Architecting e-Government

Grant Thornton

Project Management Institute

Project Management in e-Governance

Issues & Challenges in navigating to the New Normal.

September, 2011

Harness the power of Project Management in e-Governance

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Issues & Challenges in navigating to the New Normal

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About this Report

This report has been developed in the context of the national e-Government conference being conducted by National Institute for Smart Government (NISG) and Project Management Institute (PMI) on "Project Management in e-Governance in India". Grant Thornton is the knowledge partner to this initiative.

This report is largely based on the exploratory survey, secondary research and collective experience of the organizations involved in the study. As part of the exploratory survey, views, inputs and feedback from several stakeholders in the e-Government community in India were gathered and compiled.

Drawing from these inputs received and a large body of secondary source of knowledge, the report broadly summarizes the current issues and challenges in the context of "Project Management in e-Government" and the suggested strategic shifts in the approach to e-Government Project Management.

e-Governance in India – the journey so far

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e-Governance in India – the journey so far

Thanks to Department of Information Technology (DIT)'s initiative of promoting the use of Information & Communication Technologies (ICT) through National e-Governance Plan (NeGP), various central and state government departments, over the previous several years, traversed the path of leveraging ICT for improving the public service delivery and internal efficiencies, with varying degrees of success.

Status of NeGP: The National e-Governance Plan (NeGP), the flagship e-governance programme of the Government of India, was approved by the Cabinet in May 2006. It comprises 27 Mission Mode Projects (MMPs) at the Central, and State Government level, as well as Core and Support Infrastructure, being delivered around a common vision:

"Make all Government services accessible to the common man in his locality, through common service delivery outlets, and ensure efficiency, transparency, and reliability of such services at affordable costs to realise the basic needs of the common man"[1]

For the effective management of the NeGP, the National e-Governance Advisory Group, headed by the Union Minister of Communications and Information Technology, with representation from Central and State Government, NASSCOM, Public and Private sector entities and eminent academia among others, was tasked to solicit views of external stakeholders and to advise the Government on policy issues and strategic interventions necessary for accelerating introduction of e-Governance across Central and State Government Ministries/Departments. To the full credit of DIT and participating agencies at the Central, State and Municipal level, many of the projects are in various stages of implementation, while some have successfully moved into stabilization / post-implementation support phase, as seen from Table 1 below:

[1] *Source:* http://www.mit.gov.in/content/national-e-governance-plan

Table 1 : Status of NeGP Projects[2]

MMP	Conceptualization	Design and Development	Implementation	Post Implementation
Central MMPs				
MCA21	-	-	-	✓
Pensions	-	-	-	✓
Income Tax	-	-	-	✓
Passport and Visa	-	-	✓	-
Immigration	-	-	✓	-
Central Excise	-	-		✓
Banking	-	-	✓	-
MNIIC (Pilot)/ NPR	-	-	✓	-
UID	-	-	✓	-
e-Office (Pilot)	-	-	✓	-
Insurance	-	-	✓	-
Integrated MMPs				
CSC	-	-	✓	-
e-Courts	-	-	✓	-
EDI/e-Trade	-	-	✓	-
India Portal	-	-	-	✓
NSDG	-	-	✓	-
e-Biz (Pilot)	-	-	✓	-
e-Procurement	-	✓		-
State MMPs				
Land Records (NLRMP)	-	-	✓	-
Road Transport	-	-	✓	-
Agriculture	-	✓		-
Police (CCTNS)	-	-	✓	-
Treasuries	-	-	✓	-
Municipality	-	-	✓	-
e-District (Pilot)	-	-	✓	-
Commercial Taxes	-	-	✓	-
Gram Panchayat	-	✓	-	-
Employment Exchange	-	✓	-	-

[2] *Source: http://www.mit.gov.in/content/national-e-governance-plan retrieved on 2 September 2011*

Convergence amongst Infrastructure, Applications and Policies has been central to the design, development and deployment of these MMPs. The results are encouraging, with varying degrees of success across MMPs, spread across various state and central government agencies. Besides NeGP, there are several other e-Government initiatives taken at the State and Central Government level that have added to the spread of ICT amongst government agencies in India.

Undoubtedly, there are a few 'Champion-led successes' that give hope to the tax payer that investments in ICT can bring in the much desired improvements in public service delivery. Projects such as MCA 21 prove that citizens are e-ready for on-line service delivery, more than the government agencies believe them to be, in accepting change that provides convenience in their day to day interactions with the government. The learnings from these initiatives can provide useful insights into the journey traversed so far and can provide a baseline in improving the overall e-governance programme effectiveness and in realizing the stated e-Governance vision.

It must however be kept in mind that for every visible project such as MCA 21, there are many more e-Government projects which have been delayed, abandoned or in 'drag' mode but are not visible to the public eye. While not much data is available on the failed / stalled / delayed projects, it is important to be aware of the widening gap between the scale of investments that are being made on e-Government projects and return on such investments. Barring a few champion-led cases, many e-Government projects in India do not pass litmus test of standard metrics of measurement such as increased uptake of e-services through on-line channels, customer satisfaction, benefits to citizens and benefits to government departments etc.

This is also reflected in India's global ranking in The United Nations Global E-Government Survey 2010, which ranks India at 119 out of 184 countries that have been assessed for overall e-Government Index! Gaining from the initial experience, many state / central government agencies in India are now contemplating next wave of IT led reforms. With respect to e-Government expansion plans of various government agencies in India, it is important to realize that 'What got you here won't get you There !

Lessons to be learnt from USA experience

It is pertinent to note that USA (ranked 2nd in the United Nations Global E-Government Survey 2010), has spent about 600 bn USD in the previous 10 years, only to realize that the returns / benefits are far below the intended / expected benefits from large scale e-Government programmes ! One of the major gaps identified by US government is in the area of Monitoring & Evaluation of e-Government projects against standard / well defined criteria. The government has since then institutionalized a process, wherein, all important e-Government projects are reviewed through a Dash-Board and mid-course / quick corrections are initiated without losing much time and money!

USA- E-Government: The Challenge

The Federal Government has spent over $600 billion (Source: www.cio.gov) on IT over the past decade, yet it has achieved little of the productivity improvements that private industry has realized from IT. Too often, Federal IT projects and programs are behind schedule, over budget, or fail to deliver results at all, wasting taxpayer dollars.

The Solution

A TechStat is a face-to-face, evidence-based review of an IT investment. A TechStat is triggered when an agency determines that a project is underperforming, using data from the IT Dashboard and other sources. In the session, the agency CIO and other members of an agency's leadership team meet for one focused hour. They review a briefing that highlights the management of the investment, examines program performance data, and explores opportunities for corrective action. TechStat sessions conclude with clear next steps formalized in a memo and tracked to completion.

In many cases, the immediate result of a TechStat session is a concrete action plan, developed collaboratively to address issues and turn around the troubled or failing program. However, in some cases, a TechStat session may reveal that the best course of action for an investment is to temporarily halt or even terminate the program. Finding these failed programs sooner saves taxpayers money and promotes accountability to high standards and program management success.

"The IT Dashboard allows the American people to monitor the cost, schedule, and CIO rating ofevery major IT investment in the Federal Government".

Federal Data Center Consolidation Initiative (FDCCI) is another case in point in USA, wherein, The Federal Government issues FDCCI guidance for Federal CIO Council agencies, calling for them to inventory data center assets, develop consolidation plans throughout fiscal year 2010, and integrate those plans into fiscal year 2012 budget submissions. As of December 2010, the government is operating and maintaining almost 2,100 data centers. Through the FDCCI, a minimum of 800 of these data centers will be closed by 2015 !

Indian Scenario: Challenge Ahead

To realize the e-Government vision, the stakeholders have to understand and navigate the complexity associated with deployment of ICT in government and should aim to create a '*New Normal*' in government functioning, wherein, public services are provided by government agencies in an efficient and effective manner, pre-dominantly through leveraging ICT under such envisioned New Normal. Majority of the citizens / businesses seek services and transact with the government through e-channels.

Case Studies MCA - 21 & CSC

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Case Study: MCA – 21 and CSC Projects

Case Study 1 # MCA 21 Project[3]: The MCA-21 project, so-called by the Ministry of Corporate Affairs (MCA), to reflect India's corporate governance goals for the 21st century has begun to address the complex issue. In year 2006-07, it rolled out the nearly paperless system across the country, starting with Coimbatore in Tamil Nadu. Today, almost 6 lakh companies in the country make their filings online. Public online access to corporate filings is available for a mere Rs.50. It has registered more than 3 lakhs companies on-line since its implementation in 2006.

MCA21 project is designed to fully automate all processes related to the proactive enforcement and compliance of the legal requirements under the Companies Act, 1956. This will help the business community to meet their statutory obligations. The major components involved in this comprehensive e-Governance project are Front Office and Back Office. From the customer perspective, the Front Office operations assume significance, which would be administered through the Front Office portal. The entire Back Office operations of the MCA would be automated so as to achieve the objective of a user-friendly computerized environment. MCA portal is the single point of contact for all MCA related services, which can be easily accessed over the Internet by all users.

The project also envisages a cost-effective integrated software solution for computerizing various in-house functions like Human Resources Management, Payroll, Accounting and Finance for internal users (employees) of MCA.

Adopting international best practices, MCA21 application adds immense value to the stakeholders. The following points highlight the project's invaluable importance:

- Enable the business community to register a company and file statutory documents quickly and easily.
- Public will get easy access to relevant records and get their grievances redressed effectively.

[3] Source : http://www.mca.gov.in/

- Professionals will be able to offer efficient services to their client companies.
- Financial institutions will find registration and verification of charges easy.
- MCA will ensure proactive and effective compliance with relevant laws and corporate governance.
- Employees will be enabled to deliver best of breed services.

Case Study 2 # CSC Project[4]: The CSC Scheme as approved by Government of India in September 2006 for setting up of 100,000+ (one lakh) internet enabled centers in rural areas under the National e Governance plan (NeGP) is being implemented in a Public Private Partnership (PPP) mode. The CSC Scheme is envisaged to be a bottom-up model for delivery of content, services, information and knowledge, that can allow like-minded public and private enterprises – through a collaborative framework - to integrate their goals of profit as well as social objectives, into a sustainable business model for achieving rapid socio-economic change in rural India.

Some common obstacles that hindered realizing entirely the intended benefits from CSC Project are-

- State Department's IT system and database is not ready to be exposed as web service for delivery at CSC. Data is either not digitized or centralized. Even the software application is not technically suitable for that purpose in many cases. Many departments are not even computerized.
- Even if some departments are having a centralized database, it does not get updated on real time with day-to-day business data due to technical architecture of software they use. Citizen Service can be provided only on an updated and validated data.

  Department sub-offices are not yet connected. This becomes a key argument of departments for operating through sub-offices on local system and not centralizing their database and application.
- Many departments are having their system and database on their own servers and data centers. It is technically difficult to integrate with multiple servers (different platforms, technology) of various departments, on real time in live environment, to provide various services at CSC's. SDC must be used for its intended purpose and all department systems and data must migrate to SDC.
- Power supply to remote CSCs is a matter of concern resulting in idle business hour. The backup is feasible only for a limited period.

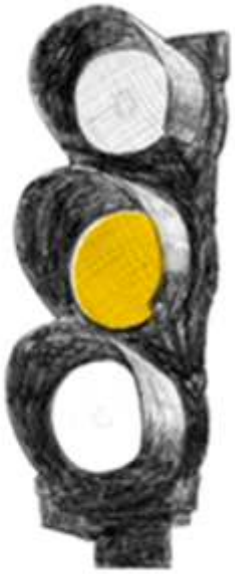
  Transactions at CSCs owing to absence of services as promised, the partners lose interest in the project and tend to back-off.

[4]Source : http://www.mit.gov.in/

Why do e-Government projects succeed or fail?

3

Why do e-Government projects succeed or fail?



In view of the increased focus on judicious spending of government finances, decreased availability of public sector funding for such programmes because of global financial crunch and importance of delivery against such programmes, it is imperative that projects are properly planned, executed, controlled and closed so as to get the desired results in the desired timeframes. This is especially true for developing countries, which not only face an enhanced scarcity of funding, but for whom e-Government programmes assume increased importance due to the larger deficiencies in their internal operations as well as service levels provided to citizens.

In the context of Public Sector in developing countries, the power of Information & Communication Technologies (ICT) has NOT been exploited successfully by many a country. Many governments are still struggling to use ICT as central to its government reforms and economic development agenda! Many governments are yet to institutionalize IT as a core function within government's day-to-day operations and it is increasingly being recognized that many developing countries including India are facing huge challenges in implementing large scale IT led transformation projects.

It is a common knowledge that majority of e-Government projects have failed to yield the potential benefits that are otherwise possible with deployment of ICT in public sector. There are enough surveys carried out on e-Government projects which tend to conclude that many e-Government projects fail to achieve the intended objectives / benefits. Failure rate is high amongst developing countries. Governments are increasingly under pressure to 'showcase' successful projects!

The failure of a vast majority of e-Government projects in developing countries including in India raises important and serious questions about the justifiability of the huge investments in financial and human resources being made in these projects. How can these projects be made more successful and sustainable over relatively longer periods of time? In this report, we have attempted

to examine these issues in the context of lessons drawn from the project success and failures and review the project management practices implemented in the e-Government projects and explore the particular challenges and recommendations proposed by the industry experts and senior officers involved in implementing e-Government projects.

Behind the hi-tech glamour of these projects, though, lies a grimreality – the majority of projects are failures. At present, the majority of e-Government-for-development projects fail either totally or partially (Richard Heeks)[5].

Table 2 : e-Governance project failure - facts and reasons

35 % of e-Government projects are total failures	- Initiatives not implemented - Initiatives abandoned immediately
50% of e-Government projects are partial failures	- Main stated goals not achieved - Initial success but failure after an year - Success for one group but failure for others
15% of e-Government projects are successes	- All stakeholders benefited - No adverse results

There are a number of reasons for e-Government projects not doing well or falling short of expectations. The results brought into focus the fact that the issue of e-Government is much more than a technological initiative but is made of a complex set of relationships between the stakeholder's commitment, structured developmental processes and adequate infrastructural resources. Some of the more important reasons and causes of project failures are shared in the Table – 3 below:

Table 3 : Reasons & causes of project failures

Project Definition	- Lack of a solid project plan, Undefined objectives and goals
Scope	- Inadequate planning and poor containment of the project scope - Meeting end user expectations / business benefits - No Change Control System
Cost	- Poor project estimations and overruns of schedule and cost
Time	- Unrealistic timeframes and tasks and lack of prioritization - Lack of management commitment
Communication	- Infrequent communication between project units and other stakeholders
Quality	- Lack of skills, inadequate testing processes and not meeting

[5]Reproduced with permission from Richard Heeks from his book on "Implementing and Managing e-Government"

	expectations
Risk	- No authority to overcome impediments and ignoring project warning signs - Poor control of outsourcing
Procurement	- Vagueness in specifying requirements leading to undesirable procurement
Human Resource	- Poor management of expectations, roles and responsibilities, - Ineffective resource management - Lack of organizational support - Lack of User Involvement - Stakeholder conflict

Importance of Project Management in e-Government Projects

e-Government is recognized internationally as an enabler toward achieving good governance, reducing cost of operations for the government, and increasing the ability of citizens and businesses to access public services in an effective and cost efficient manner.

The successful implementation of e-Government project is a challenging task. All such programmes are comprised of a number of separate and inter-related projects, the successful completion of which is important to deliver the programme objectives, especially since larger societal and social implications are present beyond those for IT implementation.

Our exploratory survey is broadly based on following parameters:

1. Project management approach, methods and tools for e-Government projects
2. Monitoring & Evaluation of e-Government projects
3. Defining and Managing Scope
4. E-Government Project Risks and Mitigation

In the following paragraphs we have highlighted few issues, challenges as described by e-Government project champions in the current scenario.

1. Project management approach, methods and tools for e-Government projects

As project management evolved as a distinct discipline, various schools of thoughts and approaches to project management have emerged; and best practices and reference standards developed.There are some approaches which give a broad framework to approach projects and programmes but do not propose any specific product. These include the Project Management Body of Knowledge (***PMBOK Guide***) approach, which is presented as a compendium of best practices published by the Project Management Institute (PMI).

There are some other approaches can be termed as proprietary, namely the Microsoft Solutions Framework (MSF) and IBM's Rational Unified Process (RUF) which are based around products

from these vendors. There are a few more project management frameworks such as the Projects in Controlled Environments (Prince2) approach developed by the Organization of Government Commerce (OGC), UK, as a standard for project management by the UK government and International Project Management Association (IPMA) which provides generic standards for project management processes. These project management frameworks and methodologies have evolved into a generic approach for the management of projects both in the public and private sectors. All the mentioned organizations encourage and offer certifications on their framework and methodologies.

The Logical Framework Approach (LFA) is another generic methodology which was initially developed by the United States Agency for International Development (USAID) and is now used by many donor agencies like World Bank, DFID, AusAID etc. It establishes a logical hierarchy of means by which goals and objectives are linked with indicators, risks and assumptions, and inputs and outputs. Approaches suggested by PMI, OGC focus on planning, executing, controlling, and closing activities of projects with the aim of managing the project triple constraints of scope/quality, cost, and time.

"For executing complex technology projects, within timelines and to achieve the desired benefit, we require individuals with professional skills in technology project management. There is a tremendous need to impart these skills to a large number of bureaucrats, technocrats and officers. I am personally of the view it should be mandatory, that at a minimum 15 – 20% of individuals within the government are identified and trained in these project management skills"

Mr. Shankar Aggarwal, Additional Secretary, DIT

Some Current Challenges (exploratory survey findings):

- Due to lack of effective project management tools and methods during the project execution, the Government is never in control of the project. The outsourcing partner/ vendor uses some Project Management tools limited to his works. However, they are opaque to the Government. Also, there is no consolidated tool to present a holistic view in case multiple vendors are hired for portions of work.
- In the absence of proper planning, various ad hoc tasks are taken up by the project team due to which the focus on critical activities is lost. There are no pre-set plans. Priorities keep on changing.
- In the current scenario, the system integrator or the consultant is solely responsible to manage the project timelines, even though delays may be on account of procedures from the Government.
- The knowledge of project management concepts is very low in Government officials forming part of the e-Government Project team. This exists to some extent in only few departments / projects such as Engineering and Irrigation Projects.
- e-Government projects do not follow any standardized project management implementation frameworks

- No realization of project management framework in the line departments.
- Project progress happens from meeting to meeting and the tasks listed between the project steering meetings are only undertaken. The focus of actual objectives to be achieved during the project timeframe is not properly executed.
- Resources are over loaded with work due to inadequate staffing. Sometimes tasks not assigned to the team appropriately.
- No control of central IT agencies during project execution. The decision making process is generally left to individual line ministries and departments since funding comes from them.

"The utility of project management framework can be realized in large and complex e-Government projects involving multiple geographies and also managing physical facilities. The project management tools should be simple and convenient to use."

Mr. J.Satyanarayana, Spl. Chief Secretary, Govt. of Andhra Pradesh

What the experts suggest….

- Awareness and need for Project Management framework in e-Government projects is required to be created. Government needs to have their own project management tools. Alternately, the PM tools used by SI should be open to all project stakeholders like a common dashboard for project management
- Project tracking tool should be integrated to the tasks/ activities of the project and these should be monitored instead of status reports with only long text paragraphs being generated for monitoring the project status.
- Complete transparency/ work break down/ what are the issues blocking the project progress should be provided in the PM tools. Issue tracking should be linked to task breakdown.

  Projects should be tracked through milestone based approach and evaluation done at various critical checkpoints

2. Monitoring & Evaluation of e-Government projects

Effective Monitoring and Evaluation (M&E) is integral to the design and implementation of successful e-Government project implementation. Developing M&E components is a means by which to ensure that the strategies are explicit and realistic with regard to what they aim to achieve, and that their implementation is regularly assessed and realigned to ensure the efficient use of scarce resources. In many respects, the credibility and efficiency of e-Government project depends on having a strong M&E backbone.

In many cases, efforts to design and implement e-strategies have remained disappointing. Among the reasons for failed approaches in this area, the following have been common: (a) lack of ability or political will to link e-strategy objectives to broader macro-economic objectives; (b) excessive focus on some visible indicators, and perceived 'best practices' from countries with different contexts and constraints; and (c) absence of a reliable set of 'impact indicators' to assess the present and future value of efforts to design and implement e-Government projects.

The importance of implementing the projects on time should be well understood. Delays have indirect economic costs associated with it. It is more so in e-Government projects where the risk of

technology obsolescence is very high. Hence, it is necessary to review and monitor the progress of projects periodically.

One of the other main reasons for failure of projects is the existence of gap between end product and requirement i.e. between what was intended to be achieved and what is finally achieved. Invariably, as a project traverses through the different phases and is handled by multiple agencies a loss in translation of the user requirements occurs. The larger the loss, the greater will be the gap between the intended design and reality. This needs to be monitored effectively.[6]

Challenges and drawbacks in current M&E systems

- No provisioning of Project Management dashboard for collaborative project monitoring by all stakeholders in large e-Government projects
- Inadequate tracking of how the project is being implemented, tasks causing delays
- The concept of Monitoring & Evaluation is not seen in the time and material (T&M) based projects.
- No monitoring of Cost and Schedule at project checkpoints
- During the project initiation, the baseline data is not captured which is useful for bench marking of activities. Base lining of data is important to understand the actual business benefits derived.

"The problems are fundamental in nature and cannot be fixed in monitoring & evaluation alone. First thing to be fixed is the State Designated Agency (SDA) approach, by insisting on PeMTs. Then SeMTs must be given some teeth and taken out of "government culture" of forwarding project status reports in writing, making file notes etc. The SDAsin current form do not have the capability for project management, instead there is need to set up a Project Management team."

Mr. SastryTumuluri,IT Advisor, Government of Haryana

What some of the e-champions say...?

- There should be a provision for checkpoint system for M&E for maintaining quality standards (eg. STQC standards), checkpoint for evaluation of solutions, design of architecture of the project and integrated to the platform of project management solution.
- Checkpoints should be part of the project management framework and should be initiated from the central (national) level right from the beginning of the project. Defining milestones for review will help provide checkpoints. This will help in checking cost and time over runs which otherwise keep piling into the later phases.

- Cost, schedule, quality milestones checkpoints should get included as part of the project deliverables.
- Proper baseline study should be performed for proper monitoring

[6]Reproduced with permission from Richard Heeks, from his book on "Implementing and Managing e-Government"

– Automated, outcome-based dashboards should be used.

3. Defining and managing Scope

Scope is the description of the boundaries of the project. It defines what the project will deliver and what it will not deliver. Scope is the view all stakeholders have from the project; it is a definition of the limits of the project.

While scope is defined early in the planning and estimation phases, there are many reasons for changing it later on — for instance, a stakeholder may acquire additional insight into a problem during the course of the project. In addition to internal factors, external market conditions and government regulations often drive requests that extend beyond the initial project scope.

> *"In an L1 kind of bidding scenario, unhealthy undercutting is a major issue. For complex technical projects, a robust QCBS evaluation methods should be adopted where a consultant or a vendor will inherently aim to achieve high technical score to qualify."*
>
> *Dr. D S Ravindran, CEO, CEG, Government of Karnataka*

One of the leading causes for project failures is poor management of the project scope, either because the project manager did not spend enough time defining the work, there was not an agreement on the scope by stakeholders, or there was a lack of scope management which leads to adding work not authorized or budgeted to the project, this is known as scope creep.

Scope creep, or the uncontrolled changes in a project's scope, is the tendency of a project to include more tasks than originally specified, which often leads to higher than planned project costs and an extension of the initial completion date.

When scope is not properly managed, the specifications written by several team members begin to undergo rapid and uncontrolled changes.

At this point, integration issues arise, quality suffers and cost rises. For the deliverable(s) of the project to be useful, there has to be a balance between managing the scope and meeting the project requirements.

Some key challenges in scope management in current scenario:

– As Government is becoming a major procurer, there is a currently a need for supply of products and services to be managed properly. The number of consultancy works is increasing and the time for preparation of bid documents

> *"Shifting the focus from documents to data, will help in moving to objective and quicker decision-making by the Government"*
>
> *Mr. Sumanthra Rao, IT Advisor, Government of Haryana*

are reduced, due to which, the scope sometimes is not captured accurately or the scope is defined at a very high level, which results in scope creep.

- As the project scope remains unambiguous, the awareness of actual scope of work among project resources is limited. The Government remains averse to scope changes/ change requests since they are accountable for any additional payments made to consultants over and above the original project cost.
- Lack of objectivity of outcomes is another major challenge in project definition
- With the fixed cost pricing of the large scale projects, the consultants/ system integrators are expected to include the additional tasks as a part of project implementation, thus burning their fingers. This result in consultants/ system integrators increased quotes (including buffers) in future bids. It creates a vicious cycle.

What the experts advise on proper scope management…

- All key stakeholders should be involved during project visioning and scope definition.
- During preparation of bid documents, the Government can involve interaction with consultants during pre-bid meetings, etc. And the consultants' feedback can be taken and suitably incorporated
- There needs to be a standard process set up for change management and change control.
- Accepted Practices for scope estimation should be followed
- Detailing of functional requirements in the RFP document helps in defining scope more accurately and estimating efforts correctly.
- All the stakeholders must be made aware of the project deliverables, timelines etc.

4. E-Government Project Risks and Mitigation

The development and implementation of e-Government projects can be a daunting task, since it can involve many factors of risk that could threaten the success of the project. There are a number of barriers experienced in government and public sector organizations that prevent the realization of anticipated benefits and degrade successful adoption of e-Government projects. A brief description of risk factors and mitigation measures are provided in below.

"Technology projects in Government are primarily about change, and change is effective when it is driven from the top. Commitment and Ownership from the top will help in successfully navigating the inherent overlap of management structures and drive this change and ensure e-Government project's success"

Dr. Ajay Kumar, Joint Secretary, DIT

Planning: referring to the risks that erupt from estimation of cost, schedule and milestones. This may be also due to not undertaking of certain activities at feasibility stage like configuration, software quality assurance, project monitoring and risk assessment methodologies. The illustrative risks associated with the planning stage are shown in the Figure 1 below.

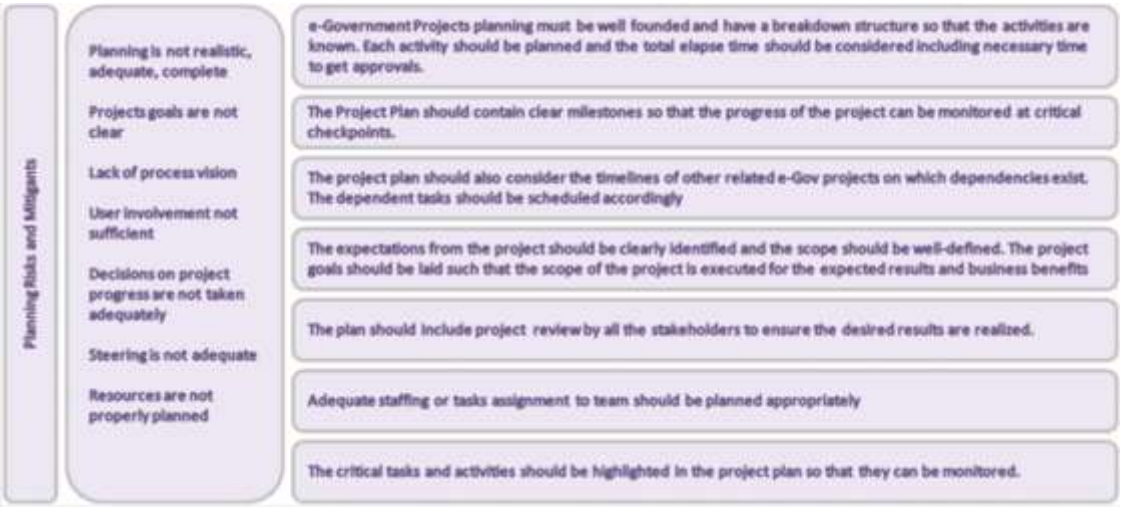


Figure 1 : Planning Risks & Mitigations

e-Governance Organization: The risks relating to change in structure and procedures in an e-governance organization. Risk may also arises from the lack of political commitment and leadership, lack of bureaucratic support, lack of formal change management process, lack of single point accountability, litigation in protecting intellectual property. The illustrative organization related risks are shown in the Figure 2 below.

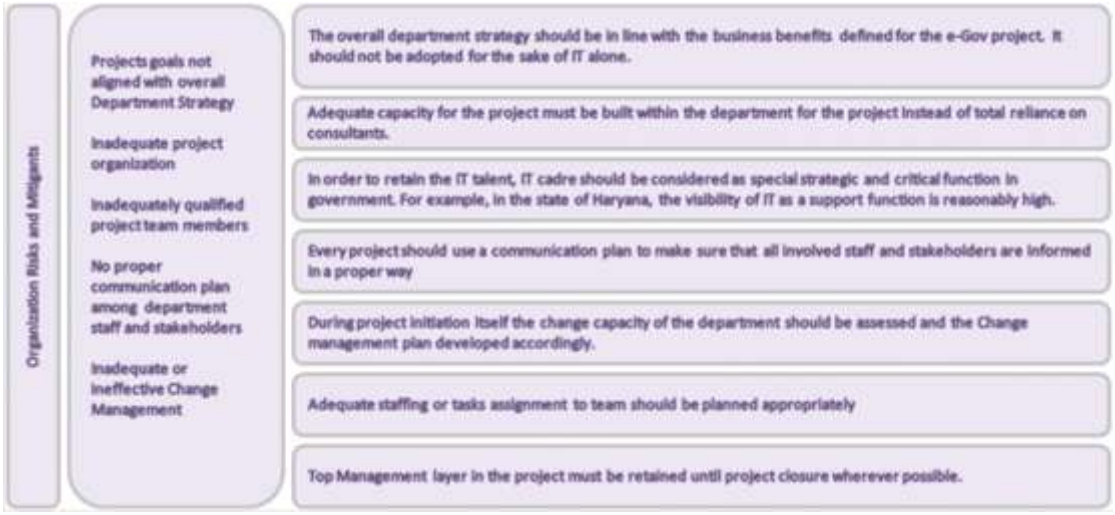


Figure 2 : Organization Risks and Mitigants

To sum up, respondents have expressed the need to have a simple, customised Project and Programme Management Tool for effectively monitoring the project progress. Respondents have also highlighted the need to infuse substantive IT skills / capacity / capability to navigate the complexity associated with implementation of e-Government projects. Above all, it is also recognised that e-Government is all about change and Political Commitment can make or break e-Government programmes.

e- Governance: Navigating to the New Normal

4

Navigating to the New Normal

New Normal: It is worth recalling the past glory of our country around the Indus Valley era and its relevance to e-Government initiatives currently being taken-up in our country. The Indus Valley civilization flourished around the Indus River basin. It is the access to rivers / water that has played a vital role in the (agrarian based) economic development of the country in those times. In current times, its increasingly being recognized that e-Government / m-Government has the immense potential to transform governments by leveraging the power of ICT (read access!) for the overall economic development of the country.

In the New Normal scenario, "a majority of the services are provided through on-line channels and a majority of citizens and businesses seek services through on-line / e-Channels",:uptake and customer satisfaction goals realised.

The (open) secret lies in having demonstrated 'Tone at the Top at the Political Level', Deployment of killer services / applications designed around core theme of providing '*convenience*' to citizens and businesses and providing *electronic access (adequate bandwidth at the doorstep of the villager)* at affordable prices, leading to significant improvements in the uptake of e-services ! Indices such as '*network readiness*' of the country reflect the overall penetration of IT in the society as a whole.On the Information Technology front, India stands at 48th place w.r.t Networked Readiness as per the Global Information Technology report 2010-11, released by World Economic Forum and INSEAD recently.

Large e-Government projects that Government agencies inIndia are increasingly 'focusing on' are more likely to get *stuck* than succeed, unless certain conditions precedent for success of IT projects (in the context of Public Sector) are promoted and fostered collectively by important stakeholders of the e-Government ecosystem.

Strategic Shifts

It is time to reflect and debate on 'Strategic Shifts' that need to be institutionalized in the e-Government ecosystem for the next wave of e-Government Reforms contemplated by Government agencies such that the distant dream of e-Government becoming the 'new normal' for government in its 'public service delivery' is realised.

e-Government Project Management Framework

To support successful implementation of e-Government projects, an effective e-Government project management framework, which highlights key elements that impact the performance of an e-Governmentproject, needs to be institutionalized. This section of the paper highlights key framework elements and the 'strategic shifts' that are needed to affect meaningful improvements in the performance of an e-Government project.

In addition to the different project management elements that need to be considered, factors related to administration, political leadership support and government organization culture are some fundamental shifts that are required to be incorporated into the overall project management framework for e-Government projects.

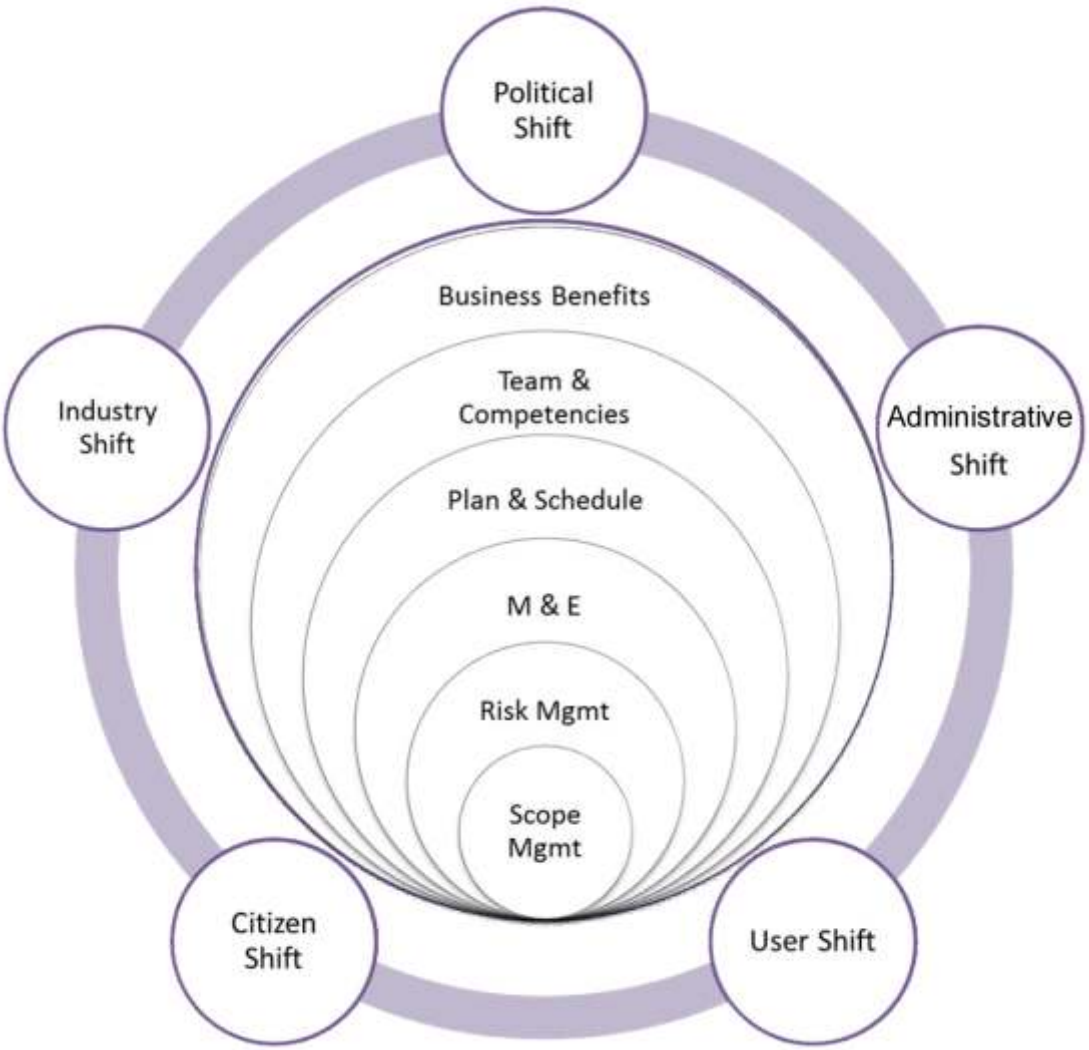


Figure 3: Suggestive framework for e-Government project management

Given here (Figure 3) is a suggestive framework that outlines the thought process of integration of the Project Management principles with the strategic shifts that need to be incorporated into the overall project management framework along with few indicators that can be monitored to ensure effective project & program management.

While IT project management expertise is available in abundance in the private sector in India, e-Government projects are often fraught with challenges that require customized approaches for successful delivery of e-services by Government agencies.

Key barriers for project management can be looked at from following categories

- Political Level
- Administrative Level
- Industry Level
- End User Level
- Citizen Level

For e-Government projects to succeed, the barriers that surface repeatedly / 'patterns of constraints' need to be minimised by Government Agencies through bold reforms / strategic shifts, some of which are encapsulated in Table 4 below..

Table 4: Strategic Shifts in e-Government Project Management: Navigating to New Normal.

Category	Shift / New Normal Ingredients
A. Political Shifts	1. Demonstrated 'Tone at the Top' by Political Leadership– it should no longer be a backroom issue but a key agenda item in all Cabinet level discussions that focus on Development Agenda ! . What's measured (by the Political Leadership) gets done! The Bottleneck in the Bottle is at the Top !
	2. Professionalize 'IT' as a key function in Government: Without HR reforms, results can only be sub-optimal ! IT Project management Skill Gap is huge in government; Elevated Stature for IT professional in government is the need of the hour .
	3. Accountability – the buck stops here! Overall responsibility for better use of public spend on e-Government should rest with Political Leadership (PMO office, CM's office, IT Ministers at State and Central Government level)
B. Administrative Shifts	1. Alignment of IT with Development Agenda of the State / Federal Government Agency

Category	Shift / New Normal Ingredients
C. Industry Shift	2. Institutionalize 'IT risk management' as a process in the prevention, identification and mitigation of risks associated with deployment of large / complex e-Government projects.. 3. Measure ! Measure ! Measure ! Build e-Government Projects around key outcomes such as uptake and customer satisfaction; Nationally Accepted M&E framework for timely interventions to bring projects back on track is the need of the hour
	4. Avoid deployment of Emerging / Latest Technologies for the sake of IT! As such Technology is way ahead of its times wrt Absorption Capacity (of IT) in Public Sector. 'Build First – Uptake is Automatic' can be a very costly hypothesis 5. Institutional Strengthening: IT to be a Core function in every department with appropriate IS organization structure mandated by government directive! New Normal – Business Champion-led and CIO supported in every department! Right people with Right Skills for the right job is the need of the hour !
	6. Business should Drive Technology : Ownership, Responsibility and Accountability should squarely lie with Business Owners / Line Departments 7. There is a need for an e-Government context specific Programme and Project Management tool for managing the life cycle of e-Government projects for their success..
	8. Shift from Translation to Transformation (of processes)! Process Simplification is a must! Efficiency improvements are maximum around processes / sub-processes / activities. Depth vs breath in automation of government processes..Self service is the best form of process re-engineering ! 9. Vested Interests – Can't be silent on these informal dynamics! Authority / Empowerment and Accountability to be clearly fixed and communicated. Heads to roll, if projects are grossly mis-managed ! Performance of the project should be linked to individual's performance appraisal…
	10. Organization: *Structural rigidity* can seriously limit integrated service delivery – departments not organized around services – e.g. Single window Services – Doing Business in India Rank of 134 (as per world Bank report of 2010); Land Information managed by

Category	Shift / New Normal Ingredients
	multiple entities is another case in point. Without strong linkages between Strategy, Structure and Systems, attempting joined-up government projects are fraught with highest risk !
D. Industry Shifts	Under pricing, Under staffing and under Delivering! Sums it all..
E. End-Users/ CitizensShifts	A comprehensive Change Management, Training and Communication Programme should be dovetailed into every large e-Government project – to be run by pre-dominantly HR professionals from Government and Industry.. Convenience drives demand / Uptake ! Comprehensive Citizen programmes should be aimed at building trust in e-service delivery programme of the government.. Comprehensive Citizen Engagement Programmes to Migrate people to web / m-channels …

A. Political Level

A.1 Tone at the Top / Political Leadership: It is important for the Political Leadership to demonstrate their commitment to the success of e-Government Programmes. Political Leadership should undertake 'Leadership Development' as a Strategic Priority for sustained development of e-Governance across the Government functioning. Political Leadership should begin with picking-up right people in *key seats* for driving the e-Government initiatives and more importantly in retaining the right people with right talent to drive the e-Government programmes. Political Leadership should also ensure that e-Government is of high priority in the development agenda, in government policies and in resource allocation. Further, political agenda should include gaining public trust about the efficacy of the e-Government programmes through appropriate and demonstrated support to legislations and promotion of IT in the society.

A2. Professionalise IT as a Function in Government: It is a known fact that IT as a function did not exist in government except for National Informatics Center's (NIC) support from outside till about a decade ago and this requires necessary HR reforms in government to institutionalize IT as a key function at all levels. IT skills are specialist skills and Government's recruitment polices need to be oriented towards attracting and retaining best IT talent and recruitment of specialists at market salaries. The risks are very high, if a person with general management skills and experience attempts to *deliver* and manage IT projects. A clear HR strategy

should be developed by the Government to adopt IT across the government's functioning. IT skills are relatively better and deeper in Public Sector Units, due mainly to recruitment of IT specialists and creation of comprehensive IS organisation structure to manage the IT processes – CIO reporting into Top Management, in many a PSUs. Professionalizing IT amongst department /agency is a must to address the skill gap with respect to demands, challenges and emerging e-Government Programmes.[7]

A3. Accountability: Increasingly, many a government departments will be under budgetary pressures to limit the capital that is allocated to various e-Government programmes. Accountability for the public expenditure on IT should begin with the Political machinery that's involved in the allocation of funds / budgets. The *rigour* of monitoring and evaluation by political machinery and independent policy agencies (that are separate from the agencies responsible for execution of IT projects) should be improved through 'dashboard' / Management review / Concurrent audit of large / complex projects for *timely interventions* to monitor and control the projects from serious slippages. To this extent, the overall accountability should be unambiguously rest with Political leadership to whom the administrative machinery reports into.

B. Administrative Level

B1. Alignment of IT programmes with Development Agenda of the Government Agency

In private sector, all board room issues get the senior management attention invariably and managerial effort across the organization is aligned with the Board Room agenda. In the context of public sector, IT should get elevated stature, moving away from being a backroom issue and should become part of Development Agenda (board room / Cabinet level issue) of the Government Agency. This should be the new normal for the Government. Alignment between Development Agenda of the State and IT/e-Government Programme is a must for it to be discussed at the highest level within the government. It is akin to any important activity (such as growth, risk etc) becoming a board level discussion point on a regular basis in private sector. This should be the responsibility of administrative machinery to align the design of IT / e-Governance programmes with the development agenda of the government agency and to organize and direct its managerial effort towards the achievement of e-Government objectives that are integral part of development agenda of the political leadership.

B2. Institutionalize "IT risk management" as a process: There are various surveys that indicate that alarming proportion of the projects are either a total or partial failure! Even in India, about 10 years ago, there were many projects that could not go beyond the pilot stage, barring a few champion-led projects such as Land Records, Registration, Transport etc. Since then, there are many e-Government projects that are being rolled out under NeGP and various other programmes. The surveys also indicate that many large e-Government programmes are prone to failure ! Under the circumstances, it is important for Government to consider introducing a well thought out 'Risk Management Framework' to identify and manage risks through-out the life cycle of e-Government project and monitor and manage the projects from a 'risk' perspective. Processes such as *Self*

[7] Please refer to section 5 of this report for highlight of Government CIO survey 2011 carried out by Grant Thornton LLP and TechAmerica

Assessment of Risks (by the Project Owners), risk assessment by independent policy agencies at the time of project assessment / approval) would help mitigate the risk of failure for benefit of stakeholders.

B3. Measure ! Measure ! Measure ! What gets measured gets done. Many countries have realized the need to have more robust e-Government programme monitoring mechanisms in place, post-facto, after having spent billions of dollars, without much success. Periodic Monitoring and timely intervention / Control by Political Machinery can save many e-Government projects from derailment and waste of time and resources. It may be noted that e-Government lags w.r.t measurable / tangible benefits out of massive investments that are pouring into this area, the indicators that are available in the e-commerce space are more tangible and mature. It's generally believed that e-Government projects need customised metrics of measurement from a practical stand point. While measures around 'Benefits to Citizen, 'Benefits to Government' are commonly dovetailed into e-Government programmes, reductions of administrative burden to citizen / businesses as well as to department take precedence over others.

These measures also need to be different, based on the maturity of the e-service delivery. Some of the important metrics that need to be measured on a very regular basis include (i)Uptake of e-services and (ii) Customer Satisfaction. A typical e-Government project goes through various stages such as (i) Back-end computerisation, (2)Provision of e-Services, (3)Improved Uptake of e-Services, 4)Seamless integration of Back-end systems of the departments, leading to integrated service delivery and improved customer satisfaction levels.

The customer satisfaction levels are typically low in first two stages of the lifecycle, whereas the user experience of e-services is positive. *Impact indicators* are better in the later stages of e-Government maturity. It is extremely important to measure uptake of e-services and customer satisfaction (amongst other key indicators) and to listen to the customer for continuous improvement in public service delivery.

Government agencies should shift away from managing projects for time and costs to Managing projects for Business Benefits such as Uptake, Customer Satisfaction, reduction of administrative burden etc. Customer centricity demands that Government agencies consult customers and capture their needs and then develop 'business case' analysis before embarking on large scale transformation projects.

B4. Avoid deployment of Emerging / Latest Technologies for the sake of IT: Excessive focus on technologies has been one of the key reasons for failure of e-Government projects in many countries. This is particularly true in case of developing countries, where in, Technology is already way ahead of its time vis-a-vis IT skills and experience of public sector officials. To this extent, there is a huge expectation mis-match between "perceived benefits" and actual benefits in the context of e-Government. – "Build first and Uptake happens automatically" could be a dangerous hypothesis fraught with risk of loss of precious time, money and effort by stakeholders. Without addressing the political, administrative, people , process aspects, excessive focus on ICT will continue to yield little or no success !

B5. Institutional Strengthening & Capacity Building w.r.t ICT in Government: Deployment of any large scale IT should be preceded with building Capacity to Deliver ! Excessive dependence on outsourcing skills from private sector can only increase the expectation gap further

and can damage the interests of government in the long-run ! The complexity seen to be associated with deployment of ICT in government can be demystified by following the concept of Right people for the right job through appropriate HR reforms around recruitment and retention of IT skills! Every Government agency should move towards creation of a self sufficient IS organisation. Government should have a programmatic approach to build / train a team that is capable to manage IT projects successfully within a given matrix.

B6. Business should Drive Technology Adoption: It is important to realise that Business needs, Business users and Business Benefits should drive the adoption of ICT in government. Authority, Responsibility and Accountability should squarely lie with Business Owners / Line Departments that undertake such e-Government projects. Capital rationing theory should be applied in sanction of e-Government projects based on Business Benefits (however intangible they may be) and Accountability.

B7. Need for Effective Project Management Tools and Processes: It is a well known fact that Metrics drive behaviour ! The critical factors that make or break projects in the context of public Sector are different and are well known to all the stakeholders. All such key factors should be made integral to Project Management tools and techniques that are being deployed to monitor and manage the e-Government projects. *The tools and techniques that are used in private sector can be adopted, but a customization to the ground realities in the context of Public Sector would make it more effective as some parameters that are assumed to be in place at the beginning of the project simply may or may not exist in the case of Public Sector*. Many of the parameters that are assumed to be in place at the beginning of the project simply may or may not exist in the case of Public Sector.

For example, in private sector, a full-fledged and dedicated project management team with right skills and clear mandate form the top management is in place on the ground when a System Integrator walks in to develop and implement IT project. This is simply not the case in a Public Sector context. Such gaps ultimately lead to huge 'gaps in expectations' set by the stakeholders at the beginning of the project vis-a-vis actual benefits ultimately delivered by the project. Such gaps in the context are innumerable and cannot be captured without comprehensive Project Management Tools & Processes tools. The government should consider development and promotion of such customised Project Management framework and mandateits use in e-Government projects.

Some governments have developed comprehensive project management methodologies that help departments adopt a consistent approach. For example, in the UK, the OGC's (Office of Government Commerce) has taken the lead in development of project management tool named PRINCE 2 (Projects IN Controlled Environments) is a process-based method for effective project management. Goal Directed Project Management (GDPM) is another tool widely popular in the context of e-Government. SWISS administration together with partners like railways, telecom and post have developed an ICT project management method called HERMES – mandatory for all governmental ICT projects.

Private Sector has already moved away from managing IT projects to 'Time and Cost' and have started focussing on managing IT projects for "Business Benefits" . In this context, it's worthwhile for Governments to focus on metrics such as Uptake of e-services (CSC channels included), customer satisfaction and subsequently include impact indicators around reduction of administrative

burden etc. Government agencies should also encourage its project management teams to go in for relevant certifications such as those offered by Project Management Institute etc.

B8. Service Prioritization: Citizens are neither aware nor too much bothered about the internal structures of various government agencies. Many developed countries have benefitted by having a clear e-Government strategy around services. Most frequently sought services were prioritised and then e-enabled. Shift from Translation (of processes) to Transformation through simplification of underlying processes, sub-processes, activities etc is the need of the hour to improve the uptake of on-line services. e-Government Projects that have succeeded have one thing in common – 'Convenience'. Its convenience that drives demand (uptake) for e-services. Services that are aimed at reducing the administrative burden for citizen shall always be sought after by the recipients of the services sooner than later. MCA 21 is a case in point, wherein, business community have almost grabbed the opportunity to submit the returns on-line!

B9. Vested Interests: It is not uncommon to see conflicting objectives of various departmental agencies and ambiguity around mandate / authority of the project management team and the organisational hierarchy that operates in parallel, within which the project management team operates. These pulls and pressures from various political & administrative 'power centres' invariably end-up having negative impact on the overall progress of e-Government projects.

Unless all the key stakeholders have a common objective with respect to e-Government goals and objectives, the e-Government projects would continue to suffer from dilution of managerial effort at all levels within the organisation. The solution lies in making key stakeholders jointly accountable for the project outcomes, with individual's performance appraisal linked to the overall results delivered by the department. We can no longer be silent on these formal and informal dynamics! Authority / Empowerment and Accountability to be clearly fixed and communicated by Political leadership..Heads to roll, if projects are grossly mis-managed – should be the Tone at the Top!

B10. Structural Reforms: Traditional boundaries of agencies are a major disconnect with e-Government strategies that are formulated around customer and service centricity. Integrated service delivery remains a challenge, without some amount of re-organisation of government agencies around customer needs. Single window service delivery is a classic example, wherein multi-departmental co-ordination remains a major challenge and affects the overall service delivery. Creation of Integrated Land Information System is another example, where in land related information resides in multitude of departments, namely in Land Records department, Survey and settlement department, Revenue offices, municipal departments etc, making it very difficult for citizens and businesses. It is pertinent to note that India is ranked 134 as per Doing Business Report, 2011, compiled by The World Bank.

C. Industry level

C1. Shift away from Under Pricing, Under-Staffing leading to Under-Delivery! It is not uncommon to hear from the government agencies that under-pricing and eventually under-staffing the projects by System Integrators (to manage the economics of the project) is a frequently witnessed phenomenonin the e-Government space. L1 nature of the bids is one of the major

constraints that can potentially limit the competition to a few domestic players, discouraging some of the globally renowned companies to participate in the bid process. Multi-lateral funding agencies such as World Bank have standardised procurement procedures which can be leveraged by Government Procurement agencies to unlock the value that private sector can bring in. Further, at the conceptualisation stage, projects should be designed adequately for time, effort and cost, taking into consideration, some of the systematic constraints that surround the public sector, particularly in the context of deployment of ICT. Many of the contracts are one-sided and favour the government agencies, in case of dispute. There is also a need to come up with National Procurement Guidelines w.r.t procurement of e-Government works, goods and services for the overall benefit of stakeholders. Department of Information Technology, Government of India has taken initiatives in this regard to standardise such procurement procedures, which is commendable !

D. User level

D1. User Level Shifts: More often than not, e-Government projects are treated as 'Technology' projects, whereas, in reality, they are about Change! Resistance to Change is but natural and should be addressed through HR interventions. Many a times, end-users are not taken into confidence at the time of conceptualisation of the e-Government project. Once e-Government contracts are signed and the project runs in 'emergency-mode' right from day zero, due mainly to political (gain mileage) and administrative (short tenure) pressures. In the process, e-Governance projects tend to *rush* through the *ritual of project completion, paying little or no attention to HR / Change aspects. Many projects end-up procuring hardware and software with little benefit to citizens or procurement agencies themselves!* A comprehensive Capacity Building, Change Management, Training and Communication Programme should be dovetailed into every large e-Government project – to be run by pre-dominantly HR professionals from Industry & Government.

E. Citizen level

E1. Citizen level Shifts: Convenience drives Demand / Uptake is very well proven in the success of MCA21 e-Government programme. Design of 'Citizen-Centric' e-Government programmes go beyond the basics of designing e-Government solutions around Informational, Transactional and Document related Services sought by the citizens and includes understanding of Citizen needs. A Comprehensive Citizen Engagement Programme aimed at (I) understanding Citizen's *needs* (ii) building trust in e-service delivery Programme (iii) Customer Satisfaction etc should also form part of every large e-Government Programme. This should also include Communication and Training Programmes aimed at achieving the *Strategic Imperative* of the government to *'Migrate people to web / m-channels.*

It should be noted that 'convenience' drives demand for e-services! Most frequently sought (by citizens and businesses) services should be prioritised and simplified before offering them as e-services! Many of the innovations that have happened in private sector have been made possible by

[8]NASSCOM Report

those companies that have listened to customers and their complaints continuously and incorporated their feedback! Consistent measurement mechanisms and processes to track IT project success is the need of the hour.

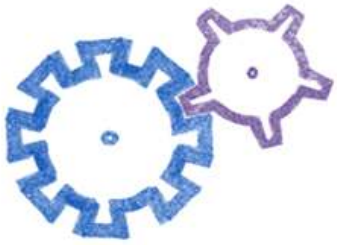
Conclusion: Navigating the complexity involved in e-Government and in realizing the e-Government vision / New Normal calls for demonstrated 'Political Commitment' 'and Administrative reforms' around institutionalization of IT as a key function within government. Till then, the expectations about the actual benefits delivered on the ground need to be moderated!

CIO Survey Highlights

5

Grant Thornton's Annual Government CIO Survey, 2011– USA: Highlights

Grant Thornton and TechAmerica (formerly the Information Technology Association of America) conducted CIO survey during spring 2011. The purpose of the survey was to provide the IT community with a point-in time assessment of the thinking of key federal IT opinion leaders on the significant issues they face now and in the future..



Overall 46 information technology (IT) leaders took the survey, including CIOs of major federal departments and independent agencies. CIOs described both the challenges and opportunities from increasing complexity. They shared how they are innovating with technology and processes for organizational success. These in-person conversations, along with our statistical analyses of responses, underscore the ever-more vital role of the CIO. The text below highlights some of the outcome and suggestions of the survey.

Over the last two decades, governments and CIOs have slipped into IT thinking that makes infrastructure and systems paramount. While both are important, it is time to shift the focus to lowering costs, integrating systems and processes and improving project management, all of which will enhance mission performance.

Success in IT has more to do with leadership and good management than with hardware, software and communication networks. If technology is the future of government service, then it is about time we started managing it better than we do today. Governments must reinvent how they do business especially when the budget is heading south year on year basis.

Today, IT governance concentrates on infrastructure and systems when it should center on mission success. If technology is going to transform how we deliver government services, then good governance depends on engaging the secretary, agency chiefs and CIOs in IT leadership decisions. IT governance must focus on big picture core processes that transcend individual programs and components. Senior leaders must simultaneously consolidate and integrate processes and technology to break down barriers to data sharing and to achieve economies of scale.

In today's environment, it is also imperative for the government(s) must have the very best IT executives, policy makers, planners, program and project managers and acquisition professionals, period. Unless they are the best, the government will never be able to use technology to do more with less. Acquisition leaders and professionals must become more

educated and adept at IT procurement and acquisition. They need to start working with internal IT professionals sooner in the development lifecycle and not prevent government personnel from working with industry to explore complex solutions. Worldwide the IT heads have shown a huge reliance on the potential of IT dashboards. Entities have invested more in learning the type and format of information that citizens and stakeholders want for these dashboards and for data sharing in general.

Government-wide standards and best practices for citizen-centric and management dashboards is definitely one of the prime agenda of most of the governments and IT Heads that focuses on G2C, G2B and G2G services. Some of the areas where governments worldwide have increased their focus from a good governance perspective are shown the boxes below:

Dashboards - As a management tool: In the IT world, dashboards are Web technology - based pages that collate and display information from different sources in an organization. Adash board gives users one or more high-level views of performance, then lets them drill down for more details or shift to other views. Some government entities have started to extend the IT Dashboard into their internal user or citizen base in order to promote transparency. Some of the other key aspects to be taken into consideration for dashboard are:

- More on projects and programs, less on investments
- Follow IT investments from budget to obligation to spend
- Inclusion of data from program to component to department to entire government
- Streamline the reporting process for small agencies.

Making and monitoring IT investment decisions: One of the most important parts of IT decision making is the capital planning process. Some of the ways to improve such processes as highlighted by the CIOs are mentioned below:

- Put in place an agency-level business prioritization process, of which IT would be one component.
- Make the prioritized operating plan a living document to make it easier to use as a foundation from which to plan following-year budgets.
- Add more mandatory discipline to the process.
- Link engineering estimates to specific costs for scheduled completion.
- Create levels of reviews based on deliverables and time lines
- Change the process when it becomes too onerous and Shift the focus from building infrastructure to meeting requirements

Transparency: Open Government is a positive step toward emphasizing transparency, big picture value and across-the board collaboration when making IT investments. To make it even better, some of the IT heads see a clear sense of what should drive the release of specific types of government data and clear up questions arising from security breaches. The main transparency principles are:

- Publish government information online.
- Improve the quality of government information.
- Create and institutionalize a culture of open government.
- Create an enabling policy framework for open government.

IT and acquisition professionals: Most of the surveyed CIOs think that their people have the requisite skills for current operations. However, many are like the CIO who wants more "killer" project and program managers with skills in communications; managing requirements; design and implementation; process management; contract management; EVMS; and other program management office (PMO) areas.

Becoming a certified Project Management Professional (PMP) is a plus to a government IT career, according to some CIOs.

Going forward, CIOs want a workforce with the just-mentioned talents, plus new technology skills and knowledge. In the emerging technology era and with less money for new IT investments, some CIOs want to shift the talent base from developing systems to smart buying.

6

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List of stakeholders interacted with...

Table 5 : List of interviewees

S. No	Name	Designation	Organization
1.	Shri. Abhishek Jee	Director	NASSCOM
2.	Dr. Ajay Kumar	Joint Secretary & Group Coordinator	Department of Information Technology, Government of India.
3.	Shri. Anjaneyulu Gourishetty	Senior Consulting Manager	Wipro Limited
4.	Dr. B K Gairola	Director General	National Informatics Center
5.	Shri. Bhiksapathi	General Manager	National Institute for Smart Government (NISG)
6.	Shri J Satyanarayana	Special Chief Secretary to CM	Government of Andhra Pradesh.
7.	Shri. Milan Narendra	Practice Partner	Wipro Limited
8.	Shri. Mojeeb Khan	Managing Consultant	PricewaterhouseCoopers
9.	Shri. Narayana	General Manager	National Institute for Smart Government (NISG)
10.	Shri. Rajeev Chawla	Special Secretary	Revenue Department, Government of Karnataka
11.	Ms. Rama Vedashree	Vice President	NASSCOM
12.	Dr. Ravindran	CEO, CEG	Government of Karnataka
13.	Dr. S Ram	Consultant	Government of Karnataka
14.	Shri. Sastry Tumuluri	IT Advisor	Government of Haryana
15.	Shri. Shankar Aggarwal	Additional Secretary	Department of Information Technology, Government of India.
16.	Shri. Sumanthra Rao	IT Advisor	Government of Haryana

About us: Profiles of NISG, PMI & GT

National Institute for Smart Government

A Center of Excellence (COE) in e-Governance:

India's National e-Governance Plan aims to create a citizen-centric and business-centric environment for good governance. Considering the systems and methods already in place in developed countries, the accent is on creating appropriate governance and institutional mechanisms, establishing core infrastructure and policies, and implementing e-Government projects at the central and state levels. Drawing on its inherent strengths as a public-private organization, NISG has been playing a leading role in this task.

NISG provides consultancy solutions through a project life cycle to various ministries and departments of Central and State governments as well as public sector undertakings. NISG conceptualizes and designs public-private partnerships, builds technology architectures, initiates change management strategies, streamlines processes, and provides support during the implementation of e-Governance initiatives.

NISG has been shaping up as a Centre of Excellence (COE) in the area of e-Government and operates in the area of providing consulting services in Strategic Planning, Project Development & Management, and Capacity Building. NISG has been assisting several Ministries of the GOI and the State Governments in designing and implementing e-Governance projects. Most of the consultancy projects undertaken by NISG are comprehensive in nature, covering entire gamut of activities like conceptualization, design, selection of implementation partners, project monitoring & post implementation support via program management & capacity building.

NISG provides all the components of effective project & program management and monitoring. Working as an extension of client's program, NISG provides a comprehensive mix of management tools, processes, expertise and a vast pool of experienced professionals to apply them. NISG has conceptualized and designed the entire e-Governance program for MMPs that involve centralized planning and decentralized implementation through State Governments, such as MMP of the MCA21 for Ministry of Corporate Affairs, GOI, the MMP of the Commercial Taxes for Department of Revenue, Ministry of Finance, GOI, and Targeted Public Distribution System for Ministry of Consumer Affairs, GOI, to name a few.

Over the years, NISG has grown in stature as a reliable advisory body for Central and State Governments as well as public sector undertakings. NISG strives for excellence and lays great emphasis on generating value for clients.

Core Competencies:

I. Strategic Planning:

The value proposition of NISG in the area of Strategic Planning is characterized by its experience in:

1. Citizen Centric Approach
    - Bringing in outside in perspective in the planning of e-Governance initiatives
    - Extensive Stakeholder consultation for strategy formulation
    - Perspective on Citizens' right to demand for Services of a high quality
2. Building Service Orientation
    - The need of value delivery
    - Creating the services as goal posts for measuring success
    - Service-driven process reengineering methodology
    - Defining investment decisions based on services / value delivery
3. Formulating Public Private Partnerships
    - Bringing in the best Managerial resources
    - Mobilizing Financial resources
    - Organizing Technological resources
    - Blending the Public sector accountability with service orientation of private sector
4. Designing Blue prints
    - Core applications / policies for collaboration across all the partners
    - Infrastructure - Networks, service centers, gateways
    - Identification of group applications for collaborations
    - Departmental applications for stand-alone services

II. Project Development:

NISG has been helping various government departments and ministries in the area of Project design & development. The key value proposition of NISG in the area of Project Development have been

- Identification and clear articulation of the services
- Scenario-based design of user interfaces
- Service level definition and monitoring
- Process prioritization based on criticality and feasibility
- Redesigning process with focus on service delivery

III. Program Management Unit (PMU):

Experience in Establishing & Running Large-Scale PMU Operations

For projects such as MCA21 for Ministry of Company Affairs, GoI, and Passport Seva of Ministry of External Affairs, NISG has not only conceptualized the projects, but is also providing post implementation support through the establishment of Program Management Units (PMU).

For the Department of Information Technology (DIT), GoI, NISG has been involved in the conceptualization and design of the UID project including PMU of UID and DIT for NeGP.

Working collaboratively with various Governments, NISG has built a niche expertise in designing & delivering Program Management needs for efficient and effective project/program monitoring, management & service delivery needs with quality & reasonable costs for various central & state government ministries, departments and agencies.

Key value proposition of NISG in program management unit (PMU): establishment and management area are characterized by our following capabilities:

1. PMU establishment, IT operations & service delivery management
2. Project strategy planning and development
3. Decision-making support
4. Project technical and financial appraisals
5. Technology and process assessments/ reviews
6. Workforce planning and staff augmentation
7. Government IT procurement
8. Capacity building, training and mentoring
9. Cross-agency governance structure

IV. Capacity Building:

NISG has expertise in the core areas of capacity building for the political, administrative, institutional and project levels which includes establishing - institutional framework, engaging personnel with required skill sets and experience with the required up gradation of the skills through training. With most States launching e-Government projects, NISG is involved in capacity building for effective implementation of the NeGP.

Some of the key activities of NISG in the area of capacity building are:

1. Training Programs for Policy Makers , Political Leaders (CM, Ministers & MLAs) like e-Government Champions Training Program, short-term sensitization training programs to refresh the knowledge on e-Governance among the policy makers of the country, Specialized training programs on different aspects of e-Governance
2. Training Programs for Senior Civil Servants & Citizens (e.g. one year Executive Program on e-Governance: eGPX)
3. NISG is the Program Management consultant for various training programmes under the National e-Governance Plan (NeGP) Capacity Building scheme

4. Knowledge Management (KM) initiatives for Government departments
5. Change Management for e-Government projects
6. Workshops for e Gov Business Units in IT Companies
7. Building Capacity for Institutions

National Institute for Smart Government (NISG) is a not-for-profit company incorporated in 2002 (under Section 25 of the Companies Act) with Department of Information Technology, Government of India, Department of Administrative Reforms and Public Grievances (DAR&PG), Government of India, Government of Andhra Pradesh and NASSCOM being its initial promoters. Secretary (Personnel) of GOI, Secretary (IT) of GOI, President of NASSCOM, Special Secretary (IT) of GOI and CEO of NISG are members of the Board of Directors of NISG.

Project Management Institute (PMI)

Project Management Institute (PMI) – An Introduction

The Global Success Story

PMI is the world's leading not-for-profit institution established with the primary goal to advance the practice, science & profession of project management throughout the world.

Project management discipline has witnessed an extraordinary growth in the last decade. Present day indicators show that this trend is likely to continue for some time to come. Project management is carving out its deserving place as a distinct discipline in its own right. However, for a discipline to be sustainable, it has to have its own Body of Knowledge, Research, Standards, Education System, Application Methodology and Certification/Qualification. In this backdrop, Project Management Institute was founded in 1969 by five forward-thinking individuals who understood the value of networking, sharing process information and discussing common project problems.

PMI has the privilege of being the only global institution that certifies project management expertise, develops global standards, and supports extensive research for the project management profession.

PMI is the world's foremost advocate for the project management profession, and is comprised of over 250 chapters in more than 70 countries worldwide and 36 community of practices. Today PMI offers 13 global standards including project, program & portfolio management which are accredited by the American National Standards Institute (ANSI) and are accepted and implemented by the public and private sectors globally. PMI is the only project management association with a dedicated research arm, responsible for initiating academic research taking place at institutions around the world, and guiding and coordinating PMI-funded research. Since 1997, PMI has invested US $14 million in project management research and has been directly involved in the release of more than 350 publications.

PMI also offers credentials and professional development opportunities that help business professionals start, build or advance their careers in project, program and portfolio management. Today, PMI has over 370,000 members and over 460,000 certified professionals worldwide.

Certification

PMI offers five certifications that recognize knowledge and competency, including the Project Management Professional (PMP)® credential held by more than 370,000 practitioners worldwide. Salaries and career opportunities for credential holders show that employers recognize the value delivered by trained practitioners.

Global Standards

PMI's 13 standards for project, program and portfolio management are the most widely recognized standards in the profession - and increasingly the model for project management in business and government.hey are developed and updated by thousands of PMI volunteers with experience in every type of project, and provide a common language for project management around the world.

Chapters & Communities of Practice

Most of PMI's activity takes place in more than 250 geographic chapters and 30 industry- or interest-based communities of practice. These are open to PMI members and led by volunteers, support the knowledge sharing and professional networking that are central to our mission.

Training and Education

PMI offers a wide range of professional development opportunities, from our SeminarsWorld® and e-learning courses to PMI global congresses and other events.You can also turn to more than 1400 Registered Education Providers (REPs) for project management training and continuing development.

Research

The PMI Research Program, the most extensive in the field, advances the science, practice and profession of project management. It expands project management's body of knowledge through research projects, symposiums and surveys, and shares it through publications, research conferences and working sessions

Project Management Institute India

Vision India

PMI has set up its offices in India with a mandate to undertake advocacy of Project Management across organizations, academia and governments in India.

The PMI India office has been set up with the key mandate of driving advocacy of Project Management across organizations, academia and governments in India. The charter of this office is thought leadership and dissemination of information related to project management through various vehicles like roundtables, seminars, events and development programs.

The India office constantly engages and interacts with professionals through direct business meetings, industry-focused and cross-industry events, partnerships with associations etc. PMI in India is represented by 8 Chapters (Delhi, Mumbai, Bangalore, Chennai, Hyderabad, Kolkatta, Pune & Trivandrum), over 90 Registered Training Institutions and full time staff based out of PMI offices in Mumbai, New Delhi and Bangalore.

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Grant Thornton– a cohesive global organization

With an 85-year history, Grant Thornton International is the one of the largest accounting and management consulting firm in the world. We employ more than 30,000 professionals around the globe and perform thousands of assignments each year for private and public sector clients. Through member firms in over 100 countries, the partners and employees of Grant Thornton provide personalized attention and the highest quality service to public and private sector clients around the globe. Grant Thornton is an organisation of independently owned and managed

Profile snapshot of GTI
- over 100 member firms
- in over 100 countries worldwide , more than 500 offices
- over 30 international business centres (IBCs)
- over 2,500 partners
- over 30,000 people.

accounting and consulting firms.
A brief about Grant Thornton is as given at (http://www.gti.org/About-us/Fast-facts/index.asp)

Member firms of Grant Thornton International

Global financial information snapshot

total combined revenues from member firms in 2010 was US$3.7 billion
audit revenues account for 46% of global revenues at US$1.7 billion
advisory services generated 25% of global revenues with income of US$890 million
tax revenues were at US$816 million

We strive for maintaining our position in Category of One, for ourselves and for our clients

As an example of our stature and capabilities, our US member firm was ranked first in the Public Accounting Report's 2008 audit rankings. This marks the first time one of the four largest accounting firms has not won Public Accounting Report's annual audit ranking.

We benchmark our service levels against other accounting firms. An independent client satisfaction research firm (The ClientWize Group) provides a version of our survey to competitors' clients. ClientWize compiles and analyzes the response data of 300 audit clients and 301 tax clients, then runs significance tests comparing Grant Thornton's scores with other accounting firms in the survey.

	Overall Satisfaction Index	Results	Value	Would Recommend	Engagement Team	Understand Your Needs	Responsiveness	Understand Your Business	Advice and Recommendations	Communications
Grant Thornton	8.56	8.74	8.11	8.62	8.72	8.67	8.72	8.46	8.37	8.62
Big Four firms	7.73	7.91	6.29	7.32	7.78	7.77	7.78	7.66	7.06	7.55

Global Recognition

- Grant Thornton UK - leading auditor of AIM listed companies
- Grant Thornton in India advised on 13 of the 14 AIM listings of Indian firms in 2009
- Grant Thornton UK - 4th ranked auditor of listed companies.
- Grant Thornton UK: 'Auditor of the Year' (Large Six), 2010
- Grant Thornton US: Client Advisor Award for 'Outstanding Client Service', 2009
- Grant Thornton Canada: listed in top 100 'Best Places to Work', 2009
- Grant Thornton US: listed in Business Week 'Best places to launch a career', 2009.

In India, Grant Thornton and its affiliates have more than 44 partners and directors and over 1000 permanent staff and management professionals spread across 9 offices. The firm is actively engaged in a multi-disciplinary practice serving an extensive base of clients both within and outside the country, and has a mature 'Government and Infrastructure Advisory (GIA) practice in India.

Grant Thornton India is the Indian member firm of Grant Thornton International was established as a full-fledged professional services entity, offering a wide range of services, including project management, governance advisory, capacity assessment, institutional strengthening and financial management for the public and non-profit sector. Grant Thornton has specialists with extensive experience, exceptional client service capabilities and sound technical skills in a broad range of areas.

The firm is actively engaged in a multi-disciplinary practice serving an extensive base of clients both within and outside the country, and has a thriving Government and Infrastructure Advisory practice.

Grant Thornton India has offices at the following locations in India: New Delhi, Bangalore, Chandigarh, Chennai, Gurgaon, Hyderabad, Kolkata, Mumbai and Pune.

Government & Infrastructure Advisory: Our Select empanelments in India

In India, we are already empanelled with several ministries and government organizations in the Govt and Infrastructure Advisory space.

- Ministry of Rural Development, Government of India.
- Ministry of Tourism, Government of India
- Department of Economic Affairs, Govt. of India.
- Gujarat Infrastructure Development Board (GIDB)
- Tamil Nadu Urban Infrastructure Financial Services Ltd.
- Delhi-Mumbai Industrial Corridor (DMIC) Corporation
- National Highway Authority of India (NHAI)
- Rail Vikas Nigam Limited (RVNL)
- Asian Development Bank Retainer Panel
- Infrastructures Kerala Limited (INKEL)
- Financial Sector Reform and Strengthening (FIRST) initiative of the World Bank
- PFC Consulting Ltd.

To know more about our Government Advisory Services, please contact us

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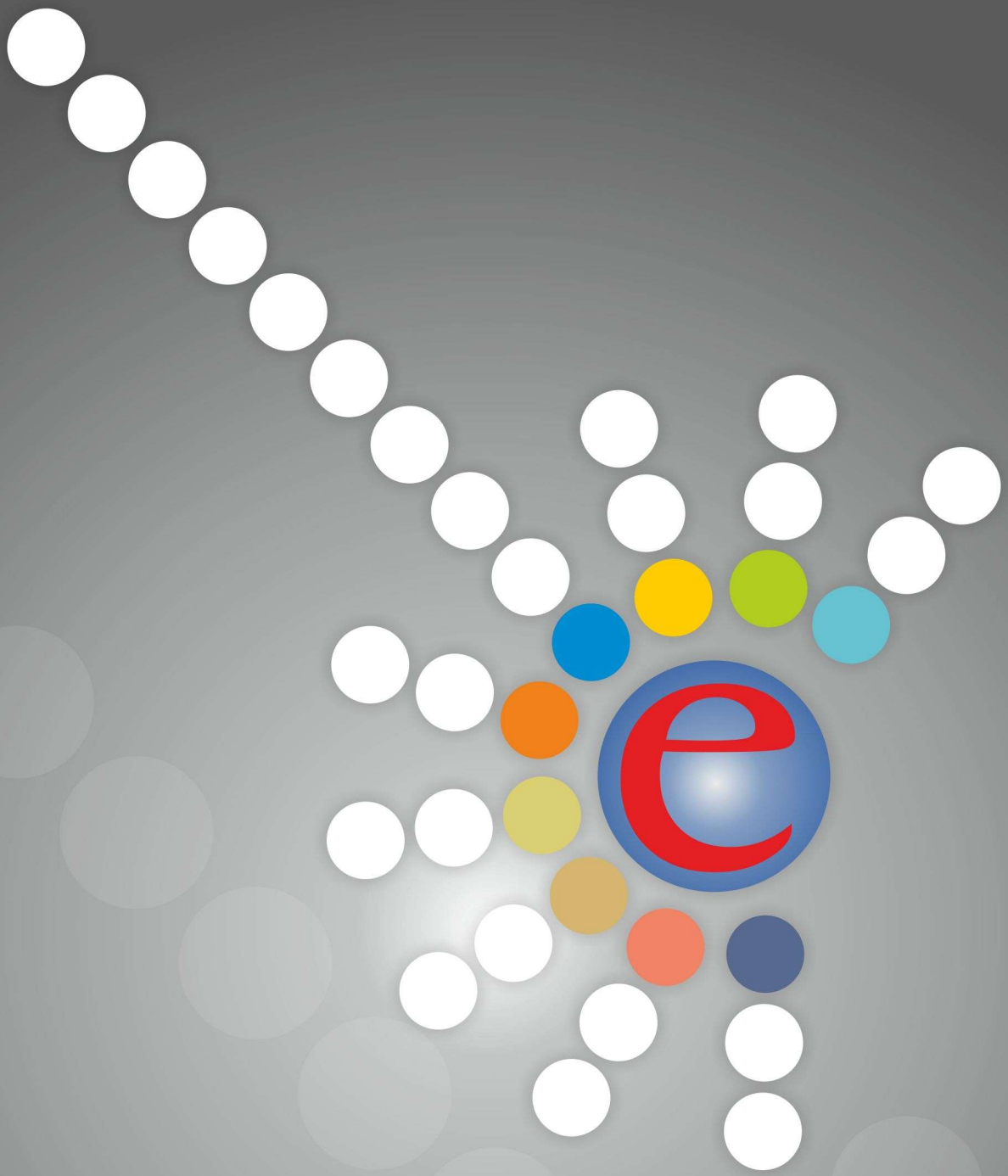

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