



3rd February, 2006

Strategy Team
e-Government Unit
Cabinet Office
3rd Floor, Stockley House
130 Wilton Road
London SW1V 1LQ

Response to “Transformational Government – Enabled by Technology” – Strategy Document

1. Introduction

- 1.1 The aim of this note is to describe the response to the “Transformational Government – Enabled by Technology” strategy document (CM 6682) published by the Cabinet Office in November 2005.
- 1.2 The views expressed in this note are those of Keystar Consultancy Services (KCS) only and should not be attributed to any other party.
- 1.3 Should members of the Strategy Team wish to respond or discuss the contents of this note further KCS would welcome an airing of the views expressed here.

2. About KCS

- 2.1 Keystar Consultancy Services (KCS) was established in 1993 and is a leading independent management consultancy operating in the financial services, retail and public sectors, delivering leading edge business and systems solutions. Capabilities include strategic business and systems change, rapid systems development, e-business applications, system selection and user-centred developments. KCS has a prestigious client list and a good track record in the Public Sector, Life and Pensions, Wealth Management, and Health and General Insurance marketplaces. Recent work includes:
 - Business / Systems Architecture consultancy in a major UK government department;
 - Organisational / governance consulting in a major Life Assurance company;
 - Strategy consulting for an outsourcer in the UK Financial Services Sector;
 - New Product Development IT Servicing Strategy for a niche pensions provider.

KCS consultancy staff are currently working in Siemens (Passport Office contract) and DWP, and have recently completed assignments in HMRC and the Cabinet Office.

- 2.2 For more information about KCS, including details of methodologies and capabilities, please visit www.keystar-consultancy.com

3. The Issues

3.1 *Current Position*

We see the challenges of the current situation as follows:

- Lack of detailed knowledge of the government IT spend;
- Planning legacy system replacement and the development of new services is “stove-piped” within departments, and then often internally confined to divisions or agencies, without a cross-department / departmental view;
- Government departments lack clear guidance (perhaps proscription would be better) in COTS take-up and use;
- There is still very little linkage between organisational and transformational change (re-engineering) and related IT delivery;
- The “spotlight” of public accountability has led to a risk averse attitude to change in some areas, by SROs and IT partners;
- There is still a long way to go to assure consistent, successful IT project delivery.

3.2 *Know the Citizen*

Given the volume of information most front-line government departments/ Agencies / local authorities have about citizens, it is surprising that little accessible information exists about segmenting citizen groups, lifestyle event mapping, predicting citizen “touch points” with government and determining channel strategies that make sense to the citizen as well as efficient transactional services for government.

It would be quite unusual to talk to a UK financial services sector provider who has not undertaken such research and who would be consequently planning a large element of their IT portfolio delivery around such strategies. The DirectGov initiative has spurred some successful research in this area, but this ignores the large amount of department / agency / and LA activity not involved in this initiative.

There is a requirement for central guidance of this type of research and consequent cross-departmental analysis that will help drag the next generation of services out of the “stove-pipes”.

3.3 *Transformation*

Using IT as an enabler to bring about transformation is made all the more difficult in the UK government sector because of the lack of a uniform methodology for defining, planning and executing business change. The triad of People, Process and Technology is rarely planned and executed in an integrated way to deliver transformational objectives. This

makes transformation disjointed and “hit and miss” and suitable for only small scale process change, rather than full scale re-engineering across departments. Little attention appears to have been paid to this deficiency, yet it drives much of the governance deficiency, lack of business buy-in, and poor realisation of business benefits that bedevil public sector IT delivery. The problem appears to be viewed as a departmental one, whereas a strong central lead is the speediest route to success in this area.

3.4 IT Delivery

The author of this note is well aware of public sector IT projects, spending tens of millions of public monies, which have sailed through OGC Gateway Reviews with limited qualification, only to be aborted as not delivering by the relevant departments within weeks or a few months. The proposals made thus far for improving IT delivery are sensible and timely but need re-enforcing with a more robust internal audit and Gateway Review with 100% coverage of projects and a more critical view of business / IT / partners performance. The problem is less in the process (the OGC Gateway Review process is sound) but in its consistent appliance and coverage. Improving this will ensure fewer abortive and off-track projects.

4. Conclusions

- 4.1 The conclusions that KCS draw from a brief review of the Strategy Document is that it contains much good common sense, is a step in the right direction and its publication signals real intent to improve government efficiency and effectiveness.
- 4.2 The strategy would, we believe, have more chance of success if central guidance (meaning governance, funding and pump-priming resource) were developed in the areas of:
 - Citizen market segmentation, lifestyle event prediction and consequent channel strategies;
 - Development of a robust and standardised methodology for business change that tightly couples IT to people and process re-engineering;
 - Reinforcement and widening of the scope of Gateway and similar reviews, ensuring that business, IT and partners all have a say in the viability of projects at review time.

Bruce Spicer
Keystar Consultancy Services
Abbey House
Grenville Place
Bracknell RG12 1BP
Tel: 01344 423996
Fax: 01344 424024
Email: bs@keystar-consultancy.com

