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FORWARD

This report presents the discussions and findings of the **Ad Hoc Expert Group Meeting on e-Governance and Changes in Administrative Structures and Processes** organized by the Division for Public Administration and Development Management (DPADM) in conjunction with the 26th Congress of the International Institute of Administrative Sciences (IIAS), on 15 July 2004 in Seoul, Korea. The meeting gathered together several eminent experts – academics and practitioners – and representatives of governments and partner organizations to discuss the networked state in the context of ongoing e-government and public sector reform initiatives. It served to identify major trends in, and a better understanding of the conceptual and practical aspects of, structural and process changes associated with the networked state and e-government development; enhance the knowledge of UN staff, UN missions and partner organizations on these important issues; and enrich the ability of DPADM to better serve the Member States in this area of e-government and the knowledge society.

The report attempts to capture the rich debate that took place, some of the challenges raised, and recommendations on where greater focus should be placed. It is comprised of an introductory section which outlines major issues and considerations surrounding e-government, networking and public sector reform. Following are background papers that deal with these themes prepared by the five primary experts. It concludes with a series of findings from the meeting's presentations and discussions and attempts to outline some of the issues which the international community – at the national, regional and global levels – will have to address as we forge deeper into the knowledge society, seek to realize its potential, and more equitably capture its benefits.

It is hoped that this Report of the meeting will also be useful to member states and partner organizations in their consideration of policies towards building government for the 21st century.

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New York, 2004

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CONTENTS

INTRODUCTION

Background

The Weberian model of government is being profoundly challenged by a number of forces. One with considerable potential to alter the landscape of public administration is that of e-governance.1 The practitioners and proponents of e-governance propose that information and communication technologies, and the underlying public sector reforms they support, may erode hierarchies, government silos and traditional ways of delivering services. Replacing these structures and processes will be horizontal, leaner, dynamic and networked ones. Government workers will be liberated to cooperate across boundaries and in more innovative ways, and management will be fundamentally reconfigured. The demands of the knowledge society will also require that governments reconsider the ways in which they acquire and utilize knowledge. A key component of this new framework is knowledge partnerships and relationships with those outside the public sector, in addition to those within.

As the structures of e-governance and the knowledge government (k-government) are continuously constructed, specifically those associated with the networked government, it is important to test their actual performance as against their promise and design. Has this "flattening effect" actually taken place? Are we witnessing more organic, knowledge-rich, integrated, collaborative, and cross-sectoral policy design and implementation? Indeed, there is already some evidence of this occurring in governments that are in the more advanced stages of e-governance development and public sector reform, yet to what degree and with what levels of success?

The Ad Hoc Expert Group Meeting on e-Governance and Changes in Administrative Structures and Processes brought together a number of experts and practitioners to address these questions. This report highlights the many issues for consideration under these themes, as well as specific experiences and lessons learned to date, as detailed in expert background papers as well as from discussions during the meeting. Finally, it concludes with a number of recommendations for policy makers and the academic and international communities.

I. E-GOVERNANCE AND ADMINISTRATIVE CHANGE

I.1 Overview

Despite the fact that e-governance has been on the agenda of the international community and national governments for quite some time, there remains a need to set the stage for discussions on this subject due to varied interpretations as to what e-governance means and what constitutes its moral underpinning.

I.2 E-Governance Ethical Framework

The United Nations 2003 World Public Sector Report (WPSR) "e-Government at the Crossroads" describes the moral purpose of e-government as a public administration which is:

"in the process of transforming its internal and external relationships with the use of modern information and communication technology (ICT). ICT is about communication among people: the quintessence of human society. We have always used communication to inform, learn, define concepts and viewpoints, deliberate and reach agreements, in private and public life. One can put the electronic features of modern ICT into this timeless communication process and benefit from doing so. If this is done in the context of public administration, it is bound to have an impact on the creation of public value. Indeed, e-government at its best can be viewed as the process of creating public value with the use of modern ICT."

The report goes on to define public value as a notion "rooted in people's preferences, as only the public can determine what is truly of value to its members. It is also rooted in the ability of government to create things that people want…e-Government is justified if it enhances the capacity of public administration to increase the supply of public value….. -the outcome of a high quality of life. In order to positively impact the quality of life, e-government development must be put within the context of a vision of the kind of society with which people want to identify and make part of their life experience."

Sharma in her background paper titled "E- Governance: An Approach to Manage Bureaucratic Impediments" cites the following components which comprise her normative framework of e-governance:

Technological Component with Electronic dimension.
Social Component with Egalitarian dimension.
Cultural Component with Ethical dimension.
Political Component with Enactment dimension.
Psychological Component with Extensional dimension.
Service Component with Empowerment dimension

Together these two frameworks can be read as providing some basic principles to guide the development of e-governance, as well as the networked government. Ultimately, they both should result in “meaningful” government which according the WPSR optimizes government operations and supports human development. Moreover, they should never be detached from the promotion of good governance and the support of public sector reform.

I.3 E-Governance Features and Benefits

With the ethical framework broadly sketched, some of the specifics of e-governance can be explored. Halachmi in his background paper "E-Government Theory and Practice: The Evidence from Tennessee (USA)" notes that there are numerous definitions of e-government and cites this as a potential reason why a cohesive theory - as opposed to the aims described above - on e-government does not yet exist. He states that "the current confusion about what is the precise meaning of E-Government is reflected in the numerous, diverse and overlapping definitions of the term E-Government and its primary purpose or justification". He provides the following illustrative examples:

- The American E-Government Act that was signed into law in 2002, for example, states its purpose in the following way (emphasis added): "To enhance the management and promotion of electronic Government services and processes by establishing a Federal Chief Information Officer within the Office of Management and Budget, and by establishing a broad framework of measures that require using Internet-based information technology to enhance citizen access to Government information and services, and for other purposes"
- The use of information and communication technologies, and particularly the Internet, as a tool to achieve better government. OECD's E-Government Imperative (2003)
- E-government is the application of Information and Communication Technology (ICT)by government agencies. Its use promises to enhance the effectiveness and efficiency of government and alter its relationship with the public." UNDP (2001) E-GOVERNMENT
- E-Government refers to the use of information and communications technologies to improve the efficiency, effectiveness, transparency and accountability of government. (World Bank)
- E-government links people...to the public marketplace of ideas, debate, priorities, initiatives, innovation, services, transactions, and results. It puts ownership of government truly in the hands of all Americans. (Council for Excellence in Government 2001)
- Digital (electronic) government is about transforming government service delivery through the use of technology.(Parado 2000)
- E-government can be defined as the delivery of public information, goods and services through the use of technology. (Stiedel n.d.)
- E-Government is defined as the use of information and communications technologies to improve the functioning of government. (Jain 2004)"

The WPSR also cites a number of specific benefits to be realized through e-government. It includes among these the transformation of internal and external operations by introducing greater "speed, precision, simplicity, outreach and networking capacity." In addition, accountability, transparency and increased effectiveness and efficiency are cited as key outcomes of e-government initiatives. Focusing more on the "governance" possibilities, the WPSR states that e-government can "equip people for genuine participation in an inclusive

political process that can produce well-informed public-consent, the ever more prevalent basis for the legitimacy of governments."

Sharma, within the context of administrative change, argues for an interpretation of e-governance as a means of intervention in "transforming present conventional system[s] of bureaucracy into Neo-Bureaucratic system[s]".

She states that:

> "The ideal typical model of Bureaucracy given by Max Weber is the milestone in understanding the functioning of modern government. The Weberian model1 categorically focuses on two dimensions (i)The Structural, relating to the hierarchical arrangement of positions, legal rational basis of authority, with system of compensation, and(ii)The Behavioral, relating to the merit based selections of officials with the emphasis on training. He considered bureaucracy as the efficient form of modern government. Since this has been the ideal typical model the operational reality has been different from the enumerated characteristics.

Thus conventional bureaucratic system based on bureaucratic impersonality and procedural orthodoxy manifests itself in the form impediments, which continue to affect it negatively. Bureaucratic impediments include: elitist class values; procedural stagnation; attitudinal fixtures; rule bounded-ness; parochial interest; social discontentment; burnout syndrome.

In the era of knowledge management [these] features..... must give way to pragmatism, and progressiveness to create a more humane society. This requires breaking away from the conventional system of rigidity towards a more evolved system focusing on the utilization of knowledge for facilitating the conversions of needs into reality. Thus there is a need to explore the possibilities of reshaping bureaucracy with renewed thrust. It is at this point that interventional strategies of e-Governance can be designed in such a way that desirable results can be produced with the purpose of replacing conventional system of bureaucracy with neo bureaucratic structure.

By understanding ecology of e-governance, strategies must be designed to evolve a system having following features: universal social values; procedural innovativeness; attitudinal mobility; rule flexibility; wider [societal] interest; social contentment; energy recycling syndrome."

Halachmi notes that:

> "While these and other definitions suggest the existence of a wide spectrum of opinions and perspectives about E-Government there seem to be some recurring themes which can be referred to as the facets of E-Government. By facet we mean perspective, reason, justification or purpose. It seems that at different times various levels of government may opt to

> emphasis one facet or several facets over the others. The various facets are not independent of each other. In fact, they are overlapping and are expected to enhance different, but equally, important values by enhancing or facilitating productivity gains. Understanding that governments are within their rights when they emphasis one facet over another..."

Many forms of e-governance have been deployed by governments. They range from inter-agency operations to intra-agency operations to G2B/B2G, G2C/C2G, and e-democracy. Projects undertaken include databases, informational websites, email accounts, online transactions, citizen e-polling, e-voting and many more initiatives from the mundane to the innovative. Unfortunately, many of these are too often detached from the normative frameworks and moral underpinning described above.

II. THE NETWORKED GOVERNMENT

II.1 Overview

Amongst all these possibilities, for the purpose of this meeting, we were concerned specifically with the concept of networked government which is widely perceived as having he most transformative potential, how it fits within the e-governance and public sector reform debates, and exploring its relationship with changes in administrative structures and processes.

II.2 A Host of Definitions and Understandings

The lack of clarity surrounding the concept of e-government, leading to different explanations and pursuits, is further reflected in the large number of interpretations of the networked government. To be clear, networked government should not be equated with e-governance. It can represent one form of e-governance and has been presented as a very limited and technical application, to the pinnacle in a range of evolutionary and more complex e-governance developments. Yet, the concept of networked government may also be entirely detached from information and communication technologies. Indeed, for many, networked government represents a model for public administration, either supported by technology or not.

At its most narrow and technical, some would cite a basic email network between ministers or between public servants within an agency as an example of networked government. For some countries this represents the very beginning of e-government applications. At the other end of the debate is the concept of networked government as model for 21st century government. In this vein, one can point to authors that describe networked government as a response to New Public Management (NPM) and the move away from traditional bureaucratic government to one that is more competitive, innovative, and that outsources functions and pursues public-private partnerships in implementing policy and delivering public services. These models often contain no reference to technological tools (though they do not necessarily exclude them). It is necessary to also bear in mind that both of these models may or may not promote the notion of public value and good governance. They can serve to reinforce, in a malignant or benign manner, existing inefficient and ineffective government practices or can introduce new “ways of doing business” that embrace private sector actors with little regard for the public interest.

An examination of a sampling of the prevailing definitions and interpretations of networked government is instructive in trying to craft our own understanding of what networked government means precisely, as well as in identifying some of its opportunities and challenges.

II.2.1 Out with the Old?

Kim-Lee in their background paper "Networked Government and Network Centrality: The Korean Case of Youngwol Dam" details the nature of traditional bureaucracies, the failures of which have motivated the move towards e-governance, as described above, as well as networked government. They set the stage for change in noting:

> "The changing pattern of governing and governance is posing a direct challenge to the (developmental) state model based on centralized and hierarchical governments. The Whitehall model of 'bureaucratic governance'.....is characterized by the presence of a unitary centralized government, state elitism and top-down approach in decision making. The traditional bureaucratic state model that relies on hierarchy, rules, procedures and universal values is now being challenged by critics and cynics who favor more participatory models with emphases on cooperation and partnership among relevant policy actors. When other 'non-governmental' players including community-based organizations and advocacy groups are thrown into the 'governance' mix, the resulting outcome is one of increasing complexity and network-driven. [emphasis added].

According to Considine and Lewis (2003), the essential attributes of the bureaucratic governance types are "the followings of rules and procedures, high reliance on supervision, and an expectation that tasks and decisions will be well scripted." This, they reason, captures Moe's (1994) definition of the traditional administrative model as "a government of law." Under the bureaucratic governance regime, the relationship between the state and market is formalized based on rules and procedures, and other inter-organizational relationships are fragmented and transaction-driven. In addition, the bureaucratic governance is characterized by its top-down decision making approach. Any modern administrative state invariably contains some features of bureaucratic governance in its system and this has often impaired the state's ability to respond to citizens' demand for new services.

The imposition of rules and procedures by higher authorities within the state enables it to achieve a higher degree of coordination and cooperation. This, of course, comes at the expense of flexibility and innovation. With an emphasis on the centralized and unified command of decision making structure, bureaucratic governance is often referred to as vertical or hierarchical governance forms."

It is argued by many experts that this bureaucratic model is not responsive to the imperatives of the knowledge society, the realities of a more interconnected and complex world, the cross-disciplinary nature of policy today and the tools of ICT.

II.2.2 In with the New – the Promise and Features of Networked Government

In response to these challenges, the WPSR emphasizes the networked state as the emerging paradigm for the 21st century. It states that "'along with the new structure comes a new and

emerging capacity to link ideas, people, organizations and information in new ways.' This means building a society that is capable of the creation and diffusion of information and knowledge on an unprecedented scale."

Kamarack also cites the global dissatisfaction with government bureaucracy while acknowledging that "while 'government' in its bureaucratic manifestation may be fading away, the need for government remains." She notes that this has led people to talk about how governance is replacing government as the modus operandi of democratic societies and that "governance is a broader term encompassing not just the state but all sorts of organizations (public, private, semi-public and even religious), that somehow contribute to the public interest." She offers the networked government as one possible model of what a post bureaucratic state might look like.

In the networked government, the state is but one actor in an informal network of organizations in which the sum total of the organizational efforts in the network is some form of activity that the state wants done and that would not necessarily happen by itself in the free market state. After "founding" the network, the actors within it act with considerable independence and the traditional state plays a diminished role (sometimes limited to the power of the purse). She notes that this is presumably more efficient and can result in creative and innovative solutions to complex problems in a way that traditional, rule bounded, one size fits all government cannot.

Kamarack sees the networked government as comprising "a series of policy networks and a constellation of organizations. The government chooses to implement policy by creating through its power to contract a network of organizations....[and] stops trying to do things itself. It tends to appear in situations where one solution can't be expected to solve the problem and where there is a diversity of information." It is the networked model of governance that Kamarack notes is emerging at the international level (rather than the alternative of world government).

Kim-Lee also reiterate the migration towards networked models of governance. They state:

> "The discussions surrounding 'new governance' are now emphasizing the importance of partnerships, co-production, networks, collaborative programs, and joint projects. The terms such as network organizations, network forms of organizations, public-private-civil society network, and multi-agency networks have been used frequently to refer to new ways of doing business in the public sector (Powell, 1990). In addition, inter-ministry, inter-agency, and public-private partnerships are now indispensable parts of the new governance. There is a clear sign of public programs and services moving away from "the large-scale, bureaucratic and paternalistic public organizations (Lowndes and Skelcher, 1998)" that has also characterized the modern administrative state to more flexible, participatory, and network-based governance models."

They note, however, that "advances in network and governance theories by numerous social scientists meant there are different definitions of networks" and proceed to detail a few:

- "Jones, Hesterly and Borgatti (1997) define networks as systematic interactions "among autonomous units engaged in creating products or services based on implicit and open-ended contracts" to adapt to environmental contingencies and to coordinate and safeguard exchanges.
- Dubini and Aldrich (1993), and Kreiner and Schultz (1993) both describe networks as "patterns or collaboration among individuals and organizations"
- Larson (1992) and Liebeskind, Oliver, Zucker, and Brewer (1996) emphasize long-term exchanges based on trust and mutual interests.
- Powell (1990) adds that networks are based on "horizontal exchanges" .
- Grandori and Soda (1995) place an emphasis on networks providing connections among relevant parties engaged in mutual exchanges."

> "In addition, network governance is described as a form of organizational alliance in which clients, suppliers, and producers are linked together as co-producers where they are more likely to identify and share common interests. Because they develop a culture of trust, their relationship tends to be more interdependent. Lowndes and Skelcher (1998) went so far as to say that a network is a form of informal mergers among different types of organizations. Often a model of resource dependency has been sought to describe the network relationships where interactions between organizations are assumed to be motivated by the need to obtain important resources from other organizations (Aldrich, 1976; Scharpf, 1978). This implies that network partners bring important and strategic assets that contribute to mutual relationship to the network and the build-up of interdependent relationship tend to develop trust and reciprocity."

They call attention to further definitional distinctions between horizontal and vertical networks.

> "Horizontal Policy networks are defined as "a cluster or complex of organizations connected to each other by resource dependencies and distinguished from other cluster or complex by breaks in the structure of resource dependencies (Benson, 1982)." On the other hand, Wilks and Wright (1987) termed policy network as "a linking process, the outcome of those exchanges, within a policy community or between a number of policy community." Rhodes (1986) elaborates this definition by coming up with five types of networks ranging along a continuum of highly integrated policy communities to loosely integrated issue networks. In the case of horizontal networks where operations are pooled and partners are horizontally interdependent, cooperation among participants is justified in the long-run if there is a strong complementarity in terms of resource contribution by partners (Park, 1996). The reason why inter-organizational complementarity is a necessary condition for the effective functioning of horizontal networks is that it enables participants to set aside inter-organizational rivalry and self-interest temporarily. We further divide horizontal networks into two types: intergovernmental networks and multi-sectoral networks.

> Vertical networks are described as being vertical in that partners are often not engaged in same activities along the production or policy process. Although state agencies and non-state actors are asymmetrical in terms of distribution of power and role playing in vertical networks, the patterns of interaction differ from hierarchical governance. Rather in a vertical interdependent networks, participants' role lie on a "sequential path (Park, 1996: 808)." More often than not, government ministries fund and designs programs for private partners to implement. This has become more apparent with the emergence of government reform programs based on NPM ideals. Even though a vertical network requires a (central) coordinator to smooth out production along the serial path, downstream participants maintain sovereign rights on their own.
>
> An important difference between horizontal and vertical networks is that the latter relies more on central agencies to coordinate activities between upstream and downstream participants while the former requires partners to pool their resources and make decisions jointly."

Kim-Lee suggest a model of networked governance: "characterized by transactions being conducted among relevant players in the basis of mutual benefits, trust and reciprocity." They focus on networks as:

> "as a mode of organizing economic and political as well as administrative activities through inter-agency and inter-societal coordination and cooperation. Although societal arrangements may consist of various governance forms, networks are seen as mechanisms under which societal actors strike a balance between differentiation and integration. In other words, the network governance emphasizes the organizational aspect of coordinating and integrating various autonomous and sovereign units to function as an organizational unit."
>
> "The new ideal is being borne 'as a means to address some of coordination dilemmas posed by multi-actor systems, (and) these recent accounts have posed an alternative in which government continues to rely on outside agencies, but now in a form of stronger strategic partnership.' Networks are considered more formal governance regimes where players develop a culture of mutual cooperation because they are in for a long-term relationship.
>
> There are some important benefits associated with the network governance regime. First, the network governance allows various interested parties and experts to participate in the process and thereby making it more democratic and representative. This is what sets the network studies in public administration apart from others in that they have different and multiple objectives in the formation of networks. Second, the interaction among various public, private, and nonprofit agencies is likely lead to improved efficiency by taking advantages of economies of scale and scope. Third, it allows new resources to be introduced with the aid of new participants. Fourth, as Lipnack and Stamps(1993) explains, "boundary-crossing networks

expand social capital" through forming exchange relationships based on trust and reciprocity. This creates positive externalities on the society."

II.2.3 "E-government in Australia: The Challenges of Moving to Integrated Services"

Halligan in his paper titled "E-government in Australia: The challenges of moving to integrated services" introduces the concept of value networks and describes networked governance as:

> "Involving value networks with future governments delivering outcomes through federations of organizations and agencies... In a value network, government policy is implemented through a connected set of agencies (possibly both public and private). Each agency has a specific role and a defined interface with other agencies. Rather than the traditional monolithic government department, we may expect to see the development of new componentised delivery structures that are flexible and/or resilient to environmental shifts, policy changes and customer demand.
>
> The interaction experience, and indeed multi-channel service delivery and management, is complicated by the emergence of value networks as the emerging structural paradigm for all industries. Enterprises configure themselves to mediate interactions and exchanges across a network of their customers and suppliers. The customers are an integral part of the network and the value network organisation provides the networking service through a consistent and coherent infrastructure. Value networks must excel at matching customers and multiplying connections between them (CSC 1998) as well as enabling greater flexibility and reliability in meeting fluctuating and changing demands.
>
> The value network is the next level of maturity in service delivery advanced by electronic or digital communication. The interaction experience is a component of the complex system. The concept of the value network carries with it the notion of boundarylessness. The value network embraces – and ultimately can integrate – all levels of government and all other agencies (public and private) that conduct business with government."

Halligan's value network is situated within the context of Australia's Whole of Government approach to policy development and implementation. The whole of government concept is linked to transformative government. Interestingly, he notes that "this is as opposed to e-government and one can assume networking efforts that are largely based on automation – that is, taking existing processes and computerising them with little or no change. These processes typically exist within a single government department, ministry or agency. The essence of transformation is the on-line service transcends organisational boundary by integrating departmental silos. It achieves what is referred to in Australia as 'whole of government' (Management Advisory Committee 2004) and is a central component of integrated service delivery." Through his assessment of how the concept and practice of networking interfaces with those of government transformation, e-government and the use of

ICT, there is indication that the goals of the networked state (as opposed a mere network) and e-government are not necessarily one and the same.

II.2.4 The Canadian Experience: "Moving Towards the Virtual State: Integrating Services and Service Channels for Citizen-Centred Delivery"

The Canadian experience with Integrated Service Delivery (ISD) is presented by Kernahan in his background paper "Moving Towards the Virtual State: Integrating Services and Service Channels for Citizen-Centred Delivery". He focuses on the "second wave" of digital government with particular attention to the integration of service delivery not only across departments and governments but also across sectors and across service delivery channels.

He describes ISD as comprising:

> "[T]he process of bringing together and fitting together government services so that citizens can access these services in a seamless fashion based on their wants and needs. A seamless service delivery system is "fluid, agile, integrated, transparent, connected" and it provides "a smooth, virtually effortless experience for those who interact with it." (Linden 1994) ISD aims to ensure single-window service (one-stop access to services), largely through "the three Cs" of coordination, collaboration and clustering. Coordination refers to the sharing of work for mutual benefit with a view to avoiding duplication, eliminating gaps and reducing fragmentation. Collaboration involves the sharing of power for the same purposes. Coordination and collaboration are closely related to the concept of partnership. Coordination through sharing work is often described as an operational partnership whereas collaboration through sharing power is commonly described as a collaborative or "real" partnership. The meaning of the term clustering is similar to that of ISD. It is the process of bringing together related government services delivered by one or more service providers so that citizens can access the services in one place.
>
> Like coordination and collaboration, both ISD and clustering are closely linked to the concept of partnering which is defined here as the process of bringing together individuals and organizations to share power, work, support, information and benefits and risks with others for the achievement of joint goals and/or mutual benefits.
>
> A wide variety of ISD arrangements can be depicted along these continua. At the uni-dimensional end is a single departmental unit providing a single service through a single delivery channel. At the multi-dimensional end is an arrangement involving several service providers from different governments and from the business and third sectors providing several services through several channels. It cannot be assumed that the closer an arrangement's profile is to the multi-dimensional end of the continua, the greater is the challenge to integration. For example, an inter-departmental arrangement involving a large number of departments and a variety of services delivered

> over several channels may be more challenging than an inter-jurisdictional arrangement involving only two governments, a single service and a single channel. Even a cross-sectoral arrangement involving several departments, governments, business organizations and NGOs may be relatively uncomplicated if it operates only on the Internet channel - and especially if it does not require a stringent partnership agreement."

Kernahan also cites the emergence of new service models which support ISD. He introduces the concept of service utilities which depend on innovative management schemes and partnerships for the delivery of services. He describes them as follows:

> "A remarkable array of mechanisms to pursue ISD have been devised or are being developed. (Bent 1999) Reference is made here, by way of illustration, to service utilities and ISD departments. A service utility is "an organization that delivers services on behalf of other government organizations but delivers no services (or very few) of its own". (Bent 1999) A corporate service utility can be created as a public corporation with a board of directors reporting to a departmental minister - as in the case of Service New Brunswick (http://www.snb.ca). Like other public corporations, the service utility enjoys greater autonomy and flexibility in respect of management in general and of innovative ISD initiatives in particular. Among the potential benefits of the corporate service utility model are greater coordination, collaboration and integration resulting from clear lines of accountability; less reliance on the use of influence to get things done; and a diminution in such inter-operability problems as different policies, standards, rules and salary levels.
>
> Service delivery could also be delegated to an inter-jurisdictional service utility that would pursue seamless service in various policy fields (e.g. health, business development) on behalf of multiple governments. Still another variant of the service utility model is an NGO service utility - an independent, non-profit entity that could have partners from all orders of government and from the private sector and deliver services to citizens through one or more delivery channels (e.g. Victoria Connects). It is likely that the service utility approach will increasingly supplement or supplant the more common single-window service delivery structures such as "owner-delivered in a co-located environment" and "shared service delivery through integration". (Bent 1999)

Though Kernihan does not use the terminology of networks, it is seems evident that the efforts at collaboration, integration and partnerships in the delivery of services are at once an attempt at transforming government, implementing Canada's digital government programme, as well as introducing many of the networking practices described above.

II.3 A Plethora of Definitions

The discussion above illustrates the varied interpretations and labels given to networking exercises. Similar practices are can be simultaneously referred to as networked government, joined up government, integrated government, spanning, ISD, and whole of government. Kim-Lee note that "there remain questions about conceptual framework of network governance which has hampered the research progress in this field." When concepts of e-government and the knowledge government are thrown into the mix, the picture of the networked state becomes even more muddled.

Despite differences in semantics and definitions, there do seem to be some largely common features of the networked government. It can be seen as:

- Good for addressing complex problems that require more nuanced and multi-disciplinary approaches
- Able to tap external sources of knowledge
- Information rich and able to diffuse ideas and knowledge
- Based on new forms of partnerships and collaboration
- Embracing innovativeness, creativity and less bureaucratic
- Arising out of mutual interests
- Boundaryless and seamless
- Addressing coordination dilemmas

On the other hand, the discussions above also point to contradictory descriptions of networks. Authors have described networks as being both horizontal and vertical, highly integrated and loosely connected highly formal and largely informal. While the objectives may be similar, it is clear that the networked government can take a number of valid forms.

II.4 The Realization of Networked Government: Where Are We?

The 2003 WPSR sought to examine the level of networked government as evidenced by website development. In addition, it also evaluated the degree to which e-participation took place through government websites – perhaps also an indirect indicator of the degree to which government networking from the point of view of citizen partnering is taking place. The results of the survey – though admittedly limited in scope and focusing specifically on e-government – were not especially encouraging.

The web-measure assessment index of UN member states was based upon an evolutionary and quantitative five-stage model of sophistication of a public administration's on-line presence and e-government services provided beginning with emerging presence, continuing to enhanced presence, interactive presence, transactional presence and then reaching its maturity with networked presence. Networked presence was defined as: "a government to citizen framework based on an integrated network of public agencies for the provision of information, knowledge and services. The emphasis is on feedback to the government"… (e.g. on-line polling mechanisms, comment forms, discussion forums and consultation facilities). Under this scenario, the government is "willing and able to involve society in a two-way dialogue".

The survey found that "only a handful of countries worldwide are utilizing close to the full potential of e-government" and that "most developing countries are at the initial three stages of e-government development with little or no transactional networked service" and that "e-networking…remains patchy and uneven in developed countries with its full potential under utilized…in developing countries it is low or non-existent."

In terms of e-participation, which encompassed e-information, e-consultation and e-decision-making, it was found that "a very small proportion of countries (14 percent) offered on-line consultation facilities and an even smaller share (9 percent) allowed any citizen feedback to government on official policies and activities put out on the government websites. What is interesting, however, is that many developing countries fared better than developed countries on these ratings.

Though this is only a rough and indicative gauge (a more authoritative assessment of networked government would have to take into account "back-office" transformation) , it is none-the-less enlightening for the debate on the pace and nature of the development of networked government from the perspective of its interface with e-government development. Indeed, the report states that the "UN survey shows that the status of e-government today is much more reflective of inherited capacities in the areas of infrastructure and human capital development, as well as inherited institutions and policy focus, than of the determination of governments to seize new technological opportunities to human development-focused change."

It is also instructive to look in a more normative way at the experiences of specific countries. Indeed, in both the Canadian and Australian experience, analysis has shown that government integration (ISD) and networking has often met with mixed results and that many efforts tend

to be shallow in nature and act as a facade of change rather than real or widespread transformation. One author has even suggested that perhaps the boundary spanning exercise has already reached its zenith. (Langford) This may be due to the fact that in some cases the outcomes of these nascent initiatives have resulted in the opposite effects intended. The MAC report cited by Halligan expressed concerns that “some of the recent public sector reforms have exacerbated coordination problems” and that fragmentation issues may hamper governments’ ability to deal with complex policy. The report expresses caution about the “difficulties involved in whole of government approaches, including unintended risks, overly ambitious agendas and uncontrolled consequences.”

III. CHALLENGES AND LOOKING FORWARD

III.1 Questions and Considerations

Indeed, there are a number of challenges associated with the implementation of the networked government and moving from rhetoric to reality. Among these are factors of transparency and accountability; governance issues; management skills; and a host of other issues.

III.1.1 Transparency and Accountability

The foremost challenge of networked government cited by experts lies with issues of transparency and accountability. This is due to the diffuse nature of networks, the entrance of new actors (especially private sector actors), shared power and responsibility. When there are a greater number of actors (and the greater the potential for innovation), it is more difficult to monitor their activities, thus leading to a lack of transparency. Interestingly, the dilution of transparency is in contradiction with one of the main tenants of e-government. Kamarack notes that in a traditional bureaucracy accountability depended on input controls and then switched to trying to measure outcomes. Accountability is also traditionally achieved through the electoral process and through compliance with rules and through the budgetary process. She notes that "at the heart of post-bureaucratic government is a change in the way we operationalize democratic accountability" and notes that electoral accountability may not be adequate if more and more tasks are delegated to non-elected officials. She also draws attention to the challenge in encouraging innovation and escaping bureaucratic limitations while maintaining accountability. The introduction of too many rules and controls may serve to bureaucratize networks.

In the new networked government, Kamarack suggests that accountability will revolve around performance measures where those measures are easy to establish and can accurately capture the public mission. Performance measures would have to be set in contracts that create the network (though she opines that many governments are not good at this). Langford also suggests that accountability in the networked government will shift focus to questions of on effectiveness, outcomes, impact and value but that it is necessary to determine how these relate to traditional rule based and legal accountability.

Kernahan brings the Canadian experience to bear on this issue:

> "Partnerships complicate the central governance issue of accountability because the partners have dual accountabilities - vertical accountability to their government or organization and h orizontal accountability to their partners. The Auditor General of Canada has argued that partnering arrangements require more rather than less accountability and has identified the major problems as including not only inadequate accountability but also "the risk of poorly defined arrangements, commitments not met, insufficient

> attention to protecting the public interest [and] insufficient transparency …." To remedy these deficiencies, the Auditor General recommended that partnership agreements and good implementation practices should be based on the criteria of "clear and agreed expectations; clear roles and responsibilities; balanced expectations and capacities; credible reporting; and reasonable review, program evaluation and audit." This advice on partnerships is directly related to the next major means of overcoming obstacles to ISD - getting the up-front agreement right."

Australia's 2004 MAC Whole of Government project "established to examine how the Commonwealth could increase flexibility and responsiveness in policy development and integration, program design and implementation, and service delivery" also "examined what may need to change to the output/outcomes framework and the budgetary and accountability frameworks to accommodate cross-portfolio issues and report, not through a single portfolio minister, but more broadly across the Australia public service in a way that ensures that horizontal linkages do not reduce vertical accountability to Parliament."

It seems clear that new mechanisms for ensuring accountability at the horizontal level must be developed and integrated into vertical channels of accountability, many of which must remain.

III.1.2 Governance Structures

The sound governance of networks has also been mentioned as critical to the success of the networked government and is linked to the issues of accountability above. Kim-Lee emphasize the need for networks to be governed by a lead agency (network centrality) or committee or board, perhaps akin to Kernahan's description of service utility models. Kamarack places importance on capacity of the center of the network (public official) to reward and punish those in the network. It has been recommended by Kim-Lee that roles and responsibilities are clearly defined and that the balance between fragmentation versus cohesiveness is met. Moreover, whether the network governance structure plays a steering (facilitator) versus rowing (provider) role must be established. Kim-Lee also note that:

> "The network form of governance carries with it a special problem of adapting, coordinating, and safeguarding exchanges (Jone et al. 1997). In particular, in a network characterized by high levels of task complexity, asset specificity and uncertainty, trust and reciprocity are unlikely to develop instantaneously and these circumstances call for a central governing body to 'coordinate activities.' Finally, another important aspect of networks in the public sector context concerns the management or integration of diverse and numerous networks as they are interrelated by their pursuance of public interest goals. Unlike inter-organizational or inter-firm networks in the private sector where the networking of networks is unlikely to carry any significance, policy networks are interrelated or interdependent for several reasons: first, participants in various networks overlap; second, each network influences each other as policy decisions made by each node is interrelated; third, networks are interrelated for financial and budget reasons. This implies that managing the networking aspects of various public-domain networks is

> becoming important. This perhaps calls for 'joined-up networking' forms of coordination among not only relevant players but also among networks."

The form of governance will depend on the integrated nature and level of formality of the network, as well as many other considerations but examination of various models and finding the appropriate structure will be necessary for achieving effectiveness.

III.1.3 Management Skills

If the governance and management of networks are essential, then so are the development of network management skills in the public sector. Government officials will be called upon to undertake new roles as they establish , coordinate and oversee various types of networks. This will require new skills in leadership, partnering, creating incentives, and many other competencies. Kettl suggests specifically that public managers will need to rely more on interpersonal and inter-organizational processes as complements to - and sometimes substitutes for – authority. Unfortunately, the experts agree that these skills are missing form the public sector, thus jeopardizing the attainment of the networked state.

III.1.4 Additional Considerations

There are a host of other considerations when employing networks as a new form of governance. Among these are issues of overcoming the bureaucratic culture and mindset; addressing issues of funding across organizational entities; legitimacy, tied to the role of new non-governmental actors and accountability; privacy and security as non-governmental actors deliver public services and obtain information on citizens. Langford has suggested that the networked state may lead to a possible erosion of the public service's neutrality and anonymity. Kamarack expresses concern that assumptions are tested such as: "monopoly and stagnation will be overcome by increased competition (in form of other organizations undertaking traditional government functions); private sector practices are appropriate for public sector; public interest can be articulated and measured and a "market proxy" can be created for the public sector."

There are also special considerations for developing countries where civil society and private sector may be weak to non-existent and unable to effectively participate in the networked state. The WPSR states that:

> "The force locked within these transformations is so powerful that if networked government happens mainly in the industrialized countries of the North, the gap between them and the countries of the South will grow again, for a new reason. Wherever it happens though, it will immediately create a new centre of gravity for growth and development."

Attention must be given to ensuring that developing countries are able to reap the fruits of the networked era.

Finally, to the extent that the networked state is merged with ICT and e-government, the lessons which apply to e-government (e.g. access) should also be considered.

III.2 An Alternative Approach to the Networked Government

The networked state means many things to many people. The lack of agreed upon ethical and theoretical frameworks, coupled with a scarcity of concrete analysis of on the ground projects poses a serious challenge to the practitioner and to the potential beneficiaries of the networked state. While comprehensive models of the networked state are not sought, general principles and considerations, as well as reference to real-life experiences (innovations and lessons) would be instructive and useful. Given the issues addressed in the Ad Hoc Expert Group Meeting and the work of its experts, as well as other practitioners, there are three broad issues which reveal themselves to be important considerations in the development of the networked state and warrant greater attention by the academic and policy communities. Together they suggest a direction for the networked state.

III.2.1 Public Interest

It is correct to perceive the networked state as one that builds new partnerships and collaborative modalities, rather than something that is an amalgamation of mere technical initiatives. As such, the networked state should be rooted in a moral framework that has at its center the commitment to human development and more specifically to public value. The WPSR states the case as follows:

> "Transforming public hierarchies into public networks is uncharted water, though arguably, this constitutes the most important ICT application that a public administration can build. It does not enter into public awareness as an imminent task with relevance to people's well being (erroneously, as one can argue). It is by and large avoided by many civil servants and politicians, as it may have far-reaching consequences for the emancipation of people, with all the ensuing consequences of the unavoidable shift in control of power and resources. If use of modern ICT has the capacity to dismantle and build at the same time, it can achieve the most extensive impact by reshaping human society and by enabling us all – people, governments and businesses – to operate as networks.
>
> More importantly though, the people have not stopped needing governments either, for facilitation of the expression of developmental preferences; for direct involvement in the production of public value; and eventually, for the creation and protection of public space in which public value can be produced and delivered by a multitude of agents. They also need the information, knowledge and other resources that are locked up inside the silos of government organizations. Their availability and more efficient use in the public interest than is possible right now also constitutes an increasingly important public end.
>
> It is beginning to appear that governments can create a considerable amount of public value just by reproducing themselves as networks."

Indeed, the public interest must remain at the heart of these efforts, avoiding its dilution in special interests, privatization (a risk with the hollowed out government or the contract state), or public sector rent-seeking. Emphasis on public value through practical measures might ease the concerns expressed by some that under the networked model, government might loose leverage and influence over policy development and implementation. While this is indeed a risk the brighter alternative would be that the networked state is one that is more democratic, inclusive and that builds social capital. Matheson has also noted that networking allows the public to better rule by consent as well as by command.

The discussions of the networked state focus predominantly on networks between organizations and leave little room for the role of the citizen. Participatory governance should find its way into the model of the networked state, particularly given the interest of governments in acquiring knowledge which resides at the individual level. The public space that networks create should also extend to the level of the citizen. The WPSR states that networked and connected citizens lead to the creation of politically useful knowledge through interaction and the horizontal transfer of tacit knowledge. Finally, individual expression of wants is central to public value.

III.2.2 A Layered Approach

The challenges outlined above, as well as the anecdotal evidence on the barriers faced thus far by countries may call for a reassessment of some of the most lofty promises and objectives of the networked state. Given the concerns surrounding accountability and the practical issues of government, it is unlikely and some would say unwise to dispose of bureaucracy and hierarchy in its entirety. It has been suggested that there is a need to maintain vertical contact and strike a balance and combination of the vertical (providing consistency, accountability, and formal structure) and the horizontal (providing greater consent, support, and informal structure). (Hopkins) Indeed, an OECD study on knowledge management found that the stability associated with traditional bureaucratic features was critical to knowledge sharing (essential for more nuanced policy development) and that this had to be balanced with need for organizational adaptability and innovation.

A layered approach to the networked state, combining the vertical and the horizontal and focusing more on governance ("the way government gets its job done") and less so on government ("the structure and function of public institutions") has been proposed by a number of authors. Kettl suggests that in bridging the government-governance divide it should be borne in mind that hierarchy and authority cannot and will not be replaced, but they must be fitted better to the transformation of governance, and that complex networks have in fact been layered on top of hierarchical organizations. Under the layered approach policy problems would need to be matched with the appropriate implementation models. (Kamrack) Indeed, as the WPSR notes, there may be instances where networks face a "difficulty in focusing on the fulfillment of a given task beyond a certain size or level of complexity".

III.2.3 Integration with E-government and Knowledge Management Initiatives

The WPSR asks what has suddenly become wrong with hierarchical organizations as they have been "created by society as a convenience and have functioned reasonably well for at

least as long as the nation state has been around, and in effect, much longer. Large-scale hierarchical organizations have been perfect for large governments. They have been very effective in moving power and resources in order to secure power, develop economies or win wars." It also acknowledges that "people have known networks at least as long as hierarchies though and, till now, have opted for the latter when choosing a preferred form for the organization of government." So why now is there an increased focus on networks as a tool of governance? The answer is that ICT "has offered its capacities to hierarchies and to networks. Hierarchies have not been able to use it too well as it has threatened vertical structures. Networks have embraced it. ICT does not eliminate their advantages and is capable of smoothing out their disadvantages. Networks can use it to enhance flexibility and reconfigure capacities. More importantly, they can use real-time processing to reintegrate command and decentralize execution. ICT has converted networks into powerful, efficient forms of social organization."

Kim-Lee suggest that "ICTs can serve as an important vertical and horizontal integrator for managing interdependence within and between networks." Kernahan too notes the special role that ICT plays in the networked state as seen through the ISD public sector reform model. In examining ISD and integrated channel delivery, he states that there are "multiple channels (internet, telephone, service counters) through which to deliver integrated services but he proposes that they be integrated with the Internet providing the underpinning – the backbone – for more effective use of other channels."

The possibilities that ICT afford networks are also the drivers of the e-government initiatives to be found in all corners of the globe. It is in this context that the employment of ICT are usually discussed. The strategies and initiatives of the networked state and those of e-government are not always conceived or implemented in congress with each other. This is also true of knowledge management which is often a distinct strategy and effort within government. To the extent possible, these efforts should reinforce and complement each other. The networked and knowledge rich public sector would be better realized through effective e-government applications and e-government applications will be more relevant and truly lead to transformed government if situated within sound public sector reform goals, i.e. the networked state.

IV. CONCLUSIONS AND RECOMMENDATIONS

As the WPSR notes, achieving a networked state "would be a very complex undertaking [and a]….. project for the millennium." Whether the networked state in its most complex form will ever be realized can be debated but it seems certain that networking efforts hold great promise and thus their underlying objectives and practicalities are worth examining further.

The Ad Hoc Expert Group Meeting on e-Governance and Changes in Administrative Structures and Processes illustrated the difficulty with addressing the many facets of the networked state and its relationship to e-governance in a cohesive manner in that there are multiple interpretations of what this means and many different prescriptions for the realization of its potential. What became clear is that this is a subject of considerable importance and there is a need for further discussion and refinement of concepts. The meeting resulted in a more fluid debate where topics were interwoven and commonalities in positions identified, rather than specific recommendations reached. Following are several general issues and potential actions which emerged from the discussions and warrant closer attention.

It is recommended that national governments, and the academic and international communities:

- Develop more advanced theories around networked government and analysis of real-life experience.

- Advance an understanding of the networked state that is rooted in a human development and public value centered ethical framework.

- Better align the technical and public sector reform aspects of networking, as well as the frameworks of e-governance, knowledge management and the networked state.

- Ensure that the networked state is flexible, layered and allows various implementation models to be pursed depending on the issue at hand.

- Better understand the tradeoffs between traditional hierarchies and the networked state.

- Ensure that the technical infrastructure of the networked state is extended to citizens and civil society.

- Pay greater attention to the cultural environment and the management skill base.

- Develop and identify already tested measures/principles of accountability in the networked state.

- Identify a variety of governance models for networks.

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VI. ANNEX 1

Background Papers

VI.1 Expert Background Paper

E-Government Theory and Practice: The Evidence from Tennessee (USA)

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Introduction

On April 30, 2004 a Google search for E-Government returned 2.8 million entries while a search with the keywords "Global Warming" brought back less than 700, 000. The numeric difference may suggest that for Internet users E-Government, a subject that has to do with immediate issues of governance and provision of public services, is a more salient matter than our the long term survival on this planet. The general interest in E-Government is further illustrated by the third annual update on global e-government (West 2003) which monitors developments in the delivery of public information and government services through the Internet. Using a detailed analysis of 2,166 government websites in 198 different nations, the report measures the information and services that are available to the public online. The report (West 2003) charts the variations that exist across countries, and discuss how e-government sites vary by region of the world. In addition to that the report examines how the 2003 results compare to 2001 and 2002.
According to the 2003 report on global E-Government (West 2003) some of the more important findings are the following items:

1) 16 percent of government websites offer services that are fully executable online, up from 12 percent in 2002.
2) 89 percent of websites provide access to publications and 73 percent have links to databases.
3) 12 percent (down from 14 percent in 2002) show privacy policies, while 6 percent (down from 9 percent in 2002) have security policies.
4) 14 percent of government websites have some form of disability access, meaning access for persons with disabilities.
5) English has become the most commonly used language of e-government. Seventy-four percent of national government websites have an English version.
6) 51 percent of sites are multilingual, meaning that they offer information in two or more languages.

7) Countries vary enormously in their overall e-government performance based on our analysis. The most highly ranked nations include Singapore, United States, Canada, Australia, Taiwan, Turkey, Great Britain, Malaysia, the Vatican, and Austria.

8) There are major differences in e-government performance based on region of the world. In general, countries in North America score the highest, followed by Asia, Western Europe, Pacific Ocean Islands, Middle East, Eastern Europe, Russia and Central Asia, South America, Central America, and Africa.

With this data in mind several important questions come to mind. Thus, for example, one must wonder whether the evolvement of E-Government is the result of local circumstances or whether it is influenced or guided by a theory (or some alternative theories). Also, given the efforts to rank E-government efforts one must ask whether there is an ideal model or, whether ranking is done on a curve, i.e., how good or how promising is the effort of one state in comparison to the efforts of other states. Are there n too many cases where the strategy of developing E-Government is what Mintzberg (1987) calls an "emergent strategy" to denote the opposite of what he calls a "deliberate strategy" where intentions are stated clearly up front and realized in an exact manner? Every time one faces an E-Government effort that looks like it started as a random collection of activities, i.e., an emergent strategy, one must ask whether the time is right for drawing on the various experiences with E-Government to develop a theory or an ideal model? If, on the other hand, there is a theoretical body of knowledge and model(s) for guiding the development of E-Government one must question their instrumental value, if not their validity. By investigating why such theories or models fail to have a real influence on practice one can gain important insights not only into the theories or model in question but of the political economy of a given E-Government effort.

In this paper we cannot address these questions in depth. However, by looking in a critical way at the experience of one American state we hope to facilitate the discussion of these important questions. The State of Tennessee's E-Government initiative, we assert, is a good case in point since it was ranked no. 1 in 2002 (West 2002) up from 35th place in 2000 (West 2000). Even though it went down to 4th place in 2003 (West 2003) it clearly remains one of the best efforts in the USA.

The press release for the June 9, 2003 E-Government symposium at the White House which was co-sponsored with OECD (2003) declared "E-government is more about government than about the e." We see this declaration to be in line with an earlier assertion in the Economist (2000) declaring that:

> [E-Government] will transform not only the way in which most public services are delivered, but also the fundamental relationship between government and citizen. Broadly, e-government involves the use of Internet based technologies to transact the business of government. At the level of service, e-government promises 24 / 7 convenience (full service available 24 hours a day, seven days a week), greater accessibility, the capacity to obtain government services without ever visiting a government office and reduced costs due to the increased technological intermediation. At the level of basic factors (government accountability and the general acceptance of state

> institutions),e-government contributes to the functioning of democracy by online provision of reports and other government information which would otherwise be difficult to obtain or unavailable, and through online debates and plebiscites. (cited by Teicher Hughes and Dow 2002:387)

A reality check seems to suggest that both declarations are more of a lips service to what is desired of E-Government than an accurate prediction, let alone a description, of current practices or theory. Pardo (2000) offers a more pragmatic approach for the study of what she calls “digital government)

> Government agencies must keep asking themselves three questions: What government business functions are we responsible for? How can we responsibly transform our current business models while incorporating new and emerging technologies? Are these new business models reflective of the collective concerns and priorities of the public; or do they threaten the public trust? As more and more agencies are delivering digital government services, clear types are emerging, and each type has its own array of policy, management, and technology implementation issues. By looking at each type, we are building an understanding of those that involve new ways of doing business such as integrating information in new ways and making it accessible over the Web, new ways of engaging in procurement and new ways to deliver services.

Jain (2004) reminds us that Kurt Lewin famously proclaimed, “There is nothing so practical as good theory”, signifying that a good theory lends itself to being applied in a variety of contexts. But where is the “grand” theory of E-Government?
According to Government Technology

> Much of the interest in e-government is owed to the following theory: electronic government improves the "business of government" by creating more efficient and convenient constituent-to-government, business-to-government, and even government-to-government interaction. This is a powerful proposition for the government segment, which is often asked to do "more for less." Those jurisdictions that have begun to put this theory to the test have been pleased with the results (www.govtech.net/govcenter/solcenter/ezgov/index.phtml)

While the writers for Government Technology seems to make an accurate observation their use of the term”theory” leaves much to be desired. A World Bank publication declares : “there is no e-government textbook and no e-government theory; knowledge comes from practice; excellence comes from best practices” (World Bank 2002:2).

Given the amount of resources that have been committed so far by various governments for E-Government initiatives the lack of a guiding theory seems to be strange if not alarming. It is possible to think of several potential explanations. One of the more likely ones is the absence of a consensus about a common definition of E-Government. As would be explained

and illustrated bellow there are many definitions for E-Government and the concept has different meanings.

Nevertheless, meta analysis of various reports of E-Government initiatives seems to offer some theoretical insights that eventually would be synthesized into one cohesive theory. Thus, for example Jain (2004:1) derives from the study of such reports two interesting propositions: "The first theme that emerges is that IT (information technology) is a tool for 'reforming' bureaucracy. The second, somewhat contradictory, theme is that E-Government failure may be explained as a consequence of bureaucracy." In the same vein it is possible to offer some other insights that can help us construct a theoretical framework for examining E-Government.

E-Government: What's in a definition

According to a Star Project report (Evaluation and Benchmarking of E-Government: Status and Perspectives http://www.databank.it/star/list_issue/b_2.html) due to the relatively recent development of E-government it is particularly difficult to assume decisions and to shape the process of government adaptation to E-Government. In this regard, according to Star, one main difficulty that Public Administrators are facing is the lack of evidence about results and impacts, both during and after the implementation of E-government projects. This, the report claims, is partly due to the very nature of E-government, which reflects the volatility of technological developments. In addition, E-Government applications are typically cross-sector ones, complicating the task of disentangling their effects. As noted by several writers (Hazlett and Hill 2003, Buckley 2003), E-Government is heavily influenced by expectations of citizens to see public service rendered in the same fashion it is provided by so many entities in the private sector. Business organizations demands that government, one of their stakeholder, interface with them the same way they interface with other private sector organizations. Last, but not least, government agencies are under pressures from other government agencies to allow for electronic data interchanges (EDI) and other amenities that become possible with E-Government in order for them to realize productivity gains they promised when they invested in their own E-Government projects. Thus, for example, there are several instances where the development of E-Government at the State level in the USA was a reaction to earlier E-Government initiatives at the local level. In fact, in the case of Tennessee the E-Government effort of the State did not commence until the late 1990 while the metropolitan government of Nashville had its first Web site about then years earlier.
Moreover, the characteristics of the early stages of any E-Government initiative such as trail and error and experimentation with alternative modes of virtual provision of a given service may be the cause for some of the difficulties in assessing the success of such efforts. In particular it is hard to ascertain whether or not Public Administrators are guided by a specific vision of E-government.

Once articulated, such a vision can be operational zed by using one of generic models the information and communication technology (ICT). Some of these possible models are described by Digital Government (http://65.110.68.184/artman/publish/generic-models.shtml) and are listed bellow. These models, in turn, can be used as a guide in designing E-Government initiatives depending on the local situation and governance activities that are expected to be performed:

The Broadcasting Model: The model is based on dissemination / broadcasting of useful governance information which is in the public domain into the wider public domain through the use of ICT and convergent media.
The strength of the model rests upon the fact that a more informed citizenry is better able to judge the functioning of existing governance mechanisms and make an informed opinion about them. As a consequence, they become more empowered to exercise their Rights and Responsibilities.
The widespread application of this model corrects "information failure situations" by providing people with the relevant information relating to the governance sphere to make an informed opinion and impact governance processes.
Further, the use of ICT opens up an alternative channel for people to access information as well as validate existing information from different sources.

The Critical Flow Model: The model is based on disseminating/ channeling information of critical value (which by its very nature would not be disclosed by those involved in bad governance) to the targeted audience (such as the media, opposition parties) or into the wider public domain through the use of ICT and convergent media. This model requires a foresight to:

- understand the "use value" of a particular information set,
- how to obtain such information,
- how it could be used strategically, and finally
- targeting it to users to whom the availability of such information would make a difference.

The strength of this model is that ICT makes the concept of 'distance' and 'time' redundant when information is hosted on a a digital network, and this could be used advantageously--by instantly transferring the critical information to its strategic user group located anywhere or by making it freely available in the wider public domain.

Comparative Analysis Model: Comparative Knowledge Model may be one of the least-used but a highly significant model for developing countries The model can be used for empowering people by matching cases of bad governance with those of good governance, and then analyzing the different aspects of bad governance and its impact on the people.

The model is based on using ICT to explore information available in the public or private domain and comparing it with the known information sets. The outcome is strategic leanings and arguments, for instance, if a given amount of money can build '5' schools in village 'A' then why does the same amount of money build only '2' schools in village 'B'? Essentially, the model continuously assimilates Best Practices in the areas of governance and then uses them as benchmark to evaluate other governance practices. It then uses the result to advocate positive changes or to influence 'public' opinion on these governance practices. The comparison could be made over a time scale to get a snapshot of the past and present situation or could be used to compare the effectiveness of an intervention by comparing two similar situations. The strength of this model lies in the infinite capacity of digital networks to store varied information and retrieve and transmit it instantly across all geographical and hierarchal barriers.

E-Advocacy / Mobilization and Lobbying Model: This is one of the most frequently used Digital Governance model and has often come to the aid of the global civil society to impact on global decision-making processes.
The model is based on setting-up a planned, directed flow of information to build strong virtual allies to complement actions in the real world. Virtual communities are formed which share similar values and concerns, and these communities in turn link up with or support real-life groups/ activities for concerted action. The model builds the momentum of real-world processes by adding the opinions and concerns expressed by virtual communities.

The strength of this model is in its diversity of the virtual community, and the ideas, expertise and resources accumulated through this virtual form of networking. The model is able to mobilize and leverage human resources and information beyond geographical, institutional and bureaucratic barriers, and use it for concerted action.

Interactive-Service model: is a consolidation of the earlier presented digital governance models and opens up avenues for direct participation of individuals in the governance processes. Fundamentally, ICT have the potential to bring in every individual in a digital network and enable interactive (two-way) flow of information among them. The potential of ICT for the governance is fully leveraged in this model and leads and can bring lead to greater objectivity and transparency in decision-making processes.

Under this model, the various services offered by the Government become directly available to its citizens in an interactive manner. It does so by opening up an interactive Government to Consumer to Government (G2C2G) channel in various aspects of governance, such as election of government officials (e-ballots); redressing online of specific grievances; sharing of concerns and providing expertise; opinion polls on various issues etc.

Though such models can assist the planning of E-Government initiatives in hindsight it is not always clear, what if any, theory, model or vision was followed. Was a given blue print the result of a careful analysis that showed it to be the most promising one, albeit on paper, for serving the public's needs? Or, whether the involved Administrators embracing the most "convenient process" for introducing E-government? Were blue prints for E-Government developed to address the most salient issues from the public's perspective or in a way that optimizes the use of resources? Or, was symbolism and expectation of a political bonanza foremost guiding force in selecting the "promising design" ? In other words, in hindsight it is not always easy to establish where do a given government stands on the continuum between being proactive or reactive when it comes to E-Government. Thus, the Star report is correct in asserting that the very nature and the present stage of E-Government seem to result in the lack of adequate evaluation tools. While this assertion is accurate it seems that there might be some other, and maybe, more important reasons for the difficult in assessing E-Government initiatives. One of the other possible reasons for this difficulties is the lack of a generally accepted theory or model of E-Government.

The current confusion about what is the precise meaning of E-Government is reflected in the numerous, divers and overlapping definitions of the term E-Government and its primary purpose or justification. The American E-Government Act that was signed into law in 2002, for example, states its purpose in the following way (emphasis added): "To enhance the management and promotion of electronic Government services and processes by establishing

a Federal Chief Information Officer within the Office of Management and Budget, and by establishing a broad framework of measures that require using Internet-based information technology to enhance citizen access to Government information and services, and for other purposes"(H.R.2458http://thomas.loc.gov/cgibin/bdquery/z?d107:HR02458:|TOM:/bss/d107 query.html) Here are some other examples (emphasis added):

"The use of information and communication technologies, and particularly the Internet, as a tool to achieve better government." OECD's E-Government Imperative (2003)

"E-government is the application of Information and Communication Technology (ICT) by government agencies. Its use promises to enhance the effectiveness and efficiency of government and alter its relationship with the public." UNDP (2001)
E-GOVERNMENT http://www.surf-as.org/Papers/e-gov-english.PDF

E-Government refers to the use of information and communications technologies to improve the efficiency, effectiveness, transparency and accountability of government. (World Bank) (http://www1.worldbank.org/publicsector/egov/)
"E-government refers to the delivery of government information and services online through the Internet or other digital means." (West 2001) Darrell M. West, State and Federal E-Government in the United States, 2001, Inside Politics web site (2001), "E-government links people...to the public marketplace of ideas, debate, priorities, initiatives, innovation, services, transactions, and results. It puts ownership of government truly in the hands of all Americans." (Council for Excellence in Government 2001) "Digital (electronic) government is about transforming government service delivery through the use of technology." (Parado 2000)
Theresa A. Pardo, Realizing the Promise of Digital Government: It's More than Building a WebSite,iMPMag.,Oct.2000.

E-government can be defined as the delivery of public information, goods and services through the use of technology. (Stiedel n.d.)
Sharon Crouch Steidel (n.d) Using E-Government: Effects of the Digital Revolution http://usinfo.state.gov/journals/itdhr/1003/ijde/crouch.htm
E-Government is defined as the use of information and communications technologies to improve the functioning of government. (Jain 2004)
By e-government we mean the application of information and communications technologies (ICT) to the organization and operation of government. Teicher, Hughes and Dow (2002:384)

While these and other definitions suggest the existence of a wide spectrum of opinions and perspectives about E-Government there seem to be some recurring themes which can be refered to as the facets of E-Government. By fact we mean perspective, reason, justification or purpose. It seems that at different times various levels of government may opt to emphasis one facet or several facets over the others. The various facets are not independent of each other. In fact, they are overlapping and are expected to enhance different, but equally, important values by enhancing or facilitating productivity gains. Understanding that governments are within their rights when they emphasis one facet over another implies that using "universal" assessment tools that measure attributes such as "citizen centered" may results in skewed, unreliable and unfair evaluation of the effort under study.

The tendency to commit such a conceptual error in evaluating E-Government efforts seems to be common. In our survey of E-government and E-commerce in Tennessee we found that agencies do not make any effort to differentiate between the two. Some areas that are considered by agencies as part of the E-government development effort such as electronic data interchange (EDI) are in fact E-commerce like activities. For our purposes here E-Government seems to include facets such as:

*Inter-agency operations: For example: change in the ownership registration of a vehicle triggers a demand by another unit within the agency for the tax owed to the state as a result of the transaction of selling/buying a car.

*Intra-agency operations: For example, the Tennessee Department of Safety (which issue driver licenses) is notified by local Police or Sheriff Departments that a driver failed to show proof of insurance as required by law and start acting on it. At the Federal level in the USA the E-government initiative resulted in the following efficiencies: E-Payroll, through the efforts of multi-agency teams a migration of agencies from 22 providers to 2 payroll partnerships, with a projected lifecycle cost savings of $995 million. Another example is the Integrated Acquisition Environment which has resulted in an agency-shareable single vendor-performance file. (President's E-Government Initiative, http://www.whitehouse.gov /omb/egov/internal.htm)

*Intergovernmental operations and G2G: For example: notifying the Selected Service Board, a Federal agency, about each young man that gets his first driver license which is issued by the State. Obtaining the driver license in Tennessee became, in fact, the act of registering with the Board as required by law.

*G2B/B2G: Government to Business and Business to Government were the first areas where government agencies where trying to take advantage of the Internet adopting common practices from the private sector (B2B). Here state agencies use the Internet to seek bids in connection with agencies effort to sell or buy goods and services, announce change in existing regulations or to post and explain new ones. Businesses use the Internet to make payments, renew licenses and permits, request information or the forms they need for complying with various laws etc.

*G2C/C2G: For example, notification of property tax assessments, approaching expiration of permits and licenses, change of zoning hearings, minutes of meetings, etc. Citizens use the Internet to renew driver licenses, notify various agencies about change of address, request assistance or certain services (e.g., building code inspection) or to obtain public health related information

*E-Democracy (E-Participation) and accountability: Theses includes the posting of minutes, audit and year end reports, budgets, court decisions, etc. in a way that allows for exchanges and dialogues among readers and between a reader and the posting agency. While on its face this facet represent the epitome of the new way to realize the values of democracy by encouraging informed participation.

* E- Public Relations: In reality it's the one facet that is embraced as a priority at all levels of government. In the name of any of the other facets and in particular in the name of E-Democracy and accountability government officials and agencies list their alleged

achievements as undisputed evidence of their commitment to democracy, public service and prudent use of taxes. As illustrated by President Bush's E-Government Web Site (http://www.whitehouse.gov/omb/egov/index2.html) and the corresponding pages of Governors and Mayors from all over America a web site is first of all an electronic billboard. In most cases before a government web site explains to an Internet surfing citizen its possible use for interfacing with government the whole idea of E-Government is saliently presented and its cost is justified as an effort to enhance government transparency and as a more prudent approach for efficient provision of services. Government web sites are also the place for the spin-job that turns inexcusable failures or minor achievements into great success stories. Messages from and self aggrandizing periodic reports of elected and appointed officials are prominently embedded in the Web sites of agencies (as different from these officials own Web sites). Display of such "propaganda" seems to be a priority consideration in the design of government web sites.

Yu-che Chen and James Perry (2003) imply an inside-out perspective when they assert that "electronic government (e-government) is at the forefront of government efforts to provide information and services to citizens, businesses, government employees, other governmental units, and third sector organizations However, is it really the case? Are most E-Government initiatives conceived and developed to help those outside any given agency or are the needs of the involved agency the prime consideration?

According to Steidel (2003) The challenge for state and local governments rests with promoting services that are available and making citizens aware of them. That sounds more like a possible survival strategy for government agencies than an effort to cater to the needs of those outside it as asserted by Chen and Perry (2003). Steidel cites a survey by the Council for Excellence in Government where only 34 percent of the public indicated that they were somewhat aware of the specific e-government services available to them. The only way to improve the effectiveness of e-government resources, she claims, is to make the public aware of what such services can do. Against this background it is possible to see that it may be possible to derive the extent that a government is serious about optimizing each of the E-Government facets listed above from assessment of the efforts to enhance public awareness of E-Government. In Tennessee we have seen more reports about alleged savings (e.g., lower cost of renewing a driver license) or better revenues (e.g., as a result of replacing the actual local auction of Metro surplus goods with a virtual one on the Internet) than evaluation of how effective is government in advertising what is available on E-Government. This may suggest that the E-Government effort in Tennessee may correspond mostly with the E-PR facet as described above than any of the other than the other facets. This claim would become clearer following the critical discussion that is offered bellow.

E-Government In Tennessee: A Critical Review

West (2004:15) reminds us that when we study the affect of new technology we need to differentiate between "long term versus short term impact, big versus little shifts, and technocratic versus political and institutional alteration"
West (2004) asserts that because it is hard to predict whether a technological innovation would result eventually in a large scale or a small scale change it make sense to study such innovations in the short run. Thus, West (2004:16) concludes that "the virtue of studying

short term changes is that it provides hints about long term shifts." Following this advice we took a snap shot of Tennessee's E-Government effort for the purpose of finding out which of the facets listed above can explain it best. Using the analogy to Factor Analysis it is asserted that identifying any single facet as a high load factor at the present (or immediate past) can be a good predictor for the likely future direction of the E-Government effort. By comparing the data that is captured by such snap shots at two points of time it is possible to ascertain whether the same facet remained the "high load factor" or whether it was replaced by another facet(s). A finding that indeed another facet(s) became the "high load factor" may indicate, in turn, a change of vision or strategy under the best of circumstances and utter confusion, lack of leadership and lack of a unified direction or goal under the worst possible scenario.

The State Legislature in Tennessee does not have its own independent research office. Thus, we are going to start this critical review of the Tennessee experience to date by reference to the research findings from another state because they may shed light on some problematic issues in Tennessee. In California the Legislative Analyst's Office issued in January 2001 a report raising concerns about the State E-Government initiatives and articulating possible considerations for assessing E-Government. The report states:

> ***Concerns with Current State Direction*:** We raise a number of concerns about the direction that the state is taking with respect to e-government, specifically, the lack of (1) public input in determining the services to be provided through this initiative, (2) information on the administration's priorities for this initiative, and (3) executive-level sponsorship from the state's program areas whose services are to be provided through e-government. (Legislative Analyst's Office 2001)

Though the said report is from California, the observations that are the basis for that State's Legislative Analysts' Office seems to be in line with our own observations in Tennessee. In particular we were amazed to find out that there was no planned effort to find where the shoe hurts before lunching many of the initiatives. E-Government initiatives in Tennessee have been presented as being an effort to make State government more responsive to public demands, i.e., a multi-facet approach which involves E-Participation and E-Democracy, G2C/C2G, G2B/B2G, and improving the efficiency of Inter-agency operations. However, there have been no public hearings and no attempt to survey the public or businesses about the areas that should get priority in developing of E-Government applications.

Using the facets we defined above the motivation in many cases seems to have been the E-Public Relations even though the marketing and legitimization of the efforts (i.e., the demands for resources) was done by using the rhetoric that is common to the other facets. Thus for example, the renewal of driver's licenses on line was introduced with great fan fare televising the Governor trying to renew his own (which he was not able to complete due to a computer glitch). The State was also quick to report that in 2003 out of the more than 4 million Tennesseans with a valid driver license 215,000 citizens were using the internet for driver license services. This figure represented an increase of 164% over the number of drivers using the on-line option in the first year. Though the majority of Tennesseans still renew it the old fashion way the State was also quick to report an alleged saving in operational cost. According to State officials license renewal (or change of address) on line cost the State $2.50 in comparison to the cost of $9.00 for manual renewal. This is a savings of $6.50 per transaction. With the seven thousand transactions which took place on line in

February 2004 E-Government resulted in a savings of $45,500 for the State according to an interview with Lou Kompare, Deputy Chief Information Officer for Tennessee. Needless to say that the said reports about the alleged savings with on-line renewal of driver licenses is based on the variable cost of a transaction and does not factor in the start up cost and the fixed cost of having this option on line. The report also does not explain why certain age groups seem to be more likely and why some are less likely to use the on-line service. Specifically the state reports that individuals between the ages of 30 to 49 used the site the most at 29%. Those between the ages of 40 to 49 used the site 25% and those between the ages of 20 to 29 were very close at 22%. The fact that individuals over 60 years of age (who are exempt from having a picture on their driver license) are less likely to use the service on line suggests that those who were most likely to benefit from the service do not find it useful. The state has no good explanation for the variable level of usage where some remote locations registered with higher level of use than large university-based-cities like Knoxville or Memphis where computer literacy is high and access to the Internet is easy.

Users of the service seem to be satisfied with the new option for renewing their driver license on line. However this interaction with State government takes place only once every four years and there is no data to indicate that such an improvement was a priority for the public at large or even fro those who use the on-line renewal option.

As for the Administration's priorities for E-Government in Tennessee, the guiding principle seems to be the good old rule of thumb: "don't make waves." Areas for possible E-Government initiatives are those where little controversy can be anticipated or where no new legislation is required. This posture is consistent with the observations that are offered by West (2004) about the possible reasons why technological innovations tend to be of an incremental nature (Lindblom 1968). Though it is not admitted by state officials the strategy for developing E-Government in Tennessee seems to be (with few exceptions!) The imitation of successful initiatives from other states. This strategy reduces the risk of any political liability due to an IT failure while maximizing the PR value of "we are there with the best of them"

According to the 2004 IT strategic plan for Tennessee (TN 2004) the first goal of the e-government effort is "assist leadership in developing and implementing enterprise strategies for solving complex business problems: i.e., core infrastructure business systems, application integration, consolidated state network." The various activities listed under this goal are an effort to address reengineering and efficiency issues within State government. The saliency of this goal is not a result of the State leadership to improve productivity. Rather, it is an attempt by the State to address the consequences of a budget crisis over several years. Hence the drive to do more with less represents a reality where new resources cannot be mobilized and the only way to address various operational challenges is to find more efficient ways to carry out the business of the State in the hope of freeing some resources. Since in the last two years "savings" have been generated by elimination of positions finding new and better uses of IT became the only hope for avoiding the political consequences from further deterioration of public service.

The second goal of the plan is revolutionize government service delivery through innovation in the use of technology to produce efficiencies, reduce costs, and improve responsiveness and customer convenience. This goal is consistent with many writings (Teicher, Hughes and Dow 2002, Stamoulis et al 2001) who proclaim that one purpose of e-government is to

provide the citizen with seamless interface with government leading to greater convenience for service recipient on the one hand and greater efficiency for government. Examining the services offered by e-government in Tennessee such aspirations are part of the e-pr but not part of reality.

The third goal of the 2004 strategic plan is to ensure that "state data and IT resources are protected from threats and vulnerabilities in infrastructure that attains the highest level of reliability and availability". Though advertised as an effort by the state to address issues of privacy the reading of the proposed activities planned for attaining this goal suggest otherwise. Objective 3.1, for example, calls for "support [of] vertical and horizontal communications for public and private sector information sharing to serve the goals of homeland security." This goal may be in line with the Intra- agency or Intergovernmental relation facets identified above but in reality any resulting safeguards of privacy are going to be secondary in nature.

Goal number 4 is the one dealing with e-government. According to the 2004 IT strategic plan of Tennessee the aim is "to provide citizens access to reliable and responsive services and information electronically: government available anytime - from anywhere." The activities listed under this goal include items such as "Develop and promote the "one-stop shop/single entry" interface to electronic government services." "Encourage and support the integration of customer services across departmental boundaries and the various levels of government for the benefit of our customers" or "Ensure accessibility of e-government services to all citizens of the state." However state officials did not want to go on records with the specifics in terms of the actual intended results, e.g., when could citizens or any business entity change an address as they deal with one state agency knowing that their records at all other state agencies would reflect the said change would take place without additional action on their part. In our cursory survey of an unscientific sample of students such a convenience ranked very high.

Who can argue that such noble goals are without merit? On face value one might think that Tennessee compiled a very promising strategic plan for developing its IT and E-Government capacity. However, as pointed out earlier a closer scrutiny may suggest other wise. Specifically:

- The plan does not provide the road map nor does it a seamless service. For the lay person that means that changing an address on the Driver License would not generate a desired automatic update of one's mailing address with other State agencies
- The plan does not provide a meaningful way for taxpayers to influence priorities for making various government services available on line
- The plan does not seem to be derived from agencies strategic plan. In other words, under current conditions agencies are expected to incorporate into their own strategic planning as a "given" the State's IT Strategic Plan even though the latter one is supposed to facilitate efforts to carry out each agency's mission.
- The plan does not provide for a concentrated effort to educate taxpayers about the availability and benefits of using services on line
- The plan does not provide the specific means nor a clear strategy for developing a virtual polity. Lacking discussion or chat rooms which are sponsored and maintained

by the State citizens can exchange opinions among themselves only by using commercial services like those offered by AOL

- The plan does not provide for a two way interaction between citizens and elected officials or key administrators
- The plan does not seem to be consistent with any of the generic governance models described above
- The plan does not seem to be guided by any clear criterion and does not fully correspond to any of the facets listed above

Concluding Remarks

What can we learn from the study of the E-Government effort in Tennessee? We expected to find out that such an effort is guided by some theory or model or at least that in hindsight it seems to correspond to one. We were wrong. We expected to find changes in the pattern of budget allocations with more money going to IT and less money going for personnel. As it turns out, trimming of the payroll was a result of budget crunch for several years in a raw. It was not that after E-Government was introduced some positions became redundant. If fact, low utilization of State services on line have yet to generate such savings when it comes to human resources. The growing allocations for IT are the result of several factors. First of all low allocations in the past forced the State to set aside more resources for IT in order to keep its IT ranking by outsiders. Such ranking is important politically for elected officials and economically as an inducement to potential investors. Second, due the sharp trimming of personnel it became a must in some agencies to resort to IT in order to replace the operational capacity that was lost due to elimination of positions. Under normal circumstances the savings that are generated due to the higher efficiency that results from the introduction of IT allow agencies to trim their payroll. In Tennessee, trimming of the payroll preceded and triggered the search for IT solutions in order to prevent total erosion of service quality. Burn and Robins (2003:25) notes that "e-government requires major business process change." Given the budget wars in the State Legislature that preceded his election the Governor of Tennessee was never in a position to suggest any serious effort of reengineering. Thus the E-Government efforts of the state did not involve and did not result in any of the organizational or institutional changes as asserted by Fountain (2001). E-Government in Tennessee seems to have contributed to faster filing and moving of information, extension of service hours and place of service. However, it came short of being the impetus for administrative reform either in the name of better public productivity or for the sake of more accountability, transparency or public participation.

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VI.2 Expert Background Paper

E-government in Australia: The challenges of moving to integrated services

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Governments internationally are confronting the challenges of progressing e-government to more sophisticated and complex transactions, online interactions, and greater responsiveness to customer expectations and preferences. Australia is generally regarded as a leader in e-government, but is experiencing the challenges of moving to a stage of service transformation that involves an agreed vision about future services and processes in an environment requiring greater integration and citizen focus. Several major service delivery agencies are well advanced in integrating programs online, but there are unresolved complexities in lifting service integration across agencies and governments to another level.

Several themes emerge from a recent Australian project on e-government. (AGIMO and IPAA 2004) note 1. These represent a mixture of agenda and evolutionary direction: the need for extending citizen engagement through customer-driven approaches; organisational integration of services although recognising that advances in technology are throwing the technological, organisational and cultural dimensions of inter- and intra-governmental challenges to achieving integration into sharper relief; networked governance involving value networks with future governments delivering outcomes through federations of organisations and agencies; and finally the anticipation of e-governance, a broader conception of e-government that encompasses a range of non-government participants and which addresses the challenges in the complexities of service integration across agencies and governments (Halligan and Moore 2004).

The purpose of this paper is to examine aspects of integrating services through Australian e-government. This is in the context of the convergence of agenda at the national level involving ICT and whole of government approaches (MAC 2003, 2004). Integrated service delivery is regarded as the logical objective of e-government (Kernaghan 2003). Yet this pathway entails several dimensions and comes in a number of forms. Several models are identified before examining several cases, in particular the more developed Centrelink one. The constraints on progress have both micro and macro dimensions. Several questions are raised about the normative representation of integrated service delivery in e-government and the capacity of the state to further this type of e-government agenda.

Integrated service delivery

Elements

Integrated service delivery (ISD) has three characteristics: it is integrated; it has to do with services and with delivery. We need to define ISD and to describe the factors that contribute to, and detract, from its achievement. A starting point is the definition of e-government as 'the use of information and communication technologies, and particularly the Internet, as a tool to achieve better government' (OECD 2003). Current government administrative

structures have evolved as successive governments have looked to implement their chosen policies. In many cases, these policies are implemented through the delivery of services to citizens, businesses and other entities. These services are designed to give effect to government policy. The challenge for government customers is that the organisation of government does not always align with their view of what constitutes a single requirement (eg establishing a new business requires the owner to deal with business licensing and taxation matters that are handled by several government agencies in different jurisdictions).

From the customer's perspective, 'e-government should enable citizens and business to deal with government on a vast range of matters, any time of the day or night, without having to understand which part of government is providing the service they require' (NOIE 2002: 5). Drawing upon Turner (2004: 130), this points to a definition of 'integrated' in the context of ISD as 'the connection of a number of government functions into a satisfactory and working whole'. Implicit in this definition is the incorporation of all organisational and stakeholder (and especially customer) interests.

The second component of ISD is 'service', defined as being a set of activities and exchanges that meet the expressed need of a person or group, i.e. a customer (Moore and Flynn 2004: 69). The OECD pointed to improved government-citizen relationships as being a consequence of e-government (OECD 2001: 2). A key aspect of this is the degree to which customers are involved in the development of government services. Involvement means the engagement of the customer both in the definition of the requirement (what service) as well as in the definition of the delivery mechanism (how it works).

The final component is delivery, the mechanism by which a particular service is connected to a particular customer to meet a particular need (Moore and Flynn 2004, 68). A mechanism for delivering a service is referred to as a channel. The same service may be delivered through a number of channels (for example, on-line, government office, call centre). If this is so then the output from the service will need to be the same no matter what channel is used. Finally, if there are several channels, then we may suppose that there is an element of choice. The customer may choose which channel to use, although an agency may try to make one channel more attractive than another.

Multichannels

The term 'channel' is increasingly used, particularly in the context of multichannel service delivery. The concept of a channel, however, is not new as a mechanism by which suppliers of goods or services deliver those goods or services to those people who will use them. The term channel has frequently been used to refer to a particular type of technology, for example, telephone, personal computer, paper mail, or a physical location. The term 'multichannel service delivery' came into vogue as customers began to either self-serve, or be serviced, through more than one channel. Multichannel service delivery is now becoming embedded in the fabric of the organisation which is, in turn, creating what has been called the 'interaction experience' where the customer is central to the design of service delivery across channels (Moore and Flynn 2004).

Modes of integration
Bringing these elements together means that ISD must hide the machinery of government. There are four ways of achieving this integration (Turner 2004: 130), two of which are really proto integration
• Agencies offer 'the same service in a common manner, sharing data definitions and at best sharing data, but no technological integration between the services being offered' (eg. Tasmania's Council Connect http://www.councilconnect.tas.gov.au/councilc/home.do)
Services are collected together under a common theme or event. The services are not inherently integrated, or even with a common look-and-feel, but are grouped in ways that aid discovery and promote comprehensive completion of necessary services' (eg FishOnline, discussed later).

The other two ways seek to take integration to a more advanced level:

> • Services delivered by a one provider on behalf of purchasing agencies. Specific services are provided by the agent with the integration being hidden from the 'customer' (eg, the national Centrelink, and two state government operations: ServiceTasmania and ServiceSA)
> • 'Services are technologically integrated into a pseudo-supply chain application. This requires the most sophisticated integration work and is not often implemented (eg, online ABN registration process)' (Turner 2004: 130).

The business context of ISD

A number of factors impact on the ability of governments to develop ISD.

Barriers
Four basic barriers to ISD have been identified in Canada (Kernaghan (2003) in Canada: political and legal, structural, operation/managerial and cultural. The political and legal barrier is very real but is essentially accidental. Nearly all governments are committed to the on-line delivery of services and to the integration of the on-line channel into other channels. There are, however, issues that arise from the concept of integration – and while these can be very simple to state, they are often difficult to solve because legislation needs to be changed. Integrating a given set of services might require different government agencies to share someone's address. But this might be proscribed by existing legislation. The issue is not that anyone has drafted legislation specifically to prevent or inhibit the development of ISD, but rather that changing the legislation requires the political will to reschedule parliamentary or legislative review schedules.

The structural barrier is not unique to the public service. Most organisations are structured in a ways that make it managerially or administratively easy for them to do their business. For government, a structure around policy and outcome enables ministers to track the effectiveness of their policies. But today service and product (and customer demand) tends to take precedence over process (and management targets) in terms of delivery. Another dimension is that for some services there is more than one delivery agency involved, and may involve the federal, state and local government, and, possibly, a private sector (or charitable) organisation (Turner 2004). This extra dimension explains why there can be no simple and single directive to transform service delivery in government.

Alongside the structural issues – and as a corollary of them – are operational and managerial issues. Kernaghan notes three issues in this category: the issue of interoperability (How does one describe the interfaces between one organisation and another? Where does accountability start and stop?); secondly, how is each of the players involved in an integrated service to be represented?; and, finally, how will they each contribute resources (time, money, people)? The operational side of this category relates to the measurement of what is being done. Many approaches to measurement are based on scoping a piece of management endeavour (that is, describing a business function) and then managing and measuring it tightly in isolation but only broadly in context. In today's integrated world we need not only to measure the impact of a number of functions but also the impact of their combination.

The final barrier category is cultural. ISD means breaking down traditional organisation barriers. Kernaghan (2003) points to two challenges. Managers may find it hard to share objectives and measurements especially where their rewards may be related to results over which they have only limited control or influence. Secondly, there is the problem of tunnel vision. Some managers find it hard to see outside the boundaries of their particular area (cf Margetts and Dunleavy 2002).

Enablers

Offsetting these barriers is a set of enablers. An enabler is a factor that works in favour of the evolution of ISD. The first enabler is political intent. In Australia – as in other countries – there is very clearly political intent. The federal government established an agenda to have 'all appropriate services online by 2001' (DIST 1997). Since then, governments have learned more about the underlying requirements and challenges, and have seen that there are a range of deeper drivers behind ISD including citizen ICT literacy (the digital divide), economic development and government reform. These drivers augment the basic need to improve government service delivery in general.

Secondly, there *financial incentives*

It is not that government revenues are declining but rather that the demands for services are increasing faster than increases in revenue (eg issues arising from the changing demographics of the workforce and the greater emphasis being placed on national security). This means that governments have to find better ways than today's of delivering their business.

A third enabler lies with the customers of government. Customer familiarity with technology is increasing rapidly. Driven, at least in part, by trends in the private sector (eg banking) there is an increasing expectation that services will be conveniently accessible and that response times to requests will decrease. The impact of these changing expectations is that governments will have to focus on e-government and ISD as ways to meet customer demands.

Finally there are some structural trends apparent in the ways in which enterprises are organised. Borgatti (2001: 1) lists five trends relating to increased globalisation, greater workforce diversity, more flexibility, flatter reporting lines and a greater networking, which for government manifest themselves along two dimensions. The first relates to internal development – the transformation of organisation, processes and technology within the enterprise. The second relates to changes in the degree to which organisations become

connected with one another – that is transformation outside the enterprise. The second of these trends supports the gradual development of the value network (Moore and Flynn 2004; CSC 1998). In a value network, government policy is implemented through a connected set of agencies (possibly both public and private). Each agency has a specific role and a defined interface with other agencies. Rather than the traditional monolithic government department, we may expect to see the development of new componentised delivery structures that are flexible and/or resilient to environmental shifts, policy changes and customer demand.

A key issue that derives from these factors is the question of measurement and the related matter of value and associated benefit. We return to these matters later. We can see also that there are many challenges associated with e-government in general and with ISD in particular. These challenges have been addressed in a number of important Australian initiatives.

Australian cases

Customer focus

The Australian Taxation Office (ATO) has long taken the view that a key part of its role lies in its ability to shape the taxation system in Australia (ATO 2003). The need to incorporate the customer into the concept of integrated service delivery has been made central. The ATO recognises that community collaboration is an effective path to successfully. The ATO initiatives (Vivian 2004, 27) have focussed on community participation in designing products, services and interactions, not just at early development stages, but through to implementation and evaluation. Vivian points out that there is a strong recognition that a 'one size fits all' approach will not meet the expectations of the community.

The ATO's approach is based upon the direct involvement of customers at every stage. The methodology used by the ATO has a number of characteristics including: an early focus on the customer on the assumption that the customer must be the starting point in any collaborative process; regular testing throughout the development of the service; and progressive refinement by recognising that service development is iterative rather than linear. Vivian describes a number of techniques that the ATO have found to be useful in building effective community collaboration.

In the context of Kernaghan's barriers, achieving effective community collaboration implies both operational and managerial change (to recognise the essential non-linearity of collaborative service development) and cultural change (to incorporate the customer into what would previously have been an internal, departmental process).

The question of measuring the success of this approach is important. Total direct benefits to the ATO from e-Tax are estimated to be AU$15.5m over the 5 years to 2004 (NOIE 2003b).

Integrated service delivery

The TIGERS (Trials in Integrated Government Electronic Regional Services) Program is credited with making a significant contribution to developing 'interoperable, cross jurisdictional service delivery' (Grant 2004). TIGERS was a trial undertaken by the Australian federal government in collaboration with the Tasmanian state government. The intention of TIGERS was to explore 'the opportunities and issues that arise in the more

advanced stages of e-government: the provision of integrated services involving multiple agencies and multiple jurisdictions' (TIGERS 2003a: v). In the light of the analysis above this was a sophisticated and challenging goal and involved tackling a number of ISD services including:

- FishOnline which provides integrated online government services specifically related to recreational fishing in Tasmania on behalf of two levels of government.
- Export Service Pack where the customer was small and medium sized business in the aquaculture industry, planning to start exporting its products or expand existing exporting.
- Starting School Service Pack which integrates and improves government services for parents of kinder-aged children requiring government information and/or transactions relating to selecting, enrolling and starting their child at school in Tasmania.
- HomeInSite Service Pack which provides customers with online, one-stop access to integrated government information and services for people planning to buy a house. The service is primarily intended to assist both Tasmanians and interstate buyers.
- Planning Applications Online (land development applications service pack) which was developed to provide customers with online, one-stop access to integrated government information and services relating to the pre-lodgement activities of a land development application.

What is important about TIGERS is the lessons learned about the practical aspects of implementing ISD. These are analysed against three of the four relevant Kernaghan dimensions (no specific legal barriers are recorded).

In terms of structure, integrated services challenged lines of responsibility (TIGERS 2003a: 27). A second issue relating to structure (and, to a degree, operational aspects) was the value of an honest broker role. Where a service straddled two or more agencies there may be conflicting priority given to the service by each of the agencies. In this case, TIGERS program staff acted as an honest broker but this begged the question of how this would be managed in the normal run of things. Clearly there is an implication for ISD governance and decision making. With the operational and managerial aspects, agencies have different capacities and capabilities to participate in ISD development. The report notes that a strong customer focus is a major and required capability. In addition there is the importance of high level commitment by agencies (TIGERS 2003a: 26, 28). One cultural issue relates to leadership. Many e-government studies point to the importance of leadership. The program found that in practice specific ISD projects relied on collaboration between agencies rather than on unified and identifiable leadership vested in a specific individual (TIGERS 2003a: 26).

A review of these lessons points up the importance of a mechanism to resolve differences – whether operational, structural or cultural – between participating organisations in an ISD project. If there is to continue to be a trend toward multi-agency ISD and if the trend towards deconstructed value networks continues then governance will be a bigger rather than smaller issue than it is today. Governance is an issue that may relate to all four of Kernaghan's barriers. There are plenty of project management approaches that are designed to describe the mechanics of an inter-organisational project. The challenge to be successful is far less mechanistic than it is behavioural.

Cross-agency and -jurisdictional processes
The levering of their ICT investment has become more salient for major agencies. Three such agencies, the Australian Taxation Office (ATO), Centrelink and the Health Insurance Commission (HIC) are piloting projects that explore benefits from interconnections and interoperability of business processes (Grant 2004: 6). One is the collaboration between ATO and HIC that links medical expenses to tax benefits. The other is real-time notification of eligibility for state-level concessions that is being worked through with Centrelink and Western Australia.

Centrelink's integrated service delivery

The examples above address integration in the senses of cross-jurisdictional connection (eg TIGERS) and of connecting with the community or customer (ATO). The other aspect of integrated service delivery mentioned above is the need to connect different channels. Centrelink provides a case of one service provider working towards an advanced level of service integration while simultaneously evolving channel management.

Towards integration of service delivery
Australia's Centrelink was established as a one-stop shop, multi-purpose delivery agency to provide services to several purchasing departments. The agency's services, mainly in the areas of social security and unemployment, account for approaching one third of the federal budget .note 2

A clear sequence of service delivery models is explicit in both Centrelink's planning and developmental pathway. From its inception, Centrelink was faced with the challenge of maintaining service delivery while creating a new organization (Vardon 2000; Halligan 2004a). Before Centrelink a range of social and employment services were provided by several federal departments and the possible recipient of any service needed to know which service was provided by which agency. Service suppliers were not always co-located, could have different opening hours and could require recipients to travel from one location to another to obtain service.

Once service delivery for a range of policies was transferred to Centrelink, recipients no longer needed to understand specific departmental responsibilities: Centrelink became the central provider. Nevertheless, within Centrelink each type of payment and service – families, pensions and employment – remained separately delivered for several years. This required customers often to join multiple queues to see more than one front desk staff member, each of whom administered a limited, designated range of services. Customers had to explain their problems to each in turn.

It was not, however, until later that some degree of service integration occurred. Customers could now visit or access one point of contact for most of their needs (the One Main Contact), initially, either a call centre or a customer service centre. Applicants could expect to have requests and advice supplied by a range of service officers with specialist knowledge. The improvements were with the reduction of multi-locations, the identification of customer needs and the transfer of this information into a generally accessible database. They could see staff at work, use touch screen facilities and access privacy areas for consultation and

interviews. The organisational design that emerged relied on a call centre hub linked to a customer service centre. Customer service centres were supported by area offices and monitored by the national support office. Community segment teams managed the business partnership agreements for the various customer segments. Cross segment teams managed specially designated customer segments such as indigenous people and migrants.

The case study model in use, which provided separate services from the one organisation, now developed into a more holistic, central service model. The complexity of multiple service points was gradually simplified. The changed point-to-point contact counter approach put customers in touch with more experienced staff on a business appointment basis. The customer now had, in theory, only to tell their story once, with one main contact – the One-To-One model, an evolution from the One Main Contact. A once only proof of customer identity through an identity number was designed to reduce service time and promote customer profiling and risk assessment. Risk was assessed contingent on the level of payment and its expected duration. Officers were allocated the responsibility for a pool of customers to handle all business relevant to them. A customer might move through a queue in a call centre, to reception in a customer service centre and then to a one-to-one service officer, who might complete many tasks without the customer present.

A new approach was developed for delivering services, called life events, which was based on the experiences of people in the community, rather than the payments, programs or services developed by departments. The life events model sought to streamline service delivery into a more focused and cohesive structure that recognises a variety of individual needs of different stages of life cycle needs. The Life Events approach to service delivery is based on the assumption that customers do not need to know the details of program choices because it links known, typical life experiences with knowledge of customer typology. An initial series of basic queries designed to identify customer type and need covers those with changed marital status, retirees, the bereaved, the sick or disabled, carers and parents, immigrants, jobseekers, those in need of training and education as well as those in crisis.

Channel management, and in particular the need to align delivery and channel management, has been the subject of systematic development by Centrelink. The four main service delivery channels are on site, on call, online, and on paper. The history of customer service centres and call centres in Centrelink during the last decade demonstrates that channel management is a challenging task. Each channel must be planned for and managed at the same time as considering the impact on other channels. In the early days, cross channel impact was something organisations were learning about as there was little or no established practice – and, taking into account the needs of both the customer and the organisation was confronting without supportive organisational systems and coherent decision making. With the evolution of technology and the blending of channels multichannel service delivery even more complex. The agency is now grappling with the idea that a customer can blend traditional channels (eg the phone and the internet) on the one device and that service delivery organisations are expected to support the choice they wish to make (Moore and Flynn 2004). For Centrelink, the future objective is to offer ‘services through channels that customers will see as unified or complementary’. The precondition to achieving this will be having ‘a clear view at all levels that the organization has just one service network operating as a unified whole’ (Hickey 2004).

An analysis of the Centrelink experience illustrates its sophistication. The driver for the creation of Centrelink was political but was reflected in a deep structural change. This change was the separation of program from delivery, often referred to as splitting the purchaser and provider functions of government. This means that Centrelink must compete for program delivery business by persuading its client departments (such as Family and Community Services) that it can help them realise their policy and program objectives through the competitive design and delivery of services. From an internal perspective, the creation of the call centre hub represented a non-trivial structural change. This enabled the one main contact concept which entailed both operational and management and cultural change. The one-to-one model underlines the extent of the cultural transformation as it implies some extensive redefinition of roles, responsibilities and attitudes. The adoption of a life event model is an operational and cultural change. It is an operational change because it means that the transactions that support service delivery need to be realigned. It also reflects a cultural shift in the way the customer is viewed as driving internal operational and managerial design.

Emerging challenges

Transformation

There are several models that attempt to explain the way in which e-government has evolved or is evolving. One model portrays the increasing maturity of ICT usage in e-government. The first step into the e-government – or on-line government – world is a basic web presence. Accenture (2003: 8) describe three levels of on-line delivery capability before a fourth stage of service transformation. The word 'transformation' is important. The previous three levels are essentially about automation – that is, taking existing processes and computerising them with little or no change. These processes typically exist within a single government department, ministry or agency. The essence of transformation is the on-line service transcends organisational boundary by integrating departmental silos. It achieves what is referred to in Australia as 'whole of government' (Management Advisory Committee 2004) and is a central component of integrated service delivery.

A whole of government approach

Australia has been somewhat slower to address whole-of-government issues than either Canada or the UK, both of which were pursuing these issues in the 1990s while Australia was still focussed on its other reform agendas. The devolved environment created by these reforms emphasised devolution of responsibility to agency heads with direct agency accountability through them, and emphasised the importance of each agency pursuing its own business and policy agenda which had the side-effect of encouraging organisational silos. In the last three years the need to temper devolution with a broader, whole-of-government perspective, without losing the efficiency gains, has been acted upon.

The attention being given by the Management Advisory Committee is indicative of the shift in emphasis note 3, in particular the report on ICT (MAC 2002: 2):

> The development of effective whole-of-government approaches to ICT is critical to achieving further significant gains in the delivery of government services… To provide a seamless and consistent service across government, agencies must work together to ensure that their individual systems are

> compatible and can be linked. Decisions about ICT investment and governance are currently made at agency level. A 'big picture' approach is necessary when considering these issues, so that decisions support the whole-of-government business case, and investments are made with a view to the return across government.

The federated approach to ICT governance recommended by MAC has provided a foundation for Australia's approach for progressing whole-of-government information and communication issues. The next stage was the Management Advisory Committee (2004) whole-of-government project, established to examine how the Commonwealth could increase flexibility and responsiveness in policy development and integration, program design and implementation, and service delivery. The project examined what may need to change to the output/outcomes framework and the budgetary and accountability frameworks to accommodate cross-portfolio issues and report, not through a single portfolio minister, but more broadly across the Australia public service in a way that ensures that horizontal linkages do not reduce vertical accountability to Parliament.

Channels

We are now outgrowing the use of the term 'channel', in its current meaning, with the introduction of new technology based tools. The term 'channel' has often been thought of as synonymous with terms such as 'on-line', but this usage does not accurately reflect changes in the way people interact and expect to interact with government and private industry. This is especially so given the increasing use of telephone self-service, SMS and other data transfer methods that are not based upon the personal computer as the method of interacting. These new data transfer methods lead to new complexities of multi-channel service delivery.

Moore and Flynn (2004) argue that the meaning of the term 'channel' is changing and taking on a new meaning. Channels are becoming part of a more comprehensive concept, which they term the 'interaction experience', a complex blend of technology tools and practices such as multi-channel service delivery and management, customer experience management/customer relationship management (depending on the organisation's approach) and channel economics together with the capabilities of the organisation and the user.

Value networks

The interaction experience, and indeed multi-channel service delivery and management, is complicated by the emergence of value networks as the emerging structural paradigm for all industries. Enterprises configure themselves to mediate interactions and exchanges across a network of their customers and suppliers. The customers are an integral part of the network and the value network organisation provides the networking service through a consistent and coherent infrastructure. Value networks must excel at matching customers and multiplying connections between them (CSC 1998) as well as enabling greater flexibility and reliability in meeting fluctuating and changing demands.

The value network is the next level of maturity in service delivery advanced by electronic or digital communication. The interaction experience is a component of the complex system. The concept of the value network carries with it the notion of without boundary. The value network embraces – and ultimately can integrate – all levels of government and all other agencies (public and private) that conduct business with government.

Other challenges
The other challenges include a range of issues some of which extends beyond ISD. First there are cross-jurisdictional issues including the question of how to construct supra-governmental organisations (Turner 2004: 130). There are also several other issues, such as accountability and product ownership that cannot be considered here (AGIMO and IPAA 2004; Grant 2004).

A model for ISD

A number of authorities have concluded that ISD is an objective of e-government (eg Kernaghan 2003, based on Canadian experience; NOIE, based on Australian experience); and the UK Cabinet Office 2000). This is echoed by the experience of a number of other countries (eg Accenture 2004).

We suppose that the objective – the desired state – of ISD is to construct services that enable 'multiple contacts to be integrated so that one-stop service is provided' and that as a result 'citizens can access these services … seamlessly … based on their wants and needs (Kernaghan 2004). We may suppose that the current state of affairs is that multiple contacts mean multiple services and multiple channels resulting in difficulties and frustrations for customers. In order to achieve the transformation from the current state to the desired state we can imagine a machine which takes the current state as input and converts it to the desired state in some – as yet undefined – way.

The operation of this machine is facilitated by the enablers listed above and is inhibited by the barriers. We also need to be able to measure the degree to which we are progressing to the desired state. We need to discover a means to measure public value. Public value is different to value as it relates to a private sector organization where it can be related to, say, earnings per share and can be measured on the basis of revenue, margin (profit) and the use of capital (McKinsey 2000). The concept of public value should provide a way of assessing the performance of public policy. It provides a yardstick for assessing activities produced or supported by government (Kelly, Mulgan and Muers 2003: 3). Public value provides a broader measure than is conventionally used within the new public management literature, covering outcomes, the means used to deliver them as well as trust and legitimacy. It addresses issues such as equity, ethos and accountability. Current public management practice sometimes fails to consider, understand or manage this full range of factors.

Three key concepts that underlie public value are:

- services deliver short term benefits and these benefits are identifiable by the customer
- outcomes as the value from outcomes affects customers in their role as voters. Outcomes are achieved over a longer timeframe
- trust as a significant issue underlying the take up of ISD. Governments deal in sensitive information and have the ability to combine that in novel and potentially threatening ways. Assuring people that their relationship with their government is based on transparent principles is a contributor to value (Moore 2000).

Governments are also concerned about economic value in the corporate valuation sense. While they do not have revenues (except in a limited way from (for example) certain

licensing fees and in a more special way from taxation revenues), governments should concern themselves both with profit (in the sense of reduced cost) and the use of capital (that avoiding large capital outlays when a more variable approach based on operating expenditure would give greater predictability). If we put this line of thought together with the concepts of shareholder value then we can derive a picture of public value with four major elements – services, outcomes, trust and resources, where resources is a combination of cost and capital usage.

We can now construct a model describing the factors that affect the achievement of successful ISD. These are shown in Figure 1 which essentially shows that the issue of successful ISD is about balancing the current state (at any time) with the desired state (at any time) while taking account of a set of barriers and enablers and a 'control panel' which shows achievements based on the four elements of public value.

While Figure 1 helps us to see the relationships between the various factors, it does not help us understand how to approach governance. Kernaghan makes some suggestions about some mechanisms that, if put in place, would assist with improving the effectiveness of governance. Reviewing these together with the findings of the TIGERS initiative we can derive a list of success factors for the governance of ISD projects:

Sponsorship: sponsorship is needed at both the political and administrative levels. The sponsor needs to ensure that the role of 'honest broker' described above is carried out. A sponsor is unlikely to have executive responsibility over all the participants but he or she must have a significant degree of managerial and operational influence.
Legislative framework: a review of the legislative impediments to ISD should be undertaken. This may be specific to a particular initiative or a more general review. The results of any such review will need to be acted upon by Ministers or public servants as necessary or appropriate.
Incentives: where turf protection of tunnel vision is an issue the sponsor needs to ensure that personal incentives (that is, not organisational incentives) are in place to change behaviours where necessary.
Public value: ensure that, for the initiative, the public value as a whole is clearly articulated. This means describing not only the financial benefits but also the policy benefits together with the impact on services and trust.
Restructuring: where the existing organisation structure is inhibiting the success of the initiative, action needs to be taken to address the structure. This will require the active participation of the sponsor.
Contribution: the respective contribution of each of the participants needs to be agreed in advance. Recognition of different capacities and capabilities needs to be explicit and any impact of appropriate representation needs to be made.

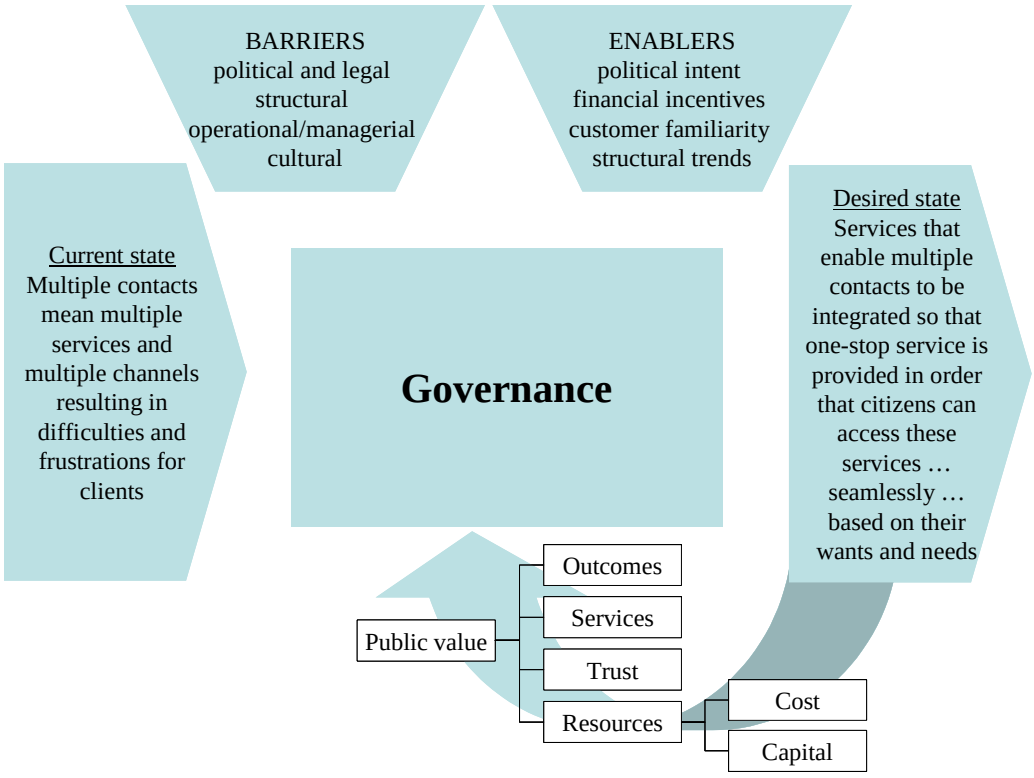

Figure 1 Factors contributing to ISD

Conclusion

Major service delivery agencies are well advanced in integrating programs online, but their experiences indicate the complexities in doing so across agencies and governments. A number of gaps in the current infrastructure exist that will require a significant investment. The Information Management Strategy Committee, a senior group of officials, was established to provide oversight to the development of shared investment and governance models for guiding developments. Its work needs to be complemented by parallel measures for enhancing whole of government approaches in such areas as accountability, finance and human resources.

Endnotes

[1] The paper draws on research reports commissioned by the Institute of Public Administration Australia to generate debate about change processes and to explore challenges confronting the government and the community in e-government (AGIMO and IPAA 2004). The authors were members of the steering committee for the project.

[2] Centrelink was launched in September 1996 as the Commonwealth Service Delivery Agency and formally established in July 1997 as an independent statutory authority. The new agency took on (from the Social Security Department) delivery of government services to recipients of social welfare benefits and services. In 2003, this amounted to $55.3

billion, or about 30 per cent of total Commonwealth expenditure, and Centrelink employed over 27,000 staff spread across over 1000 service delivery points across Australia. Services are now provided to sixteen departments and agencies at federal and state level.

[3] The Management Advisory Committee, which consists of departmental secretaries, is a significant vehicle for central guiding public service change.

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VI.3 Expert Background Paper

E- Governance: An Approach to Manage Bureaucratic Impediments

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Premises

This paper presents a conceptual framework of operational zing e- Governance. The framework is based on three basic premises. These are:

- The present bureaucratic structure is inadequate to respond to the call of e-Governance, because of the certain impediments, which are detrimental for the adaptation of this kind of system.

- There is a possibility of transforming present conventional system of bureaucracy into Neo-Bureaucratic system with the help of interventional strategies of e-Governance that requires a careful study of interplay of its various components before planning and designing the strategies.

- The importance of e-Governance lies in creating a global society, which has capacity to absorb divergent value patterns to eventually form universal normative axis having thrust on humane element.

Preamble

The capacity of man to visualize, to rationalize and then to transform the society has always put different institutions on test for their abilities to cater to the changing expectations of people. Plethora of literature is available on what is e- Governance, what are its objectives, how to design various activities related to it. Precisely, it focuses on automation, informatisation, and transformation so as to increase the pace of development. Thus the fundamental objectives are,

- to have governance which economizes,
- to have governance which multiplies output at same cost manifold
- to have governance which functions faster, better and creatively.
- to have governance which retrieves facts completely from archives to help
- bureaucrats to recycle them in such a way that this feed- back can be utilized for making more prudent policies.

However to understand that how e- governance can transpose government as an instrument for building up a society, based on a collaborative mixture of conventional values with

scientific approach, to create a better world, it would be essential to identify various components of e- governance and their interrelationships with each other.

The Ecology of e-Governance

The last few decades in the history of mankind has seen enormous growth of technology and its utilization for creating a better global society by disseminating the knowledge down to common man, thereby transcending the geographical boundaries. The accessibility of knowledge is not confined to any nation. Thus the whole world has acquired a bigger vision of coexisting with divergent societal patterns. To understand the ecology of E- Governance it would be pertinent to identify the components, then to elaborate upon how these components interact with each other to deliver the output in to society.

Components of E-governance
The following components can be identified,

- Technological Component with Electronic dimension.
- Social Component with Egalitarian dimension.
- Cultural Component with Ethical dimension.
- Political Component with Enactment dimension.
- Psychological Component with Extensional dimension.
- Service Component with Empowerment dimension

*Technologica*l *Component*
This relates to educate people who are in the bureaucratic structure or outside its periphery regarding use of electronic means to develop better connectivity within and with the system. It requires use of computers (a) in developing the data-base,(b) in networking to facilitate the communication,(c) in creating e- knowledge workers so as to increase their potentiality. This focuses on "e" of electronic knowledge and its proper utilization.

Social Component
The fundamental duty of any government is to educe a society which is based on the principles of equality and justice. A society which is classless with no distinction between haves and haves-not, where nobody is marginalized from the main stream, and is committed to provide a respectful essence of life to its people without any discrimination of cast or race must be set up. This is possible when people will be aware of their rights & duties on the one hand, and know about the governmental policies made for them on related issues on the other, hence a vigilant society can be evolved where they can raise their voices by questioning the governmental decisions. This would help in attaining the "e" of egalitarian society with thrust on equality.

Cultural Component
With the advent of the era of knowledge explosion there is a need to reorient some of the value patterns without eroding the fundamental normative structure of any social system. The need to create value patterns conducive for e- governance to operate focusing on work ethos therefore cannot be denied. Thus to work out the ethical framework is the key to move further by discarding obsolete set of values that come in the way of potential utilization. Thus "e" of ethical framework has to be the focal point in constructing a morality-based system.

Political Component

The political system is essential aspect of governance. It holds responsibility of rationalizing various operative frameworks by enacting laws. This helps to maintain & sustain the cohesive force that is required by society to integrate its people and abide them to follow a uniform policy to fulfill their targets. This refers to the importance of "e" of enactment of laws to stop society from disintegration.

Psychological Component

Developing required psyche so as to facilitate formation and inculcation of right type of attitudes in the people is prerequisite for efficiency. Apart form this; readiness to connect to people, to listen to their queries, to look for solutions, to improve communicative skills etc. will be necessary elements for behavioral modifications. Hence personality adjustments must be carried out to cater to the needs of common man. This specifically relates to "e" of extension of self so as to have constructive collaborative social relationships.

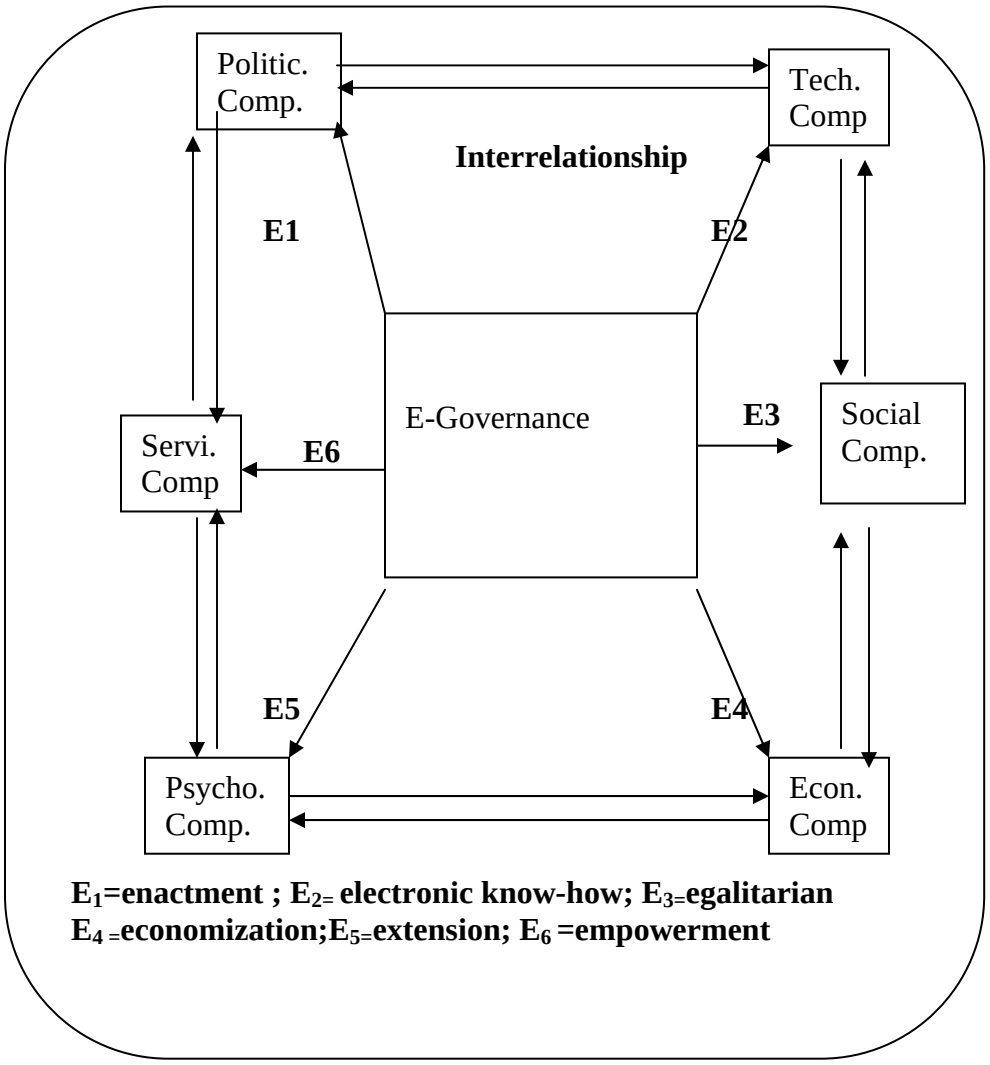
Service Component

The ultimate function of any welfare government is to serve. As a provider of good services to its people it has to assimilate the basic needs and also expectations of common man in to the documentation of policy, which then has to be implemented in the right spirit. This develops a constant pressure on the government to respond to public demands as this leads to the realization of power they can exercise on government to maintain impartiality, integrity and transparency in its functioning. This explains "e" of empowerment of people in any system.

Interaction between various components

It would be pertinent to analyze the interactive relationship amongst the various components identified above so as to get an insight in to understanding the ecology of e- Governance.

These components are not only interdependent but are also interrelated with each other in the way that output of one component becomes input of the other component. Thus a relationship of all purpose type emerges which gets substantiated by assimilating the impact of external forces. A schematic representation is self explanatory in these regards. The definitive interrelationships between the various components reciprocate e- Governance, in such a way that resultant impact would be the transformation of society in to one that has right knowledge, right morality, and right way of perpetuating practicing ethos.



Bureaucratic Impediments

The ideal typical model of Bureaucracy given by Max Weber is the milestone in understanding the functioning of modern government. The Weberian model1 categorically focuses on two dimensions (i)The Structural, relating to the hierarchical arrangement of positions, legal rational basis of authority, with system of compensation, and(ii)The Behavioral, relating to the merit based selections of officials with the emphasis on training. He considered bureaucracy as the efficient form of modern government. Since this has been the ideal typical model the operational reality has been different from the enumerated characteristics. Thus bureaucracy that was created to implement policies took a different road with following realities,

- Powerful instrument of letting out the self-interest in whimsical manner.

- As an elitist social class which is status conscious.
- By becoming judgmental in nature it has violated the principle of merit in practice.
- Training could not help much in bringing out desirable changes in the attitudes of bureaucrats.
- Manifestations in terms of pathetic bureaucratic features like red-tapism, delays in decision-making, favoritism, corruption etc.
- With the passage of time bureaucracy became so rule dependent that the objective of transformation could not be achieved.

Thus conventional bureaucratic system based on bureaucratic impersonality and procedural orthodoxy manifests itself in the form impediments, which continue to affect it negatively. Followings are the impediments,

Elitist class values
A selected section of society which forms the part of bureaucratic system develops its own value structure. This marginalizes the existing pattern of societal values at large to the extent that a parallel normative axis emerges, which revolves round power, status, wealth etc. This retards the growth of any society and is detrimental for development.

Procedural Stagnation
Bureaucracy keeps following procedures that are obsolete, expensive and do not help in achieving the extended domains of work and responsibility. The entire potentiality gets trapped in the routine thereby blocking the flow of potential energy thus bringing out dissatisfaction amongst the people at large. The stagnation ultimately would bring out decay in the administration.

Attitudinal Fixtures
The captivity of ideas amongst the bureaucrats results in the fixation of attitudes thereby giving rise to the definitive mindsets to look at situation in the limited perspective. The resultant impact gets manifested in the form of denial of innovative ways to resolve issues of public importance. Hence it stops an effective communication to take place in the system, the absence of which will not facilitate free flow of ideas to look at the situations.

Rule bounded ness
The rules are framed to develop behavioral patterns that reduce human variance factor in the organization. Rules are also framed to give allocation of authority a legal rational basis within the defined domain of work jurisdiction. But when rules fail to respond to the requirements of change due to excessive dependence on them, then the ultimate result would be non-performance. Apart from this the interpretation of rules might sometimes lead to the situational conflicts hence delaying the achievement of objectives. This can also be viewed as an escapist root for not doing tasks they have been given.

Parochial Interest
Once people enter in the bureaucracy the job security given to them in the form of career does not help them in becoming visionary. In addition to this it looses its value because rather than working as an instrument for conversion of social demands into reality it has focused more on fulfilling self-interest.

Social Discontentment
Bureaucracy due to interplay of above stated impediments virtually leaves its people dissatisfied as their needs remain unfulfilled. It thus sends negative fillers of its being an instrument of abusing authority. Hence it becomes a source of social discontentment and a feeling of not fulfilling the social obligation affects their performance.

Burn out Syndrome
Any system which is low at taking risk causes mental and physical fatigue in people who are manning such organization. By strictly adhering to the routine, the work is taken as burden; this leaves no scope for challenging roles. This in turn brings out feeling of non-performer. In addition to this another reason may be illusion of being overburdened with excessive of workload which would subsequently lead to burn out syndrome. This declines the efficiency of the system.

In the era of knowledge management the features examined earlier must give way to pragmatism, and progressiveness to create a more humane society. This requires breaking away from the conventional system of rigidity towards a more evolved system focusing on the utilization of knowledge for facilitating the conversions of needs into reality. Thus there is a need to explore the possibilities of reshaping bureaucracy with renewed thrust. It is at this point that interventional strategies of e-Governance can be designed in such a way that desirable results can be produced with the purpose of replacing conventional system of bureaucracy with neo bureaucratic structure.

Interventional strategies of e-Governance

As e-Governance has shortened the gap between different cultures by trying to create a global society with mega cultural emphasis the following strategies can be identified, the use of which will facilitate achievement of this objective, though management of these would vary in pace in different countries.

Transitive Counseling
In order to reduce the resistance, people need to be prepared for coming out of transitional phase. Thus proper counseling is required regarding changes in attitudes, reorienting mind sets etc. at various levels of governmental functioning.

Electronic Accessibility
There is a need to equip people with necessary knowledge regarding use of electronic multi media by imparting it through various Institutions. Technologically advanced Institutes with expertise must be set up which must established themselves as the centers of excellence by imparting to people the e-knowledge.

Institutional Networking
Various agencies needed at different levels of governmental functionaries must be brought within the purview of constitutional framework by enacting laws for controlling their formal as well as informal constituents. A large-scale connectivity has to be ensured.

Ethical Framework
Apart from legal framework morality has to be the key area where any society must work out strategic plan by designing ethos before adopting e- governance. The framework has to be supportive of fundamental societal normative pattern so that it gets extra leverage for perpetuating necessary values patterns.

Role Shifting Strategies
New stresses are the by products of knowledge based society. Hence more humanitarian psychological coping mechanisms based on collaborative role shifts 2have to be introduced. Each role, organizational as well as personal must shift in such a way that effects of change can be managed without resulting into situation of crisis. This is to be learning that how & where role shift is required.

Neo- Bureaucratic Structure: A Consequence of e-Governance

The conventional bureaucratic structure has many impediments due to which it has failed to respond to the changes in the desirable manner. However with the help of strategic planning a renewed bureaucratic structure can be created as an instrument capable of canalizing free flow of energy by molding itself as sensitivity- nurturing system based on the ethos of professional culture. By understanding ecology of e-governance, strategies must be designed to evolve a system having following features.

Universal Social Values
The elitist sets of values need to be replaced by universal set of values based on equal representation from all sections of society. This accumulation of divergent value sets must be rationalized through proper convergences to form a just society by inoculating virtuous elements blended with basic scientific approach to look, analyze then respond to situations. This would release people from the pressures that are put on them because they represent certain sets of values.

Procedural Innovativeness
Obsolescence in procedures has no place in emerging scenario of e- governance. Procedures need to be updated in light of technological advancement In addition to learn about technical know how, people must know how to evolve creative ways in which maximum output can be delivered for societal development.

Attitudinal Mobility
Fixation of attitudes is detrimental to the growth. Attitudes must have mobility so that sufficient space for producing other positive ideas can be created. Reorientation of mind set in the direction to abandon old premises to learn new procedures must take place so that fresh ideas gets it place in the administration. It is only through creativity that performance can be enhanced to the level of excellence.

Rule Flexibility
Rules are required to form a formal structure based on the allocation of authority. But the rigidity of rules with excessive dependence leaves room for alternative interpretations. Thus what is needed is set of well-framed rules with no ambiguity with and enough flexibility so that required changes can be incorporated to cater to demands.

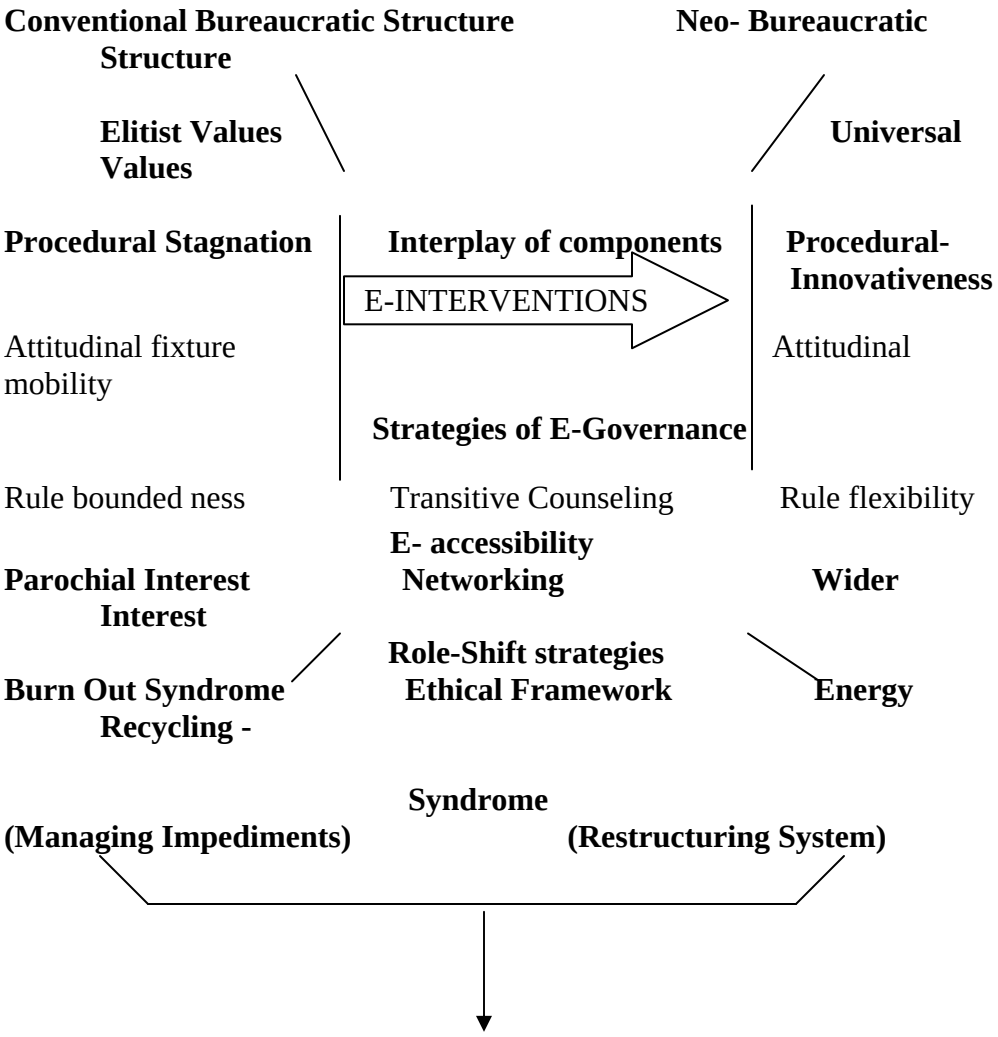
Wider Interest
Bureaucracy because has to work for societal interest it must create an open system which is transparent, responsive and accountable. This is possible when broader outlook replaces narrower outlook with commitment to the equality and justice. The associational reflections need to be completely avoided.

Social Contentment
When system gets evolved to a higher level of functioning as an effective instrument of converting public demands into reality its utility gets reestablished. This also helps in understanding the importance of institutions and their social responsibilities thus bureaucracy emerges as a contended system.

Energy Recycling Syndrome
Once the energy blockers in the form of impediments are removed smooth flow of energy revitalizes the system. The entire potentiality of system as well as of others is utilized to its optimum. This facilitates the capacity utilization.

The schematic representation of the relationship between bureaucracy, interventional strategy and neo-bureaucratic structure is shown as follows. This process of conversion explains the dynamics involved.

PROCESS OF CONVERSION



FORMATION OF GLOBAL SOCIETY

- **Transcending geographical boundaries**
- **Universalization of value patterns**
- **Visionary world**
- **Ideological collaborations**
- **Peaceful coexistences**
- **A well knitted world with proper networking**
- **An eco friendly universe with humane thrust**

A Few Validations From Indian Panaroma:

Though India is one of the progressive nations it has yet to achieve the status of a developed nation. A few important efforts made by the Indian government in adapting its system to e-governance would be worth mentioning. Amongst the States, Karnataka, and AndhraPradesh are ahead in adapting this system, especially in the field of networking and computerizing the important land records. State Secretariat that is the top most functionary of administration is well webbed with other administrative functionaries at different levels in these States, thereby setting the example of model States for others to follow. The most important efforts include:

- Developing Institutions both engineering as well as management for knowledge accessibility,
- Extension of training facilities for administrators,
- Enactment of IT Act 2000,by the Government of India having provisions for investment, for masses, for research development, etc.
- Establishment of Cyber Appellate Tribunal, Cyber Regulations Advisory Committee,
- Setting up of Internet Modes at all Telecom Districts.
- Terrestrial Bandwidth upgraded to ST M16,
- Telecom Dispute Settlement & Appellate Tribunal,
- IT Parks in States,
- Software development.

The future projection on the basis of this conceptual framework indicates the inevitability of e- governance even for those countries that are in the transitional phase of development. The capacity of a system to utilize knowledge for evolving a visionary society however must take into account the supremacy of mind over machine, as mind and heart are the epicenters of human dynamics.

Endnotes

1. Characteristics of Weberian model are extracted from his book the *Theory of Social and Economic Organizatio*n, edited by Talcott Parson, New York, Free Press, 1969.
2. The terminology of *Collaborative Role Shift* is first used by Prof. Sangeeta Sharma in the National Seminar on Changing Patterns of Family and Kinship held on 18th -20th December 2003 in the presentation entitled *Alchemy Of Role Shift*(Forthcoming publication)
3. Indian IT Act 2000, has all provisions relating to developing software, cyber laws, mass connectivity, defining standards its operation and other objectives.
4. New terminology used is coined by the author herself.

VI.4 Expert Background Paper

Moving toward the Virtual State: Integrating Services and Service Channels for Citizen-centered Service Delivery

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Introduction

Increasingly, in countries around the world, governments are seeking to provide integrated, citizen-centred service delivery. The aim is to organize the delivery of government services from the perspective of citizens rather than of governments and to deliver these services seamlessly across governments and across delivery channels. Notable examples of integrated service delivery (ISD) include Australia's Centrelink (www.centrelink.gov.au), the Canada Business Service Centres (www.cbsc.org), and Portugal's Infocid (www.infocid.pt).
Achieving a high level of ISD is a challenge of considerable proportions and there are substantial barriers to meeting this challenge successfully. Jane Fountain, in Building the Virtual State,2 argues that

> Web-based efforts at integration … reveal the "cracks" in the machinery of the bureaucratic state: the extent of fragmentation and lack of fit among programs, data measures, information, rules, and services in government. The promise of seamless interface with the public at the level of a computer screen is the promise of the first wave of G2C digital government. The second wave, G2G, is integration and connection across jurisdictions and programs behind the interface, in the bricks and mortar of government. The second wave is about politics and the structure of the state.3

This paper examines this "second wave" of digital government, with particular reference to the integration of service delivery not only across departments and governments but also across sectors and across service delivery channels (notably the Internet, telephone and service-counter channels). The challenge is to identify and anticipate the barriers to effective ISD and to devise innovative arrangements that will maximize the ability of governments to break down or get around these barriers. To narrow the scope of this paper, an effort has been made to identify the most important governance4 barriers and to give priority to innovative organizational, as opposed to policy or legislative, measures to overcome these barriers. At the same time, the term governance barrier is interpreted broadly to include the interrelated categories of political, structural, operational/ managerial, and cultural barriers.
The first section of the paper provides definitions of important concepts. The second section highlights the considerable variety and complexity of ISD arrangements and the third section

sets out an idealized model of ISD. Section four examines the major barriers to ISD and section five discusses various means of overcoming them. Section six explores barriers and solutions in the sphere of integrated channel delivery. The concluding section discusses the current and anticipated evolution of ISD. While the paper focuses largely on Canadian experience, it contains learning points for other countries as well.

The study has been informed primarily by telephone interviews (and some e-mail exchanges) with thirty public servants, including public service executives with extensive practical experience in the sphere of ISD. The study is also based on ten case studies of noteworthy ISD arrangements (primarily in Canadian government)5 and from the small, but rapidly growing, body of writings on electronic government and, more specifically, on ISD.

Definitions

The fact that ISD and related concepts are defined in so many different ways constitutes a "language" barrier to discussion of ISD. Thus, it is essential to clarify the meaning and relationship of these concepts as a basis for analysis. ISD is the process of bringing together and fitting together government services so that citizens can access these services in a seamless fashion based on their wants and needs. A seamless service delivery system is "fluid, agile, integrated, transparent, connected" and it provides "a smooth, virtually effortless experience for those who interact with it."6 ISD aims to ensure single-window service (one-stop access to services), largely through "the three Cs" of coordination, collaboration and clustering. Coordination refers to the sharing of work for mutual benefit with a view to avoiding duplication, eliminating gaps and reducing fragmentation. Collaboration involves the sharing of power for the same purposes.7 Coordination and collaboration are closely related to the concept of partnership. Coordination through sharing work is often described as an operational partnership whereas collaboration through sharing power is commonly described as a collaborative or "real" partnership.8

The meaning of the term clustering is similar to that of ISD. It is the process of bringing together related government services delivered by one or more service providers so that citizens can access the services in one place. Clustering can be viewed as a means of moving towards a greater measure of ISD. Thus, a particular cluster of services can develop into a more seamless form of integration. Service clustering can be viewed as "services that are grouped together" and ISD as "services that fit together."9

Like coordination and collaboration, both ISD and clustering are closely linked to the concept of partnering which is defined here as the process of bringing together individuals and organizations to share power, work, support, information and benefits and risks with others for the achievement of joint goals and/or mutual benefits. The pursuit of ISD, for example, requires effective partnering (also frequently described as collaborative arrangements) between and among the main ISD actors.

Finally, the concept of ISD is closely related to that of citizen relationship management (CRM) - a concept that developed in the private sector as customer relationship management. In the public sector context, CRM is in essence a strategy that puts service to the citizen at

the centre of a comprehensive, concerted and committed effort to integrate services, not only across departments, governments and sectors but also across service channels.

Main Actors

The range of actors involved in ISD includes departmental administrative units, departments as a whole, entire governments, business organizations, and third sector organizations. These are the principal actors in the four categories of ISD being examined in this paper - intra-departmental, inter-departmental, inter-jurisdictional and inter-sectoral ISD. While ISD arrangements can be classified according to a considerable number of factors, the focus here is on three major criteria:

1) the number of actors/service providers involved in the service delivery

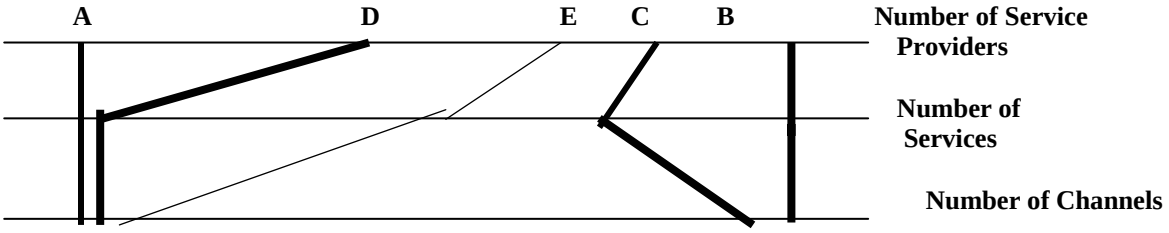
2) the number of services being provided

3) the number of delivery channels being used

As shown in Figure 1, these criteria can be depicted on separate continua running from a single-dimensional to a multi-dimensional arrangement. For any specific ISD arrangement, an ISD profile depicts that arrangement's particular mix of the three criteria.

Figure 1

Single-Dimensional to Multi-Dimensional Integrated Service Delivery



A wide variety of ISD arrangements can be depicted along these continua. At the uni-dimensional end is a single departmental unit providing a single service through a single delivery channel (profile A). At the multi-dimensional end is an arrangement involving several service providers from different governments and from the business and third sectors providing several services through several channels (profile B). It cannot be assumed that the closer an arrangement's profile is to the multi-dimensional end of the continua, the greater is the challenge to integration. For example, an inter-departmental arrangement involving a large number of departments and a variety of services delivered over several channels (profile C) may be more challenging than an inter-jurisdictional arrangement involving only two governments, a single service and a single channel (profile D). Even a cross-sectoral arrangement involving several departments, governments, business organizations and NGOs

may be relatively uncomplicated if it operates only on the Internet channel - and especially if it does not require a stringent partnership agreement (profile E).**10**

An Idealized Model of ISD

As a basis for identifying and overcoming barriers to ISD, it is helpful to have a picture of what a highly integrated system of government service delivery would look like. An idealized model of ISD would include the following features:

1) A single-entry portal provides access to the services of all orders of government. There is a single-entry portal for each delivery channel.
2) Each portal is organized on a clear and consistent basis from the citizens' perspective.
3) Service delivery is seamless regardless of which government has responsibility for the service and of how many services, service providers and service channels are involved.
4) Service delivery is highly integrated at both the front and back ends of the system.
5) Citizens can receive customized (personalized) service tailored to their particular wants and needs.
6) The privacy and security of the system are assured.
7) Citizens can receive services through each of the major delivery channels.
8) Citizens can receive through each delivery channel the level of service they require.
9) Citizens can receive through each delivery channel the level of service they require regardless of their social, demographic, geographical or technological circumstances.

Governance Barriers to ISD

This paper focuses on governance barriers while acknowledging both the breadth of the term governance and the uncertainty over its meaning. As noted above, governance barriers are divided here for analytical purposes into four categories: political, structural, operational/managerial, and cultural barriers. An illustration of the kind of barrier falling into each category is provided below.

Political Barriers

Visibility

Both individual departments and governments as a whole strive to ensure visibility or "profile" in the sense of credit for their financial and other contributions to improved service delivery. Collaboration with other departments and especially with other governments can blur the relative contributions of the different departments and governments involved. Governments sometimes receive little public recognition for their substantial investment in ISD arrangements. The sharing of resources that accompanies efforts to blend organizational operations and cultures and to project an image of ISD sometimes means that one

government will contribute most of the resources and receive only half - or even less - of the public credit.

Structural Barriers

Inter-jurisdictional Tensions

The stresses and complexities that characterize the pursuit of coordination and collaboration in federal states are reflected in efforts to promote ISD across governments. The political competition for visibility noted above inhibits the creation of structures, (e.g. joint planning committees) that would facilitate effective ISD. In relatively narrow program areas (e.g. services for seniors as opposed to a broad area like human resource development), intergovernmental ISD initiatives are easier to establish and operate. For example, Seniors Canada On-Line (http://www.seniors.gc.ca) involves several federal departments and several provincial governments in providing ISD to senior citizens through the Internet channel.
Even carefully crafted inter-jurisdictional ISD arrangements can be confounded by unpredictable changes in one or more of the partners, especially at the political level. The election of a new government or the appointment of a new cabinet minister in a current government can be accompanied by reduced funding or even by a government's withdrawal from the partnership.

Operational/Managerial Barriers

Inter-operability

This issue is usually discussed in the context of technological barriers to electronic service delivery resulting from the incompatibility of technologies across departments and particularly across governments. However, inter-operability is a broader issue that presents several problems for ISD that do not lend themselves easily to technological solutions. ISD partners, especially in inter-jurisdictional arrangements, have to accommodate their differences in terms of policies, laws, regulations and practices bearing on such matters as salaries, financial procedures and accountabilities.

Disincentives for staff to pursue ISD exist within the various partner organizations as well. The organizations' pay, reward and recognition systems may provide little or no incentive to pursue ISD arrangements in the first place, much less to maintain them. Employees will focus their efforts on tasks for which they are formally accountable. With particular reference to e-government initiatives, Jane Fountain argues that the incentives are actually the obverse of those for e-commerce. "Whereas dramatic efficiency gains and cost savings in the economy are rewarded through profits, promotions, stock price increases, and market share, similar gains in government are rewarded with budget cuts, staff reductions, loss of resources, and consolidation of programs."11

Cultural Barriers

Organizations with a strong organizational culture often find it difficult to blend their culture with the cultures of partner organizations in ISD arrangements, especially if these arrangements involve different jurisdictions or sectors. The culture in public organizations

tends to focus on accountability upwards rather than on the horizontal thinking and commitment that are required for effective ISD. Since values are the essence of organizational culture, it is essential to cultivate shared commitment to those values, such as citizen-centred service, trust, teamwork, leadership and accountability that are most likely to support ISD initiatives. It is widely acknowledged, however, that culture change takes a long time and, therefore, while it should be continuously pursued, it should not be viewed as the shorter-term solution that structural change usually is.

Overcoming Governance Barriers to ISD

The measures to reduce obstacles to ISD that are discussed below are measures that can have an impact in a relatively short time. This paper does not examine such longer-term solutions as significant changes in the accountability regime for cabinet ministers and public servants or major modifications in the organizational design of government. It is notable that ISD can lead to "virtual" restructuring. A Canadian cabinet minister has noted that the ISD initiative known as Seniors Canada On-Line has in effect created a new department without a change in structure. "Most citizens don't know or care if this department exists. What they do care about are the information and transactions and relationships that this virtual "seniors" department is providing. They don't care that a host of public servants from all three levels of government have signed [memoranda of agreement], have extensive accountability procedures and information management approaches to make this work. … The Internet is, in effect, allowing us to restructure government, without restructuring government."12

New Service Delivery Models

A remarkable array of mechanisms to pursue ISD have been devised or are being developed.13 Reference is made here, by way of illustration, to service utilities and ISD departments. A service utility is "an organization that delivers services on behalf of other government organizations but delivers no services (or very few) of its own".14 A corporate service utility can be created as a public corporation with a board of directors reporting to a departmental minister - as in the case of Service New Brunswick (http://www.snb.ca). Like other public corporations, the service utility enjoys greater autonomy and flexibility in respect of management in general and of innovative ISD initiatives in particular. Among the potential benefits of the corporate service utility model are greater coordination, collaboration and integration resulting from clear lines of accountability; less reliance on the use of influence to get things done; and a diminution in such inter-operability problems as different policies, standards, rules and salary levels.

Service delivery could also be delegated to an inter-jurisdictional service utility that would pursue seamless service in various policy fields (e.g. health, business development) on behalf of multiple governments. Still another variant of the service utility model is an NGO service utility - an independent, non-profit entity that could have partners from all orders of government and from the private sector and deliver services to citizens through one or more delivery channels (e.g. Victoria Connects).15 It is likely that the service utility approach will increasingly supplement or supplant the more common single-window service delivery structures such as "owner-delivered in a co-located environment" and "shared service delivery through integration".16

While the service utility model holds considerable promise, ISD is also being pursued through other structural arrangements. A relatively new model is the ISD department - a

department that is dedicated to improved service delivery and has a division responsible for promoting ISD, in part through coordinated channel management. For example, Service Nova Scotia and Municipal Relations (http://www.gov.ns.ca/snsmr) is a department providing a range of services through the three major delivery channels; all three channels are managed within the department's Service Delivery Division.

Perfecting Partnerships

Effective partnering is a major mechanism for overcoming several of the barriers to successful ISD, including, for example, the political competition for visibility and the operational/managerial obstacle of different laws, policies and practices from one government to another.

Partnerships complicate the central governance issue of accountability because the partners have dual accountabilities - vertical accountability to their government or organization and horizontal accountability to their partners. The Auditor General of Canada has argued that partnering arrangements require more rather than less accountability17 and has identified the major problems as including not only inadequate accountability but also "the risk of poorly defined arrangements, commitments not met, insufficient attention to protecting the public interest [and] insufficient transparency …."18 To remedy these deficiencies, the Auditor General recommended that partnership agreements and good implementation practices should be based on the criteria of "clear and agreed expectations; clear roles and responsibilities; balanced expectations and capacities; credible reporting; and reasonable review, program evaluation and audit."19 This advice on partnerships is directly related to the next major means of overcoming obstacles to ISD - getting the up-front agreement right.

Establishing the Governance Framework

Getting the initial agreement right is extremely important to getting the partnership arrangements right which is, in turn, central to the success of ISD. This is especially the case with inter-jurisdictional and inter-sectoral arrangements. Many of the governance barriers to ISD can be avoided or minimized by paying scrupulous attention to the crafting of the initial agreement. Since the devil really is in the details, it is essential to set out the governance and management arrangements as fully as possible. At the same time, it is necessary to ensure sufficient flexibility to adapt to unforeseen problems.

A clear, comprehensive and transparent agreement at the start helps to avoid conflicts or resolve them more easily when they do arise. This is the time to deal with such political issues as ensuring adequate visibility for all of the partners, especially in respect of inter-jurisdictional arrangements. This is also the time to seek an appropriate balance between the vertical and horizontal accountabilities of the partners by spelling out their accountabilities to one another and to deal with the inter-operability problems discussed above.

Dedicated Funding

The lack of dedicated and long-term funding can be a major impediment to ISD between departments and especially between governments and sectors. Thus, it is important to have funding mechanisms and financial incentives to foster and maintain ISD initiatives. Allocating monies from a central fund to support the launching of worthy ISD projects and then letting these projects wither on the vine for lack of funds sends a very clear message.

Even the commitment of well-recognized "champions" of ISD will wane in the face of inadequate or uncertain funding, or both.

The funding barrier is directly related to the departmental (silo) model of organizational design. Program budgets are allocated by department and departments compete with one another for funds to support their major policy objectives rather than collaborative initiatives across departments or governments. Public servants focus on those responsibilities for which they have relatively secure and continuing (multi-year) funding and for which they will be held accountable. Moreover, despite considerable enthusiasm for "horizontal" funding, there is concern that allocating a pool of money for ISD initiatives in a particular program area can skew priorities as departments follow the money into program areas that would otherwise receive less attention.

There are solutions to the funding challenge short of major reform of the budgetary system. Governments can decide what ISD initiatives should be pursued on a government-wide basis, what departments should be involved and how much funding each should receive. A related option is for departments to join together in coordinated proposals to cabinet ministers that would be handled in a similar fashion.

Political-Public Service Collaboration

Public servants have a responsibility to assist politicians, both cabinet ministers and legislators, to cope with the impact of ITCs and, in particular, to think and act with peripheral vision. Politicians and public servants must be sensitive to the proprieties of their respective responsibilities in the realms of e-democracy and e-government. They should ensure also that the pursuit of e-government respects the traditions and conventions of parliamentary democracy. There is an understandable political bias in favour of the traditional over-the counter channel. Politicians like to see the physical presence of government, in the form of public servants, in their communities and constituencies. Politicians are accustomed to serving their constituents by referring them to the bricks and mortar manifestation of government. Compared to public servants, most legislators have a low level of interest and skill in the use of information and communication technologies (ICTs). There is serious risk here of a relative shift in power from elected representatives to public servants. The increasingly direct and routine interaction of public servants with citizens through a multi-channel consultative and delivery system has the potential to undermine the representative role of legislators.

Marketing

The term marketing is interpreted broadly here to emphasize the need for public servants to inform and educate politicians, the public, and other public servants about the benefits of ISD. The marketing of ISD is not, strictly speaking, a governance solution but marketing is critically important to securing the governance arrangements that will best promote ISD. Earlier discussion of ISD barriers and solutions suggests that marketing ISD will not be a simple task. Advocates and practitioners of ISD tend to find its benefits so evident that they sometimes forget that horizontal management is a new emphasis in government, that the benefits of ISD are not well enough known, that there are insufficient incentives for public servants to pursue it, and that many important actors remain to be convinced of its advantages. Adequate funding needs to be provided to ISD initiatives for long enough to

produce some "good news stories" that will elicit both citizen satisfaction and political support. The support of politicians, especially cabinet ministers, is either essential or very helpful for launching ISD initiatives and, in particular, for permitting the structural and funding arrangements necessary for success.

Integrated Channel Delivery

Governance Barriers

Integrated channel delivery (ICD) is both an important end in itself and an increasingly significant means of achieving ISD. ICD is concerned with joining up the major service delivery channels (primarily the Internet, telephone and service counter channels) so as to provide seamless service to citizens. While the Internet is only one of several service channels, it is this "virtual" channel that provides the underpinning - the backbone - for more effective use of the other channels and for their integration with the Internet channel.

ICD means more than providing service delivery through multiple channels; it also requires surmounting barriers to the rationalization and convergence of the channels in the pursuit of such benefits as better service and cost efficiency. A recent national survey in Canada found that citizens often use more that one service channel during a single service experience.20 For example, they sometimes use the Internet channel and the telephone at the same time for the same service. This has led to the new challenge of integrating service across channels. This development is most easily observed in traditional telephone call centres, which are beginning to be transformed into multi-channel citizen relations management centres. This may involve bringing together different parts of the organization and different technology to provide ISD across channels.

Illustrative of the difficult ICD policy and program issues to be resolved are these:

> • What priority should be placed on Internet service delivery [as compared to other service channels]?
> • Can we aim for a common time frame for migration of particular clients? What should take-up targets be? Should some services be offered only electronically?
> • What communications strategies are needed to influence channel choice or encourage migration in order to achieve take-up targets?
> • Should there be common service standards - hours of operation, response times, etc:?[21]

These questions illustrate the need to manage service channels so as to balance the public service values of efficiency, effectiveness and service with those of fairness and equity. They also highlight the importance of marketing as a solution in that governments will have to decide how far to go - and how soon - in limiting channel choice for certain services and persuading citizens to switch channel preferences, especially to the self-serve channels of the Internet and IVR telephony. The challenge is to stream services into the self-serve channels by making them as irresistible as possible (e.g. on-line payment of taxes) without shortchanging any segments of the population. The more channels that are being integrated and the more they are being integrated across departmental, governmental and sectoral boundaries, the more difficult the integration challenge becomes. All of the categories of barriers discussed in the previous section impact, in varying degrees, on ICD.

A major political consideration is the argument that citizens should receive through each delivery channel the level of service they require regardless of their social, demographic, geographical or technological circumstances. Efforts to integrate channel delivery have to ensure, for example, that appropriate service levels are maintained for disadvantaged persons such as the poor or the handicapped. An important structural barrier to ICD is that fact that service channels are often organized as silos (e.g. the Internet and telephone call centres) that sometimes compete with one another and are accountable to different masters. The various service channels emerged at different times and only recently has attention been focused on linking and rationalizing them. There are practical limits, however, on the extent to which this can be done. Each channel provides a different mix of information and transactions, in large part because certain services (e.g. consultations involving the presentation of records) are best provided through a specific channel (i.e. the service counter or so-called walk-in channel).

Among the operational and managerial barriers to ICD, the issue of resources is especially notable. There is pressure for a channel shift towards the less expensive self-help channels of telephone IVR and the Internet. This requires the coordination and rationalization of the service channels so that citizens have reasonably equitable access to whatever services they need. There are inter-operability constraints as well. Each channel operates differently from the others and it is difficult to create a common look and feel across channels. Walk-in centres are the most distinctive channel and the toughest to manage, in part because their practices are longer-established and in part because of the relatively greater human resource challenges involved in providing in-person service to the public.

The dominant cultural barriers to ICD, like those to ISD in general, are turf tension and tunnel vision. Some managers of the older channels (e.g. walk-in centres) resent and resist the growth of the telephone and Internet channels and the consequent need to reallocate resources as citizens migrate to these newer channels. While there is widespread acceptance of a multi-channel approach to service delivery, there is need for a change in organizational culture towards horizontal thought and action that will facilitate effective channel integration.

Overcoming Governance Barriers to ICD

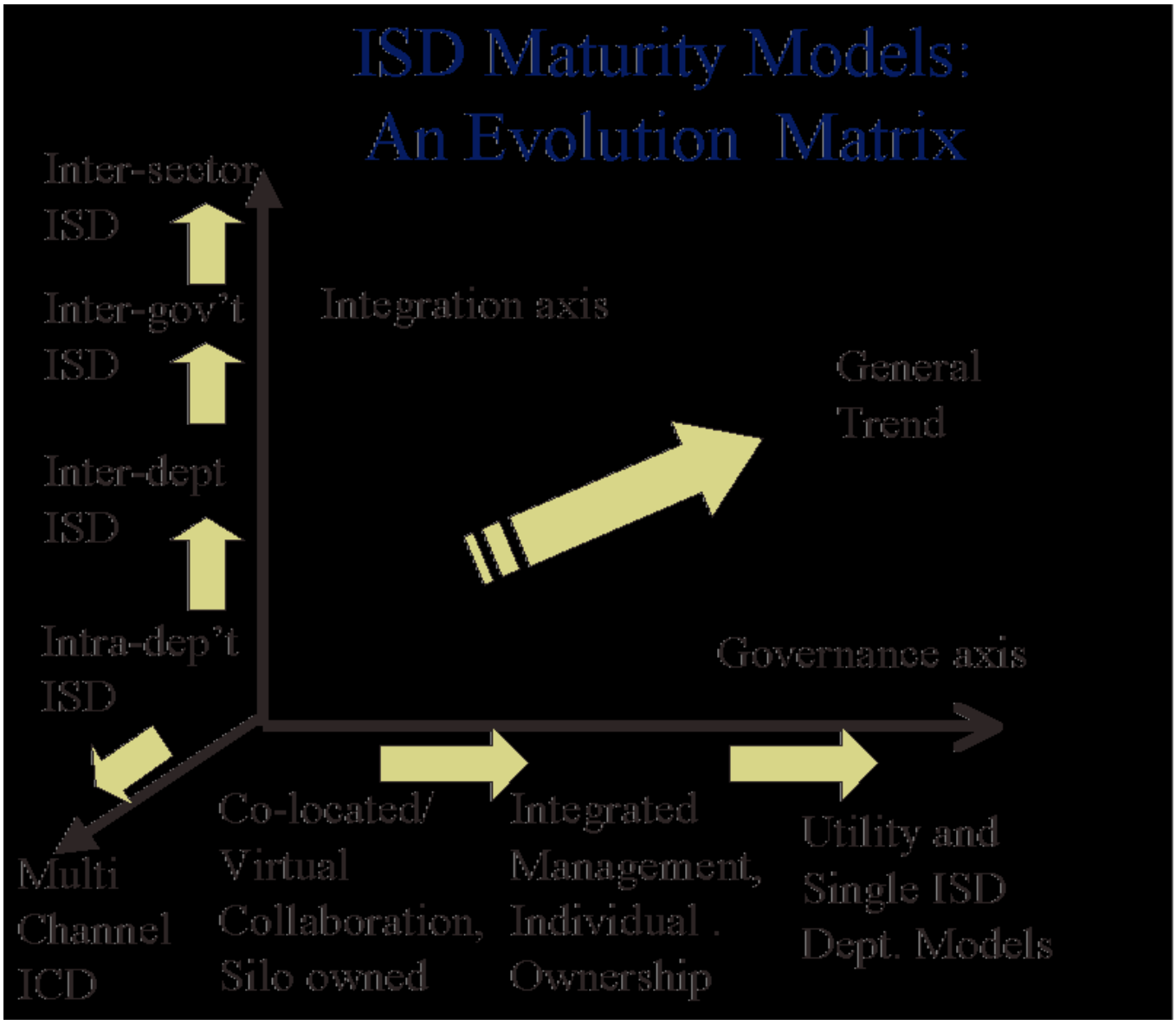
The solutions to lowering ICD barriers are similar to those for ISD examined in the previous section of this paper. For example, restructuring is an especially important means of overcoming channel silos and channel cultures, both of which impede ICD within departments as well as between departments and across governments and sectors. Managing all delivery channels through a single structure helps to minimize channel silos and competitions and, over time, to foster channel rationalization and convergence.
Given the growing importance of ICD, formal agreements setting out the governance arrangements for ISD should make careful provision for the management and integration of the service channels. Special attention should be paid to the many problems of inter-operability that will arise from efforts to integrate channel delivery. In general, it is desirable to achieve ICD within each organization before seeking it across departmental, governmental and sectoral boundaries.

Conclusions

While the challenges posed by the various barriers (e.g. the inter-operability issues) tend to become greater as ISD initiatives move across departments, jurisdictions and sectors, there are significant obstacles within departments as well. This is especially evident in respect of integrated channel delivery where the barriers include channel silos and turf tension and the solutions include collaborative leadership and departmental restructuring.

The foregoing discussion has shown that the institutions, structures and processes of government are lagging behind the current technological capacity for citizen-responsive ISD and for moving more rapidly towards the virtual state. In the face of the many governance barriers examined in this paper, the advocates and practitioners of ISD have been admirably innovative and persistent. There are limits, however, on the extent to which current governance arrangements will permit ISD initiatives to be successfully developed and maintained. The issues surrounding the burgeoning use of integrated service and channel delivery require additional research. For example, the choice of ISD models should be informed by a study of the evolution - or maturity - of ISD entities in terms of a) the extent to which they have moved across departmental, jurisdictional and sectoral boundaries; b) the extent to which they have moved from informal governance arrangements to more formalized ones; c) the extent to which there has been movement towards integrated channel delivery; and d) the factors (e.g. the pursuit of citizen-centred service, the need for accountability) that have triggered movement in these three directions. Not only in Canada but in other industrialized states as well, the evolution of ISD, as shown in Figure 2,22 is moving steadily in the direction of more inter-jurisdictional and inter-sectoral ISD, more formalized models of ISD, and increased integration of service delivery channels.

Figure 2


ISD Maturity Models:
An Evolution Matrix
Inter-sector ISD
Inter-gov't ISD
Inter-dept ISD
Intra-dep't ISD
Integration axis
General Trend
Governance axis
Multi Channel ICD
Co-located/ Virtual Collaboration, Silo owned
Integrated Management, Individual . Ownership
Utility and Single ISD Dept. Models

Endnotes

[1] For the purpose of this meeting and report, the terms e-governance and e-government are used interchangeably and one should be understood as encompassing the other.

[2] Jane Fountain defines the virtual state as denoting "a government in which information and communication flow increasingly over the web rather than through bureaucratic and other formal channels." Building the Virtual State: Information *Technology and Institutional Change* (Washington, D.C.: The Brookings Institution, 2001), p. 98.

[3] Ibid., p. 202. Emphasis added.

[4] The term governance refers here to the institutions, structures and processes through which power, influence and authority are exercised, including the decision-making processes, i.e., who participates and how.

[5] The Canadian public organizations included Atlantic Canada On-Line, Canada/Manitoba Business Service Centre, Nova Scotiaa Business Registry, Ontario Business Connects, Region of Halton, Seniors Canada On-Line, and Teranet. Also included were Australia's Centrelink and, from the private sector in Canada, the Bank of Montreal and Interac Association.

[6] Russell M. Linden, *Seamless Government: A Practical Guide to Reengineering in the Public Sector* (San Francisco: Jossey-Bass, 1994), p. 4. (Emphasis in the original).

[7] See, for example, Andrea D. Rounce and Norman Beaudry, *Using Horizontal Tools to Work Across Boundaries: Lessons Learned and Signposts for Success* (Ottawa: Canadian Centre for Management Development, 2002). p. 13.

[8] Kenneth Kernaghan, "Partnership and Public Administration: Conceptual and Practical Considerations," *Canadian Public Administration*, vol. 36 (Spring 1993), pp. 61-65.

[9] Michelle d'Auray, "Government On-Line: Serving Canadians in a Digital Age," Presentation to CIPS Breakfast, Annual Federal CIO Update, April 18, 2002, slide 18.

[10] A good illustration of this last arrangement is the Canadian Consumer Information Gateway (within Industry Canada) (http://consumerinformation.ca) which joins up a very large number of provincial and non-governmental partners to provide information to consumers via the Internet. This is a considerably less complicated arrangement than, for example, the Canada Business Service Centres (http://www.cbsc.org) which consists of thirteen major centres across the country with a network or regional access partners consisting of almost four hundred organizations, many of which are located in rural and remote areas.

[11] Fountain, *Building the Virtual State*, p, 13.

[12] Lucienne Robillard, "When E-Government Becomes Simply Government: Making the Case for Radical Incrementalism in Public Sector Governance," Crossing Boundaries Conference, Ottawa, May 8, 2003.

[13] Steven Bent, Kenenth Kernaghan and Brian Marson, *Innovations and Good Practices in Single-Window Service* (Ottawa: Canadian Centre for Management Development, 1999), pp. 2-5.

[14] Ibid., p. 3.

[15] Victoria Connects began as a separate entity involving a three-way partnership between Canada's federal, provincial and local governments. Currently, it is a unit of the Greater Victoria Economic Development Commission which is an independent, non-profit organization with a board composed of business representatives and municipal politicians. Victoria Connects continues to be funded in part by the federal and provincial governments. http://www.victoriaconnects.ca/

[16] Bent, Kernaghan and Marson, *Innovations and Good Practices*, pp. 3-4.

[17] Auditor General of Canada, *Annual Report*, December 2002 (Ottawa: Minister of Supply and Services, 2002), sec. 9.63.

[18] Auditor General of Canada, *Annual Report*, April 1999 (Ottawa: Minister of Supply and Services, 1999), sec. 5.14.

[19] Auditor General of Canada, *Annual Report*, December 2002, sec. 9.3

[20] Erin Research, *Citizens First 3* (Toronto: Institute of Public Administration of Canada, 2003), pp. 30-32.

[21] Helen McDonald, "Developing the GoC Service Strategy," Presentation to the Government Exchange Conference on Multi-Channel Service Delivery for Government, May 14, 2003.

[22] This figure was prepared by Brian Marson, Treasury Board of Canada Secretariat.

VI.5 Expert Background Paper

Networked Government and Network Centrality: The Korean Case of Youngwol Dam

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Introduction

Theories of democratic governance in public administration have undergone significant changes over the last two decades with the spread of ideas and popular practices associated with New Public Management (NPM) and New Governance. 1 Whatever forces were behind changes, both central governments and local municipalities have witnessed their roles change dramatically which had impacts on ways policies are derived and implemented. In recent years, public administration and public policy scholars have been paying a close attention to the concept of network governance and networked governments. The discussions surrounding 'new governance' are now emphasizing the importance of partnerships, coproduction, networks, collaborative programs, and joint projects. The terms such as network organizations, network forms of organizations, public-private-civil society network, and multi-agency networks have been used frequently to refer to new ways of doing business in the public sector (Powell, 1990). In addition, inter-ministry, inter-agency, and public-private partnerships are now indispensable parts of the new governance. There is a clear sign of public programs and services moving away from "the large-scale, bureaucratic and paternalistic public organizations (Lowndes and Skelcher, 1998)" that has also characterized the modern administrative state to more flexible, participatory, and network-based governance models.

In Korea, as are the cases in many developed and developing nations, the changing pattern of governing and governance is posing a direct challenge to the (developmental) state model based on centralized and hierarchical governments. The old Korean governance model was remarkably similar to the Whitehall model of 'bureaucratic governance' which is characterized by the presence of a unitary centralized government, state elitism and top-down approach in decision making. The traditional bureaucratic state model that relies on hierarchy, rules, procedures and universal values is now being challenged by critics and cynics who favor more participatory models with emphases on cooperation and partnership among relevant policy actors. When other 'non-governmental' players including community-based organizations and advocacy groups are thrown into the 'governance' mix, the resulting outcome is one of increasing complexity and network-driven.

According to Considine and Lewis (2003), the essential attributes of the bureaucratic governance types are "the followings of rules and procedures, high reliance on supervision, and an expectation that tasks and decisions will be well scripted." This, they reason, captures Moe's (1994) definition of the traditional administrative model as "a government of law." Under the bureaucratic governance regime, the relationship between the state and market is formalized based on rules and procedures, and other inter-organizational relationships are fragmented and transaction-driven. In addition, the bureaucratic governance is characterized

by its top-down decision making approach. Any modern administrative state invaria bly contains some features of bureaucratic governance in its system and this has often impaired the state's ability to respond to citizens' demand for new services.

The imposition of rules and procedures by higher authorities within the state enables it to achieve a higher degree of coordination and cooperation. In particular, those newly industrializing nations in East Asia that relied on the state-led industrialization (Modernization) planning successfully mobilized nations' resources in a coherent fashion and bureaucratic governance provided a useful mechanism under which the state could coordinate activities of economic actors involved in the development process. This, of course, comes at the expense of flexibility and innovation (Lowndes and Skelcher, 1998) and the lack of organizational flexibility has contributed towards the Asian Financial crisis in the late 1990's. With an emphasis on the centralized and unified command of decision making structure, bureaucratic governance is often referred to as vertical or hierarchical governance forms.

However, there remain questions about conceptual framework of network governance which has hampered the research progress in this field. As Lan and Rosenbloom (1992) state, new governance models appear to be "more a clusters of ideas and symbols than a rigorous and tested body of thought." In this paper, we seek to dispel some of these concerns by examining theoretical aspects of networked government and how network players interact with one another to produce mean formations and the sustainability of these governance forms. In particular, we pay close attention to theoretical issues surrounding the network governance and network centrality.

The theoretical development concerning inter-organizational network or network governance has been multi-disciplinary efforts involving economists, political scientists, public administration experts as well as sociologists. As stated by Considine and Lewis (2003), the new ideal is being borne "as a means to address some of coordination dilemmas posed by multi-actor systems, (and) these recent accounts have posed an alternative in which government continues to rely on outside agencies, but now in a form of stronger strategic partnership." Network governance has the key characteristics of transactions being conducted among relevant players on the basis of mutual benefits, trust, and reciprocity. In distinguishing differences between a partnership and a network mode of governance, Lowndes and Skelcher (1998) explain that partnerships are "associated with variety forms of social coordination-including network, hierarchy, and markets." Networks are considered more formal governance regimes where players develop a culture of mutual cooperation because they are in for a long-term relationship.

Advances in network and governance theories by numerous social scientists meant there are different definitions of networks. Jones, Hesterly and Borgatti (1997) define networks as systematic interactions "among autonomous units engaged in creating products or services based on implicit and open-ended contracts" to adapt to environmental contingencies and to coordinate and safeguard exchanges. Dubini and Aldrich (1993), and Kreiner and Schultz (1993) both describe networks as "patterns or collaboration among individuals and organizations" while Larson (1992) and Liebeskind, Oliver, Zucker, and Brewer (1996) emphasize long-term exchanges based on trust and mutual interests. Powell (1990) adds that networks are based on "horizontal exchanges" while Grandori and Soda (1995) place an emphasis on networks providing connections among relevant parties engaged in mutual exchanges.

In addition, network governance is described as a form of organizational alliance in which clients, suppliers, and producers are linked together as coproducers where they are more likely to identify and share common interests. Because they develop a culture of trust, their relationship tends to be more interdependent. Lowndes and Skelcher (1998) went so far as to say that a network is a form of informal mergers among different types of organizations. Often a model of resource dependency has been sought to describe the network relationships where interactions between organizations are assumed to be motivated by the need to obtain important resources from other organizations (Aldrich, 1976; Scharpf, 1978). This implies that network partners bring important and strategic assets that contribute to mutual relationship to the network and the build-up of interdependent relationship tend to develop trust and reciprocity.

We are interested in networks governance as a mode of organizing economic and political as well as administrative activities through inter-agency and inter-societal coordination and cooperation. Although societal arrangements may consist of various governance forms, networks are seen as mechanisms under which societal actors strike a balance between differentiation and integration. In other words, the network governance emphasizes the organizational aspect of coordinating and integrating various autonomous and sovereign units to function as an organizational unit.

In addition to having a coordinating mechanism, it is possible to have a structural source of power arising from a member holding a central position within the emergent network relationships. This notion of "network centrality (Ibarra, 1993)" arises mainly due to the dominant member(s) having access to and control over valued resources within a network. It is important to note that the key difference between inter-firm networks in the management literature and inter-organizational networks in some of public organizational literature is the role of a dominant player. The process of creating a meaningful and effective network in public administration is directly linked to ability and the willingness of the state to coordinate various activities while maintaining the structural or organizational integrity of other societal actors. In comparison, bilateral and trilateral coordinating mechanisms are being discussed in the management literature. Thus, an inter-organizational or inter-societal network is a mode of regulating interdependence between agencies and other societal actors which is different from the aggregation of these units or coordination through market signals.

In this paper, firstly, we deduced some important variables from the result of comparative analysis between bureaucratic governance model and network governance model. Secondly, we categorized some network types which had applied to case analysis. Thirdly, a network structure of Youngwol dam is presented from the perspective of network governance theory. Some implications of network governance and network centrality are suggested.

Theoretical Model

Bureaucratic Governance vs. Network Governance

The term 'governance' in public administration implies different things to different people. It is often referred to the 'institutionalized politico-economic process' that organizes and coordinates activities among a wide variety of economic, political, and social actors. More broadly, Kooiman (1993) describes governance as "the purposive means of guiding and steering" a society or a community. There exists different types of governance within and

across societies and they are often the outcomes of socio-economic-political process under which various societal actors interact to achieve desirable societal goals. Rhodes (1997) stipulates that the choice over a particular mode of governance is a "matter of practicality; that is, under what conditions does each governing structure work effectively?" This implies that the evolution or the transformation of governance scheme depends on various political and economic factors that affect the way non-state actors interact with the state.

Governance transformations are typically initiated by the imperatives of new political, economic, or technological order including changes in governing ideology and technology. The transformation from one governance regime to another involves a complex interactive process and the outcome of this process depends "the ability of actors to mobilize resources, take advantage of political opportunities, and devise appropriate goals and strategies that break out of existing rules and routines while conforming to the dictates of new environmental factors and existing institutional constraints (Campbell and Lindberg, 1990)."

The state plays an important role in the shaping of new governance regime but the transformation process also draws other actors. The state often creates pressures for governance transformation by changing property rights which in turn affects how non-state participants interact with government ministries. We primarily focus our analysis on the transformation of bureaucratic governance to network governance and attempt to distinguish important differences between the two.2

Bureaucratic Governance

According to Considine and Lewis (2003), the essential attributes of the bureaucratic governance type are "the followings of rules and procedures, high reliance on supervision, and an expectation that tasks and decisions will be well scripted." This, they reason, captures Moe's (1994) definition of the traditional administrative model as "a government of law." Under the bureaucratic governance regime, the relationship between the state and market is formalized based on rules and procedures, and other inter-organizational relationships are fragmented and transaction-driven. In addition, the bureaucratic governance is characterized by its top-down decision making approach. Any modern administrative state invariably contains some features of bureaucratic governance in its system and this has often impaired the state's ability to respond to citizens' demand for new services.

The imposition of rules and procedures by higher authorities within the state enables it to achieve a higher degree of coordination and cooperation. In particular, those newly industrializing nations in East Asia that relied on the state-led industrialization (Modernization) planning successfully mobilized nations' resources in a coherent fashion and bureaucratic governance provided a useful mechanism under which the state could coordinate activities of economic actors involved in the development process. This, of course, comes at the expense of flexibility and innovation (Lowndes and Skelcher, 1998) and the lack of organizational flexibility has contributed towards the Asian Financial crisis in the late 1990's. With an emphasis on the centralized and unified command of decision making structure, bureaucratic governance is often referred to as vertical or hierarchical governance forms.

Network Governance

The theoretical development concerning inter-organizational network or network governance has been multi-disciplinary efforts involving economists, political scientists, public

administration experts as well as sociologists. As stated by Considine and Lewis (2003), the new ideal is being borne "as a means to address some of coordination dilemmas posed by multi-actor systems, (and) these recent accounts have posed an alternative in which government continues to rely on outside agencies, but now in a form of stronger strategic partnership." Network governance has the key characteristics of transactions being conducted among relevant players on the basis of mutual benefits, trust, and reciprocity. In distinguishing differences between a partnership and a network mode of governance, Lowndes and Skelcher (1998) explain that partnerships are "associated with variety forms of social coordination-including network, hierarchy, and markets." Networks are considered more formal governance regimes where players develop a culture of mutual cooperation because they are in for a long-term relationship.

Advances in network and governance theories by numerous social scientists meant there are different definitions of networks. Jones, Hesterly and Borgatti (1997) define networks as systematic interactions "among autonomous units engaged in creating products or services based on implicit and open-ended contracts" to adapt to environmental contingencies and to coordinate and safeguard exchanges. Dubini and Aldrich (1993), and Kreiner and Schultz (1993) both describe networks as "patterns or collaboration among individuals and organizations" while Larson (1992) and Liebeskind, Oliver, Zucker, and Brewer (1996) emphasize long-term exchanges based on trust and mutual interests. Powell (1990) adds that networks are based on "horizontal exchanges" while Grandori and Soda (1995) place an emphasis on networks providing connections among relevant parties engaged in mutual exchanges.

In addition, network governance is described as a form of organizational alliance in which clients, suppliers, and producers are linked together as coproducers where they are more likely to identify and share common interests. Because they develop a culture of trust, their relationship tends to be more interdependent. Lowndes and Skelcher (1998) went so far as to say that a network is a form of informal mergers among different types of organizations. Often a model of resource dependency has been sought to describe the network relationships where interactions between organizations are assumed to be motivated by the need to obtain important resources from other organizations (Aldrich, 1976; Scharpf, 1978). This implies that network partners bring important and strategic assets that contribute to mutual relationship to the network and the build-up of interdependent relationship tend to develop trust and reciprocity. Table 1 summarizes the various definitions social scientists have come up with in recent years.

Reference	Term	Definition of Network Governance
Jones, Hesterly & Borgatti (1997)	Network governance	Autonomous units engaged in creating products or services based on implicit and open-ended contracts to adapt to environmental contingencies and to coordinate and safeguard exchanges
Considine & Lewis (2003)	Public-private Netwokrs	Forms of strategic partnership and collaboration between government and private sector
Dubini & Aldrich (1993)	Networks	Patterns relationships among individuals, groups, and organizations
Grandori & Soda (1995)	Network	A set of nodes and relationship which connect them
Kreiner & Schultz (1993)	Networks	Informal inter-organizational collaboration
Larson (1992)	Network Organizational forms	Long-term recurrent exchanges that creates interdependencies resting on the entangling of obligations, expectations, reputations, and mutual interests
Lowndes & Skelcher (1998)	Network	Relationship based on mutual benefits, trust, and reciprocity
Liebeskind, Oliver, Zucker, & Brewer (1996)	Social Networks	Collectivity of individuals among whom exchanges take place only by shared norms of trustworthy behavior
Mayntz (1993)	Networks	A multi-nodal structure consisting of not tightly connected but coupled parts
Miles & Snow (1992)	Network organizations	Clusters of firms or specialized units coordinated by market mechanism
Powell (1990)	Network forms of organization	Lateral or horizontal patterns of exchanges, independent flows of resources, reciprocal lines of communication

Adopted from Jones et al. (1997)

We are interested in network governance as a mode of organizing economic and political as well as administrative activities through inter-agency and inter-societal coordination and cooperation. Although societal arrangements may consist of various governance forms, networks are seen as mechanisms under which societal actors strike a balance between differentiation and integration. In other words, the network governance emphasizes the organizational aspect of coordinating and integrating various autonomous and sovereign units to function as an organizational unit.

It is important to note that the key difference between inter-firm networks in the management literature and inter-organizational networks in some of public organizational literature is the role of a dominant player. The process of creating a meaningful and effective network in public administration is directly linked to ability and the willingness of the state to coordinate

various activities while maintaining the structural or organizational integrity of other societal actors. In comparison, bilateral and trilateral coordinating mechanisms are being discussed in the management literature. Thus, an inter-organizational or inter-societal network is a mode of regulating interdependence between agencies and other societal actors which is different from the aggregation of these units or coordination through market signals. <Table 2> summarizes key characteristics of both bureaucratic and network governance modes.

	Normative Basis	Form of Control	Primary Virtue	Service Delivery Focus	Actor Preferences
Bureaucratic Governance	Law	Rules	Reliable treatments	Universal	Dependent
Network Governance	Culture	Coproduction	Flexibility	Clients	Interdependent

(Adapted from Considine and Lewis (2003), and Powell (1990))

Network and Policy Process

The recent changes in patterns of interaction among public, private and civil society actors are largely borne "by the increasing complexity, dynamics, and diversity of social-political sub-systems (Kooiman, 1993)" and the realization that the public sector no longer can be expected to provide all solutions. The theoretical ground for new governance ideals are largely based on NPM but a lot has to do with the current administrative governing systems crossing "the threshold of diminishing returns (Kooiman, 1993)." New Public Management's emphasis on decentralization and delegation led to the creation of more specific task-oriented public agencies and performance centers in both central and local governments. There are more private forprofit and nonprofit contractors working with government ministries to provide various types of public services. Moreover, the proliferation of quasi-governmental organizations and non-elected public bodies created further confusion in both policy making and implementation circles. This required the state to seek more systematic and coherent forms of 'managing' diverse set of actors.

There are some important benefits associated with the network governance regime. First, the network governance allows various interested parties and experts to participate in the process and thereby making it more democratic and representative. This is what sets the network studies in public administration apart from others in that they have different and multiple objectives in the formation of networks. Second, the interaction among various public, private, and nonprofit agencies is likely lead to improved efficiency by taking advantages of economies of scale and scope. Third, it allows new resources to be introduced with the aid of new participants. Fourth, as Lipnack and Stamps(1993) explains, "boundary-crossing networks expand social capital" through forming exchange relationships based on trust and reciprocity. This creates positive externalities on the society.

Forms of Networks

Many studies on inter-organizational networks have analyzed a number of specific forms and mechanisms of networks. In particular, Jorgensen et al. (1998) have come up with two different types of networks involving public agencies, negotiation and bureaucracy networks, and production and consumption networks, based on the work they are involved in.3 Similar concepts have been mentioned in other literature including inter-firm networks (Grandori and Soda, 1995), joined-up governments (Cabinet Office, 1998), networks of learning (Powell et al., 1996), and strategic networks (Park, 1996). Although there are many different types of networks consisting of public, forprofit, community, and nonprofit sector players, we only examine those networks in the public policy arena.

Public networks are often distinguished from private ones based on the degree of formalization, the existence and the role of centralized coordinating mechanism(s), and the degree of interaction with other societal actors. They can also be categorized by the composition of players and the development of 'hub agencies' that coordinate activities of network participants. Although the network governance is likely to be associated with trust and reciprocity, it is unlikely that members will have equal rights and symmetrical power. Rather, it represents an organizational form that combines both competitive and cooperative elements (Sydow et al., 1998). Depending on various environmental and actor-related factors, networks are likely to be led by a 'hub agent' who plays an important role of coordinating and maintaining the network structure. According to discussions on path dependency theories, the networks tend to evolve around 'lead' government agencies since they have the resources and administrative means. Although the modern administrative state is undergoing transformation from the bureaucratic governance to the network governance and thereby witnessing its roles changing significantly, there are still areas where the government should play key roles in terms of governing and governance. In this paper, we identify two types of networks: horizontal networks based on more symmetrical relationship among participants and vertical networks which places more important coordinating functions to government departments.

Horizontal (Policy) Networks

Policy networks are defined as "a cluster or complex of organizations connected to each other by resource dependencies and distinguished from other cluster or complex by breaks in the structure of resource dependencies (Benson, 1982)." On the other hand, Wilks and Wright (1987) termed policy network as "a linking process, the outcome of those exchanges, within a policy community or between a number of policy community."4 Rhodes (1986) elaborates this definition by coming up with five types of networks ranging along a continuum of highly integrated policy communities to loosely integrated issue networks. In the case of horizontal networks where operations are pooled and partners are horizontally interdependent, cooperation among participants is justified in the long-run if there is a strong complementarity in terms of resource contribution by partners (Park, 1996). The reason why inter-organizational complementarity is a necessary condition for the effective functioning of horizontal networks is that it enables participants to set aside inter-organizational rivalry and self-interest temporarily. We further divide horizontal networks into two types: intergovernmental networks and multi-sectoral networks.

Vertical Networks

These networks are described as being vertical in that partners are often not engaged in same activities along the production or policy process. Although state agencies and non-state actors are asymmetrical in terms of distribution of power and role playing in vertical networks, the

patterns of interaction differ from hierarchical governance. Rather in a vertical interdependent networks, participants' role lie on a "sequential path (Park, 1996: 808)." More often than not, government ministries fund and designs programs for private partners to implement. This has become more apparent with the emergence of government reform programs based on NPM ideals. Even though a vertical network requires a (central) coordinator to smooth out production along the serial path, downstream participants maintain sovereign rights on their own. An important difference between horizontal and vertical networks is that the latter relies more on central agencies to coordinate activities between upstream and downstream participants while the former requires partners to pool their resources and make decisions jointly. We further divide vertical networks into two types: industrial policy networks and production networks.

Network Types	Characteristics of Network
Intergovernmental(central) Network	Stable, restricted membership, increases in numbers with new agencies, serves interests of individual agencies, horizontal articulation
Intergovernmental(central-local) Network	Restricted membership, once vertical now horizontal relationship seeking, extensive horizontal articulation, competition among municipalities in the resource allocation process but united in responding to the central governments
Multi-sectoral Policy Network	Fluctuating membership, vertical interdependence, asymmetry of power
Industrial Policy Network	Fluctuating membership, vertical interdependence, asymmetry of power
Production Network	Fragmented, Fluctuating membership, vertical interdependence, asymmetry of power

Table 3: Network and Their Characteristics

Network Coordination and Network Centrality

Another dimension of the sustainability of a network concerns the nature of (internal) governance within the network itself. This is because network form of governance carries with it a special problem of adapting, coordinating, and safeguarding exchanges (Jone et al. 1997). In particular, in a network characterized by high levels of task complexity, asset specificity and uncertainty, trust and reciprocity are unlikely to develop instantaneously and these circumstances call for a central governing body to 'coordinate activities.' In horizontal networks, the role of a central coordinator is greater and this can be done mostly by bilateral type of bodies consisting of member organizations. At the current stage of development in policy network in Korea, the government agencies and their administrative staffs fulfill the role of the informal bilateral governance body for reasons associated with administrative convenience and cost management.

However, this informal coordinating mechanism will become ineffective as the network faces with increasing levels of complexity, uncertainty and specificity. This is particularly worrisome in the Korean context since they are relying more on horizontal networks types to solve messy and complex issues with more differentiated sets of participants taking part in the process. This is likely to overload government agencies acting as coordinators. This

implies that when a network becomes unstable and faces higher transaction costs the network needs to resort to a more formalized coordinating scheme for "tighter control and a higher level of coordination (Park, 1996)."

Finally, another important aspect of networks in the public sector context concerns the management or integration of diverse and numerous networks as they are interrelated by their pursuance of public interest goals. Unlike inter-organizational or inter-firm networks in the private sector where the networking of networks is unlikely to carry any significance, policy networks are interrelated or interdependent for several reasons: first, participants in various networks overlap; second, each network influences each other as policy decisions made by each node is interrelated; third, networks are interrelated for financial and budget reasons. This implies that managing the networking aspects of various public-domain networks is becoming important. This perhaps calls for 'joined-up networking' forms of coordination among not only relevant players but also among networks. Fortunately, recent developments in information and communication technology, organizational strategies and governing philosophy have enabled organizations and networks to take deal with issues related to networking of networks.

Case Analysis: Youngwol Dam and Network Centrality

Youngwol Dam was to be built as a multipurpose dam when the project was first announced in 1957. The government reasoned that the dam project needed for the following purposes: (1) to control flood; (2) to expand the water reservoir for the metropolitan area; and (3) to secure additional hydro electric power supply. Despite these important benefits, the Yongwol district residents were hesitant about the project since it was designed to serve the interests of the Seoul metropolitan area and not the local residents.

Policy Formation: The Bureaucratic Governance Era (1957-1991)

Governance Characteristics

Normative Basis & Forms of Controls

The period between the time the Youngwol dam project was initially announced in 1957 and the year 1991, the Korean government is often characterized as a developmental state that relies exclusively on formal authorities and legal rules. In particular, the public bureaucracy essentially performed a central role in the formulation of policies, in the coordination of government policies and in the (production) provision of services. This has been characterized as having 'exclusive policy networks' as opposed to 'inclusive policy networks' in terms of the state's willingness to 'allow' other interests parties to participate in these public policy-related functions.

Primary Virtue & Actor Preferences

Top down or downstream communication culture makes the organization comparatively rigid (Lee, 2002a). Due to this tradition, actors in this era accepted a reliable treatment as primary virtue. For the reason that they are accustomed to downstream communication, people didn't have enough chances to expose their preferences in public. Accordingly, actor's preferences are mainly dependent and concealed under the official communication.

Network Characteristics

Vertical Network and policy compliance

As is often the case, policy implementation by the government is accepted as the absolute and unchangeable one to the lay people even though their property rights are violated without any compensation in this era. In 1990, a deluge in northern Kyonggi province triggered the vivid request of Youngwol dam construction. On October 16th, President Rho announced "A Permanent Anti-Flood Plan of Han River Region" and dam construction validity test were began on December 28th, which undergone for two years. Almost all procedures of probing the possibilities of dam construction took downstream communication approach. But it is difficult to find the evidences that any other noncompliance actions were occurring.

Actors and the Role of e-governance tools

Main actors of this stage were central government, local government, local residents. Since the communication amongst actors was vertical one, we only could observe that potential issues concerned with the interest driven opportunistic behaviors and conflicts between horizontal actors are dormant. As e-governance tools were not in practice, any interactions using this was not observed.

Inclusive policy network and exclusive network where only public agencies and 'approved' private parties are invited to take part in the policy process
Vertical structure (central-local governments relation, local government-local residents) – cost of coordinating among players not so costly as there are few players involved and little divergence in objective functions
Limited role of environmental groups (little expertise and lacked in strategic approach to solving environmental issues)

Incremental Escalation: The Beginning of Network Governance (1992-1996)

Governance Characteristics

Normative Basis & Forms of Controls

After official announcement of dam construction at 1991 by the Ministry of Construction and Transportation, more detailed construction plan was developed while environmental consensus was proliferated?. Explicit normative basis of actor's interaction was almost the same as policy formation stage but implicit one has some changes. Political democratization had lead the concealed desire and individual preferences could expose in public but it usually was difficult to find the systematic or institutionalized communication structure. Rather co-production, rule and order based control system was still working in this period.

Primary Virtue & Actor Preferences

As political democratization proceeds, the chances of interest parties' participation in policy process are increased (Lee, 2002a). Increasing demand on various social issues of related actors requires the structural change in social demand opting mechanism in this era. Dam construction policy was not an exception. Dam construction policy was incorporated in 'water management plan'. This means that rules(law, code etc) surrounding dam construction began to make interest structure. For the reason, actors directly connected with dam

construction began to recognize the benefits and property damages. Even this recognition was not an explicit argument, it was enough to settle the actors' interest driven preferences. Since there isn't any official communication route from target policy group to government department in charge, as bureaucratic governance is like, actors usually lean upon the virtue of reliable treatment rather than flexibility of governance structure.

Network Characteristics

Vertical network by government vs. Multi-sector network by civil society organization

Dam construction policy process at this stage had mainly lead by government. The tradition of vertical network characteristics are embedded in government side. Central government (especially, Korea Water Resources Cooperation) proceeded dam construction according to the proper law and due procedures without any mutual networking system. Central government's normative basis was mainly due to legal system and code of official public management manual. This process could be understood as a program implementation not a networking or mutual communication. Since downstream communication in the vertical network never had lead the construction impossible one, government just repeated the construction process done before. Table 3 show that how government program implementation was done.

Year	Investigation Goal	Institute	Reasons for Investigate
1957	site probation(Youngwol, Munsan)	Korea Electronic Power Cooperation	Electronic power supply site probing
1958	site probation (Youngwol Keowoon)	Smith-Hinchman Grills Cooperation	Electronic power supply site probing
1962	***water resource probation***	Ministry of construction	***According to the "5 year plan of electronic power supply policy"***
1974	water power resource probation	Ministry of Construction / Korea Water Resource Cooperation	Supplementary energy resource development policy due to oil shock
1985	water power validity test	Hyundai Construction Co.	Energy resource diversification
1988	water power validity test	Korea Electronic Power Company	Energy resource diversification
1992	dam validity test	Ministry of Construction & Transportation / Korea Water Resource Cooperation	Integrated Water Resource Development plan of Han River Region
1996 1997	dam design, construction plan design	Ministry of Construction & Transportation / Korea Water Resource Cooperation	Integrated Water Resource Development plan of Han River Region

Table 3. Dam Construction Processes

While the government side sticks to the vertical network communication, other actors influenced by dam construction began to build up an implicit but tightly connected multi-sector network. First one is that anti-dam construction actors' network. In this network, anti-dam construction people living in Dong river region, environmental NGOs, some local assemblies were main participants. This network is basically two different actor group's conjunction, the one is the people and organizations near Dong river and the other is the environmental organizations and people who are interested in Dong river reservation living outside of the site. This network's upstream approach, which had led by anti-dam construction civil organizations, was well organized during this era. <Table 4> shows those organizations' arousing near Dong river region.

Date	Organization	Region (actor)	Pro or Against the project
1991.7.1	A Committee on anti-Youngwol dam construction measure	Jeongseon county	Against
1991.9.10	Anti dam construction committee	Jeongseon county	Against
1991.9.12	Young development committee	Youngwol county	Conditional Pro
1993.5.10	A special committee on Anti-Youngwol dam construction	Jeongseon county assembly	Pro
1993.8.14	An association of Youngwol prosperity	Youngwol county	Against
1996.10.21	A Propel committee on anti-Youngwol dam construction	Youngwol county	Pro
1996.11.5	A Jeongseon committee on anti-Youngwol dam construction	Jeongseon county	Pro
1997.2.18	A special committee on Youngwol dam construction	Jeongseon county assembly	Pro
1998.4.14	A jointed committee on Youngwol dam project retreat of 3 counties	Jeongseon, Youngwol, Pyeongchang county	Pro
1998.7.23	A association of submerged residents in 3 county	Jeongseon, Youngwol, Pyeongchang county	Against

Table 4. Civil Organizations near Dong river Region

Second one is that dam construction supporting actors' network. In this network, central government, pro-dam construction residents, some local government are main participants. First network's communication is based on the upstream approach; on the other hand, second one relies on the downstream communication.

The important characteristic of this era is that interest driven organizations and networks were formulated and settled implicitly. Even though there had not much chances and official route to express their interests, implicit interest matrix formulated in this period made complicated policy networks and conflicts at the next stage.

Actors and the Role of e-governance tools

The development of information technology in the 1990s began to change the communication methods and network forms drastically. Actors' incentives to inject their preferences in policy process and network governance made the very new policy stage. In contrast to the network communication style before, many web-sites and electronic data sharing mechanism had contributed the fast and firmly organizing multi-sector governance (Lee, 2001). Main Participants of network structure, whatever position it is, had made their own e-governance matrix using electronic materials and this became understood as a scattered and dispersed interest insisting self-centered organization at the next policy stage.

Despite the fact that the actual planning of the dam required a consensus building process among interest parties, the government failed to take their opinions seriously, resulting in discontent among local residents the ministry of environment/office of environment began to raise issues concerning environmental legitimacy of the project (coordination within the government agencies was required and this was achieved as the Ministry of Construction and Transportation won over the Environment because of its position and its size those that were left out of the policy networks began to raise voices with the public awareness of environmental pollution and issues increasing, these civic groups were able to take advantages of the situation still vertical in nature but less hierarchical, more participatory (though limited in scope) little policy coordination and thus network centrality required network centrality still within the realm of the Ministry of Construction and Transportation as it was the dominant player with the formal authority in the planning of the project – a sign of it being moving to the Office of Environment

Conflict and Fluctuation: Lack of Network Centrality (1997-2000.6)

Governance Characteristics

Normative Basis & Forms of Controls

At June 2002, Youngwol dam construction policy had retreated. Even though the central government kept and followed proper and due process, a representative characteristic of bureaucratic governance, building a dam which could be defined as a rule of law, the real world environment was working on the normative basis of culture which include Kukmin Jeongseo (national emotion or feeling consensus). Since the network structure which represents each participant's preference was already installed and interactions were occurred, multi-sided communication and co-production was an essential form of control. But government's understanding and implementing methods on inter-society communication was focusing on vertical network system and one-way downstream strategy while real world demands diverse client oriented communication and coordination. In some aspect, for the reason of insufficient network communication and network centrality which could lead the coordination, government-civil society conflicts are foreseeable one.

Primary Virtue & Actor Preferences

The need for the virtue of flexibility is directly connected with the actors' preferences. As mentioned before, central government's approach on the network structure and communication was vertical; central government used various kinds of persuasion strategy. Table 5 show the process of downstream persuasion.

Date	Meetings and Works
1993.4.2	An Explanation meeting on Dam construction project
1996.4-1996.9	Environmental Impact Assessment Report(Draft) making
1996.10.21.-23	An Explanation Meeting on Environmental Impact Assessment Report(Draft)
1997.1.14-16	Hearing(Youngwol county residents)
1997.1.23	Hearing Result report & Official answers inform
1997.4.17	Informal talk meeting(county governor, county assembly, residents)
1997.9.22	Youngwol dam construction plan announcement

Table 5. Persuasion Strategies of Central Government

The limit of one-way persuasion, especially downstream strategy as shown in this case, is that persuasion cannot change the original base of actor's interest. That means the preference, which directs actors' behavior, is formulated by the outside factors such as institution affecting economic, emotional, or moral fetus of individual as well as desires inside each human being. At this stage, the dam construction retreat stage, the preference of policy actors were already formed by law and formal rule based policy structure, and social atmosphere were ripen enough to allow the liberal expression but preference expression without any coordination made a lot of conflicts. Lack of coordination and interest driven collision made policy implementation impossible and actors in policy network recognized the necessity of network centrality to avoid the one-way insist without harmonious co-production.

Network Characteristics

Network Complex: The Conflict and Policy Failure

The demand of coordination sprang from the complicated interest web. Unlike government's recognition on dam policy and it's down stream approach, civil organization and residents' insist varies at the three different dimensions.

First, through the indirect cultural event, civil organization (mainly environmental organization) succeeded in publicizing the issue. From 1998 to 1999, 17 important cultural events5 were held intensively in Seoul and Kyonggi province (Lee, 2001a). This cultural network was organized by the several environmental movement organizations including famous movie stars and TV stars. Cultural event was powerful enough to let the lay people pay their attention to the issue occurring in the remote place. This cultural network pushes the

natural value of Dong River to the public and could be defined as a one-way upstream insist by the civil organization.

Second, seminars and conferences were another network complex occurring ground. From 1997 to 1999, 17 important seminars and conferences were held focusing on the theme of technological possibility, safety, environmental seriousness, and policy issues of the dam construction. Environmental movement organization did not attend the 6 seminars sponsored by pro-dam construction organizations (Lee, 2001a). Even there was a seminar sponsored by Korea Broadcasting System whose position on dam construction was neutral, anti-dam construction network members including environmental organizations never had attended. This phenomenon could be interpreted as one-way communication and network complex difficult to overcome was existed in the real world. In this situation, usually termed as a conflict, each actor's arguments are exist not together with the solution or alternative that participants at the other side could agree on. Two divert network governances based on different social context never had agreed upon the productive coordination and there even could not find the actor who gave its effort to organize a core mediating mechanism.

Third, meeting and demonstration was another way of expressing actors' opinion and interest. From 1997 to 2000, 22 officially announced demonstrations were held. Two of them lasted for over 30 days and one lasted 14 days (Lee, 2001a). These upstream inputs were another expression of network complex situation. Since there were no official network and communication channel, at least anti-dam construction actors didn't trust the central government's negotiation attitude, demonstration as an upstream expression against central government's policy was a prevailing method adopted by civil society organizations.

Finally, three major antagonistic behaviors mentioned above spread anti-dam construction consensus to the public and made dam construction retreated. Whatever the decision was, we can find the missing link in the policy process. Inter-societal networking is becoming important because of their capacity to regulate complex transactional interdependency issues in modern administrative states. The actor who maintains the power of moderating keen interest and coordinate networks on different dimension

Actors and the Role of e-governance tools

Web site or home pages as e-governance tool works as a good information sharing and communication tool. For the basic network structure using information tools was settled already, actors at this stage made better use of the tools in a various way. On the perspective of member management, anti-dam construction parties gathered the members supporting their opinion not only using collecting opinions of people in general (Lee, 2001a). And those who favor the dam project managed web sites as well as anti-dam construction party[6]. Even though home pages at both sides were managed well compared to other general web sites, it is inevitable to point out the missing link between two parties. As Multi-sector networks get bigger and complicated, coordination between networks is essential and important job. The organization or system at least guaranteeing mutual coordinating is necessary.

Network Centrality Problem

Analyzed above, one-way arguments of actors without any coordination only yield policy conflicts and make policy implementation impossible. The necessity of network

centrality is due to the very practical level of coordination in real world. If there isn't any network centrality, innumerable interest driven participants and direct policy actors in the growing vast networks may keep arguing their own insistence without any consolidating alternatives or communication channel. This makes social networks into multi-level differentiated one. When this network structure is fixed, the opinion, even it is very good and acceptable, and actors directly influenced by some policy could not participate in the due policy process. Network centrality could lead a network structure, interaction structure, direction of behavior in policy process because dominant member(s) having access to and control over valued resources within a network (Ibarra, 1993). This could be understood as making the narrow and unbalanced power and resource dependent situation but it isn't. The centrally is dependent on the members composing network and its structural characteristics and intensity of it.

Change from a vertical/exclusive policy network to horizontal and inclusive network means increased need for coordination among different players.

Increased coordination issues: increased in scope of players involved and the depth of the issue – these increased tasks began to tax even the more experienced and efficient public services and most public agencies involved in the process began to show some signs of strain.

Still network coordination and network centrality important concepts in solving public disputes such as environmental issues.

Double whammies: internal disputes among involved public agencies increased and protracted opposition led by environmental groups which have learned to be strategic in dealing with this type of issues made it difficulty for central agencies to resolve issues.

Important for civic leaders to be engaged in dialogues with public agencies and thus it is important to facilitate inclusive networks.

Important lessons for public agencies are that they have to play the role of network coordinator by the virtue of their position in the networks.

In addition, they need to realize the mode of coordination among active players now require more of persuasion and transaction, not command and authority

Managing the transition from bureaucratic to network governance important: need to realize that the public agencies' acceptance of institutional pluralism critical while they need to bring in or facilitate the participation of civic groups in the policy networks or formalizing the relationship among players from the two institutional sectors. New governance require not only participation by involved private and non-governmental parties but also good management of the new networks this is a new role for public agencies since they have to act as network coordinators and this requires not authoritative power but persuasion and continued dialogues.

Conclusions

Many elements of 'new governance' are not new at all and some, for instance, public participation, have long been advocated as a good model of governance. What some of

governance theorists are attempting to do is seeking to combine new and old ideas to make them more comprehensive and to come up with a balanced scorecard. Inter-agency and inter-societal networking is increasingly becoming important because of their capacity to regulate complex transactional interdependency issues in modern administrative states. Because the studies on networks and networking involve multi-disciplinary approaches in social science, it is difficult to be precise and comprehensive at the same time. With this caution in mind, I have attempted to identify most relevant antecedents of network formation and form.

Many scholars have noted the similarities in approaches adopted by NPM and governance literature while warning about possible problems related to accountability issues. Some have implied that check and balance among different constituents in the network governance and consumer choice seem to take care of the rising accountability issue. As Peters and Pierre (1998) mention the recent attempt to replace political power derived from legal mandates or elected office with a collective indirect leadership confounded the problem. What seems to be troublesome for some students of public administration is that governance theorists seem to be leaning towards limiting the roles of the state altogether and replace it with a well developed system of networks. It should be that public institutions play a leading role in "cross-sectoral resource mobilization and concerted ventures (Peters and Pierre, 1998)." The isolation of the state from the governance debate and then holding them accountable for the decisions and actions of the public service would not only be unfair but would impose unbearable burdens on the already demoralized public service. Although the role of public institutions in different network governance varies considerably, what seems clear is that their roles have changed dramatically and they are undergoing transformation process. Despite these noted changes in the governance system, public institutions and public servants are still being held accountable for the decisions and actions of the new regime.

In addition, where the scope of inter-organizational cooperation is wide and where there are a large number of participants, coordination become quite important. In the management literature, network forms regulating the cooperation between member firms often set up central coordination structures. In both policy and production networks in the public sector, the role of the coordinator, most like to be state ministries, is coordinating activities of both private and public participants without imposing hierarchical orders or being overly authoritative. More importantly, because many public policy issues are inter-related and feeds from one another, the role of the coordinator in this web of networks is critical. In other words, managing and coordinating activities of various policy and production networks requires a skillful manager of the networked networks. This is where the new information and communication technology (ICT) comes very useful as it can manage the networking of networks more effectively. As Ebers (1993) states ICT is an important vertical and horizontal integrator for managing interdependence within and between networks. Because new ICT reduces communication costs and better facilitates communication in wide-spread networks such as policy networks, networks have increased chances of sustaining their viability.

Note that a caution must be issued on the applicability of this paper. Often policy networks and other forms of network governance are meso-level concepts that are located in a macro-theoretical ground. Youngwol dam case analyzed in this paper has limits of space and time. To improve the validity of network centrality and network governance theory, more cases must be analyzed in a various and multiple theoretical and empirical points of view.

Endnotes

[1] Kim(2003) documents that of eighteen OECD countries he surveyed, all had implemented programs closely related to NPM.

[2] In addition to these, there are two more governance types. Corporate Governance is characterized by its goal-oriented nature and its approach to public service as a profit (performance)-centered entity. This involves a systematic task delegation among public and private agencies and accountability is based on previously-agreed upon performance indicators. Under the corporate governance, the interaction among relevant players becomes more disjointed in comparison to the bureaucratic governance since there are no dominant actors and because they are performance-oriented. The corporate governance regime can also be viewed as an exchange relationship which alters the view on hierarchical relationships of the past between governments and other agents. The changed relationship among governmental actors is also likely to spur more rivalry and competition although networking might also arise if exchanges are to be economically and administratively efficient. However, in terms of the governing philosophy of the government, planning and programming carry more weights than anything else. On the other hand, the market governance embraces many essential features of contractualism and uses competition as the driving force of the system versus the goal-oriented approach of the former. The market governance ideal introduces a market mechanism into the public service in order to replace the traditional forms of hierarchy and coordination among agencies. Markets provide a high degree of flexibility to actors contemplating forming partnerships. Societal actors are independent in terms of their relationship with other 'players' although once they enter into a cooperative partnership they tend to collaborate with each other, hence becoming more interdependent.

[3] The former is involved in negotiating over goals and objectives of specific programs while the latter produce and maintain public programs.

[4] Wilks and Wright (1987) define a policy community as "a disaggregated system involving those actors and potential actors who share an interest in a particular industry and who interact with one another, exchanges resources in order to balance and optimize their mutual relationship,"

[5] Main events are picture exhibition of Dong river, a signature-collecting campaign, music concert, summer camp etc.

[6] Nine main web sites are managed during the period. 3of them were con-construction sites including official construction site managed by government branch.

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VII. ANNEX II

Agenda

I. RAPPORTEUR : *Prof. Shunichi Furukawa*

II. MEETING PLAN

Thursday, 15 July

09.00 AM - 10.30 AM

Moderator :
Topic : **Transformation of Governmental Structure**
Speakers : • Kenneth Kernaghan, *Moving toward the Virtual State: integrating services and service channels for citizen-centred service delivery*
• Cynthia E. *Lynch, Organizational Structure in the 21st Century: how do we know if anything has really changed?*
• Sangeeta Sharma, *E-governance: an approach to manage bureaucratic impediments*

11.00 AM – 12.30 PM

Moderator :
Topic : **New Management Trend**
Speakers : • Mohamed Harakat, *Le rôle de la gestion publique dans la bonne gouvernance: cas du Maroc*
• Gustavo Blutman and Cecilia Lavena, *The new technologies and organizational culture. The Administrative Reforms in the Argentine Educational System*
• Lijuan Cao, *The Exploration and Analysis of System Arrangement Under the Acting of Government Power*
• Xiaolin Zhou, *Reflections on the Reform in the Public Departments of Municipal andCounty Government in China*

Background paper: Jianguo Zhang, The Chinese Governments' Administration of Rural Areas

Friday, 16 July

09.00AM - 10.30 AM

Moderator :
Topic : **Networks and Bureaucracy**

Speakers : • Shamusl Haque, *The changing relationship between bureaucracy and citizens under e-governance in Singapore*
• Margarat Ford and Richard Schofield, *Electronic Care Records in the UK: The Road to Joined Up Government?*
• John Halligan, *E-Government in Australia: the challenges of integrated services and customer collaboration*

11.00 AM – 12.30 PM

Moderator :
Topic : **Process Change**
Speakers : • Kyu-Nahm Jun et al., *Adoption and Integration of Public Agency Websites: on efficiency, power and legitimacy*
• Karuppuswamy Jayakmar, *Transformation of Administrative Processes for Enghanced Outcomes Leveraging Knowledge Repositories*
• Junki Kim and Min Chang Lee, *Networked Government and Network Centrality: the Korean case of Youngwol Da*
Background paper: K.V. Sarveswaran, E-readiness (Employees Provident Fund Organization)

02.00 PM – 4.00 PM

Moderator :
Topic : **Integrating Services**
Speakers : • Shie-Hsien Chang, *Taipei City on-line services: changes in administrative processes*
• David Brown, *Clusters and Gateways: the government of Canada's experience with client-oriented single window electronic service delivery*
• Hanann El-Naggar & Ala Al-Jnabi, *Change & Training Management for Restructuring Borders & Residency Services (BRSs): a case of e-government in Jordan*
Background Paper: Jain, *The Prerequisite of Online Governance: challenges of revamping theadministrative structures and processes in Indian Democracy*

Saturday, 17 July

09.00 AM – 10.30 AM

Moderator :
Topic : **Organizational Impacts and Strategy**
Speakers : • Arie Halachimi, *E-Government in Tennessee (USA):Theory and Practice*
• B. Yoon, *Building an Electronic Personnel Management System for HR Administration: centered around the case example of PPSS*

• Fengchun Yang, *China's Balanced E-Government Development Strategy and its Implementation Approach*

11.00 AM – 12.30 PM

Moderator :
Topic : **Evaluation and Comparison**
Speakers : • Liang-Cheng Huang, *E-Governance in Taipei: a structures and processes evaluation of cybercity program*
• Jon P. Gant & Won-Joon Nam, *The Transformation of E-governance in Local Government: comparison of Critical Success Factors in Gangnam-gu, Seoul, South Korea, and Washington D.C., USA*
• Hiroko Kudo and Luigi Fiorentino, *E-governance in Italy and Japan: how e-governance changes public sector*