



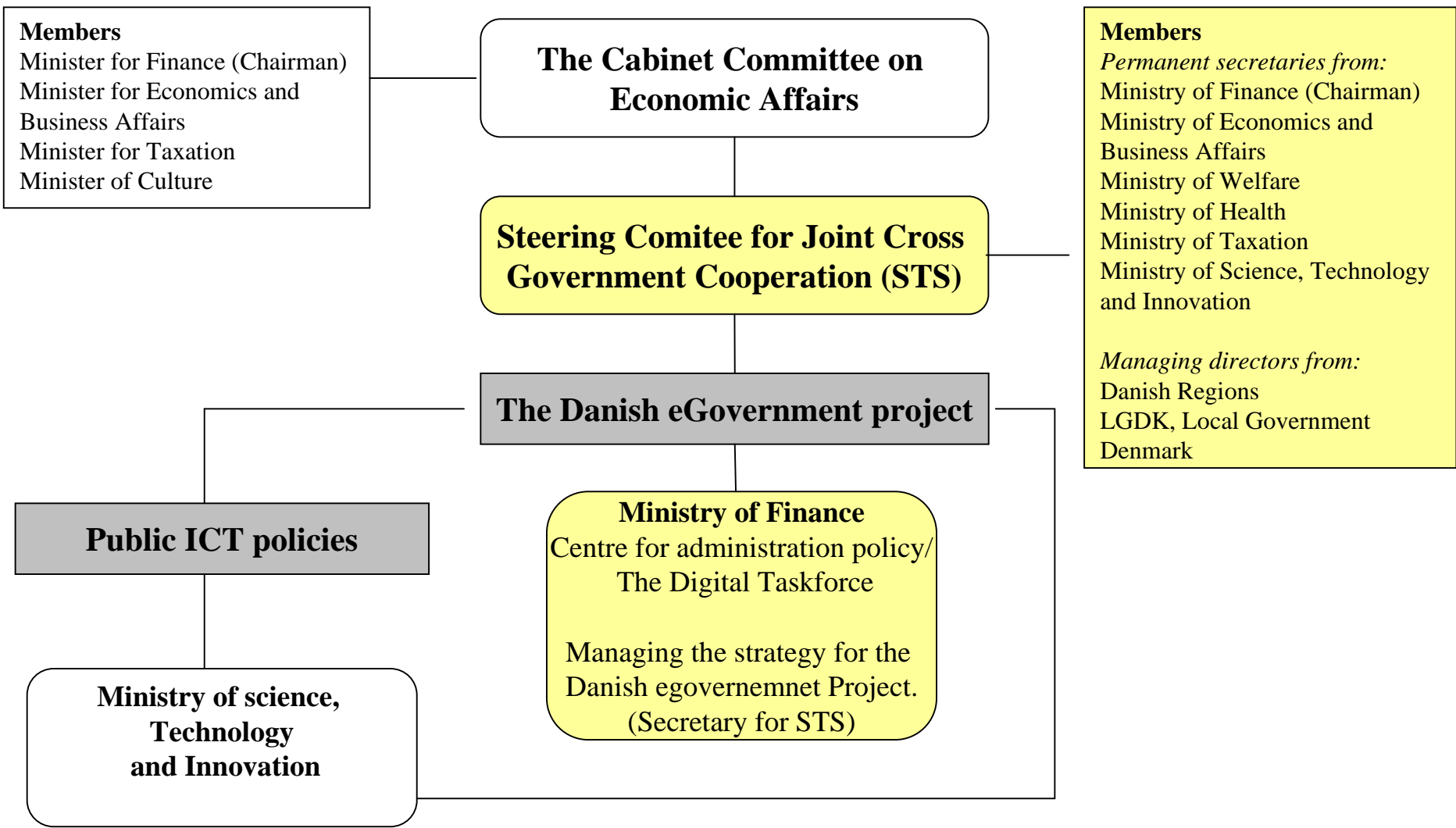
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Danish eGovernment

- Lars Frelle-Petersen, 7th July 2008



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The Danish e-government project

“The E-government project” started in 2001

- A consensus style cooperation between central government, the municipalities and the regions.
- The e-government project has launched 3 national E-government strategies
- The e-government project focuses on e-gov as an integrated part of modernization efforts
- Instruments and legislation, politically binding agreements have been used in e-government in Denmark.



Central tasks for Centre for administration policy

- General administration policy / modernisation
- Public organisation and management / improve efficiency
- Quality reform / quality in the public sector
- E-government / The digital Taskforce
- Contract management
- Developing of the budgetsystem /budgetary rules
- Legal unit /Lawprogramme and law quality
- etc....



Present challenges – a point of reference for digitalization

- High employment rate and a growing demand of labour
- High rate of retirement among public employees in the years to come
- Citizens have growing expectations to the public services
- International competitiveness requires an efficient and well-functioning public sector
- Resources should be allocated to services close to the citizens rather than back-office functions

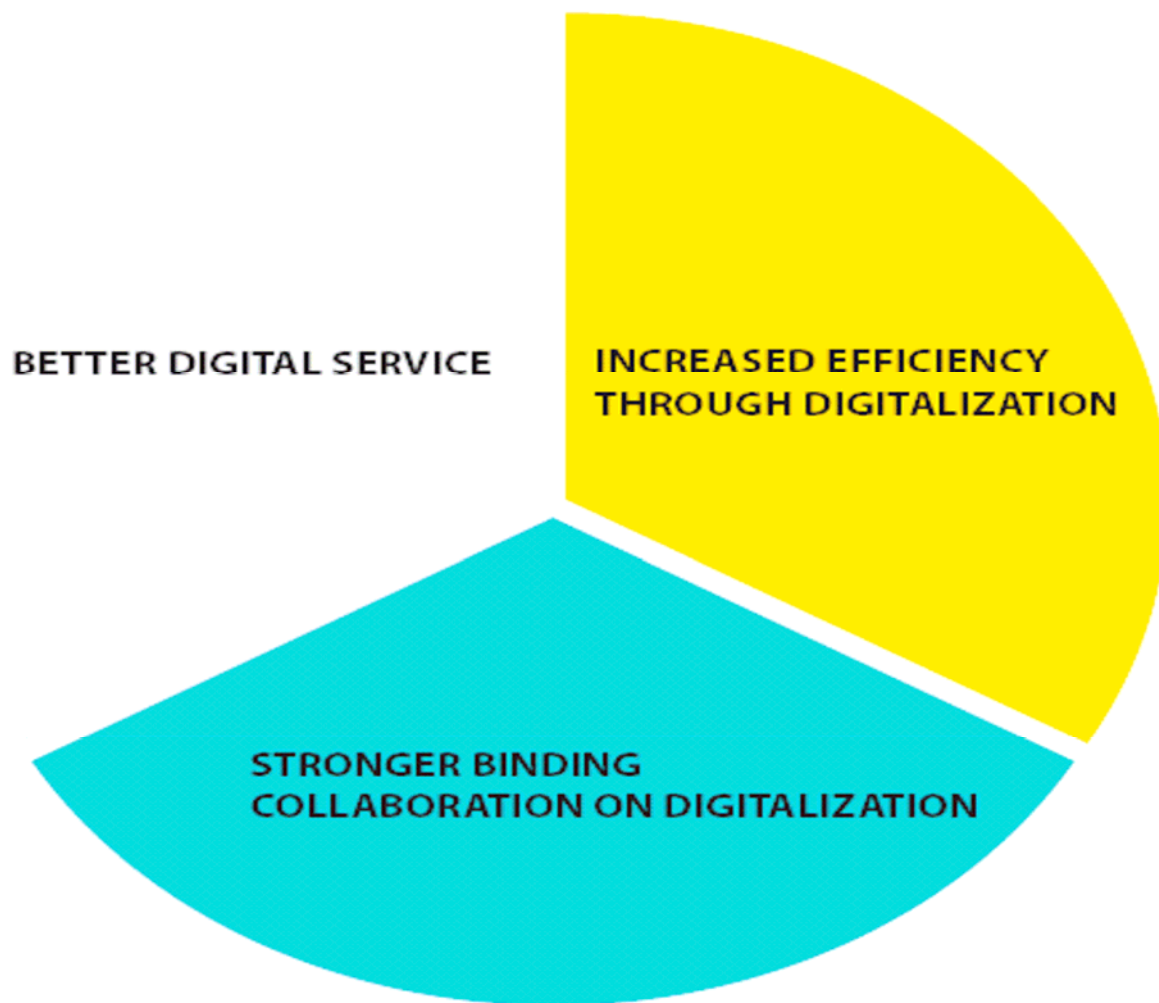
The role of digitalization: Transferring resources from administration to citizen-focused services



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Strategy for digitalization of the public sector 2007-2010

A national strategy – a result of the collaboration on eGovernment between the Danish Government, the municipalities and the regions of Denmark





Strategic priority area 1: Better digital service

Aim: Making public service more readily accessible to citizens and businesses at the centre

Focused and targeted communication with citizens and businesses

- Focusing communications channels – internet, telephone, in-person meeting
- One-stop-shops (portals) for citizens and business

Increased focus on 'no touch' solutions through reuse of data across the public sector.

Safe and secure data handling in the public sector



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Strategic priority area 2: Increased efficiency

Aim: digitalization supports and creates efficiency

Public authorities must work more systematically to realize the gains associated with digitalization projects.

Change management and organizational adaptation to E-government possibilities is central to ensuring this.



Strategic priority area 3: Stronger, binding cooperation

Aim: digitalization supports a coherent public sector

User centricity demands cooperation across organizational boundaries

To avoid parallel development of similar solutions, cross-government cooperation is needed

To gain economics of scale joint development and joint operation is necessary



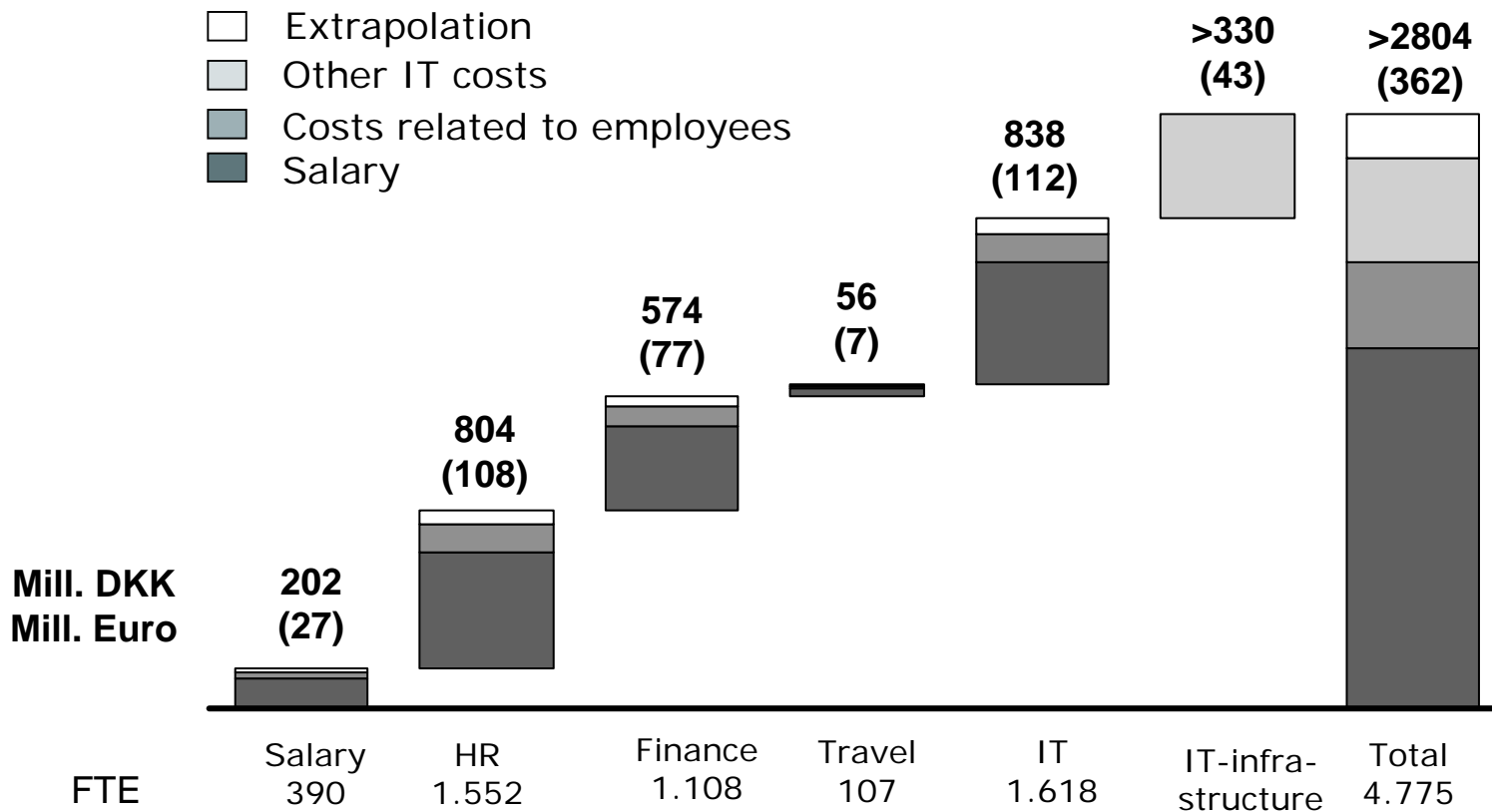
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Shared Service Centres in the Danish Central Government

One shared service centre for finance, salary and travels
and one shared it service centre



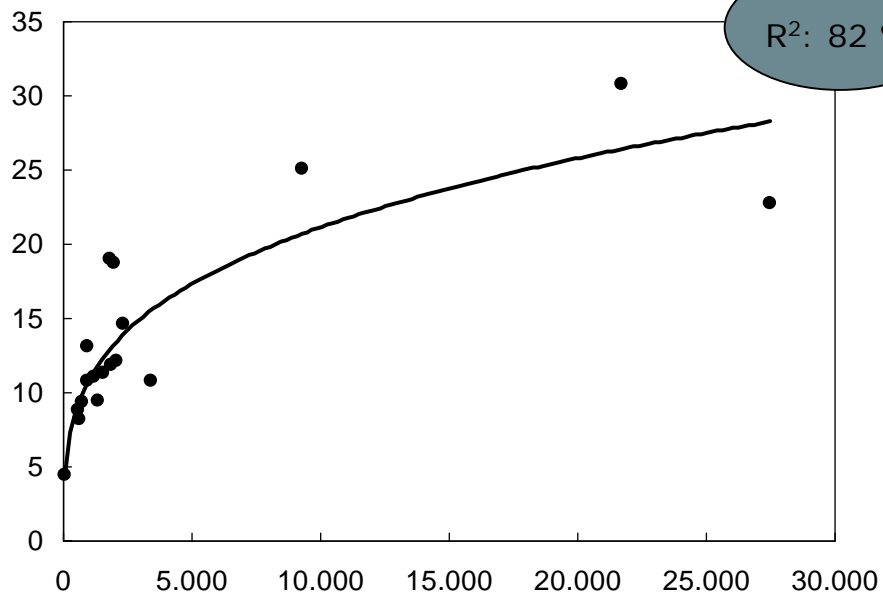
Total costs today of administrative staff serving the 90.000 employees in central government





Noticeable increasing returns of scale

Number of full-time employees / administrative full-time employee



Number of full-time employees



Room for improvement

- Economies of scale not realised: Most ministries are not large enough today
- Not much standardisation of processes
- IT-systems are developed within ministries or agencies
- Professionalization an issue
- More top level focus needed



Business case

- sources of potential savings (including HR)

- Centralisation of routine activities (368 mill. DKK (49 mill. euro))
- More efficient administrative (advisory and controlling) functions within ministries (204 mill. DKK (27 mill. euro))
- Consolidation of IT-infrastructure and applications (230 mill. DKK (30 mill euro))



Preliminary view of savings and investments

	Savings p.a., DKK euro)	mill. (mill. euro)	One-off investments, mill DKK euro)
Salary	54 (7)		49 (6)
HR	-		-
Finance	111 (18)		80 (10)
Travel	16 (1)		10 (1)
IT	219 (21)		168 (22)
IT-infrastructure	206 (22)		322 (57)
Total	606 (78)		661 (85)

*Savings p.a. includes increased yearly costs



Vision and next steps

- A streamlined and efficient government
- A stronger cross-governmental governance structure
- A strategic platform to enhance e-government

- Shared services in other sectors
 - app. 800.0000 public sector employees in total
 - high school service centers being built (business case = 40 mio. euro p./a.)
 - analysis being carried out across regional level (hospitals)
 - analysis may be done at research institutions and across local government)



Joint operation of general Danish Registers

- Denmark has a long tradition for general registration in the public sector. Since the early 1960's most registers have gone through a process of digitalisation, which has contributed richly to the later development and efficiency of Danish eGovernment.
- However the operation of Danish registers is spread out over the entire public sector.
- Preliminary analysis has shown potential for efficiency gains if gathering the operation of registers into one "register unit".

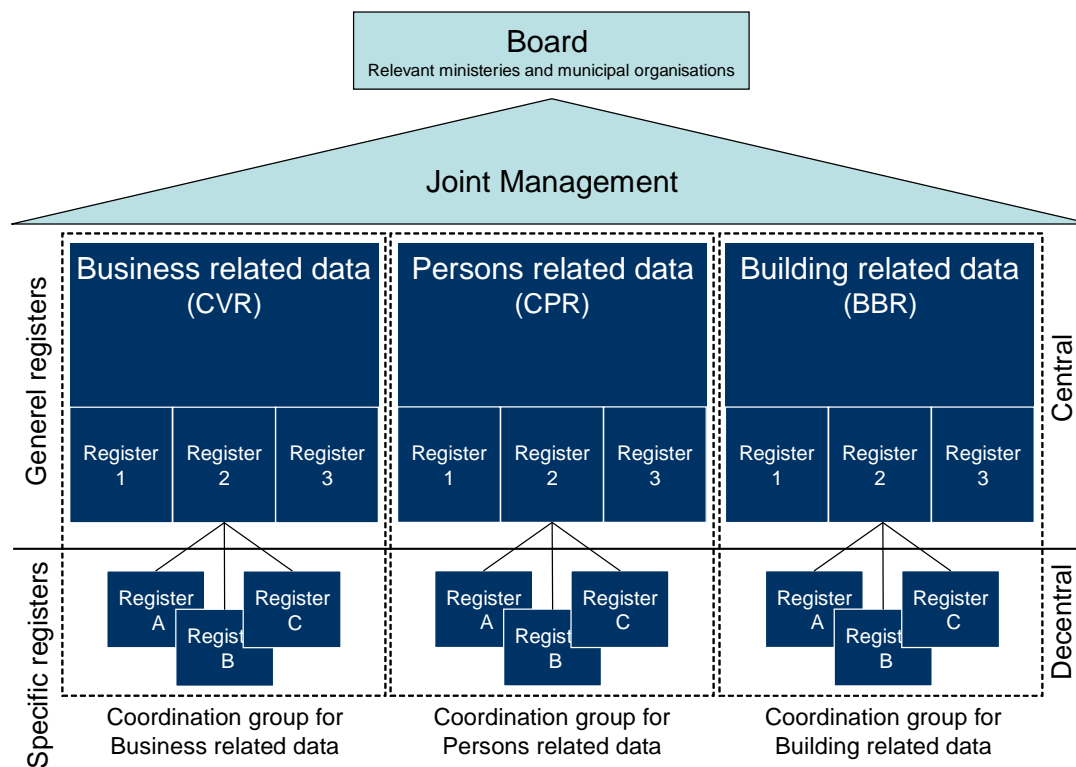


Motivation for joint operation

- Economics of scale in development, maintenance and administration of the registers
- Better prices on outsourcing
- Integration of redundant (parallel) registers into general registers.
- In a longer perspective: foundation for standardization and reuse of data, data-models and applications.



Preliminary vision of a register unit





Next steps

- Identification of relevant registers autumn 2008
- Analysis of the potential for gathering general registers in a joint register unit is planned to be ready in January 2009.
- Depending on the political handling of the project implementation can commence in the spring 2009.
- Parallel work on new principals for financing and presentation of data.