

The Project Context

OBC was triggered by the Ontario government's concern with simplifying its relationships with businesses and with improving its response time to registration requests. The ultimate goal was to make Ontario the preferred jurisdiction, at the national and international level, for creating and opening a new business. This strategy, which was initiated 10 years ago, is part of a larger strategy of e-government leadership, with a 2003 deadline (CCIO Internet, 2001).

Historical context

In the beginning of the 1990s, Ontario was hit by the departure of its major manufacturers due to the North American Free Trade Agreement, as well as massive lay-offs in heavy industry. Under these circumstances, it seemed that opportunity for job creation was limited to small business. However, the NPD government had, at the time, built a poor reputation with businesses. The main complaint was that nothing was done to ease government red tape requirements for creating and managing a business.

The Minister of Economic Development and Business, together with the Finance Minister and the Minister of Employment, appointed a study group to evaluate the possibility of a systematic response to the problems encountered by businesses in their relationships with the different levels of government and governmental programs. For example, to open a hotel, one needed to obtain 26 permits from eight provincial ministries, a federal ministry, and a municipality. The study led to the conclusion that the emergence of the new information technologies (IT) could bring significant change in the delivery of services. "Clearing the Path", the ancestor of OBC, was created. In addition, legislators passed legislation reforming the law regulating businesses.

In 1993, leaders of the study group recommended the appointment of a permanent team with dedicated resources and in 1994, OBC was born. OBC originated from a few visionaries (that nobody understood) who reflected on what the internal features (across ministries and inter ministries) and external features (services coupled with private vendors) of the integrated service deliveries to businesses could look like. Its funding came directly from the Management Board Secretariat and from the provincial cabinet. In 1997, OBC was recognized as a long-term initiative, financed by venture capital (an additional \$ 8 million), to achieve government strategic goals regarding the transformation of public service delivery in Ontario.

In 1998, the staff of OBC, borrowed from different government offices, became permanent. Simultaneously, the Ontario government adopted its service delivery strategy (Ontario, 1998) and assigned all questions related to the business world and government relationships to OBC. In 1999, \$ 40 million over a five-year period were dedicated to it.

The Division of Commercial Affairs within the Ministry of Consumption and Consumer Relations, which became the Ministry of Consumer and Business Services, was chosen to sponsor the project team because of its reputation of extraordinary achievements. Nonetheless, the team stayed secluded in its offices, sheltered from the normal procedures of the "ministerial machine" as well as from the community of services delivery, until the summer of 2001.

The first operational mandate of OBC was to make the process of opening a new business easier. In 1994, OBC installed the first interactive units (self-help electronic workstations), mainly in small municipalities, to test its features on a small scale. By August 1997, 64 workstations in 57 sites were installed in the province. The sites consisted primarily of organizations related to economic development: chambers of commerce and local, provincial and federal bureaus. In 1999, the interactive units dealt with 60 percent of the registrations in the province (ONCE, 2000). There are currently 148 workstations. The Internet site, available since November 1996, allows searching and downloading forms, but not registering.

In September 1997, negotiations were initiated with potential private wholesalers in order to achieve value added service delivery in 2000. There are currently three accredited wholesalers that meet the service delivery quality standards required by OBC. These standards are crucial for the customer and the press, who wonder about the price and quality of services offered by the larger sector of "government information providers." (Lewychyj, 1998).

In January 1999, the cost of registration via a workstation went from \$ 70 to \$ 60 and the cost of registration renewal went from \$ 10 to \$ 8 while registration by mail went from \$ 70 to \$ 80 and from \$10 to \$ 12. This was an incentive of the Ministry of Consumption and Commerce to encourage the use of workstations which are considered more efficient and faster (The Spectator, 1998).

In 2000, a link via MQ series applications from IBM allowed the federal government to offer additional services via the workstations: the registration of business names and issuance of matriculation numbers.

Another service recently offered allows businesses to receive by e-mail hyperlinks of sites that have been recently updated and that may be of interest to them. To benefit from this service, businesses need to fill out a form identifying their profile and interests in "MyBIS" on the OBC Web site. The hidden technological aspect of this service is the development of applications that make possible the signaling of any modification to a government partner's Web site, as well as its indexing.

The Strategic Context

In the early 1990s, the Ontario government was criticized for being anti-business. Economic growth was slow, and recovery was only thought possible through the creation of small businesses (in order to replace the losses of the severely hit heavy industry) but required very time-consuming and complex administrative procedures. There was a general feeling that job creation, which would have to come from small and medium enterprises, should not be hampered by government red tape.

The vision that the Ontario government developed in the 1990s for the next generation of service delivery can be summarized as follows:

- To provide a secure two-way access that protects data integrity between the government programs and the business clients;
- To allow complete freedom of choice to the citizen-client (access, time, product/service and information);
- To encourage products/services updates in a competitive environment in order to reduce costs to businesses;
- And, to use a network technology opened to the choice of channels and available at any hour through the government and the services delivery community.

In this context, the client will be able to choose his or her exchange options with the government, control transaction status, and expect efficient service. The services delivery partners will be able to act on behalf of their client and be paid by them; to identify their niches and service offers; and to be certified by the government for the quality of their services.

The right time had come for technology to support the tremendous changes in service delivery. What was left was to apply a framework around its evolution and development in order to align it with the government strategy for the future. Most importantly, legal and functional barriers limiting the exchange of data between the different ministries and between the ministries and a third of the public domain responsible for integrating this data and making it available to businesses had to be removed. For this reason, at the same time that OBC was taking form, a study group started working on drafting legislation on the reform of the law regulating businesses, without which OBC could never have moved forward. The two groups benefited from strong support at the highest levels from which they directly depended without having to report to any program or ministry.

Another rarely noticed facilitating element concerns the attitude of Ontario citizens who have a vision of the private enterprise as a partner in public affairs. They are less concerned by potential conflicts of interest that can be created by, for example, the placement of a business sponsor's advertisement board in the hallway of a public agency. This positive and open attitude allows OBC to further explore the involvement of public, private and Non Governmental Organization (NGO) partners in the business architecture of government services delivery.

The legal and policy context

The original and crucial element in this case is the law reforming the regulation of businesses mentioned earlier in the study. The law, sanctioned on December 9, 1994, is still current and unique. It simplifies some processes and regulations, such as the mandatory requirement of hard copies and original signatures on forms. The law gives full power to organizations like OBC to force ministries and governmental agencies to deliver their processes in the desired form in order to be more open and compatible. OBC did not yet use this "stick" but recognized that the law helped lift many barriers.

A legal counselor from the Ministry of Consumption and Trade Relations assisted the OBC team during the conception and first phases of the project. The legal counselor is still readily available. It is widely acknowledged that this involvement allowed the creation of legislation well adapted to the strategies of e-government. It facilitated the understanding of the initiative objectives and consequently of the present and future legal needs. Another result of this relationship was that members of the OBC became more attentive to the legislative aspects

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in the short term and laws in the long term, which influenced their conception of the structures and relations to be developed.