



Smart Governments in the MENA Region

Progress, Perception, and the Path Forward

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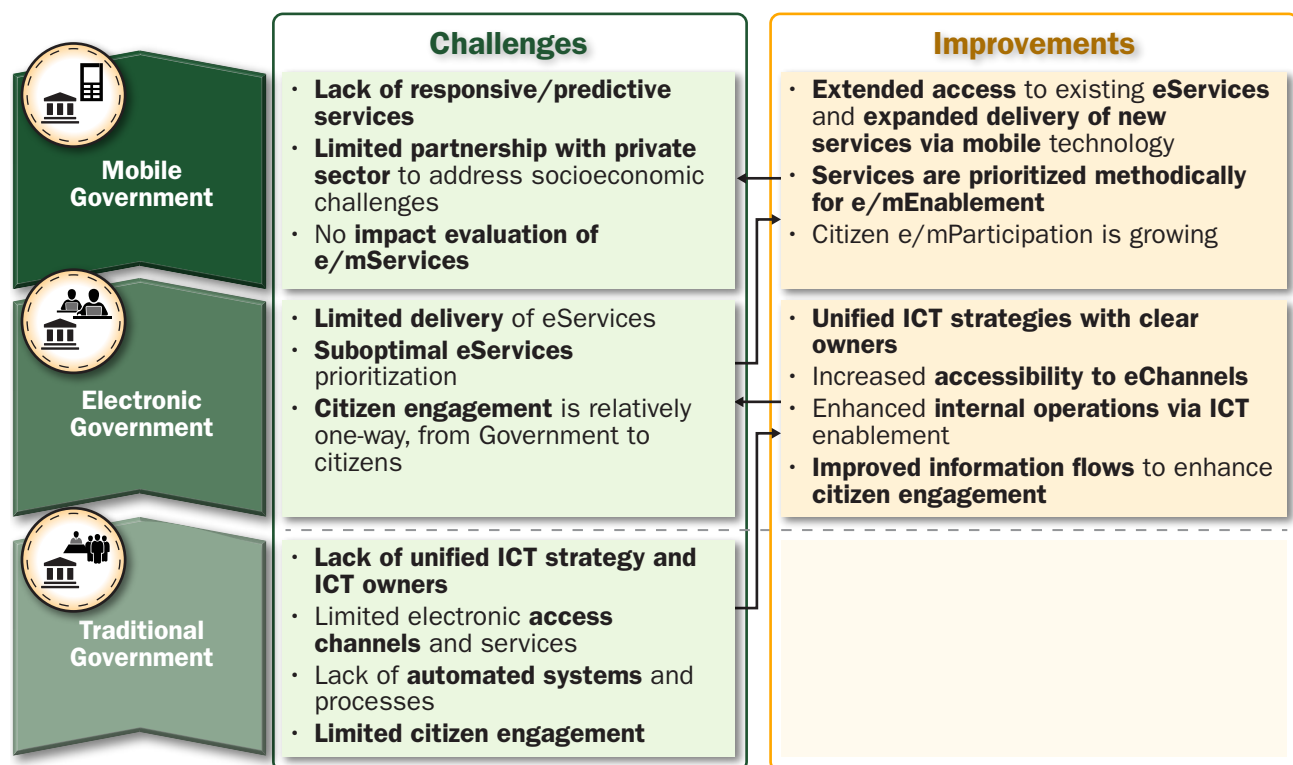
While governments in the Middle East and North Africa (MENA) region have embarked on the Smart Government journey, much still needs to be accomplished to reach a true state of Smart Government. To get to Smart and beyond, governments must address identified gaps across a holistic Smart Government framework while embracing an innovation culture.

The Path to Smart Government

Over the last decade, many governments have successfully changed the way they deliver services by implementing strategies and plans to become more agile and constituent friendly. Driven by the need to provide integrated services to their constituents more effectively and efficiently, they have transitioned from traditional, to electronic, and today, to mobile forms of government.

Up until the current electronic transformation age, engagement (e.g., transactions and communication) between governments and their constituents was, to some degree, ineffective because of the lack of coordinated digital government strategies and plans driven by appropriate stakeholders and owners. As governments in the MENA region strived to

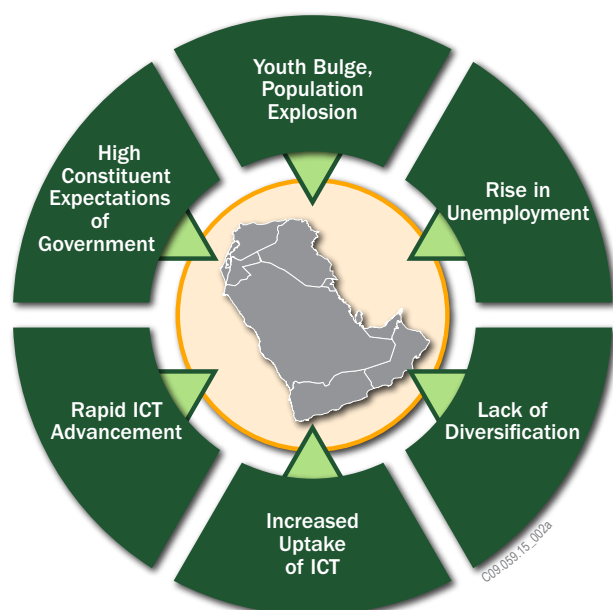
improve their engagement processes and ensure greater efficiencies through digital means, they started to establish new operating models with the objective of unifying their drive toward optimized constituent engagement. Beyond operating models, constituent-centered access channels and services, which were initially limited, have seen a facelift of their own. Governments started by increasing accessibility to eChannels and eServices, and today they have extended access to the delivery of new services via mobile platforms. In addition, and to improve their internal operations, governments began the lengthy journey of restructuring their internal processes and deploying enabling infrastructure and systems.



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As a result of better coordination of digital government planning and enablement, governments in the MENA region are able to provide a range of services through electronic and increasingly mobile means. Most importantly, these transformations have improved information flows to and from citizens, increasing their engagement. While not yet fully optimal, today citizen digital engagement and participation continue to grow.

However in the midst of this ongoing progress, a number of new and rising challenges—which could also be viewed as continuous improvement opportunities—are forcing governments to transform again.



Source: World Economic Forum—Rethinking Arab Employment, Mohammed Bin Rashid School of Government, BAH analysis

Population numbers continue their exponential growth throughout the region, leading to a rise in unemployment that is exacerbated by suboptimal economic diversification. These factors, coupled with increased constituent expectations of the government in response to recent advances in technology and data analytics, are pushing governments to transform again with the aim of becoming more anticipatory of constituent service requirements by achieving true Smart Government status.

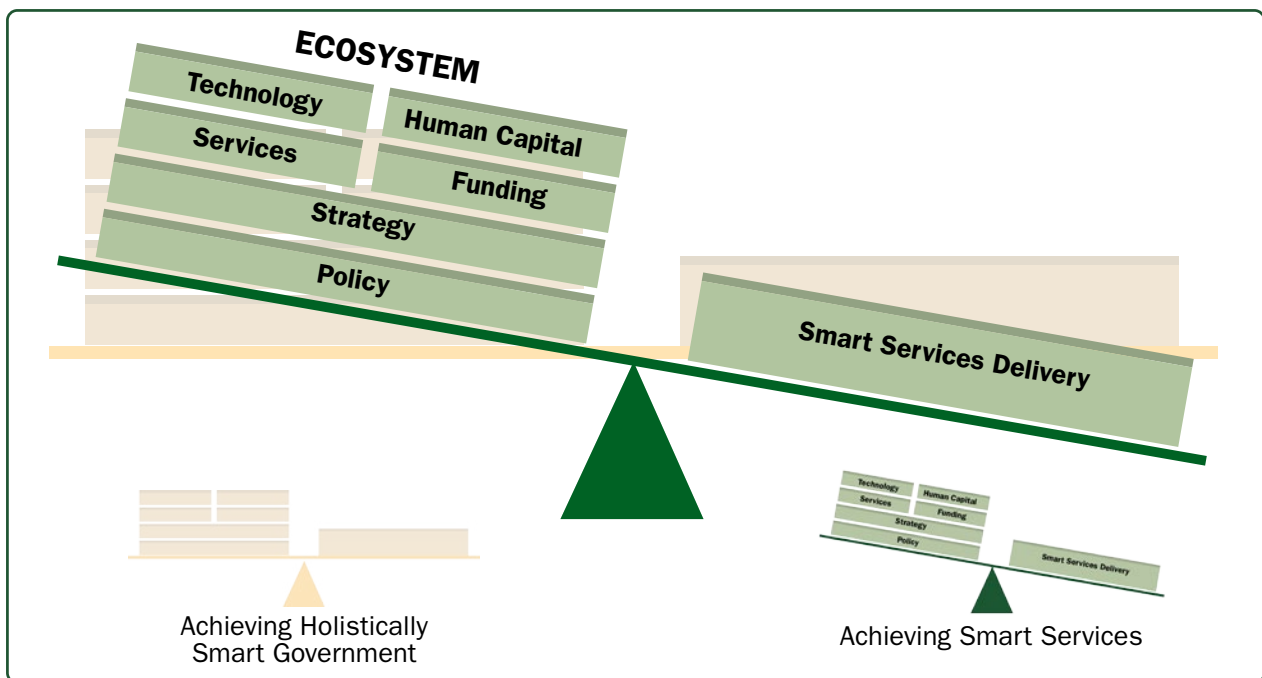
Progress to Date

In their quest to address these pressing challenges and improvement opportunities, many governments in the MENA region have embarked on the next stage of innovation, toward Smart Government. However, two critical issues have surfaced as they work toward this aspiration:

1. The concept of Smart Government has, for many governments, quickly come to mean Smart services only.
2. The Smart services concept has itself become associated with mobile services that do not necessarily embody the criteria for service smartness in their designs, such as responsiveness, adaptability, and predictability.

This has resulted in equating Smart Government with mobile services provided through apps on a smartphone. Governments have released

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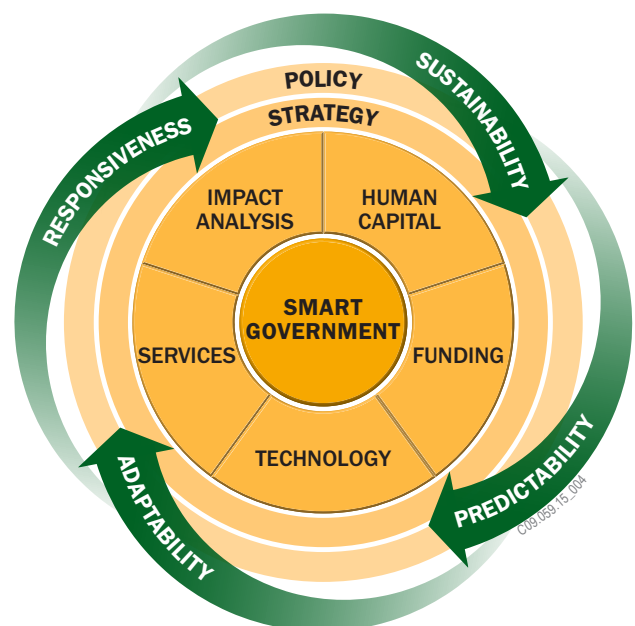


thousands of mobile services mistakenly referred to as Smart services and collectively as Smart Government. They have done this despite lacking: the key elements of Smart design, clear integration plans, the implementation and operational manpower needed to continuously maintain these services, and a clear, targeted communication plan that makes constituents aware of these services and their functionalities. Consequently, despite the millions of dollars invested so far, governments in the region are witnessing rather low electronic and mobile services uptake (less than 20 percent).

The key question then becomes: How can governments today service their constituents in a more sustainable, responsive, adaptable, and predictable manner while making them more aware of these services? The answer lies in the implementation of a holistic Smart Government framework.

Holistic Smart Government Framework

Smart Governments need to follow a multidimensional framework encompassing Smart policies, Smart strategy, and Smart business practices, including Smart funding, Smart technology, Smart services supported by clear



communication efforts, Smart human capital management, and Smart impact analysis.

Following such a framework, Smart Governments are effectively designed to be *responsive*, *adaptable*, *predictive*, and *sustainable*.

Through various digital platforms, Smart Governments allow real *responsiveness* whereby citizens and businesses can interact in real time with the government and provide feedback in a timely manner. Singapore’s Infocomm Development Authority illustrates a Smart Government level of performance by connecting all stakeholders in the ecosystem around many use cases; for example, the government connects medically trained personnel in real time with individuals in need of immediate assistance.

Smart Governments are also characterized by their *adaptability* to tackle diverse constituent needs across an array of channels. As they optimize existing processes and applications through the use of Smart technologies, Smart Governments are also able to better adapt and respond to the rapidly changing needs of their constituents. For example, the United Kingdom’s GOV.UK allows constituents to simultaneously access services such as employment, taxation, visas, and housing across various channels throughout their interaction with the government (e.g., mobile application, website/portal, SMS, smart TV).

Furthermore, Smart Governments allow for *predictability* as they rely on advanced analytics to anticipate their constituents’ needs, allowing proactive personalization of service delivery. An example is the South Korean Government, which uses the Internet of Things, smart grids, and other Smart platforms to predict future trends and citizens’ requirements.

Finally, Smart Government entities aim to reduce their dependency on central government and increase their reliance on various new sustainable

resources, particularly with regard to funding, in order to continue evolving their operations and service delivery without being fully boxed into rigid processes. This allows Smart Governments to create value-added services and programs with strong *sustainability*. This can be seen in many Gulf Cooperation Council eGovernment programs that are starting to financially sustain the delivery of value-added and VIP services by levying an additional convenience fee.



Smart Policies

Setting Smart policies by leveraging econometric modeling and big data analysis



Smart Strategies

Defining responsive, adaptive, and flexible strategies



Smart Human Capital

Adopting a robust yet flexible organization that relies on Smart sourcing to provide just-in-time expertise



Smart Technology

Adopting cloud-based and subscription-based ICT, as well as advanced analytics



Smart Funding

Relying on various sources of funding to drive and maintain sustainable growth



Smart Services

Providing highly personalized and predictive services through a customized service delivery



Smart Strategic Impact

Evaluating the socioeconomic impact of policies, strategies, and services using robust data analytics

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The Path Forward

To build a true Smart Government, governments in the MENA region will need to continue evolving by tackling the seven key areas of the holistic Smart Government framework.

While the current government policy-setting approach is reactive and simply based on experience, trends, and benchmarks, Smart Governments should rely on **Smart policy** setting as a foundation for having policies with clear and strong effects. By leveraging econometric modeling and big data analysis as powerful decision-making tools, Smart Governments can minimize reactive policy-setting instances and become more proactive by simulating the impact of policies on broad socioeconomic indicators ahead of their detailed development processes. Smart policy setting also allows governments to understand the ramifications of their policies beyond the scope of a single government entity and clearly predict the broader impact of policies.

In addition to implementing Smart policies, governments in the MENA region should turn their attention to transforming their approach to strategy development. They need to develop **Smart strategies** that embody flexibility, responsiveness, and adaptability in order to achieve more positive outcomes and returns. While such strategies propose long-term strategic objectives and key performance indicators, they leave the door open to warranted adjustments along the way; the ultimate goal of the strategy adjustment process is to improve socioeconomic indicators that are of relevance for the strategy.

Another area of focus is the management of human capital. Governments should follow **Smart human capital** practices based on an agile organizational structure, Smart sourcing, and shared expertise. By adopting a Smart human capital management approach, governments

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will be able to tackle standardized day-to-day operations along with new high-impact transformation projects. In practical terms, this means that Smart Governments will need to adopt, on one hand, a very well-defined and clear organizational structure that allows standardized processes within the organization to function very methodically, like clockwork. On the other hand, they will need to adopt flexibility and variation in setup to allow the organization to take on less defined, yet high value-adding, projects that cannot be run successfully within the current confines of the organization. In addition, and on the sourcing and recruiting fronts, by combining fit-for-purpose and just-in-time recruiting, timely training strategies, and virtual collaboration and communication capabilities, governments will be able to share expertise across departments and reap benefits currently unavailable to them, all without compromising their operational efficiency.

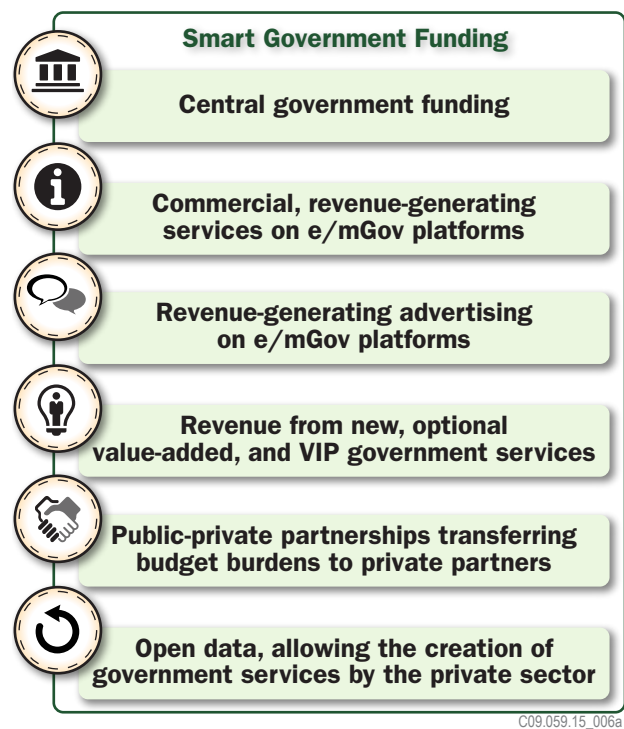
On the **Smart technology** front, Smart Governments will benefit from big data and advanced analytics to make faster, better-informed decisions and better serve constituents through predictive and preventive measures. In addition, by

As they optimize existing processes and applications through the use of Smart technologies, Smart Governments are able to better adapt and respond to the rapidly changing needs of their constituents.

adopting cloud- and subscription-based information and computer technology resources, Smart Governments can benefit from reduced technology costs while meeting the increasing demand for their services.

On their path to Smart Government, government entities should also seek to diversify their sources of funding above those made available to them by their central governments. By doing so, they will be able to establish a flexible **Smart funding** structure, allowing them to more easily make mid-course changes when required. A broad range of options for funding diversification exist, such as commercial revenue generation, the addition of paid value-added services, and the adoption of public-private partnerships that transfer some budgeting concerns to private enterprises. In addition, governments can establish open data portals to allow for the creation of government services by the private sector, further reducing the direct financial burden on governments to develop and deliver the service.

The extensive development of automated electronic and mobile services for constituents over the last few years has been a core focus area for governments in the MENA region. Unfortunately, the lower-than-expected usage uptake has reduced the impact and value of these services. By following a **Smart services** development process, governments can extend their services beyond current mobile service deployments. Resulting Smart services will be inherently responsive to constituent needs. Through data analytics, constituents' needs can be more easily identified, allowing services and service delivery to be continuously adapted and personalized to better serve them. Constituent feedback will also be collected in real time, analyzed (e.g., through eParticipation and crowdsourcing mechanisms), and looped back into the service management cycle, based on the service modernization roadmaps developed to continuously improve services in a sustainable



way. Furthermore, well-defined communication efforts should be put in place to ensure that constituents are well aware of the Smart services and their functionalities.

Finally, existing impact assessment processes that are currently performed qualitatively with limited access to critical information will need to be restructured. A government capable of conducting **Smart impact assessments** will rely on big data and advanced analytics to offer insight and help predict trends in social welfare, economic development, and human capital management to name a few.

These data-driven insights are then evaluated quantitatively and channeled to feed policy decisions, strategy development, and service development. The goal is to provide governments with the ability to continually and effectively evaluate the socioeconomic impact of their policies, strategies, and services, then route the resulting data back into the decision-making process to create a self-feeding cycle of information and insights.

Beyond Smart Government

Governments in the MENA region are continually striving to attain the next level of maturity in government modernization, particularly in light of the constant evolution of an array of disruptive technological solutions. Over the last decade alone, they have transitioned from traditional to electronic to mobile governments. Today, they are in the process of transitioning toward Smart Governments.

So what comes next, once a holistic Smart Government ecosystem has been established? The answer to this question can be found in a process which has been integral to every transformation seen to date: the process of innovation.

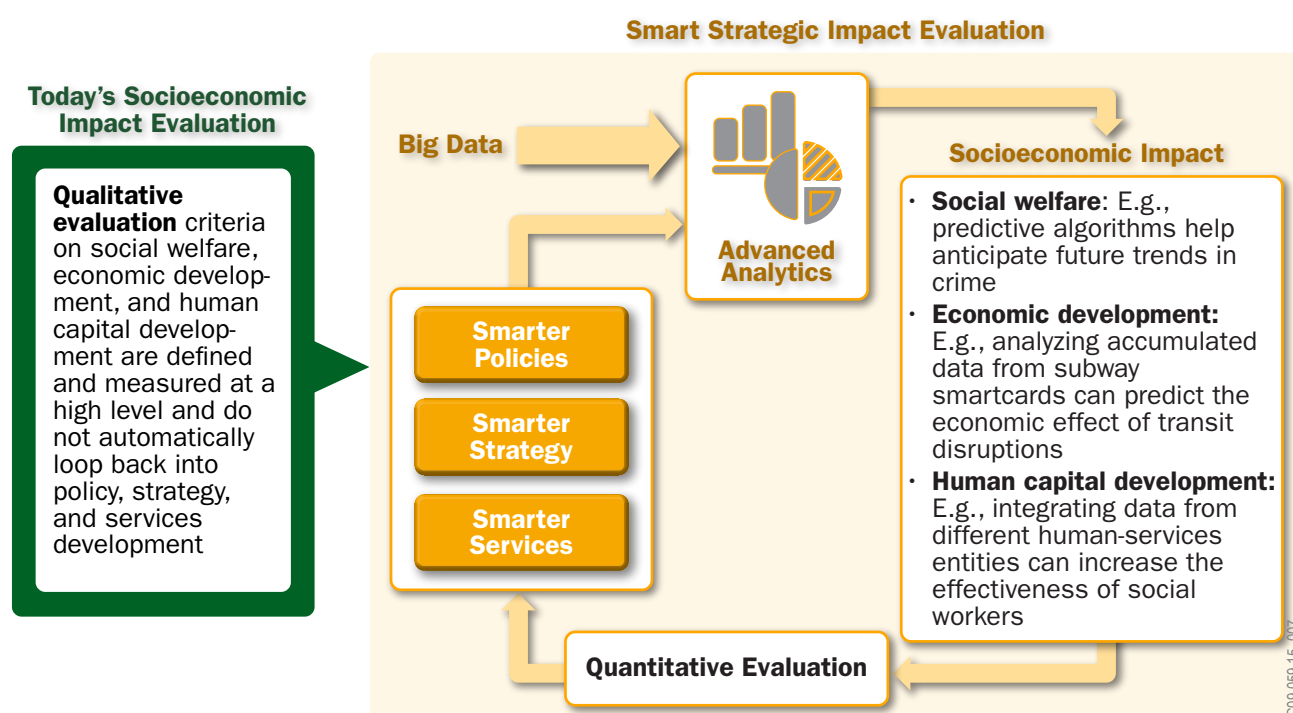
As opposed to strategy, which focuses on clearly defined goals and measurable targets, innovation allows a freeform thinking process to occur within broadly defined rules. It is through this freedom to innovate that governments have achieved—and will continue to achieve—growth and higher

levels of digital government maturity. Innovation will undoubtedly unlock the next level of digital government maturity beyond Smart Government. Maybe a ubiquitous government construct will be in the works very soon!

Conclusion

There can be no doubt that adopting a holistic Smart Government framework will be a demanding task for MENA governments. However, the benefits they stand to gain from this adoption justify the investment to be made because—

- Setting Smart policies will allow governments to better predict the impact of their policies on broad socioeconomic indicators, paving the way for stronger policy setting and economic development.
- Setting Smart strategies will ensure comprehensive yet flexible strategic plans are elaborated to support governments' and constituents' changing needs and priorities.

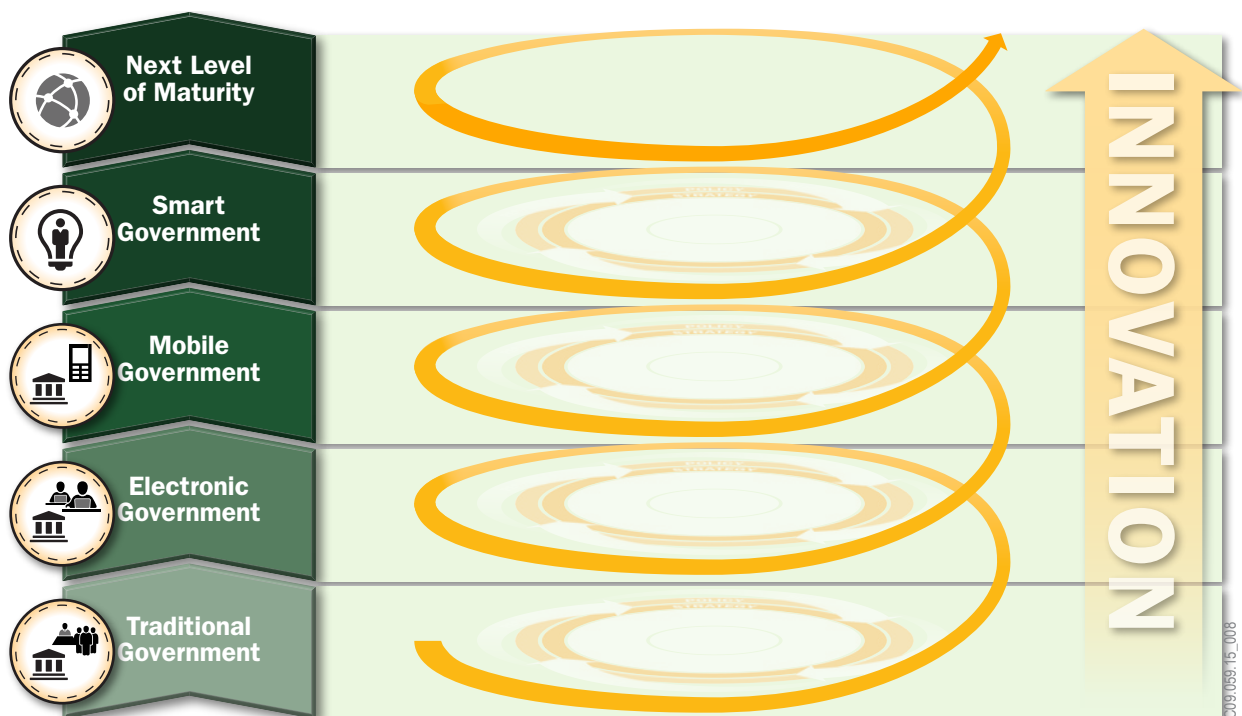


- Smart human capital management will provide greater efficiencies, targeted just-in-time recruiting, and enhanced collaboration capabilities—in essence, better results with reduced costs.
- Adopting Smart technologies will allow for faster, fact-based decisions and more reliable future predictions. The adoption of cloud- and subscription-based digital resources will reduce costs.
- Diversified and Smart funding will allow government entities to pursue value-adding and self-funding projects and to more easily make mid-course changes when required.
- Adopting truly Smart services and not merely mobile services supported by defined communication plans will allow higher levels of constituent satisfaction and services uptake to finally tip the scale of return on investment.

- Smart impact assessment processes will assure governments' access to the critical data they need to make better informed decisions.

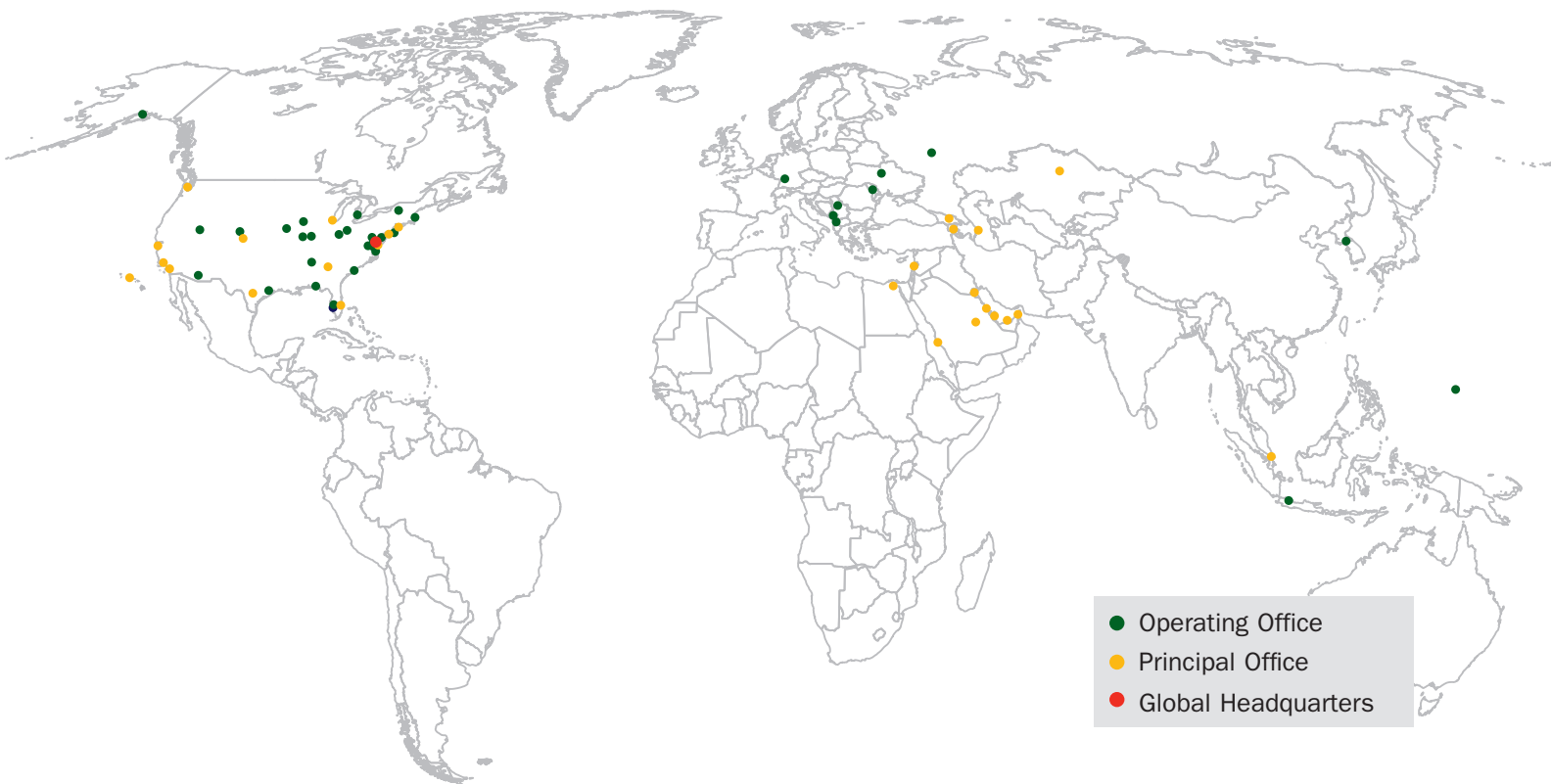
While a number of governments in the MENA region have already made progress toward a Smart Government maturity level, the progress made to date has been limited in scale. To truly become Smart and reap the subsequent benefits, governments in the MENA region must continue to invest and innovate.

The process of innovation, which will be the focus of our next perspective, will allow governments to improve and sharpen their model as they work toward creating a better, sustainable future.





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