



Impact analysis of e-services in Örnsköldsvik

Background and task

- The region of Västernorrland has been running project *eSamverkan* since 2014 in order to cooperatively develop and implement common e-services for all municipalities in the region.
- In order to increase understanding and to be able to learn from the impact following from already implemented e-services in the municipalities, an impact analysis was carried out in one of the participating municipalities.
- The study was carried out of the impacts of 36 e-services (out of a total of 51) implemented in Örnsköldsvik municipality, on the same platform (*Open ePlatform*).
- On behalf of the municipality of Örnsköldsvik and the region of Västernorrland consultant Stelacon conducted the study as part of the ERUDITE Interreg project, supported by the research institute RISE Acreo for the SEROI methodology.
- The study was carried out mainly in the first quarter of 2018 using SEROI analysis (*Social and Economic Return On Investment*), including:
 - 8 in-depth interviews (with one or more representatives from the seven administrations responsible for one or more of the 36 selected e-services in Örnsköldsvik)
 - investment and recurring annual costs for the related e-services (for 2017)
 - average wages for administrators in Örnsköldsvik municipality
 - other relevant cost data

Key findings I

- The investments and costs Örnsköldsvik dedicated to e-services during 2017 led to a **clear positive return** and **improved efficiency** for the related organizations of the municipality.
 - Efficiency gains and other impacts have been quantified for **each operational unit/administration**, effects for the citizens have not been quantified (but identified on a general level).
 - Assuming that the released time (= the efficiency) allows employees to devote this time to other, more qualified and relevant tasks within the same administration/organization.
 - E-services with either **high volume of errands** or **complex application procedures** have proven the greatest efficiency gains.
- All the interviewed representatives who work daily with e-services in Örnsköldsvik are **positive** towards the digital development and the efficiency gains it brings, also making their work **more qualitative**.
- According to several of the interviewees there's **additional potential** to increase the efficiency gains from e-services including:
 - System integration between the organization's current management system (or equivalent) and *Open ePlatform*
 - Simplified and more transparent customer contact directly in the platform (streamlines dialogue between applicant and administrator)
 - Increased automation of certain steps in the handling of errands
 - Increase number of users and usage of e-services

Key findings II

- The most widely used e-services are **those who lack alternative ways or channels**, for example, to submit an application. Many of the **least used** e-services are so because of e.g.
 - Lack of awareness of the availability of the e-service(s) or the inconvenience / inability to use it
 - "Old habits" still in use in the operations and processes, i.e. those who apply always made it "manually" - they don't see time savings or other benefits
 - Some users do not want to use mandatory authentication method (e.g. doctor or association representative do not want to use *BankID*)

Overview of annual investments and costs for Örnsköldsvik

Year 2017

Cost component	Value (kSEK, year 2017)
Co-financing of development within eSamverkan	528
Dedicated staff (20% of two FTEs)	230
Operations and maintenance	197
Total	955
Share for ROI calculation (36/51)*	674

* 36 of a total of 51 e-services have been analysed and impact has been quantified, where this is the share of the annual cost for these 36 e-services.

Overview of achieved impacts and related values

Category (ornskoldsvik.se)	Number of analysed e-services	Efficiency gains and other quantified effects (kSEK)
Building permits	10	2 963
Child care and education	3	1 666
Leisure and culture	18	311
Streets, traffic and transport	4	131
Care support	1	94
Total	36	5 165
<i>Out of a total # of e-services</i>	<i>51</i>	

SEROI calculation

$$\text{SEROI}_x = \frac{\text{Social and Economic Return}}{\text{Investment/cost}}$$

- Total return for Örnsköldsvik (2017) studied: **5 165 kSEK** (2017).
- Associated investments and costs for Örnsköldsvik (2017): **674 kSEK**.



$$\text{SEROI} = 5\,165 / 674 = 770\%$$

- *This gives the conclusion that a positive return has been achieved for the implemented e-services studied.*

Benefits of the studied processes and operations*

Time savings:

- fewer manual moments
- reduced number of errors on applications and handling - more complete and correct applications and input/information
- opportunity to make electronic searches directly on the platform
- financial transactions are done directly (do not need to send invoice and await payment)
- reduced stress and improved sense of "quality" in the work with administration.

Communication:

- easier (and quicker) to make changes or update info and templates
- easier to get correct statistics
- improved communication opportunities towards the users/citizens.

Overview and management:

- better overview, structure and order
- increased user-friendliness for both citizens and administrators
- reduced paper and mail handling, reducing costs and environmental impact
- stable IT platform with high accessibility (24/7)
- easier to change and update previous decisions and information.

*Not always applicable to all e-services

Potential additional improvements for the operations I

General improvements:

- Improved communication in the meantime as a case/errand/application is processed:
 - for example, automatic reminders or notifications - for both citizens and administrators.
- Improved overview for the administrative officials and the users:
 - ability to collect all documents (digitally) in one place - both for citizens and administrators.
- If possible try to avoid alternative channels - the first one should be the digital channels.
 - However, for some groups (e.g. disabled or immigrants), one or more alternative channels are often needed.

Potential additional improvements for the operations II

Internal improvements

- Integration of e-services into management systems, meaning automatic and/or digital transfer between *Open ePlatform* and other operating/management systems within the municipalities administrations.
 - Although these system integrations in many cases will be relatively costly, and also different administrations often have different operating systems, this improvement might be one of the most important for further profit efficiency.
- Strengthen education and competence development for e-service administrators.
- Engage all relevant staff (e.g., administrators) in the development process and work for change, especially in the development of new e-services.
- Mapping out manual routines that are well-established among administrators and start to establish new digital routines.

External improvements:

- Increased transparency:
 - Improve opportunities for citizens to follow their case (or family members).
- Increased accessibility and simplified use, especially for citizens with disabilities, relatives or those lacking Swedish citizenship.
- Improve external information, education and promotion of e-services.