Public e-services for agency efficiency and citizen benefit — Findings from a stakeholder centered analysis

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ABSTRACT

The main goals of e-government are to increase agency efficiency and offer benefits to citizens. These goals have often been addressed as two interplaying outcomes of public e-service development, which are possible to achieve in parallel. This article shows that the two frequently applied stakeholders of e-government (agencies and citizens) are much too extensive and heterogeneous in order to be meaningfully addressed in public e-service conceptualization and development. We conduct a stakeholder centered analysis of a public e-service development and implementation process in order to identify stakeholder groups and discuss how they differ in their perceptions and, consequently, also in their feelings of relevance and need related to the e-service. By adopting a multi-faceted perspective on stakeholders, public e-service development can be analyzed and understood in a way that takes several stakeholder groups into account. Our study contributes with deeper insights about a situation where stakeholder salience changes over time, while some stakeholder groups have low salience during the entire process. The result of conducting a stakeholder centered analysis is that we, by visualizing the stakeholder groups' differences, are better prepared to meet and combine different needs related to a planned e-service. Thus, we argue that a stakeholder centered analysis of expectations and opinions concerning the e-service help to develop e-services possible to succeed in offering both external service and internal efficiency.

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1. Introduction

This article takes its point of departure in the view of public e-services being developed in order to increase agency efficiency and offer benefits to citizens in terms of easier access, more information or higher quality in their agency interactions. These main goals of e-government have often been addressed as two interplaying outcomes of public e-service development, which are possible to achieve in parallel. We question this view as being too simplified and to some extent naïve. Many e-government studies emphasize that the stakeholders present in e-government are defined as a government agency and a citizen interacting through, for example an internet-based public e-service (e.g., Flak, Sein, & Sæbø, 2007; Grönlund & Horan, 2005; Yildiz, 2007). These two stakeholders are often taken for granted in research and in practice; the agency offers a communication medium to citizens who act as private persons towards the agency.

In this article, we conduct a stakeholder centered analysis of empirical data and findings from a qualitative case study, in order to illustrate that this one-to-one relationship between government and

citizen is too simplified in order to understand public e-services. Stakeholders can have different roles and belong to stakeholder groups; a certain profession for example. We agree with scholars, such as Tranmüller and Wimmer (2000) and Flak et al. (2007), who state that e-government involves many different stakeholder groups that need to be considered when developing e-services. Janssen and Cresswell (2005), Schneider (2002) and Kamal, Weerakkody, and Irani (2011) also highlight that e-government initiatives involve many different stakeholders situated both inside and outside the organization in focus. Thus, we can distinguish between internal and external stakeholders as well as direct and indirect stakeholders (cf. also Gelders, Galetzka, Verckens, & Seydel, 2008).

In the present case, further described below, we study the development of a public e-service for handling student anonymity during written exams at a Swedish university. The e-service is developed and offered by the university, which has the agency role in this case. The e-service has several distinct user groups, both internal users working at the agency (teachers, administrators, and exam supervisors) and external users acting in the role of citizens (students). This diversity in user roles implies that users of public e-services are a heterogeneous group. We therefore argue that stakeholder theory (e.g., Freeman, 1984), often used when describing and analyzing private firms, can be fruitful to use in the e-government context as well. This is supported by several scholars who have applied stakeholder theory in e-government (e.g., Carter & Bélanger, 2005; Chan, Pan, &

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Tan, 2003; Flak & Nordheim, 2006; Flak & Rose, 2005; Pardo & Scholl, 2002; Sæbø et al., 2011; Scholl, 2001).

Our analysis is based on two theoretical models. We use the typology by Mitchell, Agle, and Wood (1997), introduced in the next section, which explains how stakeholders' salience depends on their differing degree of power, legitimacy and urgency. By using this typology we are able to analyze e-government stakeholders' salience with our case as a point of departure. Our second theoretical analysis model is a conceptualization of e-government entities by Sæbø et al. (2011), who further developed the entities from Flak et al. (2007). The e-government entities model, introduced in the next section, is proposed as a way to contextualize stakeholders in e-government in a more detailed way than just distinguishing between government and citizens Sæbø et al. (2011). Thus, by applying the e-government entities model we get a more fine-grained conceptualization of e-government stakeholders. Sæbø et al. (2011) have developed the entities from a national government agency perspective. In their article, Sæbø et al. (2011) unpack the concept of stakeholder salience, and we relate to this on-going discussion by elaborating on how this conceptualization informs our case when we apply the concepts on a local level of e-government. We discuss how identified stakeholders differ in opinions and expectations regarding a public e-service, as well as in what way their activities are affected by the e-service, and relate these findings to the notion of stakeholder salience. We argue that this conceptualization can be useful in the future development of more comprehensive and successful e-services. Such e-services might succeed to balance the two main e-government objectives; reaching both agency efficiency and citizen benefits.

The research question we focus on in this article is what insights we can gain from identifying involved e-government stakeholders in more detail than just distinguishing between agencies and citizens. We use empirical illustrations from the studied e-service development and implementation process in order to identify stakeholder groups and to discuss how they differ in their perceptions and consequently also in their feelings of relevance and need related to the e-service. Following this line of argument, the purpose of the article is to show that the two most frequently used stakeholders of e-government (agencies and citizens) are much too extensive and heterogeneous to address, in order to reach the commonly anticipated win–win situation, with increased quality for citizens and increased efficiency for agencies. By presenting this diversity in opinions we add further understanding to the notion of e-services as being more or less beneficial for certain stakeholders. By adopting a multi-faceted perspective on stakeholders, public e-service development can be analyzed and understood in a way that takes several stakeholder groups into account. Our approach is supported by studies of Flak and Nordheim (2006) and Sæbø et al. (2011) which indicate that few e-government studies so far have explicitly addressed the stakeholder complexity and its inherent challenges.

After this introduction, the article is organized in the following way: in Section 2 we discuss the theoretical concept of stakeholders in e-government. The case is described in Section 3 followed by the research design in Section 4. The empirical findings from our case study are presented in Section 5. In Section 6 the findings are analyzed and discussed. The article is concluded in Section 7, in which we also make some statements about the need for further research efforts in this area.

2. Applying the stakeholder concept on e-government

We use the stakeholder concept in order to discuss different user groups and other actor groups related to the studied public e-service. The stakeholder concept was used by Freeman (1984) in his seminal work with the definition of "*any group or individual who can affect or is affected by the achievement of the organization's objectives*" (Freeman (1984), p. 46). The stakeholder concept was originally introduced and

used in the context of a private firm. There are, however, several scholars who have discussed how the stakeholder concept can be applied to public contexts as well (e.g. Carter & Bélanger, 2005; Chan et al., 2003; Flak & Nordheim, 2006; Flak & Rose, 2005; Pardo & Scholl, 2002; Sæbø et al., 2011; Scholl, 2001). Scholl (2001) presents a literature review on how the stakeholder concept has been transferred from the private to the public context and used in e-government settings. He distinguishes both benefits and limitations, but concludes that even though the stakeholder theory has as its origins from the private sector the stakeholder concept can be beneficial to use in e-government settings as well. Flak and Rose (2005) and Sæbø et al. (2011) argue that applying the stakeholder theory in e-government research could increase a critical stance. By dividing the actor roles into several stakeholders the understanding of citizen and government relations can be deeper but it can also be questioned. Flak and Rose (2005) also argue that the stakeholder theory lacks theorization of the relationship between technology and stakeholders, which is important in order to understand e-government.

An important argument linked to the need to study stakeholders more thoroughly is provided by Sæbø et al. (2011, p. 42) who claim that, still, e-government development initiatives are often characterized by "*a techno-centric approach with minimal citizen involvement.*" Much effort is still spent on developing sophisticated systems and increasing the number of e-services provided to citizens. There is a need to pay attention to the reasons why the intended users would adopt such services and interact with the government (Carter & Bélanger, 2005; Sæbø et al., 2011). As stated in the Introduction section of this article we can distinguish between internal and external stakeholders as well as direct and indirect stakeholders (cf. also Gelders et al., 2008). All stakeholders possess knowledge and expertise that can provide valuable input when developing e-services (Kamal et al., 2011). Within government, for example, we have administrators and politicians that can influence e-government development. In order to get a more nuanced view of stakeholders and how they can influence and participate in e-government development we use the stakeholder typology by Mitchell et al. (1997) and the e-government entities model by Sæbø et al. (2011) as analytical lenses. Both these theoretical models have the stakeholder theory as a point of departure.

Mitchell et al. (1997) argue that a stakeholder possesses one or several of the attributes power, legitimacy and urgency. In their study, Mitchell et al. (1997) develop a typology of: 1) stakeholders who have power to influence the firm, 2) the legitimacy of the stakeholder's relationship with the firm, and 3) urgency of the stakeholder's claim on the firm. These three attributes are intertwined. Mitchell et al. (1997, pp. 869–870) argue that "*power gains authority through legitimacy, and it gains exercise through urgency […] legitimacy gains rights through power and voice through urgency*". Mitchell et al. (1997) define the concept of power based on Salancik and Pfeffer (1974, p. 3), as "*… the ability of those who possess power to bring about the outcomes they desire*". Their definition of legitimacy is traced back to Suchman (1995, p. 574) who claims that it is "*a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, beliefs and definitions*". Urgency is defined as "*the degree to which stakeholder claims call for immediate attention*" (Mitchell et al., 1997, p. 867). Time sensitivity and criticality (how important the issue is for the stakeholder) are two major dimensions of urgency (Mitchell et al., 1997, p. 867).

Chan et al. (2003) discuss how the stakeholder theory can be used in order to manage stakeholder relations in e-government projects. They identify a lack of literature within the e-government field concerning strategic management of stakeholder relations, even though several scholars highlight this as an important issue to handle in order to reach success in e-government projects. This is also in line with Flak, Moe, and Sæbø (2003) who call for more research on how the stakeholder theory can be adapted to the e-government field. This is taken a step further by Flak and Rose (2005) who propose a research