Cisco IBSG Works with Brazilian Government to Transform Delivery of Public Services and Save Billions

Executive Summary

CUSTOMER NAME
Federal Government of Brazil

INDUSTRY
Public Sector

BUSINESS CHALLENGES
- Transform government into a "citizen-centric" model
- Digital inclusion of citizens and businesses through multiple service-delivery
- Integrate government operations and service delivery across federal, state, and municipal levels

SOLUTIONS
- Align provision of public services with citizen and business demands
- Use advanced IP and wireless technologies to enable a citizen-centric G-IN
- Establish interoperability standards and guidelines

BUSINESS RESULTS
- Increased citizen participation and satisfaction
- More efficient provision of services to citizens and businesses
- Cost reductions and efficiency savings worth an estimated 1.5 percent of Brazil's GDP

Taking advantage of advanced network technologies, Brazilian officials have partnered with the Cisco Systems® Internet Business Solutions Group (IBSG) to integrate public service delivery channels across federal, state, and municipal levels of government, improving services and enabling access for citizens and businesses. Besides bolstering the citizen-centric reputation of Brazil's government, efficiencies realized through the country's Government Interaction Network (G-IN) will lead to interaction cost savings worth an estimated US$8 billion.

Although Brazil's growth in gross domestic product (GDP) has the potential to reach an estimated 8 to 9 percent per year, ineffective and inefficient provision of business and public services, among other factors, has kept the nation from reaching those levels. Cost savings from quicker and more efficient provision of government services could reach an estimated US$8 billion.

Rogerio Santanna, chief operating officer for E-Government for the Federal Government of Brazil, says there is massive potential for improving efficiency when public services are aligned with citizen and business demands, and delivered in an integrated and citizen-centric fashion across federal, state, and municipal branches. Even more important, he adds, is a vital rebalancing between citizens' obligations to the government and their right to the efficient delivery of necessary services.

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"Take electronic payment of vehicle licensing fees (IPVA) as a typical example," Santanna says. "Most states enable online payment of IPVA and other fines. However, if a citizen desires to appeal a fine, then he or she must get in line and wait. The state only improved the part of the process that is in its favor—speedy collections. The overall cost of delays and red tape a citizen might encounter in appealing a fine often makes the process not worth the time or effort. The imbalance that favors citizen obligations to the government must be offset by an increase in the efficient delivery of services."

BUSINESS CHALLENGES

Patricia Pessi, e-government director for the Federal Government of Brazil, agrees. "One of the central concerns of our next-generation national e-government program is closing the immense gap that exists today between the obligations of citizens to their government and the public services they have a right to expect," she says. "This is the overall focus of our government, which we have tried to translate into our citizen-centric G-IN vision. The first thing that must be done is to organize front-office processes with broad citizen involvement."

The challenge is to do that in a way that integrates public services like IPVA across all levels of government, improves services and efficiency, and provides access for as many people as possible through multiple service-delivery channels that take advantage of advanced network technologies.

SOLUTIONS

The Public Sector practice of IBSG partnered with the Federal Government of Brazil to help formulate a framework for G-IN that first focuses on understanding what drives demand for citizen and business services, and then highlights the demand-supply misalignment. Next, the team designed a multichannel service-delivery strategy that closes the demand-supply gap, developing a strong microeconomic business case around improved efficiency, customer satisfaction, and interaction cost savings. Finally, the team created an incubator model for introducing and rapidly implementing prototype delivery systems.

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Patricia Pessi, e-government director, Federal Government of Brazil

Santanna says Brazil's G-IN vision is anchored by three building blocks: a citizen-centric design that efficiently and effectively satisfies the needs of citizens and businesses; the digital inclusion of as many citizens and businesses as possible through multiple service-delivery channels; and the integration of public-service solutions across federal, state, and municipal governments to ensure nationwide interoperability.

Citizen-Centric Design

The first building block of Brazil's vision is citizen-centric design. To help satisfy citizen and business needs, IBSG and the Federal Government of Brazil used advanced quantitative market research tools to prioritize service delivery according to business impact, the potential for the service to be offered through electronic channels, and ease of execution. Public services will now be delivered through a multichannel network that includes kiosks, the Internet, Short Message Service (SMS), IP Contact Centers, IP television, and branches. Priority services include public security, education, health services, SME enablement, and employment.

Citizen Access

The second building block is represented by a Brazilian broadband and digital inclusion program, which Santanna says "is key to ensuring that all citizens have access to services, especially people in low-income categories. Reducing the enormous digital divide in Brazil will require the creative use of a number of advanced technologies, including wireless in its different modalities."

The digital inclusion plan calls for the design and deployment of a national Next-Generation Network (NGN) wireless broadband infrastructure through a number of Public Private Partnerships (PPPs) to support:

- A program to connect Brazil's 180,000 schools

- An initiative aimed at digitally connecting 70,000 public health-delivery sites across the country

- Construction of community digital inclusion centers for low-income families

- Deployment of a converged broadband network connecting public sites across the three layers of government

Interoperability Across All Levels of Government

The centerpiece of the third building block is a national framework for interoperability (also called ePING), which includes architectural standards and guidelines to help integrate processes, applications, data, security, and networks. According to Santanna, "The G-IN strategic framework, co-developed with IBSG, has provided the analytical basis upon which to decide which key processes should be prioritized for redesign, taking into account standards of interoperability."

In advance of full deployment of Brazil's G-IN NGN programs, rapid-prototype solution sets will be developed in an incubator setting to spark citizen and business involvement in priority areas.

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> **Rogerio Santanna, chief operating officer for e-Government**
> **Federal Government of Brazil**

BUSINESS RESULTS

Ultimately, the transformation of Brazil's government services operation into a citizen-centric model is expected to have a countrywide economic impact. "Nationwide deployments of the G-IN model across the three layers of government are backed up by a massive business case equal to 1.5 percent of GDP," or an estimated US$8 billion in cost and efficiency savings, according to Santanna. Officials arrived at that percentage by projecting overall public service expense reductions equal to a full percent of Brazil's GDP, and time and money savings to citizens and businesses of an additional 0.5 percent.

PPPs are required to implement a citizen-centric G-IN transformation fully, and will need to be planned in detail, Santanna adds. But the enormous value of increased citizen participation and improved efficiencies across the government make it all worthwhile. "It is definitely the way forward," Santanna concludes.

"Appropriate use of ICTs is fundamental for Brazil to capture its full economic growth potential and to significantly improve its biggest development challenge—that of social and economic inclusion," says Rafael Steinhauser, Cisco Brazil country manager.

MORE INFORMATION

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