INTERNATIONAL

SAP framework for ROI promotes better governance

"Top line revenue and bottom line growth – if you use that as a framework in the public sector you can get into a lot of trouble," chuckles Tom Shirk, President, SAP Global Public Services.

Shirk was speaking on the sidelines of meetings with regional clients, during a tour through the region, and was keen to talk about the vexed issue of demonstrating clear cut ROI to all the stakeholders in transformational government IT programmes.

"When political parties change as programmes are in mid-cycle, and a new government comes in, if there is not a framework to explain what the value is, the project will get chopped," he continues. "And then there is the issue that some project have a social return, but if your metrics don't measure that, then it will go unrecognized."

One example Shirk cites in support of this is an IT transformation project that SAP were involved with in Western Australia: a 100 per cent return enabled the police to redeploy staff, and put more officers back on the streets. This was something that helped with the political ROI – because the police ended up doing what the politicians had said they were going to do.

"Of course there are varying degrees of precision in the measurement of all this," admits Shirk, "but the point is that if you assign values to things, then you can track the performance of investments, and manage things for the better. There will always be trade-offs, but we have been working with a broad range of customers and partners to establish a meaningful framework to gauge ROI, and one that is neutral enough to accommodate very different public sector organisations."

In August SAP unveiled a new methodology, jointly developed with the Centre for Technology in Government at the University of Albany.

Recommended link:

SAP ROI methodology
www.sap.com/industries/publicsector/roi.epx

INTERNATIONAL

Enterprise solutions not suitable for administrations in developing countries?

According to a recent paper in the Electronic Journal of Information Systems in Developing Countries (EJISDC), simple knowledge management solutions, and especially virtual communities, are considered the 'most appropriate' for developing countries. Enterprise solutions, on the other hand, are not considered suitable.

Nations with extensive interactive, knowledge-supported services, the 2001 study noted, typically also maintained considerable IT and government infrastructure to offer these, and were generally well funded. Authors of the recent paper, entitled 'Enhancing e-government in developing countries: managing knowledge through virtual communities, in the August issue of EJISDC', question whether throwing money at e-government and knowledge management solutions will help bridge this gap.

In their investigation, Christian Wagner, Karen Cheung and associates of the City University of Hong Kong conclude that knowledge management is needed to facilitate information exchange and transaction processing with citizens, as well as to enable intergovernmental knowledge sharing and integration, and that the internet offers significant potential for developing countries, especially the creation of virtual communities which are "inexpensive and technically simple".

"Virtual communities enable knowledge exchange and have been demonstrated to facilitate the exchange of know-how, both in the public and private sector throughout the world," noted the authors. Several success stories point to their effectiveness for knowledge management in developing counties. No similar accounts could be found for enterprise solutions, they concluded.

Recommended links:

EJISDC website
www.ejisdc.org
City University of Hong Kong
www.cityu.edu.hk

ASIA PACIFIC

New security risk management strategy for government

McAfee has announced its Security Risk Management strategy, designed to provide government with a more effective way to minimise risks from security threats and non-compliance.

This strategy builds on McAfee's core strengths in threat prevention by adding new compliance management capabilities including remediation, network access control and data loss prevention.

With this announcement, McAfee has become the first IT security company to integrate threat prevention and compliance management, providing enterprises with greater automation, operational efficiency and protection of their investments.

Ashley Wearne, McAfee's Vice President of Marketing and Integrated Solutions in Asia Pacific, said growing compliance and regulatory requirements, coupled with changing threat environments, have forced enterprises to re-think how they approach and manage security.

"Many organizations spend an enormous amount of time and money to manage security risks and to demonstrate compliance, but the smart enterprise must apply a business discipline to security, in order to manage IT risks to an acceptable level without draining corporate resources."

McAfee's approach to Security Risk Management provides a comprehensive approach to controlling IT risks that encompasses both threat prevention and compliance.

IDC research analyst Brian Burke said for years, organizations have focused security efforts on external threats posed by the explosive growth of viruses, spyware, blended threats and spam, but the situation is now changing, especially in light of new government and industry regulations that require organizations to protect the integrity of customer and employee personal information and corporate digital assets. "As non-compliance may result in substantial fines and executive liability, organizations are realising that information by insiders is a threat that can no longer be underestimated."

IDC estimates the worldwide security compliance and control market to be valued at approximately US$5.79 billion in 2005 and forecasts this to grow to US$14.92 billion in 2010, representing a 20.8 per cent compound annual growth rate over the five years.