
Transforming Local Government: Leadership, Collaboration, and Social Value in the Digital Age

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1. Digital Transformation in Local Government Leadership, Human Resources and Organizational Structure

- Background
- Key Concepts and Definition
- Case Studies./Examples
- Challenges and Solutions
- Policy Implication

1.1. Background

- **In today's rapidly evolving digital era, local governments are increasingly recognizing the need to adapt and transform.** This shift is driven by the rising expectations of citizens who demand more efficient, transparent, and responsive public services.
- Historically, public services were delivered through traditional means, often characterized by paper-based processes and manual operations. However, **the advent of digital technology has opened up new avenues for innovation, making it possible to deliver services faster and more effectively.**
- Digital transformation is not just a trend; it's a **fundamental shift in how local governments operate.** It means entirely new ways to transform organizational processes and culture driven by digital technologies and data, (1) to collaborate with stakeholders around public value, (2) to build new frameworks for public service delivery, and (3) to create new relationships between citizens and local governments (Mergel et al., 2019)

1.2. Key Concepts and Definition

- **Digital transformation** refers to the comprehensive integration of digital technologies into every aspect of government operations and service delivery. This isn't just about digitizing existing processes, but about fundamentally rethinking how services can be improved and innovation can be fostered.

Q. What are the DT success factors?

Internal Factors

- Innovators
- Leadership
- Strategic plans
- Resources ...

External Factors

- Stakeholders
- Governance
- Restrictions
- ...

KEY

Digital Leadership, Digital Manpower, and Organizational Structure for DT

1.2. Key Concepts and Definition

- **Digital Leadership** refers to the ability to strategically leverage digital assets and technologies within a government to achieve public value during the digital transformation process.
- **Digital Manpower** encompasses the workforce equipped with the necessary digital skills and competencies required to support and sustain digital transformation efforts.
- **Organizational Structure for Digital Transformation** involves creating a flexible and adaptive organizational framework that can support the integration of digital technologies.

1.3. Case Studies/Examples

Digital Leadership: Sragen

In 2002, Sragen's Bupati (the Head of District)'s initiative, the so-called Kantor Pelayanan Terpadu (SOSSI, Sragen One-Stop Services Initiative), demonstrates how strong digital leadership can drive comprehensive digital transformation across an entire nation. Sragen's leader recognized the potential of digital technologies early on and made significant investments in digital infrastructure, legal frameworks, and education.

Digital Manpower: South Korea

The Korean government has invested heavily in upskilling its workforce through e-learning platform. These programs provide public servants with the training and resources they need to effectively use digital tools and contribute to the nation's digital transformation goals. By focusing on continuous learning and development, South Korea keeps trying to ensure that its workforce is well-equipped to handle the challenges and opportunities of a digital society.

OS for DT: Indiana

To achieve its goal of providing a higher quality of service at a lower cost, the Indiana government initially decided to establish a separate department focused on data-driven analytics, Indiana Management Performance Hub (MPH). MPH has played a crucial role in redesigning government services to be more user-centric, accessible, and efficient. The establishment of MPH is a prime example of how creating a dedicated organizational structure can facilitate and sustain digital transformation efforts across government departments.

1.4. Challenges and Solutions

Factor	Challenges	Solutions
Digital Leadership	adapting to rapid technological advancements, strategic underutilization of digital assets, and lack of digital competencies among leaders	strengthening leadership capabilities through ongoing education and training, developing and executing comprehensive digital strategies to leverage technology for public value, and identifying and supporting leaders who can drive digital innovation
Digital Manpower	skills gaps in the workforce, rapid technological changes outpacing training programs, and resistance to adopting new digital tools	investing in continuous skills development and training programs to keep pace with evolving technologies, creating pathways for upskilling and reskilling to address existing gaps, and fostering a culture of digital innovation and adaptability to encourage the adoption of new tools and practices
Organizational Structure for DT	resistance to restructuring, siloed departments that hinder cross-functional collaboration, and inadequate support for innovation	designing a flexible and adaptive framework that promotes collaboration across departments, empowering teams with decision-making authority to drive digital initiatives, and investing in leadership support and change management to ease the transition

1.5. Policy Implication

- To successfully drive digital transformation in local governments, Effective leadership involves not only setting strategic goals but also enhancing digital literacy through targeted training.
- Concurrently, developing a future-ready workforce is crucial—this includes aligning human resource strategies to meet upcoming digital demands, implementing comprehensive training programs, and managing talent effectively to ensure the right skills are in place.
- Equally important is optimizing the organizational structure to support digital efficiency. Local governments need to select an appropriate structure—decentralized, centralized, or federal—based on their specific needs and goals. This involves redesigning organizational frameworks and managing change with a clear vision and effective communication.
- Engaging with stakeholders to address external challenges and continuously monitoring and adjusting strategies will further ensure that digital transformation initiatives are successful and sustainable.

2. Fostering Collaborative Public Administration

- Background
- Key Concepts and Definition
- Case Study/Example
- Modelling Collaborative Public Administration
- Policy Implication

2.1. Background

- Strategic planning needed for complex and diverse administrative demands
 - Rooted in wicked problems, handling recent administrative demands alone is challenging.
 - Wicked problems blur boundaries within single entities, demanding diverse stakeholders' resources and efforts (Rhodes, 2000).
- Need for collaboration between public and private sector entities
 - Demands for local government capacity in the era of decentralization
 - Collaborative public administration complements challenges in enhancing local government capacity, which is difficult to achieve in the short term
- Collaborative public administration offers practical solutions to overcome hardware and software limitations through cooperation with diverse stakeholders.

2.2. Key Concepts and Definition

- **Collaborative public administration** is
“a way of innovatively solving social problems and promoting policies through interactions between stakeholders in the public and private sectors such as sharing human resources, financial resources and expertise” (Lee & Eom, 2021)
- Debate on the scope of participants in collaborative public administration
 - Public sector collaboration only: limited to interactions within public sector departments, agencies, etc., excluding the private sector (e.g. Shergold, 2008; Kagan, 1991; Gray, 1989; Kim, 2014)
 - Public-private collaboration: incorporating private sector-involved interaction into collaborative public administration(e.g. Geum, 2013; Lee et al., 2009; Yang, 2013)
- Considering recent administrative trends, proper to involve both public and private sector entities
 - Active public-private collaboration and private sector engagement in policy processes
 - No practical benefit in separating boundaries between collaborative public administration and public-private cooperation

2.2. Key Concepts and Definition (Cont.)

Diversity of participants

- Are only public sector entities involved in collaboration?

Applicable service fields

- Is the service hardware-related or software-related?
- Which service fields are included, for example, education, community, culture/tourism, social welfare, life/convenience, safety/security, regional development/environment and/or administrative management?

Policy effects and targets

- Is the policy designed to improve administrative services or work processes?
- Are the policy targets external customers (citizens) or internal customers (public entities themselves)?

Resource sharing

- Do collaborative entities share budgets, manpower, information and technologies?

Innovation

- Is there any science or technology applied for the collaboration? If so, what is it specifically?

Sustainability

- Can science and technology be applied to the collaboration in the future?
- Are there legal systems, departments and manpower to promote collaboration?

2.3. Case Study/Example: Roadkill reporting system, Chungcheongnam-do, South Korea

Brief Summary	<ul style="list-style-type: none">- Purpose: Protect the public safety, prevent secondary car accidents- Contents: Establish a voice reporting platform- System: a roadkill occurred → voice report using T-map → roadkill system → report received at Anti-Corruption and Civil Rights Commission (ACRC) → on-site measures of the road management agency in charge via the Ministry of Land, Infrastructure and Transport (MLIT) → accumulation of information and data by the Ministry of Environment (ME) → prevention of roadkills- Participants: Chungcheongnam-do(managing entity), SK Telecom, MLIT, ME, ACRC- Collaboration of participants: Promoting cooperation to prevent roadkills and handle incidents quickly
Roles of Participants	<ul style="list-style-type: none">- Chungcheongnam-do: develop a roadkill reporting platform and link SKT with the Anti-Corruption and Civil Rights Commission system- SK Telecom: develop and link T-map voice reporting system and obtain consent to use the user's personal information- ACRC: receive and process civil complaints through T-map and share contents with related organizations- ME: prevent roadkill accidents through management of application of 'Good Road' and accumulation of processing data- MLIT: handle roadkill accidents and accumulate data
Results	<ul style="list-style-type: none">- Securing a quick and systematic roadkill immediate reporting and reception processing plan- Solving regional and social problems through cooperation between private (corporate) and government institutions- Contributing to ICT digital innovation by utilizing artificial intelligence (AI), one of the main technologies of the 4th Industrial Revolution- Improving government reliability by preparing roadkill prevention policies and policy alternatives

2.3. Case Study/Example: Roadkill reporting system, Chungcheongnam-do, South Korea(Cont.)

Diversity of participants	<ul style="list-style-type: none">- Local government-central government-private sector entity• Local government: Chungchungnam-do• Central government: MLIT, ME, ACRC• Private sector participant: SK Telecom
Applicable service fields	<ul style="list-style-type: none">- Software-related service- Safety/security
Policy effects	<ul style="list-style-type: none">- Improvement of the quality of public/administrative services- Protection of public safety (e.g. prevention of secondary accidents)- Improvement of road safety
Targets	<ul style="list-style-type: none">- External customer: citizens
Resource sharing	<ul style="list-style-type: none">- Project budget- Human and financial resources of participants- Data and information
Innovation	<ul style="list-style-type: none">- Science and technology applied: AI, ICT- Applicability of science and technology: real-time information sharing using SNS-based online platforms
Sustainability	<ul style="list-style-type: none">- Sustainability secured through the establishment of a system and an agreement among participants

2.4. Modelling Collaborative Public Administration

		Models	
		Social innovation collaboration model	Administrative innovation collaboration model
Features	Target	Citizen (external customer)	Participants themselves (internal customer)
	Participants	Public-private	Public
	Duration	Mid- to long-term	Short term
	Service fields	No limitations	
Considerations	Types	Hardware/software-related service	
		-	Software-oriented
	Resource sharing	In public-private collaboration, being necessary to consider the other participant as an equal subject	Being necessary to resolve hierarchical relationships and share resources among participants in the public sector
	Technology	Applying/borrowing technology from the private sector	Applying/borrowing technology from the private sector or building own system
	Sustainability	<ul style="list-style-type: none"> - Securing dedicated departments and manpower - Establishing institutions (e.g., unions, associations) - Reorganizing ordinances 	<ul style="list-style-type: none"> - Securing dedicated departments and manpower - Establishing organizations (e.g., administrative council, consultative body)

2.5. Policy Implication

- The scope of participants in collaborative public administration needs to be expanded beyond public sector players to include private sector actors.
- Collaborative public administration requires active sharing of information and human and financial resources among participants.
- Participants in collaborative administration should not be limited to the public sector. More education and additional promotion are needed around the concept of expanded collaborative public administration with private sector partners.
- Improving legal and support systems at the local government level is required to promote and perform collaborative public administration.
- Organizations (e.g., exclusive organization, intermediate support organization, etc.) or manpower for collaborative public administration need to be secured to provide active administrative support in the process of promoting projects.

3. Social Value in Local Governments

- Background
- Key Concepts and Definition
- Case Studies/Examples
- Challenges and Solutions
- Policy Implication

3.1. Background

- **Why is Social Value So Important?**

- **Addressing Global Challenges:** The discussion highlights that social value is crucial for dealing with sustainability crises and other global challenges that impact local communities. The emphasis is on the necessity for local governments to integrate social values into their operations to ensure long-term sustainability and quality of life.
- **Economic Systems and Social Problems:** It addresses the limitations of purely economic growth-oriented systems, which often fail to resolve or might exacerbate social problems such as inequality and environmental degradation. Social values offer a framework for considering broader impacts and benefits.
- **New Approaches to Governance:** It suggests a paradigm shift towards governance that prioritizes social values alongside traditional administrative functions. This shift involves rethinking the roles and methods of local governments to be more inclusive, participatory, and oriented towards social justice and sustainability.
- **Community-Centric Solutions:** It advocates for local governments to adopt policies and practices that directly address and incorporate the needs and values of their communities, thereby enhancing social cohesion and public trust.

3.2. Key Concepts and Definition

- **What is Social Value?**
 - **Definition and Relevance:** Social value encompasses the broader impacts of policies and practices by local governments on the well-being of their communities. It integrates economic, environmental, and social aspects to foster sustainable development and improve residents' quality of life.
 - **Impact on Policy and Governance:** The concept emphasizes the need for local governments to integrate social value into their decision-making processes. This integration ensures that government actions contribute positively to the community's social fabric, beyond mere economic benefits.
 - **Measurement and Implementation:** Effective implementation of social value requires local governments to establish metrics and practices for measuring their impact. This enables continuous assessment and adjustment of policies to ensure they align with the desired social outcomes.
 - **Ethical and Sustainable Governance:** It advocates for governance models that prioritize ethical considerations and sustainability, ensuring that actions taken today do not compromise future generations' ability to meet their needs.

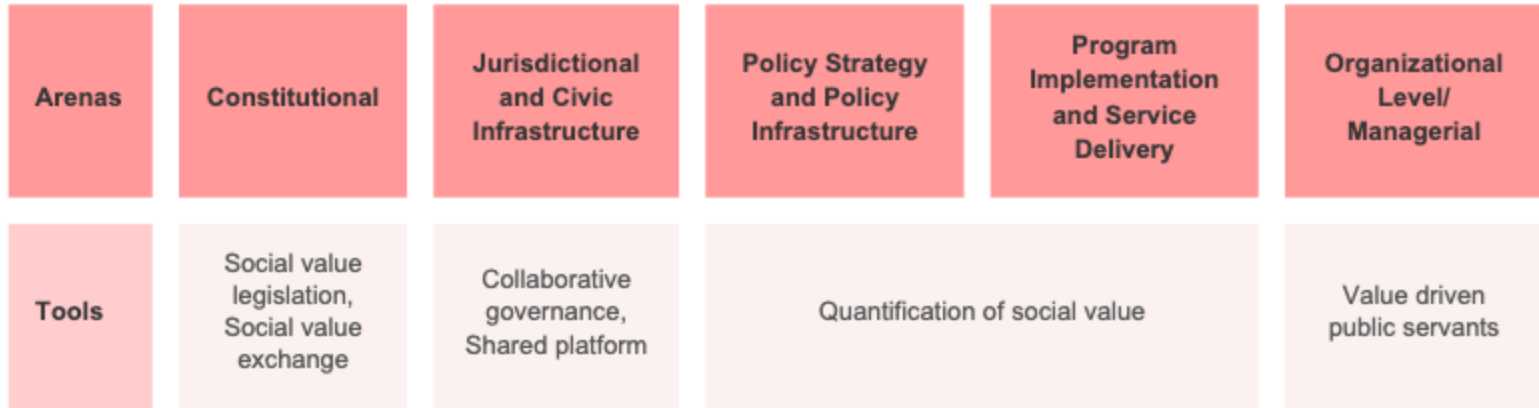
3.3. Case Studies/Examples

- This handbook provides various examples of how local governments can promote social value through innovative policies and actions. Here are a few notable examples
 - **Siquijor Island, Philippines:** The Siquijor Island Government implemented an ordinance banning the use of plastic bags and mandating the recycling of plastic items. This policy was supported by an NGO and led to a significant environmental improvement, with local waters returning to their natural blue color. Additionally, the ordinance boosted tourism, with the annual growth rate in foreign visitors reaching 48% after the policy was enacted.
 - **Seoul, South Korea:** Seoul's municipal government has enacted multiple ordinances to promote social value at the local level. For instance, the "Municipal Ordinance on Public Procurement for Realization of Social Values" in 2014, which emphasizes procurement from social economy organizations (SEOs) and outlines specific plans and supports for fostering the social economy.
 - **Salford City, UK:** The Salford City Council formed the Salford Social Value Alliance, aiming to achieve a 10% improvement in social, environmental, and economic performance areas by 2021. They developed a Social Value Toolkit that provides guidelines and measurable goals for local initiatives, demonstrating how social value can be effectively integrated into local governance.

3.4. Challenges and Solutions

- Re-examination of Existing Perspectives on the Role of Government
- Tool of Local Governments in Realizing Social Values

<The Tool of the Local Government in Realizing Social Values>



Source: Kang, Y.J. (2021)

3.4. Challenges and Solutions(Cont.)

- Local governments are seen as pivotal in realizing social values. This handbook outlines their role across five key areas:
 - **Legislation of Social Value:** Local governments should consider enacting laws that embed social values into the legal framework. This would ensure that social values, such as sustainability and community well-being, are systematically integrated into public policies.
 - **social Value Exchange:** The establishment of social value exchanges, where social outcomes are measured and traded, can be a powerful tool for enhancing transparency and accountability in public service delivery.
 - **Collaborative Governance:** Policies should foster collaborative governance models that engage multiple stakeholders, including the private sector, civil society, and government agencies, to address complex social challenges more effectively.
 - **Quantification and Measurement:** Developing standardized metrics for quantifying social value is crucial. These metrics should be incorporated into policy frameworks to ensure that social value considerations are part of decision-making processes.
 - **Value-Driven Public Servants:** Policies should encourage the development of public servants who are motivated by and aligned with social values, ensuring that public administration is oriented towards achieving broader social goals.

3.5. Policy Implication

- This handbook underscores the critical role of local governments in fostering social value, suggesting that legislation and policy frameworks should be reoriented to prioritize sustainability, community well-being, and collaborative governance.
- By embedding social value into legal structures and public service delivery, local governments can drive meaningful change at the community level.
- The emphasis on measurement and accountability highlights the need for clear metrics to ensure that these policies achieve tangible outcomes.
- Ultimately, this approach requires a proactive, value-driven public sector that is committed to social innovation and equity.

Thank You