How to Succeed with Multichannel Management:
A Case Study of Cross-Organizational Collaboration Surrounding a Mandatory Self-Service Application for Danish Single Parents

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ABSTRACT
Citizens’ use of e-government channels is considered key to achieving savings from the digitization of the public sector. Channel choice studies have found that citizens use multiple channels in a service encounter and e-government channels supplement, rather than replace traditional channels. This interplay between traditional and e-government channels remains to be explained. There is also a lack of empirical knowledge of how government organizations can apply findings from user studies and migrate citizens online while simultaneously reducing traffic through traditional channels. Therefore the authors present a detailed longitudinal case study of how public authorities collaborated to create a multichannel strategy for a mandatory online self-service application for single parents. After the strategy was carried out there was an increase in the use of the application and a substantial reduction in calls. The authors offer contributions to the channel choice literature and recommendations on multichannel management to practitioners.

KEYWORDS
Case Study, Channel Choice, E-Government, Mandatory Channels, Multichannel, Offline Traffic Reduction, Single Parents

INTRODUCTION
E-government is promoted as a means to increase the effectiveness and efficiency of public authorities as well as citizen satisfaction (Chadwick & May, 2003). As e-government channels generally have lower transactions costs than traditional channels, citizens’ migration from traditional channels towards e-government channels is regarded as key to achieving savings (The Danish Government, 2011). Literature reviews of the e-government field show that the papers studied lack practical recommendations on how to achieve these benefits (Heeks & Bailur, 2007; Hofmann, Räckers, & Becker, 2012; Madsen, Berger, & Phythian, 2014).

The channel choice (CC) branch of e-government examines how citizens and businesses choose communication channels in a public service encounter and how government organizations can migrate citizens towards the most efficient channels (Pietersen, 2010). The majority of CC and e-government adoption studies have been conducted in settings where citizens have a choice of channels, not in mandatory settings where citizens have already adopted e-government channels. Thus,
the interplay between channels and the continued use of traditional channels among those who have adopted e-government channels remain unexplained (Madsen & Kræmmergaard, 2015; Reddick & Anthopoulos, 2014). Although a strategy to fully integrate government organizations’ channels has been suggested (Pierson, 2010), it has remained theoretical. Conducting such a strategy in practice is complicated as the channels involved are often managed by several organizations. There is a lack of knowledge and practical recommendations for how such cross-organizational collaborations can be conducted (Kernaghan, 2013). We seek to address these gaps by answering the following research question: how can public authorities successfully implement a mandatory channel strategy, to increase citizens’ use of e-government channels and simultaneously reduce the use of traditional channels?

We present a longitudinal case study (Yin, 2014) of a cross-organizational collaboration surrounding a mandatory online self-service application. By conducting a study among a group of citizens who have largely adopted the e-government channel, we can analyze the multichannel government-to-citizen (G2C) interaction which occurs in a post-adoption environment and how government organizations carry out multichannel management (MCM) in such settings.

The next section contains a description of the case and the mandatory setting in which our study takes place. This is followed by a presentation of existing literature on channel choice to position the paper, illustrating the relevance of the research question and expected contributions. Then our method for data collection and analysis is presented, before turning to a discussion of our findings in relation to CC literature, and contributions to research and practitioners. Finally, we offer concluding remarks, limitations, and recommendations for future studies.

CASE DESCRIPTION

The Creation of Udbetaling Danmark

In 2012 the new authority Udbetaling Danmark (UDK) (Payments Denmark) was established by the Danish Government and Local Government Denmark. UDK is administrated by the Danish Pensions fund Arbejdsmarkedes Tillægspension (Labour Market Supplementary Pension) (ATP).

UDK administers 27 billion Euros annually within five public benefits areas previously administrated locally by the Danish municipalities. With the establishment of UDK, the caseworkers have been transferred to five major national centers. One of these centers is co-located with ATP headquarters, where the collaboration described in this paper took place.

The Danish Agency for Digitization commissioned a report by Boston Consulting Group (BCG, 2012) on the economic savings from the digitization of UDK’s case work, which indicated that savings will be achieved by an increase in citizens’ use of e-government channels, and a simultaneous reduction in information requests on traditional channels. These effects and savings have already been applied in the calculation of UDK’s business case. UDK is expected to save 40 million Euro annually through centralization, increased digitization and use of self-service applications (ATP, 2011). An additional 40 million Euros is expected to be saved through the public procurement of the new IT-systems for UDK. In ATP’s digitization strategy citizen oriented service processes are prioritized according to:

1. No-touch solutions (full automation)
2. Citizens’ use of e-government channels (websites and online self-service applications)
3. Interaction through traditional channels (mainly calls)

In line with these priorities and the Danish e-government strategy (see box 1) citizens are expected to use a web-portal to get information and for conducting transactions with UDK. Citizen-initiated
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