KPMG

cutting through complexity

Services to Local Government

Improving access to and efficiency of public services with eGovernment

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In today's fast-paced, digital world, people are seeking greater efficiency and productivity out of their interactions with government. According to the KPMG report *Future State 2030: The global megatrends shaping governments*, **enabling technology** is one of the nine megatrends that will significantly impact the business landscape for the public sector. At a local level, this greater access to technology means that many city residents and businesses are also demanding the same electronic access to city-based services. This access goes well beyond providing online information about city services to the ability to conduct interactive transactions electronically, from updating a profile (e.g. marriage status), to applying and paying for services (e.g. child care, swimming lessons, property taxes), to receiving confirmation when service requests are completed or permissions have been granted (e.g. building permit, business license).

Inefficient and ineffective access to city services

Today many city governments are only accessible to residents and businesses during normal business hours throughout the work week (for example, from 8:30am – 4:30pm Monday through Friday). These time constraints make it difficult for customers to access city services without taking time off work and are further compounded by the fact that government offices are often crowded at inconvenient locations. These customer inconveniences lead to unwelcome delays, longer turnaround times for service requests, and from the city's perspective, higher service delivery costs.

eGovernment increases electronic access to public services and simplifies processes both from the customer's perspective but also for the city administration.

What is eGovernment?

KPMG has adopted the following definition of eGovernment: *a government that uses technology to empower its residents, businesses and employees through greater use of technology and online access to services. eGovernment also enables partners to leverage services offered by these other delivery organizations and provides strong bi-directional communication linkages to citizens and elected officials to foster open government.*[1]

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1.   KPMG International, 2014.

There are a number of potential benefits to eGovernment:

》》 **Remove service access barriers**, such as limited service availability (hours of operation) and inconvenient service delivery locations. Through electronic service delivery, city services can be delivered over the Internet whenever and wherever, such as a home/office computer, or mobile device.

》》 **Reduce the cost of delivering services**. By providing electronic access to services, the cost of delivering the service is reduced to pennies per transaction compared with potentially hundreds of dollars to provide the same service over-the-counter or in-person.

》》 **Greater service visibility by 'bundling' services.** Customers can take advantage of all relevant services by conveniently grouping services together by audience or need (e.g. seniors, the unemployed, property owners, etc.).

》》 **Stay competitive with adjacent and/or comparable cities** that are using electronic service delivery as an economic advantage. For example, in order to build the ideal investment environment, the Economic Cities Authority (ECA) in the Kingdom of Saudi Arabia provides government services electronically within 60 minutes, 24 hours a day, 7 days a week.[3]

A KPMG study conducted in Canada revealed that between all levels of government (federal, provincial and municipal) there were 212 services delivered to seniors at any given time, with no mechanism to access all the services in one convenient location.[2]

How KPMG can help

KPMG professionals work with city leaders to help create high performing local economies. KPMG member firms offer integrated services for cities around the world in key areas, as illustrated by Figure 1:

Figure 1: KPMG's city services proposition

Source: KPMG International, 2014

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2. KPMG International survey, 2003.
3. KAEC Overview | King Abdullah Economic City

What about smart cities?

A smart city applies information and communications technology (ICT) to solve problems. Broadly speaking, ICT enables cities to do three key things: collect data, communicate data and analyze data.[4]

While many civic administrations are intrigued by the term 'smart city', it's important to note the difference between a smart city and how a city might leverage its service delivery through eGovernment services to become *smarter* in the delivery of its services.
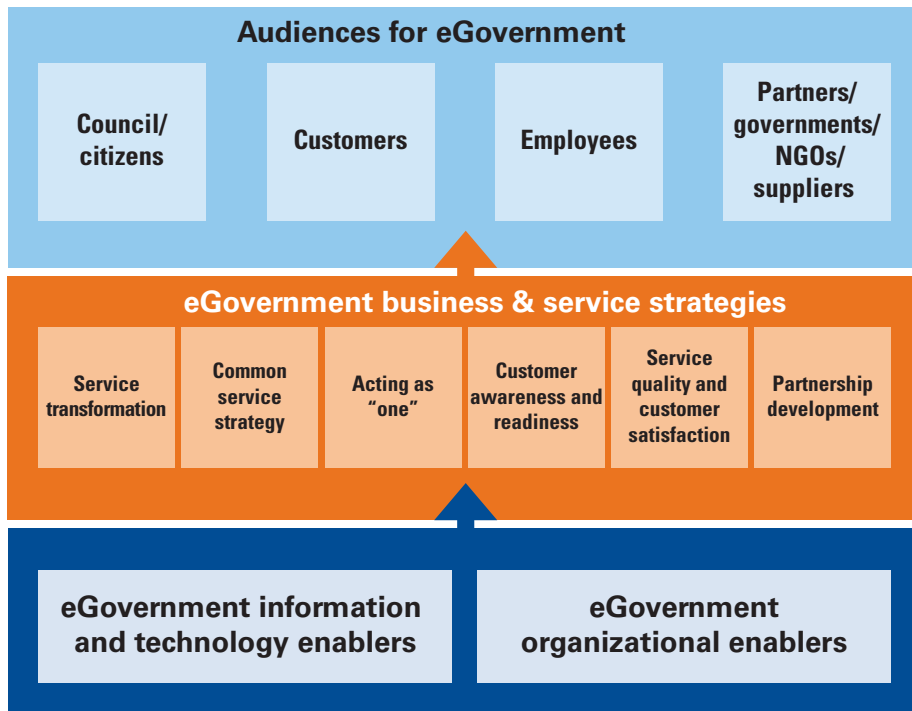
KPMG member firms work with local governments to develop and implement eGovernment strategies and implementation roadmaps that improve the delivery of public sector services through the use of ICT. As illustrated in Figure 2, KPMG's approach focuses on three major components of eGovernment: business and service strategies, information and technology enablers and organizational enablers that effectively address the delivery of public and internal services to four audiences:

- council/citizens
- customers (e.g. residents, businesses, property owners)
- employees
- partners/governments/non-government organizations (NGOs)

Working with local governments, KPMG helps clients address the following elements through business and service strategies:

⟫ **Service transformation –** Define a culture that promotes the service language based on customer-centricity including the capability of bundling services to increase transparency and accessibility for residents.

⟫ **Common service strategy –** Seek opportunities across departments and business units to deliver services through a common approach, such as a common payment or common registration system.

⟫ **Acting as 'one' –** Collaborate among and between departments to deliver like-services.

⟫ **Customer awareness and readiness –** Engage residents and businesses to determine their readiness to accept and leverage alternate service delivery methods.

⟫ **Service quality and customer satisfaction –** Assess and measure the efforts that the city has taken to achieve desired results.

⟫ **Partnership development –** Work with other service delivery organizations to access services that are often provided to the same audience.

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4.   Smart Cities Readiness Guide: The Quick Tour

Figure 2: Building blocks for successful eGovernment solutions

Audiences for eGovernment			
Council/citizens	Customers	Employees	Partners/governments/NGOs/suppliers

eGovernment business & service strategies					
Service transformation	Common service strategy	Acting as "one"	Customer awareness and readiness	Service quality and customer satisfaction	Partnership development

eGovernment information and technology enablers	eGovernment organizational enablers

Source: KPMG International, 2014

KPMG member firms also take into account two categories of enablers to support the business and service strategies, which are critical to the success of any eGovernment program:

≫ Information and technology enablers – Create an IT environment that can:

- Establish information standards
- Develop enabling technology infrastructure
- Rationalize application solutions
- Build common components
- Deploy appropriate security and privacy measures
- Infuse enterprise architecture principles to manage the complex transformation towards eGovernment

≫ Organizational enablers – Commission an eGovernment program office to help:

- Provide oversight to the eGovernment program
- Align policies
- Commit resources
- Build capacity
- Manage change and risks
- Report maturity of the eGovernment program
- Manage the portfolio of eGovernment projects

KPMG's eGovernment services

KPMG member firms help cities develop, implement and measure an eGovernment program through six specific services:

1. **eGovernment current assessment service –** Assess a city's current eGovernment position, which may include an international comparison of leading practices.

2. **eGovernment target state development service –** Work with key city stakeholders to, establish a realistic target state to successfully achieve the 20 components of KPMG's eGovernment program for the next three-to-four years.

3. **eGovernment project identification and prioritization service –** Assess a city's portfolio of current ICT projects and profile additional city projects – including estimated costs, resources and timelines – to achieve the intended target state.

4. **eGovernment implementation roadmap development service –** Develop an eGovernment program plan and timeline, which can be used for preparing annual budget submissions, as well as guiding an eGovernment Program Management Office (PMO).

5. **eGovernment integrated service delivery design service –** Design integrated service delivery operations to help cities better understand the policy, procedure, organizational and ICT architectures required to implement selected services.

6. **eGovernment quality assurance/independent verification and validation service –** Assess five different components of the eGovernment program's success, including risk, project management, deliverables, performance and process, and offer expert advice to make program corrections when the components fail to meet stringent controls.

Case studies

Major Canadian city
eServices strategy plan

A major Canadian city engaged KPMG in Canada to complete an eServices strategic plan that set out a broad ranging five-year implementation roadmap consisting of 73 projects spanning 13 portfolios.

As a key element of the engagement, the firm identified three major service bundles aimed at serving businesses, residents and visitors, as well as criteria so that users can readily relate to categories, including lifecycle stage (e.g. youth, adult, senior), target groups (e.g., homeless, unemployed, etc.) and needs (e.g. shelter, development, etc.).

The city extended the groundbreaking work for KPMG in Canada to define a new city organization – the service office – and its role, responsibilities and performance metrics.

Arab State
eGovernment program business consulting services and service reengineering

A leading state in Saudi Arabia commissioned KPMG in Saudi Arabia to develop a conceptual model of their eGovernment program. KPMG established a detailed eGovernment operating model, which included details about each of the eGovernment services; a governance and organizational structure to oversee the implementation of eGovernment over four years; detailed policies, procedures and processes for 50 existing services; and a target state for full automation across four vertical service groupings.

As of a result of KPMG's work, the Arab state is set to achieve its goal to effectively implement 500 e-services by the end of 2015.

Major Canadian city
eGovernment strategy and roadmap

To establish a benchmark, a major Canadian city engaged KPMG in Canada to assess where the city stood with regard to eGovernment excellence.

After completing the initial assessment, KPMG measured the city against five other eGovernment maturity levels and developed a target state for the next four years. KPMG in Canada then compared the maturity model to another major Canadian city to map out the five stages of maturity so the client could attain the 20 eGovernment components.

The result produced the client's eGovernment roadmap, which included 36 eGovernment projects within three broad portfolios.

Contact us

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