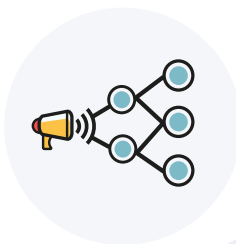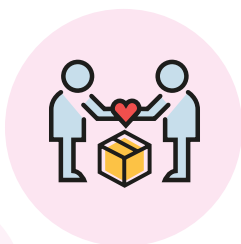Bojan Kordalov
Tose Zafirov

DIGITAL
TRANSFORMATION
INTO E-MUNICIPALITY

How to practically bridge the gap between citizens'
expectations and available public services?

SUMMARY

The goal of this Manual is to offer guidelines and support to LSGUs, mayors, councils, and local administrations in the implementation of fast digital transformation.

The Manual elaborates innovative proposals, examples, and specific solutions for digitalization of LSG-services, processes, and communication with citizens. LSGUs should work and follow innovations in this area because fast digital transformation will decrease the gap between municipal administrations and their citizens while enhancing the digital literacy level of all actors.

Municipalities must work more to digitalize public services. Efficient and ongoing implementation with consistent quality is equally important. Otherwise, the justification of their investments in ICT solutions will be questioned, and so will the benefits for the citizens from their introduction, which will inevitably decrease their trust in the institutions

● Technological development and progress have created powerful ICT solutions which can radically improve and transform institutional operations. The latest technologies and innovations have created exceptionally useful tools that help governments to promote quality, efficiency, and trust in their delivery of services to citizens and businesses. Many governments throughout the world try to increase their accountability, transparency, and quality of services by developing and integrating ICT solutions to modernize and change the functioning of their administrations. Experience from Estonia and Luxembourg shows that the digitalization of public sector services hugely improves their utility to citizens, civil organizations, businesses, and the media.

In recent years, digitalization and digital transformation have been key priorities for the Government of North Macedonia and its local self-government units. This serious approach to the development of e-Government on the central and local levels in North Macedonia began with the development of the National Strategy for Development of an Information Society and the Action Plan of the Republic of Macedonia in 2005, as well as work with the Microsoft Partnership, which resulted in the creation of the **www.uslugi.gov.mk** portal. Digitalization strategies are now focused primarily on services provided by the central government. This same serious approach

is required for the faster development of the digitalization of services offered by LSGUs. Local level services need to be unified the way e-services available on the national level are organized and operational. Local self-government units should make citizens' demands and expectations a priority.

The pandemic and (dys)functionality of institutions in such emergency conditions intensified public demand for the reorganization, modernization, and digitalization of public administration. On the other hand, digitalization will make processes and procedures easier for public administration by using ICT solutions and working safely from home. The digitalization of current services is not enough and should not stop there. Developing new tools in the upcoming period to meet the various needs related to emergency and crisis situations on the local level is required. Municipalities lacking funds is a major challenge for local level innovations and digitalization. This directly impacts their inability to catch up with developed countries (and their digital infrastructure) and the effective utilization of new technologies. Therefore, learning from the pandemic we are living in, digital transformation must be treated as a strategic priority which will contribute to developing new and efficient solutions for the next crisis and the urgent challenges that local level governments will encounter.

The following are specific and direct benefits from the digitalization of public sector services and processes, as well as lessons learned:

▶ **Increased transparency and efficiency of institutions;**
▶ **Optimized services;**
▶ **Reduced operational costs for users and institutions;**
▶ **Increased trust in institutions and overall satisfaction of users;**
▶ **Safer storage and management of user data and other sensitive data;**
▶ **Support for the green economy;**
▶ **Investment in the quality of life of each citizen;**
▶ **Prevention and fight against corruption and corruptive practices;**
▶ **A fair, transparent system of providing public services.**

What citizens expect from local government, as clearly expressed during local elections, is full transparency and accountability for
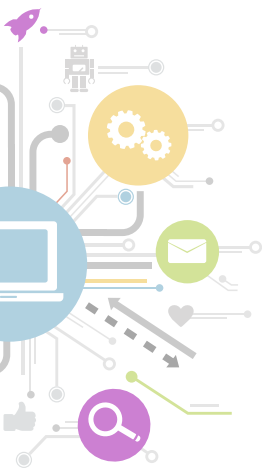
municipal performance, involvement in decision-making, online opportunity for citizens to contact their mayor and councilors in a fast and simple manner, and user-friendly electronic reporting on initiatives and problems to local administration.

While digital transformation and innovations bring fast and visible results in the private sector (efficiency, prices, productivity, new markets, savings etc.), the state of affairs in public sector digitalization, especially in the municipalities, are quite rudimentary in terms of development. Some of the reasons why they should be accelerated and prioritized are:

▶ **Efficiency of services;**

▶ **Transparency;**

▶ **Direct (immediate democracy and practices) democracy;**

▶ **Application development for monitoring local budget spending using the example from central government;**

▶ **Municipal Open Day (online) – once a week the Mayor or Council Members or Heads of Sectors will respond to citizens questions/demands;**

▶ **Online debates, discussions, proposals, petitions etc.**

For a LSGU to undertake successful digital transformation, a well-conceptualized strategy is required in advance – authentic to the local context – and all social actors should be included in its development. This is one of the best ways to start partnership building – a jointly initiated process with the business and academic community, the civil sector (formal and informal civil initiatives), as well as all other relevant actors, each investing their capital (social, financial, technological etc.). Considering the process of inclusiveness and starting with basic good governance principles, the municipality is obliged to create a way and a space for connecting all stakeholders. These social actors can make a great contribution, especially at the local level, and improve the services and efficiency of the administration and the Municipal Council.

The business community, by investing in innovations and technology, may share its knowledge and experience as well as technology with the Municipality, which will thus save money and act efficiently. The way work is organized, the working culture, and the production process or service sales may prove to be −−good ways for exchanging experience and introducing new practices adjusted to the functioning of the Municipality.

By simply making their knowledge available, the academic community may improve Municipal performance, and thus meet the needs of both citizens and businesses. The academic community and the business community together, in partnership with the Municipality, can apply their knowledge to develop models of cooperation in various fields, especially in the fields of accessibility, analytics, and municipal data processing. Building functional partnerships will save the money, time, and resources of citizens, businesses, and the Municipality itself. Even more important, it will meet the expectations of everyone involved in the process. Such partnerships may also help in areas, organizations, and public enterprises where municipalities have direct competences or provide services. In the long-term, this is just one way of obtaining, building, and maintaining trust in institutions – in this case the Municipality and the municipal administration.

E-MUNICIPALITY PRINCIPLES

Responsiveness – implies much better and more efficient communication and interaction with service users, i.e., citizens, businesses, and civic organizations. The use of digital tools by municipalities will not only transform their responsiveness, but also offer a possibility for fast interaction by all actors with municipal employees and officials (mayor, council members).

Accessibility – i.e., availability of the Municipality to the citizens 24/7 in the real sense of the word. The intensity, form, quality of information, and especially the two-way communication through various forms of digital tools and solutions will inevitably increase the trust and visibility of the Municipality, including the visibility of its internal processes.

Efficiency and effectiveness – Two-way communication with citizens enables the flow of correct, fast information and services, thus saving time and resources for the administration, citizens, and businesses.

The Ministry of Local Self-Government (MLSG) and the Association of Local Self-Government Units of the Republic of North Macedonia (ZELS) play a key role in the implementation of the Decentralization Law.

Both MLSG and ZELS – within their competences – are constantly investing in the digital transformation of the LSGUs. Establishing a digital coordination body of the MLSG and ZELS is recommended to accelerate the entire process, including the implementation of the recommendations listed in this Manual, as well as other positive digital practices in the operation of LSGUs. On different consultative levels, this body should include national and international experts in the field, representatives of the business community, the academic community, civil society sector, practitioners, and other natural and legal persons who can contribute to the process of digital transformation on the local level.

The final part of this Manual lists successful examples of the digitalization of services and processes, and databases of practices from European Union countries, and other innovative examples from around the world which contribute every day to the improvement of the quality of people's lives. Case studies show the cooperation of different government levels, businesses, civil sectors, and in the academic community, and how important are their concrete results and benefits. These examples and case studies as ideas can easily be contextualized, adapted, and applied to our local environment. We honestly believe that we can motivate similar initiatives and innovative approaches within municipalities across the Republic of North Macedonia. In addition, if you have suggestions for digital solutions and tools, please feel free to share them with us. We could develop them together using joint resources.

This Manual is developed in cooperation with the Institute for Good Governance and Euro Atlantic Perspectives (IDUEP) and the Friedrich Naumann Foundation for Freedom by its authors, Bojan Kordalov and Tose Zafirov. Ivajlo Conev is the Editor of the Manual and responsible for the activities of the Foundation in the Republic of Bulgaria and the Republic of North Macedonia.

FRIEDRICH NAUMANN
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North Macedonia
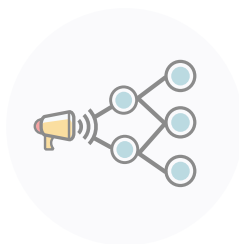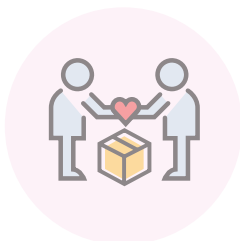
Full version of the Manual in Macedonian language   https://bit.ly/3j3f3I9
Full version of the Manual in Albanian language   https://bit.ly/3K7NXf3

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