



#### Ulrika H. Westergren

Umeå ülikooli informaatikaosakonna dotsent, juhataja asetäitja ja assistent, õppedirektor

Omavalitsuste digipööre: digitaaltehnoloogia kasutamine ühiskonna hüvanguks



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# The digital transformation of municipalities

#### Using digital technologies for societal benefit

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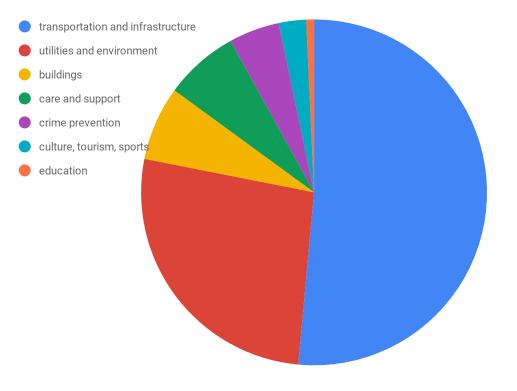
#### **Everything gets connected to the Internet**

- Technology is getting smaller, cheaper, smarter.
- Internet of Things (IoT): collection and analysis of context-aware, realtime data.
- Artificial Intelligence: we use selflearning algorithms to solve problems, see patterns and make decisions. "Support, augment, replace."
- Huge amounts of data are being generated and analyzed



## How do municipalities use IoT?

- Interview study carried out in 2017-2018. Data from 337 municipalities in Sweden, Norway, Finland, Denmark, and Estonia
- Municipal focus on key infrastructural areas such as water supply, telecom, street lighting, and road maintenance.



Velsberg, O., Jonsson, K., H Westergren, U., & Saarikko, T. (2021). IoT Triggers. How municipalities are transforming to smarter cities through IoT use. *Scandinavian Journal of Information Systems*, 33(1), 2.



#### What is smart about smart societies?

- Sustainable and innovative use of new technology
- Better use of resources and streamlined processes
- Increased transparency and citizen engagement
- Better collaboration and needbased value creation



Velsberg, O., Westergren, U.H. & Jonsson, K. (2020) Exploring smartness in public sector innovation - creating smart public services with the Internet of Things, *European Journal of Information Systems*, 29:4, 350-368, DOI: 10.1080/0960085X.2020.1761272

## Public sector digital transformation

- In practice, realization of economic value usually takes precedence over other types of value creation.
- This can hamper transformation efforts and lead to a narrow focus on efficiency and incremental innovation.

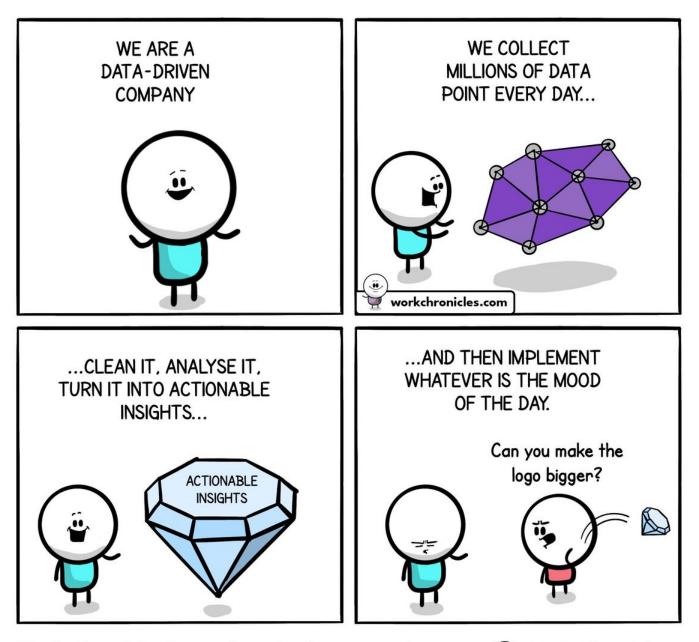


Magnusson, J., Koutsikouri. D. & Päivärinta, T. (2020) Efficiency creep and shadow innovation: enacting ambidextrous IT Governance in the public sector, *European Journal of Information Systems*, 29:4, 329-349, DOI: 10.1080/0960085X.2020.1740617

## **Becoming data-driven**

Organizations striving to become data-driven need to develop five core elements:

- *Data sourcing and sensemaking*: use of data that is relevant, contextualized and harmonized.
- Data capabilities: using organizational capabilities to purposefully manage data.
- *Data-driven culture*: fostering a belief and value system that embraces data-driven practices.
- Data-driven decision making: making rational decisions based on data.
- *Data-driven value creation*: actions with the ambition to create value through the use of data.



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Increasing the amount of information does not necessarily lead to the anticipated change in behaviors

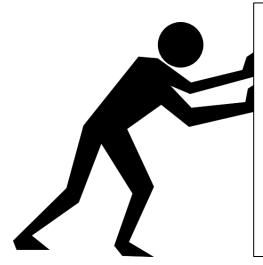
#### To observe or be observed



- IoT can make what is invisible become visible - which can lead to increased trust and transparency.
- Increased visibility can also lead to increased control, which in turn can lead to attempts to circumvent the system.
- IoT means that you can be a user of, and a data point in, the system at the same time.

### What can be done?

- Education: Increase the understanding of technological capabilities, show what technology can do.
- Leadership: Work on establishing a culture that embraces a data-driven way of working.



- **Nudging**: Elicit a desired behavior by giving individuals a push in a certain direction.
  - Raise awareness
  - Gamification
  - Show trends over time

#### **Amara's Law**

"We tend to overestimate the effect of a technology in the short run and underestimate the effect in the long run."

-Roy Amara



## Thank you!

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