Digitization of the public administration:
Modernization or a screen for budget cuts?

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Abstract:
For more than twenty years now, the introduction of digital technology in the public administration has centered around "dematerialization". In some services, this has been a genuine success, since dematerialization was in step with social trends in uses. However the rationale of budget-cutting that often guides dematerialization is encountering its limits in terms of both the value for citizens and the administration's internal operations. Without offering any new innovative uses, it is leading to a lower quality of services for the ten million French citizens who use digital technology very little. Dematerialization must make way for a genuine digital transformation of public services: the first signs of this change exist within the administration but have to be generalized.

For more than twenty years now, successive governments have proclaimed the objective of dematerializing administrative paperwork for citizens and firms. They have often announced the dematerialization of all administrative formalities. In the vision pursued by some officials, dematerialization has everything in its favor: simplification for users, savings contributing to the modernization of the public administration….

However questions must be raised about this at a time when the principal administrative procedures (taxes, Social Security…) have been dematerialized with genuine advantages but also when the rollout of big digital programs has encountered setbacks and when the question of the "digital inclusion" of all citizens is increasingly pertinent. Is dematerialization not being conducted mainly to reduce public outlays? Is it conducive to an actual change of uses? Should it advance or yield to other forms of digitization of the administration?[1]

Dematerialization at the center of the program for digitizing the public administration

The dematerialization of administrative procedures, whether those that apply to the administration's internal operations or to citizens and firms, lies at the center of the digitization of the administration (to such a point that it is difficult to imagine other ways to digitally transform the administration). This dematerialization has involved creating "teleprocedures" and "teleservices", concepts already existing in the 1990s. Approximately five hundred teleservices are now available to citizens, ranging from taxes through the registration of minimotor or miniquad bikes and the request for certain Social Security benefits to the management of farm subsidies.[2] Besides these online services, nearly two thousand administrative forms have been dematerialized as online pdf-files.

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[1] This article has been translated from French by Noal Mellott (Omaha Beach, France). All websites have been consulted in July 2019.

[2] A list of these teleprocedures is available on the website www.service-public.fr under the heading *Services en ligne et formulaires*.

They can be more or less filled in on screen but ultimately have to be printed and sent by postal or electronic mail.

All these procedures account for about a quarter of administrative procedures in number but two thirds in volume. This already substantial work on dematerialization is still far from complete. An objective of 100% dematerialization would require a significant budget for making an exhaustive inventory of all procedures and carrying out all the related programs. Till now, this inventory is approximate.

A majority of citizens and firms perceive these (still limited) services positively. According to studies conducted on the national and European scales,[3] between 60% and 70% of citizens and about 80% of firms use these online services; and the overall satisfaction rate is more than 90%. These services have been conducive to changing the practices of both citizens and the administration by: avoiding legwork, eliminating all or part of paper correspondence and files, and generalizing the use of digital technology for communications with the administration.

This approach to dematerialization has encountered limitations in terms both of the value for users and the implementation by public administrations.

Dematerialization: Limitations and budgetary restrictions

Dematerialization has, till now, logically focused on procedures that represent a sizeable volume of formalities in the administration concerned but that do not entail major changes in underlying processes. The most striking example is the dematerialization of tax services. The income tax declaration is now available via a digital interface, but this service still consists of filling in the equivalent of the paper form (Cerfa 2042). The fact that the form is already filled in represents a simplification for the person making the declaration. Furthermore, this dematerialization allows for savings in the management of paper forms and of interactions with citizens, but it does not substantially modify the tax collection process.

After all, many a procedure simultaneously involves more than one administrative service, entailing actions by a central administration, state agencies and various local authorities. For instance, managing places in a day-care center is a matter for mayors, but the tax administration and family allocations fund (CAF) set the level of financial aid. When these procedures are dematerialized, difficulties crop up with coordinating all parties involved in governance and funding (and sharing the costs and savings among them).

The current, constantly evolving, regulatory and administrative complexity accounts for the failure of some dematerialization programs, especially those in human resources (Louvois, Sirhen). Given the complexity of the rules governing a variety of statuses, administrative corps and bonuses (rules sometimes incompatible with each other), these regulations must be thoroughly reformed prior to any dematerialization lest major operational problems or exorbitant costs result.

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[3] See: *Tableau de bord des services publics numériques 2017* available via
https://www.modernisation.gouv.fr/home/tableau-de-bord-des-services-publics-numeriques-edition-2017#; CREDOC (2018) *Baromètre du numérique 2018. Conditions de vie et aspirations des Français* (Paris: CREDOC), 256p. available at
https://www.arcep.fr/uploads/tx_gspublication/barometre-du-numerique-2018_031218.pdf; & *Digital Economy and Society Index* at
https://ec.europa.eu/digital-single-market/desi.

Another key aspect is the budgetary dimension of dematerialization programs. Digital technology is seen as having a potential for big savings — as part of an administrative reform with the primary goal, for several years now, of controlling public expenditures, whence a rationale for funding the state's in-house programs that demands proving in advance that there will be a return on investment thanks to future savings. As a consequence and given the risks related to the conduct of these programs, plans for fostering coordination among administrations or for conducting programs along with users as a learning experience are discouraged. What remains are dematerialization programs that do not substantially modify current practices.

The budgetary dimension also comes into play due to the choice, made several years ago, to consider digital technology to be a support function with a budget that can be regularly trimmed. As a result, skills are lacking, the budget for investments is very limited, the digital features developed are structurally inadequate, and contracts with service providers abound. In the state's central administrations, digital technology accounts for 18,500 jobs (from 1% to 2% of the workforce in the ministries) and approximately €1.7 million expenditures per year. In an average firm, it represents about 5% of the workforce, a percentage that rises to more than 10% in the banking and insurance industries (26,000 persons in the bank Société Générale). So, digital technology's current place in the state does not allow for conducting major programs, and the result is usually a minimal dematerialization.

The budgetary dimension has also led to imposing digital technology as the only channel for accomplishing certain procedures, such as the obligation to declare income on line or the quasi obligation to request a driver's license on line (under Plan Préfecture Nouvelle Génération). Although these obligations result in substantial savings since physical offices are shut down, they have three major effects on citizens:
- a possible deterioration of the quality of services, especially when the digital service is not really on par with the physical service;
- a feeling of abandonment in local areas; and
- the difficulty of access for the 16% of the French who are "remote" from digital technology, even though there are arrangements (ultimately too few in number and poorly adapted) for "accompanying" them during administrative procedures.

This "remoteness" from digital technology occurs for several reasons: problems with connections to the Internet (so-called "white zones", areas where connections are poor), the difficulties of using digital devices, the lack of adaptation of online services (which require updated software or do not fully comply with the standards about online access for persons with disabilities), illiteracy, etc. The government is now backing programs for access (landline or wireless) to the Internet and is sponsoring a national strategy of "digital inclusion" for educating the population and helping people. However these policies will take time to have effects — while the obligations related to digital technology are already binding.

A final obstacle to dematerialization comes from data security and the citizens' confidence. The state sets relatively high requirements for itself as a holder of citizens' data. The necessary compromises between the security and costs of programs and the ease of use are very seldom made in favor of citizens.

To summarize, replacing a paper administrative form with the same form in a pdf-file sent by e-mail represents a minor advance for users; but it brings to the administration savings in postal costs and the management of correspondence that can be quantified. This approach raises no security problems and can often be a quick response to instructions from political decision-makers. On the contrary, a thoroughgoing reform of a procedure in conjunction with users and the various administrations concerned so as to simplify it, make it comprehensible and adapt it for digital and nondigital uses by citizens is a long, costly and risky process.

From dematerialization to the digital transformation of the public administration

Despite accumulating limitations and restrictions, uses are developing. Users have rising expectations (especially because they make comparisons with digital services in the private sector) for: following up on the phases of execution, limiting the number of supporting documents that have to be sent, simplifying interfaces and improving their design, allowing for the use of smartphones and videoconferencing, etc. These expectations add onto expectations specific to public services: the co-construction of these services, user feedback, procedures that avoid bouncing users from service to service, and the transparency of administrative operations.

To adjust to these new expectations, it does not suffice to dematerialize by just transposing physical practices and procedures into a digital format. It is necessary to re-conceive the services rendered to citizens, verify the validity of their objectives and reinvent contacts with beneficiaries so as to adjust and develop uses.

Initial results from this transformation have been obtained in public administrations, but they must now be generalized:

● the rapid settlement of concrete problems. State startups, which can develop solutions to the problems that crop up within a few months, are now seeking to have contacts as soon as possible with users. There are now 84 startups in seven incubators.

● citizen involvement in developing digital services. A service for scoring online procedures has just been set up; and public "consultations" are just a click away for all administrations.

● the appropriation of digital technology by public employees. Thanks to the adoption of "simplified procedures", employees can, within a few days, dematerialize their administrative processes and start simplifying them (in particular by not requesting supporting documents). At present, nearly 6,000 procedures have been dematerialized in this way. The administration thus processes nearly 200,000 cases at a cost 100 times less than the cost of the dematerialization program.

● the improved circulation of information within the administration and with society. A recent decree has expanded the ambit of the principle "Say it once", which is intended to keep the administration from repeatedly asking for supporting documents that it already has. Thanks to open public data, NGOs can work out alternative solutions better adapted to uses while limiting public outlays.

● the repositioning of the technology itself. This has turned out to be a key to transforming the public administration. Each ministry must set up a division of digital technology. A division of this sort has, for the first time, jointly drafted with the ministry's legal services a regulatory text.

● the modernization of the administration's digital infrastructure. The adoption of a cloud strategy and the development of FranceConnect for verifying user identities are helping to develop services faster and simplify uses.

This is a mixed set of methods for developing public services. While they rely on, but are not limited to, the new possibilities borne by digital technology, they differ considerably from the methods familiar to the administration. In particular, these new programs tend to lack predictability, in particular with regard to the budgets or human resources needed. By making short steps and constantly measuring user satisfaction, they can be steered; and their probability of success is higher than that of run-of-the-mill programs, which, though apparently simpler to budget, ask no questions about the adaptation to users' needs. These new programs entail adopting follow-up procedures, in particular for monitoring budgets.

Several worksites are waiting to be opened for:
- decompartmentalizing the public administration both digitally (Current information systems hamper exchanges between administrations) and culturally (Procedures must be thought through from the user's viewpoint), and moving ahead with efforts to enable public employees to appropriate ths technology.
- devoting thought to the complementarity between physical and digital uses with the aim of "digital inclusion".
- fostering data exchanges and automatic services (via application programming interfaces, APIs) in public administrations and, too, with NGOs.

These worksites will call for additional budgets, but they are a necessary condition for the actual digital transformation of public administration services. This transformation alone can lead to savings in the long run.

Towards a digital transformation of public policies

Digital technology enables us to take account of uses that strongly affect the administration's role (*e.g.*, by taking actions in advance for granting rights to citizens). It also makes it possible to change other functions than public services in the administration (*e.g.*, regulatory functions, for which a key issue is the use of data). These changes involve reinventing public policies in the digital era, modifying processes and changing the state's role. Budgets and uses are questions that have to balance each other for a French model of the digital transformation of the state to be invented.