

This framework is based in part on the results of five case studies that examined how government IT investment projects came to deliver value to the public. The projects were the Integrated Enterprise System in the Commonwealth of Pennsylvania and the Washington State Digital Archives in the US, the Merkava Project in Israel, the Austrian Federal Budgeting and Bookkeeping System in Austria, and Service New Brunswick in Canada. All five case study reports and the white paper are available on CTG's Web site.⁽³⁾ In the case studies we examined how the IT investments were conceived and developed, with particular attention to the role of public value in the process. We took the view that government IT investment generates public value in two ways:

- By improving the **value of the government itself** from the perspective of the citizens, and
- By delivering **specific benefits directly to persons, groups, or the public at large**.

The first is based on the idea that, assuming a benign government, the better it functions overall, the better off its citizens will be. The government is an asset to the community or nation that delivers a wide range of values. Internal improvements make it a more valuable asset to the public. The second way of generating value has three forms: financial, political, and social. Financial value results from lowering the cost or increasing the efficiency of government or delivering direct financial benefits to the citizens. Political value consists of increasing participation, fairness, transparency, legitimacy, or conferring political capital to elected officials or citizens. Social returns include increased social status, stronger relationships, or opportunities; increased safety, trust in government, and economic advantage.

These general understandings of public value guided the data collection and presentation of the case results.

The case studies examined public returns to the overall IT investment, including returns generated by a government IT investment and the possible mechanisms to produce them. We did this by considering the links between goals, implemented systems, government performance, and public returns in terms of where they represent value in the chain shown in Figure 4 (below).

The public returns from the investment can flow from the internal improvements in the agency resulting in returns to individual citizens and the public at large (the main flow through the center). Other returns can flow to the political system and the economic environment (below the center), or through effects on other agencies (secondary performance gains). This general view of public returns informed the case studies and helped summarize the results.

Figure 4. Public ROI Value Propositions