

CRM-Enabled E-Government Transformation

Strategies and Approaches for Federal Agencies



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EXECUTIVE SUMMARY

In the wake of notable e-business successes in the commercial world, government agencies worldwide are replacing their “silo-based” point solutions, and embracing integrated, cost-effective, constituent-centric eGovernment solutions. For government agencies, Customer Relationship Management (CRM) has been transformed into Constituent Relationship Management.

Yet the transformation to eGovernment can be difficult if not managed carefully. It requires a broad commitment to process and cultural change, as well as software solutions that unify data, are highly scalable, can be implemented quickly, provide a strong technological foundation, support industry standards, offer a wide breadth of functionality, and can interoperate with fielded applications. Oracle applications for eGovernment let government agencies present a single, consistent face to its citizens, manage contacts seamlessly, improve service delivery, grant easier access to services, and link agencies, citizens, and suppliers – all within a secure and scalable framework. Oracle Constituent Relationship Management applications can significantly improve an agency’s cost savings, revenue growth, and resource utilization.

THE VISION OF E-GOVERNMENT

The federal government is transforming itself to meet both citizen demands and Congressional mandates requiring improved value, service, efficiency, and lower cost. And citizens are responding. The Pew Internet and American Life Project reports that 70 million American adults have utilized government web sites to date – an increase of 75% since the first survey was taken in March 2000 – to enhance their civic, professional, and personal lives or to apply for benefits and claims, correspond with public officials, or file income taxes.

Grady Means, Managing Director of IBM/PWC’s Public Sector Division, predicts that improving government services and making it possible for citizens to use efficient self-service solutions to interact with government agencies can result in recurrent annual reductions in Federal spending estimated at \$200 billion per year.

Both civilian and military government organizations now look to e-Government strategies to integrate front office interaction -- via the internet, phone, page, fax, or

Citizens have shifted their expectations of government services. Government fully understands transformation is necessary to change agencies from their traditional model to that of an eGovernment

in person -- with traditional back office financial, human resources, and asset management functionality. Successful integration has tremendous impact, not only on cost and levels of efficiency – but also on constituents’ perception of government as responsive and trustworthy.

TRADITIONAL VS. NEW MODELS OF GOVERNMENT

The traditional government model relies on point solutions with immediate short-term operational capability -- but also with integration and maintenance costs that create a high total cost of ownership (TCO). In addition, scalability is mediocre at best; analytical capability is lacking; collaborative functionality is non-existent; and waste and redundancy are rampant.

Compare the traditional model with new model offered by the eGovernment model:

Traditional point solutions	Integrated e-Government solutions
Manual, paper-based processes that create long processing times and excessive backlogs	Streamlined, automated processes which are coordinated and reduce redundancy
Data silos that prevent agency visibility across the enterprise	Single source of data that allows visibility into a complete view of the constituent
Point solutions that are expensive to maintain and synchronize, with duplicate processes both within and among agencies	Integrated applications that reduce the number and costs of systems
Operational functionality only	Operational functionality -- plus capabilities for reporting, analytics, and collaboration
Limited scalability	Scalable solutions that can handle tens of thousand of users
Short-term, immediate-need focused, causing solutions to quickly become antiquated	Solutions with both short- and long-term vision, maximizing investment
Channel-dependent information not synchronized across various interaction media (internet, phone, page, fax, face-to-face)	Channel-independent, highly accessible information, completely synchronized across various media

REQUIREMENTS FOR CRM SUCCESS

There are numerous examples of successful CRM implementations in the private sector. However, statistics also show that about 50% of CRM implementations in the U.S. fail, and about 80% in Europe. The reason? While CRM requires project management -- just like any other enterprise-wide initiative -- its impact across the

enterprise tends to be much greater, so project management has a disproportionate effect on success.

Here are some of the guiding principles, both non-technical and technical, that have been shown to be critical to the success of CRM programs in both the federal government and the commercial sector.

Executive involvement: One of the key characteristics of successful implementations is early executive sponsorship and on-going senior management involvement throughout the transformation. Executives are the key to driving sweeping change.

Cross-organizational participation: CRM means sharing data, which may be resisted initially by users. Business organizations need to promote CRM as an initiative that's important to each group's success.

Business process redesign: A substantial amount of process redesign is normally required to create a customer-centric business operation. Business processes must align the organization and its customer-facing activities with customers requirements.

Performance measurement: At each stage of a CRM implementation, it is important to be able to measure the success (or lack thereof) of each projected improvement.

Data quality: The quality of the data within a CRM application will greatly affect the overall success of the implementation.

Resources: The successful CRM team will include individuals with strong business knowledge in addition to technical skills. Without the correct team players, CRM cannot be efficiently deployed.

Applications that support multiple data types: CRM applications must be able to take advantage of multiple data types offered by an RDBMS (text, spatial, document management, image, audio, video).

Applications that comply with technical standards: Compliance with relevant standards can have a direct impact on the ability of government to choose from a variety of vendors and solutions, remain free of proprietary dependencies, and enhance and maintain interoperability. Standards include the Java programming language and the J2EE (Java 2 Enterprise Edition) server framework, XML for data representation, HTML for user interface, and HTTP-based Web-services.

Integrated solutions: Integration and maintenance costs associated with traditional point solutions create a high total cost of ownership (TCO). Further, they have minimal scalability and no analytical capability or collaborative functionality. It's important to choose applications that are *integrated* to work together rather than those that *interface* to work together.

“CRM is a strategic process, not just a product or technology. It can't be purchased and installed, it must be understood, embraced and implemented organization-wide. The failure by management teams to grasp, at least initially, the magnitude of what they are attempting to 'buy' is the principal reason why as many as 80 percent of CRM implementations fail to deliver on their promise.”

— Peppers and Rogers

The cost of implementation can skyrocket when multiple disparate CRM applications are put in place.

Scalable solutions: It is essential for initial pilots to scale into enterprise CRM solutions. An adequately functioning pilot will fail if it cannot scale.

Security: Security cannot be an afterthought, but must be an integral part of the application architecture. A CRM solution should allow an organization to define levels of security precisely – and should guarantee the integrity of the data as it moves through a system.

In the traditional government model we see a prevalence of point solutions. Point solutions offer immediate short-term operational capability. The challenge with this approach is that integration and maintenance costs create a high total cost of ownership (TCO); scalability is mediocre at best; analytical capability is lacking; and collaborative functionality is non-existent

ORACLE E-BUSINESS SUITE – THE BASIS OF E-GOVERNMENT

Oracle's E-Business Suite of applications facilitates the transition from the traditional service model to a transformed constituent-centric eGovernment enterprise. Oracle E-Business Suite applications allow governments to build links among agencies, their citizens, and their suppliers. Our approach is to transform unconsolidated, unsynchronized data to that which is consolidated and synchronized. This enables customer interaction history to be more accurate and easily accessible across service, outreach, and e-Commerce applications. An agency that invests in the Oracle E-Business Suite is not merely purchasing software; rather it is making a strategic decision to transform its way of doing business. Benefits include:

Analysis and Collaboration – Know more, get better results faster

The Oracle E-Business Suite provides more than just operational capability – it also provides analytical and collaborative functionality across the entire enterprise. For example, analytics can be run against this customer interaction history to identify trends that may require immediate attention. Certain subsets of data can be segmented and a targeted campaign can be launched based on the derived information. Instead of disparate help desks that only create trouble tickets, Oracle E-Business Suite provides an Interaction Center that makes citizen status and activities easily accessible to all functional divisions within the agency. Citizens benefit because they now have the skills and knowledge of the entire organization to help resolve the issue. Employees benefit because they now have a 360-degree view of all interactions with the citizen.

Oracle Service and Outreach – Direct access for citizens

With Oracle service applications, constituents can ask for help, request information, locate the information themselves online, or submit queries or complaints. Agencies are able to use service applications to better manage the activities associated with the cases being worked. With Oracle Marketing, agencies can manage public awareness campaigns from beginning to end, broadcast announcements on their Web site and leverage the web for maximum media outreach. This outreach functionality allows the agency to reach out in a pro-active

fashion to facilitate compliance or provide information on regulations, laws, security measures, social services, job openings, and available health benefits. .

Oracle e-Commerce – Create a one-stop services shop

With Oracle's e-Commerce applications, agencies can offer citizens a easy way to make purchases online, order documents and licenses, make payments, conduct recruitment, and provide standard retail items such as stamps, coins, licenses, permits, and recreational reservations.

Government Business Flows – Unify functions and agencies

The traditional government model tries to automate processing within agency divisions -- the Oracle E-Business Suite automates within divisions across entire agencies to accommodate complete business flows. Flows include Inquiry to Resolution, Service Request to Repair, Inquiry to Case Management, Click to Registration, Click to Order, and Campaign to Hiring.

Oracle applications allow government agencies to have one face to citizens, seamless contact management, improved service delivery, and easier access to services – within a secure and scalable framework

Infrastructure and Architecture – Integrated and Complete

- Oracle's database software has passed 15 security evaluations – more than any other vendor
- Authentication, authorization, data integrity, and auditing capabilities are part of security framework
- Highly scalable E-Business Suite applications, RDBMS, and 9i Application Server
- Applications leverage multiple data types within the Oracle RDBMS (text, spatial, document management, image, audio, video)
- Applications can link with applications from other vendors
- Data can be extracted from legacy data stores
- Oracle's Shared Data Model, a "single source of truth," stores all citizen interactions across varieties of channels
- Integrated front- and back-office modules preserve existing investments as agencies scale users and expand functionality across the enterprise

FOR MORE INFORMATION

Contact your Oracle Government representative at 1-800-633-0584

Visit the Oracle Web site at <http://www.oracle.com/industries/government>



Author: Neil Herron

Contact: neil.herron@oracle.com

Oracle Government - Federal

Contributing Authors: James Yi, Suzanne Cronin

Oracle Corporation

World Headquarters

500 Oracle Parkway

Redwood Shores, CA 94065

U.S.A.

Worldwide Inquiries:

Phone: +1.650.506.7000

Fax: +1.650.506.7200

www.oracle.com

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