

1

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 CAROL KELLY PRESENTATION
2 VICE-PRESIDENT, GOVERNMENT STRATEGIES
3 META GROUP CANADA INC.
4 October 17, 2002

5 Strategies for Public Sector Transformation 2002

6 Thanks. We'll see how well the remote mike
7 is working for us. So, basically, as you can tell from
8 that introduction, I'm a mutt. I don't know what else
9 to say. Now, Greg Vanderlee (PHONETIC) is in the back
10 of the room. Greg is -- there he is, with his hand
11 raised, is passing out the presentation, and also some
12 research notes that are attached to it. So if you
13 don't have them for any reason, raise a hand and Greg
14 will come around and make sure you get one. The other
15 thing is, Greg is here locally, local support for Meta
16 Group, along with four other staff within the office.
17 So, as part of the whole conference theme on change
18 management, in doing this presentation we're going to
19 fast forward it, because we went through several
20 reiterations of how long I was going to have to do the
21 presentation. So this really is about a two and a half
22 hour presentation when I've done it, so -- no, it's a
23 beautiful day, and the Canadian dollar compared to the
24 U.S. dollar is a beautiful thing, and I plan on leaving
25 some money in this economy. So, no, it is not.

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 So what I really want to do is focus on some of
2 the critical public sector issues that we see. Some of
3 the first slides talk a little bit about how we view
4 best practices in terms of on-line government within
5 the service, and before I do that, I'm going to go
6 through a couple of the research notes that were handed
7 out. Remember if these were issues that you -- that
8 are burning in your organization and you want to talk
9 to us about it, you know, feel free to let Greg know
10 and we can set up a teleconference or we can talk after
11 the -- after the conference as well.

12 Within our government practice, just a little bit,
13 we do very tailored research for our public sector
14 clients. The unfortunate thing, at least for me
15 personally, since September 11th is I am spending a lot
16 of time on homeland security, on local emergency
17 services, and GIS systems, all very integral. And when
18 you talk about government cross collaboration across
19 countries, across the United States, adding that as an
20 additional business driver is just a tremendous issue,
21 tremendous problem in terms of how we do that, how we
22 share information and how we deal with privacy. So
23 that is kind of, you know, one of -- one of the new
24 ones that I've been spending a lot of time on.

25 So what I want to do first is really talk a little

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 bit about how we see some of the public sector issues.
2 And the very first one is, of course, on-line
3 government. And when you talk about change management
4 and you talk about how online government looks today,
5 basically this is an evolutionary process. A portal is
6 not static. There's changes over time. This device is
7 not the only point of interaction with the government,
8 it is and one of the things that we talk about
9 extensively and we're adamant about is portal design
10 teams need to include more than this. It could be
11 getting basic information on a wireless device, when
12 you talk about bridging digital divide and it could be
13 basic telephony which we have used extensively for a
14 very long period of time. We're very good at that
15 within the public sector, for tax, for unemployment
16 insurance, for basic government information. So when
17 we talk a little bit about online services, we want to
18 talk where we are in terms of death, breath, cross
19 collaboration.

20 Then we really start, and we see this among our
21 leading edge clients, within your packet you will see
22 two research notes on E-democracy. And basically these
23 -- these research notes were done at the request of
24 Singapore and if you look at where Singapore is in
25 terms of their evolution of -- of E-government,

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 relatively advanced, pretty much everybody in the
2 country uses it, so they're now trying to say, okay,
3 we're going to take that next leap and that next leap
4 for us is going to be how we're going to get more
5 citizen participation. We want to move from a
6 transactional based government environment, where
7 people are just dealing with elected officials or
8 dealing with a -- a strategic issue occasionally to a
9 much more interactive model. Now at least for us in
10 the U.S. in democracy that has some implications, but
11 we're really starting to see a lot of interest in that
12 at the local level.

13 Then when we talk and you look at everybody --
14 anybody here not seen the Accenture Study that raided
15 all the countries? Canada number one for federal
16 government initiatives. Why was Canada number one?
17 Because they've at least in government online thought
18 about CRM. And when you think about where we're at
19 today in the CRM environment, and the fact that we've
20 got help desks, we've got application support centers,
21 and basically what have they done, they've served the
22 government employee who is providing services to the
23 citizen.

24 Now the whole thing is going to be turned on its
25 head and redesigned so that we can provide services

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 directly from a call center to a citizen. Fundamental
2 shifts in terms of how we deliver services.
3 Fundamental changes depending on the program. We have
4 very few clients in terms of CRM that are taking the
5 very intense transaction kinds of environments, a.k.a.
6 welfare payments, and beginning to make those citizen
7 facing. And we see leaders in that in terms of Centre
8 Link in Australia. The State of Utah recently awarded
9 a bid for welfare that does just that, to try and move
10 the whole welfare eligibility, child welfare, all the
11 health that is intended with that to an online
12 environment. So that's kind of when you talk about the
13 next leaps and you think about how important CRM is as
14 an imperative to that, it's going to have some profound
15 changes.

16 Personalization and privacy. Huge issues. We're
17 starting to see a lot of our clients focus on privacy
18 and then security across perams and across the
19 organization. Particularly when you get to healthcare,
20 security and now, of course, with homeland security as
21 well and really saying, you know, I need a security
22 officer at the highest level in the CIO's office that
23 is dealing with all these legal types, you know, folks
24 that love to read all those regulations, and I'm going
25 to be needing to deal with regulatory reform in order

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 to begin to look at how IT can continually enable
2 security across the environment, across the
3 jurisdiction. Huge issue, a lot of time, a lot of
4 money, lots of thought going into that.

5 And then the next thing, we heard a lot this
6 morning, yesterday about measurement and value, and we
7 have done some research, it's not in your packet, but I
8 certainly can get it to you, about measurement, moving
9 forward to value. Now here is the problem. If you
10 think about how we budget in the public sector, we have
11 to show costs savings, efficiencies and then we get our
12 money from finance and then we get to implement our
13 program. The problem when you get to online government
14 is you really need to build in some other metrics. If
15 an individual isn't driving to a location, they're
16 being able to do a transaction from home. There are
17 environmental factors that are, you know, quote
18 unquote, "for the good of government" that need to be
19 measured. There's savings of time and savings of
20 productivity as well. Now Treasury Board, and I don't
21 have the site with me, is actually doing some work to
22 try and make that happen and to build in some of the
23 societal indicators. And we're seeing that in the
24 U.S., we're seeing that in terms of beginning to build
25 in some of those factors in project planning as well.

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 And then there's not a place where we go that
2 human capital management is not important. You will
3 see a research note in there on human capital
4 management that I did a while ago. It has an outline
5 kind of a balanced score card, for lack of a better
6 term, on human capital management. We have to know our
7 skills, we have to inventory our skills, we have to
8 look at the age of the workforce, we have to glue that
9 to our sourcing strategies so we can decide if we need
10 point sourcing strategies, or more global SI kinds of
11 sourcing. And then we also have to build that into
12 campaigns for recruitment. So that is becoming a very
13 huge issue and a very huge issue in the U.S., where the
14 average age of the labour force in the public sector is
15 forty-eight. And there's -- when you get to critical
16 skills, like security C++, HTML, we're having major
17 problems with that.

18 So what I'm going to do first, and like I said, I
19 know I'm not going to get through this whole thing, so,
20 I want to talk a little bit about some of the E-
21 government rating. The reason that Canada did so well
22 is Accenture changed their rating formula this year.
23 It's not just the depth of services, they also added a
24 thirty percent CRM component, so depth and breadth was
25 rated seventy percent, CRM was rated thirty percent.

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 So you'll see that as you look through those ratings.
2 And then, you can go to the CAPS Gemini in Y Study,
3 which admittedly was just Europe, but all they did was
4 rate twenty services. So the point of bringing this up
5 is, bear in mind, as you look through these and you
6 look for best practices, think about the different
7 ratings, think about the applicability to your own
8 culture and your own environment, and the issues that
9 you're trying to solve before saying, gee, I want to
10 get to be number one. And I will just -- the reason
11 that we have this slide in here, and I'm just going to
12 point out a few things about a couple of the countries,
13 is as you go through these and you read, you know, what
14 some of these countries did, you know, well. Jot down
15 notes that are relevant to your environment. You've
16 got one the UN did, you've got CAPS Gemini, you've got
17 PWC, I mean, we pick a -- we can -- you know, the
18 world's littered with these, but there really are some
19 good environmental scans that can be done. One I want
20 to highlight, U.S., the only reason I want to highlight
21 U.S. is for E-procurement, they're doing E-procurement
22 aggregation now based on a lot of work that the GSA has
23 done, and from what we see in our environmental scan,
24 that looks like pretty much the best practice. Finland
25 I want to talk about, because when we get into digital

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 opportunities, they have done some very interesting
2 things. Not that you need to know this, I am actually
3 Finnish, I can't speak a word of it, so my mother is
4 not real happy about that, but there is a virtual
5 village in Finland that I cannot pronounce, where they
6 are doing some experimentation because in Finland the
7 wireless device is considered an extension of the hand,
8 and there's actually a Finnish phrase for that and if
9 you've been to Finland, it's pretty easy to see that.
10 They're doing in this remote area, text based messaging
11 in very simply government programs with a wireless
12 device as a different point of interaction.

13 Then another part of addressing digital divide or
14 digital opportunities is if you think about the
15 elderly, there's no way my mother would touch a PC.
16 The university systems over there are, if you're in
17 information technology, one of the things that you have
18 to do is train an elderly person, help provide training
19 in how to use PCs so they increase penetration. So
20 that's another digital opportunity.

21 So as you do these scans, look for things like
22 that. Another one -- because I read through about a
23 couple hundred pages of some of the major initiatives
24 to think about it is, look at the City of Chicago and
25 what they did with their civic net program and what

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 they've done, in that Telco bid is, basically and sent
2 Telcos to do drops in inner-cities so that businesses,
3 if they relocate to these inner-city areas, are
4 basically getting IT infrastructure for free. So there
5 are some practices out there in terms of how to deal
6 with some of these as well.

7 The purpose of this slide, is to stop, okay, the
8 purpose of this slide is really to say, you know, as we
9 see all these transformational things and it's, you
10 know, we see, particularly with welfare, no wrong door,
11 we want to make sure that at intake everybody gets
12 processed for the services that they need. When you
13 really look at these, you know, X percent of services
14 online by, you know, pick a place. We see that all
15 over the place. What does that mean? What types of
16 services? Is it information, is it a breadth of
17 services, what kind of depth of services? To really
18 begin to take these policy kinds of statements and
19 drill them down until what do they mean for my own
20 organization. So you can have dialogue with policy
21 makers, particularly as elected officials change
22 frequently, rapidly, so you can begin to drill up to a
23 policy level in terms of what you're to going do for
24 transformation.

25 Now I'm going to, like I said, I'm going to be

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 skipping some of these. I wanted to put up this slide
2 on connecting Canadians and service Canada. One of the
3 things that personally I like about connecting
4 Canadians in service Canada is, I understand that
5 connecting Canadians as a sound byte is all the
6 infrastructure, whether you agree or not, whether
7 everybody in Canada should have a PKI certificate, we
8 can debate that for a long time, but I like the way
9 that connecting Canadians really is the infrastructure
10 and service Canada is every application that rides on
11 top of it. And the purpose of these charts is, when
12 you really think about your interface systems, your
13 portals, your infrastructure and what goes in between,
14 and then the organization that has to deal with super
15 structure, all the legislative, all the regulatory
16 environment kinds of things, that these charts are
17 really nice, simple ways and we have these in research
18 notes, on how to present to a policy maker, since a
19 picture is worth a thousand words, what is really going
20 on? What are some of the components? And this is not
21 meant to be all of them for the customer facing the
22 delivery, or the structure, but just to give you a feel
23 of how you can use tools like this every day as you're
24 continuing to develop and implement your IT strategy
25 and plan.

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 And then from the first one we start drilling into
2 on this one on what some of the technologies are going
3 to really make that happen. In terms of legislation,
4 one of the things that we see among our customer base
5 as we move things online is, this is like the '70's.
6 We taking existing processes, we're moving them to
7 online government and we're not re-architecting them at
8 all. We're not looking at should we be changing
9 legislation, changing the way we do business, in order
10 to provide better customer service. And the State of
11 Arizona actually did, my home State, did a very good
12 job in that. They actually put people in field
13 offices, they interviewed folks, at DMV, so when you're
14 registering a vehicle, you're getting your driver's
15 licence, they said what do you like about the process,
16 what don't you like about the process. They put a
17 legislative package together extending renewal from
18 four years to six years, changing some of the driver's
19 licence renewal parameters, cut their cost per
20 transaction from ten fifty to four fifty, but they also
21 did that basic fundamental change. So as you keep
22 going through the next reiterative processes, one of
23 the things you're going to need to think about are some
24 of those fundamental changes as well.

25 Just putting up -- one of the things that I like

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 about this Arkansas slide is if you look at the first
2 thing it says here, it says, "welcome to the latest
3 edition'. Latest edition. Right? Ongoing change.
4 They revised this and they look at the side, they look
5 at the hips, the look at the navigation about every
6 four to six weeks. So again, that whole change
7 management is part of the ongoing portal environment.

8 And I'm going to go -- skip through the next
9 couple of slides. When we talk about some of the
10 options here, the next four slides, we talk about
11 extending service offerings, enhancing service
12 offerings, doing new ones. The idea here of this set
13 of four slides, is that you can take these questions,
14 look at the services that you're currently providing,
15 and say, what can I start to do to enhance what I'm
16 offering, to change what I'm offering, and to continue
17 the whole concept of extension of service. An
18 extension of service so it gets to the point where
19 there's a lot of cross collaboration as well.

20 And when we talk about one of the awards last
21 night, when we talk about one of the extensions, we
22 talked a little bit about economic development, well,
23 one of the best practices, we heard last night about
24 some of the processes that go with that. The next
25 extension of that award last night would be, I'm going

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 to take senseless data, I'm going to integrate that so
2 I know the skills of the labour force in the area, I'm
3 going to take information on property, so if I'm going
4 to open a manufacturing plant in Victoria, I know the
5 cost of land, I'm going to look at the cost of housing,
6 so I have a whole package for business to be able to
7 decide, do I want to relocate. So some of those things
8 when you think about you've done, starting to look at
9 some of those extensions and moving forward.

10 E-democracy, there's two research notes in your
11 handouts on E-democracy. The major focus here, and
12 we'll see a lot of it at the local level, is moving
13 from a transactional based interaction with government
14 to more ongoing participatory environment, a more
15 ongoing participatory environment, and then really
16 enabling citizens to start to participate in terms of
17 what we're going to be spending money on as well.

18 And you will see in the research note, one of the
19 research notes, that discusses the phases of E-
20 democracy. Also there is a security infrastructure
21 when you get to E-voting in terms of really knowing who
22 you are, being able just to vote once, all the non-
23 repetition requirements that go with that as well.

24 Like I said, this is a really quick tour.

25 CRM. Basically think about, and our vendor

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 clients don't like to hear this, think about what
2 you're doing in terms of operational CRM. Your help
3 desk, your hand-offs to application services, how
4 they're crafted now, what kind of SLA's you have in
5 place, so you can begin to look at that architecture,
6 you can look across a department at the, you know,
7 typically ten application help desks in a large agency
8 and start to say, where's some commonality, how am I
9 going to begin to glue these together. So you can
10 begin to develop the foundation to move CRM forward.
11 So you begin to think of CRM as a shared service layer
12 across a department. And then, beyond that,
13 potentially across several government agencies that are
14 delivering the same process. It's a tough one. Most
15 of our clients right now are focussed on that
16 operational component and trying to get that portion
17 straight. But if you think about efficiency, you think
18 about effectiveness, and you think about all of the
19 things we've already done, datason or consolidation, I
20 mean, you've done network, you've done most of the
21 infrastructure kinds of stuff, now it's time to take
22 to, you know, ratchet that up a notch, and in
23 ratcheting that up a notch, we get to CRM, we get to
24 some server consolidation if you haven't done that, we
25 get to the tough stuff, the applications and the cross

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 polaritive applications across government. And we
2 fundamentally believe you're going to see more of that
3 because tax revenues are down, the economy is not
4 exactly in the most wonderful position right now, so
5 that driving efficiency by greater collaboration,
6 greater sharing, really is a good of government kind of
7 thing. So when you get five provinces using the same
8 travel and expense claim system, or you get five states
9 in the U.S. using the same system for youth and adult
10 corrections in the west, and sharing that and setting
11 up the government structures to make those happen, you
12 really need to think in those terms to ensure that that
13 occurs.

14 When you talk about applying CRM to all program
15 models, we have a model that we work on a lot, it's
16 called Engaged Transact Fulfil and Service. For each
17 customer type, an employee, a business, a government-
18 to-government relationship, how you do that service is
19 going to change, so you basically have to begin to map
20 those strategies so you can really think about how
21 you're going to improve those strategies to citizens.
22 Again, it's buy-in from the top and I want to do one --
23 a couple of examples pretty quickly.

24 You know, when you look at the information, the
25 value drivers here, you say, who are my most valued

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 customers? We have a captive audience, right? We
2 don't have valued customers. Yes -- yes, we do. Let
3 me give you tax example from the State of California.
4 When they went through call centre re-architecture, and
5 we were working with them on this, we said, okay, lots
6 of debates, who is our most valued customer? Our most
7 valued customer is the individual taxpayer who pays
8 their taxes on time with a hundred percent, ninety
9 percent, you know, some degree of accuracy that we
10 never need to talk to. In our CRM strategy as we look
11 at how we're going to engage and do transaction with --
12 with them, we want to ensure we increase that
13 penetration, because guess what, that increases our
14 efficiency and lets us deal with some of those cases
15 that are more difficult. Same thing on the business
16 side. They have the same kind of answer. So you
17 really have to think about that, there are valued
18 customers within government. It's just changing the
19 mindset to what that means within -- within our
20 context.

21 I am really sorry to have to do this guy this
22 fast. So, here's -- here's a couple -- there's two
23 examples in here of the -- of the CRM Engaged Transact
24 Fulfil and Service. This one was done by a State that
25 was redoing their entire DMV processes, and you notice

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 they added two to the top, and I think this is really
2 significant, product development includes legislative
3 and regulatory changes. Sometimes we think that, well,
4 we got to keep it the way it is. That, you know, that
5 we're -- we and IT are separate from public policy, but
6 we also have the obligation of taking the step and
7 really linking that a lot closer with public policy.
8 And then doing the market research, going out to a
9 field office and say, is this application easy to use?
10 Can you use it online? How do we need to change it?
11 Doing that kind of market research. What would make
12 you want to use the application online more? UK does
13 that by in statute, they have ten thousand folks
14 throughout the country, different social, economic
15 characteristics, that look at applications and really
16 end up doing some of that market research since they
17 have to have, I think, it's eighty percent of their
18 transactions online by the end of 2004, citizen facing.

19 And this is another example for the E-employee.
20 Okay, when you talk about measurement and performance,
21 these are kind of all the buzz words we hear about in
22 measurement and performance. Any of you that have
23 looked at what's going on in the U.S. right now in
24 terms of performance measurement, I would probably not
25 look there for a role model right now. Very much at

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 the initial stages of doing assessments with agencies,
2 getting, you know, cost accounting issues right,
3 dealing with general accounting reports on, you know,
4 we still have DOD that still can't close its books and
5 hasn't been able to for four years. And that's --
6 that's kind of a fun story, but not if you're there.
7 So, anyway, we're -- we're really still focussed on
8 very, very fundamental efficiency measures. So when
9 you start looking at, you know, are we going to include
10 societal measurements. Kansas actually -- Kansas and
11 Iowa have pretty good models for including societal
12 measurements. The State of Florida, you know, a
13 strategic plan is a strategic plan, well, this is one
14 worth taking a look at. The reason it's worth taking a
15 look at is for everything they're going to do, it could
16 be service consolidation, it could be doing something
17 to do more network consolidation, it could be a new
18 application. They have one to two, one to two, no
19 more, measurements that they're going to track in terms
20 of how effective it is. What the Governor does with
21 those is very interesting. Because they create
22 efficiency and because we float bonds in government, he
23 actually, Governor Bush, actually uses those for bond
24 ratings. So from that sense I think it's a much more,
25 you know, that's kind of an innovative strategic plan.

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 So that's what I'm saying, you've got to kind of, you
2 know, do environmental scans, look everywhere, those
3 are things that we certainly can help you with.

4 Taxpayer accountability. State of Idaho, potato
5 state, well, they have the concept that every citizen
6 is a shareholder in the state and they're trying to put
7 together a -- a metric of what is, these are also
8 interesting discussions, what is that shareholder value
9 to be a citizen in the States. And I was amazed when I
10 came up on Horizon Air and Governor Kempthorne is very
11 active in IT. He -- he would have a group like this in
12 a room for two days and we would be talking, I've
13 spoken at these panels many times, with legislative
14 staff, with legislators, on how we're going to move the
15 state forward. Well, Horizon Air had a whole, you
16 know, fifteen, twenty pages on what Idaho was doing in
17 terms of economic development and you can clearly see,
18 or I can from that involvement, on how that's reflected
19 in IT policy as well. So there's -- there's all kinds
20 of, as you -- as you look at, you know, these are not
21 just buzz words, these are things that we have to
22 implement and have to look -- look at doing as well.

23 And I'm going to skip some of the -- I know that
24 I'm like running out of time. I want to spend, before
25 I conclude, a little bit of time on cross government

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 collaboration and a little bit on business
2 intelligence, data warehousing, that kind of thing.
3 With the mandates for cross government collaboration,
4 one of the things that we really need to do when you
5 look at the lowest level of the chart, you look at
6 data, you look at simple reporting, is offload, look at
7 how we're going to take this -- this information and
8 these processes and get these rationalized so we can
9 spend time and move up the food chain and move to the
10 higher value stuff. And I'll give you an example.
11 With the unfortunate events in Maryland, Virginia,
12 D.C., they have looked at and they've been working
13 together on some process issues across law enforcement
14 and emergency services. They've look at how they can
15 begin to routinize that more so they can move up that
16 food chain so that they can -- so they really, when
17 they really need the intelligence that's required of an
18 individual that's got to analyze, you know, all this
19 information, that they can really focus on those higher
20 level issues. Like right now, integrating information
21 from the national bullet database registry system is
22 one example. And we're going to see a lot more of that
23 cross collaborative, a lot more of that drive to move
24 to higher levels of information, taking ourselves out
25 of that process in the public sector so that we can

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 really begin to do that higher level analysis.

2 I'll just give you one more example, criminal
3 justice. We know the prison population, we tend to
4 know rates of recidivism, we know from census data who
5 is moving into an area, a little bit about the
6 demographics of the individuals moving into the area,
7 so from that, when you look at the prison capital
8 outlay budget cycle, it's a two or three year cycle.
9 If I can take that information, if I can take that
10 data, begin to move to some modelling integration, I
11 can begin to predict the types of prison population I'm
12 going to have over time, I can begin to look at my
13 capital outlay budgeting for prisons, and do a much
14 better job of knowing how many max or minimum security
15 prisons I might need. So we're starting to see our
16 clients beginning to work in those areas, and when they
17 get the first piece done and they get to like an
18 enhanced initiative, okay now, what's that next piece
19 of data? How am I going to start to integrate that in
20 so I can begin to take this and move this up the chain
21 and increase the velocity, increase the -- the rapid
22 response, and add greater value to information.

23 Okay, so the bottom line here, there's a lot of
24 capability for government transformation. I think it's
25 really exciting how close public policy and IT are

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 getting glued together. We've got thirty-six states in
2 the United States. We're going to have new governors
3 after November. That means transition teams, that
4 means revisions in public policy. For the first time
5 in history, we've never had that many. We've got a new
6 Office of Homeland Security that's going to combine
7 twenty -- parts of twenty-eight different federal
8 agencies and here's -- here's ERP Nirvona, combine a
9 hundred and three various federal fund sources.
10 Tremendous impact on what's going to happen. Every
11 time we have an election, every time there is a change
12 in public policy. We do -- we do the trend
13 teleconference on this and we called it transition
14 planning. You really need to say that, public policy
15 change, it could be economic development, it could be a
16 greater educated workforce, India is an example of a
17 country that does score-carding on greater education in
18 the labour force and what it means to gross domestic
19 product. Every time we make those changes we have an
20 opportunity to be engaged with the policy makers and
21 say, how does this affect information technology? How
22 do I need to change my categorical funding sources, my
23 -- my funding across shared services. So it's a --
24 it's a fundamentally great time to be involved and to
25 be engaged in those. And it's going to be ongoing.

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 This is not, you know, I certainly remember the '70's
2 and, you know, code on systems and thrown over the
3 wall. We've got this perfect IT system for you and,
4 you know, excuse me, but don't bother us for another
5 three or four years, just use it as it is, you'll love
6 it. That's -- that's -- we've got this ongoing
7 transformation, this ongoing change. The good news is,
8 the software can do it. That's not the tough part.
9 It's the government's models, it's the engaging with
10 the public policy makers that is the tough part that we
11 need to deal with. And then we're going to see
12 measurement, effective measurement, partially because
13 of budget pressure, partially because finance is so out
14 of sync with public policy at this point in terms of
15 how elected officials are looking at online government.
16 So we're going to see some fundamental shifts in how
17 funding is going to change and how funding is going to
18 get glued together. And again, you know, the bottom
19 line, the toughest, you have to think change. There's
20 going to be a culture of change within your
21 organization at a velocity never before and what you
22 have to do -- the bottom line on that one is, there was
23 a phrase that I used to hear in government a lot, it's
24 like, we'll be here when you be gone. So those are the
25 folks that you have to address and with that I'll turn

Carol Kelly, Vice-President, Government Strategies,
Meta Group Canada Inc., October 17, 2002

1 it back over.

2

3 (END OF PRESENTATION)

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25