

Trust in E-Government cooperation

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The past years a general acceptance emerges that the real added value of e-government developments should be realized in chain integration and network cooperation rather than within separate government organizations. The focus of research is shifting towards the conditions under which network cooperation can arise and prosper. In this article we examine the role that trust plays between potential network partners while creating network cooperation. This is done in a case study about a successful, inter-organizational ICT solution in the Dutch social security sector. The case suggests some lines of action, that might help other governments to succeed in realizing E-government network cooperation.

1. Towards a Copernican change in the E-Government approaches

Scientific research and government attention were in the early years of e-government development primarily focused on ICT-developments within separate government institutions. Soon however individual governments were confronted with high ICT investments that did not meet the expectations of high added value to citizens on a local level. Because public issues are broader than the boundaries of individual organizations, fragmented ICT (of individual organizations) can only partially lead to solutions. This becomes even more clear now social problems are more complex and dynamic. To solve these social problems E-government has to trespass the borders of the individual organization. The perspective from a single public organization should therefore be replaced by the perspective from the social problem at hand. In stead of putting the earth in the center of our universe we should put the sun in the center. By changing this perspective Copernicus helped the world into the age of enlightenment and on track to the modern societies we are part of today. By effectively using shared services, shared databases, information standards and information resources a revolutionary progress can be noticed as a long list of examples show by now. No wonder that the attention of the scientific world is also attracted towards the role of networks and the way they support social and technological developments.

2. Government characteristics complicate network cooperation

Although the chain, or network, perspective at E-government appears to be attractive to many, realizing cooperation in government production chains or networks is a different ball game. The system of government in most countries is such that the protection of the autonomy of individual government bodies is very strong. Because each one has a legal monopoly in its designated functional or geographical domain, they do not know strong incentives to cooperate. They are rather encouraged to stick to their domain borders and to prevent other government organizations to interfere in their affairs. Most cooperation initiatives in the field of e-government have for that reason to deal with the fact that often none of the government organizations in the network has enough influence to enforce the required sharing of autonomy or the cooperation around a certain social theme. This means that cooperation within a chain or network requires both long and tiresome negotiations and considerable compromises to the initial aims. Network cooperation processes therefore rarely seem to be rational, know a high failure rate and the benefits often do not exceed the costs. There are only a few possibilities to speed up network cooperation:-

1. Central government intervenes; This happens often by proclaiming new laws and regulations, by changing the (system of) financial incentives or by taking up the steering wheel themselves (centralization). Central governments are in general however very cautious to use their legal authority to breach autonomy of other government institutions. Most of them have learned from previous experiences that enforced cooperation between government agencies has a high failure risk. They rather see that cooperation emerges naturally between chain partners.
2. Chain partners trust each other enough to cooperate without an external incentive. They share the same values and beliefs. They are open enough to each other's needs, that they are no threat to each others existence. Trust is the keyword in this line of thinking.
3. A strong external incentive forces chain partners to cooperate. There are many examples that, when a crisis emerges, partners - even in government and politics - are reluctant to overcome their differences and close the lines against a common enemy. A great example of a crisis, that lead to autonomy sharing in the field of e-government, is the recent integration of intelligence services in the United States due to the 911 events. The external incentive may often as well be the reason for central government to intervene.

Since options 1 and 3 are never the first choices to make when looking for network cooperation, the real challenge in e-government is to create sincere trust between potential network partners (option 2).

3. Trust in the RINIS network

If trust is essential for breakthrough e-government we have to learn how trust can be created to realize inter-organizational ICT solutions. In this paragraph we explore the role of trust in the realization of a successful ICT solution in de social security sector, the Dutch RINIS network. RINIS is short for Institute for the Routing of (Inter)National Information Streams. In the beginning of the 1990s, it was felt within

various organizations in the field of social security that it was necessary to facilitate the exchange of information in order to fight fraud. The Dutch social security sector suffered from a considerable amount of fragmentation between institutions and was therefore not capable to act effectively against misuse of collective provisions by citizens. While client information was not shared between parties, the sector as a whole could not generate information necessary to trace fraud. For example: a citizen could at the same time get an unemployment benefit of one organization and be registered as employed at another organization. Although the partners in the field subscribed the need for joint action, the risk of losing power restrained partners from actually working together. They feared a weaker position. A breakthrough was caused by a small group of chief executive officers¹, who believed in cooperation and trusted the others not to act opportunistic. These managers were long time acquaintances, dating back to former employment relations. They had positive experiences in working together. They shared the same values and knew the competences and reputation of the other. They developed in just a few evenings of brainstorming the idea of inter-organizational exchange of information in order to fight fraud: the RINIS initiative was born. RINIS was developed resting on four pillars: (1) the use of authentic sources of information, (2) the RINIS architecture of exchange of information between parties, (3) the RINIS organization, which authorizes information exchanges and (4) the use of standardization in data communication. From the start RINIS proved to be a successful ICT solution, which contributed to a considerable reduction of abuse of community provisions. Executive organizations were able to check clients' information before deciding on their request for a benefit. It became almost impossible to obtain a benefit on false grounds. At the same time the benefits for the participating organizations were considerable. They were able to fulfill their tasks more effective en efficient: Effective because they had the information to take the right decision and efficient because due to the use of ICT they could handle more cases with the same capacity. The mutual trust between initiators grew and the collaboration became more intensive. At the same time the success of RINIS attracted other organizations to participate. Their trust in the RINIS network was based upon various factors:

- RINIS had a *good reputation*. Initial successes led to the fact that a common believe and trust in the institute emerged.
- The *independent role* of RINIS. The institute is an independent foundation and this contributed to the faith that the institute would not favor one network partner above another.
- The experiences with RINIS showed that *risks* for organizations *were limited*; there was no big loss of autonomy and the investments were minimal. For example: every participating sector is free to determine its own system for routing messages within the sector. Exchange takes place via a reference index.
- The *equality of parties* within the network. One of the initiators of RINIS said during one of the interviews we conducted for the case study: 'if the Ministry of Internal Affairs would have had a dominant position in the network, the whole project would probably have failed. The executive organizations would not accept

¹ Involved were the chief executive officers of three executive organizations: the Social Insurance Bank, the Industrial Insurance Boards and the TICA (an umbrella organization).

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a determined influence of the Ministry. The network would suffer from distrust between parties and decisions would not or wearisome been made’.

- The *conditions* for participating are *clear*. The concept is simple and agreements are transparent. With other words: the partners know what they can expect. They trust not to be confronted with unforeseen facts.

The RINIS network has gradually grown to be an internationally accepted best practice of information exchange between partners in social security, in spite of the modest ambitions compared to social security information exchange networks in other countries (e.g. the Belgium Cross Road Bank). Although the reach of the initiative was small in the beginning, the cooperation was so successful that it grew rapidly. The example they set and the transitional effect of trust in the network gained the faith of other potential stakeholders. Now also health care organizations, the judicial sector and the educational sector cooperate in RINIS. The mission of RINIS, that started as supporting the fight against social security fraud, is now broadened to support a wide range of public tasks. Central government announced recently to institutionalize parts of the initiative by introducing a law to create a general citizen service number. This number makes it easier for government agencies to connect each others registrations and to exchange information.

Analysis and conclusions

The RINIS case is a typical example of a bottom up initiative to profit from network cooperation. The case shows us that trust can make the difference between the establishment of successful information sharing solutions in networks or no cooperation at all. Whereas the partners of the social security sector for years were not willing to cooperate, a small group of managers with a high degree of mutual trust succeeded in initiating and implementing an information network. The role of central government is in the RINIS case one of institutionalizing cooperation after the cooperation has been established bottom up. The case study supports the assumption that there is a natural growth path towards mutual trust. This path exists of the following phases, comparable to the cycle people go through when they choose a life partner:

- Acquaintance phase (getting to know each other, discovering if potential partners share the same values);
- Courtship phase (learning more about each other by doing projects together);
- Commitment phase (doing the vow: formalizing and broadcasting the cooperation, institutionalizing parts of the cooperation);
- Interdependencies phase (high transaction costs prevent partners to quit the cooperation);
- Integration phase (original identity becomes less meaningful).

The growth path assumption, or courtship model as we call it, can help potential network partners to grow trust among each other. Although some phases can be accelerated, bottom up cooperation is most of the cases a gradual process, that takes time and long term commitment. It might however be sometimes the only road towards successful E-government cooperation.