th>Factor</th>
<th>Public (%)</th>
<th>Frontline staff (%)</th>
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<tbody>
<tr>
<td>High levels of customer satisfaction</td>
<td>68</td>
<td>83</td>
</tr>
<tr>
<td>High levels of job satisfaction among staff</td>
<td>35</td>
<td>66</td>
</tr>
<tr>
<td>Value for money</td>
<td>56</td>
<td>32</td>
</tr>
<tr>
<td>Achievement of performance targets</td>
<td>22</td>
<td>14</td>
</tr>
<tr>
<td>Meeting political objectives</td>
<td>7</td>
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WHAT ARE ‘HIGH-QUALITY’ PUBLIC SERVICES?

Even when it comes to ‘customer focus’, which both groups agree is critical, there is disagreement about what this looks like in practice. The public is more likely to rate value for money, staff competence, choice and helpful staff, whereas frontline staff are more likely to rate staff competence, responsiveness and value for money, with ‘choice’ coming much lower down staff’s list of priorities.³

Some of the disagreements may be language-based. The ideological debate about the difference between ‘responsiveness’ (customer focus, but not necessarily choice) and ‘choice’ is likely to pass much of the public by, so the public and frontline staff may be using different words to mean the same thing.

This idea is supported by the fact that even when people say they recognise an issue as being important, they are not necessarily clear what it looks like in practice. Over half of frontline staff say they do not feel well-informed about central policies on efficiency, choice and/or public service reform overall. Citizens are similarly uncertain about what ‘choice’ means, with people in focus groups admitting ‘I don’t quite understand what you mean’. Many who were in favour of choice in principle went on to express concerns that choice could lead either to inequitable outcomes or become a distraction from the central objective of service improvement.

These findings demonstrate that the debate so far has been characterised by a poorly specified notion of ‘high-quality’. The inevitable trade-offs between choice and efficiency are not well-articulated, and citizens have become increasingly suspicious about the rhetoric of ‘reform’, whether it is used by government or the opposition. There is an urgent need for more effective dialogue with the public and with staff. Policymakers must be clear about the meaning of ‘high-quality’, understand what the public wants from public services, use evidence to inform policy development and implementation, and create clear expectations that are likely to be met. The gap must be bridged between aspirational rhetoric and the reality of service delivery on the ground.

³ See Jones A and Williams L, Why ICT? The role of ICT in public services for more detail
Having examined what people thought ‘better’ public services looked like – and found consensus sadly lacking – we went on to investigate what role people saw ICT playing in achieving their vision of high-quality public services. Our findings demonstrate a heady mix of e-enthusiasm, e-scepticism and e-agnosticism, creating a complex situation where some are so keen on ICT that they see no need to make the case, while some would never even consider ICT as relevant to what they do.

It is clear that more and more people recognise that ICT has benefits. A third of the public we surveyed prefer online services to more traditional methods: nearly two-thirds (63 per cent) think that the internet makes finding out about public services easier, and almost half would like to access more services online. This is a dramatic increase in just three years: a 2002 National Audit Office (NAO) survey found that only one in ten people had accessed a government service online. In the focus groups, those using telephone or face-to-face services acknowledged that ICT enables those services to be more tailored to their needs through the use of databases and by joining up information. Frontline staff also recognise the benefits of technology: two-thirds agree that ‘IT has had a positive effect on how we work’ and that ‘IT makes my job easier’.

Yet, some scepticism and uncertainty remains. When we asked the frontline managers about ICT, we found that only a third (34 per cent) agreed that ‘IT should be an integral part of any changes we make to the organisation’, and just over a third (38 per cent) thought that ‘there are long-term benefits to be had from investment in IT’. Six in ten neither agreed nor disagreed about the benefits of ICT, and the majority were highly circumspect when it came to questions about ICT training or effective deployment of ICT.

These disturbing findings may prove a revelation for some of the ‘e-enthusiast’ senior managers we interviewed. They suggested it naïve to even ask whether the case for ICT was well-known and widely accepted. While some benefits of ICT are obvious to most people, even the most digitally savvy also often had reservations, whether about the digital divide and the potential exclusion of a large swathe of the public from access to services, or about the relevance of ICT to the public service transformation they were trying to effect.

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4 National Audit Office, Better Public Services Through e-Government, 2002
Our research has challenged some of the other myths about public services and ICT – these are summarised in Box 1 below.

**BOX 1 Common myths about ICT and public services**

**Myth 1: Technology means everything will change quickly**
There can be some quick wins and technology has the potential to speed up transactions and processes, but it will not necessarily make overall transformation of public services a rapid process. Our case study of Birmingham City Council concluded that change takes time and despite their experience of some rapid results, real success depends on a long-term strategy for public service transformation.

**Myth 2: Technology is the biggest expense**
Technology can be expensive and requires sufficient investment both initially and to maintain and update its functions. However, some changes do not require expensive technology – the technology just has to be fit-for-purpose. Often, there are also other costs associated with using technology to implement changes – staff time and project management need to be allocated sufficient resources to make these changes work.

**Myth 3: Technology is the ‘solution’**
Technology can enable better delivery of services, but only if it is designed to be appropriate to need and is implemented with consideration for change management and people issues as well as technical issues.

If the potential of ICT to improve public services is to be realised, three interrelated issues need to be addressed.

The first is ensuring that the **ICT paradox** is understood: ICT can change the nature of a solution, but can never be a solution in itself. For example, in order to create Children’s Centres, there is a need to join up many organisations – social services, health and education, for example. ICT can facilitate interagency co-operation because it allows information to be shared, stored and accessed quickly and easily. Yet, the technology on its own is not the solution because joining up organisations requires changing systems, processes, cultures and behaviours so that people actively work together to achieve the best outcome for a child. ICT both shapes and enables policies, but cannot be allowed either to dominate a project or to be thought about so late in the day that its potential to transform services is overlooked.
To ensure that ICT is considered at the right time requires the second issue to be addressed: the need to engage leaders of organisations in ICT. Effective management of information and technology is becoming increasingly important to the public sector, and failure can have severe consequences, as demonstrated by the problems around tax credits in the last year. Leaders’ engagement in understanding how ICT can help their organisation achieve its aims and aspirations is vital if ICT is to be used effectively. Sir Michael Bichard, rector of the London Arts University and former permanent secretary at the Department for Education and Employment, puts it succinctly: ‘In my view, IT should be at the top of any leader’s list of priorities.’ He argues that leaders should understand the impact of ICT systems failing, develop IT staff, think radically about how technology can help achieve objectives and show the organisation that expertise in information management and technology is valued. Without leadership on ICT that goes beyond reliance on the head of the IT department, the impact of ICT will necessarily be silo-based and its potential will not be realised.

Finally, there is a need to ensure that ICT use is linked to objectives. The National Audit Office’s assessment of IT-enabled projects in 2004 found a tendency to skip over the ‘business case’, with projects instead diving straight into a detailed specification of what technology was required, without clarity about objectives or success criteria. All too often, e-enthusiasts can get carried away with the excitement of ICT’s potential – the gadgets, the wonderful ‘extras’ that never get used – and forget that in reality, all that may be required is a very simple database. Conversely, e-sceptics may only want to use ICT to digitise existing processes, rather than rethink work organisation based on ICT’s ability to join information and people in new ways. If it is unclear what ICT is for, systems will be poorly designed and implemented. People will see the technology as an extra burden rather than helpful. Moreover, there will not be enough consideration of the strategic change management and people issues that are vital to the successful implementation of any ICT project.

At present, our research suggests that, with a few innovative exceptions such as Birmingham City Council’s business transformation programme, not enough is being done to address these three issues. That so, doubts have to be cast on whether the potential of ICT will be understood and whether public services will be able to use ICT effectively to help meet the Gershon

5 Bichard M, ‘Public Opinion’, The Times, 5 July 2005
6 National Audit Office, Improving IT Procurement: The impact of the Office of Government Commerce’s initiatives on departments and suppliers in the delivery of major IT-enabled projects, November 2004

PUBLIC SERVICES AND ICT – FINAL REPORT
targets, increase choice and the quality of services. Our finding that growing numbers wish to use public services online requires proactive strategies that make use of ICT not just to respond to current demand, but also to future demand. Yet, many parts of public services still struggle to react quickly enough, let alone plan proactively.
4 What ICT improves choice and efficiency?

If ICT is to be used effectively, it needs to be clear not only how ICT links to public service objectives, but also what ICT is most appropriate. This requires understanding the customer and their needs and expectations, and understanding how these can be managed in light of concerns about efficiency.

Our research showed very clearly that different groups of citizens want to interact with public services in different ways. Those who prefer face-to-face options are much more likely to be older, female and from lower income groups, whereas those who prefer online services are much more likely to be young men with full-time jobs in higher income groups.

It was also clear that not only do different groups tend to prefer different types of ICT, but that the ICT that is most appropriate will vary according to the type of interaction. A third of those who selected face-to-face services as their first preference also said they would like to access more services online (see Table 2 overleaf). As one focus group participant put it: ‘How people view public services, particularly health and education, is an emotional response because you’re either worried about your health or you want the best for your kids.’

In other words, you may want to deal with a person rather than a machine or a website if you are trying to access a service that deals with something sensitive and where a wholly personalised response is needed. This explains why NHS Direct is a phone-based system rather than an expert system on a website. It also explains why transactional services lend themselves to online solutions. Completing a tax return online is not necessarily an emotionally charged experience – although some people invariably resent the need to pay any tax at all.

Furthermore, looking at the socioeconomic and demographic profiles of those more likely to use and rely on different public services, the appropriateness of ICT becomes even more important, especially if government is to tackle the digital divide.
Overall, the findings highlight six issues that need to be considered when deciding what ICT to use. First, **customer segmentation**. The ICT used has to meet the needs of particular groups using particular services. The DVLA provides an excellent example of a service that has done this: the website distinguishes between car and motorbike owners, even though the transactions are very similar, because the two groups have very distinct identities (even if it is the same person paying tax for both). They have also set up a text message service for booking driving tests, responding to the demographic most likely to be taking tests.

Second, there is a need to consider the **efficiency benefits of ICT**. A situation could easily arise when an agency was providing face-to-face, telephone and online services in response to its different customers’ needs, and spending more rather than less in doing so. Achievement of the Gershon targets relies on this not happening – and this means taking urgent action to ensure that this is so. There is a need to both respond to and manage customer expectations and needs. The public should be encouraged to use online services where they are able to do so and it is appropriate to the service, while ensuring that alternatives are there for those who cannot use the cheaper options or wish to complain or do something that requires a higher level of interaction. This may take the form of a long-term strategy as well. For example, the Pension Service has an online option that pensioners...
are encouraged to use if and when they can – and take-up is likely to increase over time as those familiar with the technology join the ranks of the retired.

Third, there is a need to build confidence and capacity. Our focus groups found that while some saw ICT as liberating them from the constraints of answer-machines and long queues, others saw it as limiting the possibility of effective interaction with public services, particularly in the case of services that inspired emotional responses. This requires a strategy to build ICT skills, both formally through mechanisms such as learndirect and informally through the family and programmes such as Laptops for Schools. It also requires demand stimulation, informing the public that alternative options are available and considering the incentives mentioned above.

Confidence needs to be built through familiarity. For example, 80 per cent of survey respondents who regularly use interactive websites to access public services would like to see more services online, compared to just half of the sample as a whole. However, an important step for public services is ensuring that any publicly available ICT is easy to use. Complex forms that require high levels of ICT literacy, and even complex telephone menus, render the services inaccessible, intimidating and make it more difficult for individuals to interact with the state. This puts an onus on public service providers to supply ICT that is audience appropriate and easy to find and use.

Fourth, there is a need to communicate actively and manage expectations. The public has expectation gaps: they expect services to be good for them as individuals, but also good value for money and universally available. They also expect services to be high-quality, but have very low expectations that this will be delivered. These two perspectives require strong communication about how services are changing to respond to individual and citizen needs, and communication about where this is working in practice. This is likely to improve public servants’ understanding of what services should look like, and what works, too. If the public are to take up the services, they also need to be told that alternative options are available, and which options are more or less cost-effective.

Fifth, there is a need to design public services for an uncertain future. It is very hard to predict the course of technological development, and public services must be agile enough to respond as effectively as the private sector
to redesign delivery and meet citizens’ expectations. Services have to be reviewed regularly, although as ever difficult trade-offs will have to be made between the need for innovation and the costs to the public purse.

Finally, there is a need to keep it simple. Of course, ICT solutions can be complex in design, but they can only be effective if citizens find these solutions easy to understand and use. There should be fewer websites, and the many telephone numbers for public services should be streamlined. One webpage design, fewer sites and one public service number will lead to rather more satisfied citizens.
5 **How can ICT be implemented more effectively?**

The most significant challenge to realising the potential of ICT is implementing projects and programmes effectively, and ensuring that mistakes made on previous ICT projects are not repeated. Yet, the evidence so far suggests that if choice is to be increased, quality improved and the Gershon targets achieved, much more needs to be done to learn lessons and improve implementation, both at a systemic and an organisational level.

At a systemic level, senior managers highlighted funding as a critical issue. In a climate of increasingly tight resources, there is often reluctance to invest yet more money in ICT projects, meaning that the continuing costs of ICT can hit organisations hard. For example, a joint NAO and Audit Commission report in June 2005 found that the NHS National IT programme is exposing some NHS trusts to an increased risk of financial instability.

The private sector evidence shows that there is often a considerable time lag between implementation of technological innovation and a demonstrable return on investment.\(^7\) A degree of patience is needed if ICT is to deliver the promise of both greater efficiency and effectiveness. It may also mean that smaller changes need to be implemented slowly while thinking about the impact they have on the whole organisation, rather than insisting it has to be all the investment and change at once or nothing. Yet, whatever the scale of change, government must ensure that the necessary support is available. In particular, there may be uncomfortable consequences for staff and difficult processes of significant organisational change. Both demand investment in HR and line management capacity if the potential of ICT is to materialise.

Inside organisations, individual enthusiasm for ICT is being undermined by either a lack of management capacity or a lack of clarity about objectives. Only a third of staff report consultation about the use of ICT in the organisation, and managers are hugely uncertain about either the benefits of ICT or the practicalities of implementation. Public services are missing an opportunity by not capitalising on frontline staff’s knowledge and expertise in redesigning processes for better customer service and efficiencies.

Overall, our research makes it clear that too little attention is being given to the people management side of ICT, despite publication after publication reaching the conclusion that the success of ICT-enabled projects is ‘more related to a cultural change than an information technology one.’\(^8\) Even more

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\(^7\) Coyle D and Quah D, *Getting the Measure of the New Economy*, The Work Foundation, 2002

critically in relation to achievement of the Gershon targets, the 2002 report *Getting the Measure of the New Economy* found that organisational restructuring is crucial to delivering productivity improvements around any given technology.\(^9\) If frontline managers have doubts about the benefits of ICT and admit they do not consult staff about its implementation, it seems unlikely that these lessons are being learned.

Figure 1 below summarises our findings about the critical issues to consider for any successful implementation of an ICT project. (It is discussed in more detail in *How ICT?*)

**FIGURE 1 Whole-system thinking about ICT-enabled projects**

Three issues emerge as priorities from all the specifics on better implementation. First, there is a need to **take a ‘whole-system’ approach**. This means not tinkering at the edges or pretending that an organisation can start from scratch: most organisations have strong legacies of IT systems, cultures and processes, and these need to be understood and considered in light of the overall objectives. By always bearing the objectives in mind then, there is a need to make decisions about how existing practices might be improved and what impact this will have on the rest of the organisation. It may be one aspect of the organisation’s business, such as giving traffic wardens PDAs and digital cameras to provide better evidence for traffic

\(^9\) Coyle D and Quah D, *Getting the Measure of the New Economy*, The Work Foundation, 2002
infringements. It may require restructuring the whole organisation, such as the creation of one contact centre for a local council. But, without considering how one change, however small, will impact on overall organisational delivery, each project is likely to flounder. And the only way to take a whole-system approach is to have strong engagement from the leadership and senior management team, otherwise it will not happen.

Second, there is a need to **recognise the challenges and learn lessons**. ICT projects take time to plan – even simple changes can take months. Every project will carry risks, require strong project management, staff training, communication and consultation, and often radical re-thinking of ‘how things are done round here’. Too often, it is easy to see ICT-enabled change as simple and take it for granted. It should be recognised that the reality is much more complex, and given sufficient time and resources accordingly. While quick wins are vital, it is also important to acknowledge that the time between commencing a project and seeing measurable benefits is likely to be longer than is desirable. Project plans should assess realistically when cost benefits will come on stream and evaluate as they go. It is also important to learn lessons from others that have succeeded or failed (for example, see the case studies at www.theworkfoundation.com/research/psu/ict.jsp). Technology may make transactions quicker, but on its own it will not speed up the process of change, as changes rely on good planning and sufficient staff resource for project management.

Third, there is a need to **improve procurement and relationships with suppliers**. This requires having clear objectives for the supplier and developing a clear shared vision, which Westminster City Council argues makes it easier to talk a common language and take a similar approach to issues. It means building a good relationship with the supplier during and after the tendering process, which DEFRA argues helps ensure partnership working to deal with unforeseen challenges. It requires having contracts that can be reviewed so that there is scope to review requirements and adapt them over time within contractual constraints to cope with rapid technological development, policy changes and shifting customer needs and expectations. Finally, it means having clear lines of governance and accountability so that there is clarity about roles, regular reviews, evaluation and risk management.
Overall, the recommendations emerging from our research are:

**The case for ICT**
- Use of ICT should focus on improving quality, improving customer focus and realising efficiencies – omitting any one of those is likely to result in a poor outcome.
- Organisations should ensure that no policies are developed or implemented without consideration of how ICT might shape or impact on the policy or its practice.

**Leadership**
- Leaders of organisations should be trained in how to manage the potential and risks of ICT.
- Every organisation should be required to report on their information management and risk management strategies for ICT.
- Heads of IT departments should be required to take on an ‘ambassador’ role to ensure that other staff understand the potential of ICT to help meet organisational needs.

**Information management**
- Organisations need to work collaboratively to create systems that are ‘inter-operable’ (ie can ‘talk’ to one another).
- Government should have consistent standards for IT systems, data storage and management.

**Customer segmentation**
- Customers should be segmented based on their needs and expectations of different services, not just on their demographics.
- Segmentation should be reviewed regularly and updated to take into account the development of new technologies.
- Organisations should consider how to incentivise the public to use online services where possible – without neglecting alternative options, particularly for ‘emotional’ services.

**Practical guidance**
- Organisations are crying out for more detailed guidance on how to implement ICT projects more effectively, particularly to help meet Gershon targets. There is a need for more research and publicity around research and case studies that look at how policies are being implemented and what lessons can be learned.

**Staff development**
- Organisations should invest in ICT staff and require their work to be clearly linked back to organisational objectives.
- Any ICT-enabled project should have a training workstream to ensure that staff are equipped to use the technology effectively.
### Communication and consultation
- All ICT projects should have a clear communication strategy developed for both staff and the public, highlighting how it meets efficiency targets and customer expectations.

### Improve procurement and relationships with suppliers
- Have clear objectives for the ICT project.
- Build strong relationships with suppliers.
- Design the contract so that requirements can be reviewed over time and poor performance penalised.

### Build confidence and capacity
- The number of government websites should be reduced and DirectGov made the main portal for the public sector.
- Government websites should all have very similar navigation systems to increase familiarity and ensure sites are easy to use.
- There should be one non-emergency phone number for public services.
- All websites and telephone menus should be tested on members of the public who are not confident about the use of technology.

### Privacy
- There is an urgent need for a more considered debate about information management and privacy.