# Criticality of Business and Technology Collaboration

Applying EA as common sense to the Digital Transformation of Public Administration Services.

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Agenda - Summary

- Digitization of public administration up to its digital transformation is never the task of the IT department and certainly not a matter of implementing some SW and HW.

- We know about it in the Czech Republic, because we are not good enough at it, it is our big challenge.
  - In eGovernment, we followed the path of legislation and IT solutions, but we are lagging behind in changes in administration and thinking of officials and clients
  - We underestimated the investment in experts -> existing officials will not digitally transform themselves and start delivering services even by buying trains of technology
  - This is also a lesson from the history of our eGovernment – see The Open Group Case Study

- New knowledge of systems thinking must also be used.
  - Although Enterprise Architecture is just a bit of formalized common sense.
  - Experience proven in business must also be applied in Government

- The organizational structures of transforming organizations must also adapt to new tasks and new professions:
 - Applying EA to organizational structure = organizational architecture
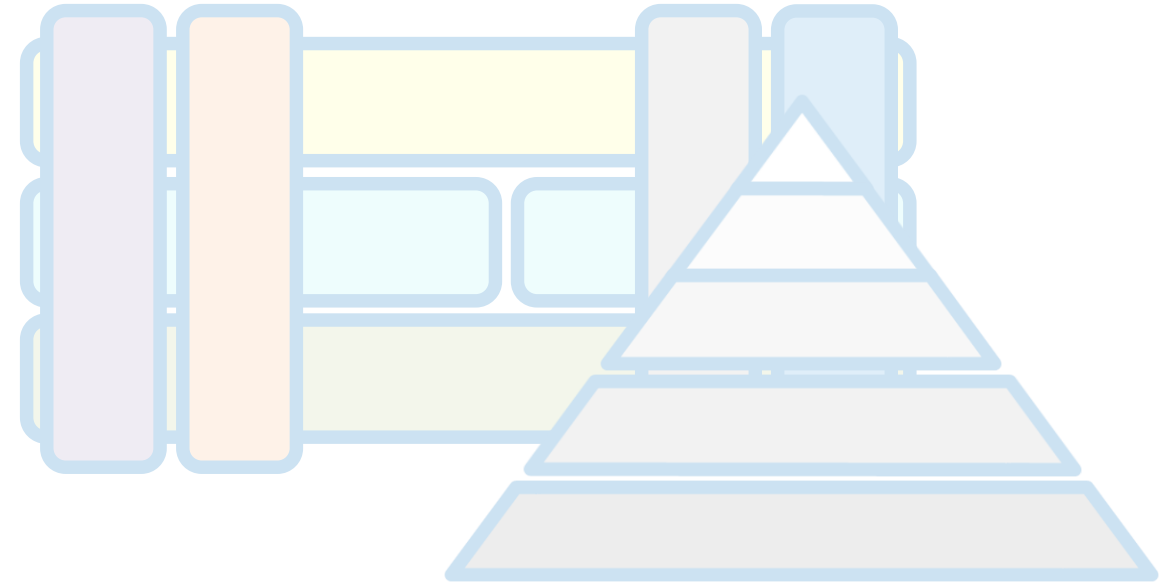
History and Present of the Czech eGovernment

From The Open Group Case Study, 2022

Major milestones of digital services in Czech Public Administration

- 2000
  - legal precondition: equivalence of electronic and traditional documents and signatures

- 2009
  - front-end: guaranteed electronic filing and delivery channel - Data boxes
  - front-end: nationwide unified and integrated assisted counters with central services - Czech POINT

- 2012
  - back-end: central base registers (master data) and integration platform

- recent past
  - front-end: central transaction portal and growing number of self-service public administration services
  - key prerequisite: unified electronic identification of public administration clients – citizens

- and near future
  - integrated multichannel & multilevel customer care centre
  - Mandate Register - electronic power of attorney and representation (for physical persons and organizations)

Czech eGov History – today
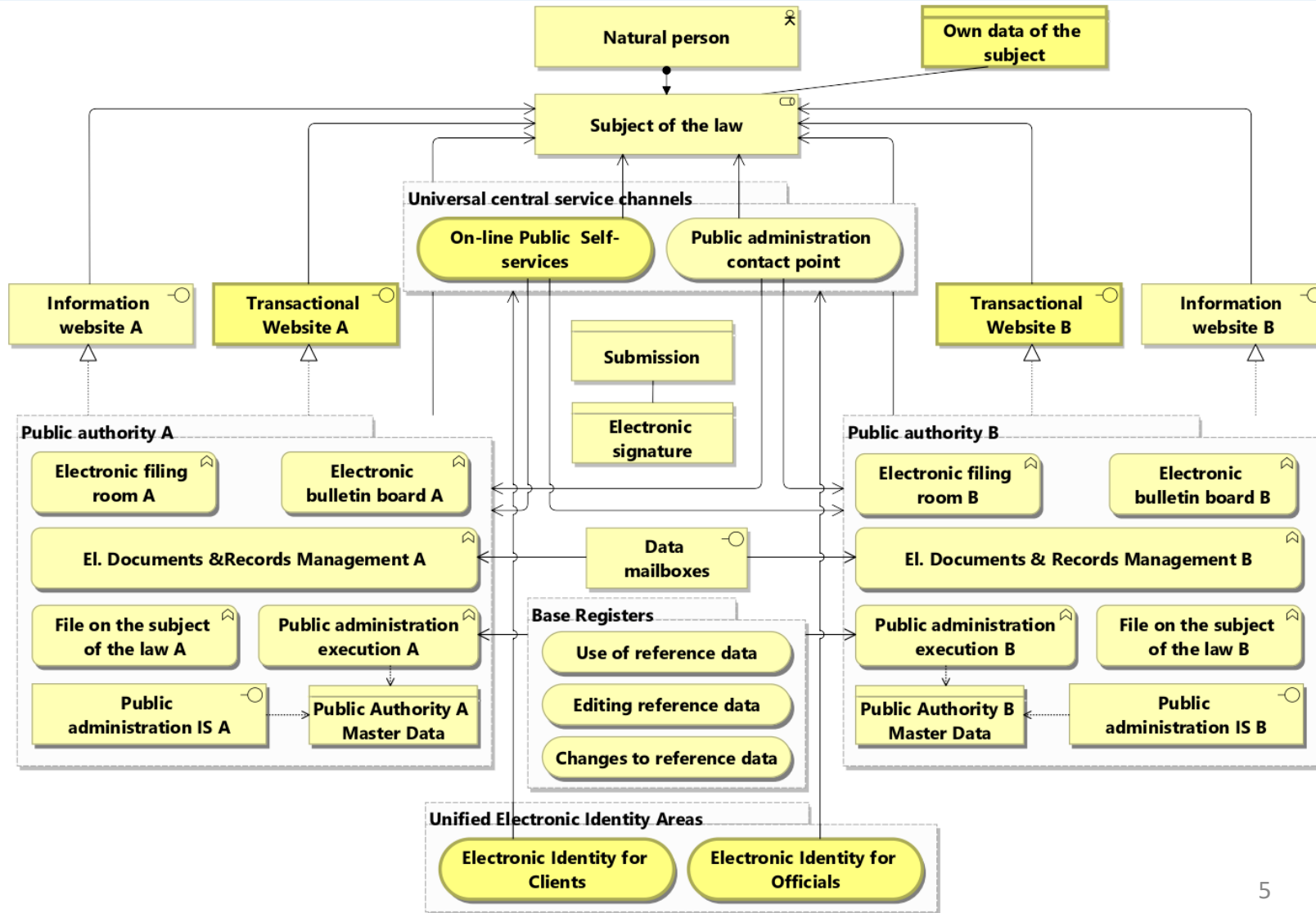
Czech eGov History – near future
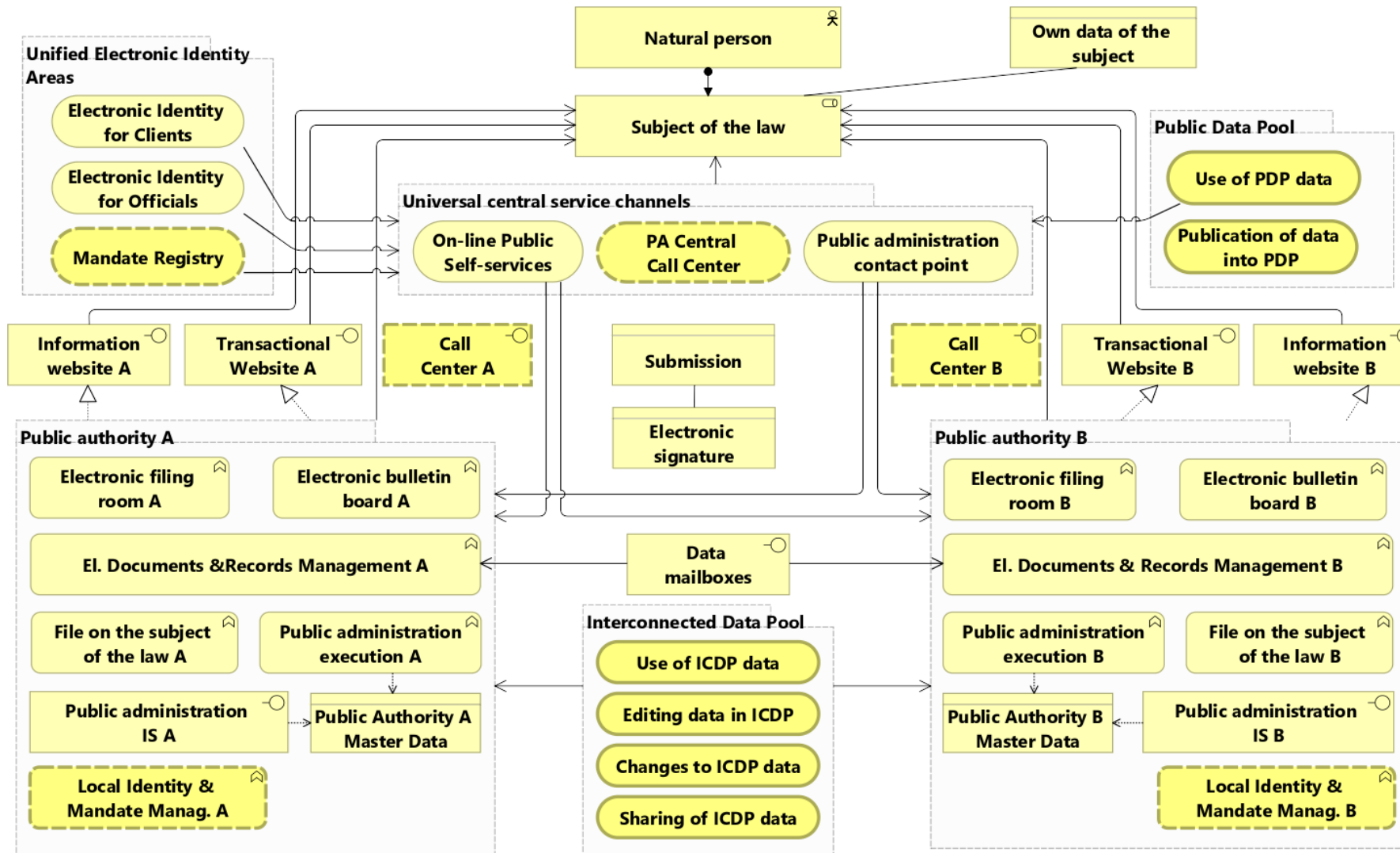
Paving the way ahead

- Expected further increase the pressure on the delivery of services to clients, but also for sustainability of change and continuous improvements - focus to <u>transform authorities inside-out</u>.

- This means in particular:
  - ensuring human resources and knowledge
  - adding transformation roles and processes – ability to change
  - adding new roles and processes - especially service management and client relationship management
  - adding optimized shared services for agencies
  - transforming also ordinary things, such as the daily operation of agencies.
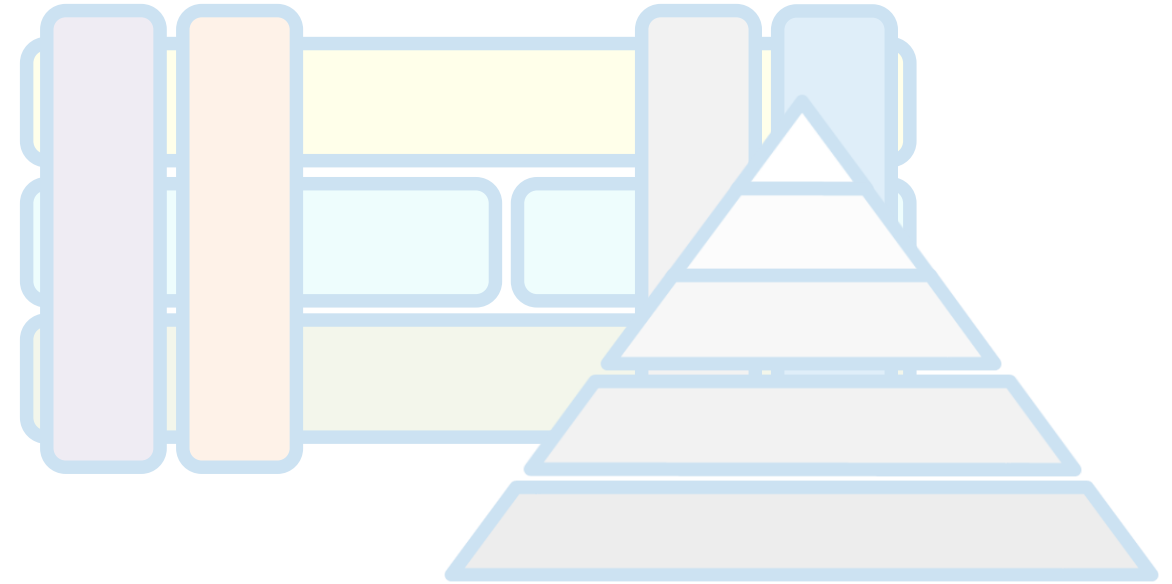
What we are using and teaching

Examples of Methodology Content

Enterprise Architecture definition

Enterprise Architecture

is a means

of humble and holistic

exploring and understanding

of the Enterprise as a whole

in all possible consequences

to make informed decisions.

It is especially important „to call a spade a spade", it means to speak clearly and directly about things, even embarrassing or unpleasant things.

Key building blocks
of Government organization – level 1

What every public administration organization must consist of?

External Environment	Public Services Execution	Motivation& Governance
	Resources and Liabilities	

Key building blocks
of Government organization – level 2+3 (partly)

**Model of the overall decomposition of eGovernment and each of its parts
(segment, corporation, agency, organizational unit).**

External Environment
- Politicians, Deputies, Representatives
- Community, Society
- Clients - Subjects of Law
- Things - Objects of Law
- Partners (Public Agencies, Businesses, Academics)
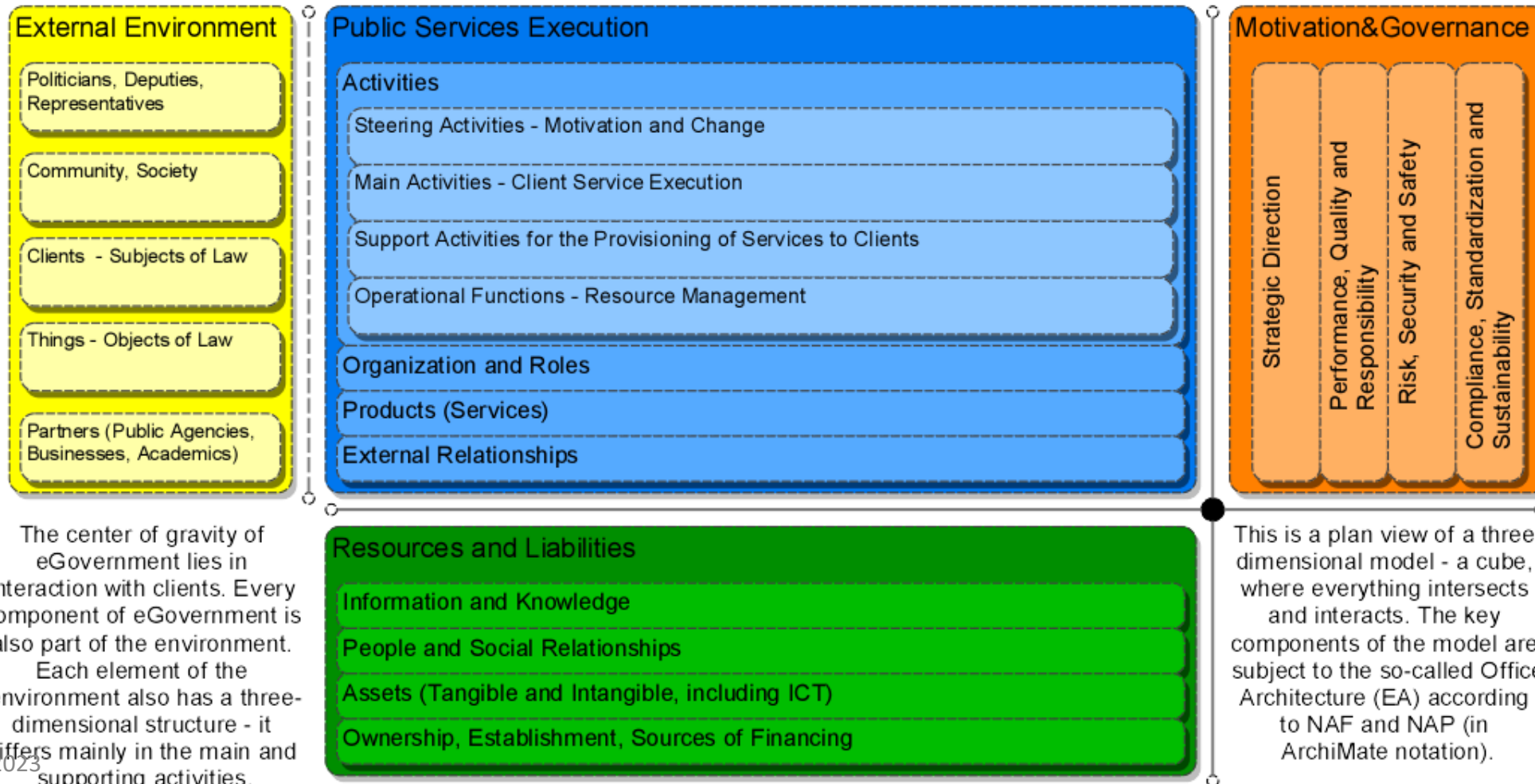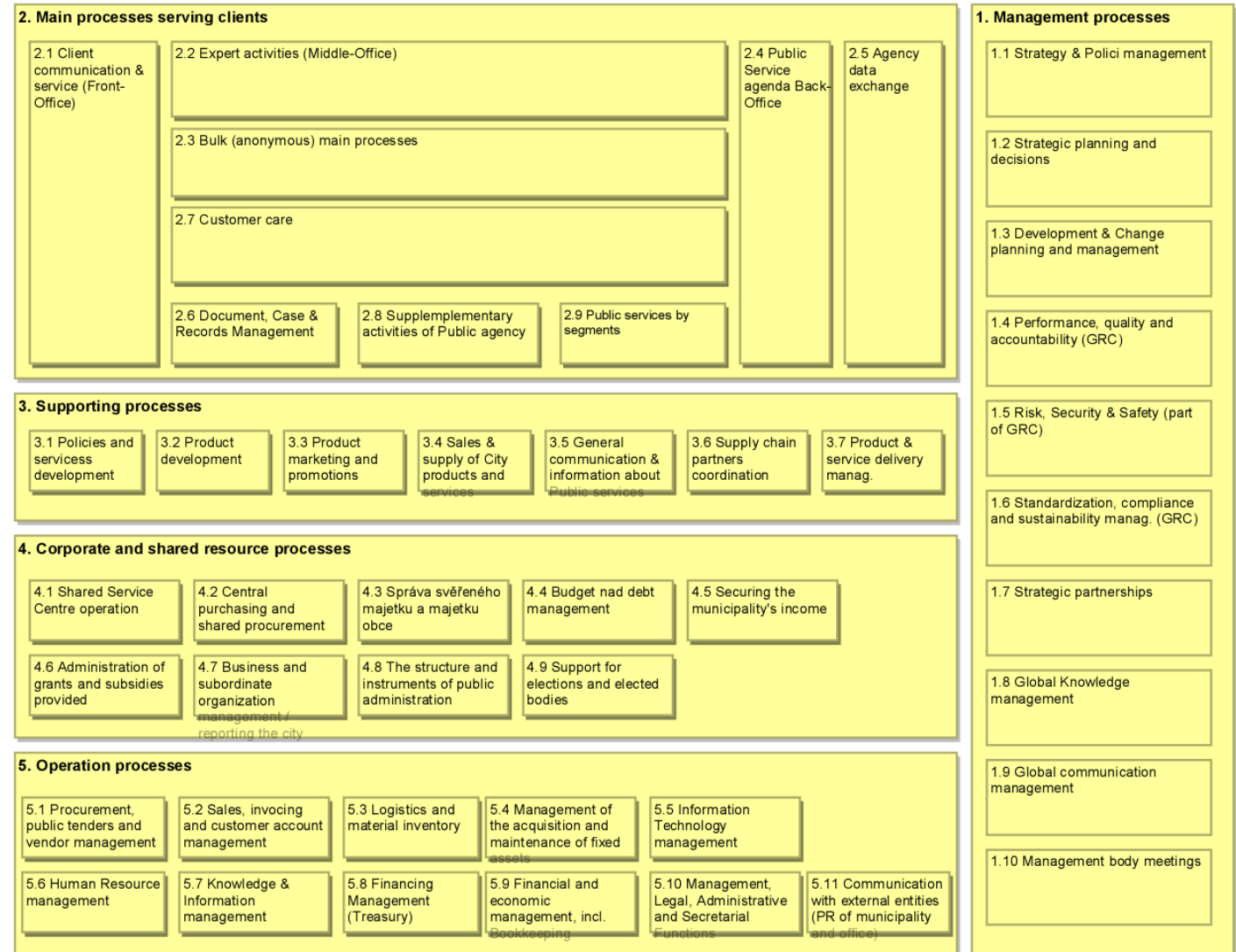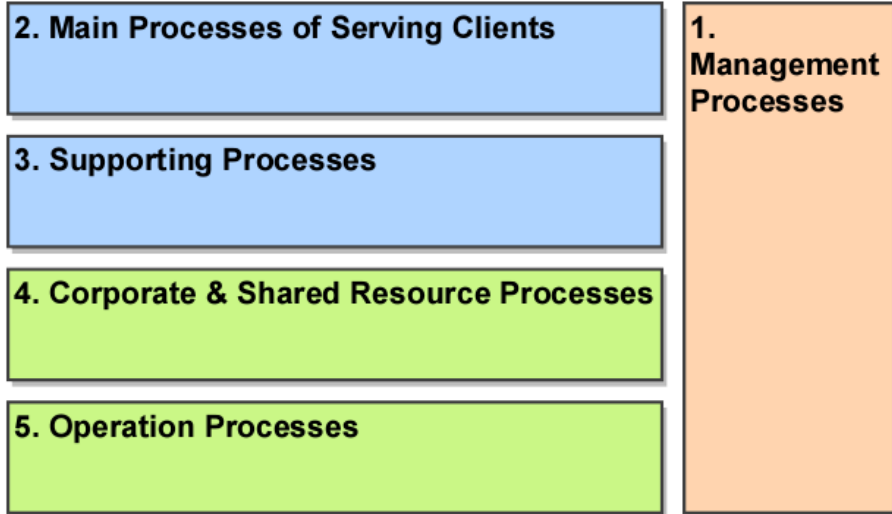
Public Services Execution

Activities
- Steering Activities - Motivation and Change
- Main Activities - Client Service Execution
- Support Activities for the Provisioning of Services to Clients
- Operational Functions - Resource Management

Organization and Roles

Products (Services)

External Relationships

Motivation&Governance
- Strategic Direction
- Performance, Quality and Responsibility
- Risk, Security and Safety
- Compliance, Standardization and Sustainability

The center of gravity of eGovernment lies in interaction with clients. Every component of eGovernment is also part of the environment. Each element of the environment also has a three-dimensional structure - it differs mainly in the main and supporting activities.

Resources and Liabilities
- Information and Knowledge
- People and Social Relationships
- Assets (Tangible and Intangible, including ICT)
- Ownership, Establishment, Sources of Financing

This is a plan view of a three-dimensional model - a cube, where everything intersects and interacts. The key components of the model are subject to the so-called Office Architecture (EA) according to NAF and NAP (in ArchiMate notation).

13.06.2023

Business Reference Taxonomy

2. Main Processes of Serving Clients

3. Supporting Processes

4. Corporate & Shared Resource Processes

5. Operation Processes

1. Management Processes

2. Main processes serving clients

2.1 Client communication & service (Front-Office)	2.2 Expert activities (Middle-Office)		2.4 Public Service agenda Back-Office	2.5 Agency data exchange
	2.3 Bulk (anonymous) main processes			
	2.7 Customer care			
	2.6 Document, Case & Records Management	2.8 Supplemplementary activities of Public agency	2.9 Public services by segments	

3. Supporting processes

| 3.1 Policies and servicess development | 3.2 Product development | 3.3 Product marketing and promotions | 3.4 Sales & supply of City products and services | 3.5 General communication & information about Public services | 3.6 Supply chain partners coordination | 3.7 Product & service delivery manag. |

4. Corporate and shared resource processes

| 4.1 Shared Service Centre operation | 4.2 Central purchasing and shared procurement | 4.3 Správa svěřeného majetku a majetku obce | 4.4 Budget nad debt management | 4.5 Securing the municipality's income |
| 4.6 Administration of grants and subsidies provided | 4.7 Business and subordinate organization management / reporting the city | 4.8 The structure and instruments of public administration | 4.9 Support for elections and elected bodies | |

5. Operation processes

| 5.1 Procurement, public tenders and vendor management | 5.2 Sales, invocing and customer account management | 5.3 Logistics and material inventory | 5.4 Management of the acquisition and maintenance of fixed assets | 5.5 Information Technology management | |
| 5.6 Human Resource management | 5.7 Knowledge & Information management | 5.8 Financing Management (Treasury) | 5.9 Financial and economic management, incl. Bookkeeping | 5.10 Management, Legal, Administrative and Secretarial Functions | 5.11 Communication with external entities (PR of municipality and office) |

1. Management processes

1.1 Strategy & Polici management

1.2 Strategic planning and decisions

1.3 Development & Change planning and management

1.4 Performance, quality and accountability (GRC)

1.5 Risk, Security & Safety (part of GRC)

1.6 Standardization, compliance and sustainability manag. (GRC)

1.7 Strategic partnerships

1.8 Global Knowledge management

1.9 Global communication management

1.10 Management body meetings

Where to find out more

National architectural documents

The National Architectural Documents were created on the basis of the Government Resolution No. 629 of 3 October 2018 on the "Digital Czechia" programme and the draft amendments to the Statute of the Government Council for the Information Society. In accordance with the resolution, the Ministry of the Interior ensured the publication and publication of the documents on the Information Concept of the Czech Republic (hereinafter referred to as "ICCR") website. These documents, which are collectively referred to as the ICCR follow-up documents, are:

1. Methods of ICT public administration management in the Czech Republic,
2. Dictionary of eGovernment terms,
3. National Architectural Framework,
4. National Architectural Plan and
5. Expanding knowledge base.

https://archi.gov.cz/en:start

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案例

捷克政府企业架构

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由The Open Group与国际电信联盟
（ITU）联合发布，来自政府企业架构
工作组

THE *Open* GROUP

Czech Government Enterprise Architecture

A Case Study by:

Ministry of the Interior of the Czech Republic

Pavel Hrabe, Chief Methodologist of National eGovernment Architecture

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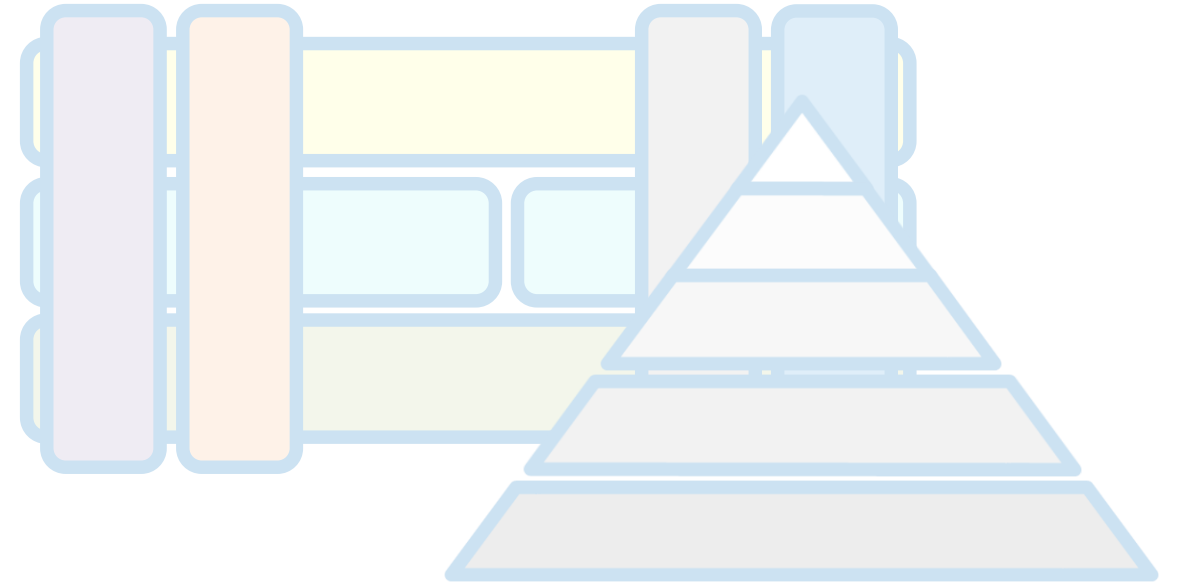
Criticality of Business and Technology Collaboration

Precondition of future development and digital transformation

Everything essential has already been discovered, …

… long time ago, you just have to open up, listen, learn and change.

Basically, common sense, humility and courage are enough.

The most important inspirations for me (I will quote some of them today):

- Canada, around 2004 – (GCRM, BTEP) - Jim Alexander, Robert Weisman
- New Zealand, 2004 (SONZ/FONZ), 2012 (Result 10), 2014 (GEA-NZ) – Regine Deleu
- Netherlands, from 2009 (NORA) e.g. Arnold Reinders & ICTU, 2014 (Rijksarchitectuur)
- and many others (USA, Australia, Korea, UK, …)

Digital Service is real Service

Digital service should no longer be just a "legal obligation„ of citizen, but a real service with added, perceived value for the client.

- See Mr. Jim Alexander's recommendation, already in 2006 - internal services first
- Orientation to external clients, client segmentation, management of external services and service channels, feedback and service improvement.

Service transformation
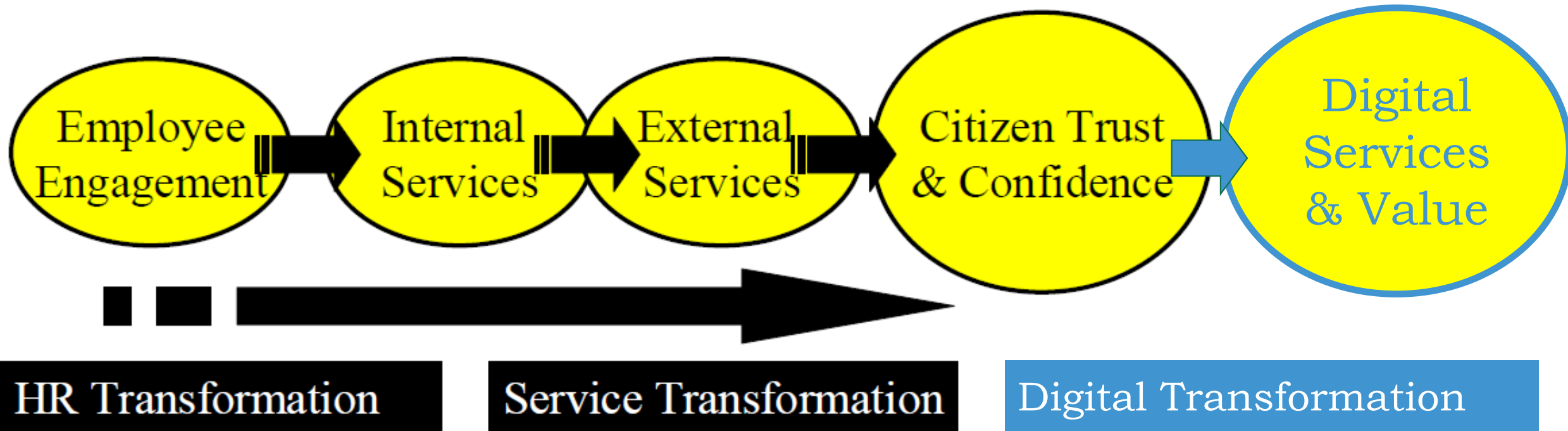
Source: Jim Alexander, Deputy Chief Information Officer, September 13, 2006.

Extended by Pavel Hrabě, 2023.

Digital Service is real Service

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The principle of internal service, internal customer and supplier, applied on IT:

- IT is nothing else than internal service provider, like HR, Facility or Accounting departments
- Professional department, aka business, is an internal IT customer, which have to transform its services for external consumers, citizens and organizations, using internal IT services.

In Czech Government the legal role of "IS Administrator", newly divided into:

- „Substantive Administrator" - internal customer and
- „Technical Administrator" - internal supplier.

Two responsibilities – two managers

What is the right thing to build -
a **substantive** manager

- professional department
- business owner of IS
- internal IT customer

How to build and run it right –
technical manager

- IT department
- internal IT supplier

Prerequisites of digitalization and transformation

Any transforming public organization must be ready to truly transform itself from the ground up, especially it must have the resources, that is capacities and knowledge, to do so

- List of necessary roles that previously did not exist in public administration (at least not in the Czech Republic) folows in one of next slides.

Other critical factors of maturity and readiness for change must be considered, for example (all non-technical, business):

- Ability to plan management
- Ability to release experts to projects
- Ability to motivate employees to change
- Ability to offer carieer to the best people in the transformation (otherwise they will leave), …

Business Transformation Readiness (BTRE) as a part of Business Transformation Enablement Program (BTEP) invented already by the Government of Canada in 2004.

- it is for years part of TOGAF – none of the trainees pay enough attention to it

BTEP:

Transformation Roadmap

Source: https://publications.gc.ca/collections/Collection/BT22-95-2004E.pdf
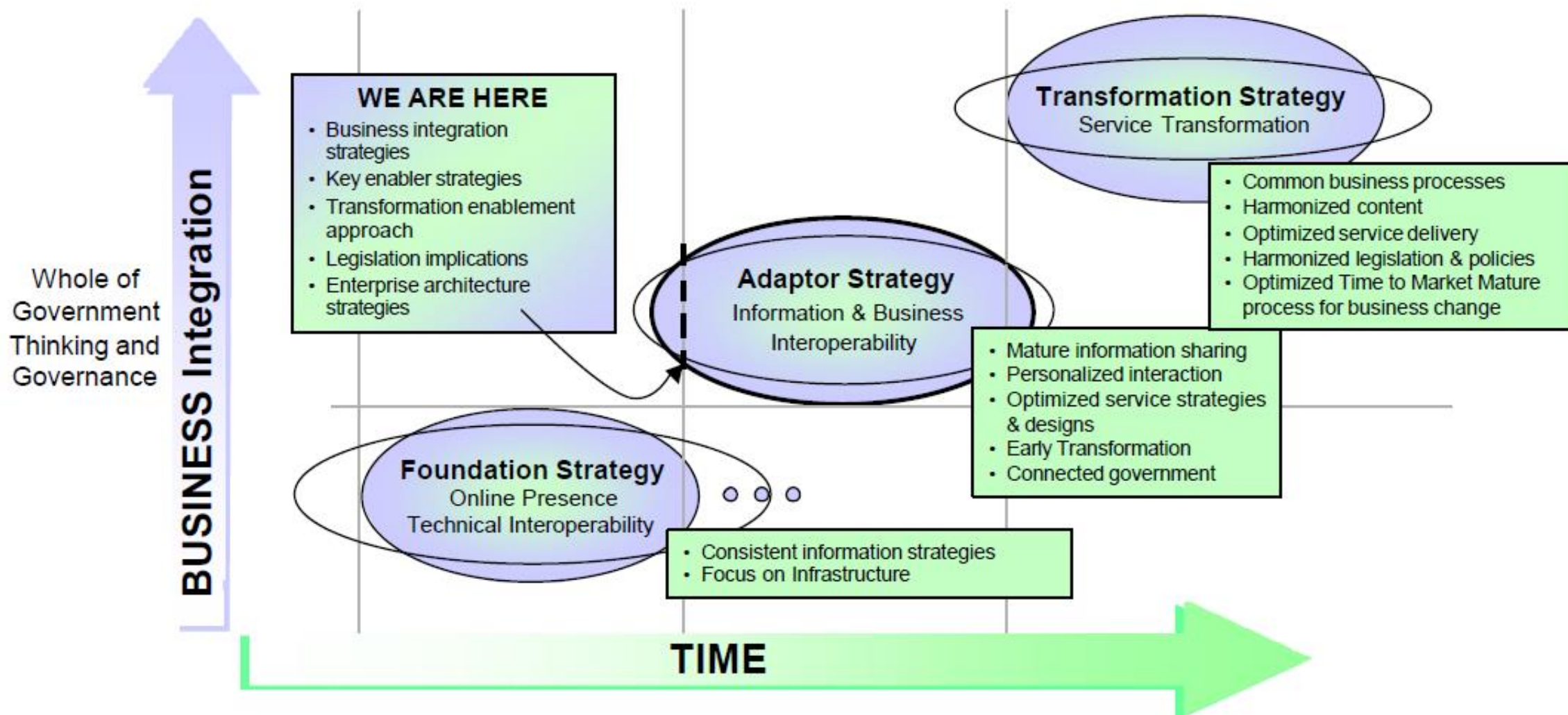
List of necessary transformation roles

Identification, planning, and implem. of radical changes
- Manager of strategy and strategic management
- Agency architect (Enterprise Architect)
- Program and project manager
- Digitally compliant legislative attorney

Client orientation and service development and delivery
- Manager of administration and client service
- Marketing and Communications manager
- Product and service manager, catalog manager
- Manager of individual service channels:
    - Office eShop manager
    - Call center manager
    - Counter network manager
    - Partner network manager
- Client support worker (substantive help desk)

Human resources and Knowledge
- Recruitment and Career Development manager
- Knowledge Management manager

Internal communication and motivation
- Specialist in PR, psychology and communication
- Manager of organizational change management (OCM)

Continuity, quality and improvement
- Process and service management
- Quality manager
- Security manager
- Performance manager

ICT Service Delivery
- ICT strategy and development manager
- Architect of ICT solutions
- ICT project manager
- Buyer of ICT services
- ICT operations manager
- ICT Management Economist
- Specialist in ICT asset management and records
- ICT (Cyber) Security Manager
- Client support worker (ICT help-desk)

Adopted organizational structure

The organizational structure of transforming public organizations must also correspond to the new roles and, above all, responsibilities in the transformation itself and in client service

- process/functionally oriented structure
- previously each Agenda (each law) was an organizational and informational silo,
- now Shared services for client service (Front-end) and for background (Back-End) appear, which is reflected both in the organization/processes, and in their support with IT solutions.

It is important to apply complex, systemic = architectural thinking when designing an organizational structure

- the organization system has many dimensions of breakdown
- it is necessary to allocate the responsibilities of unit leaders according to the dimension that is most important for the success or current improvement of the organization, or to create a hierarchy with a combination of dimensions.

Characteristics
of a „transformational" organizational structure

The organizational structure of a successfully transforming organization usually exhibits the following characteristics:

- Transformational roles are grouped in the top management staff

- There are architectural and project offices in it

- There is a service management, service channel management and client service department, common to all agencies, LoB.

- Key internal operational departments, focused on resources, are self-contained and provide services to the organization – HR, IT, knowledge, assets.

- The head of client service management and the head of IT are members of at least a wider, preferably narrower management.

- Each strategic area of activity has a responsible manager, a member of at least the wider management.

The basis of optimizing the organization's structures …

1. is when organizational (responsibility) <u>structure matches</u> as much as possible with the structure of its required <u>capabilities</u>, or corresponding functions or processes, according to the achievable management style

2. <u>One ability</u> may be included in the responsibility structure <u>only once</u>, either:

    a) physically, with all its resources in the same place, department

    b) virtually, when all realizations of this competence with their resources in different departments are managed (coordinated) by one central department.

    - For example, the competence of effective project management

# Proposed organizational structure of The Czech Ministry of Interior

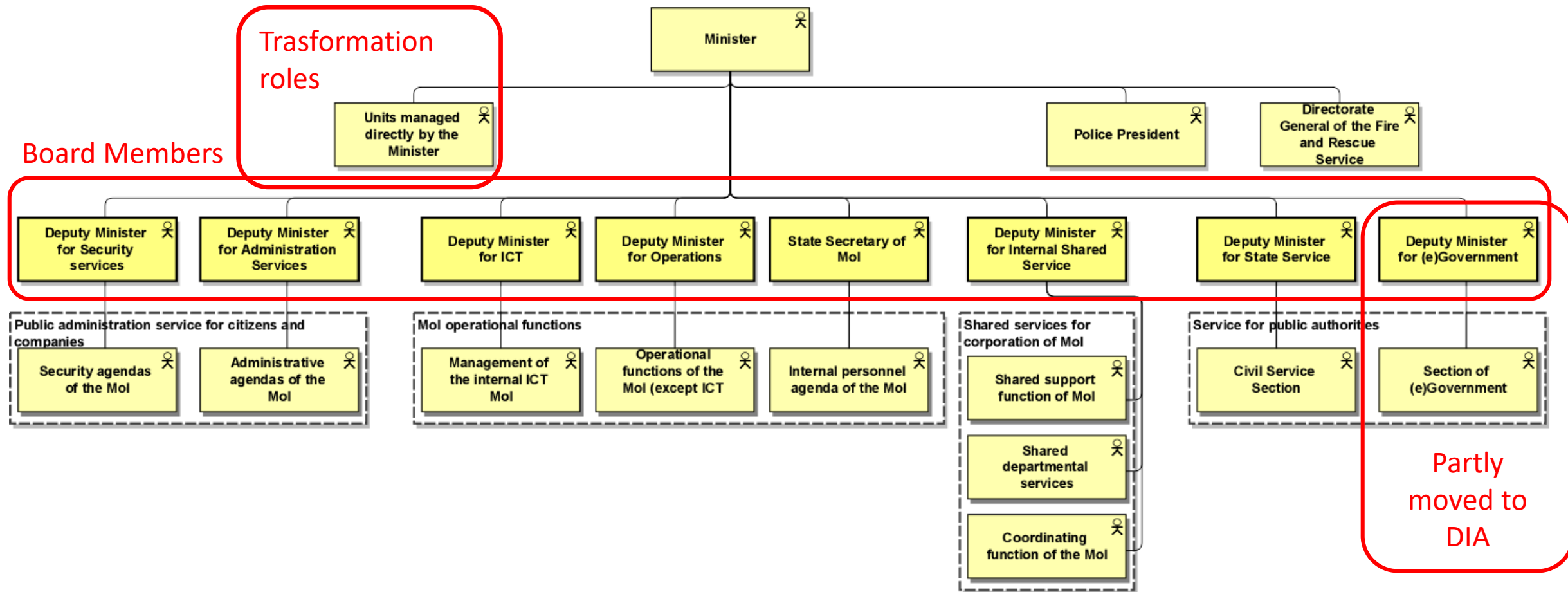Example No. 1 of EA driven organizational architecture (unrealized)
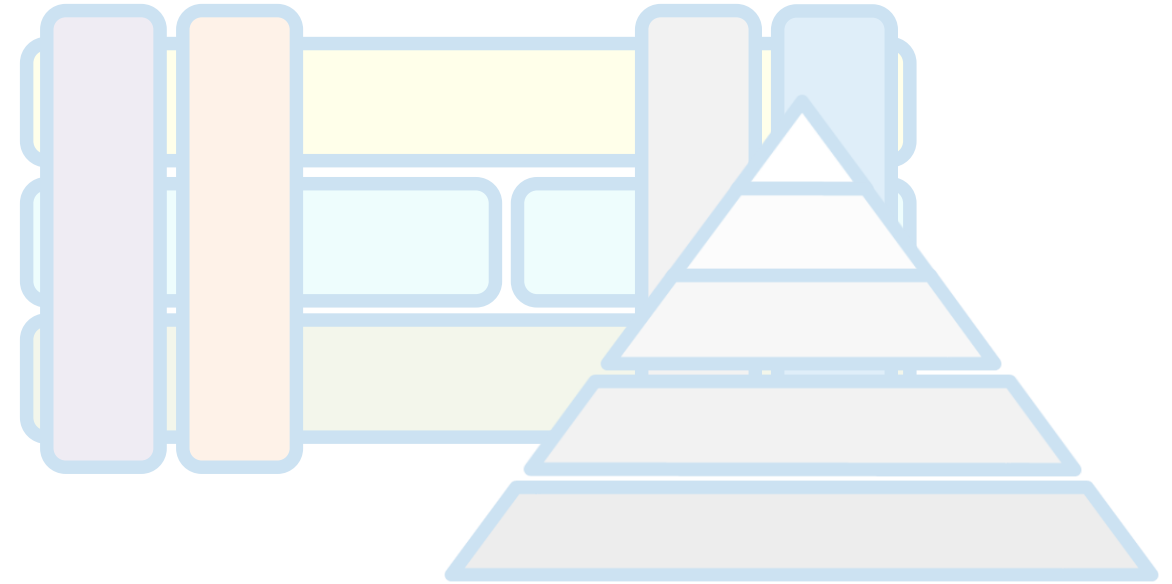
# Structure of Ministry of Interior rules

- The style of management in public administration is still mainly functional, with emerging elements of procedural and service management.

- First breakdown dimension in this proposal is orientation to the categories of especially external but also internal clients of the organization, to whom the results of the functions are delivered as services.

- The functions of the organization to be therefore strictly separated according to which group of clients they provide their services to:
  a) external clients outside the public administration (ministry), citizens and organizations
  b) external clients of the Ministry within the public administration, i.e. public administration bodies regulated or coordinated by the Ministry. They are further divided into state administration and local-government organizations.
  c) internal clients of the Ministry's corporation , i.e. managements and employees of controlled organizations of the department
  d) internal clients of the Ministry's office, own employees in service and employment relationships, using in particular the services of operational functions, but also the shared services of front-end, agenda background and support processes.

- Next breakdown of the organizational structure is proposed according to categories of services (products) and according to the business reference model

Principle organization chart
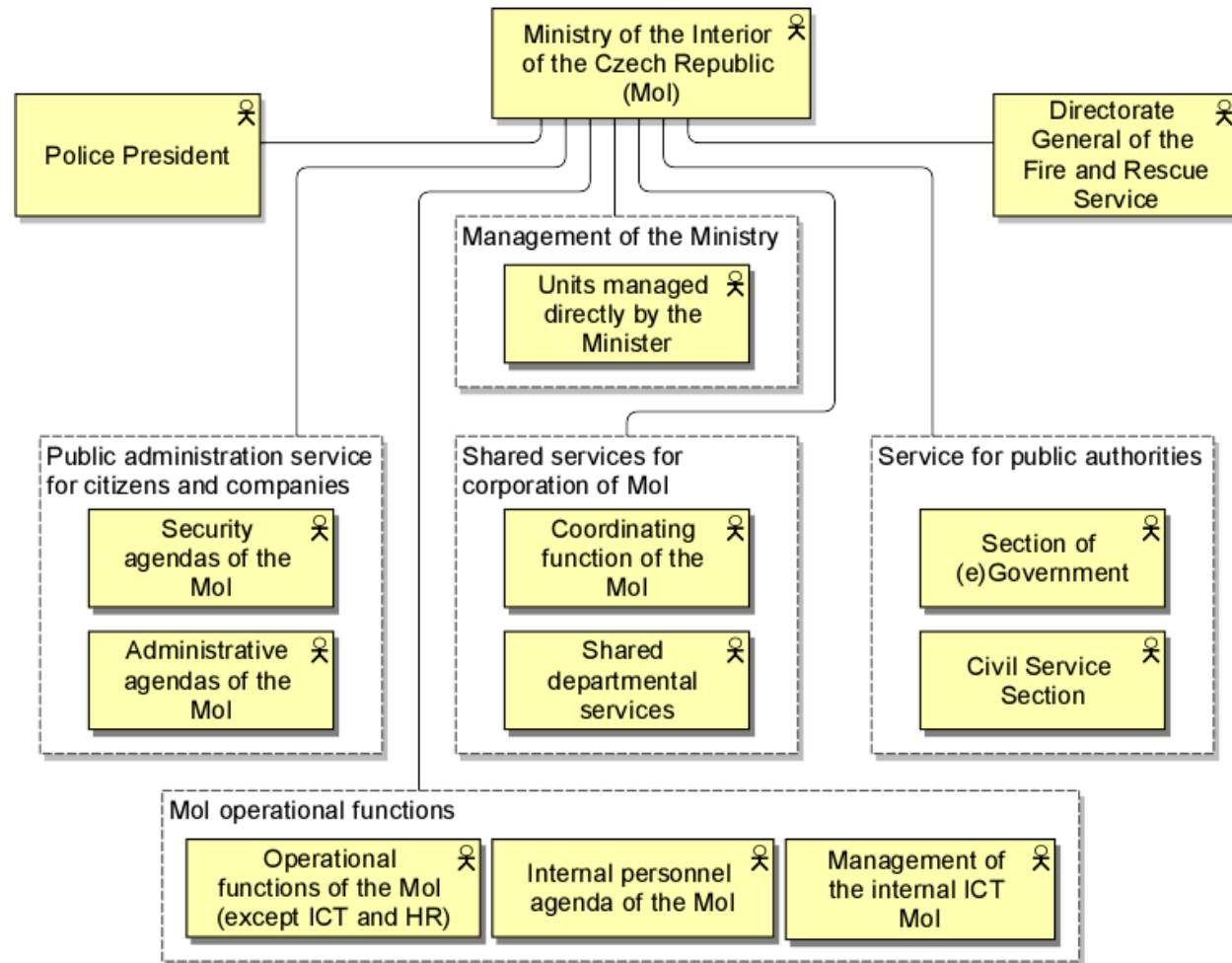
Focus on the division of responsibilities
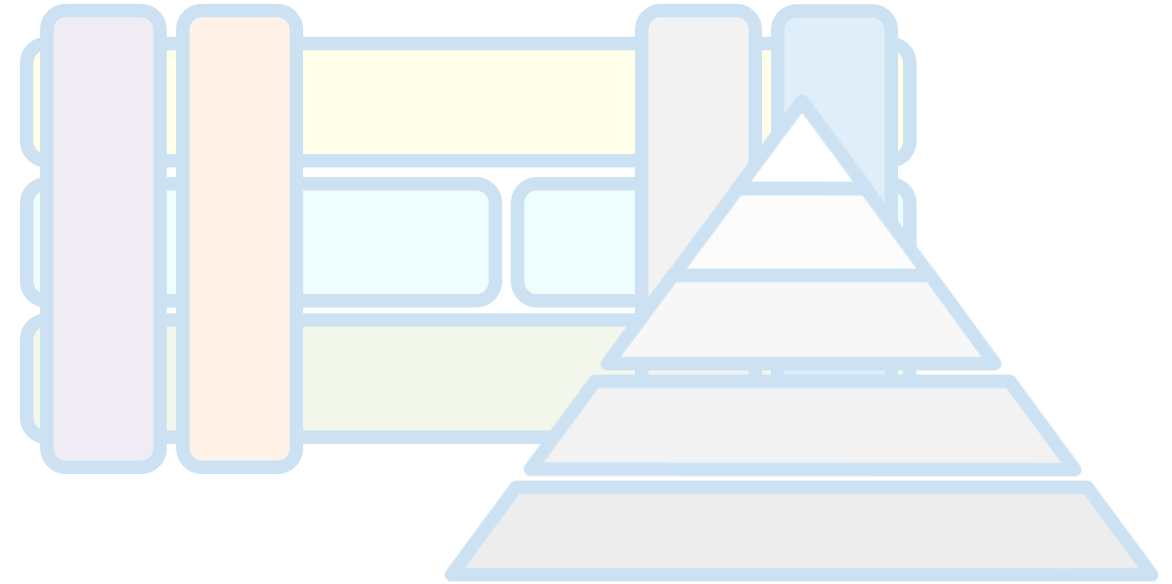
Municipality Office

Example No. 2 of EA driven organizational architecture of the city of Benešov

# Starting points for the municipal management system

The mission of the municipality is (according to the author):

- **to take over and maintain the territory and property of the municipality after previous generations,**

- **to use them effectively for the provision of services to members of the community and**

- **to reproduce and develop them for future generations.**

Starting points
for the municipal management system

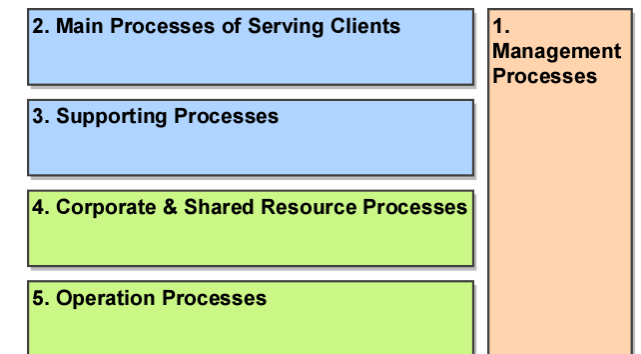The mission of the municipality is (according to the author):

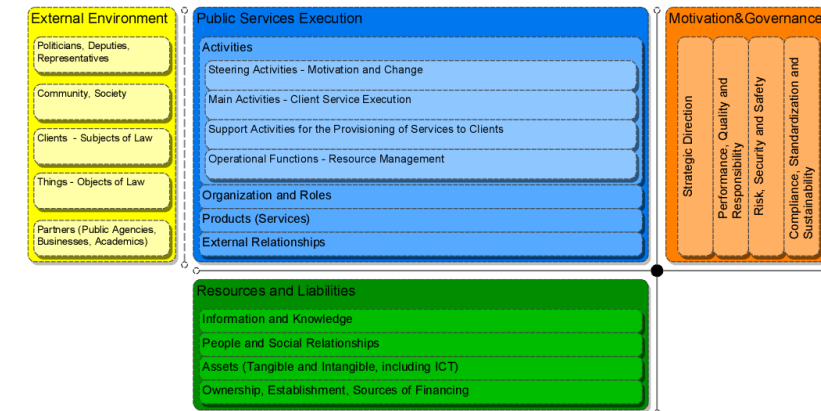- **to take over and maintain the territory and property of the municipality after previous generations,**

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Physical environment

Social environment

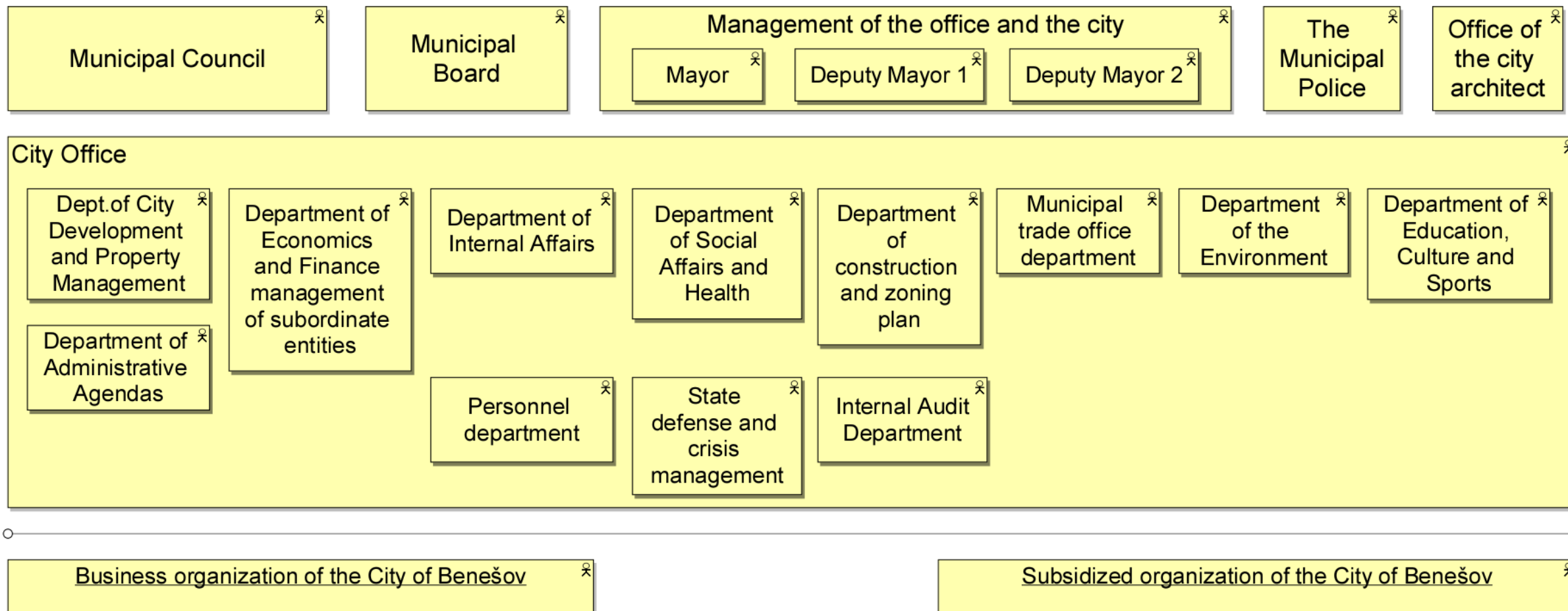Entrepreneurship environment
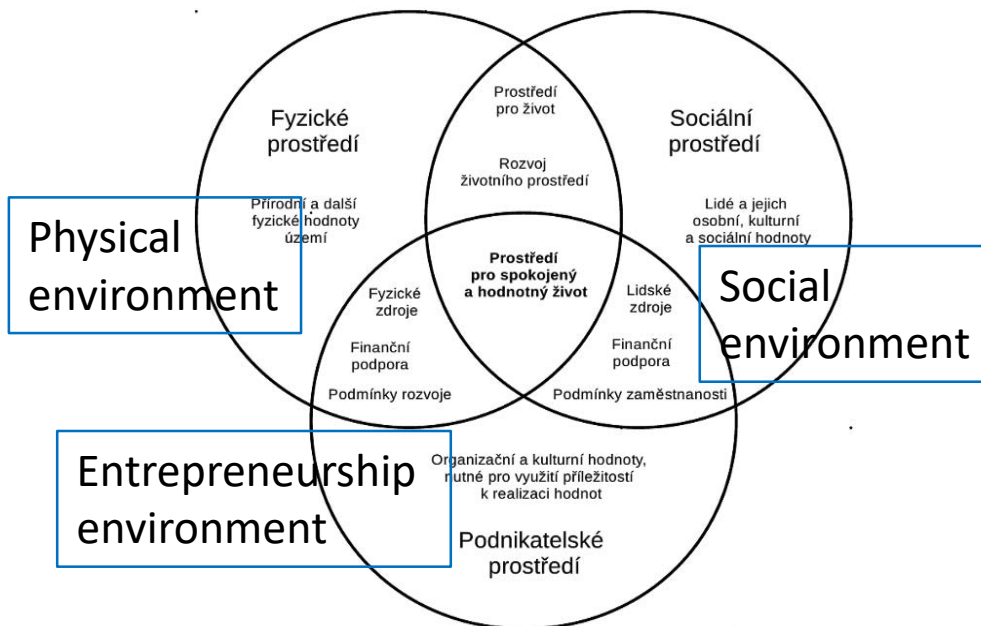
Source: Prof. Václav Řepa

Source: SDG Guide

Source: Pavel Hrabě

The initial organizational structure of the city of Benešov (2018)

Municipal Council

Municipal Board

Management of the office and the city
- Mayor
- Deputy Mayor 1
- Deputy Mayor 2

The Municipal Police

Office of the city architect

City Office

- Dept.of City Development and Property Management
- Department of Economics and Finance management of subordinate entities
- Department of Internal Affairs
- Department of Social Affairs and Health
- Department of construction and zoning plan
- Municipal trade office department
- Department of the Environment
- Department of Education, Culture and Sports
- Department of Administrative Agendas
- Personnel department
- State defense and crisis management
- Internal Audit Department

Business organization of the City of Benešov

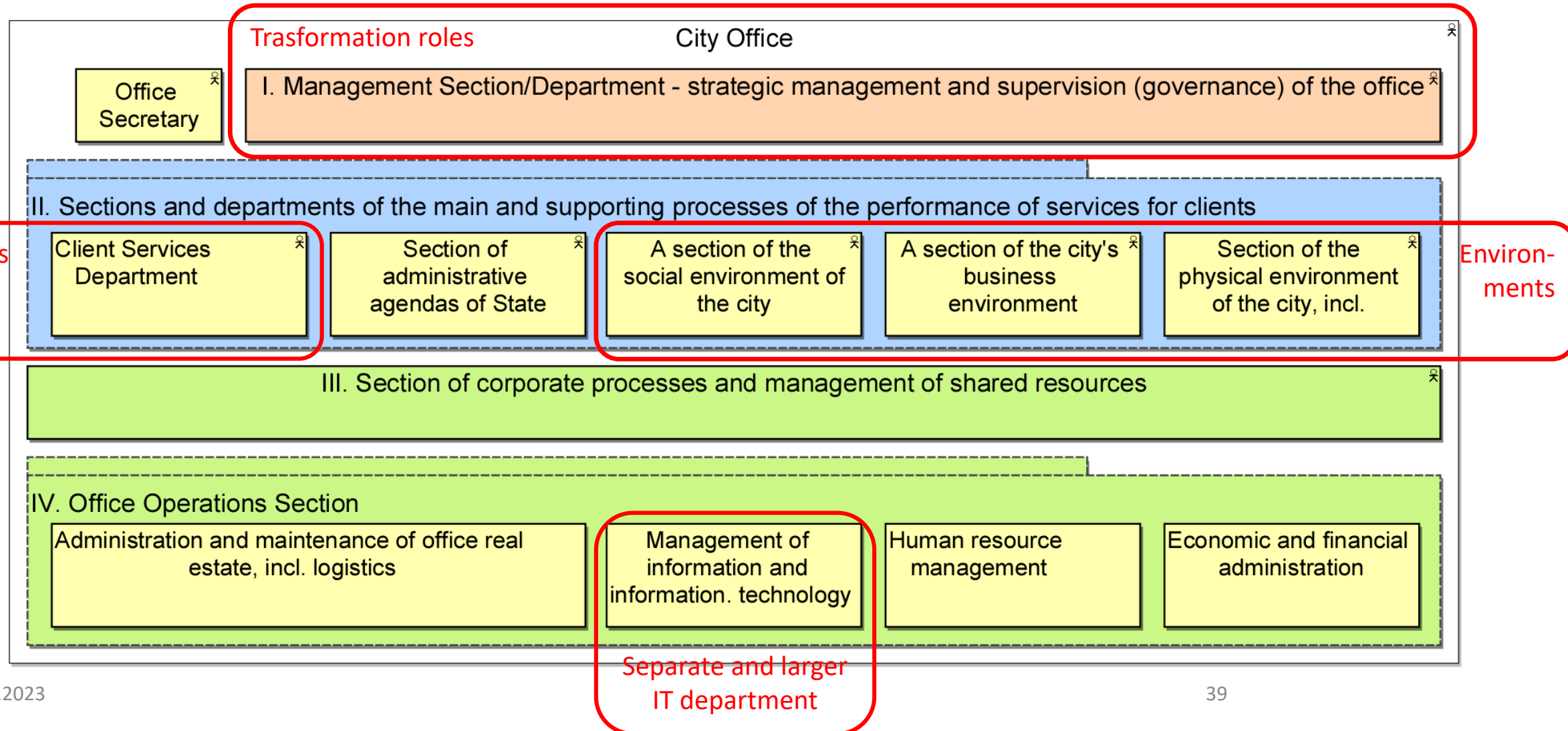Subsidized organization of the City of Benešov

Strategic, process and service-oriented organizational structure

Allows clear responsibility for:

- Supporting the goals of the city and the management office

- Process (functional) areas and categories

- Areas of development – „environments" of the municipality

- Service category - especially the services outsourced for the state.
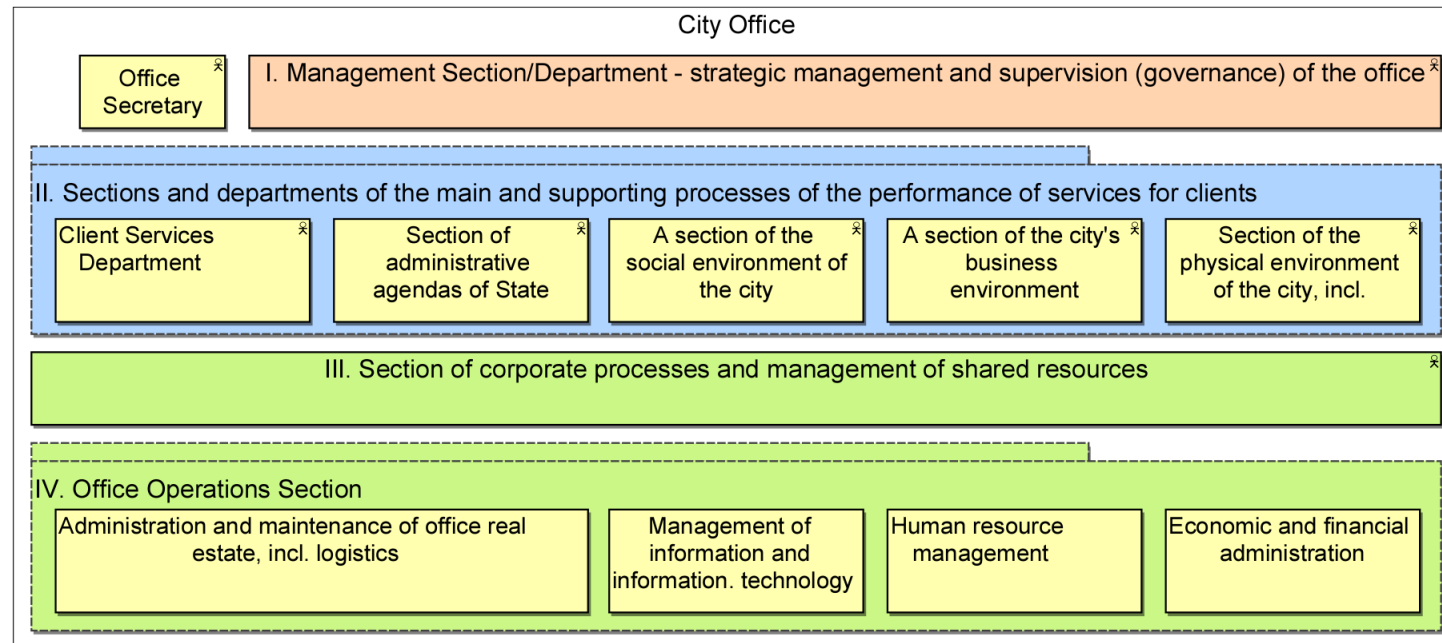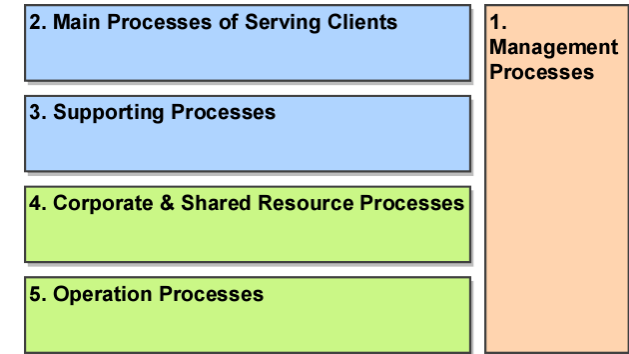
Strategic, process and service-oriented organizational structure & transformation

Transformation roles — City Office

Office Secretary

I. Management Section/Department - strategic management and supervision (governance) of the office

II. Sections and departments of the main and supporting processes of the performance of services for clients

Services for Clients

Client Services Department

Section of administrative agendas of State

A section of the social environment of the city

A section of the city's business environment

Section of the physical environment of the city, incl.

Environments

III. Section of corporate processes and management of shared resources

IV. Office Operations Section

Administration and maintenance of office real estate, incl. logistics

Management of information and information. technology

Human resource management

Economic and financial administration

Separate and larger IT department

Conclusion

- For a successful digital transformation of Government, you need to align agency employees in the roles of business and IT departments as customers and suppliers of internal services.

- To this, there is a need to add entirely new experts in planning and implementing change, especially architects, project managers and digitally compliant legislative lawyers, and seat them close to agency management.

- And we must not forget the experts in external customer service and service channels, they will supply regular officials as a business with the right knowledge and drive and unite them in the design of their services.
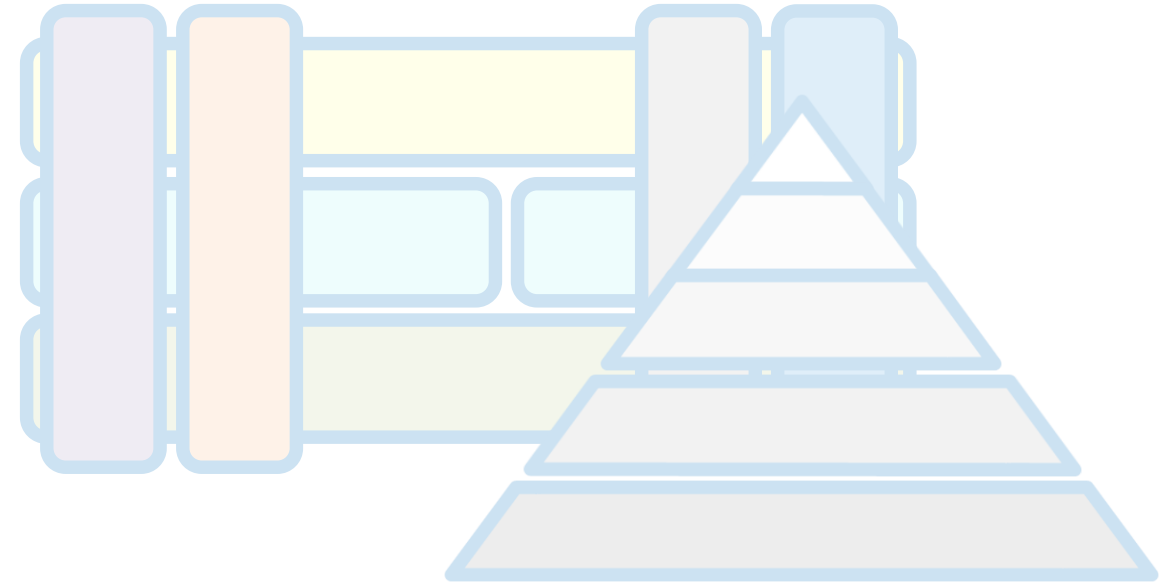
Thank you for your Interest

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