

Achieving a Digital Economy

The Government CXO Imperative



Governments around the world are striving to use digital tools to transform services and build stronger economies. When seeking examples of leadership in e-government, they look to Estonia. The small Baltic nation has been a trailblazer in the rapid deployment of e-government, and its citizens are reaping the rewards. Estonia's Government Chief Information Officer **Siim Sikkut** recently discussed his country's success in a virtual roundtable hosted by 6 Degrees Media and sponsored by Boomi, where he was joined in conversation by Boomi's Managing Director for Australia and New Zealand, **Nathan Gower**, and Director for Government, **Jason Dixon**, along with numerous CXOs from prominent Australian government agencies.



Top (left to right): Siim Sikkut, Chief Information Officer, Estonia Government; Nathan Gower, Managing Director for Australia and New Zealand, Boomi. **Bottom (left to right):** Jason Dixon, Director for Government, Boomi; Brad Howarth, Journalist/Moderator.

When Estonia left the Soviet Union in 1991 it had with little of the social infrastructure needed to properly govern its citizens.

Rather than adopt traditional notions of bureaucratic process, the country's leaders embarked on a bold experiment to reinvent government service delivery for its 1.3 million people. They chose to embrace emerging technologies, and specifically, the World Wide Web.

This willingness to experiment in digital government has since led Estonia to be recognised as an e-government leader, and as the world's most digitally advanced society by *Wired* magazine.

That trailblazing perspective has been maintained to this day by Estonia's current Government Chief Information Officer Siim Sikkut and his team.

Sikkut said there was a lot more to Estonia's success than just the technology it uses.

"A job of a government CIO is to figure out ways how to make the machinery of government run differently," Sikkut said. "A lot of the stuff we do is to actually 'hack' bureaucracy, or 'bulldoze' bureaucracy."

In a system as complex as government, knowing what to hack means selecting from a wide variety of choices. Sikkut said his team followed a very

simple process when deciding where to direct its efforts, which started by thinking of the ‘pains’ that government gave to its people.

“What are the most complicated processes or procedures, or where do people have the most encounters in a year or a month,” Sikkut said “Tax, company registration, and residence registration were the first things we did, because these involved massive chunks of user interaction each year.

“We don’t fear the things that will take time to do. We also want to have some quick wins, to show the momentum.”

Sikkut said another critical contributor to Estonia’s success had been its willingness to experiment. This even stretched to a cornerstone of the democratic process, in the form of electronic voting.

“When we brought these things out, we didn’t know if they would actually fully work, and we realised there were some risks involved,” Sikkut said. “We managed to convince the leaders to think about it as a problem to be solved, as opposed to a reason not to do things.

“So start small and see if it works. If it doesn’t, we can always fix things.”

This idea of quick wins also helped to build enthusiasm for the larger programs of work. According to Boomi’s Director for Government in Australia, Jason Dixon, this approach aligned with the belief that digital transformation was a not a destination, but a journey of many small steps.

“Digital transformation is not a single outcome or a box to be ticked, but a constant process and evolution of improvement,” Dixon said. “The danger sometimes with government agencies is there can be a desire to deliver real and substantive innovation, which often involve complex and wide-ranging transformational programs that require large, multi-discipline teams across organisations, or even interagency collaboration and coordination.”

He said a better approach was to break projects down into smaller chunks which could deliver results faster, while still aligning with a broader program of work. Dixon cited the example of a large local government client that recently delivered a mobility application for its 200 field services employees.

“This council previously had a very low digital maturity and required their crew team supervisors to manually fill out and scan and upload daily vehicle and safety checks, and that could take anywhere up to two hours,” Dixon said.

“We were able to help them build a simple mobile application which digitised these forms, and it reduced the time to as little as 15 minutes. That simple solution improved the field services team productivity by 18%. That whole program took as little as four months to deliver.”

Maintaining the Pace

While it would be understandable if some public servants found Estonia’s speed of change frightening, for Sikkut, the most frightening thought was that things may not be changing quickly enough.

“What actually keeps me up at night is that we are too slow still,” Sikkut said. “It’s our job to make the machinery of government run faster.”

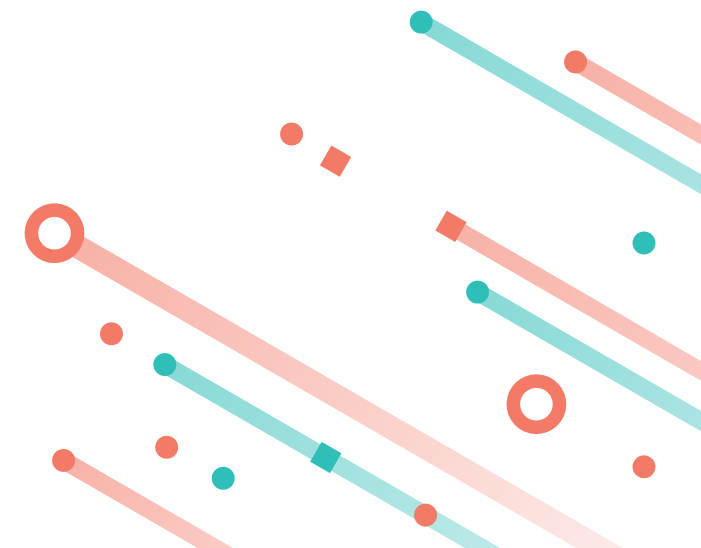
One example where Sikkut would have liked to have moved faster was in tearing down the siloes that surround agencies within the Estonian government.

“When a child is born, that’s four or five different digital interactions, whereas actually it could be one interaction initiated by the government, because we know that the baby was born because the hospital has declared it,” Sikkut said. “So why do we wait for you to come to us? We could turn to you with one email, to congratulate you on the baby, ask a few things we need to know, and you’ll be done with it. It’s the ‘life event’ approach.



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– Siim Sikkut, Estonia Government



“We’ve talked about this a number of times. Our team took so much time to try and explain this and try to convince people – we could have just started building it, and that would have been so much faster to convince people. So we have failed in places when we just don’t get to the business of building fast enough.”

Maintaining the pace of change has relied on two key principles. The first was to take a platform approach, which meant work could be reused in a cost-effective way.

“Secondly, what has really speeded things up is that we can’t afford complexity,” Sikkut said. “We have to make things simple because in the end there’s not so many of us. If we make things too complex, we get stuck. Each time we have failed is when we have made systems too complex to handle and understand. So making things lean also makes stuff faster.”

“In the whole of government we’re talking about 1,300 people in IT and digital teams. Just to give you context, that would be about 2-3% of central government workforce.”

For those agencies considering their options for digital transformation, Boomi’s Managing Director for Australia and New Zealand Nathan Gower suggested that the Integration-Platform-as-a-Service (IPaaS)

model represented a fast and low-cost mechanism for achieving transformation, and specifically for bringing together complex processes such as the ones that Sikkut described associated with childbirth.

“We’re a single platform that can do your data discovery, your data governance and your connectivity, and integration, on the one platform,” Gower said.

“There’s no doubt you could go and build all this capability yourself. We know typically we can increase speed by about 60%. Data discovery, data governance, connectivity and integration, is a core foundation or building block that you need across your organisation. So I would argue why reinvent the wheel when you can buy that as a platform?”

“Improving that speed and reducing the cost for that core component, means that the pool of resources you have in the organisation can actually be put to better use around truly providing transformational projects.”

In his desire to move quickly, Sikkut said he was also careful not to get stuck trying to look too far ahead and made decisions based on a strategic horizon of only two or three years.

“We don’t really believe that we can have any further actual view,” Sikkut said. “Obviously, we can talk about macro trends such as climate change and so on. From actual strategic point of view, things change so much in our business.”

Sikkut learned firsthand the folly making long-term predictions when he first took a digital government role a decade ago, when the team was trying to take a five-year perspective.

“We had a debate on whether artificial intelligence would be a thing to take on board, and even the best experts in the world said no, it would still be in the lab,” Sikkut said. “Come 2015-16, it was in our pockets.”

The Digital Public Servant

Not surprisingly then, one of the areas where Estonia is investing heavily today is in artificial intelligence. Sikkut said the use of AI mirrored the strategy that Estonia first adopted after independence when it sought innovative ways to deliver effective government. The introduction of AI now provided an opportunity to re-examine previous decisions.

“Just because you digitise something, it’s not automatically going to be better,” Sikkut said. “So that’s why a lot of our effort has been into simplification, to redesign a process, along with making them digital. So now with machine learning, we can basically cut some steps out from interactions.”

AI would now play a key role in interactions between the Estonian Government and its people, and the platform perspective would see Estonia follow the lead of commercial providers such as Apple and Google. “We see that those assistants will not be mostly government built and owned, and there will be other things in your pocket anyways that we might as well just make our stuff link to,” Sikkut said.

“So the core idea is that we see the tech radically making interaction with government easier, because it’s voice based. We see from testing, that can really bring down the digital barriers for people who can’t navigate with the technical tools.

“It’s a technological long shot I know, but at least we’re seeing how to make it work.”

One of the key considerations for any digital government project however is to balance the desire to move quickly versus the need to safeguard the data of its citizens and organisations.

According to Gower, those two considerations did not need to be mutually exclusive. “It starts with understanding what data an organisation has – where it resides, who has access to it, and how accurate it is,” Gower said. “Understanding those things is going to



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automatically lead to a better understanding of how you’re going to protect and secure that data. That’s when you can actually deliver rapid transformation, given every project all of us undertake across even within my own organisation revolves around data at its core.”

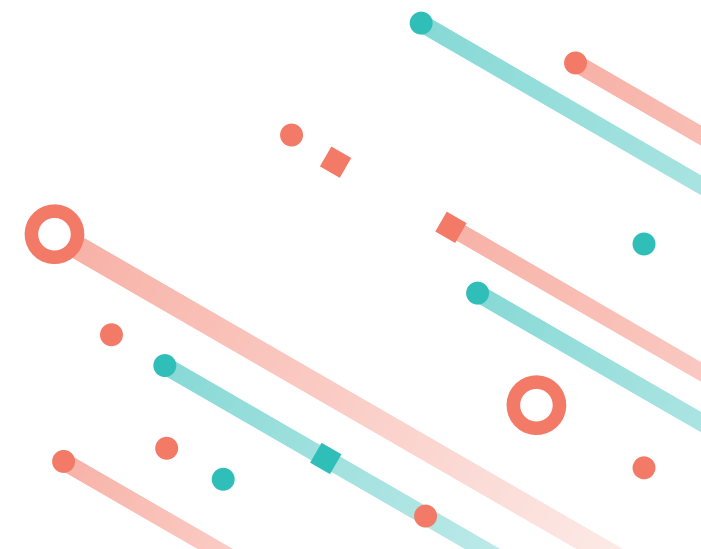
A Digital Native Government

Sikkut closed the session with an open invitation for any attendee to visit Estonia (when possible) to see its e-government in action. In the meantime, he stressed the importance of building communities of expertise, by having agencies meet up and share expertise and ideas.

For those attendees who faced resistance in their e-government transformation journeys, Sikkut said that while no amount of rhetoric might persuade the nay-sayers, the one thing that helped was for them to see it in action.

“Just build stuff,” Sikkut said. “Our approach is to say hey, let’s prototype this and let’s try it with some users, and see if it works and we can manage the risks. If we just stayed debating whether it can be done, we would still be debating. If you say it can be done, show how it can be done.

“Just do it. Just start, get going, you’ll figure it out and it will work if you iterate. So, good luck.”





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