Editorial

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By the time this issue hits your letterboxes, the United Kingdom should be well on its way towards electing a new government. New in the sense that it will contain different people from what it does now. Whether, however, it will be, as now, socialist in one stripe or other, or usher in a new conservatism, we shall find out closer to the time.

One issue that is beginning to emerge as a differentiator between the two would-be governments is that of ‘use of data’ and databases. Labour wish to continue a trend towards maximising the (central) use of data; the Conservatives, at least outwardly, are committed to rolling back the encroachment of state on our personal private data, and empowering individuals further when it comes to data use.

In the end, neither party may quite get its way as, no matter who is elected, the civil service remains.

The debate is interesting for many in this field, and has applications to the corporate world as well.

The history of the past 10 years is well known, although some of the motivating factors may be less public. New Labour were always very committed to the idea of e-government, with noises on this topic emanating from the Cabinet Office very early in their reign.

The basic thesis was simple. The state holds large amounts of data about individuals. That data sits at in many different silos, and, at present, technological and legal barriers mean citizens do not enjoy the full benefit of it.

The Cabinet Office produced a paper that highlighted many instances in which

individuals carrying out what outwardly ought to be simple tasks – applying for benefit, sorting out a partner’s estate after they die – have to identify themselves and interact with multiple government agencies: on each occasion, they need to re-input much of the same data.

When the public are asked about e-government from this perspective – practicality – they are wholeheartedly in favour of more data sharing and large databases. This approach reached its apotheosis in projects such as the National Identity Register, or the NHS Spine project, which are essentially what marketers would call a customer view of the nation.

How efficient it would be if all citizens could have their data attached to one central skeleton. The savings in terms of individual time would be enormous. So, too, would savings in terms of administration, as records would be updated once in a single place and changes would ripple through the system.

Two issues have tended to detract from this vision. The first is the fact that such a system has all the hallmarks of what libertarians would consider to be a ‘Big Brother State’. People like the efficiencies: they are a little queasy about government holding all that data, all that information and, by implication, all that power over them.

It may not entirely have helped matters that these proposals have been linked, in various places, through the Home Office and other police and security agencies to issues of combating crime and terror. A large and politically influential movement

has now emerged that is dedicated to fighting against this centralisation of data, as much because of what the police might do with it as for any other reason.

In the process, these groups may be in danger of throwing the baby out with the bath water: because however risky the big database proposals may be, the case for them remains as strong as it has ever been.

A recent proposal by the Equality and Human Rights Commission for a database to monitor equalities outcomes in the United Kingdom, using just aggregate statistics, attracted the ire of a number of libertarian bloggers. Yet this was not about personal data at all, and it is impossible to lose the sense that a Luddite tendency has entered politics. That for some, one has only to mention database and government for the hackles to rise.

However, fears about political reaction have led to some projects being only partly implemented, with the result that they are neither one thing nor another. The Contactpoint Database was originally intended to be a database of all young people in the country, accessible to all those working with the youth sector, and carrying outline information on interactions and risk factors.

Opposition to that project has led to a massive scaling down, so that the database will, in theory, now only be available to key workers in certain places, and the information held will be little more than contact details for all those working with specific children: in effect, a glorified telephone directory.

This feels to be a double failure. The end result will deliver few benefits in terms of information sharing and will be awkward to work with, as social workers and teachers have to apply to their appointed gate-keeper to access the system. Yet it will still run the risk of individual details being compromised. To put it another way, by compromising on the design for this system, government will receive only some of the

benefits, but will still endure many of the risks.

One of the factors that has contributed massively to this backlash against centralised databases has been a number of highly publicised government data losses. Datasticks and laptops being left on trains. Entire databases falling into the hands of the press, with sensitive private details available for anyone to see.

So a degree of distrust has entered the debate, with the public feeling, with some justification, that the key question is to do with how far the government can be trusted with data: trusted, that is, not to abuse it for policing purposes; and trusted not to lose it (or pass it on to third parties for reasons of commercial profit).

Despite all of the above, the general presumption must be that if Labour return to power some time in 2010, then we will be seeing more data amalgamation, more big databases and, almost certainly, a few more high-profile data cock-ups.

What then of the Tories? At a recent conference to launch their IT strategy, Dominic Grieve – who looks likely to be the next Minister for Justice in a Tory administration – argued strenuously against this ‘big state’ model. An incoming conservative government would immediately cancel a number of large database projects – including Contactpoint and the National Identity Register – and either scale down or review a number of others.

This is bad news – or at the very least a warning shot across the bows – for consultancies supplying government in those areas. There has been some controversy over the past couple of years over the present government negotiating contracts that included heavy penalties payable if government pulls out of the contract. On the surface, therefore, government is committed, and even if it does not progress projects, those currently working on them will be well compensated.

Or not. One question put to Mr Grieve was that of what would happen to consultancies and suppliers who had pushed ahead with contracts, knowing that they were in breach of data protection or Human Rights principles. Such contracts would, presumably, be unlawful, and the government would not be bound to honour them. He answered the question at some length, but what was very absent from his answer was any suggestion that companies would get paid whatever the circumstances.

In other words, in a straitened economic climate, an incoming conservative government might not be too fussy about alienating a few of the big consultancies by slashing their income expectations – contract or not.

In addition to cutting back on the database state, an incoming conservative government would be interested in two further developments. It would look to push the emphasis on data collection back towards definite need, only making use of citizen data where such a move was necessary.

It would also look to empower citizens to take their own data and use it for themselves. The first aspiration may be little more than rhetoric. Both major parties would claim that their plans for data usage lie at the optimum point as far as needs were concerned: it is just that for Labour, that point involves far more state intervention than for Conservatives.

However, the empowerment idea looks interesting. This resulted, a few months back, in an intriguing piece of kite-flying, as some conservatives suggested that the current Health Database offerings of Google or Microsoft could be used to support – or possibly supplant – the NHS Spine. On the surface, this is a bad idea. The NHS Spine is about unifying patient records across the United Kingdom within a common format accessible by all health professionals.

By contrast, the stand-alone health databases, which have been popularised in

the United States, involve private companies being granted access to individual medical records, and, by hosting those records, allow individuals far greater involvement in managing their own medical treatments.

These are two very opposite things, defined by very different objectives, and calling for very different function. On the other hand, the idea of individuals managing their own data – as essentially happens now with online tax systems – is very attractive, and, provided there was no sense of government looking in from time to time to skim useful data off the top, it feels like it would be attractive to a proportion of the population.

Just how wide a proportion is another matter entirely. When it comes to health, it is likely that the older one is, as well as the more computer-savvy, the more attractive such systems are. Little appeal to the arcade gaming teenager; much appeal to the fifty-something professional with growing worries about blood pressure, weight and bodily changes associated with getting older.

In this sense at least, it does feel as though the Conservatives have better gauged the mood of the public – and there are lessons to be learned from their approach for commercial organisations too.

Even the best customer relationship programmes suffer, from time to time, from customer hostility. There is an ingrained antipathy towards direct communications: particularly phone, but e-mail and direct mail also take their share of the flak. This stems inevitably from a business model that talks about customer involvement, but does so by building a big impersonal database that is used to manage people's data and squirt communications at them. Very much 'them' and 'us'.

The social networking model has shown how involvement is the way ahead, and with advances in internet technology it may be time for organisations to start to think

outside the box – to consider solutions that integrate customers on the inside, rather than keeping them at arm's length on the outside.

This issue is something of a mixed bag, with papers on virtual environments (Clark *et al*), contact optimisation (Berry), changes to telemarketing regulations (Srivastava), building a CSF framework for CRM implementation (Burman) and customer

development strategies for exceeding expectations (Ang).

As always, they provide a series of interesting insights into current practice in each of these areas, and all feedback is warmly welcomed.

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