



AVOIDING **Future-Shock**

A Manifesto for Citizen-Centered Government

CITIZEN
2015

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Foreword by David Moody

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This paper addresses very important issues at a very important time.

At Verint we work with government at a national, regional and local level in many countries across the world and we find that most government organizations are facing similar issues: reductions in budgets; demands for greater public spending accountability; and better, more accessible service provision for citizens.

Our solutions are designed to enable government organizations to address these challenges by, for example, enabling citizens to transact successfully online and equipping government employees to provide a better service to tax-payers. And while we try to ‘develop-ahead’ of where we think the market is going – and have successfully helped lead the change in the past with technologies like open services – we no more have a crystal ball to predict the switchbacks of history than any other vendor, particularly as we look ten years into the future. And, at present, there are fundamental changes happening in society for a variety of reasons that make the future even more unpredictable. These changes will affect us and other businesses. The purpose of this report – authored by the Citizen20Series team – is to look at how things

are likely to change for the citizen and for government in the coming years. We can’t be sure, of course, but it’s worth speculating a little and getting more prepared for change.

The 2008 crash is still sending ripples across government. Many national governments are still wrestling with huge debt burdens and sluggish growth. This has a consequence in terms of constrained spending across all levels of government. Meanwhile, as well articulated in this paper, people are beginning to define themselves less as consumers or employees or shareholders – and more as citizens. As citizens they want companies to be more like government in terms of offering protection and ethical trading to their customers. But they also want government to behave a bit more like commercial businesses – offering a quality of service and putting citizens at the centre of what they’re doing. In short, behaving a bit less like government and bit more like companies that are respected for superlative levels of service.

The paper also touches on the growing importance of cities. A majority of the world’s population, according to the United Nations, now lives in cities. Cities are grabbing more and more power from central governments. Many central governments are keen to oblige. The recent ‘Northern Powerhouse’ initiative by the UK government is an indication of the extent to which cities are now seen as economic

generators and centers of innovation. In the United States devolution of power to cities has been happening for decades.

The 2008 crash is still sending ripples across government. Many national governments are still wrestling with huge debt burdens and sluggish growth.

We are very proud to work with some of the most wonderful city administrations around the world – for cities like New York, San Francisco, Minneapolis, Buffalo, Toronto, Glasgow, Westminster, Newcastle and Brisbane. We recognize that it’s inevitable that many cities will start to take on more responsibilities and that the services they provide will be underpinned by technology. As Smart City initiatives take hold city authorities will start to roll-out much more sophisticated and secure solutions to allow their citizens to thrive and be safe in the city environment.



But whether it's at a national, regional or city level, citizens expect more and they expect the governments they fund to provide the services expected of them. This means making it easy to find the information or services when needed and conveniently. It means behaving in a way that isn't arrogant. It means empowering the citizen with a 'digital first' approach which – crucially - is mutually beneficial to both the citizen and government. And it means building an infrastructure where a community spirit can be nurtured.

I would love to hear from you if you'd like to discuss this paper or any aspect of Verint's government products and services.

My contact details are below. Enjoy reading the paper.

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Background

From the highest level of decision-making to the front line of service delivery, we cannot just assume we know the nature of people's problems and what solutions would be best for them.

Steve Hilton in “**More Human**”

When we launched the Citizen20Series website in May 2015 we commenced a series of interviews with people in government, and in business. We have interviewed citizen activists, academics, politicians, consultants and civil servants. Many of the interviews have been featured on the website citizen20series.com

In most of the conversations we've had we've been trying to answer one particular question: how should government do a better job at engaging with citizens?

Some of the people we interviewed questioned the logic of this. For example, Dr Donald Norris, Professor and Head of the Public Policy Department at the University of Maryland, Baltimore County, questioned whether citizens really wanted better relationships with government. They might want to get some simple information or transact in some way. And technology has helped to make the process of

information provision and transaction rather easier. But, in Dr Norris' view, the grand vision for digital government hasn't really materialized.

To an extent this failure to deliver can be explained by history. Until fairly recently, politicians and civil servants defined the nature of the relationship between government and citizen. Taxes are collected and public services are provided. Therefore, citizen focused services have not really been the policy focus. And, perhaps, digital government never really addressed citizen needs anyway.

But this simple idea of service payer and service provider is changing. Several factors are playing a part in undermining the historically simple contract between citizen and government. And, inevitably, this will mean that the relationship will change. In fact it's already happening – shockingly fast.

This paper discusses these changes and suggests how things might have to be done differently in future to change the nature of the relationship in light of the changing nature of the contract between citizens and government. Shock is avoidable if we prepare.

A changing contract

One of the most fundamental reasons for the changing relationship between citizen and government is that government is, inevitably, likely to shrink. Austerity is the new-normal. But austerity is about a realignment of spending to a much lower level. Austerity implies that a correction is happening – that spending levels of the past need to be reduced to a more sustainable level. It's a correction that's inevitable. Government is likely to get much smaller.

The City of London generates some 22% of the UK's GDP.

Since 2008 most of the developed economies in the world have found themselves saddled with levels of debt and fiscal deficits that are very difficult to eradicate. While the United States looks down the precipice of a fiscal cliff, the United

Kingdom is passing legislation mandating that all future governments run fiscal surpluses during “normal” times. Such surpluses, however, seem a distant ambition given sluggish growth and productivity across most sectors. The zero interest rate policy adopted by many debt-saddled economies means that central banks' favorite policy instrument has nowhere to go.

The second reason is that citizens are becoming much more demanding – but not just in terms of the services they want from government. Rather, the concept of citizen (rather than consumer) is becoming more important. Everything is moving increasingly into the public realm. Large companies are now required to provide government-grade duties of care. Meanwhile, government is expected to provide customer-grade standards of service.

This idea, of the citizen rather than the consumer defining modern society, was wonderfully described by John Alexander of New Citizenship Project, a London-based think-tank. We interviewed him earlier in 2015.

“We tend to think that we occupy lots of different roles in society at different times...that we’re consumers and parents and shareholders and employers and employees...and that we step between these roles. But I think there’s a kind of meta-role that starts to infuse all those different things. When I think of the idea of the ‘citizen’ I think that we’ve been on a journey over the last century or so. There has been an evolution of the role of the individual in society. Pre-World War II the dominant idea of the individual was something like ‘the subject’ who gets what he is given, does as he is told, and will be looked after if he doesn’t ask too many questions. But then, through the 1950s to the 1980s, the idea of the consumer takes over. When seen in the context



of what came before ‘consumerism’ is a positive development – almost liberating. The idea of consumerism is ‘get the best deal for yourself, look out for number one’ and if everyone does that the best things for society will emerge. It brings freedom of choice, the right to complain, competition for standards, accountability in government services.

“But the idea of the consumer is starting to run out of road. Because we need to think of it in terms of those sub-roles we play. High childhood materialism, for example, has been identified as a primary driver for poor standards of childhood well-being. Good parenting is often seen to be providing ‘stuff’ rather than having time with our children. Similarly, as shareholders we often

expect merely to get money back from our investments rather than holding a share in the companies we invest in.

“The idea of the citizen is to take an active role in shaping the context of your own life...not just about getting the best deal but also about taking moral agency and shaping what you’re part of.”

Citizens are city-dwellers (the word, itself, has its origins in the Latin word *civitas* (which means city) and the middle-English word *deynseyn* (a person who lives in a particular place).

These days, cities attract the best talent, the most infrastructure spend and the most dynamic technology-driven companies. The result is that a

disproportionate amount of global GDP is now centered on some of the world's biggest cities. For example, the City of London generates some 22% of the UK's GDP. And many cities are being built for the future – by embracing more automated control systems, much better and smarter energy networks, faster and simpler to use transport systems and much better government services. The more cities develop the more attractive they become and the less they look and behave like the rest of the country they inhabit.

This is the triple-play of modern society: more citizen focused societies with citizens demanding more than simply stuff; more technically sophisticated cities becoming the homes to the majority of our globe's citizens; government spending declining as governments struggle to repay debt.

The way we respond is critical. If our response is inadequate, future-shock is the consequence: declining citizen engagement with government, reduced democratic participation, and citizens increasingly dissatisfied with society and their perceived importance within it.

From Customer to Citizen

What evidence is there for this claim that people now consider themselves less as customers are more as citizens?

Well, needless to say, we don't believe that many people will have had Road to Damascus experiences – suddenly defining themselves less as customers and more as citizens. But there is evidence that citizen-like behavior is becoming much more prevalent. It is often misdirected. It often doesn't really know what it stands for. But civic movements from Occupy Wall Street to the open data movement illustrate that there's a tension within civic society that concerns many different types of people with different ideological perspectives and motivations.

It could be argued, of course, that such tensions have always existed. But the tensions are less defined by the politics of left and right. Indeed there is almost a meeting in the middle. Right of centre movements, it could be argued, have inspired public crusades against big government. Left of centre campaign groups have led public protests against big business. But often the arguments overlap. Right wing politicians like Dan Hannan MEP argue that big business – considered 'too big to fail' by government – works against free markets. Similarly, left of

centre politicians, like Jeremy Corbyn MP, leader of the UK Labour Party, have been critical of the EU because it is too big, lacks accountability and reduces the UK's ability to manage its own affairs. Corbyn and Hannan are at opposite ends of the ideological spectrum but both are mistrustful of big institutions that are seen to be distant, beyond control and unaccountable.

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But similar common ground arguments are being developed in more grass-root movements, think-tanks, and trade unions. There's a realization that there's something wrong in the system – that government has grown too big and unaccountable, that big business has become corporatist, and that citizens are often being ignored. Steve Hilton, a former advisor to UK

Conservative leader David Cameron, and now based at Stanford University in California, argues that both business and government needs to be more human. He argues that we need start designing a world where “people come first.” Movements like Sunlight Foundation and Code for America are tapping into this zeitgeist.

Therefore, putting citizens at the centre of things would seem to be a sensible idea – for government and for big business. If government is sustained by tax, big business is sustained by

profit. Citizens, these days, are not slow to point attention to the fact that profits and tax avoidance schemes are not supposed to make fat cats fatter. In short, business and government should be ethical and behave with appropriate modesty. Taxes and profit must provide superlative service.

Focusing on government, we need to ask to what extent this idea is understood. We need to wonder to what extent public bodies – and the people who run them – immediately think of

themselves as organizations that put citizens and citizen experience right at the heart of everything they do.

The road to a digital future

We believe that information is power, or, to put it more finely, disproportionate access to information is power. We are committed to improving access to government information by making it available online, indeed redefining "public" information as meaning "online."

Sunlight Foundation

To coincide with the Citizen2013 conference in London, back in June 2013, we interviewed Martha Lane-Fox, then the UK government’s ‘digital champion’. In the interview she argued that, in building solutions for citizens, the government – at all levels – needed to think about creating digital systems first. The idea of ‘digital-by-default’ was one that was popularized by Lane-Fox as well as the embryonic Government Digital Service (GDS). GDS was created in order to popularize the idea of digital-by-default across government, in an effort to



make government services more fit for purpose in a digital age. But it was also focused on efficiency and reform – making government services better at the same time as less costly to deliver in an age of austerity.

Many of the approaches to digital government that have been trail-blazed by GDS have been adopted by the equivalent organization in the United States: 18F. Indeed the overlap in philosophy between the two organizations was discussed at length by Noah Kunin of 18F in a video interview on citizen20series.com

It's interesting, also, that many of the brightest minds who are working for these digital-by-default focused organizations (and they have equivalents in other jurisdictions other than the United States and the United Kingdom) have entered government service from citizen activist groups like Sunlight Foundation (in the US) or MySociety (in the UK).

There's clearly a mountain to climb. Government service cannot immediately be delivered digitally, by default, instantaneously. There have also been setbacks. But the common thread that unites citizen-driven digital pressure groups and the digital-by-default lobby within government is a desire to put the citizen at the centre of things rather than at the periphery. From a technology point of view this means investing appropriately in technology rather than simply papering over

the cracks of legacy systems that will never be fit for purpose.

A commitment to digital

Citizens have changed. They are shopping online, watching television and video online, conversing online via social media, getting news and current affairs online – across a myriad of different connected devices.

Therefore, if government doesn't appear in this digital domain, doesn't participate, doesn't appear where citizens are – it starts to appear distant, enervated, and irrelevant.

Government can react in several ways. It can go through a denial phase – assuming that if citizens really need information enough they'll contact the contact centre or send an email. If other options aren't made available then they'll have no choice. But they will. They'll choose not

to make contact, choose to complain or just not bother doing anything – even if they have a legal duty to do so.

It's this citizen inaction that is at the heart of the issue. Citizens are often separated from the government they fund because they have real difficulty understanding the point at which a dialog can even start.

Sometimes there needs to be a clear starting point. The starting point needs to fall clearly into the citizen's frame of reference.

In Estonia, for example, the entire gamut of citizen services is pinned to citizen identity. The citizen identity card (and number) is the hub of all citizen services. Culturally such a system seems to work in Estonia. When an identity card system was suggested in the UK, many civil liberty groups reacted very negatively to the idea that the government should impose an ID card system on the population. But, in Estonia, putting citizen ID at the centre of everything seems to have ushered in a whole host of electronic government services remarkably easily. Citizens feel they own their own identity and have control of and access to the information held on government systems.

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But even where citizen ID is more challenging, the fact is that when citizens engage with government they provide information, augment the relationship, provide indicators that they might need support from different agencies. If systems don't allow critical information to be collected in the first place it's impossible for it to be acted upon.

In short, putting citizens at the centre of things, giving them the ability to engage across multiple channels, and giving government the ability to build knowledge based on historical engagement are the routes to better citizen engagement.

Not all government bodies – at local, city, regional or national level – have the necessary internal skills to deliver services in ways that put citizens at the centre and understand the nature of the citizen experience. And it's also critical to realize that one-size doesn't fit all in

government. Being able to provide a solution for a limited set of national government processes is fine, but it is a mistake to assume that the same approach might scale down to a local government organization that has far fewer technical skills but hundreds of diverse processes to enable.

Getting user experience right is a constantly evolving process. Moreover it's not just about user experience – it's also about judging how user experience can be enhanced without necessarily re-creating processes that were designed for a pre-digital age.

Open data, and open services driven by standards such as Open-311, present opportunities for the private sector to get involved in providing more services outside of government – building new informational portals or services on the back of publicly owned data.

Over time it seems likely that as more open data models are made available government can focus more and more on complex services that need more engagement time and more frequent interactions. As citizens engage more using their chosen channels – like social media – they can be helped and supported more by other citizens and suggested appropriate services by systems designed to make such suggestions based on patterns of interaction.

In short, open data opens up the opportunity for more open services in the future. Systems can be built around citizen need, complex needs can be pushed to the top of the pile and knowledge engines can support citizens – e.g. with pre-populated application forms – just when they need them. Technology is there to support rather than to create processes that simply don't relate to citizen need.

National and city dimensions

Every locality generates data. It's impossible at this point not to be generating data because you probably have a utility system that generates water, because you've got to bill them somehow. You have an ambulance service. You have a fire service. You have a police service. You have businesses that are licensed in your town. You've got roads that people travel. You actually have in those a tremendous untapped resource that you can look at to solve the problems that you're facing in terms of meeting your obligations to deliver those services. So I'd tell cities the first step is to look inward. The answers really are already there. They just need to decide to take that first step.

New York's Mayor's Office of Data Analytics, Mike Flowers **(from an interview with the Policy Exchange, October 2015)**

The future is likely to be one where more and more people live in cities. For future cities to sustain themselves they need to get smarter, more aligned to the needs of citizens that choose to live in them. The most successful

cities are getting much, much bigger and more populous.

As national and state governments become increasingly gridlocked by partisan politics, lack of consensus and massive budget cutbacks, cities have been assuming an increasingly important role as engines of national economic growth. This is a fascinating trend that we've looked at in some detail on our website Citizen20Series.com

We have noted a number of interesting trends. Cities are, for example:

- teaming with surrounding municipalities - forming "metropolitan alliances" to craft joint strategies for economic development and promote investment;

Cities have been assuming an increasingly important role as engines of national economic growth.

- collaborating with private industry, academia and community groups to put into action projects and smart investments that will enhance their cities' global economic competitiveness;
- fostering innovation to develop creative solutions to their economic challenges and create economic competitive advantage;
- in some instances, assuming greater powers and responsibilities – often as a result of negotiations with their national governments.

In the UK the government recently launched a Northern Powerhouse initiative which will include greater devolution and fiscal autonomy for cities of the North of England, including Manchester.

Within the United States, the Brookings Institution teamed with JPMorganChase in 2012 to form the Global Cities Initiative – a \$10 million, five-year project aimed at helping the leaders of US metropolitan areas strengthen their regional economies by becoming more competitive in the global marketplace. At present, 28 metropolitan areas are participating in GCI's Exchange Program that helps cities "develop and implement regional strategies to boost global trade and investment, forge partnerships between U.S. and international metropolitan areas, and advocate for state and national policy changes."

So what does it take for a city/metropolitan area to succeed? According to Bruce Katz, co-director of GCI and Vice-President at the Brookings Institution: “Cities and metropolitan areas have important roles and responsibilities—land use, zoning, managing our children’s education and housing our institutions of higher education as well as our biggest private companies and leading-edge entrepreneurs. All that taken together is the innovation ecosystem that drives economies forward... Cities and metropolitan areas are succeeding because they have the assets that the economy requires and the infrastructure to move people, goods, energy, services and ideas. They’re home to incredible innovation — not just idea generation but also production, advanced manufacturing and skilled workers.”

In this context, city planners need to think about the systems they will need to sustain themselves now and in the future. These systems are likely to get smarter and more reliant on smart transport systems, smarter environmental monitoring and sensor networks – that is, ‘Internet of Things’ devices - monitoring and managing many aspects of city ‘health’.

But the smartest cities are those that harness the citizens that live within them – and the information they want to share, with each other and with the city itself.

The Future

In our view the future will be much more citizen defined. Citizens will expect to do things for themselves much more. They will be defining the nature of the relationship they will want with government, business and their built environments by voting with their feet. They will be living, more and more, in cities. They will be demanding more accountability from government. They will see less and less demarcation between the organizations they depend upon and whom they finance. They will demand services just in time and using the channels of their choosing.



Our Manifesto for Citizen-Centered Government is simple. Government will be ready for the future if it embraces these things:

- Services need to be designed around citizens rather than existing systems or processes
- Services need to pay due regard to the context through which citizens choose to consume them
- The government service challenge should be to know what’s happening and be able to pre-empt service provision before it’s asked for
- Open data provides a route to open services, provided by government or third party organizations
- The outcome is the thing: not the technology, people or process

The alternative is future-shock: processes no longer fit for purpose; cities failing to deliver; funding no longer available to provide adequate service provision; citizens remote and unengaged; cities and nations failing.



Conclusion

While we can't predict the switchbacks of history, we can say that the future of government will be more digital. And this presents government organizations with an opportunity to avoid future-shock. Digital citizens want digital access to services. And digital employees need digital capabilities to service the digital customer. Done properly, the focus can be delivering on the outcomes rather than falling short by simply implementing technology that doesn't go far enough, accepting existing customer or employee behaviors rather than seeking to change them or by making tweaks to existing legacy processes than rather changing them end-to-end.

In short, governments must fully embrace the citizen in the future; otherwise they are in for a shock...

www.citizen20series.com

About Citizen 2015

Citizen 2015 is all about how citizens interact and engage with government. The program includes a web portal, video and audio interviews, white papers and events. The nature of government is changing because the world is changing. Citizens have higher expectations of the services they expect from government because of the experiences they receive in the commercial world.

Technology has transformed how people communicate, consume services, interact with each other and with business. As a result, government – local, regional and national – is having to adapt. Resources are being squeezed at the same time as citizen expectations are increasing. Therefore, more has to be done with less. We feature perspectives from those who are thinking about government services: civil servants, politicians, academics, technologists and commentators. Citizen 2015 has been developed by Quadriga Consulting, a technology focused think-tank, and is sponsored by Verint.

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