

e-Business Transformation – Management and Technology Perspectives



Stephen Mak
Acting Deputy Director

**CSTDI Directorate Seminar on
Electronic Service Delivery in the e-Government Era
15 February 2001**

Agenda

- The ESD Experience
- From ESD to e-Government
- Important Concepts and Critical Success Factors
- Way Forward



The ESD Experience - Achievements



- Successful proof of concept; pioneering business model
- Diversified transactions with real transfers of services and money
- Government leads by example, fostering growth of e-commerce industry in Hong Kong
- Accelerates the establishment of PKI and legal framework for secure electronic transactions
- Derives values from legacy systems
- A strategic component of the e-Government infrastructure

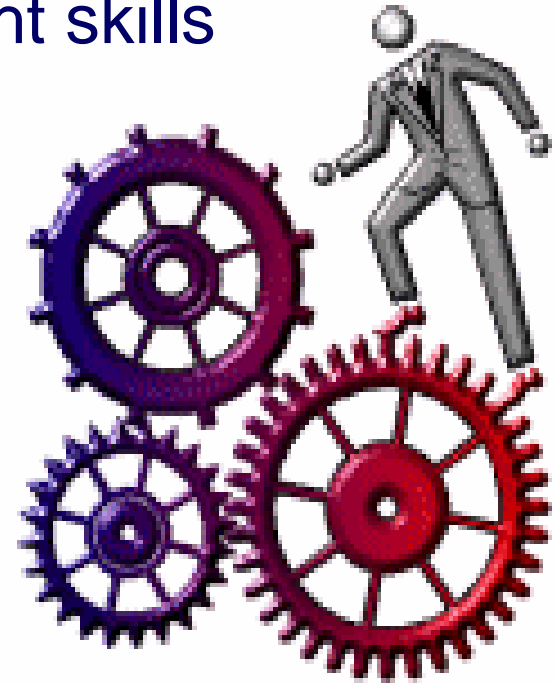
The ESD Experience - Project Management Challenges

- Large scale - over 2,600 man-months of development effort; more than 25,000 test cases
- Tight schedule - 11 month delivery period
- Multiple parties, different views
- Interwoven communication and coordination
- Interdependencies with external parties
- 7x24 requirement for ESD services
- Stringent information security requirements



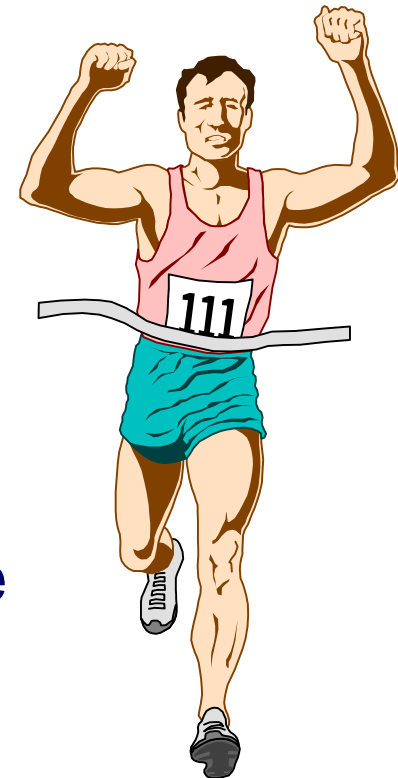
The ESD Experience - Meeting the Challenges

- Adopt proven project management methodology
- Emphasize teamwork and partnership
- Acquire sufficient resources with right skills
- Adhere to defined change control processes rigorously
- Adopt clear escalation procedures
- Maintain communication and provide positive feedback - a human side to the project



The ESD Experience - Meeting the Challenges (cont...)

- Maintain extremely tight monitoring window
- Maintain business-like relationships with external parties
- Minimise uncertainty by flexible and modular design
- Encourage users to re-engineer existing procedures
- Foster strong commitment to roll-out date



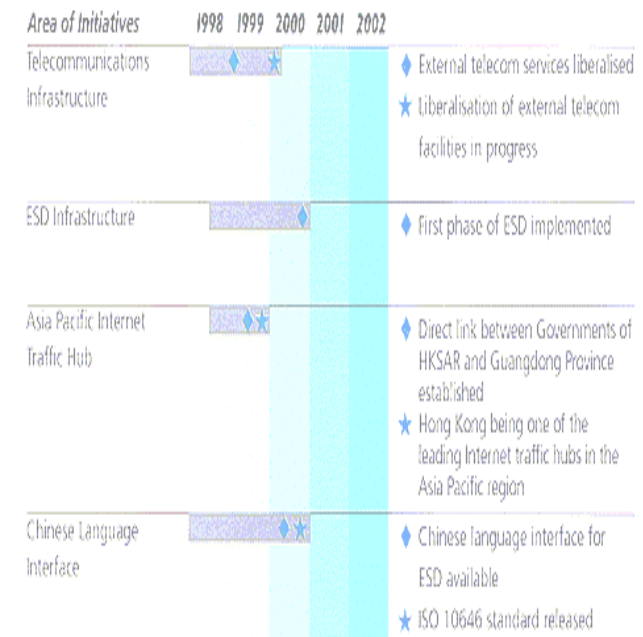
The ESD Experience - Beyond Projects to Endeavour Management

- Projects :Managing within boundaries
- Programmes : multiple objectives, cross organizational boundaries, evolving scope
 - Co-ordination of multiple projects
 - Envision and working towards the “bigger picture”
- Endeavours : major strategic initiatives, fundamental changes, evolving objectives
 - Multiple players working in concert
 - Leadership to create a whole greater than the sum of its parts
 - Adjust in response to moves by competitors and market changes as well as more self-knowledge

(Excerpt from “Beyond Projects to Endeavor Management”, 28-04-2000. GartnerGroup owns the copyright. Reprint with permission.)

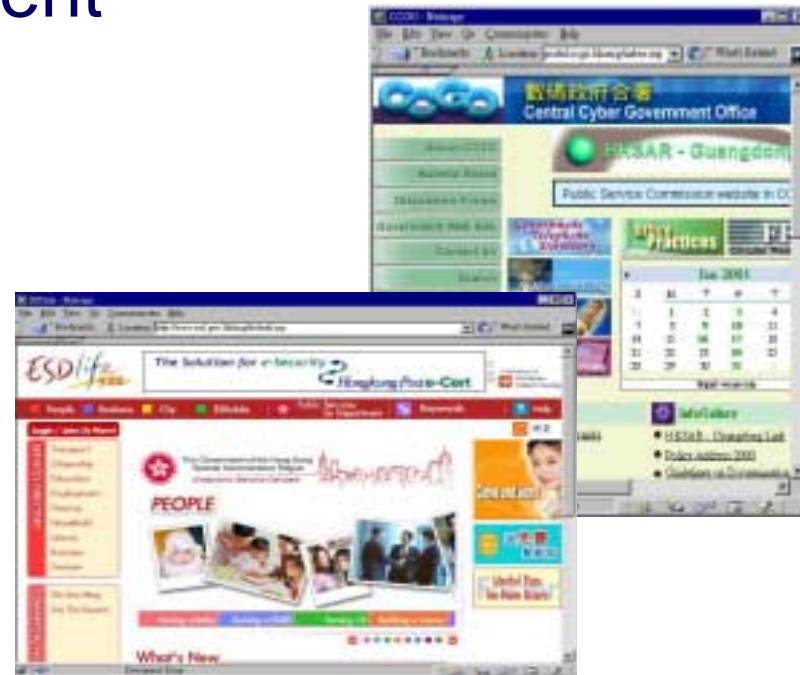
The ESD Experience - Immediate Plans

- Additional ESD transactions
- e-Form Utility Service
- Enhance application architecture
- Increase transaction volume
- Showcase for prospective content and application providers



The ESD Experience - Medium Term Plans

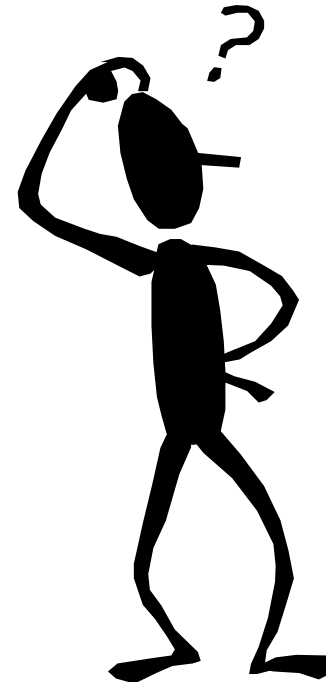
- Convergence and integration with enhanced e-Government Infrastructure
- Strategic portal into Government / HKSAR



From ESD to e-Government

The following are probably on your minds -

- What is this business of e-Government?
- Why should we embark on e-Government?
- Are we ready?
- What else do we need?
- What are our targets?
- When do we start?
- When do we stop?
- Who are our partners?



From ESD to e-Government : What is this business of e-Government?

- Hong Kong's strategic positioning in the global e-community

Business
Environment

Skills and
Culture



Financial
Centre

Logistics
Centre

Telecommunications
Infrastructure

From ESD to e-Government :

What is this business of e-Government?

- We are at the 3rd era of IT development
With the following characteristics

- Collaborative working
- Enterprise and industry integration
- Emphasis on value creation



From ESD to e-Government : Why are we doing it?

Trends: social-economic, technology, industry, citizen expectations

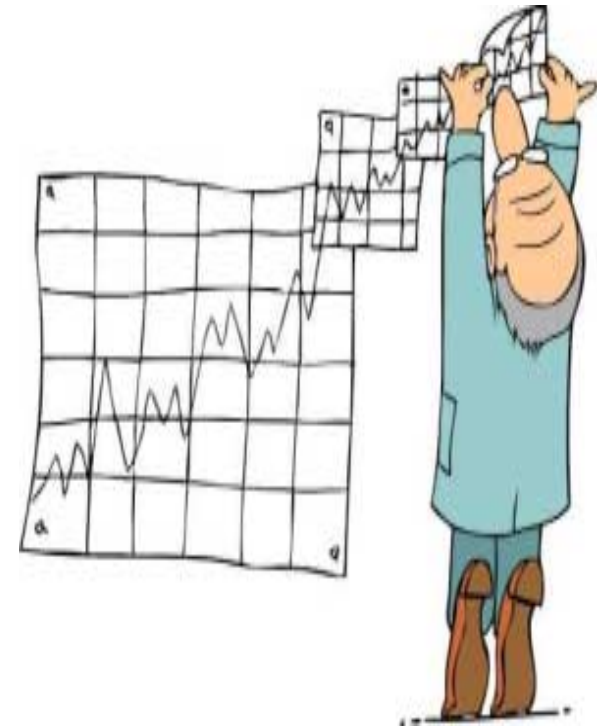
- Convergence of media
- Abundance of bandwidth
- Rapidly improving cost / performance of computers
- The age of interconnectivity
- Diversity of channels
- 'Growing Up Digital'



From ESD to e-Government : Why are we doing it?

Practical motivations for e-business and e-Government

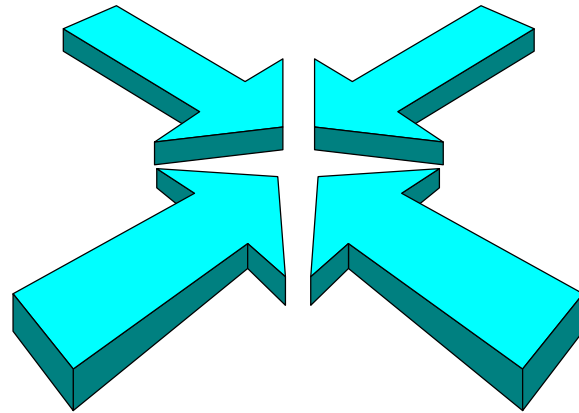
- Industry value chain restructuring
(You either lead or you follow)
- Electronic commerce requirements
(Voluntary / compulsory)
- Service transformation
(You know you can do better)
- Product transformation
(Improved revenue and services)
- Organisation transformation
(EPP, organisational agility)



From ESD to e-Government : Are We Ready?

The four essential pillars of e-Government readiness

Leadership



**Competencies and
capacities**

**Governance/
Management
Framework**

**Technology and
infrastructure**

From ESD to e-Government : Are We Ready?

The 10 key components of a strategic e-business environment

- Real time messaging architecture
- Data warehouse capability
- One to one ratio of computer access capability for staff
- Consistent and customer-centric browser interface
- Directory services (including PKI directories)




From ESD to e-Government : Are We Ready?

The 10 key components of a strategic e-business environment
(cont...)


- Robust and secure Web site
- Self-service functions as the norm
- Commitment to information transparency
- Extended enterprise – abundant use of alliances / partners
- Knowledge management functions



From ESD to e-Government : Are We Ready?



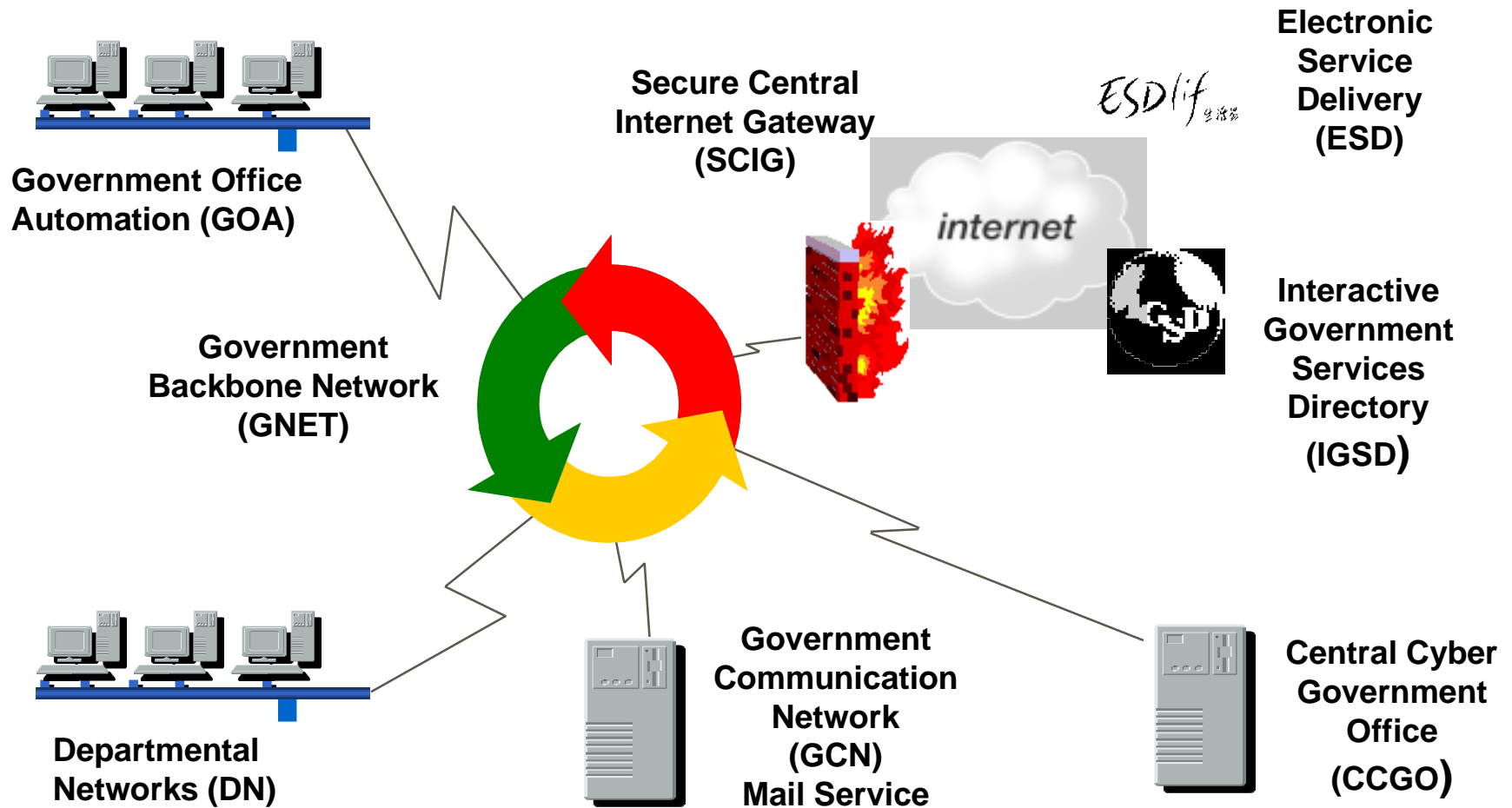
Our e-Government enabling factors

- Legal framework
 - Infrastructure
 - Public Key Infrastructure
 - Government Public Key Infrastructure
 - Directory services with white pages and yellow pages
 - Chinese language interface: ISO 10646 Ext A + HKSCS
 - IT security: ISMC/ITSWG, SR/security policy, HKCERT/CC
 - Strategic planning - technology and best practice surveillance
 - Review of the Government Systems Architecture (a technology and application framework for the conduct of secure electronic transactions)
- 

From ESD to e-Government : Are We Ready?



Our strong base of strategic IT infrastructure facilities



From ESD to e-Government : Are We Ready?

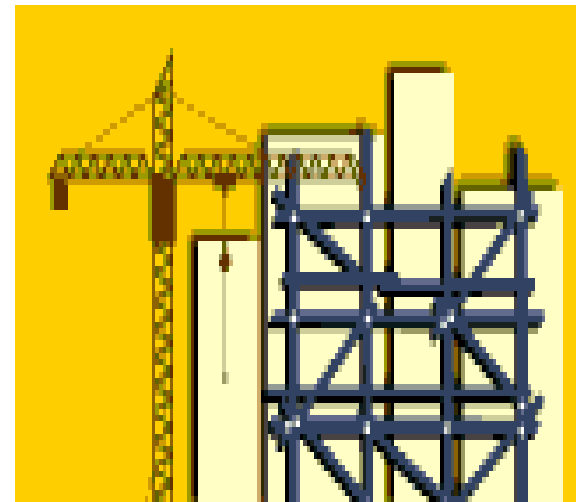
Yes!



From ESD to e-Government : What Else Do We Need?

Other common electronic services and facilitation planned

- Componentised solutions to support e-business
 - Digital publishing
 - Customer Relationship Management (CRM)
 - Supplier Relationship Management (SRM)
 - Lifelong learning
 - Webcasting and video streaming
 - Mobile channels
 - Enterprise Resource Planning (ERP)
 - Electronic archiving
 - e-Forms
- e-business standards



From ESD to e-Government : What Else Do We Need?

The Right Mind Set

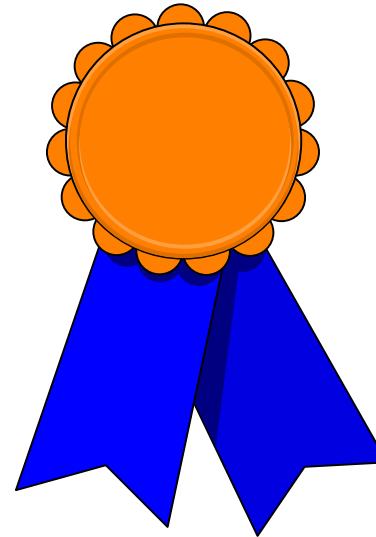
- Recognize the big picture
- Align information strategy and business strategy
- Think Big – but implement incrementally
- Recognize both internal and external customers and adopt completely customer-led processes



From ESD to e-Government : What Else Do We Need?

Adopt e-business best practices and design considerations

- Zero Time* disciplines
 - Instant value alignment
 - Instant learning
 - Instant adaptation
 - Instant execution
 - Instant involvement
- Choiceboard designs
- Reversing the value chain

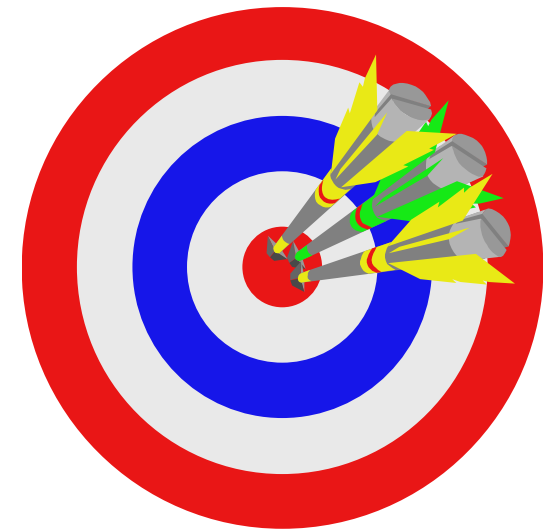


Customer (information) → channels → offering →
inputs → assets(outputs/services)

(*Zero Time is a trademark of Raymond Yeh)

From ESD to e-Government : What are Your Targets?

- You set them in accordance with your customer needs and your business strategy
- You design and map out your e-Endeavours, Programmes and Projects and manage them with appropriate management structures
- You set multiple targets for different groups of customers, businesses and transactions



From ESD to e-Government : When Do You Start?

NOW!



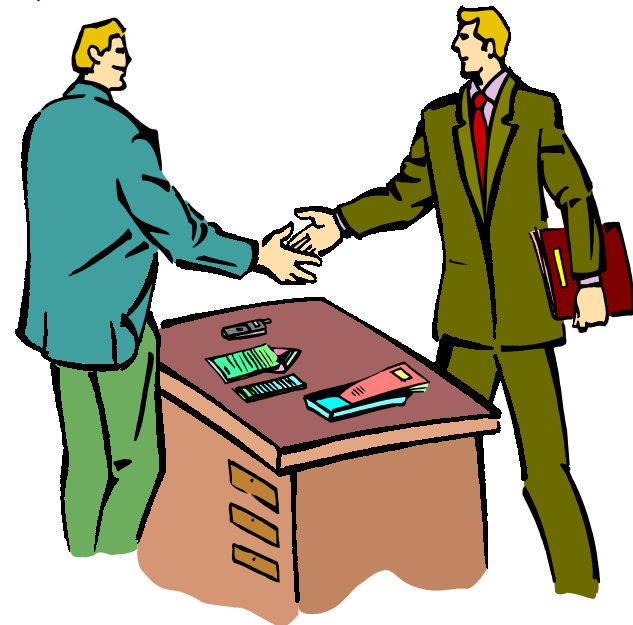
From ESD to e-Government : When Do You Stop?

You don't unless you close down
your bureaux/department or you stop
business planning



From ESD to e-Government : Who are Your Partners?

Aggressively strike up alliances and partnerships with other units of your organisation, other bureaux / departments, industry players and product / service providers



ITSD - Your partner for e-Government



Thank You