European Transparency Network for spending Accountability (ETNA)

Federico Remiti

Abstract

ETNA position paper justifies the proposed adoption of Social Network service and Portfolio Management platforms for implementing Participatory Auditing as conceived in 6th Global Forum on Reinventing Government, and explains why opening public contracts and budget datasets in initiatives like USASpending.gov is a turning point for Open Government, but new services to citizens are required. Reusing current and most successful ICT technologies, ETNA is willing to provide from small municipalities to central governments, a complete Open Government solution for spending accountability.

INTRODUCTION

Opening public contracts and budget datasets is enough for leading to Participatory Auditing? Are there ICT solutions for improving actual citizen participation and insights in public spending decision making processes? Which are the best methodologies for cutting government costs in a focused (and shared) manner?

Samuel Paul at 6th Global Forum on Reinventing Government (Department of Economic and Social Affairs - United Nations, 2007), explained that several attempts of Participatory Auditing have been conducted in civil society.

They basically fall into five categories:
- Community Management of Local Services
- Independent Budget Analysis and Tracking
- Public Hearings
- Public Interest Litigation
- Citizen Report Cards on services.

According to Samuel Paul thesis an "Independent Budget Analysis and Tracking […] calls for special skills in terms of analysis and evaluation".

In authors' opinion publishing public contracts or budget data is not enough for leading to Participative Auditing. Spending data, first of all, must be easy to understand for everyone. Moreover citizens must be involved in tracking process: municipality or public body services score cards, surveys, forums are good starting points. An entire set of innovative services based on web 2.0 and mobile technologies must be provided for stimulating citizens' participation in spending decision making processes, and consequently, in auditing and cost reduction activities.

ETNA is designed for giving a powerful service for Participatory Auditing to European governments by using best ICT technologies. This paper explains authors' position about ETNA conceptual design.

SOCIAL NETWORK SERVICE FOR CITIZENS' PARTICIPATION

1991   1st web site online
1997   1st social network service
1998   Google is found
2004   Facebook is found
2009   Municipalities on Facebook
2010   1st Open Source Social Network
2011   Google reaches 1B users/month
2012   Facebook reaches 900M users

According to Internetworldstats statistic (Facebook Users in the World, 2012) Facebook, the most successful Social Network service, has in Europe an index penetration of 28.5% versus 61.3% of internet; more than one in four EU citizens has an active Facebook profile (about 50% in North America).
In 2009 The Miami Herald Tribune (Pineiro, 2009) titles an interesting article "Municipalities stay connected with social websites". It states that municipalities are using Social Networks for:

- Promote projects quickly and save moneys on advertisings;
- Post alerts;
- Public safety announcements and crime information;
- Picture and videos sharing.

Unfortunately some legal problems may rise for public entities in social networks utilization, like "control over third parties profanities" or, for instance, against Florida Sunshine Law, "which was designed to guarantee the public record of government activities". The article also states: "The city has about 25 channels for communication with our residents, but social media is really at forefront" (Pineiro, 2009).

Economic impact about Social Media is planned to be discussed in 2010-2020 Digital Agenda. Workshop 4 program states "Social media enables more direct citizen and stakeholder involvement and promises more efficient delivery of public services" (European Commission, 2012).

European Institute of Public Administration is organizing in these days a seminar called "Embracing the Future of Communication: Putting Social Media to use in Public Administration" (EIPA, 2012).

In authors' opinion, Social Networks are the best ICT technology for improving citizens' participation, but the service must be owned and provided by public authorities.

PORTFOLIO MANAGEMENT FOR BUDGET OPTIMIZATION

1952   1st use of Financial Portfolio
1967   1st use of EVM in government
1973   1st use of IT Project Portfolio
1983   1st issue of PMBOK
1998   EVM becomes ANSI standard
2000   1st Gov. Extension PMBOK
2002   >780 B$ spent by US Gov in ICT
2008   PMBOK is an ANSI standard
2009   ITDashboard.gov rolls out

In 2002 in United States, over 780 billion dollars have been spend in IT projects but around 68% of them where declared out scope, budget or time, according to "Best Practices in IT Portfolio Management" (Leliveld, 2004). In 2008, for a total of 840 major ICT public projects managed by U.S. government, 346 of them (for about 27 billion dollars) were not well planned and managed, according to the annual FY2008 report of U.S. Office on Management and Budget (Office of Management and Budget, 2008). In 2010, Vivek Kundra, President Obama's

Federal Chief Information Officer (CIO), who unveiled the Federal IT Dashboard at Personal Democracy Forum 2009, has been conducting a portfolio analysis over 38 major IT projects. He was able to cut project portfolio total cost for around 3 billion dollars/year (Kundra, 2010). IT Dashboard and USASpending.gov classified in top 20 finalists in 2010 Excellence Gov Awards (2010 Excellence.Gov Awards).

In authors' opinion Portfolio Management platforms (like ITDashboard) are the best ICT solutions for cutting public costs, conducting focused spending reviews and aligning efforts to government and citizens' strategic priorities.

PUBLIC CONTRACTS OPEN DATA AS TURNING POINT FOR PARTICIPATORY AUDITING

1989 First Participatory Budgeting experiment (Peixoto, 2008)
2009 1st open data site (Data.gov)
2010 Prime UK Minister ask for opening awards data (Government data to be opened up to the public)
2011 Italian Open Government Partnership Action Plan (Ministro per la Pubblica Amministrazione e Semplificazione, 2012)
2011 Italy ranked 69th for perceived corruption (Transparency International, 2011)
2011 Corte dei Conti estimates a cost for corruption of around 60 B€/year (Arganelli, 2012) *against 120 B€/year in whole Europe* (Malmström, 2012).

As stated by Samuel Paul article "Auditing for Social Change Learning from Civil Initiatives" (Department of Economic and Social Affairs - United Nations, 2007), "In developing countries [..] both citizens and outside observers have questioned the efficiency and effectiveness of resource use by governments." And "Supreme audit institutions (SAIs) exist in almost all countries. But the efficacy of traditional accountability mechanisms and their impact on the functioning of governments have come in for serious questioning". According to an estimate of Corte dei Conti (Arganelli, 2012), corruption in Italy costs around 60 Billion Euros per year, against an estimate total of 120 Billion Euros per year in whole EU (Malmström, 2012). Corruption and lack of effectiveness in auditing processes are not issues concerning developing countries only; Italy has a perceived level of corruption equal to Ghana, FYR Macedonia and Samoa in Transparency International 2011 report (Transparency International, 2011).

In Samuel Paul opinion there are two ways for fight against corruption in developing countries: "The first consists of international efforts to reform and restructure government systems and practices so as to strengthen their performance and accountability. The second focuses on strengthening public accountability through pressure from outside of governments, especially through civil society institutions" (Department of Economic and Social Affairs - United Nations, 2007).

Initiatives for opening public spending data conducted in USA and in UK (Government data to be opened up to the public) are turning points for Open Government, but they are not effective if civil society pressure on institutions is not facilitated. In authors' opinion, a

new generation of citizen-friendly Web 2.0 solutions must be provided for stimulating interest in public spending: not only data, but advanced services for helping residents to effectively interact with local municipalities and public bodies (rapidly and in mobility).

EUROPEAN TRANSPARENCY NETWORK FOR SPENDING ACCOUNTABILITY (ETNA)

As already proved by YouAudit mockup (Remiti, 2011), primary requirements for a successful "transparency" project are data (machine readable with API's) and users' participation. YouAudit experiment was very helpful for ETNA conceptual design and feasibility demonstration.

A complete project redesign has been conducted for strengthening participation, based on Open Data availability assumption. ETNA project now implements:

- Social Networks features (increased participation)
- Project Portfolio Management features (for providing municipalities or public bodies in spending decision making)
- Advanced Reporting using Open Data (adhering to international open government best practices, like USASpending.gov)
- API's for future services deployments

The design activity leads to two central websites running at European level (ETNA Social Network and ETNA website) and optionally to a network of portfolio management platforms running at regional or governmental organization level (ETNA PPM service).

ETNA Social Network

ETNA Social Network is conceived as a service running at European level providing Participatory Auditing to all adhering municipalities and public bodies. It requires participants' budget and public contracts available as open data through API.

Participating Organizations will have a Social Network style account with a set of subpages providing a wide range of services to citizens:

- Public Announcements
- Videos
- Pictures
- Followers
- Financial dashboard (organization budget)
- Projects
- Contracts and contractors
- Project Documentation
- Map
- Forum
- Requests / Complaints / Exposal
- Surveys / Services Score Cards
- Streaming Webcams
- General Information

The functionalities of Participating Organizations' accounts are planned to provide are:

- Demand Management, collecting requests (or complaints / exposals) like FixMyStreet (MySociety, 2007) directly from citizens;
- Implementing transparency on contracts, contractors and budgeting for a public body in a consistent way with others;
- Inform about Municipalities' / organizations' events or official alerts;

- Furnishing a library of project documents;
- Improve communication with citizens using Web 2.0 services;
- Publishing refreshed official work progresses about ongoing municipality projects and/or visual work progresses by webcams streaming, accessible from everywhere;
- Introducing dashboards with simple public entity Key Performance Indicators (KPI);
- Introducing Surveys and Score Cards about services in a centralized repository;
- Geo-mapping spending on public organization competence area in simple way.

Registered citizens will have a social network style page, for increasing participation and stimulating discussions. ETNA Social Network Citizens' pages are composed by:
- A wall (twitter style) with recent comments and activities (with like / unlike);
- User generated videos and pictures section with tags;
- Followers and following;
- General Information;
- Maps of user generated requests or complaints.

Dashboards and multi-layered maps are the key component of ETNA Social Network for simplifying the citizens' approach to public spending.

ETNA Main Website
All the contracts awards, collected and presented in ETNA Social Network in dedicated subpages (for focusing citizens' attention to their municipality spending and not all spending), will be available for advanced reporting in a common centralized repository, for improving cross comparisons and cost benchmarking. The concept is very similar to USASpending.gov website (U.S. Office of Management and Budget, 2010) and will be not detailed further.

ETNA PPM Service (basic and advanced)
A complete Project Portfolio Management platform will be provided for Participating Organizations who wish to be more proficient on Project Management. ETNA PPM is conceived with two levels of services: basic and advanced.
Basic ETNA PPM Service is integrated in ETNA Social Network; municipality administrations will be able to manage citizens' requests and public projects lifecycle directly in an administration page. Advanced ETNA PPM Service will use commercial PPM software for managing the entire organization project portfolio/resources and performing optimizations analysis. The ICT solution will be provided as Software as a Service at regional level or on-premise for big organizations.

ETNA Mobile App
In order for increasing participation to ETNA Social Network, all the services will be provided for smartphones, by means of a dedicated "ETNA" Apps.

ETNA Web Eye
Municipalities, in order to be more transparent, especially on construction projects, will have the opportunity to connect their own Social Network page with internet streaming webcams placed in sensitive places.
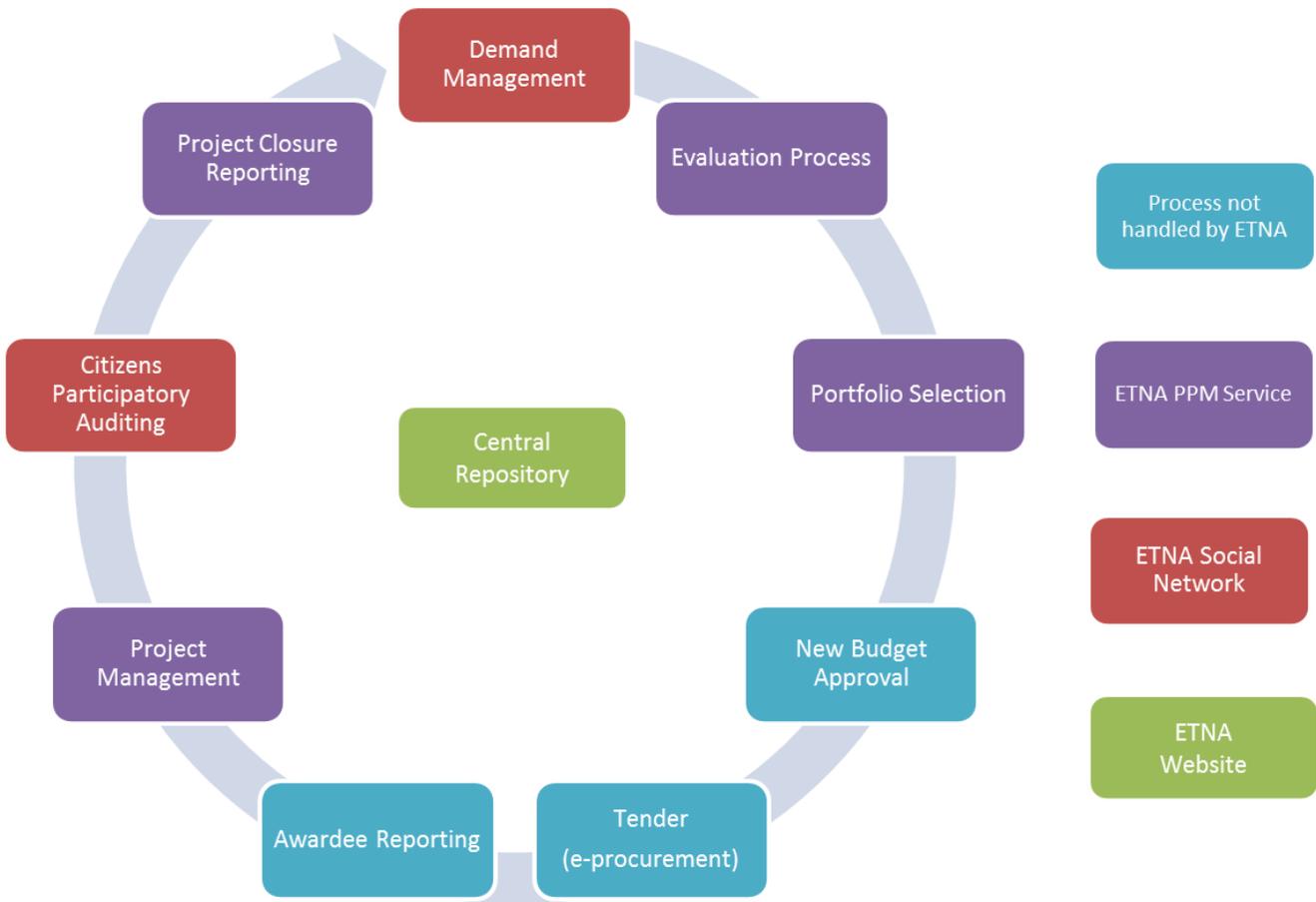
How the provided services could lead in Participatory Auditing? In the above picture a public contract lifecycle is depicted.

Citizens will be directly involved in two important phases, collecting new requests/ideas and helping evaluation process (like/unlike method is a good preliminary strategic impact evaluation) and a Participatory Auditing processes following public contracts and projects work progresses.

ETNA platform would be available via API's for new services developments, like for Facebook applications. This could lead on innovative services, like a module for participatory budgeting.

A strengthened Project Management approach, with a dedicated PPM platform, may lead to reducing portfolio costs, increasing strategic value and keeping under control services release timelines.

CONCLUSIONS
A central repository for awards is furnished for improving government transparency, but the real added values are reusing contracts Open Data to making public spending understandable for all citizens and giving services, instead of data. This will impact citizens' participation to Open Government processes in order to achieve the "Auditing for Social Change" goals, as stated on 6th global Forum on Reinventing Government.

The PPM processes and methodologies, in other side, will be helpful in effective costs savings and resources rationalizations, promising a fast return on investment in ETNA project.

WORKS CITED

(n.d.).

2010 Excellence.Gov Awards . (n.d.). Retrieved from American Council for Technology: http://www.actgov.org/education/awards/exgov/2010/Pages/default.aspx

(2012). Retrieved from Ministro per la Pubblica Amministrazione e Semplificazione: http://www.funzionepubblica.gov.it/lazione-del-ministro/open-government-partnership/open-government-partnership-presentato-action-plan-italiano.aspx

Facebook Users in the World. (2012). Retrieved from Internetworldstats: http://www.internetworldstats.com/facebook.htm

Arganelli, M. T. (2012). Relazione per l'inaugurazione dell'anno giudiziario.

Data.gov. (n.d.). Retrieved from Wikipedia: http://en.wikipedia.org/wiki/Data.gov

Department of Economic and Social Affairs - United Nations. (2007). Auditing for Social Change: A Strategy for Citizen Engagement in Public Sector Accountability. *6th Global Forum on Reinventing Government.*

EIPA. (2012). Retrieved from E-Practice: http://www.epractice.eu/en/event

s/2012-assisted-seminar-eipa-embracing-future-communication

European Commission. (2012). *Workshop 4*. Retrieved from Digital Agenda for Europe: http://ec.europa.eu/information_society/events/cf/daa2012/item-display.cfm?id=8279

Government data to be opened up to the public. (n.d.). Retrieved from The official site of British Prime Minister's Office: ttp://www.number10.gov.uk/news/government-data-to-be-opened-up-to-the-public

Kundra, V. (2010). *Saving Money on Government IT*. Retrieved from The White House Blog: http://www.whitehouse.gov/blog/2010/12/10/saving-money-government-it

Leliveld, M. J. (2004). Best Practices in IT Portfolio Management. *Mit Sloan Managemnt Review*.

Malmström, C. (2012).

MySociety. (2007). Retrieved from FixMyStreet: http://www.fixmystreet.com/

Office of Management and Budget. (2008). *Analytical Perspectives, Budget of the United States Government, Fiscal Year 2008.* Executive Office of the.

Peixoto, T. (2008). *e-Participatory Budgeting: e-Democracy from theory to success?* Retrieved from E-Practice.eu: http://epractice.eu/files/media/media2242.pdf

Pineiro, L. O. (2009). Municipalities stay connected with social websites. *The Miami Herald Tribune*.

Remiti, F. (2011). Retrieved from YouAudit: http://www.youaudit.org

Transparency International. (2011). *Corruption Perceptions Index 2011*. Retrieved from http://cpi.transparency.org/cpi2011/results/

U.S. Office of Management and Budget. (2010). Retrieved from USASPending.gov.

USEFUL LINKS

10 Ways Facebook Pages Can Help Local Governments Better Serve Their Constituents
http://www.insidefacebook.com/2009/11/05/10-ways-facebook-pages-can-help-local-governments-better-serve-their-constituents/

ABOUT THE AUTHOR

Federico Remiti, Ph.D., CAPM®, has a doctorate in Aerospace Engineering and is a certified associate of Project Management Institute. He works as consultant for SkyLab Italia S.r.L. (Project Management Business Unit) in banking and finance, manufacturing and retail customers. His research is oriented to applying best practices matured in private sector to government and Social Project Management. In the past his research was focused on Dependency Structure Matrix (DSM) methodology.

NOTE

The designations employed and the presentation of the material in this publication do not imply the expression of any opinion whatsoever on the part of the SkyLab Italia. The views expressed are those of the individual authors and do not imply any expression of opinion on the part of the SkyLab Italia.