



API economy

Tech Trends 2015: The fusion of business and IT A public sector perspective



Application programming interfaces (APIs) are becoming increasingly important in both the commercial and public sectors. How they are harnessed holds big implications for service delivery, with the potential to lower friction between government and citizens, unleashing a torrent of information and capabilities. Full realization of this “API economy” will require government to assemble a community of partners, including those from the open source and commercial marketplace, to create a thriving ecosystem.

Public sector perspective



The graphic above represents the trend’s potential relevance, timing (short, medium, or longer runway), and overall readiness (low, moderate, or high) of the public sector to adopt this trend. These broad ratings are based on the professional opinions of some of the authors and may not reflect your organizations unique situation.

API adoption in the public sector is accelerating, where the many tools, rules, and interfaces for accessing data are now critical to enabling greater sharing and enhancing services. This push is being spurred along by initiatives such as the Federal Government’s Digital Strategy and Federal Data Services Hub, both of which require sharing data through APIs. Other forces are also at work: citizens’ desire for more data, demands for improved customer service, and budget pressures to deliver more services with less funding.

Many states and federal agencies are already publishing a myriad of data sets for the public using APIs – from financial to transportation to community services and more. An evolution from standalone APIs to an integrated ecosystem approach could deliver government services more efficiently. Here’s an example: San Francisco has been able to offer new services to citizens that help them navigate the city’s busy streets by providing raw train route and schedule data to citizen developers, who have used the data to create ten different mobile apps.¹

Some progress has been made, but there are still barriers that keep government from capitalizing on the API economy. For example, privacy and security concerns arise whenever public sector entities share data, especially citizen data. The API economy also requires establishing and nurturing the conditions for different systems to work together, communicate, and integrate easily. For agencies with legacy data and systems, this is a serious challenge. Finally, having your data and technology houses in order may not mean much without participation. By making APIs more discoverable and usable, government could help grow the public sector API community.

Those leading the way in APIs often start by identifying high-value use cases that facilitate smoother interactions between citizens, businesses, and government agencies. These are likely to be especially attractive as a path to efficiency and cost-savings. For example, APIs that could streamline the processes for renewing a driver’s license or registering a new business might have immediate appeal to citizens and government agencies alike. Equally important, API efficiency can allow government employees to shift from transaction processing and other clerical tasks to bigger issues.



Looking ahead, CIOs and data owners will need courage to place a few big bets, while waiting for other standards to be championed and emerge. Leadership may be needed in some areas to allow the level of collaboration that comes with an API economy. In many cases, developing the right API isn't the problem – it's having the license to use data in new ways to deliver new capabilities.

Moving forward

- **Actively seek partnerships.** Government alone can't create the API economy. Look for opportunities to create communities around APIs that can eventually become self-sustaining.
- **Pilot and prune.** Which APIs are really adding value and which are barely making an impact? Focus on pilots to quickly determine which APIs are having the biggest impact. Move to quickly abandon those that aren't.
- **Evangelize.** Creating the API economy in the public sector will require executive-level leadership and governance. CIOs and digital officers will need to champion API initiatives in order to overcome natural organizational resistance. When you discover a winning solution, spread the word to others in your ecosystem to help build interest and momentum.

For more information, please contact:

Kristin Russell

Director
Deloitte Consulting LLP
krussell@deloitte.com

David Sisk

Director
Deloitte Consulting LLP
dasisk@deloitte.com

Paul Krein

Specialist Leader
Deloitte Consulting LLP
pkrein@deloitte.com

Greg Lomow

Specialist Leader
Deloitte Consulting LLP
glomow@deloitte.com

Endnote

¹ Office of Management and Budget, *Digital Government: Building a 21st Century Platform to Better Serve the American People*, May 23, 2012, <https://www.whitehouse.gov/sites/default/files/omb/egov/digital-government/digital-government.html>, accessed April 8, 2015.

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