



CS Transform Franchise Marketplace 2.0

A solution for citizen-centric
government delivery

Contents

Introduction	2
Some of the challenges governments face	3
• Key challenges	3
• The developing needs of citizens	3
• Disappointment with e-Government	3
• Cloud computing and Web 2.0	3
Responding to these challenges: the Franchise Marketplace 2.0 solution	4
• What it is	4
• A unique solution	4
• Core principles	4
• Key features	5
How we can help	6
Appendix: case studies	8
• 'Ask Just Once' Programme - Government of South Australia	8
• Directgov - UK	9
• GovHK - Hong Kong	10
• Mojauprava - Croatia	11
• Abu Dhabi	12

Status of this White Paper

This document is Version 1.0 of the White Paper, published in November 2009. We will keep its contents under review, posting updated versions of the White Paper at www.cstransform.com to reflect the ongoing development of this agenda and comments on this version by users and practitioners.

If you would like to comment on this document - or to find out more how CS Transform could help you deliver citizen-centric government - please email us at impact@cstransform.com.

Introduction

CS Transform is a consulting business which is committed to helping governments deliver citizen service transformation. As part of that commitment, we are publishing a series of White Papers dedicated to understanding citizen service transformation and how governments can make it a reality. Our first White Paper - "Citizen Service Transformation: a manifesto for change in the delivery of public services" - sets out an overview of our approach, which has been built through working with over 35 governments around the world.

In this White Paper, we explore in more detail one of the central components of citizen service transformation: the business model for joining-up government through a one-stop, citizen-centric service.

Our first White Paper argued that, for the most part, the transition to e-government has involved overlaying technology onto the existing business model of government: a business model based around unconnected silos, in which policy-making, budgets, accountability, decision-making and service delivery are all embedded within a vertically-integrated delivery chain based around specific government functions. The experience of governments around the world over the last two decades is that this simply does not work.

A new business model is required, which is focused around citizens, and not the structure of government. The solution is Franchise Marketplace 2.0.

Since its original development for Directgov in the UK, this business model has been adopted by governments in Hong Kong, Croatia, South Australia, Abu Dhabi and Queensland. The experience from all of these applications is now contained in CS Transform's Franchise Marketplace 2.0 solution. The solution is a detailed and fully-supported methodology for delivering citizen-centric government. Franchise Marketplace 2.0:

- Improves citizen satisfaction with government delivery
- Enables government to reduce the cost of service delivery
- Is low risk and low cost, using proven processes and technology

The Franchise Marketplace 2.0 solution is able to join-up government delivery, and increase service quality to government customers. It does this by combining marketing and business operating disciplines from the commercial sector, with governance and operating processes that are designed specifically for a government environment. In addition, the Franchise Marketplace 2.0 solution:

- Provides an environment for mixed-economy delivery involving private and public sector organisations, and involvement of citizens
- Enables government to take advantage of Web 2.0 technologies in a trusted environment
- Is designed specifically to take full advantage of cloud computing environments
- Is technology neutral

This paper provides an introduction to the operating principles of the Franchise Marketplace model for delivery of citizen-centric government, and provides examples of the Model's implementation.

'Everything that the team at CS Transform said would happen has happened! They are extremely good at handling government people, as they know government inside out themselves. We have successfully used their roadmap to implement their detailed delivery model and have learnt a lot from working with them. I have no doubt they are the leaders in Citizen Centric service delivery.'

Jan McConchie

Programme Director for the Single Entry Point programme
South Australia Government

Some of the challenges governments face

Key challenges

Governments face two significant challenges:

- Citizen needs are changing - they are demanding more, they want services to be better, they want things delivered faster and they are less tolerant of poor delivery
- Over the coming years, it seems inevitable that, most governments will have less money to meet growing citizen expectations

So governments are facing the significant challenge of delivering more for less - and very quickly.

On top of this, there are many governments, at all levels, that now strive to do their business in a more environmentally friendly way.

The developing needs of citizens

There is a growing consensus that citizen-centric government delivery is required in order to have a successful e-Government programme. Where governments are less certain is in what this means; both in terms of the impact on how governments do things, and what the end result is for citizens.

Key to delivering citizen-centric government, is understanding citizens' needs. There is a growing base of international research that shows one key requirement from citizens which seems to be common across all countries:

Citizens do not want to navigate the administrative or political structures of government in order to get information or consume public services. They want everything in one place - regardless of whether it is from central, regional or local government - and focused around their needs.

This is a fundamental and perfectly understandable requirement - but one that demands a profound change in the way governments deliver their services.

Disappointment with change-Government

Technology is not the key to that fundamental change. While ICT has long offered the promise of being able to improve service delivery and reduce costs, the reality is that governments have spent huge amounts of money without being able to realise the benefits.

An increasing number of governments are now starting to move away from "e-Government", and to address the much broader and more complex set of cultural and organisational changes which are needed if ICT is to deliver significant benefits in the public sector. This is the process which we call citizen service transformation, and the Franchise Marketplace 2.0 solution lies at the heart of that process.

Cloud computing and Web 2.0

Meanwhile, two new forms of technological innovation are emerging in the market place, each of which offers the promise of benefits. But - much like previous waves of technology - they each come with their own challenges.

Cloud computing - the dynamically-scalable set of computing resources now being offered as a service over the Internet - may well be a watershed in the ICT marketplace, offering scope for significant efficiency savings in government ICT. But realisation of its key benefits will require a paradigm shift in governments' approach to information security. Possibly the biggest threat to the effective use of Cloud computing by governments is a desire to change it to fit in with current approaches to information security, and so lose a critical mass of its key benefits. More broadly, Cloud computing also requires governments to solve the governance and funding issues which have often hampered the use of shared services in a traditional non-cloud environment.

Similarly, **Web 2.0 technologies** open up potentially exciting new benefits - in this case, the promise of a more open, participative and innovative approach to public services. But again, governments are at present largely seeking to bolt such new technologies on to an old business model.

In both cases, new technology is opening up significant potential benefits, but governments will struggle to overcome those challenges without first addressing the need for significant business model innovation.

Responding to these challenges:

the Franchise Marketplace 2.0 solution

What it is

The **Franchise Marketplace 2.0 solution**, is a complete business solution for delivering customer-focused, citizen-centric government service delivery. It is unique in that it provides governments with a complete business model, implementation roadmap, and supporting collateral and applications.

Key deliverables are:

- Increased customer satisfaction
- Reduced cost of delivery

Key benefits are:

- Removes the need for customers to understand how government is organised
- Provides a better customer experience that generates higher take-up of e-services
- Enables government to join-up internally, across territories and vertically
- Provides a safe and efficient way of involving third sector, commercial organisations and individuals in government service delivery

Key features are:

- Proven
- Low risk
- Technology neutral
- Fully supported
- Involves knowledge transfer for ongoing government implementation
- Licensable IP, training and support for use by local vendors
- Provides a common business platform for joined-up service delivery across all channels
- Designed to take advantage of Web 2.0 and Cloud computing environments

A unique solution

The **CS Transform Marketplace 2.0 solution** is based on three core components:

- An underpinning franchise-based business architecture
- Brand and marketing-led operating processes
- Detailed implementation and operating processes tailored for each government.

It is unique in a number of respects. In particular:

- It is designed specifically for the government sector
- It is business led - not technology led
- Its implementation and operation are supported by detailed processes that are unique to each application - it is not simply a set of high-level principles which governments are left to interpret
- It is mature and proven - having been used successfully in the UK for five years

We believe that it is **the only turnkey solution for citizen-centric service delivery** available to governments.

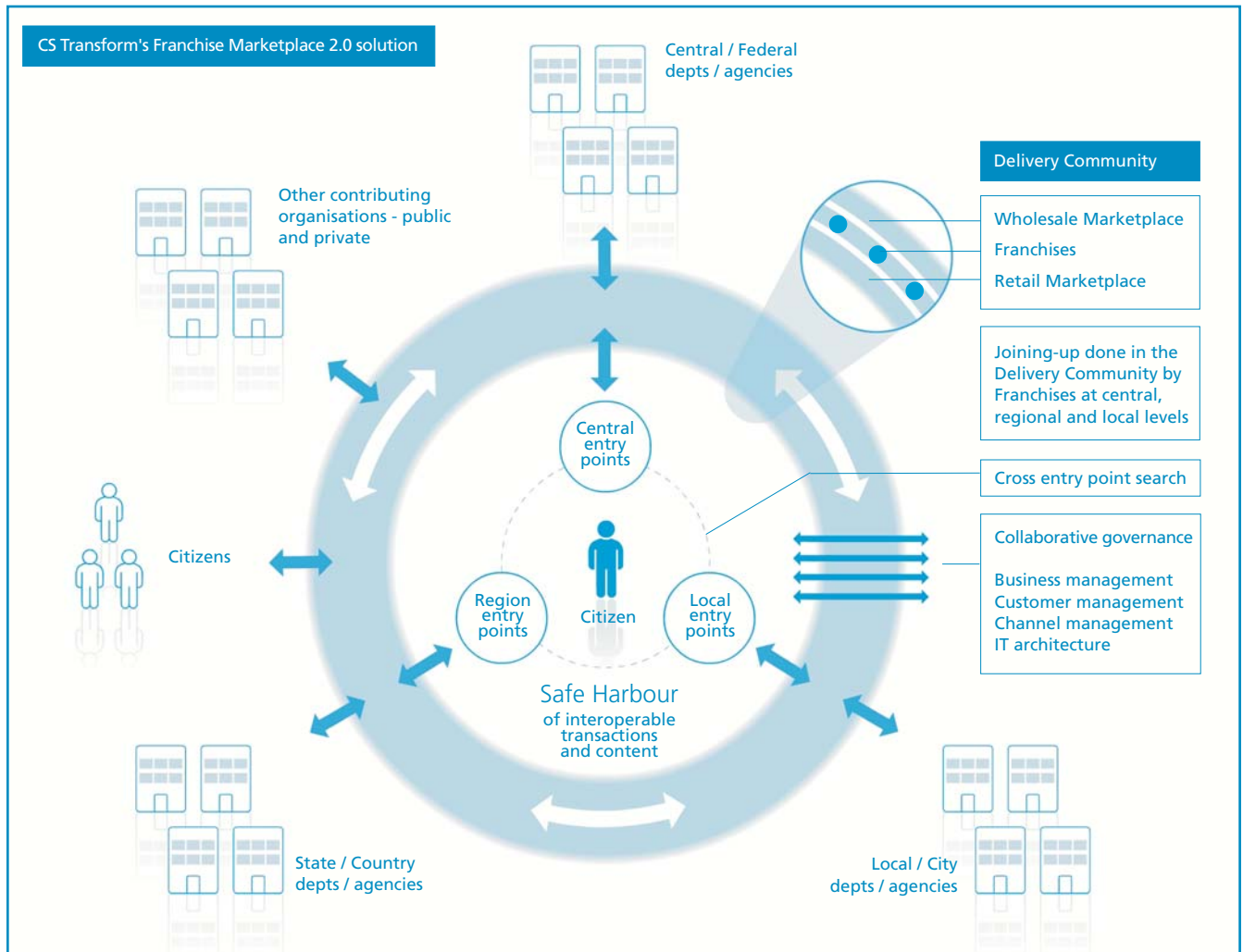
Core principles

There are seven core principles to the way in which the Franchise Marketplace 2.0 solution enables governments to transform their service delivery:

1. Put in place a detailed business architecture supported by detailed governance and delivery processes
2. Do this using principles from a franchise business model, where many individual parts of a business operate in the same way in order to create a common and controlled customer experience
3. Use marketing principles from the commercial sector specifically adapted for a government environment to enable government to understand and deliver against the needs of its customers
4. Implement this in a phased and risk-averse way to build confidence and capacity inside government, typically over a four year period
5. Take full advantage of all the resources that are available inside and outside of government (the Delivery Community)
6. Through this new business model, create an interoperable 'safe harbour' of content and transactional services that can be used by all parts of a government in a way that best meets the customers requirements, and which can also be used by across government entities (for examples at central, regional/provincial and local levels)
7. Leverage your existing technology assets. Franchise Marketplace 2.0 is a business solution. It is technology neutral, taking an incremental and pragmatic approach to the use of existing technology assets in government and to the introduction of any new technology that is required.

Key features

The delivery architecture which flows from these principles is illustrated in the chart below:



Key features of the Franchise Marketplace 2.0 solution are as follows:

- The model puts into place a number of agile cross-government virtual "franchise businesses" based around customer segments (for example, older people, students, drivers, parents, disabled people - or, for businesses, start-ups, exporters, farmers etc). These franchises are responsible for implementing detailed processes for gaining full understanding of their customers' needs so that they can deliver quickly and adapt to changing requirements over time in order to deliver more customer centric services - which in turn, is proven to drive higher service take-up and greater customer satisfaction.
- Franchises provide a risk-averse operational structure that enables functionally-organised government agencies at national, regional and local to work together in a customer-focused "Delivery Community". They do this by:

Enabling government to create a "virtual" delivery structure focused on customer needs

Operating inside the existing structure of government (because they are owned and resourced by one of the existing "silos" which has a close link to the relevant customer segment)

Dividing the task into manageable chunks

Removing a single point of failure

Working to a new and precisely-defined operating model so as to ensure consistency

Working across government (and beyond) to manage the key risks to citizen-centric service delivery

Focusing on developing appropriate governance and delivery structures

- Franchises act as change agents inside government departments/agencies. Because Franchises are owned and operated by existing departments and agencies, they impact thinking and decision making inside them. They become change agents across government, with the ability to have an immediate positive impact on service quality and efficiency.
- The model is predicated on establishing a robust cross-government business case to drive the programme and benefit realisation from the outset.
- The model enables a "mixed economy" of service provision: first, by providing a clear market framework within which private and voluntary sector service providers can repackage public sector content and services; and second by disseminating Web 2.0 approaches across government to make this simpler and cheaper at a technical level.
- The whole model is capable of being delivered using Cloud computing.

How we can help

Since its original creation in the UK for Directgov (www.directgov.uk) by the team at CS Transform, the franchise delivery model has been developed and refined. As well as in the UK, it has been used in whole or in part by governments in Australia, Europe, Asia and the Middle East. All the learning from this worldwide experience has now been brought together by CS Transform in Franchise Marketplace 2.0.

The Franchise Marketplace 2.0 solution provides governments with a complete set of products needed for successful implementation, including:

Roadmap:

- A blueprint for delivery built by experienced CS Transform consultants, deploying CS Transform's established Roadmap development methodology
- The roadmap provides:
 - High level plan over four years*
 - Governance structure*
 - Delivery structure and competency framework*
 - Franchise development stages*
 - Detailed project plan for Release 1*

Delivery and stakeholder support:

- People, resources and know-how to support implementation, including:
 - Business case development*
 - Stakeholder management support*
 - Project management*
 - Product management*
 - Brand management*
 - Information and Franchise architecture*
 - Research design and management*
 - Content management*
 - Technology requirement development*

Programme documentation:

- We work with our clients to develop the programme documentation suite which is a critical enabler for successful implementation. This comprises up to 25 operating documents of varying complexity, that cover mission critical workstreams, including:
 - Franchise operation*
 - Brand role and development*
 - Business case development*
 - Infrastructure requirements*
- These can be provided in an online environment (for easy access/updating and to ensure there is only one version)

Training and competency management:

- It is vital to identify, develop and sustain the skills and capabilities required within the central delivery team and franchise teams to successfully deliver a transformation programme of this scale. CS Transform has the experience, international best practice know-how and tools to support this, made available through:
 - On-site training*
 - Remote training and e-learning systems*
 - Competency management tools*

Helpdesk:

- E-mail and telephone help desk support

Healthchecks:

- The CS Transform Healthcheck process can be deployed at key points in the programme to check implementation progress and adjust roadmap.
- The Illustration on the next page, is a process that identifies programme strength and weaknesses against the major Critical Success Factors for citizen service transformation. This risk management framework is based on wide-ranging international research into what makes some transformation programmes succeed and others fail, and it has already been adopted as global best practice by Microsoft in all of its e-Government engagements with clients and in its training programmes with partners.

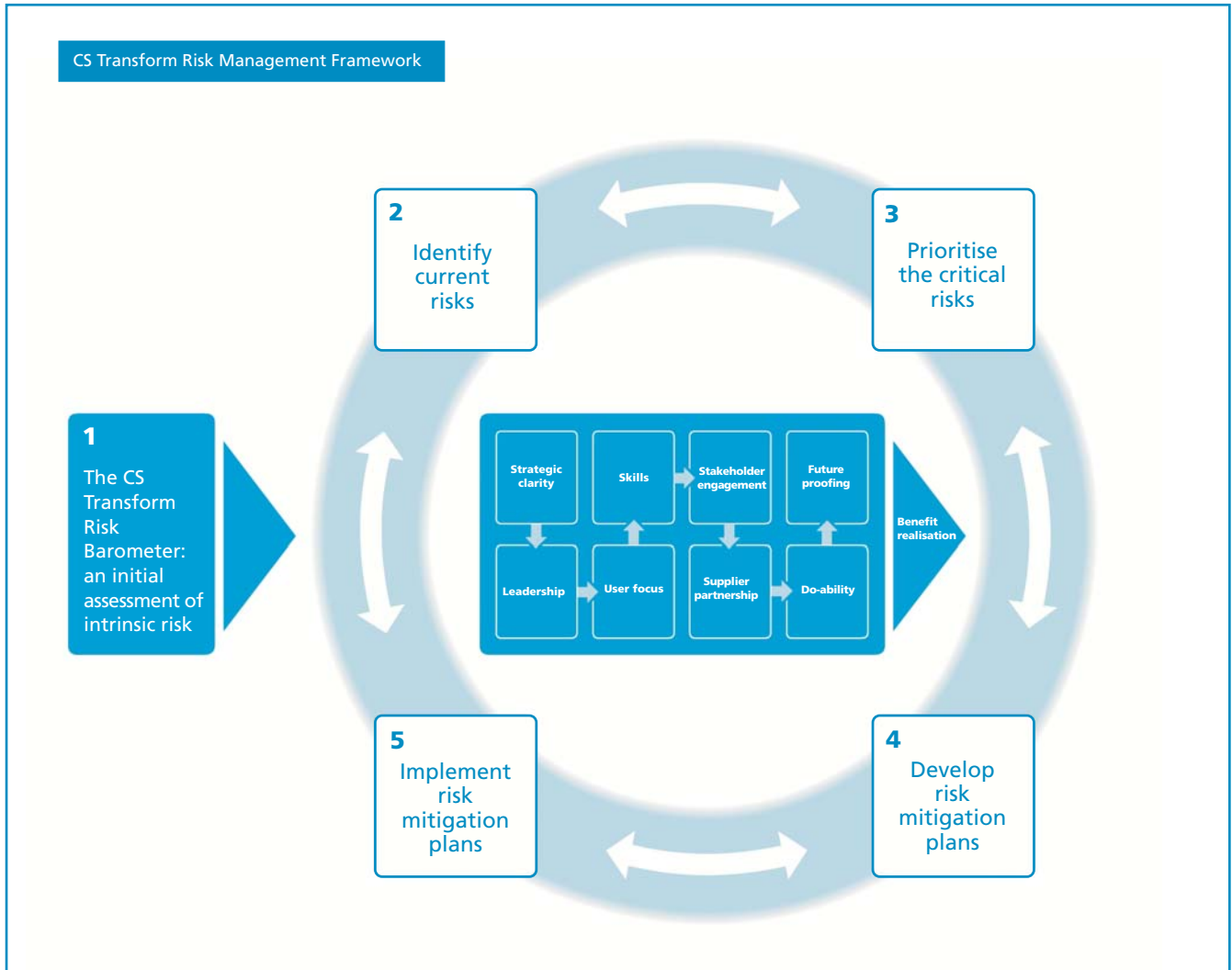
Delivery partners:

- Finally, CS Transform can bring best-of-breed delivery partners to assist in aspects of implementation, if our clients require. While our solution is technology neutral and we are happy to work with any partners, we have also collaborated with the following vendors to ensure that their products dovetail perfectly with the Franchise Marketplace 2.0 solution:
 - Technology: Microsoft*
 - Research: Synovate*
 - Contact centres and training: QPC*

If you are interested in learning more about how the Franchise Marketplace 2.0 solution can help you unlock the benefits from your e-Government investments, please contact us at impact@cstransform.com.

Healthchecks

This process identifies programme strengths and weaknesses against the major Critical Success Factors for citizen service transformation



Appendix: Case studies

'Ask just once' Programme - Government of South Australia



Critical to the roadmap's success was development of stakeholder buy-in to a new organisational and governance model aimed at bridging the gap between the AJO service and the existing legacy businesses within the government. Based on the franchise delivery model developed by the CS Transform team and implemented by them in the UK, Hong Kong, Croatia and Abu Dhabi, this new model allows the South Australian government to deliver content and services in a way that customers want to consume them, without needing to restructure government to do so.

Outcomes and benefits

The government put in place a comprehensive and effective change management programme following the roadmap development phase that has put it on track to increase take-up of electronic services, increase customer satisfaction, and deliver tangible efficiency benefits across government. The initial deliverable is now live at www.sa.gov.au. Commenting on the impact of CS Transform's transformation roadmap, the South Australia Government's Programme Director for the Single Entry Point programme, Jan McConchie, said:

'Everything that the team at CS Transform said would happen has happened! They are extremely good at handling government people, as they know government inside out themselves. We have successfully used their roadmap to implement their detailed delivery model and have learnt a lot from working with them. I have no doubt they are the leaders in Citizen Centric service delivery.'

Background

In its Ask Just Once strategy document published in late 2007, the Government of South Australia recognized that far-reaching transformation was required. Their Minister for Infrastructure said: "Obsolete approaches must be replaced with new models better suited to the needs of the 21st century. This transformation will require new approaches to almost every aspect of government, from organisational and asset management structures and operating practices to personnel systems and service delivery models." The Government had agreed on an ambitious strategy aimed at the following outcomes:

- Increased Customer satisfaction with Government services
 - Increased use of the Internet channel as the primary channel for service delivery
 - Reduced cost of doing business with the Government and reduced cost of Government operations
- (Source: South Australian Government Ask Just Once strategy document)

Implementation

The team at CS Transform helped the Government of South Australia to translate this high level vision into a comprehensive and workable delivery plan, starting with development of a web-based citizen-centric one stop shop.

The CS Transform team developed the vision in the Ask Just Once strategy document into a fully articulated and risk-averse business and channels architecture, with a government-wide implementation plan including:

- a governance structure
- a resource plan
- workstream deliverables, and scope
- a detailed project plan to deliver the first release of the single entry point.

Appendix: Case studies

Directgov - UK www.direct.gov.uk



Background

Between 2001 and 2004, online public services in the UK were delivered via UKOnline, with thousands of government websites organised around structure of government. The take-up for UKOnline was relatively low.

Implementation

CS Transform's Managing Partners, who at the time were the civil servants who ran the UK government's e-transformation programme, designed and implemented Directgov which was launched in 2004. It was the world's first online citizen-centric Single Entry Point using the Franchise model for service delivery.

The Franchise model successfully delivered:

- An effective citizen-centric government in the UK
- Cross-government change and new business processes required to implement a sustainable E-Government
- Improved efficiencies within government departments

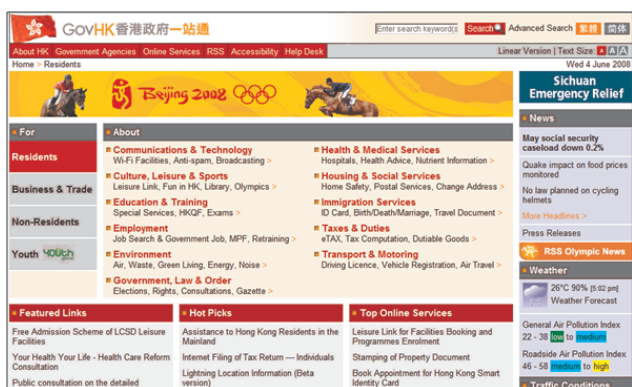
Outcomes and benefits

In 2005, Directgov won a prestigious World Summit Award in E-Government Category.

Efficiency saving has also been achieved within the Government because of Directgov. In the first phase of departmental reviews, 951 websites were considered across 18 central government departments. Decisions have been taken to close 551 (58%) of these websites. Since its launch, Directgov has been achieving high customer satisfaction. Nine out of ten users indicate that they would like to use Directgov in the future and nearly twice as many respondents rated Directgov as 'good' overall compared to UK online (60% awarding a 8-10 score compared to 33% for the latter).

Appendix: Case studies

GovHK - Hong Kong www.gov.hk



Background

Since 2001, the Government of Hong Kong has delivered information and e-services to its citizens and businesses via three online channels: departmental websites, Government information centre and the ESD Life Portal. In 2004, it was identified that changes and improvements must be made to how Government was delivering online information and e-services because there were accessibility problems for users unfamiliar with departmental divisions and utilization for e-services was relatively low.

Implementation

The team at CS Transform was selected to develop a roadmap for the implementation of a one-stop shop for citizen-centric service delivery in Hong Kong. Our roadmap covered specific areas of the franchise model including: branding of the one-stop destination site and marketing; market research; service clustering; stakeholders management; governance; involvement of the private sector; programme management; and service implementation.

Outcomes and benefits

GovHK was successfully completed in early 2006, with content organised around citizens' interests and needs, and customer engagement throughout the development process. The One-stop-shop continues to drive up usage, currently with 23,000 visitors per day.

Additionally, GovHK has been achieving high customer satisfaction. Over 95% of respondents would recommend GovHK to others and 87% stated that they like GovHK.

Appendix: Case studies

Mojauprava - Croatia www.mojauprava.hr



Background

In 2006, Government ministries and agencies in Croatia were at an early stage in online service delivery, and they realised that there were inadequate resources, in terms of number of people and their skills, to successfully deliver information and services online. Large ministries were also facing issues of scale, as they put more and more information online but struggled without the business processes to keep it relevant and up-to-date.

Implementation

The team at CS Transform was appointed to develop a roadmap for the implementation of a one-stop shop for citizen-centric service delivery in Croatia. Our deliverables included: a fully described vision for the portal; advice on an achievable product scope; description of the governance, management and delivery structure that can deliver the Single Entry Point ahead of the deadline; a high-level delivery and resource plan; definition and description of each of the workstreams required; deliverables and milestones for each workstream. We also placed a full-time Product Manager in the delivery team to support the Government during the implementation phase on product management and programme management.

Outcomes and benefits

The first phase of the Croatian national portal for citizen-centric service delivery - Mojauprava - was delivered in a record time of six months. Additionally, it won the best Croatian government site for 2007 in the ninth annual website competition held by a major ICT magazine.

Appendix: Case studies

Abu Dhabi www.abudhabi.ae



Background

In 2006, the team at CS Transform was appointed by the Abu Dhabi Government to develop the information architecture for the Abu Dhabi Government Portal. Benchmarking was undertaken to review six government portals, including the national portals of Canada, UK, USA and Hong Kong, plus city portals of Brisbane and Vancouver. Using our unique "content footprint" methodology to compare and analyse each of the portals' breadth and depth, we delivered a best practice review of government portals and designed target service portfolio for Abu Dhabi based on the benchmarking research.

Outcomes and benefits

We also developed Franchise clusters and a detailed information architecture for the Abu Dhabi Government Portal which have been adapted to the specific needs and requirements of Abu Dhabi.

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