E-GOVERNMENT FRAMEWORKS AND OPPORTUNITIES TOWARDS BETTER STAKEHOLDERS’ ENGAGEMENT

A theoretical and practical analysis on Western Balkans

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ABSTRACT
Today we live in a world of networks and communities. There is a general trend towards freedom of expression, identity and being. At the same time we have to give up part of our time, privacy and freedom to become part of these systems. The information technology has contributed to all this, providing a more connected and at the same time interdependent reality. In this virtual environment, e-government, the subject of this study, has a crucial role in connecting government, businesses, citizens and their engagement. There is however another level of e-government engagement considered here, that goes beyond the national context, focusing on the role of international organizations towards higher global interaction and collaboration.

After a critical review of the general implications of information society, this study focuses on a framework of engagement between Government, Businesses and Citizens presented as the GBC model. This analysis however is not sufficient to understand and improve e-government applications in a global network society. Therefore New Public Management, a business-like approach to public administration is critically considered to turn e-government challenges into opportunities. The final goal is to define a better role of international organizations to promote better cooperation and engagement of member countries and their governments, businesses and citizens.

E-GOVERNMENT ENGAGEMENT FRAMEWORKS AND EVALUATION
Many would argue that Max Weber’s definition of the state as “a human community that claims a monopoly on the legitimate use of force over a given territory and people” is not anymore complete (Barney 2004). As pointed out by Held and McGrew (2007), governments and states are giving up some of their sovereignty to become part of the global networks such as UN or EU in the ever “shrinking world” we live in. In this political context, sovereign physical and territorial boundaries of power, influence and legitimacy are being replaces by more fluid structures of information society. New means of communication are giving birth to changes in politics and public communications. It is at this point that e-government rises not only as a form of IT solutions. Ideally it could be a platform for better governance, transparency and efficiency through higher stakeholders’ engagement.

But what is e-government? Although it is difficult to give a clear answer to this, it can be defined as the use of Information and Communication Technologies as a tool to achieve better...
government (OECD 2003) through enhanced access and delivery of public services to citizens and different stakeholders (Deloitte Research 2000). Most of the literature on e-government is related to its practical uses towards better communication among institutions, democracy, fighting corruption and in general increasing transparency and state efficiency. Taxes, procurement, employment, property, and online central databases are some of the sectors most influenced by the information society. Bearing this in mind, the questions addressed here would be: How to coordinate e-government stakeholders’ engagement and changes in the public sector on a national, regional and international level?

**GOVERNMENT-BUSINESSES-CITIZENS (GBC) MODEL**

Looking at the main stakeholder involved in e-government national policies there are three very important groups: the government, businesses and citizens. A simple interaction framework of these three actors is given in the figure below as the GBC (Government-Businesses-Citizens) model.

![GBC Model Diagram](image)

*FIGURE 1: GBC MODEL*

The model is based on the fact that our modern civilization is mainly based on elective political systems, where citizens elect governments to represent them and manage issues of public concern. Businesses are not directly involved in this election process. They are the source of goods and income for citizens in exchange of their work. Private enterprises provide goods, services and pay taxes to the government as well, being accountable for their activities according to certain laws and regulations. All elements of the system, the government, businesses and citizens have an important role due to their mutual dependency regulated by mutual needs, interest and power. This could generally be the situation in a closed system of one country, but today we live in a globalized world. Often a country is part of a bigger system, international organization or network and so are its government, businesses and citizens. In this context the GBC system is a dynamic one, often self-regulating and constantly developing in the national as well as in the global environment.
NEW PUBLIC MANAGEMENT AND E-GOVERNMENT ENGAGEMENT

E-government as a combination of technology, systems, people and regulations is strongly related to New Public Management (NPM) (Barzelay 2001) as a management form in public administration. Based on Thomas Gordon’s (2002) work, the following NPM principles could be applied to deal with the e-government challenges mentioned before:

- Dynamic networks of small organizational units
- Consensual, bottom-up decision making
- Customer-oriented attitude from the public administration
- Market principles to enhance efficiency and productivity.

Applying NPM on e-government means using market concepts to achieve higher efficiency, especially in developing countries and new democracies (Kromidha, Cordoba-Pachon 2010). Regardless of the debate and criticism on the negative effects of New Public Management and the decentralization it proposes in terms of state agencies (Dunleavy, Hood 1994, Dunleavy, Margetts et al. 2006), it still remains a powerful tool to deal with new systems and stakeholders’ engagement.

The interaction of stakeholders in the GBC model is often related to e-government in previous research (Fang 2002, Holmes 2001, Funabashi, Grzech 2005, Heeks 2006) considering the use of information technologies towards better communication, interaction and collaboration. Certain countries like New Zealand that is often mentioned also for extensive use of NPM in public administration (Lane 2000, Dunleavy, Margetts 2006), include the model in their national e-government strategies (New Zealand Government 2001). This system approach of engagement in terms of e-government and NPM concepts could be one of the reasons that New Zealand has one of the highest scores in the UN e-government index since 2003 (UNPAN). Most of the literature however limited is to the analysis of the elements of the system in pairs in the national context:

- Government-to-Citizens (G2C) or Citizens-to-Government (C2G)
- Government-to-Business (G2B) or Business-to-Government ((B2G)
- Business-to-Citizens (G2C) or Citizens-to-Business (C2B)

This study goes a step further and takes an international approach to the GBC model, looking at how international organisations and assistance on e-government could influence their engagement. Following the same principles of national policy making, New Public
Management could also be used in the international context to regulate international relations among countries and organizations in the e-government context. (European Union) for example attempts to bring together not only governments but also businesses and citizens from all member states through its Europe’s Information Society portal. This NPM approach however is not sufficient to hold together the state structures in an organized way because as suggested by previous research (Dunleavy, Margetts et al. 2006) it has radically increased institutional and policy complexity. In this context, in order to achieve a higher engagement of citizens and e-government stakeholders a more inclusive need-based approach is needed.

**E-GOVERNMENT AWARENESS AND BENCHMARKING**

Advertising e-government programmes and informing the general public on their progress and development potential is not something government do very often (Holmes 2001). Users’ opinion is rarely considered as well during the planning phase of such programmes. Although there is a lot of e-government benchmarking and a lot of criticism on it (Bannister 2007), there is little evidence on what the users think. Benchmarking could have some positive role on e-government evaluation performance but it is generally difficult for businesses and especially citizens to understand what their indexes really mean. E-government benchmarking reports give little details on data and methodology used, thus having a low practical value for government policy makers that would like to compare best practices and not simply performance. However, it could still be possible for countries to engage more with each-other, sharing e-government knowledge and some of their best practices. Based on this idea, the following part will focus on a more practical perspective on how to turn e-government engagement challenges into opportunities through stakeholders’ engagement and cooperation.

**TURNING E-GOVERNMENT ENGAGEMENT CHALLENGES INTO OPPORTUNITIES**

The expectations and contributions of the government, businesses and citizens towards e-government are often very different. Following some of the principles of “The e-government handbook for developing countries” (CTD 2002), Yigitcanlar (2003) suggests at set of issues based on the Australian experience. These problems with e-government have been modified into a number of internal, external and system challenges by previous research (Kromidha, Cordoba-Pachon 2010) to analyze the situation within a developing country. This paper introduces a different approach to include the role of international in this context. The study is based on examples from the developing Western Balkan countries: Albania (AL), Bosnia and
Herzegovina (BH), Croatia (CR), Kosovo1 (KS), Former Yugoslav Republic of Macedonia (MC), Montenegro (MN) and Serbia (SR). The information is based on the following sources:

- National government and e-government programmes
- International assistance and best practices reports from international organisations: United Nations (UNPAN, UN, UNCTAD, UNDP 2004, UNDP Europe and CIS ), European Union (EU Commission, EU-IPA) and United States Agency for International Development (USAID)

LEGAL ASPECTS AND STRATEGY

Updating the legal system within one country can be challenging but is relatively easy when deciding to implement a new e-government system. The real challenge becomes evident when this legal framework has to comply with international laws and agreements a country has signed. The Aquis Communitaire for example is a challenge for all western Balkan countries that wish to join the EU not only related to e-government but in all areas. Sometime laws and regulations are modified simply to comply with the integration requirements. The Schengen visa liberalisation process for the western Balkan countries for example requires the introduction of biometric travel documents and electronic registry of citizens. This process consists of many changes on legislation to allow the introduction and use of the new documents. Whether these changes are done purely based on EU requirements or also considering the needs and expectations of local citizens is something to be discussed. However the decision to pass these laws is often a strategic one, in support of the EU integration process.

Similarly four of the seven western Balkan countries received international assistance to develop their national ICT and e-government strategies as shown in the table below, including it in the legal framework of each country:

<table>
<thead>
<tr>
<th>Project</th>
<th>Leading org.</th>
<th>Period</th>
<th>Amount</th>
<th>Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Macedonia (FYROM): National Strategy on Information Society Technologies for Development</td>
<td>UNDP MK</td>
<td>From 2005</td>
<td>$138,928</td>
<td>Role of ICTs for human and economic development, assessment of existing capacities, resources and potentials of ICT</td>
</tr>
<tr>
<td>Serbia: ICT for Development - Building up a National Strategy for an Information Society</td>
<td>UNDP SR</td>
<td>From 2005</td>
<td>$10,000</td>
<td>A strategic, feasible and comprehensive strategy based on dialogue with the key stakeholder</td>
</tr>
</tbody>
</table>

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1 UN Administered Territory under UNSC 1244
Considering the limited national expertise in the field, the development of ICT and e-government strategies under the coordination of UNDP had a positive impact. However, the problem remains their implementation in practice. First of all, not only the general public but the state administration itself is not really aware of these strategies, and thus do not feel involved. This is clear from the lack of detailed up-to-date progress reports on their implementation in national government and e-government web pages and in general. In this context, ICT and e-government strategies in developing countries such as those of Western Balkans might need to be reconsidered to allow a higher level of government, businesses and citizens’ engagement from the planning phase to their full implementation.

**INFRASTRUCTURE COSTS AND ACCESSIBILITY**

A higher e-government engagement requires information and telecommunication technologies infrastructure in general and within the government institutions themselves. In the case of one country the challenge is related to the costs and technical knowledge to replace existing outdated telecommunication infrastructure and reach new local areas. The Western Balkan countries, based for example on their increasing level of internet users (Indexmundi) are making a lot of progress on the use of new ICT technologies. This is normal for developing countries in the digital era. In terms of e-government however every government needs to carefully consider how its infrastructure will fit in the global network.

Deciding how much to spend on an e-government projects and who will pay for it is among the first elements a government considers. International assistance for developing countries could help in different levels of ICT and e-government programmes. However a lower level of financial contribution from national stakeholders: government, businesses and citizens, could result on a lower level of engagement and interest from their side. This could be the case of international assistance on the above-mentioned ICT and e-government strategies or other programmes as well. The table below gives a summary of e-Readiness in this context for the western Balkan countries:

<table>
<thead>
<tr>
<th>Country Name</th>
<th>E-Readiness</th>
<th>Rank 2007</th>
<th>Rank 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Croatia</td>
<td>0.5858</td>
<td>35</td>
<td>47</td>
</tr>
<tr>
<td>The former Yugoslav Republic of Macedonia</td>
<td>0.5261</td>
<td>52</td>
<td>73</td>
</tr>
<tr>
<td>Montenegro</td>
<td>0.5101</td>
<td>60</td>
<td>100</td>
</tr>
<tr>
<td>Bosnia and Herzegovina</td>
<td>0.4698</td>
<td>74</td>
<td>94</td>
</tr>
<tr>
<td>Serbia</td>
<td>0.4585</td>
<td>81</td>
<td>77</td>
</tr>
</tbody>
</table>
It is clear that countries that had to develop an ICT and e-government strategy themselves such as Montenegro, engaging their own resources could jump up to 40 places between 2005 and 2007. On the other hand, countries that received a lot of technical, financial and programme international assistance also from other sources such as Albania (UNDP Europe and CIS, EU Commission, EU-IPA, USAID) could jump only 1 place in the 2005-2007 period. This could be due to many factors, but making e-government stakeholders directly involved even financially, could increase their interest on such applications. This could lead to an increased demand for higher accessibility as well, following a pull instead of a push strategy. Coordinated programmes for higher accessibility on e-government are strongly related to ICT infrastructure and could come from national governments, businesses or international organizations. However, this will depend on the level of interest and expected engagement from citizens. Understanding their needs and assuring their involvement is essential.

**E-LITERACY AND TRUST**

Not only the public servants but also businesses and citizens need to become e-literate to achieve a higher level of e-government engagement. Since it is impossible to train the whole public on a personal basis, most of the trainings are based on individual learning. New e-government systems might also result in loss of jobs, reallocation and trainings for some in the public sector due to e-literacy problems. Public servants involved in e-government are service providers as well as users of these services. Their training is important in the process of change management, but before considering technical assistance from international organizations their opinion should also be considered. Their engagement in the planning process would most probably result on lower resistance and a more efficient implementation of e-government programmes. Although most e-government applications are addressing individual needs, the current Web 2.0 trends could lead to online e-government wiki platforms (Wagner, Cheung et al. 2006) where e-government users could learn from each-other how to make a better use of the systems.

Even with an e-literate public on the other hand, the issue of trust remains a very important one. A government could force the use of a certain e-government system by law, but building trust requires time and good service. The western Balkan region is still considered a somehow unstable region due to ethnic, religious and territorial problems reflected in political and
economic problems. The citizen engagement in e-government programmes in this context will depend not only on the level of e-literacy, but also on the level of trust the citizens put on their governments. EU integration, however challenging it could be, is generally perceived as a good solution towards regional stability, being at the same time a strong modernization motivator.

**CONTROL AND POWER**

E-government systems are very important in terms of the information they store and handle. Unlike many commercial online services that compete based on service quality, the state could enforce the use of certain e-government applications like tax filing for example by law, having a type of monopoly over certain information. Due to outsourcing and international assistance however, the situation could become more complicated. Let us take for example the case of ASYCUDA (UNCTAD) the e-government application developed for the management of customs which has been used in Albania, Bosnia and Herzegovina and FYROM in the Western Balkans. The government implements and manages the system which is developed by UNCTAD, depending on it for important upgrades and modifications. The public administration users and especially the final stakeholders, the businesses have little impact on the system which has been adopted as it is, without being asked for their prior opinions. Regardless of the international support on customs in the region from other international organisations as well such as EU, USAID and World Bank there are still a number of problems in this sector (Western Balkans 2004). One of the reasons could be a lower level of engagement from the main users, due to a low level of involvement in planning, development and administration of the system and the information therein. This type of ready solutions could be cost effective and provide a quick solution for the short run. However, a government that wants to assure a serious level of stakeholders’ engagement should think of developing its own capacities and better consider their needs and opinions.

Information nowadays is often related to power. In the international context, the role of international organizations supporting and supervising e-government applications is increasing. In the even when this balance of powers is disrupted, the whole system could be at risk, even beyond e-government applications. A possible improvement opportunity for such solutions as ASYCUDA mentioned before could be an Open Source approach, providing a collaborative solution and allowing knowledge sharing for its development. The same ideas of mutual cooperation and collaboration that we see in Wiki’s, online social networks and web communities (D., Tapscott, A.D., Williams, 2008) could be used in other e-government application as well allowing for a higher citizen and stakeholders engagement.
CONCLUSIONS

Success stories of web collaboration are based on the principle of user inclusion and not simply engagement. It is exactly the degree of freedom not only to express but to be able to contribute and fulfil their needs and those of others that stay behind every collaborative virtual network.

The basic framework of analysis proposed here was the Government-Business-Citizens (GBC) model and a critical approach on New Public Management. These models were used to analyze the changes in the public sector related to increased efficiency and transparency related to e-government applications.

The need to recreate and reengineer government processes to achieve a good level of effectiveness and engagement comes with a number of challenges. The analysis of the opportunities to deal with them in the context of western Balkan countries considered strategy, legal aspects, costs, accessibility, e-literacy, trust, control and power issues. The challenges in all these areas are related to government reforms on state institutions, preparing the final users and assuring that all systems and data could be integrated in an easy-to-manage structure. The general conclusion based on some empirical analysis and examples is that to achieve a higher level of citizen and stakeholders’ engagement, a higher level of information sharing and involvement is needed. This should be extended from the planning phase to the final implementation and continuous improvement of services.

The role of international organizations is crucial in the coordination of international e-government policies for development through higher engagement and improvements are always possible. A collaborative customer-oriented or Open Source approach along with more easy-to-understand and practically useful benchmarking reports could help countries and stakeholders engage more on knowledge sharing of e-government best practices. The long term benefits could be more fit-to-purpose and self-sustainable e-government strategies and programmes.
**BIBLIOGRAPHY**


OECD, 2003. The e-government imperative: main findings. Policy Frief, Public Affairs Division, Public Affairs and Communications Directorate,


UNCTAD, ASYCUDA. Available: www.asycuda.org [April, 2010].


**OTHER WEB RESOURCES**

<table>
<thead>
<tr>
<th></th>
<th>Government portal</th>
<th>e-Government portal</th>
<th>UNDP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CR</strong></td>
<td><a href="http://www.vlada.hr">www.vlada.hr</a></td>
<td><a href="http://www.e-croatia.hr">www.e-croatia.hr</a></td>
<td><a href="http://www.undp.hr">www.undp.hr</a></td>
</tr>
<tr>
<td><strong>MN</strong></td>
<td><a href="http://www.gov.me">www.gov.me</a></td>
<td></td>
<td><a href="http://www.undp.org.me">www.undp.org.me</a></td>
</tr>
</tbody>
</table>

COUNTRIES WEB RESOURCES (APRIL 2010)