

NATIONAL CONFERENCE ON e-GOVERNANCE

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VENUE

MAHATMA MANDIR, GANDHINAGAR, GUJARAT

Partnership with Industry- New Business **Models and Service Delivery**



Ganesh Ramachandran

General Manager and Global Practice Head (Government Consulting and GRC Practices)

Wipro Consulting Services

Agenda

- Business Models & their importance
- 2 Business Models in Government and in e-Governance
- 3 Changing Landscape of e-Gov 2nd & 3rd Generation e-Gov
- 4 Increasing Expectations of Citizens
- 5 Framework for Next Generation Business Models
- 6 Industry Partnership for Next Generation Business Models



Business Models

"Business Model is the organization's chosen system of inputs, business activities, outputs and outcomes that aims to create value over the short, medium and long term"

The value creation concept of business models includes different forms of values — economic vs social, consistent with the economic and social objectives of organization

Key Drivers of Business Model Innovation



Shortened Product Life



Commoditization of Products / Services



Digital Revolution



Globalization



Price Transparency



Loss of Messaging Control



Increasingly Turbulent Business Environment



Traditional Business Models in Government

Outright Purchase

- Government funds the proejct, operates and maintains
- Full risk is vested with the government
- Returns from the project are obtained by the government
- Government maintains complete control over the assets of the entire project

Outsourced

- Government funds the project and bears the operational costs during the project tenure
- Risks are shared between the government and the private partner based on the responsibilities
- Returns from the project are obtained by the government
- Government maintains complete control over the assets

PPP

- Mutually agreed allocation of resources, risks and returns between Government agency and private party
- Private partner finances or part finances the project
- Private partner revenue realization shall be through the delivery of specified services to the agreed performance standards
- Typically Long-term commitment between the parties



PPP Projects in e-Governance in India

S.N 0	Project	Domain / Sector	PPP project structure	Government / Public sector entity	Private sector Player	Payment basis
1	CSC	ICT, e- Services	Built- Own- Operate	State Designated Agency	SCA, VLE	Per service / transaction
2	UID (Aadhaar)	Unique ID	Special Purpose Vehicle	Planning Commission	UIDAI (SPV) Multiple Agencies	Per user
3	e- Procurement, GoAP	Procuremen t	Built- Own- Operate	State Government	M/s C1 India Private Limited	Per procurement
4	Passport Seva	Passport	Built- Own- Operate- Transfer	Ministry of External Affairs	TCS	Per passport issued
5	Bangalore One	e-Services	Built- Own- Operate- Transfer	Government of Karnataka	Private Operator	Per service / transaction
6	ESIC "Project Panchdeep"	Healthcare	Built- Own- Operate- Transfer	ESIC	Wipro	Per user
7	MCA21 MMP	Corporate Affairs	Built- Own- Operate- Transfer	Ministry of Corporate Affairs	Earlier TCS (Now operated by Infosys)	Quarterly Fee based payment



Changing Landscape of e-Governance in India



Evolution of e-Governance in India

e-Gov 1.0

- Automation
- Efficiency

- Department
 Websites
- Focus on Hardware driven projects
- Translation of process, No BPR
- No Standardization
- Champion Driven projects

1999 - 2005

e-Gov 2.0

- Standards Based
- Output Focussed
- Effectiveness

- Department specific Apps
- Focus on citizen services
- BPR
- Focus on standardization
- Strategy driven projects

2005 - 2013

e-Gov 3.0

- Collaborative
- Flexible
- Personalized
- Outcome Driven
 - Integration
 (Aadhaar /APIs)
 - Focus on citizen engagement
 - Transformational BPR
 - Focus on enterprise wide standards
 - Greater focus from Govt. leadership

2014 - Onwards



Increasing Expectations of Citizens

Rising income levels

Increased willingness to pay for efficient service delivery Increasing adoption of technology esp. smartphones & laptops

Ever increasing expectations of Anytime, Anywhere service

Key Imperatives of Business Model Innovation



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Journey Towards Value-Driven Service Offerings

Bundled Services

Value-Added Services

Value-Driven Services

Service Offerings

- Bundled services
 offered as an extension
 to core products in a
 vertically integrated
 manner
- Example: Facility
 Management Services,
 Warranty Services etc.
- Value added services offered by integrating service value chain by offering wide range of services available in the ecosystem
- Example: Project
 Financing , Leasing etc.
- Customized service offerings based on value proposition and value to be delivered to client organizations
- Example: Pay per use,
 Multiple revenue stream model etc.

Delivery Methods

- Integrate Service delivery process in the product lifecycle
- Capability to provide local support
- Standardize service delivery process
- Build infrastructure to automate processes
- Establish clear and robust approach to improve client's operational performance
- Use advanced digital technology to optimize service delivery mechanism



Changing Role of Industry Players

- · One time contract execution relationship
- Traditional busness models
- · Defined value for government
- Traditional offerings like supply, operations & maintenance services
- Focus on price negotiation / lowest cost selection process

Vendor

Innovative Service Partner

- Long term partnership
- Innovative buisness models
- Value leadership
- Comprehensive service offerings
- · Focus on mututal benefits from partnership



Innovative Business Models in Government



Cloud-based Offerings (Paas, IaaS, SaaS, DaaS)



Pay per Transaction or Pay per Use Services



Success Fee based Models



Pay-As-You-Go Models



Thank you

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General Manager and Global Practice Head (Government Consulting and GRC Practices)

Email:ganesh.ramachandran@wipro.com