

e-business case study	 <b>Bay Technologies</b> <b>COoperative Solutions</b> <small>ABN 60 073 362 982</small>
State Government	Natural Resources & Water
Correspondence Compliance	MinCor 4
Independent Survey – DBI	Executive Services Department Manager

The Queensland Department of Natural Resources and Water (NRW) works with industry, community and local government to ensure that the management of the state's natural resources is innovative, responsible and balanced.

The department employs 3,500 people in Brisbane and more than seventy regional service centres and offices throughout the state.

### **Who are your clients and customers?**

Customers range from the minister, other state government departments, the public, corporates, small business and local government.

### **How do they benefit from your service?**

The department is responsible for the improved coordination of natural resources and their management for sustainability.

Though we oversee all natural resources, water is becoming increasingly important because of the need to manage water use as a result of continuing drought and climate change.

### **What are the current issues in your use of ICT?**

Many of the issues that face the department are common to other government departments. The whole of government approach to networking and sharing information and resources both within and between departments requires common systems, practices, standards and protocols to be successful. Change on this scale is evolutionary. It won't happen overnight and is an objective that will be achieved through a series of planned steps and stages.

Our department has grown from a number of separate departments that have been merged and more recently a business unit that has been separated (mines), that inevitably means inherited systems that can't talk to one another.

As part of the process of integration and sharing we looked at the issues of document management and storage, software standardisation and connectivity between our many regional offices.

The last few years have seen an increasing number of emails and documents moving through the system internally and externally. So that has forced us to upgrade and increase our bandwidth.

Our internal computer network is reliable and secure. Spam is no longer the problem it used to be though we still have some issues the same as everyone else.

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But the main issue has been the need to manage the enormous number of electronic documents the department creates and stores. We have a Strategic Record Keeping team set up to look at the new Public Record Keeping Act and its implications to the department.

### **How do you manage data storage?**

Data is stored on servers throughout the network and backed up to other media, such as DVDs, CDs or tape as required.

### **Do you use e-mail?**

Extensively. It's used internally and externally. But we still receive and send large quantities of letters as hard copy. These have to be scanned and saved in an electronic format so that we have a comprehensive record system.

### **What is your most recent IT project or development?**

The most recent project is the integrated workflow system. The project began in 2000 when we realised the need to be able to locate and track the creation, storage and status of every Ministerial document that we held.

We established a pilot project to build an integrated workflow system that would capture all correspondence – email, letter, fax – inbound or outbound. We needed to be able to track these documents from creation (in whatever form), through distribution (both within the unit and throughout the department) and into storage. We needed the system to be able to prompt and remind people to respond to documents, and we needed the system to generate reports based on many forms of enquiry.

The system also needed different levels of management approval and access. And it needed to be tailored to our departmental needs. We have to respond to the Minister and other departments as well as to public enquiries of all kinds.

### **Did you write a project plan before you started?**

We established a project team and created a project plan.

### **What are the business benefits you are hoping for?**

The business benefits are all now apparent...some tangible and others intangible but equally important.

The system is really more than a workflow management system...it's also a risk management system and a governance system.

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The ease of access to information is the main benefit. The ability to research information, and find things quickly and easily is increasingly important. When people want to know something, they want to know it now.

For instance, the Minister may have written something six months ago...we can find it in seconds. It's the power of electronic search against trolling through paper files.

And consistency of advice is another important issue. The new system has reduced the instances of inconsistent advice to minimal levels.

The system also allows us to manage a lot more issues concurrently.

**Are any of these benefits quantifiable?**

They are all quantifiable. If you look at turnaround times, the prior average response time to issues was sixteen days and now it's ten.

HR costs have also been significantly curtailed. Our workload has probably doubled since 2001. We were starting to struggle with managing things prior to our new system. Now we have the same number of staff but are coping even better.

I imagine that had we not implemented the new system we would have had to increase our staff numbers by 2-3 people. This would have cost us at least \$100,000 -\$150,000 per year extra. This saving alone has recouped our outlays

If we take governance as an example...the system addresses and manages governance issues of all kinds. We scan all outgoing mail and create an electronic document that is entered into the system...so we can find and see what the minister wrote and signed, quickly, easily and irrefutably.

The result is that we can measure turnaround times, speed of responses to communication and demonstrate the efficiency and responsibility of government. So government becomes more effective – it's hard to put a value on this.

We can also compare areas within the department and see whether a particular practice can be improved or whether more resources need allocating to speed things up. It's a great way of matching resources to workload.

For any issues or questions raised by the public or the press, we can quickly determine what has happened and respond accordingly.

If an audit trail is required, we can see where an issue is, how long it took to address and what has been done about it.

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### Where did you go for advice?

We looked around for existing software products but there wasn't a product available to do everything we required. So we discussed the project with Bay Technologies based on previous work they had done for the Department. Then we got an external consultant to review the proposals.

### How much time did it take to get up and running?

The pilot ran for a few months in late 2000. We analysed the data from the pilot and sent out surveys to the people trialing the system. Results were very positive and we used the feedback to improve the system further.

It took a while to move from the pilot to production, mainly just waiting for approval. The funding was approved in the 2001-2002 financial year. Most of the work was done in late 2001 and we went live with the new system in January 2002.

### How did you know who to trust?

We had already been working with Bay Technologies on other projects...so we knew them and their capabilities.

In the early stages Bay Technologies worked with us to develop the pilot so we both gained from the experience and understanding of working through all the issues together. With any other party we would have had to start again from scratch.

### Were you happy with the work and help given?

Yes.

### How much did it cost you?

The pilot cost about \$50,000. Production cost another \$50,000. Then five or six enhancements to the system over the past four years have cost together about another \$150,000.

We have a support agreement with helpdesk. Most issues are dealt with easily and the system is very stable. Bay Technologies do the upgrades as part of the service agreement.

The department has bought a server on which the system is located. The internal cost of hardware support grows year by year and we need to review the impact of this.

There is a possibility of moving to an Application Service Provider (ASP) model, where we would pay for the system out of Operating budget and not Capital expenditure, but the

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savings would have to be there. There would also be other issues of security, reliability and service performance standards.

### **What mistakes did you make that you wish you hadn't?**

In the initial phase of pilot project there were a number of minor issues, which is what you expect in a pilot project. The system has evolved considerably over four years.

### **What were the main risks you took?**

The main risks were reliability and security and I suppose the risk that the whole thing wouldn't work at all. Both risks have been well managed.

The general perception is that the system is great. People still complain from time to time about little things, but a lot of this is coming from higher and higher expectations of what the system should deliver. That varies from person to person.

People from other departments have been very impressed. The new Deputy Director General came from another Department who didn't have anything like our system. He was really impressed with the capabilities of the system.

### **What advice would you give someone else?**

We were the first department to address the workflow management issue comprehensively. There are seven other government departments using the system now. They all came and looked at what we were doing and made the decision to buy the system themselves.

The system has evolved from a bespoke software development project into a stable and reliable product called MinCor.

My advice would be that you have to launch and learn. Don't expect that you'll launch with something that will be perfect. Make a start and move on from there.

Some people find it difficult to take risks even if the process can be well managed.

There are many well-established strategies for managing risk and innovative projects. A clear project brief, an appropriate project team, milestones and regular reviews all help to manage risk. But if you don't want it...you can always find a reason not to do it.

### **What were the barriers within your business to your digital project?**

There were some barriers in terms of cost. Some people thought it was too expensive. But once again, it is hard to evaluate something if it isn't part of your past experience.

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We could see there were many new benefits that would come from a comprehensive and holistic system. We just made the business case and the case spoke for itself.

### **Did everyone in your business support the enterprise?**

One of the obvious and biggest risks was that it wouldn't work. Once we got it going and people started using it, they saw value straight away. And many of the benefits had not been clear to people even though we had spelled them out. It's one thing to talk about something and quite another to realise the benefits for yourself through hands-on experience.

### **Are staff happy with what you have done?**

Yes.

### **Given what you know... would you do it again?**

Yes, it has been very successful.

### **What are your views of the ASP model?**

As use of the Internet becomes generic and large companies like Microsoft promote .Net and software as a service there will be increasing acceptance of web-based services as a model.

There are obvious cost benefits and if I were looking to set the system up now, an ASP model would be more attractive to me and I would definitely consider it. As it is...we have considerable investment in the existing system.

But if I were starting from scratch and a mature product such as MinCor was available I could see the cost benefits, especially now that internal support from the IT department is no longer freely available but charged out as a cost centre.

So maintenance and support of the server that we own is an ever increasing annual cost and if the software was delivered as a service from an external server over a secure high speed connection this would not be an issue.

We would still have to be sure that the issues of security, reliability and service performance standards such as connection speed and response had all been thoroughly addressed. And a decision of this kind would have many stakeholders needing to be convinced.

The other issue would be longevity in the industry...is the ASP provider going to be around tomorrow? As you would be aware, stability and reliability are critical factors for any government department.