



Revisiting the e-Government Opportunity

By Jim Carroll, FCA

We certainly live in interesting times!

I've coined the phrase "aggressive indecision" to describe the attitude and uncertainty that pervades the world of business today. Clearly, companies and executives throughout the business community have been hammered by constant surprise – everything from SARS and mad cow, to September 11 and the ongoing war on terror, to wavering stock markets and challenging business conditions.

The result of so much uncertainty is that it often seems that no one wants to commit to doing anything new, nor do they like to make decisions. And when people do make decisions, they've increasingly come to decide at the last minute. That's taught them something – they can hold off until the very end, make a sudden, instant decision, and still get it right.

All of us involved in the world of IT understand this new reality, and the impact of such a mentality for any business organization is pretty challenging — a business cycle that increasingly relies on short term horizons and little lead time, with almost instant payback. Yet we need to realize that this isn't strictly an IT trend – it is a trend that pervades every sector of the economy.

A loss of courage in the IT sector?

Yet certainly the IT sector is faced with a bit more uncertainty than other sectors. Which begs the question – are we now witnessing the death of I/T innovation in business organizations? Have we seen the death of courage – the disappearance of the era in which people were willing to try something new with IT?

It's a good question, and certainly one that has been much on my mind of late. I think that while a lot of people stuck their neck out in the 1990's and tried out new ways of doing business, explored new technologies, and tried out innovative methods of dealing with markets and customers, much of that courage has disappeared today.

There is a culprit, of course – the ongoing hangover from the dot.com collapse. The reality is that we've seen tremendous damage to the enthusiasm that organizations have had for technology solutions in the workplace. A dangerous new sense of complacency has set in. Innovators must now hang their head in shame, and the nervous nelliies who dared not innovate reign supreme! Organizations must bring back the courage to

"...Governments that stick to the old ways of doing business will further open themselves to ridicule and accusations of incompetence and corruption. Citizens will want to know why they have to stand in line for a service when people in the neighboring town, region, or country can carry out transactions online and without fuss. This generation will be the last to tolerate standing in line; the next will expect to be online."

*J. Kenneth Blackwell,
Ohio Secretary of State.*

innovate – otherwise, current attitudes will settle in like a wet sponge, smothering any chance for new innovation with IT.

That's because we have barely scratched the surface in terms of what is possible from the strategic deployment of technology throughout the organization. Yes, we've invested in a variety of systems, and have achieved some significant productivity improvements as a result, but have barely made our way into the benefits that come from extended and connected transaction systems.

Well, that's the private sector!

Nowhere is the opportunity more crystal clear than within the government sector. While many corporate organizations continue to spin their wheels when it comes to the strategic use of technology, I find that the public sector has a completely different attitude.

There is a reason for this – while many public companies "*drank the KoolAid*" of the dot.com years, the public sector did not. The result is that while many executives in the corporate world have little appetite for risk and for new ways of thinking, the same can't be said for the private sector. Most government organizations avoided the excess of the nineties. While they experimented with the Web, they didn't get caught up in the orgy of enthusiasm that surrounded online shopping, B2B or other hysteria-of-the-moment driven initiatives.

The result is that little damage was done to their enthusiasm for the strategic application of technology to their business operations. The result is that senior executives and IT staff in government agencies and departments still have the courage to try something new, a willingness to explore, and are still full of lots of new thinking when it comes to IT.

Dealing with myths

So there is a future to the concept of e-government, and opportunity to be found in assisting government bodies and agencies in the long march forward to the future.

Yet if you are to understand this opportunity, the first thing you need to do is throw away any misconceptions that you might have with respect to what e-government is and what it represents, since it has become all too easy for people to limit their thinking.

Mention the word e-government, and most people will think, "oh, that's about putting up a government Web site." Yet it is about far more than that ... it is about business transformation. As stated by the U.S. Office of Management and Budget, e-government is "*..an electronic government framework that will result in an order of magnitude improvement in the governments' value to the citizen.*"

E-government is not about information technology -- it is about transforming what government does and how it does it through the intelligent application of a wide variety of technologies (which happens to include the Web, among other things) in order to improve the relevance of government, and the services it provides.

Another popular myth is that proponents of e-government are suggesting that anyone who wants to deal with a government agency should have to do so through the Web. Not true – if you read the Federal "Transforming Government" report, prepared by the Government Online Advisory council, you'll note that they constantly use the phrase

" multi-channel service delivery." This is government-speak for " we'll provide you service in whatever medium you are comfortable with – telephone, Web, or in person."

Thinking strategically about e-government

In the last few years, the strategic opportunities behind e-government have become clear.

This might not necessarily be obvious, and yet it should be by comparing the strategies to those in the private sector. Corporate organizations that spend the time to think about the strategic use of technology focus on three primary areas of benefit – how can it be used to run the business better; grow the business; and transform the business.

The public sector is doing the same type of thing, but uses different phrases. For example, the Ontario government has framed its e-government strategy into four key areas:

- internal effectiveness (common business processes / infrastructure) (which is equivalent to “build the business”)
- electronic service delivery (“grow the business”)
- sectoral transformation - health, justice, etc. (“transform the business”)

and

- citizen engagement (transform the business)

Expand upon each of these, and you can determine the scope of the opportunity. Internal effectiveness and electronic service delivery might include such standard e-business applications as e-procurement or e-billing/e-payment -- it's all about Web enabled business processes and transactions.

Then there is “sectoral transformation.” E-government is a workforce issue, which is best captured by this statement by Madame Lucienne Robillard, President of the Treasury Board: “....*the most sophisticated and visionary agenda is of little consequence unless it is guided and implemented by a talented and innovative workforce.*” In effect, through the implementation of Web enabled business processes and transactions, we have an opportunity to upgrade jobs through the civil service from clerical activities to strategic roles – rather than having people spend their time pushing paper around, we can get more bang for the buck by having them undertake tasks that deliver far more value. That's one aspect of sectoral transformation.

Yet the other important fact is that transforming government business processes through the Web leads to a tremendous opportunity to revisit the issue of departmental restructuring. A Web-based transaction might cut across multiple different department, thus providing strong impetus towards the goal of breaking down silos and departmental barriers. When a front-line service is integrated into the Web, everything behind that service is transformed, from the skills of the individuals involved, to the business processes, and the departments and staff involved. Intelligent transformation will reduce duplication of effort and the need for separate infrastructure, with resultant cost savings.

Finally, there is the issue of citizen engagement and expectations. Governments aren't pursuing e-government simply because it's a cool thing to do – they are responding to a significant shift in “customer” expectations. After all, if I can order a book at 2AM online, why the heck can't I renew my fishing licence? There has been a tremendous shift in

consumer and business behavior through the last decade with the arrival of the Web, and government is simply responding to the demand.

It's all levels of government

Last but not least, don't dare restrict yourself to thinking this is strictly a federal / provincial opportunity! We are certainly seeing municipalities become quite aggressive with e-government deployment.

In 2001, the city of Philadelphia saw a 7% cut in IT spending, and yet at the same time was busy moving forward with a variety of online services, including tax payments, property tax assessment appeals and online permits. The Mayor explained the business strategy behind these efforts as such: "...your city government is using technology as a tool to better deliver critical city and social services to improve the quality of life for every citizen. Better services for few taxpayer dollars." An admirable goal, and certainly one that is achievable given the efficiencies that transformed business processes can provide.

Municipalities have been aggressively pursuing e-government for quite some time. A survey of 2,800 municipalities by *Public Management* in 2001 found that 36.2% were re-engineering business transactions using the Web, and 27.4% reported that business processes were more efficient as a result. A transformed workforce? 4 in 10 indicated that e-government changed the roles of local staff.

The applications that were being pursued were numerous. 42% were busy implementing online permit applications, including renewals; 37.3% some type of program registration; 34.6% business licence applications and renewals; and 30.1% systems for service request. That's a lot of activity in a sector that one might not think is normally aggressive with technology.

What's required?

A final key point is that whether provincial, federal or municipal, e-government requires the sophisticated back-end that will support restructured, reconceived work processes.

We can't build and deliver such applications on a shoestring. We need strong, scalable, reliable IT frameworks and infrastructure that can support sophisticated e-government initiatives. It is critical to success.

The reality: the potential for e-government is huge. This is about causing a substantial, fundamental and long lasting change in the work processes of government, and of forever changing the way service is delivered, in order to improve upon the role that government plays in society.

To me, that's a pretty good objective, and a pretty good opportunity.

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