

DEVELOPING ONLINE SERVICES IN PUBLIC ADMINISTRATION

The audit's main question was to survey the development of online services in public administration in light of key objectives. The audit strove to determine how the work of different authorities and bodies has been coordinated and how projects have been initiated in developing online services and to what extent and on what grounds the state has allocated funds to projects involving online services. In addition to surveying current problems, the audit sought to draw attention to possible development recommendations.

The audit was based largely on interviews with officials at the Ministry of Finance, the Ministry of the Interior, the Ministry of Social Affairs and Health, the Ministry of Labour, the Prime Minister's Office, the National Board of Taxes, the Population Register Centre and the Association of Finnish Local and Regional Authorities. During the audit the development of administration was monitored, extensive documents were studied and various training and information sessions were attended. On this basis the audit strove to form a picture of the achievement of objectives, the supervision of measures, general problems and development needs.

The audit focused on electronic services aimed at citizens and businesses. A closer examination of individual projects looked mainly at development points that are considered to have national significance.

The development of online services and supervision

At present Finland does not have separate legislation concerning the allocation of powers in supervising the state's information management and online services. Authorities' duties are governed on a general level by regulations concerning their activities. Development measures have been based largely on Government resolutions and other policies adopted in administration. Authorities and bodies

handling official tasks have been given development and monitoring tasks that often overlap. Responsibility has also been given to bodies whose possibility to influence development has been quite limited, in view of their position (such as the Advisory Committee on Information Management in Public Administration and the Register Pool). Responsibility has been spread widely in administration and no body has been in a position to form an overall picture of development trends and implementation stages in online services.

Developing online services should be linked more clearly to the overall development of activities and the renewal of processes. In this work the authorities that are responsible for activities have the best expertise. Some development and supervision measures require greater concentration and the ensuring of adequate expert resources, however.

Developing online services is in many respects a general task of public administration. Consequently it is important for different bodies' responsibilities and the division of tasks to be clearly defined at the legislative and strategy levels. The position of the Advisory Committee on Information Management in Public Administration and its recommendations should be defined in connection with reforms.

Supervision and coordination questions concerning information management in public administration are presently receiving attention in national development projects arranged by the state and local authorities.

Motley information systems and decentralized procurement

As a result of the planning and execution of information system projects on a sector basis and the decentralization of information management, systems have been developed often quite independently at the ministerial, regional and local levels. Consequently both state and municipal information systems are largely incompatible. Common architectures have not been developed to any large degree. Common interfaces and terminology for existing information systems are likewise undeveloped for the most part.

Outside consultants' role in planning and development has been significant. Since planning and development measures have been

carried out separately by organizations using different consultants and not taking advantage of information obtained previously in similar work, this has tended to increase the cost of information management projects.

If plans to centralize the supervision of the state's IT activities are implemented, the Ministry of Finance should take greater responsibility for selecting and specifying common architectures for online services, creating interfaces and terminologies, and managing and utilizing common information resources in public administration. Broader procurements that take place across organizational divisions should be promoted by renewing procurement procedures.

Planning, prioritizing and financing projects

As a result of decentralized information management and limited coordination, priorities have not been set for different projects involving online services and related funding at the level of administration as a whole. An exception is the project priorities that have been set within the framework of the Information Society Programme, but their effects on the allocation of funds have been limited.

Information management expenses have so far been viewed more as costs than as investments that boost productivity. Implementation options should be examined using a cost-benefit analysis in the project planning and start-up stage, however. Online services should be linked more closely to the renewal of processes and working methods. Project planning should also pay attention to international development and experience gained elsewhere.

In 2004 the state's information management expenses totalled nearly 600 million euros. Total expenses related to online services are unknown, since more often than not these costs are not monitored separately.

The planning, supervision and financing of online services should be linked more closely to one another. National projects and their financing should be separately defined. Monitoring financing is also important for setting project priorities, among other things.

Monitoring and evaluating projects

An overall survey of online service projects and their implementation has not been conducted in public administration. Nor is information available on the utilization of basic and other registers. Implemented projects have been evaluated randomly and usually in connection with case projects that have been chosen for special examination. The lack of information regarding experience gained elsewhere has hindered the broader use of successful practices.

The amount of information that can be jointly used in decision-making should be increased. The successfulness of online services should be evaluated systematically with the help of comparable indicators. Experiences as well as new ideas and good solution models should be assembled in joint data banks. A study concerning these measures has subsequently been started within the framework of the Information Society Programme.

Data protection and electronic identification

Information management faces problems especially when it comes to transferring and handling sensitive and confidential personal information. In the audit the biggest problems were observed in the social welfare and health-care sectors and in jointly arranged services, where current legislation is not entirely in line with constitutional requirements. It is very important for reforms that are under way to be implemented as soon as possible.

The identification of online customers should be based on strong authentication whenever sensitive and confidential information is handled or the customer can change personal information. According to the instructions issued by the Ministry of Finance, strong authentication should be based on quality certificates or the user names and changing passwords that are employed in online banking systems.

The Population Register Centre issues quality certificates. It has marketed its certificates not only for electronic identification cards but also for online banking services and mobile phone customers. The Population Register Centre is cooperating with local authorities to develop an electronic citizen identification card for use in public

administration. Demand for electronic identification cards and certificates has been slack, however. The reason has been the lack of services requiring strong authentication and the price of identification cards.

The Population Register Centre has been striving to improve the profitability of its certificate service for some time, without succeeding so far. Improving profitability is directly dependent on the number of people using citizen certificates. The number of users should be increased primarily through quality services. The problem is that customers have considered the current price of electronic identification cards too high.

In the opinion of the State Audit Office, services requiring strong authentication and the position and significance of different forms of identification should be surveyed in public administration. It is also worth considering whether the price of electronic identification cards should be lowered, for example temporarily.