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). 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 CouncilConnect 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 are having 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 AUS15.5m 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 leveraging 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 a collaboration between ATO and HIC that links medical expenses to tax benefits. The other is real-time notification of eligibility for state-level concessions 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 budgetii.

A clear sequence of service delivery models are 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

---

iii  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 multichannel 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 multichannel 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 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.

*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).
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.

References

DIST (Department of Industry Science and Technology)(1997) Investing for Growth, Commonwealth of Australia, Canberra.
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 needed to be acted upon by Ministers or public servants as necessary or appropriate.

**Incentives:** where turf protection of tunnel vision are issues 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
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.

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.

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