



State and local government strategy consulting

strategy consulting helps state and local governments transform the way they provide services to constituents. Additionally, we help our clients provide more efficient services to businesses and help them reengineer the way they conduct government to government (G2G) transactions. Through the resources of IBM Global Services, the largest services company in the world, we fuse business, constituent/citizen and technology strategy to achieve results and link critical issues to action. IBM's first-hand operational experience through its own 10 years of transformation provides valuable experience and supplements the breadth of direct government knowledge of our consultants.

Below is an example of our insights and work in state and local government.

TOUGH FISCAL ENVIRONMENT CHALLENGES GOVERNMENTS TO BETTER DEFINE THEIR STRATEGIC DIRECTION WITH MEASURABLE ROI

The Issue:

All areas of government -- state, municipal, county, other jurisdictions -- are constantly challenged by emerging crises, fiscal constraints and evolving or shifting expectations. Reduced budgets or tax allocations coupled with newly accepted and swiftly prioritized security and safety concerns challenge fledgling efforts at strategic planning. As never before, governments are faced with multiple challenges in setting strategic priorities. Past efforts at integrating the business approach of ROI analysis were stymied because of the intangible element of government's mission. For example, public safety is an unquestioned government role and responsibility, but how service is viewed or financial benefit weighed does not readily fit into the traditional business analysis models.

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Our Perspective:

To successfully meet these challenges, a clear strategy must be identified and incorporated into the everyday management of government. Key elements of this strategy include: analysis of business requirements, assessment of needs, measurement of return on investment (ROI) and preparation of a clear roadmap for success. Use of a government specific ROI process supplemented by a citizen perspective benefits analysis can be used to identify strategic priorities. In addition, the proceeds can be used for early realization of opportunities for positive financial impact. The resulting changes can release existing committed dollars for alternative and potentially higher uses.

Case in Point:

A US state transportation agency lacked an enterprise approach to maximize resources, as each department operated individually. The agency was motivated to enhance and combine services related to the traveling public, current business processes and organization-wide communication procedures. Likewise, the agency's Deputy Director sought to establish the agency as a leader in the transportation industry by identifying and understanding changing priorities across the organization.

With the use of a scoring algorithm tailored to the public sector, six opportunities were identified and prioritized by a joint IBM-government team for implementation across the agency. The opportunities spanned a range from the use of emerging technology to increase employee efficiency and improve citizen experience with agency transactions, to the ability to provide increased highway and bridge safety for the traveling public.

The collective opportunities are forecasted to enhance productivity, increase efficiency, expand services, and improve communication across the organization. Successful implementation will also derive from the process and organizational change recommendations now being deployed.

**CREATING COMPETITIVE ADVANTAGE THROUGH THE USE OF TECHNOLOGY IN ECONOMIC
DEVELOPMENT BY GOVERNMENTS**

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The Issue:

Economic development is a major interest for all governments, yet is constantly challenged with possibilities, limitations and shifting priorities. Today's post-September 11 environment, coupled with an unprecedented fiscal environment, heightens the imperative for economic growth and success through innovative economic development. States, municipalities, counties and other jurisdictions must grapple with these challenges and drive initiatives through the use and benefit of technology.

Our Perspective:

For state and local governments, technology can create a competitive advantage that provides high return on investment, promotes economic growth and brings citizens and other constituents into the digital age. Technology is not just equipment; it is the ability to produce a highly skilled workforce resulting in higher paying jobs. Technology is the linkage for state and local governments to attract innovative businesses with potential to enhance the community and quality of life for citizens. It is the enabler for increased educational opportunities for children. Finally, technology is a major driver of economic opportunity, and needs to be integrated into the growth strategies of leading state and local governments.

Case in Point:

The mayor of a mid-west capital city wanted to firmly establish the city as a high-tech regional center and prepare it to be successful in a technology-driven economy. The government needed to strengthen its ability to attract business and educate its citizens and business community in the use of technology for everyday life. The city's challenge was to assess its digital readiness, identify specific strengths and weaknesses, and develop a clear vision for success. The city also wanted to develop a targeted plan addressing specific goals and identifying measurements, establish innovative economic initiatives, and imbed the relevance of technology into every citizen and member of the larger community.

The joint IBM-government team worked with the city leaders and its formal stakeholder group to articulate a focused vision for technology enabled economic development and validated it with the broader community. With this insight and comparative analysis, the team developed a technology-enabled economic development plan with seven specific goals and detailed objectives for implementation. Timelines were established, key partnerships were identified and measurements for success were developed.

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As a result, the city has a unified, innovative vision for economic growth in a technology-driven world. The mayor has been recognized for his regional efforts at technology transformation and for the linkage of technology with economic development. The city and its stakeholders lead their larger region in bridging the technology gap. Attractive, future-thinking technology innovators are working with them to continue the city's leadership and to further develop their role as a technology-enabled economic destination. Having met two of its established seven goals, the city is actively -- and measurably -- engaged in meeting the remaining five.

Additional links

[Multiplying business value: The fusion of business and technology](#)

Consultants have long proclaimed the need for strategic alignment between business and IT: Set your business strategy, and then determine how technology can help. Unfortunately, traditional alignment approaches invite risk and leave opportunities untapped. Higher returns can be achieved through a higher degree of strategic alignment - the fusion of business and IT.

[Closing the performance gap: Back to basics for the U.S. banking industry](#)

Banking institutions across America show a striking dichotomy in terms of stock performance. Those that remain at the top of the charts display strategies and attributes that consistently garner shareholder value. A recent study by the IBM Institute for Business Value suggests that while their methods may vary, these leaders share three distinct strategies.

[Weathering the economic downturn... while moving ahead](#)

While the economic downturn has hit some sectors and geographies harder than others, almost every business has felt its impact. At the same time, economic uncertainty elicits different reactions from different firms. Some organizations simply tread water, while others move ahead of competitors. As executives rethink their business strategies, they should consider a variety of approaches -- including some that are not immediately obvious given today's uncertain economic climate.