Chapter 74

Application of CRM 2.0 in Spanish Public Administration: Identifying Practical Results

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ABSTRACT

Public administrations have a fundamental role in developed societies ensuring the citizens’ welfare through the provision of important services. Despite its importance, the effects of using IT in administrations has been less studied by the academy in comparison with using it in businesses, so there is an absence of works focused on analyzing which technologies administrations apply and which results they produce. Accordingly, this chapter aims to analyze the practical results that may be encountered in the application of CRM 2.0 in public administrations. For this, firstly, the CRM concept and its application are analyzed, finding that traditional CRM maintains a unidirectional approach of information, with little room for citizen participation. Secondly, to overcome the one-way approach, concept of Web 2.0, based on the collaborative use of the IT, which extends the possibilities of interaction between administrations and citizens is presented. This integration of traditional CRM with Web 2.0 gives rise to the CRM 2.0; its applications are expected to be the opportunity to modernize services and move closer to citizens. However, the literature has not identified the specific effects of applying CRM 2.0 in public administrations. In this sense, the work identifies some practical results of these implementations through exploratory research by applying a Delphi to senior managers of nine Spanish public administrations; this has allowed the authors to identify as principal results an improved productivity, an increased citizen satisfaction, and a better integration of information. Security and organizational issues are the main difficulties.

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INTRODUCTION

The spectacular progress made in recent years by information technologies related to the development of software and hardware (Web 2.0 and Cloud Computing) and the possibility to access via web from any device (pc, smartphone, tablet), have given rise to new forms of working, interacting and sharing knowledge (Soto-Acosta & Ferreira, 2010; Colomo-Palacios et al, 2012; Trigueros-Preciado et al, 2013). Nowadays companies, public administrations and people have moved on from using the Internet and traditional computer applications individually, to participatory and collaborative environments (Schellong, 2008, Pérez-González & Solana-González, 2012).

In these environments, people and organizations obtain added value from Information Technology (IT) through collaboration, the use of shared knowledge and common experiences.

This means that all the organizations, both public and private, need to analyze how to adapt their customer relationship management (CRM) systems to the new paradigm where consumers use the tools provided by web 2.0 (blogs, wikis and social networks), which are generally beyond the control of organizations and governments, to communicate, to share their tastes, experiences, and opinions to everyone, in a matter of seconds, and at a much reduced cost.

This context of digital interrelations involve an emerging and complicate field of research and work for academics, managers and IT professionals, with significant challenges such as adapt to changing customer needs, news channels and increase transparency, but can also be a source of significant opportunities as efficiency improvements and especially customer’s satisfaction and confidence increases.

In this line, there are academic works emerging which are focused on analyzing, in private sector, new customer relationship management models supported by CRM systems that use social networks (Barton, 2008; Wagner at al. 2008; Palmer, 2009; Garcia-Crespo et al, 2010; Rosemann et al, 2012).

In the other hand, public administrations, despite its importance as the largest supplier organizations of services in the world (OECD, 2009), and that play a fundamental role in modern economies as moderators of economic relationships through the management of taxes, subsidies and incentives, and in the social, as the main guarantor of the welfare of citizens (United Nations, 2008; European Commission, 2009; OECD, 2012), there is a lack of research in relation to the study of IT implantation and its impact on this administrations. Specially, there are few works which have analyzed the role of CRM in public administrations (Schellong 2005; European Commission, 2011) and, academic or practical research that analyses the use administrations make of Web 2.0 is even scarcer (Osimo, 2008).

Besides, public administration have traditionally delayed incorporating IT compared to companies and, therefore, they have some major technological needs to cover, which, in recent years, has made them important demanders of IT services (OECD, 2009; European Commission, 2011; OECD, 2012), and are therefore an attractive market niche for IT professionals.

For all the above, this chapter focuses on to fill this gap, analyzing how public administrations can use CRM and Web 2.0 as strategic tools for the management of relationships with their citizen and identify some practical effects, positive and negative, that occur in the application of CRM 2.0 and that public managers and IT professionals should consider in their projects.

To achieve these objectives, this chapter first examines the traditional concept of CRM and the need for these applications to be integrated with the new social and technological reality, characterized by the collaborative environments where people share information and experiences as a source of value, Web 2.0. Once the study of how