

The public returns from this investment extend beyond internal efficiencies to include both direct political and social benefits, as well as potential and indirect effects. The shading in Figure 2 below (modified from Figure 1 in the introduction) represents these returns, indicating where there is evidence for direct and documented returns (unshaded sections) and for indirect or potential returns (hatched sections). The direct returns reported and documented for the project are very substantial, but almost exclusively internal to the Federal agencies and in the political system. These internal returns, described above, represent a continued saving of direct expenses and enhanced internal efficiency. The secondary performance gains appear to be of two types. Some of the personnel from bookkeeping and accounting, for example, were transferred to auditing functions. Increased auditing capability will further reinforce internal efficiencies by detecting and correcting wasteful or improper expenditures. Improved auditing will also produce policy and electoral returns through improved transparency and accountability of the government vis-à-vis the parliament and citizens.

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Unshaded = Direct and documented returns

Hatched = Indirect or potential returns

Shaded = Not applicable or lack of foreseen indirect or potential returns at this time

### Figure 2. Types of Documented and Potential Returns

Potential returns are linked to the role of the ERP project as both a model for government transformation and as an information infrastructure for future improvement in services and other government operations. The ERP system serves at least two major goals of the government's larger e-government strategy. One is enabling improvements in internal financial management and decision making that are a part of the overall government transformation. The other is providing a major portion of the integrated information resource necessary to achieve the goal of a fully electronic workflow in government agencies. While not measured as part of this project, these returns can be significant. They are described in Tables 2 and 3 below.

Table 2. Direct and Indirect Public Returns		
	Political Value	Social Value
Direct	<ul style="list-style-type: none"> <li>• Improved credibility and political support for agency resulting from improved government operations and money saved</li> <li>• Ability to report improved performance with fewer resources generates support for elected officials</li> <li>• Report improved government efficiency to stakeholders and general public; improves agency's status in government</li> </ul>	<ul style="list-style-type: none"> <li>• Resources reallocated to work on activities directly related to citizen services</li> <li>• Financial service quality improvements due to better government decision making</li> <li>• Enhanced accountability, transparency; improved trust and legitimacy of financial operations of government</li> </ul>
Indirect	<ul style="list-style-type: none"> <li>• Improved internal government operations enhance support for other political interests and strategies, e.g., new system supports other parts of the government's reform efforts and e-government strategy</li> <li>• Using "cutting edge" technology enhances reputation &amp; status of officials</li> </ul>	<ul style="list-style-type: none"> <li>• Improved transparency of other government operations &amp; decisions</li> <li>• Lower cost and faster development of service improvements overall</li> <li>• Potential for improved public access to information of economic and political value</li> </ul>

Table 3. Government Measures of Merit (Goals), Returns, and Indicators

Policy Mandate	Measures of Merit (Goals) from the Legislation	Returns (Planned or Realized from the Investment)	Possible Indicators
<ul style="list-style-type: none"> <li>• Joining the European Union in 1995 and participation in the EU monetary policy in 1999</li> <li>• Administrative Reform Law of 2001</li> <li>• The Austrian E-Government Act entered into force on March 1, 2004</li> </ul>	<ul style="list-style-type: none"> <li>• Personnel reduction</li> <li>• Electronic platform for citizens access</li> <li>• Cost accounting system</li> <li>• Budgetary reforms, and introduction of SAP and an electronic filing system</li> <li>• Public bodies to be capable of full electronic transactional service delivery by 2008</li> </ul>	<ul style="list-style-type: none"> <li>• Improved government operations</li> <li>• Cost savings</li> <li>• Increased efficiencies</li> <li>• Ministers, managers, and other users have more and better information available to make more informed decisions</li> <li>• Resources reallocated to citizen services</li> <li>• Improved decision making supports better services to citizens</li> <li>• Enhanced accountability &amp; transparency</li> <li>• ERP model supports other initiatives in government's reform efforts and e-government strategy</li> </ul>	<ul style="list-style-type: none"> <li>• See Table 1 above: approx. €30 million saved per year</li> <li>• Baseline operational metrics unavailable</li> <li>• User satisfaction (surveys, interviews-not employed)</li> <li>• Ministry of Social Security success in shifting resources</li> <li>• Other examples possible but not documented</li> </ul>