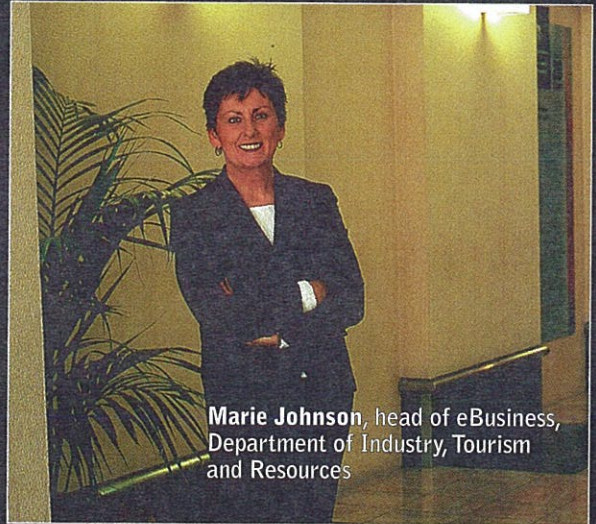


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Getting the Point

How the federal government's Business Entry Point is easing the burden of compliance



Marie Johnson, head of eBusiness, Department of Industry, Tourism and Resources

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Taking IT to the Street

The Chicago Police Department: combatting crime with intelligence-driven policing

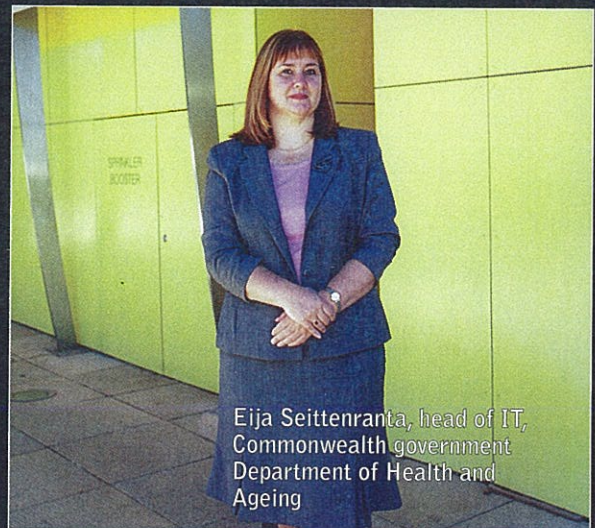


Deputy Superintendent Ron Huberman, Chicago Police Department

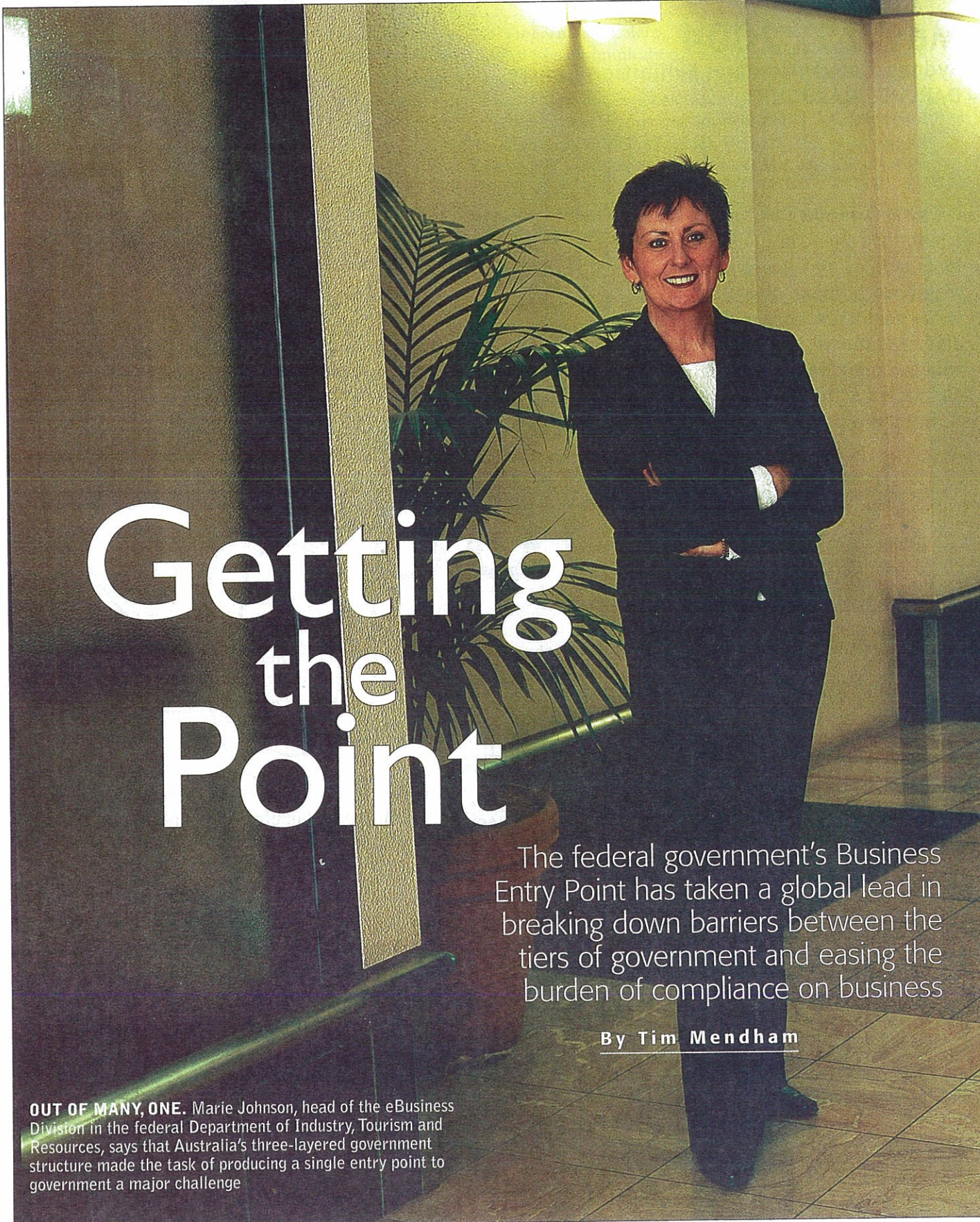
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Plan Ahead

Government's CIOs demand their rightful place in strategic planning decisions



Eija Seittenranta, head of IT, Commonwealth government Department of Health and Ageing



Getting the Point

The federal government's Business Entry Point has taken a global lead in breaking down barriers between the tiers of government and easing the burden of compliance on business

By Tim Mendham

OUT OF MANY, ONE. Marie Johnson, head of the eBusiness Division in the federal Department of Industry, Tourism and Resources, says that Australia's three-layered government structure made the task of producing a single entry point to government a major challenge

Business says it is in trouble, and that's trouble spelt with a capital G.

Governments at all levels have placed burdens on businesses — and especially small businesses — that are crippling the willing and scaring off the unwilling. Compliance, regulation, licensing, form-filling and general bureaucratic red tape are making life a nightmare for all but the best resourced organizations.

Of course, this is not a problem confined to Australian governments. A 2003 report from Deloitte (“Citizen Advantage — Enhancing economic competitiveness through e-government”) says that the burden of government paperwork on small businesses was 183 hours a year in 1995. Admittedly that was down from 803 hours in 1978, but it still represents more than four working weeks' worth of work, above and beyond the often extended hours that many small business proprietors undertake.

And that is just the burden imposed when you know what you have to do. Add to that the hours spent trying to find out which agency is responsible for which regulation and what information is required for each one, and you have a nightmare that many medium and large businesses find overpowering, let alone sole proprietor small businesses.

Death by paperwork is a real problem. So what is government doing about it?

One answer has been to bring together all the government information on regulations and licences and compliance issues in one place, online. Enter “e-government”.

In April 2003, consulting firm Accenture issued a report titled “eGovernment Leadership” in which it said: “In taking a citizen-centric approach, eGovernment must build bridges in the same tier of government as well as between the different tiers of government. It is in this area that little progress has been made. The majority of governments surveyed recognize that this issue is a significant barrier to progress but few have strategies for managing the issue.”

The Business Entry Point

One of the exceptions has been Australia. In what the Accenture report calls “a breakthrough in cross-tier cooperation”, the Australian federal government set up the Business Entry Point (BEP) to fulfil just that role — bring together the various levels of governments and their myriad agencies to ease the burden of search and compliance on businesses, and particularly small businesses.

The BEP started operations in July 1998 and with little fanfare has taken a global lead in breaking down barriers, both between the tiers of government, and between those tiers, the various intermediaries and the end users. But not without some change.

Over the years, the BEP has refined its services, re-examined its role and developed solutions that are beyond the original concept of a government information portal.

Marie Johnson, head of the eBusiness Division in the federal Department of Industry, Tourism and Resources (DITR), where the BEP resides, admits that their early expectations of end-user enthusiasm for the site were somewhat over-confident.

"Build it online and they will come? They won't!" she says.

"Basically, much of business's contact with government revolves around regulation, compliance and red tape. Business's view was that 'We won't go online simply for the pleasure of doing business with government'."

Paul Griffin, general manager of the BEP, agrees.

"The initial idea for BEP was to have a single site with a fantastic array of government information — all metadata — on it; that we would put it up and wait for the punters to come in. And they didn't.

"In terms of the [original] Prime Ministerial statement [that launched the concept of the BEP], there was some very visionary stuff in there. You've got to give credit to the present government for having the fortitude to fund it for what's now been six years — these things take a while to mature and evolve. The products we have in terms of the content syndication, transaction manager, the ABRPublic products, are now mature products that seem to be working very well on the marketplace."

The Past — an Online Dream

So what was that vision that has now produced a service with thousands of users and is one of the world leaders in the provision of e-government services?

Upon being elected in 1996, the Howard government commissioned a report into the issues and challenges facing Australian small businesses. This study, known as the Bell Report and released in 1997, found that small business operators were increasingly becoming overloaded with the complexity and volume of government compliance activities. These activities were time consuming and costly — detracting from their ability to actually run their businesses.

Among other things, the Bell Report recommended that:

- governments provide consistent and coordinated information, so that business understands its obligations
- the government set up a mechanism to enable businesses to provide information to all government agencies in the same way and to provide the information only once
- that there be consistent processes for making payments to government agencies.

The Prime Minister responded to the Bell Report with his own More Time For Business report. This was a major strategic statement that would develop a framework for building online services for business and the Australian

community as a whole. It also proved to be the genesis of the BEP.

Among a number of initiatives, the More Time For Business report emphasized the government's commitment to easing the compliance burden. The report formed a two-pronged approach. The first dealt with reforming many of the regulatory processes that were so cumbersome for business; the second with developing technical and other solutions aimed at transforming the way business interacted with government. Among these were the provision of a single entry point for business-to-government interaction and the introduction of a unique business identifier that would allow businesses to deal with each other, and with government, electronically.

Originally established as part of the Office of Small Business, the BEP has since been hived off and forms one of the two elements of the Small Business Portfolio within the DITR.

The first BEP Web site drew its content from a database that had been developed and maintained by AusIndustry, an industry-focused arm of the then Department of Industry, Science and Tourism. This database enabled the BEP to provide links to government compliance information on a range of Web sites both at the Commonwealth and state level.

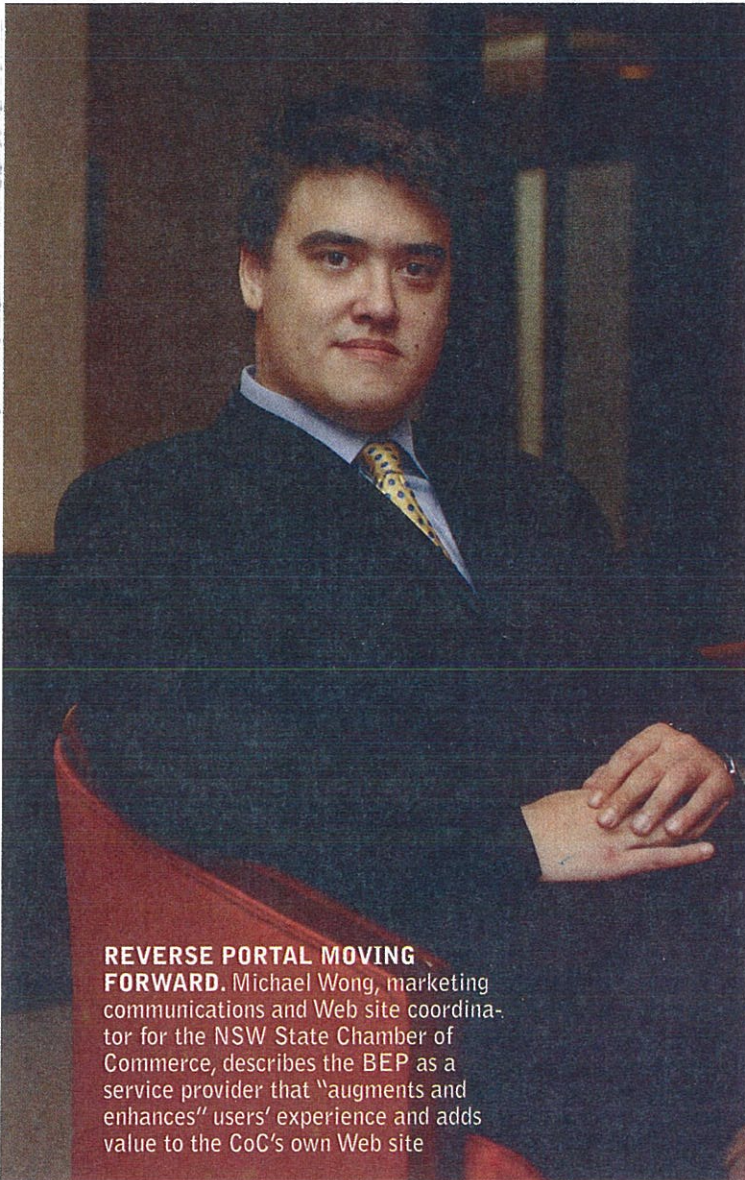
In those early days, usage of the site was modest — approximately 15,000 page views each month. "With the benefit of hindsight, we now know that this 'discovery' model is of limited value," Johnson says.

However, through its relationship with the Australian Taxation Office, the BEP was able to provide one of the first online transactions available to small business. This was an online form that enabled businesses to submit various tax-related applications directly to the ATO. While comparatively simple in its design, this initial transaction replaced a total of nine hard copy forms.

The real boost to the BEP came with the reforms of the taxation systems in the late 1990s and the introduction of the Australian Business Number (ABN), a unique identifier of individual businesses (and another of the suggestions from the PM's More Time For Business report).

The BEP played a key role in developing the process that enabled businesses to register online for an ABN.

"Based on experiences in Canada and elsewhere," Johnson explains, "initial expectations were that the uptake of the ABN registration transaction would amount to approximately 3 percent of all ABN registrations. However, in the lead-up to the implementation of the new tax system on 1 July 2000, 17 percent of businesses had registered for an ABN using the online transaction. The huge volume of registrations at that time stretched our system to its limits." By April 2002, around 50 percent of all new ABN applications were occurring online through the BEP.



REVERSE PORTAL MOVING FORWARD. Michael Wong, marketing communications and Web site coordinator for the NSW State Chamber of Commerce, describes the BEP as a service provider that "augments and enhances" users' experience and adds value to the CoC's own Web site

The Present — a Functioning Reality

Complicated by Australia's three-layered government structure, the task of producing a Web site to act as a single entry point to government was, as Johnson admits, challenging. "Coupled with that was a relatively low uptake of Internet technologies among the small business community, and by current standards, the technology available for aggregating and delivering information and services over the Internet was relatively immature."

"Like most other organizations, we've been down that process where we've had our share of failures," Griffin says. Most of these failures came from the initial assumption: build a single Web site and the audience will come. This assumption has now evolved into a series of "virtual entry points" or a "virtual value chain".

The virtual chain means that no one holds overall ownership of the information provided. While users of the BEP site can gain access to information at federal, state and local government level, the "information" itself is metadata, and still in reality stored at the original provider's site.

"The reality is businesses tend to associate themselves with the state and territory in which they trade, so they have a tendency to enter through the state or territory entry points. We do the Australian government end of the 'BLIS' [the national business licensing information systems]," Griffin says.

This more "modest" approach by the BEP is justified when one realizes the origin of the bulk of compliance issues businesses face. For example, there are some 300 different business licences issued by the Commonwealth government and around 600 at the state and territory level. Local councils, however, are jointly responsible for more than 6000 business licences.

"To avoid duplication of services, we basically syndicate the Australian government licensing information to our state and territory colleagues, who pass it on to businesses when they come to them with compliance issues. So they get local, state, territory and Australian governments all at the one source — admittedly, not all local councils yet, but we're working on that."

Now taking a back seat rather than needing to be seen as the one-and-only-stop shop, the BEP has established relationships with a range of non-government bodies to spread the information resource wider.

Content Syndication

Using XML technology, the BEP offers to provide relevant government information to organizations that wish to republish it on their sites. The content thus syndicated covers topics of interest to all businesses, but especially smaller ones that do not have the resources to undertake detailed research themselves. The 20 themes covered include starting a business, licences and permits, fair trading, employing people, superannuation, training and apprenticeships, and winding up a business.

The BEP can even react to current events and publish information of immediate relevance, as it did within hours of the Ansett collapse when it aggregated information about support that government agencies at all levels offered on redundancies, benefits and so on. "We put that out to industry associations, peak bodies, banks, anyone with a potential interest," Griffin says. "We can actively [and proactively] aggregate information according to the needs of specific markets."

The content syndication service has now been taken up by 40 organizations, with another 30 or more on the boil. These include banks, accountancy organizations, chambers of commerce and peak bodies.

Information published on client sites has that site's look and feel. However, "anyone who republishes the information has to acknowledge where it's from, such as the ATO, and an undertaking that they do not change the content, and that they don't charge for it," Griffin says.

In return, he says, the BEP adheres to three fundamental business rules that impact on the BEP-client-end user relationship. "We don't get between an agency and their client. We don't get between an agency and their intermediary, such as the ATO and tax agents — we don't disintermediate that relationship. And we definitely don't get between an intermediary and their client, so, say, we won't get between an accountant and their client."

Client organizations seem particularly happy with this "reverse portal" service.

CPA Australia is one of the largest content syndication users. Jeremy Hodgson, online business unit leader, says his organization currently has more than 80,000 registered users, and the BEP information is accessible to all users of the Web site. "This includes general public as well as our membership base. The service is low maintenance and provides a great value-add resource for our membership."

Michael Wong, marketing communications and Web site coordinator for the NSW State Chamber of Commerce, agrees. "We see the BEP as a service provider for the content who augments and enhances our users' experience and adds value to our Web site.

"The content provided by the BEP is a close match to the types of content we provide on the site internally, so there have never been any issues with branding. We communicate with the BEP team at least quarterly on the content, and receive usage and statistical reports from BEP to help in gauging its popularity. We usually get just under 5000 hits a month on the BEP content," Wong says.

On a technical level, there appear to have been few problems.

"It was a straightforward process to set up the XML feed from the BEP, both from a technical and organizational perspective," Hodgson says. "Our style sheets control the look and feel; again, this is very straightforward to set up. We regard BEP as a trusted source, so the risk of opening [security] back doors is limited. It is possible that a corruption of the feed could mean that we published material to our Web site that was not intended. However, the QA in the process from BEP and from our end makes this a very small risk."

"We built our relationship with the BEP during the development of our Web site," Wong adds. "From a technical perspective we have no issues or problems utilizing the BEP content, and we've had a good relationship with the BEP team so any problems or issues we feel confident would be addressed quickly."

Apart from providing interesting and relevant infor-

mation to end users, Wong sums up what is perhaps the ultimate benefit to client organizations of the content syndication service. "As we don't need to concentrate on creating this content, our resources are freed up to focus on further development of the Web site, a result we value."

ABRPublic Lookup

In addition to the ability to apply online for an ABN and a tax file number, one of the BEP's bread and butter services is the Australian Business Register public lookup.

"You can look up public information about any business that has an ABN," Griffin says. "You can find, for example, whether or not they're registered for GST. On the basis of that information, you can make a decision to withhold GST or pay GST at the end of the month.

"We're sustaining about two million lookups a month on that, and that's growing.

"We've recently released an XML interface, so it can now be machine lookup. And we're finding some medium-sized businesses that are taking advantage of that. So we're getting some businesses coming in, particularly those who are dealing with a whole lot of other businesses on a daily basis, doing something like 250 odd lookups a day, automated.

"It's that type of function where now the BEP is becoming part of the business fabric. That's our most popular application at the moment, and it's one that we can see will probably become fairly ubiquitous," Griffin says.

Transaction Manager

The latest service offered by the BEP is transaction manager. This helps users to sort and deal with those regular transactions, such as licence renewals, rates and compliance reports, as required.

The service allows users to store profiles for repeated use, which can then be used to pre-fill online transaction forms. Users can also search for and group the transactions they want, storing them for later use, and can maintain records about complete and incomplete transactions. Individual agencies continue to host, brand and manage the transactions on their own sites, but when they complete the transactions, businesses are returned to the BEP.

"What underpins the transaction manager," Griffin explains, "is a protocol we call 'link return of profile passing'. It's a matter of storing the information you want to pass in an XML structure that confirms to a schema that's been laid down by the agency you're doing business with.

"The application also allows you to discover the transactions you want to do at a particular time and to group them.

"When you've got a transaction, you go to the agency for that transaction and get the form with your profile information that you've stored, and you might have stored

it with the previous month's transaction with them. You can prefill that form, perhaps change a couple of fields that you need to change with this month's information — payroll tax or whatever else it happens to be. You pass that profile to the agency, carry out the transaction and return back to the application and bring further profile information, such as receiving information or acknowledgment information or further information that that agency might like to pass back to you, and store it all electronically. And it meets the requirements of the Electronic Transactions Act.

"What you've done is carried out an online transaction that meets all the administrative and legal requirements for storage and archival, but it's paperless," Griffin continues. "Government agencies will accept that, and we assume (for it hasn't been tried in case law yet) that it conforms with privacy and legal issues. If you do get into an argument or litigation with a government agency then you can pull out that information stored in transaction manager and there's an entry with all the information."

In effect, transaction manager forms a new infrastructure enabling machine-to-machine communication.

After a short pilot, the service was launched in September 2003. While figures are growing rapidly, towards the end of last year — after only a few months' operation — there

The Future — Not Entirely Altruistic

Johnson says that "the reason this model works particularly well when applied to e-government is because of the non-competitive and altruistic nature of government service delivery agencies.

"We act as a wholesaler, providing content from across all three levels of government. We rely on solid relationships with the wide range of partners this involves. Businesses can access our content directly, through intermediaries, or through our partner agencies that are the source of the information. We partner with private industry organizations to improve the delivery of our services to the business community. We work to improve the operating environment for businesses through infrastructure projects that look to build confidence and trust, to encourage businesses to work in the online world."

She says that the value of intermediaries cannot be overstated. "Working cooperatively with intermediaries to provide a value-added package to the end users can deliver benefits all round.

"All players in the ecosystem benefit from these activities. This ensures that the outcomes will meet their needs and that stakeholders have 'skin in the game' — that each contributes and each wins. This philosophy ensures that

The BEP can even react to current events and publish information of immediate relevance, as it did within hours of the Ansett collapse

were about 27,000 registered users with about 13,000 of those using the service in any one month, doing as many as 20 transactions at a time.

eBX

Still in the pipeline is the eBX, or electronic business exchange. This will be a high-level business directory — basically a contact service using ABNs as a digital identifier.

"It will be commercially and technologically neutral," Griffin says. Using machine-to-machine communication, "we see it as a fundamental underpinning piece of infrastructure, much the same as the *White Pages* telephone directory. It will use a digital certificate of some sort, so that when my machine contacts your machine I know I'm actually talking to you and not someone else.

"We've built a business model to ensure it's viable. We're looking to pilot it before the end of this financial year."

all players are committed to the outcome that is produced. This then improves take-up and drives further innovation within the ecosystem."

She adds that the BEP was never intended to provide a direct return to the government. "Productivity gains have been realized by both private and public sector organizations almost as a side-effect of BEP activities, but the real return on investment is achieved through the efficiencies achieved by businesses themselves."

That is not to say that the BEP is entirely a non-commercial operation. Johnson says that they are seriously looking at the concept of commercializing the transaction manager system.

The transaction manager requires individuals to store the information they process. "Under the pilot we stored a bit of information at BEP," Griffin says, "but we can't sustain that. We're not in the business of storing business information. What we do store is very high level public information — the kind of stuff you can get from any public record. But

we're keen on seeing that commercialized — that storage facility could be provided by an intermediary. We see opportunities for the marketplace to commercialize that end of the transaction manager."

The commercialization of the BEP activities and processes "will have benefits to other governments and prospector organizations", Johnson says, adding that any income will most likely come from licensing rather than consulting, although the latter is not entirely without possibility.

Adding Value Online

Ultimately, the BEP offers a classic example of how government services have evolved online. Initially seen as purely an online version of offline processes, its developers soon realized the need to add value, to respond to and in many ways pre-empt market requirements and demands. The BEP has taken advantage of the unique capabilities of computerized and online technologies rather than simply tagging an "e" onto longstanding "non-e" operations.

"[The BEP] remains the only online service that is not restricted by jurisdictional boundaries. Pre-dating most Australian e-government innovations, the BEP has succeeded in smoothing the divisions of three levels of government for business purposes. This in itself is a world first — other countries with multiple tiers of government have not yet attempted to open the Pandora's box labelled 'whole-of-government' services and are now looking closely at the BEP model."

Those countries and regions showing an interest include South Korea, Canada, New Zealand, Southeast Asia and Europe ("where they have four levels of government!").

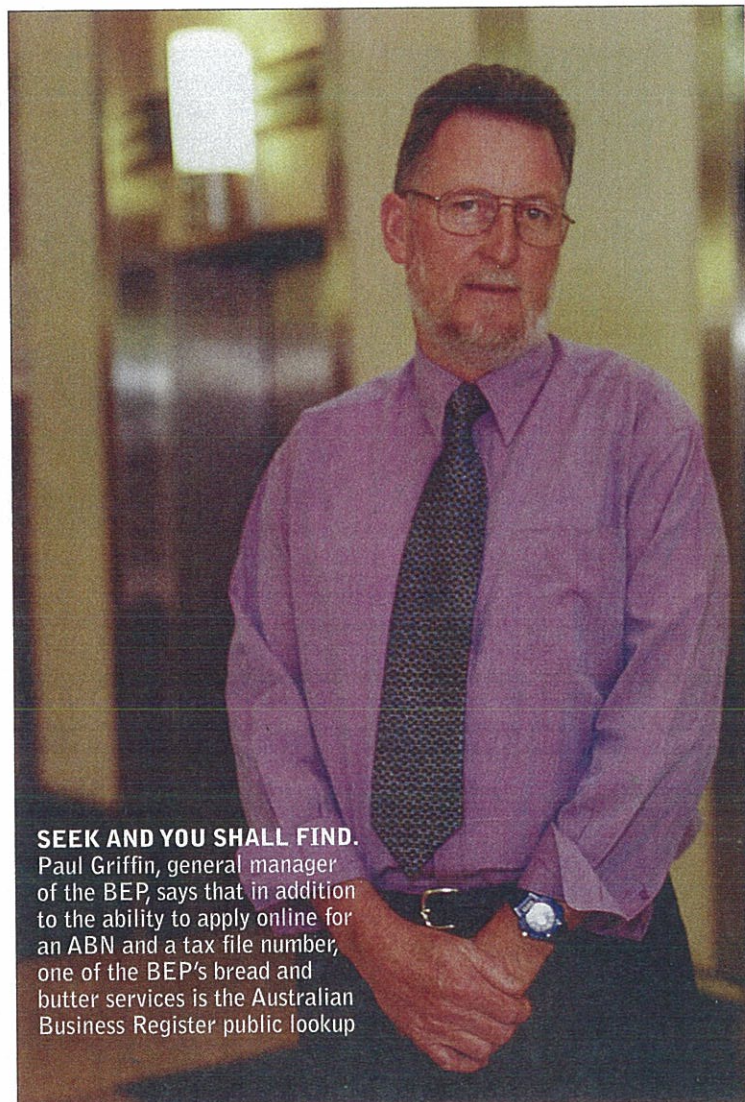
While the BEP is not all that Johnson does — the eBusiness Division of DITR has prime responsibility for meeting all of the department's commitment to providing electronic access to government information and services, including ICT strategy and governance — it does take up a lot of time.

"Online does not mean 'automatic'. We put a lot of effort into maintaining liaison with state and local colleagues, talking, joint projects."

With 45 staff at the BEP, "It shows you don't have to be big to make a difference. We're using established technologies — content syndication uses Web services. It's all in the point of leverage. Don't try to solve the whole thing in one go, but look for the sweetest spots first."

Johnson offers the main driving force behind developing online alternatives to offline government processes: "It's safe to say that no one really deals with government for the fun of it.

"Most of us will routinely (if not begrudgingly) fill in our forms and make our payments because we know we have to. If we are IT savvy, and if the systems exist, we'll do it online because it's more convenient. But very few of



SEEK AND YOU SHALL FIND.

Paul Griffin, general manager of the BEP, says that in addition to the ability to apply online for an ABN and a tax file number, one of the BEP's bread and butter services is the Australian Business Register public lookup

us will contact government agencies demanding they move more transactions online.

"Instead, innovations like these are more often born out of a need for agencies to improve back-end processes and bring about greater efficiencies in administrative overheads, than by user demands. However, once new processes and transactions do come online, take-up rates are generally high and a new demand is then created.

"To achieve real and significant benefits for users of government online services we need to ensure there is both a continued commitment to developing ICT-enabling infrastructure and a focus on working more strategically and cooperatively with other agencies and intermediaries."

Griffin offers a list of the main lessons from the BEP. "You have to meet the marketplace's expectations; you have to provide a business imperative; you have to provide something that adds value to the business. We think we've [now] got the products that are mature and achieving that and we're just watching the growth." 