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Digitally enabled service transformation in UK public sector: A case analysis of universal credit



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ABSTRACT

The race against ‘Digital Darwinism’ in public sector had caused failures of several high profile large-scale Digitally Enabled Service Transformation (DEST) projects. While technical and managerial issues are often emphasised as the factors underpinning such failures, the vital role of key actors and the interplay between these actors and structures is underplayed when examining the causes of DEST failure. To enable a richer understanding of DEST, this paper proposes an analytical lens combining Institutional Theory (IT) and Structuration Theory (ST) to explore the case of ‘Universal Credit’, a very large and ambitious DEST project in the UK. Analysis reveals that the institutional actors and structures played significant roles in the transformation process. Albeit governing the actors’ actions, institutional structures are shaped through actions that are influenced by knowledge, power and norms. Hence, recognising and addressing these subliminal factors are critical to promote actions that can facilitate DEST success. The contributions of this case study are two-folds. Theoretically, it provides a distinctive conceptual approach to study DEST; and practically, the lessons help in signposting better managerial practices.

1. Introduction

Digital Darwinism is an era demanding organisations to compete for an unforeseeable future, due to the fast pace of technological change and social evolution. This evolution has changed people’s behaviour and expectations (Solis, 2016a, 2016b). In adapting to such changes, many organisations, including in the public sector have opted for digital transformation to fundamentally change the way they interact with citizens. Besides automating routine transactional processes through digital government, attempts have been made to transform complex public services such as the National Health Services and Social Services through digital technologies. With a proud history in digital innovation, successive UK governments have ensured that the country continues to lead in adopting and implementing DEST across its public sector. To reflect a firm commitment towards DEST, the UK government formally outlined its first digital strategy in the mid-1990s with the advent of electronic government, followed by more recent efforts to redefine the digital government plans in 2012. Early efforts of large scale DEST include the National Program for Information Technology (NPfIT), which was focused on digitising patient records and integrating services across the UK National Health Service (NHS). The NPfIT was not only the largest non-military digital transformation project of the 20th

century, but also one of the biggest DEST fiascos in the world after it was officially dismantled in 2013 (ParliamentUK, 2013). In fact, NPfIT is not the only DEST derailment case in the UK public sector. Statistics have shown that many other projects of the same scale have failed to realise their initial objectives, thus requiring further revisions or being terminated. These include the Digital Media Initiative by British Broadcasting Corporation (BBC), Common Agricultural Policy Delivery Programme (CAPD), and Universal Credit Programme (UC).

Despite facing ever-changing technology and social evolution, internal and external forces have also played a role in hindering the public sector’s ability to adapt (Sivarajah, Irani, & Weerakkody, 2015). For instance, digital skills, management capability, resources availability, overarching demand of the citizens and strategy mismatch often impose constraints on public sector’s efforts in implementing change (Waller & Weerakkody, 2016). In a classic case, DEST implementation can be potentially obstructed by conflicting mission of the institutional actors, as well as the existing organisational processes or supporting systems, and accepted norms (Deloitte, 2015). Against this backdrop, although DEST is a technical-dominated initiative, the implementation of projects/programmes should be viewed as a subtle and intertwined process that is inseparable from social concepts, i.e. actions and reactions of the social actors, and the underpinning conventions.

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Although most studies make sensible recommendations, they leave the main challenges of DEST largely unexplored (see Janowski, 2015; Majchrzak, Markus & Wareham, 2016; Omar & Elhaddadeh, 2016; Omar, El-Haddadeh, & Weerakkody, 2016; Omar & Osmani, 2015). Therefore, there is a need to uncover useful insights to enable better future practices and interventions in DEST implementation – beyond the existing paradox. As posited earlier, DEST is a socially-constructed process – the fact that was also supported by previous studies (Veenstra, Janssen, & Tan, 2010; Veenstra, Melin, & Axelsson, 2014; Walsham, 2002). Hence to facilitate better understanding and rigorously frame the DEST context, attempts should be made to explore the role of institutional actors and structures towards DEST implementation. To provide some insights and reflections to both practitioners and researchers, this study utilises a combination of Institutional and Structuration theories' concepts to explore the case of Universal Credit (UC) UK, arguably the largest social benefit system reform project in the world (Channel4, 2011) – as a contemporary case of DEST. The idea of welfare reform was muted in 2002, but only came into realisation in early 2011 after the publication of the Welfare Reform Bill, introducing the Universal Credit programme as a vehicle to simplify the social benefits system in the UK. The central aim was to make 'work pay' and assists millions of beneficiaries to become 'welfare independent', by introducing a single, secure system that replaces seven existing systems of benefits payment and tax credits (Gov.UK, 2010). As such, UC is a highly ambitious, large scale programme requiring substantially complex transformation of work processes, practices and norms in both – central and local government. Therefore, by examining the case of UC, we expect to draw evidence of how the actors and structures roles influenced the DEST institutionalisation process.

This research is significant as UC is still an ongoing project, but many had doubted its outcomes and target achievement, despite of a few times adjusted timeline (see JRF, 2015; NAO, 2016). Additionally, the case analysis conducted in this paper is timely as the findings will offer both conceptual and practical implications at a time where public confidence towards the government's competency in programme managing DEST is deteriorating due to the constant failure of many large-scale projects.

2. Case analysis

This case study was performed against the background of the public sector, aiming to elicit better understanding on the roles of institutional actors and structures in the DEST institutionalisation process. Such understanding is not just critical in enabling the framing of the DEST implementation by both researchers and practitioners, but to extract insights, forming lessons to be learned from a selected case of DEST (i.e. Universal Credit, UC). As such, an interpretive paradigm was utilised as the underpinning research philosophy. In revealing the 'truth' about the real world through subjective experience of individuals, this paradigm suggests the 'meaning versus measurement' approach to be used as the data collection strategy (Collis & Hussey, 2013). Hence, focus group and interviews were used in gathering the evidence for this study, besides reviewing of the existing reports or government publications that are related to the case. As the selected paradigm relies on a subjective relationship between the researcher and the subject under study – i.e. the researchers' values are inherently embedded throughout the research process, the truth was discovered through series of negotiation dialogues between the researchers and the research participants. Besides generating knowledge or findings as the exploration continues, such practice also informs better and sophisticated understanding of the social world, where subjective elements and meaning are shared. This facilitates understanding towards the social phenomena within their natural setting, and helps acknowledge how they are recursively related in shaping their social setting (Oates, 2006).

As each case potentially lure the specific purpose of inquiry and the approach of linking many cases to one potentially represent 'replication

of logic' (Yin, 1994), UC was selected as a single case study for this research. It was believed that UC is a unique and prototypical case of DEST, which would be revelatory to the understanding of the institutionalisation (and structuration) phenomenon of transformation. Hence, a descriptive method is used to highlight the structuration process within the UC institutionalisation process.

The process of data mining started with the review on government reports or publications linked to the case (e.g. government policies and credential audit findings), as well as news portals and blogs' such as "Digital by Default News", "Institute for Government", "The Money Advice Service", and "Citizens Advice" – within a time bracket of approximately six years (2010–present). The process then evolves with three focus group sessions, involving 30 UC key stakeholders from various levels and stakeholder organisations of both public and private sectors i.e. policy makers, senior staffs, front-liners, local government staff, IT Team, Program Directors, and IT/Transformation Consultants. Finally, a series of interviews were conducted with ten selected key stakeholders (i.e. Policy makers, IT Consultants, Program Directors, IT Teams, and Front-liners) to conduct deeper investigations and verify critical issues. Besides providing rich information, the combination of these strategies was important to ensure reasonable data triangulations, which is pivotal to provide a rigour and unbiased findings.

3. Universal Credit: welfare that works

Universal Credit was launched to transform the benefit system in the UK, by making the 'work pay' for some of the poorest people in Britain. It was also targeted to remove the complexities of the current benefit system which trapped the claimants from working, and simplified the six payments into a single payment based on real-time earnings information. Through UC, social benefit support is withdrawn slowly as people return to work or increase their working hours; the ambition is to remove over 800,000 people out of poverty. Universal credit payments are based on real-time earnings information, and thus supposed to be responsive to the fluid realities of people's lives.

3.1. "Easterhouse Epiphany" and fixing the broken Britain

The idea of transforming the UK Welfare system is rooted back in 2002, from Ian Duncan Smith (IDS) – Conservative Party Leader at that time, visiting the Easterhouse housing estate in Glasgow (Timmins, 2016). The visit was later mocked as "Easterhouse Epiphany", when it triggered IDS an idea of improving less-fortunate peoples' lives, leading to the establishment of the Centre for Social Justice – a think tank that is responsible to enlightening social justice in British politics ("www.centreforjustice.org," 2017). In 2007, the Centre published the "Breakthrough Britain" report concluding that the welfare system is trapping the benefit receivers from achieving their potential and getting sensible pay, thus needing to be transformed. Backed by the economic impact projections of unemployment and poverty, the essence of this report was echoed through the Conservative Party's General Election Manifesto in 2010 – "Fixing Broken Britain" (Conservative Party, 2010). Upon forming the coalition government in May 2010, IDS was appointed as the Work and Pensions Secretary to spearhead the implementation of the dynamic benefit reform project, UC.

3.2. Getting the white paper for UC endorsed

Although the idea of having UC to replace the existing benefit systems was faced with objections in parliament, the UC plan was endorsed by the Cabinet Committee through an intervention by the Prime Minister, and support from the Chancellor's chief economic adviser, the Minister for Government Policy in the Cabinet Office, the Chief Secretary to the Treasury and the Deputy Prime Minister. Following the endorsement, a white paper entitled "Universal Credit: Welfare That Works" was published in 2010, outlining the merger of six

‘means-tested in-work and out-of-work benefits’: Child Tax Credit; Housing Benefit, income-related Employment and Support Allowance; income-related Jobseeker’s Allowance; Income Support; Working Tax Credit. As it would be extremely large in scale (i.e. affecting over eight million households), such transformation would be digitally enabled and would be ready for new claimants’ usage by October 2013, followed by transfer of the existing claimants by October 2017 (Department for Work & Pension, 2010). With real-time information, it was claimed that the digitally enabled service transformation is rather simple and easy to use, but generous in advantages such as preventing fraud and error, facilitate the people who are in poverty to enhance their living, increase pay and employment, as well as lowered the administrative costs.

3.3. 2010–2013: transformation deformed

With the white paper endorsed, a senior responsible person who was an experienced DWP operation expert – was appointed as the Director General for DWP in December 2010, to lead and manage the UC Programme. Nevertheless, in November 2011, a new Permanent Secretary was appointed to resume the task of its retired predecessor, which oversees the programme. Although he was from a different department, the new Public Secretary (PS) had served the DWP previously for a significant period; this enabled him to have significant insight into social benefit matters. In 2012, the PS undertook the task to restructure the department, resulting into job combinations that witnessed the duplications of senior leaders’ positions, including the Director General who also had to serve as the Chief Operating Officer; ironically both were irresponsible to oversee the UC (Timmins, 2016). Subsequently, the DWP leaders realised that UC was implemented without the operational blueprint—as neither the proposal nor the white paper could be used to guide their actions, while the unavailability of primary and secondary legislations (i.e. the legislations only completed in 2013 – see Department for Work & Pension, 2015) had hindered the blueprint preparation process. Without the actual guideline, the UC contractor who was facing a stringent deadline had continued to work on the system. Nevertheless, their attempt to build the system based on the hybrid of agile and waterfall approaches had led to problems. Meanwhile, the complex, new ‘claimant commitment’ module, was worked on by a separate team that was less in-touched with the policy people in the central agency.

3.4. 2014–present: getting back on track

The UC’s problems were signalled by an act of narrowing the scope and site for the pathfinder pilots that were planned. Furthermore, the MPA’s report had marked UC deliverables sections with ‘amber/red’ indicating successful delivery of the project is in doubt, with major risks or issues apparent in several key areas, that required urgent address, and whether resolution is feasible (Major Projects Authority Annual Report, 2014). The publication of NAO’s report in September 2013 then confirmed the grapevine, where ‘fortress mentality’, ‘green reporting’, poor governance, and poor financial control were named among the factors impeding UC’s progress, besides the major barrier of not having the detailed blueprint of UC’s operation, which was the source of confusion between the suppliers’ systems. It was believed that all of such impediments would gradually reduce the expected benefits of the DEST programme.

The PAC attempt to scrutinise the UC implementation was hindered by the incomplete information supplied by the DWP. Meanwhile, the Work Secretary then blamed the DWP staff, including the PS for the derailments, which then deteriorated their relationship, and led to the termination of PS. The pathfinder’s success in utilising real-time information was then shadowed with the inability of the system to detect fraud. The report then concluded that UC had experienced a serious derailment, making the initial target to move all the claimants

into the new system in 2017 a distant dream. Later, the National Audit Office (2014) reported that the UC had faced a major reset – where the delivery timeline is being pushed two years forward into 2017 for the legacy claimants and early 2018 for the rest, where end of 2019 was a new total completion target. The new Public Secretary then introduced the UC programme board as the Responsible Owner, which helped to overcome the green-shifting culture and investigate the implementation plan.

4. Why was Universal Credit failing? Case synthesis and emerging lessons

The rollout of Universal Credit that represents “the biggest welfare reform in history” was impeded by several delays due to technical and managerial problems, before finally gathering its pace. Nevertheless, the potential shortcomings such as system security and delays in payments has caused alarm – demanding close attention of all stakeholders, especially the DWP, Treasury, Prime Minister and Cabinet Office. The digitally enabled components of the UC system further complicated the transformation process, as it involves change well beyond the work processes into core functions and structure, the most significant being behavioural change needed from actors. To understand the institutionalisation of such transformation, we delve deeper into the UC case by utilising a Structuration and Institutional Theory lens.

4.1. Synthesis: institutionalisation of UC

Barley and Tolbert (1997, p. 94) define institution as ‘socially constructed template for action, generated and maintained through ongoing interactions’, or template for ‘organising principles’ (Rao, Monin, & Durand, 2003, p. 795). Giddens (1984) explained that institutions are deeply-seated in accepted norms, established meanings and externalised power. He also added that the social system is formed through inseparability of the actors’ actions and structures, where institution is part of it. Often, institution is externalised in common structures such as politics, public opinion and customs/norms (Barley & Tolbert, 1997).

Scholars argue that Structuration theory concept could facilitate understanding of the social reproduction/modification process, which is the core of institutionalisation (Baptista, Newell, & Currie, 2010; Scott & Meyer, 1994). The concept allows analysis on the outcome of growth of events that develop over a period of time. The central concept of structuration theory – “duality of structure”, views action as a product of structure, and structure is maintained, modified or even eliminated through action. In UC, as the structure was changed in DWP and other associated public institutions linked to the project, the institution became unstable because it has lost its original meaning and legitimacy – a state known as ‘deinstitutionalisation’. Since the situation was actions-led, great attention should be given on how the actors draw on social structure in their action, as well as how the action produce and reproduce social structure (Barley & Tolbert, 1997; Whittington, 2010). In this study, deinstitutionalisation refers to the destabilisation of the benefits system, due to the replacement of the old system with a new digitally-enabled structure i.e. UC. Although theorist argue that erosion or discontinuity of the old structure is necessary to trigger change, navigating its re-institutionalisation process is an extreme challenge.

The actors’ role was examined by analysing the impact of their actions towards institutional structure. As both actions and structures are recursively related (i.e. structures being shaped by actions, albeit guiding action) – the role of structure is framed through the impact that it has on actions. While acknowledging the central concept of ST principle i.e. even individual action are determined by the institutional orders or social structures (Barley & Tolbert, 1997; Giddens, 1979, 1984), the interplay between actors and structures were mapped

against the ST model, representing social orders of signification (generation of meanings through ‘organised interpretive’); domination (production of power due to capacity to control resources); and legitimation (creation of expected obligations which shaping norms) and actions of communication, allocation of resources, and sanction. As the institution is potentially strained by the internal and external influences, the reasons for the DEST impediment can be many. Nevertheless, as what was echoed in the ST – the prediction of social change can be made based on actors’ actions, which was the main focus in this study. As such, it is posited that the challenge to institutionalise UC lies amongst the very leaders that spearhead the transformation process – at all levels, particularly the policy makers. Without attentive focus, they will fail to sense and acknowledge that their mission (or the institutional missions), and the processes and systems of structures that they support are already working against them, complicating the transformation process. Hence, it is important for the leaders to stay vigilant about these aspects, and be ready to revise or reinforced the structures whenever necessary.

Institutionalist postulates that institution is exogenous to organisation (Scott, 2004), turning the focus of institutionalisation process on addressing how pressures cause institutions to emerge. In UC context, the pressure was equally originated from both internal and external institutional environments due to rapidly evolving technology, economic and social demands – or what is termed as “Digital Darwinism”. In line with our earlier belief that an individual actor, especially the leader has a significant role in this process, the “Easterhouse Epiphany” incident is an important evidence supporting such belief, where IDS was the individual who was responsible in introducing such idea, starting with the establishment of a new “legitimation” structure called Centre for Social Justice. This new structure later had “signified” the idea of reforming the welfare system through its publications. As such idea had penetrated the institution (i.e. a push to reform the welfare system post 2010 General Election), the DWP was forced to undergo changes by transforming the existing welfare structure into the UC system.

The main actors in this context are many, such as the DWP, the political Parties, the Treasury, the benefits claimants and local governments. Although the logic behind the UC implementation is to increase the public value by eliminating the ‘benefits trap’, the lack of communication had tainted the programme with massive misconceptions, hindering positive actions to facilitate the UC institutionalisation. As found in the case, UC had received negative messages and actions from government agencies such as the National Audit Office, Public Account Committee, Treasury, Cabinet Office and Major Project Authority, as well as the claimants.

4.1.1. Signification: theorising solution based on externalised ideas

Signification process is the backbone of every structuration process. The process helps to externalise the idea that the signifier has and subsequently generates meaning, determining interpretation and understanding towards a certain subject (Giddens, 1984; Nick Olson & Khalid Yahia, 2006; Thompson, 2012). Subsequently, these will guide the actors in ‘theorising’ the appropriate actions, which later determine the shape of the structures that were acted upon. Actors’ values and beliefs have major influence over their interpretations of meaning on a particular subject, and determine their ‘typification’ and theorisation approaches (Hossain, Moon, Kim, & Choe, 2011). As the values and beliefs varies, the chance of getting common solutions out of the ‘typification’ and theorisation decrease (DiMaggio, 1988). Hence, signification is critical to ensure the uniformity of the desired actions, as response or solutions in achieving an institutionalised stage of the DEST.

The focus group participants in this research agreed that change is common. Nevertheless, referring to the initial roll-out plan and numbers of benefits as well as legislatives that need to be created – the majority of focus group participants thought that UC is highly

ambitious and ‘gigantic’, which despite of it’s plausible benefits – the ‘implementation hiccups had made it ugly and unachievable. In fact, this was the only reason that underpins their scepticism towards UC. In one interview, the Programme Director mentioned “*I think the people who know the welfare system in detail would have been sceptical with the UC ambition, and that’s a sensible reaction*”. It was evident that the signification process is incongruent and seriously lacking throughout the UC implementation, although effort had existed in the early stage of UC introduction. Responding to an interview question, a local government staff said, “*people don’t like the idea coming from the outside and were suspicious of Duncan Smith, because they assumed he’s wiping away all the benefits with UC – since the welfare budget has already been constrained*”.

The UC white paper was an example of a visible and effective communication tool that was used to convince stakeholders on the idea of urgency in the UC implementation. As highlighted by independent bodies, the failure to produce a UC blueprint was a major communication disaster that had impacted the project throughout. Its absence had created divergence of solutions among the institutional actors, leading to multitude of anonymous actions that sometimes went against the transformation objectives (e.g. overlooked coding for automated fraud prevention in the new system). Should there been a blueprint, majority of the actors would have had clear understanding on the project directions, had their actions systematically framed and consequently reduced the variances in institutionalisation approaches.

Our focus group participants highlighted that the effort to make the staff and people understand on the concept of UC was scarce, thus the field was filled with misconceptions and confusion. “*Things became worse when they perceived that UC is only a political tool*” – said the senior staff in the interview. Another obstacle was unwillingness of the top leaders to advise or inform the Works Secretary of the truth about DWP’s capability and readiness to implement UC when they were first approached about proceeding with such a huge DEST undertaking. This was quoted during several interviews, and one of the recurring theme was “*the Permanent Secretary at that time was accepting the proposal without consulting her team – weather the time frame is realistically achievable, or whether we have enough capacity to proceed...*”. Meanwhile, another interviewee said “*...she (the Permanent Secretary) should have involved the delivery people as well, not just the senior leaders before making any commitment to the Work Secretary.*” These statements indicated that the senior officer in DWP did not really understand the process of implementing transformation.

The insufficient preliminary signification works such as ‘proof of concept’ and dialogue with the minister had brought critical impact towards the UC (i.e. derailments of timeline and writing-off the IT infrastructure). Should the effort be sufficiently secured, potential solutions can be identified at the early stage of the UC implementation. Meanwhile, its repetition by the GDS team not only delayed the project implementation, as the coding had to be re-developed, but wasted public resources, particularly the money that was spent on the existing system, and manpower (i.e. the GDS team that was lent to the DWP).

The absence of engagement with the claimants had also impeded the signification process. Thus, multitude of reactions that exists among the claimants had caused barriers to adoption. Although the change is mandatory, such engagement is particularly important in helping the DWP to better design the new system, and elucidating the unforeseen situations (e.g. potential policy decisions). On the other hand, the ‘green-shifting’ culture among the DWP officials had deterred corrective actions needed to ensure the success of UC. It happens when the misinformation created an unrealistic or untrue idea towards a circumstance, and igniting mismatch in feedback or actions through inappropriate scripts, which in turn shaped an undesired structure. This idea of green-shifting was also endorsed by our focus groups, where ‘unwillingness to disclose actual facts’, or misjudged problem severity were blamed as root cause.

One of the interviewees, who was part of the UC team, quoted “*I*

think government is not good at thinking through future business models. In the private sector, if you went through the scenario of how do we redesign this business and what might it look like if it was more self-service and online, you'd do some thinking, you'd draw a picture of how it will look like in three years' time, for instance." The interviewee hypothesised that the very reason why governments are not good at drawing a business case for projects is due to the policy and politically driven environment. It was highlighted that one of the real challenges in government remains how you marry these two things together.

4.1.2. Domination: empowering actions through allocative and authoritative resources

Structuration theory suggests that besides understanding the idea, actions are also enabled by the amount of power that an actor has (Giddens, 1984, p. 258). The central tenet in this aspect is understanding how the power was generated. Giddens (1984) argued that power is an expendable property of the social system, which is developed through the reproduction of domination structures. In this respect, the two institutional resources that Giddens claimed as constituting the domination structures are termed as allocative and authoritative resources (Luna-Reyes and Gil-Garcia, 2013). The first represent the 'material' elements, while the later merely infrastructural – i.e. emerged through space and time. These two resources co-exist, where authoritative resources needed allocative resources to intensify its dominance, while the allocative resources need to be augmented by the authoritative resources to exist over time-space relation.

In the case of UC, the Works Secretary (IDS) had imposed his authoritative resources in ensuring that the programme's implementation, despite of receiving lists of critics from the reviewing bodies, colleagues, as well as the public. He also empowered the programme kick-off, without waiting for the legislative approvals. Although such effort demonstrated personal belief on the benefits of UC and commitment, it led to multiple complications. Meanwhile, it was evident that the allocated resources were equally important to facilitate actions in UC implementation. For example, the conditioning of budget by the Cabinet Office had impeded the procurement of the needed IT infrastructures to replace the incompatible, existing infrastructure. Another example was – the support given by the GDS team (perceived as another allocative resource) had enabled the 'corrective' actions in terms of the system coding, which was pivotal in shaping the UC system that is available today. One interviewee stated: "UC is a fundamental redesign of the benefit system for working age people, yeah, so it's hugely complex... I think the second thing would be that you know some of the management of the IT delivery wasn't strong enough... so, my predecessor, one of the things he did was, he changed the management of it... the management wasn't strong enough to do it."

Meanwhile, when discussing about the creation of power through resource allocation, one focus group member claimed, "there are about 400k civil servants and about 10k working on digital across the service. That includes the contractors and so on. I'm not saying that a quarter should be digital people, but 10k out of 400k is a very small percentage (2.5%). So firstly, there are not enough people working on digital. And if you take the question – do business owners understand digital – there's a big gap there as well."

The co-existence of the two was particularly depicted by PWC's review of UC – that even in the absence of payment due to blocked budget, the suppliers still executed their tasks handsomely. Other examples of where authoritative resources were exercised were the restructuring of DWP (by the Permanent Secretary), the commissioning of the PWC for review, and the omitted budget cut by the Chancellor in 2016 – enabling the UC to resume its implementation. One focus group participant reflected, "yeah, limited resources, well yeah its more of a money challenges as well, but we're in the early days of can we build our own digital capability?"

4.1.3. Legitimation: normalising the right and expected obligations

The normative component of social interactions is situated between the right and expected obligations of the institutional actors that are interacting in a certain context. Such component laid the claim of legitimate practice i.e. accepted by a certain social system, known as norm – and norm is shaped through code of practices or regulations enforcements over distant time and space (Giddens, 1984, p. 165). In this respect, a process to institutionalise UC appeared to be highly challenging, partly because it is replacing the deeply rooted norms of the existing benefit systems which had been in place for decades. Hence, it was opposed by many, especially the benefit claimants who are already complacent with the existing system. As detailed in the case description, prior to the endorsement of the White Paper, DEST was not welcomed by most MPs and the then Work Secretary for the DWP. In addition, it did not have the needed support from the Treasury until the review on the pathfinder had proven UC's economic impact.

Despite of such negative responses, DWP insisted on proceeding with the implementation, and successfully managed to get the primary and secondary legislations passed in 2012. Such legislations will be used to facilitate the 'normalisation' of UC as a benefit system replacing the old one, which would take some time to be accepted as a new norm. Nevertheless, the recent Brexit decision had created a new challenge – where there is a need for certain primary legislations to be revised, thus implying the need for the secondary legislation to be inherently modified to accommodate the changes. This consequently will impact the normalisation process – where a new set of right and expected obligations need to be drawn to facilitate the UC implementation process.

4.2. Lessons learned for the institutionalisation debate

The UK central government, through the DWP had prescribed UC as a new welfare reform system to be adopted and implemented across the country, gradually from 2017 to 2019. Variety of new structures emerged as the outcome of the UC implementation, particularly the new legislatives, organisational structures, empowerment of the local councils, and change in the claim process, structures, as well as payment mode. These structures entail many expected as well as unexpected outcomes. Therefore, transparency is critical – i.e. sharing of the UC concepts and ideas between all the relevant internal and external stakeholders to increase take-up (i.e. adoptions) levels, and subsequently facilitate the institutionalisation process. As identified in several reviews – communication is a critical issue that emerged, impeding the UC implementation. As such, to enable unanimous actions, the responsible actors need to ensure that the concepts were rigorously communicated to all relevant stakeholders. Transparency in communication also governs the "transparency" of information, which is crucial to enable assistance. For instance, the hiding of information from PAC not only endangered the UC implementation timeline, but also wasted public resources.

Besides communication issues, UC implementation was also hindered by the resources restrained – both authoritative and allocative. The constraint on authoritative resources was experienced when the DWP often lost its momentum due to departure of senior officials that were supposed to spearhead the UC implementation. In a different scenario, the absence of IT competency among the DWP team had caused the development of wrong code, which had resulted into the timeline derailments and waste of money. Meanwhile, the limited allocative resource had no doubt failed the interventions process.

The interplays between structures and actors had created expected and unexpected outcomes, in terms of communication, power and sanction. To the decision makers, the expected results had helped message delivery, system design, and collaborative networks of implementing organisations. Nevertheless, the implementers perceived the desired outcome had enhanced system features, which encompassed additional requirements based on real life scenario, thus reflecting their

understanding towards the practical aspects of UC. Despite expected outcomes, the interplays had also produced unexpected outcomes; a list of potential policy scenarios was obtained during the pathfinder programme, encapsulating beneficial information on UC, capturing experiences and lessons throughout the pathfinder programme. Therefore, signification and domination process are critical in the early stage of DEST implementation process.

4.3. Practical insights

In the pursuit of successful institutionalisation of digitally-enabled service transformation in public sector, decision makers and implementers should be aware that the programme involves the interaction of multiple structures. In the case of Universal Credit, benefit reforms also include transforming other structures, practices and behaviours in related organisations/institutions. An analysis should be conducted to obtain some insights of structure requirement, expected actions, as well as possible ‘actors’ around the project and structures that need modification or reinforcement. Clearly, institutionalisation is a structuration process. Without the recursive interplays happening between the actors and structure, a desired structure and practice supporting DEST implementation would not be materialised, thus the institutionalisation process will fail. Therefore, some practical recommendations were drawn from formal and informal structuration process as lessons to be learned by the practitioners, in facilitating the institutionalisation process. Among others, these lessons can facilitate the decision makers in project governance (i.e. role of decision makers, role of implementer, roles of users), to achieve an institutionalised stage through three main actions: communication, power and sanction. From communication perspective, the main actor should be able to define methods and information through their practices, involving other actors in the fields in collaborative and participative efforts. Messages should be clearly defined and delivered. Nevertheless, knowledge sharing should be encouraged and supported to allow ‘same-page’ understanding among all actors. From ‘power’ perspective, proper and clear distribution of authority and responsibility over organisational resources among the actors, are vital to create programme ownership. By having the ownership, actors will be accountable towards their action, thus facilitate the shaping of ‘right structure’. Finally, from the perspective of sanction – objective and scope of the project must be clearly identified and defined in the programme context, to help evaluation on the emerging structures or actions, thus facilitate required intervention.

5. Conclusions

Digitally-enabled service transformations in government attempts to improve service delivery in public organisations. Nevertheless, in reality, the complex structure of government institutions, and co-evolution of interactions between the actors of different organisations and integration of resources are the reasons underpinning the inability of the public organisation to evolve with the pace of social and technology change in the virtue of Digital Darwinism. This complex situation can be better understood, as suggested in this study, by using institutional and structuration theory concepts as an analytical lens.

The findings suggest evidence on structuration process across various stages of UC implementation, where actors and structures are inherently related in series of interplays that happened through time and space. The findings are important to complement the existing studies that were largely focused on technological imperatives and strategic choices view of DEST. This study suggests how institutional structures were raised and/or maintained and how such structures in return, shapes actions – providing deeper insights of the institutionalisation process. Hence, it can be concluded that the capacity of the decision makers and implementers to thoroughly understand the programme, as well as to reap the benefit of the implemented new practices is the main ingredient for a successful DEST institutionalisation.

tion.

There are some methodological limitations in this study. Coding data in the context of duality of structure was difficult, as we had to determine what constituted an actor (human agent) and what constituted structure in the research context. Therefore, for the purpose of this study, the practices were identified as social structures prescribed by the decision makers and actions instantiated by the implementers. Another challenge is to code the structural modes and dimensions, where it has to be mapped to Giddens's structuration framework. While Giddens's model was used to code the structural modes and dimensions, “A Sequential Model of Institutionalisation” (Barley & Tolbert, 1997) was used to explain how the structure determines action that in return shapes structure, against time background. In this context, we were able to become the main research instrument for the structuration concepts that entice limitation and risks. Hence, future research may redefine and retest the IT and ST concepts grounded in this study, using a different approach.

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