Intelligent Cities Challenge

Citizen participation and government services

Thematic introduction

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Focus: Government digitization and public data management, Customer Insight, Citizen and Patient Experience

Education: Master of Business Administration; Music and Recording Engineering

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Citizen participation and government services

Mentor cities

Aarhus, Amsterdam, Antwerp, Barcelona, Hamburg, Rijeka

Core Cities

Aix-en-Provence, Arad, Bratislava, Brno, Budapest, Catanzaro, CA Paris-Saclay, Cork, Gelsenkirchen, Gijon, Heidelberg, Iasi, Karlskrona, Las Rozas, Le Havre, Leuven, Logrona, Metr. EU de Lille, Metr. Rouen Normandie, Poznan, Reggio Emilia, Sofia, Terrassa, Thessaloniki, Torrent, Tripolis

Today will be a relaxed session where we share three thoughts – and then spend most of the time learning from you

First some thoughts from us...   ...then listening from you

1. The Digital Revolution – Common citizen participation and digitisation challenges and why they matter

What excites you?

2. Citizen needs – What it means to "know your customer/citizen"

What do you need help with?

3. **Improving engagement and service delivery** – Trends and success factors to transform digital capabilities

What things would you like to collaborate on?

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Leading innovators in the private sector are raising customer expectations for everyone else

The pace of innovation in customer-centered design and delivery has accelerated dramatically...

Best-in-class examples of innovations

Mobile
anytime, anywhere

Uber improved CX by putting ride hailing in the palm of one's hand, revolutionizing the cab industry, by unlocking a new workforce, making them more productive and reducing overhead

Real-time
fast and frictionless

Amazon reduced the purchase journey to one-click – improving CX and increasing sales (Domino's uses a similar technique with its "quick order")
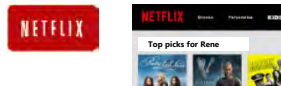
Omni-channel
seamless

Dominos bridged the gap between its delivery and brick and mortar stores through a seamless app – improving CX and increasing sales

Personalized
for me, empower me

Netflix suggests content based on user history and ratings – improving CX and making customers more likely to renew

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We need to rethink public services!

Great digital UX is part of everyday life ...

Users have become accustomed to digital services simplifying everyday life, including multichannel access, simple language, personalization, and feedback in real time

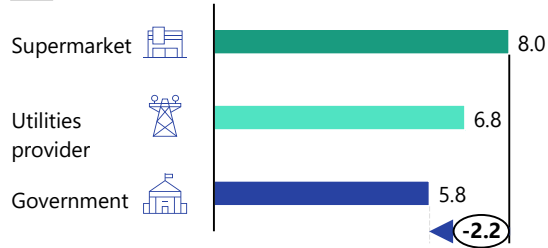**... except in public services (all too often)**

Public services are often not yet online or not user-friendly (e.g., complex PDF forms, no live support, paper documents to print/send)

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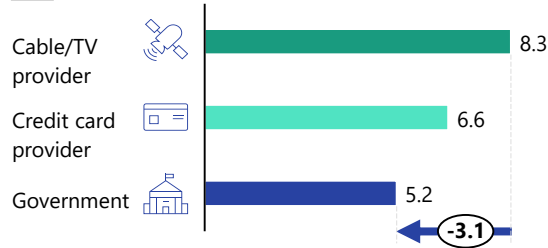# Across the globe, government lags the private sector on customer experience

Customer satisfaction across industries in Canada, the U.S., Mexico, the U.K., France, and Germany[1]

■ Best performing industry (private)　■ Worst performing industry (private)　■ Governmental institutions (public)
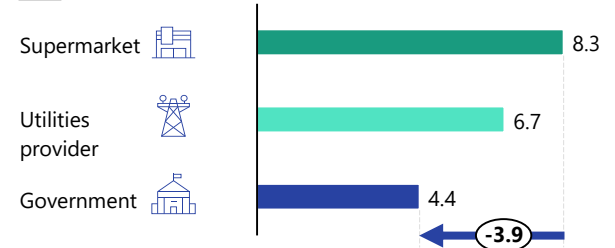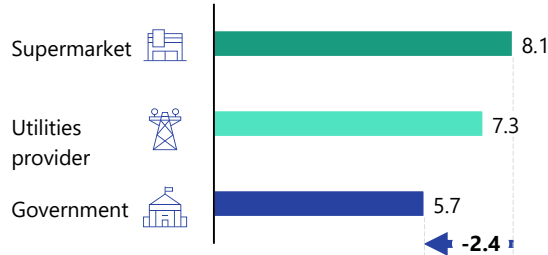
🇨🇦 Canada
- Supermarket — 8.0
- Utilities provider — 6.8
- Government — 5.8　**-2.2**

🇺🇸 US
- Cable/TV provider — 8.3
- Credit card provider — 6.6
- Government — 5.2　**-3.1**

🇲🇽 Mexico
- Supermarket — 8.3
- Utilities provider — 6.7
- Government — 4.4　**-3.9**

🇬🇧 UK
- Supermarket — 8.1
- Utilities provider — 7.3
- Government — 5.7　**-2.4**

🇫🇷 France
- E-commerce site — 7.8
- Cable/TV provider — 7.0
- Government — 6.5　**-1.3**

🇩🇪 Germany
- E-commerce site — 7.9
- Cable/TV provider — 7.0
- Government — 6.1　**-1.8**

1. On a scale from 1 (very dissatisfied) to 10 (very satisfied)
Source: 2018 Public Sector Journey Benchmark Survey; Global results from Canada, U.S., Mexico, U.K., France and Germany

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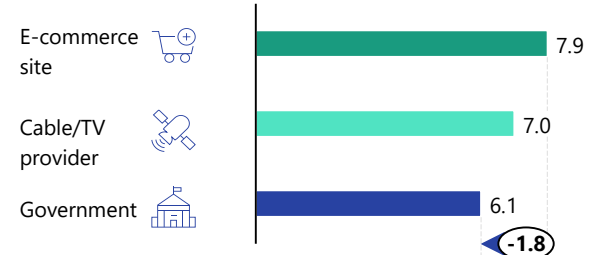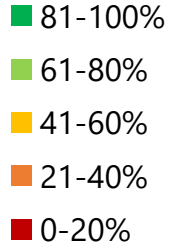# 20 years of digital government – user adoption remains a challenge

■ 81-100%

■ 61-80%

■ 41-60%

■ 21-40%

■ 0-20%

European citizens who submit filled in forms to public authorities online (at least once in last 12 months),
Percent of population, 2018
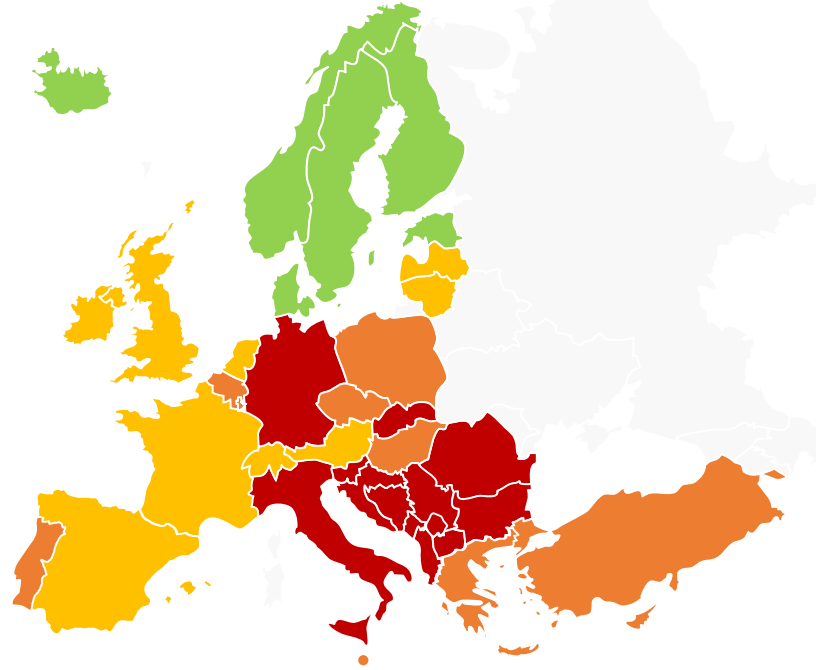
After 2 decades of significant investment in digital government, only a handful of countries have managed to achieve broad user adoption of the digital channel

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The potential benefits of successful public engagement and delivery of services are even greater than we thought

More trust in public institutions

Citizens satisfied with their experience are 10x more likely to trust public institutions overall[1]

Cost savings for business

Companies save costs through digital interactions with the public administration (e.g., potential of EUR 1 bn. p.a. in Germany)[2]

Better use of government resources

Public authorities can reallocate time savings to higher value tasks (e.g., ~60% efficiency potential through service automation

in Germany)[2]
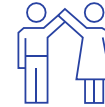
Higher employee satisfaction in public institutions

Technological support for repetitive tasks makes public sector jobs more interesting; at the same time, customer satisfaction reinforces employee satisfaction[3]

1. McKinsey Public Sector Journey Benchmark Survey 2018
2. McKinsey, Public Services, Government 4.0 – the public sector in the digital age, March 2018
3. German Journal of Human Resource Management: http://journals.sagepub.com/doi/pdf/10.1177/239700221102500108; McKinsey OHI

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Citizen behavior is rapidly evolving

Rise of the hyper-informed citizen
Information and choices are at the tips of our fingers

"Any screen will do"
Multichannel interaction is the norm, not something new

Your world in your pocket
Mobiles are the backbone of our everyday lives allowing us to interact and connect to more

Merging digital and physical
Smarter devices and location-based services are tailoring the experience

"Brick and Mortar" experiences polarizing
Shift towards convenience or experiential

Always on
Citizens expect information, service and interactions 24/7

You can influence the experience
...but not the citizen

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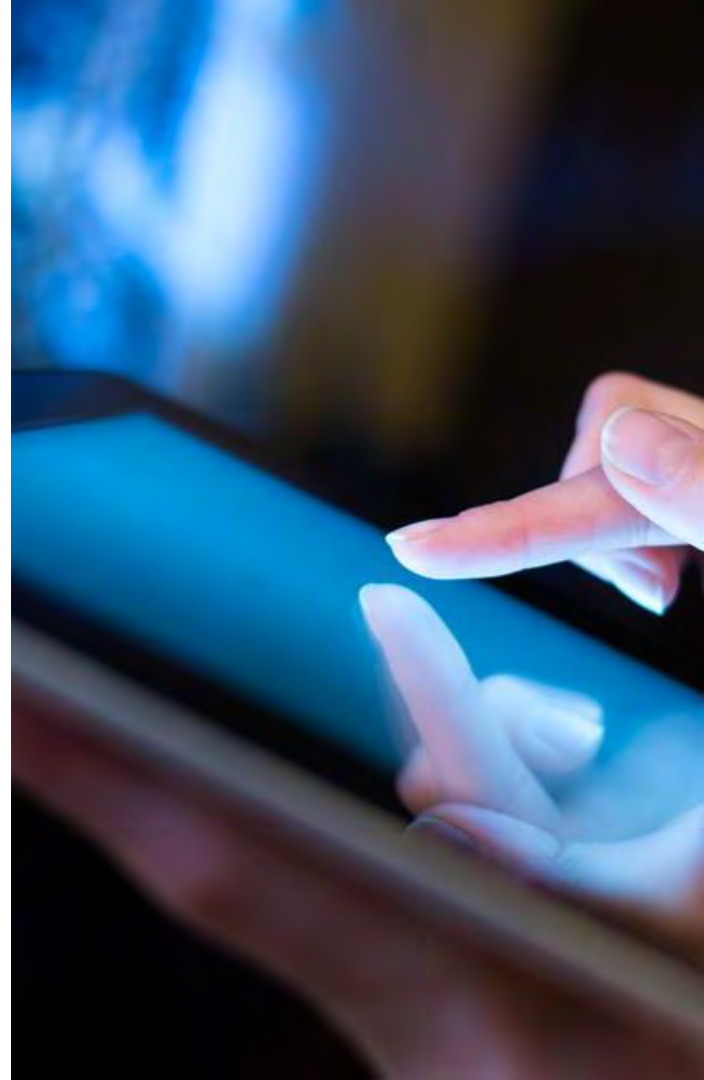
What it means to be citizen centric in government

For all levels of government, taking a 'journey' lens to customer experience is essential to improving their overall wellbeing...

Overall wellbeing	Overall life satisfaction through economic, social and personal interactions and relationships
Life experiences	The set of journeys experienced across all aspects of life that taken collectively shape overall wellbeing (e.g., getting married, having a child, going into retirement)
Government service experiences	The set of journeys experienced with each government service directed to improve aspects of life (e.g., getting a marriage certificate, applying for child benefits, receiving retirement benefits)

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Effective local government is optimized to meet the needs of both residents and businesses

Individuals

- Engage In the community
- Entertain
- Live
- Work
- Manage health
- Learn
- Move
- Manage Family

Businesses

- Trade
- Establish
- Build Capabilities
- Promote

Mayors must balance growing engagement channels to meet resident and business demands

Citizens are increasingly willing to **publicize their opinions around public services,** often with strong feelings about the role played by city officials

The overload of data from several channels makes it hard to **prioritize key issues** and **establish an effective dialogue** with citizens and businesses

The disconnect between city management's **perception of its citizens' demands** and the **actual demands** leads to frustration and public disapproval

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Digital channels and data can be used to increase citizen engagement and factor in their priorities in policy making

	Bogota	Santander	Santa Monica
Goal	Encourage participation, usage and integration of services for citizens	Encourage participation, usage and integration of services for citizens	Gain insight on issues that affect citizens, and work toward their overall well-being
Approach	• Bogota's platform **provides 53+ online citizen services in 8 different areas**: Culture, education, economy, transport, environment, social services, health and households • Services are also organized by life situation, occupation, role and gender identity, **focusing on citizen needs**	• **Developed a smart phone application to improve communication called "Pulso de la Ciudad" ("Pulse of the City")**. • It allows citizens to report: status of parks, gardens, streets, report traffic, provide awareness of incidents, of obstacles like potholes in roads	• Developed the Santa Monica Wellbeing Index, which **leverages data from large surveys, social media and 20+ departments and statistical datasets** to understand what matters to people's wellbeing • Used to engage citizens and businesses on community issues
Outcome	• Enabled **2,000+ websites for different Government institutions** over the last 10 years • Integrated several government institutions such that **citizens can access a whole host of government services through just one website**	• The program **started in 2012** as a pilot but its success ensured that it was quickly completely deployed • Recently **launched Santander City Brain Eco**, an initiative to make Santander an international benchmark in sustainability. They have **received 2,000+ ideas over 26 contests organized**.	• The index is used to **inform allocation of resources**, shape policies and guide priorities of the administration • Helped build on existing effort to **track progress on environmental health, land use, economic development and housing**

Time for a quick poll

Please use your computer or mobile device to visit Menti.com

Use code: 78 12 68 7

Answer the first question

Would you find value in using an engagement tool (e.g., surveys, social media, etc.) to identify residents' biggest pain points and priorities?

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Trend 1: more and more governments are going "all in" to create comprehensive digital strategies

Digital frontrunners

A few countries have successfully implemented comprehensive programs to digitize public services

Denmark

Citizens and companies access all public services via national portals

Estonia

All public services available on national portal, seamless exchange of government data for service delivery

United Kingdom

National portal as a one-stop information hub and service portal for all government departments

Ambitious followers

Many countries are now starting very ambitious programs to follow suit (this is just a selection)

Germany

Legal mandate to make all public services available online by 2022 (~575 services)

Dubai

Goal to make all public services available via mobile app and go completely paperless by 2021

Australia

Envisions all government agencies to use digital platforms as major channel of service delivery by 2020

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10^s entities

1000^s disconnected services

Entity A

Entity B

Entity C

Entity D

Entity *n*

... local governments need to optimize end to end customer journeys

~ **100**   *Customer-centric journeys*

		Start a family					Own a car					Start a business	

10ˢ entities

Entity A

1000ˢ disconnected services

Entity B

Entity C

Entity D

Entity *n*
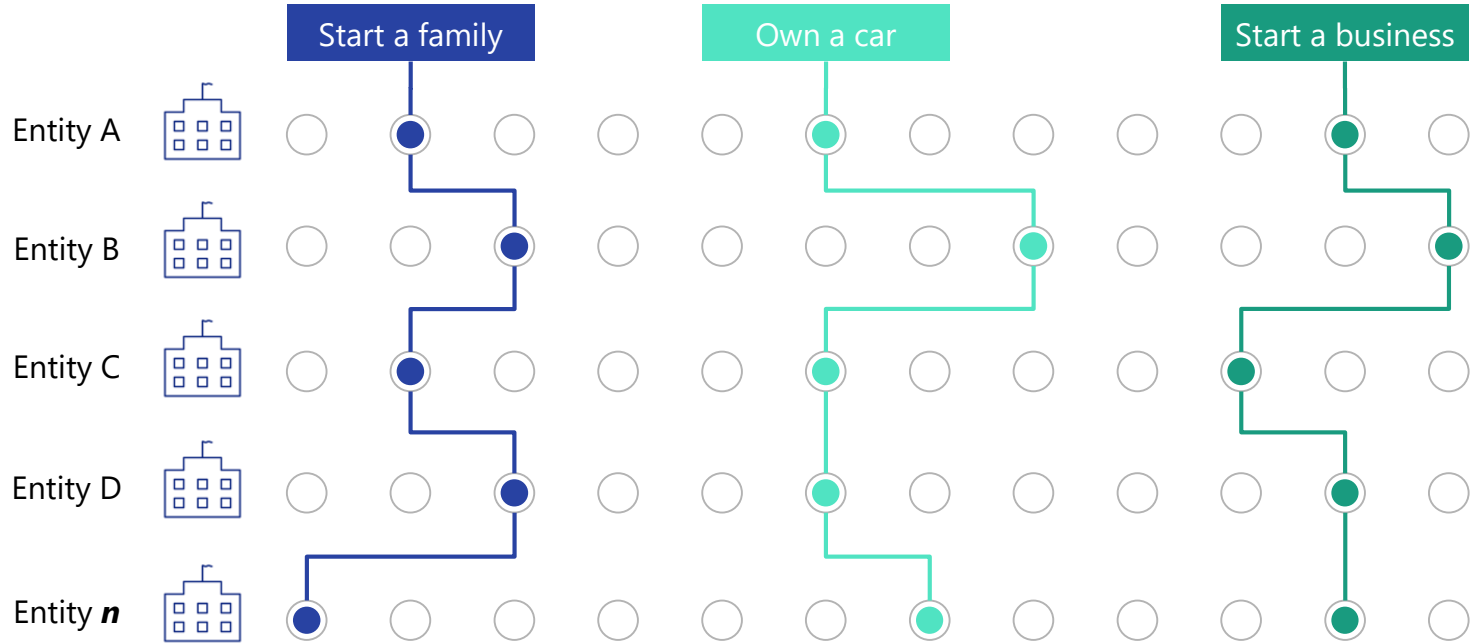
Trend 3: Governments must innovate beyond the online form to fully optimize service delivery
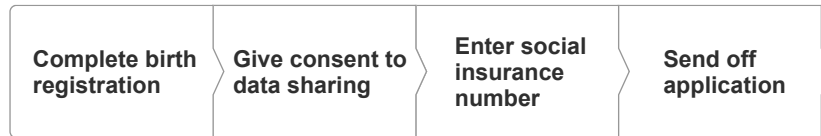
Proactive services
E.*g., Automated child benefits in Canada*

Automatic application to child benefits when completing birth registration

Parents just need to consent, all required data is then sourced from the relevant registers

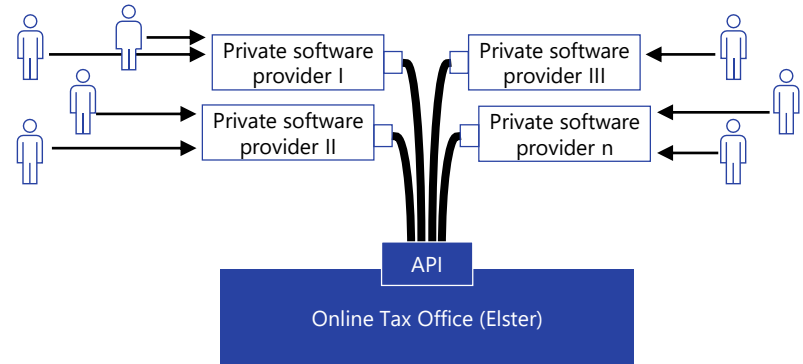| Complete birth registration	Give consent to data sharing	Enter social insurance number	Send off application

Government as API
E.g., tax returns in Germany

Citizens and companies can use tax office portal or submit their returns via 3rd party software

Software providers offer wide range of different tools, catering to specific needs of different user groups

Governments at all levels need to think and act differently to deliver better citizen and business journeys

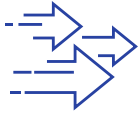|	**Traditional model**	**Future model**
Governance	Organized by sector/function	Organized around outcomes and customers
Technology	Use technology to improve processes and services	Use technology to redefine the role and interaction (Government as a platform)
Providers	Act as a siloed monopoly	Integrate deeply with the private sector from inception and throughout
Talent	Provide life-long and linear career path	Endorse agile organization with continuous re-skilling
Enablers/ Governance	Encourage competition among government entities	Foster collaboration and sharing to deliver E2E customer experience

Achieving digital transformation is not easy: Organizational barriers such as siloes and culture are the most frequent

Percentage of answers; Total = 2,135 answers

Organizational DNA

Statement	Value
We are too siloed (i.e., our functions and business units do not work effectively together)	29
Our culture is averse to risk and experimentation	26
Across the organization, we do not have a single, consistent view of what our customers want and need	25
There is no common understanding of our company's culture or strategy across the organization	20

Speed

Statement	Value
We take a long time to make a decision based on the data we have	20
We are unable to reallocate resources quickly	17
Required sign-offs take a long time to obtain	15

Agility

Statement	Value
Senior management does not delegate decisions to those in lower levels of the organization	15
Our frontline employees are not empowered to take ownership of decisions in their areas	13

Others

Statement	Value
Other	4

Source: McKinsey Global Institute
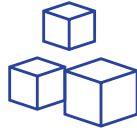
How to get it all done

Agile service design

Design new prioritized citizen-oriented services with agile approach for 50-75% faster success

User journey approach to bundle individual services

Use of agile methods adapted to public sector context

Rapid delivery of prototype for national rollout

Scalable IT platform

Create a modern IT platform that enables fast development and launch of new digital services

Basic components reused in all service journeys (e.g., digital ID, secure mail)

Binding technical standards for interoperability and security

Integration with public registers and databases

Smart program management

Build alignment and effectively coordinate departments and geographic units

Joint vision established in a collaborative process

One implementation method with division of labor

Consistent user focus as leading decision criterion

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Which citizen engagement and digital services themes are you most excited to explore during the ICC?

Individuals

- Engage in the community
- Entertain
- Work
- Learn
- Live
- Manage health
- Move
- Manage family

Businesses

- Trade support
- Establishing businesses
- Promotion and marketing
- Build capabilities

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Where do you see the biggest challenges to successfully deploying these solutions?

a) Technical implementation

b) Organizational culture and agility

c) Convincing customers (residents and businesses) of benefits

d) Data privacy and data security concerns

e) Ensuring equitable reach and access to the public

f) Other – please specify

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Use code: 78 12 68 7

Questions for discussion

Added value of customer / citizen orientation – What opportunities does a stronger customer / citizen orientation offer for citizens, businesses and the administration?

The citizens and businesses as a customer – Where is your city and what are the most important priorities on your journey to becoming a citizen-friendly administration?

Digitalisation as a solution – What role does digitisation play in the citizen and business experience?

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