Chapter 62
CRM 2.0 and E-Government
Challenges for Public Administration and Social Effects

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ABSTRACT

In the new technological and social reality characterized by collaborative environments where people share information and experiences as a source of value, the purpose of this chapter is explain how public administrations and governments can make use of CRM integrated with the functionalities of Web 2.0. In this regard, firstly we study how CRM can be integrated with Web 2.0, creating what might be called CRM 2.0, and analyze how governments can use CRM 2.0 to optimize their work processes and improve their services. Then we analyse the social impact relating with the priority objectives for governments, and present the case of different pioneer public administrations in the use of CRM 2.0, analyzing its technological solution and achieved benefits. As a result of this analysis, we have found positive evidence of the beneficial effects for society and for the public administration itself, generated by the use of CRM 2.0 in e-government. Finally, we present the future lines of work and the conclusions.

INTRODUCTION

It is in periods of economic crisis, when phases of uncertainty open up, that require organisations to question their processes in order to do things better and seek a more efficient allocation of resources

which will guarantee their survival. They are, therefore, periods of tension that organisations should take advantage of to abandon inefficient behaviour and draw conclusions that may be suitable to apply in the present and tackle the future with success (Schumpeter, 1951; Maturana and Varela, 1980).

It is in these situations when those in charge of organisations seek new directions, with the intention of adapting to the changing environment. Two of the changes that have possibly had the most significant impact on organisations in recent years have been, firstly, the shift from product orientation to customer orientation, assuming the principles of relationship marketing, which implies that the whole company has to refocus towards satisfying the needs of its customers (Kotler, 1972), and secondly, the incorporation of information technology (from here on IT) as an essential support element to the management of organisations. By integrating the two aspects, Customer Relationship Management (from here on, CRM) emerged as computer applications that allow the principles of relationship marketing to be put into place and enable organisations to manage customer relationships. To this end, the CRM is based on the knowledge that the company has about its customers with the aim of increasing their satisfaction as a means of maximising the profits of the organisation.

Currently, we are witnessing a deep crisis which is causing very significant changes in economic, social, and technological terms. Citizens, companies and public administrations have moved on from using the Internet and traditional computer applications individually, to participatory and collaborative environments (Schellong, 2008). In these environments, people and organisations obtain added value from Information Technology (IT) through collaboration, the use of shared knowledge and common experiences, which is known by the term Web 2.0 (O´Reilly, 2005; Osimo, 2008; Shuen, 2008).

In this context, the management of relationships with customers has become more complex, given that consumers use the tools provided by web 2.0 (blogs, wikis and social networks), which are generally beyond the control of organisations, to communicate, to share their tastes, experiences and opinions to everyone, in a matter of seconds, and at a much reduced cost.

The appearance of this collaborative paradigm which is unprecedented in human history, means that all organisations, both public and private, need to analyse how to adapt their customer relationship management system to the new situation. In this sense, there are studies and academic works emerging which are focused on analysing the management of customer relationships that consider the changes and opportunities opened up by Web 2.0. In the private sector, some works are beginning to appear that present new management and customer relationship models supported by CRM systems that use social networks. (Barton, 2008; Wagner, Back, Koenig, and Keller, 2008; Palmer, 2009).

In the environment of public administrations - the largest supplier organisations of services in the world (OECD, 2009) - recognized in the economic environment as moderators of economic relationships through the management of taxes, subsidies and incentives, and in the social environment as the main guarantor of the welfare of citizens (UN, 2008; European Commission, 2009), in general there is a lack of research, which is highlighted, in particular, in relation to the study of IT and its impact on public agencies. In this regard, there are few works which have analysed the role of CRM in public administrations (Schellong 2005) and academic research that analyses the use that the administrations make of Web 2.0 is even scarcer (Osimo, 2008).

Besides, one aspect that should be considered that makes public administrations particularly attractive is the fact that they 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).

Therefore, to improve knowledge about these organisations, with regards to the benefits that they could obtain from using IT, it is necessary to increase research in this area, studies which are of interest to the administrations themselves, the

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