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Volume 3: Detailed Project Report for Capacity Building

Government of Madhya Pradesh

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1. Introduction

The Government of India (GOI) has formulated the National e-Governance Action Plan (NeGP) that aims to expedite deployment of information technology in governance with a view to improving delivery of government services to citizens, business and other stakeholders. The GOI is also keen to ensure that the NeGP is implemented as a programme at all levels of government and it achieves the strategic goals set out in it.

Under this plan, the eight mission mode initiatives addressing the common needs for all states have been drafted, but certain unique needs or priority projects of individual States are to be addressed through the formation of **State e-Governance, Capacity Building Roadmap and Detailed Project Report**. To achieve the aforementioned, the Government of Madhya Pradesh (GoMP) along with NISG, Hyderabad had engaged M/s Ernst and Young as consultants to prepare the following deliverable as an outcome of their study and analysis -

Volume I: e-Governance Roadmap

Volume 2: Capacity Building Roadmap

Volume 3: Detailed Project Report for Capacity Building

Volume 1 - e-Governance Roadmap Report which has already been submitted earlier had the following 3 components:

- Vision, Mission and objectives of e-Government
- e-Government Strategy
- e-Government Blueprint.

Volume 2 – Capacity Building Roadmap (CBRM) which has already been submitted earlier serves as e-Governance Capacity Building Roadmap for the State of Madhya Pradesh. It provides a Governance Structure and Institutional Framework to implement & monitor the e-Governance initiatives undertaken by the state.

This report **Volume 3 – Detailed Project Report (DPR) for Capacity Building** provides us with the costs of setting up the state e-Governance Mission team (SeMT) to initiate the state e-Governance program.

2. Summary of e-Governance and Capacity Building Roadmaps

The e-Governance and Capacity Building Roadmap serve as a background to the preparation of the Detailed Project Report for Capacity Building. This section provides an overview of both the roadmaps.

2.1. Summary of the e-Governance Roadmap

The e-Governance Roadmap brings together the way forward for the State with respect to delivering the right service to its citizens in a better way. In the process of developing the e-Governance Roadmap, inputs from various stakeholders were sought to develop an understanding of the development goals of the State, the service delivery mechanism and the challenges faced by the administration to deliver these services to various stakeholders. In addition, the current state assessment of e-Governance was conducted to understand the preparedness of the State to undertake the e-Governance exercise.

Table 1 gives the list of the e-Governance Projects that have been successfully implemented in the State of Madhya Pradesh till now, following which the suggested e-Governance roadmap is proposed.

S. No	e-Governance initiative
1	eKrishi Vipnan, Agriculture marketing project of M.P.
2	Computerization of Commercial Taxes
3	Land Records, Digitization of <i>Khasre ki Nakal</i>
4	Treasury Computerization
5	e-Governance in Transport Department
7	Others e.g. Municipal Administration, Police, etc

Table 1 – Existing e-Governance initiatives

The e-Governance roadmap consists of three parts the vision, the strategy and the blueprint, detailed as follows –

1. Vision, Mission and Objectives of the State

The following identified goals from needs or expectations of various stakeholders that need to be addressed by an e-Government and would essentially serve as drivers for the Vision Statement:

- **Goal # 1** – To provide Government services anytime, anywhere, at affordable costs and in local language to all citizens including the ones in the lowest strata and remoteness of State. This would essentially help the improving the quality of life of the rural and backward communities leading to greater human development.
- **Goal # 2** – To enable itself to deliver and deal transparently with businesses and other stakeholders. This would help the government in promoting industrial investments in the State leading to greater economic development and hence employment in the State.
- **Goal # 3** – To be able to innovatively provide and sustain the quality of the services in the long-term. The services should be provided through kiosks or the Internet for which various departments would have to undergo process re-engineering and automation of key departmental processes. This would also involve training and capacity building of existing staff, infrastructure and closely working with various public-private partnerships encouraged and closely monitored by the government. The state government also expects minimum financial burden from these projects.

The e-Government state Vision Statement as a result of this study is as follows -

'To ensure **friendly, transparent** and **responsive** government **transactions, with all sections of the society**, by developing **innovative public-private collaboration** and an **efficient administration** leading to the **overall development** of the State'

2. e-Governance Strategy

e-Governance Strategy is the process of arriving at the methodology of how best the e-Governance Vision can be realized. It consists of ascertaining the desired outcomes, converting them into a set of services, bundling together of the services into a set of projects and initiatives and prioritization of the projects adopting the framework of 'Criticality- Feasibility'. The e-Governance Strategy also throws up the options available in securing the resources and focusing on the critical success factors.

The resultant of the study has been the following e-Governance matrix which categorizes the initiatives into the following four quadrants, for the state to start implementing these critical projects –

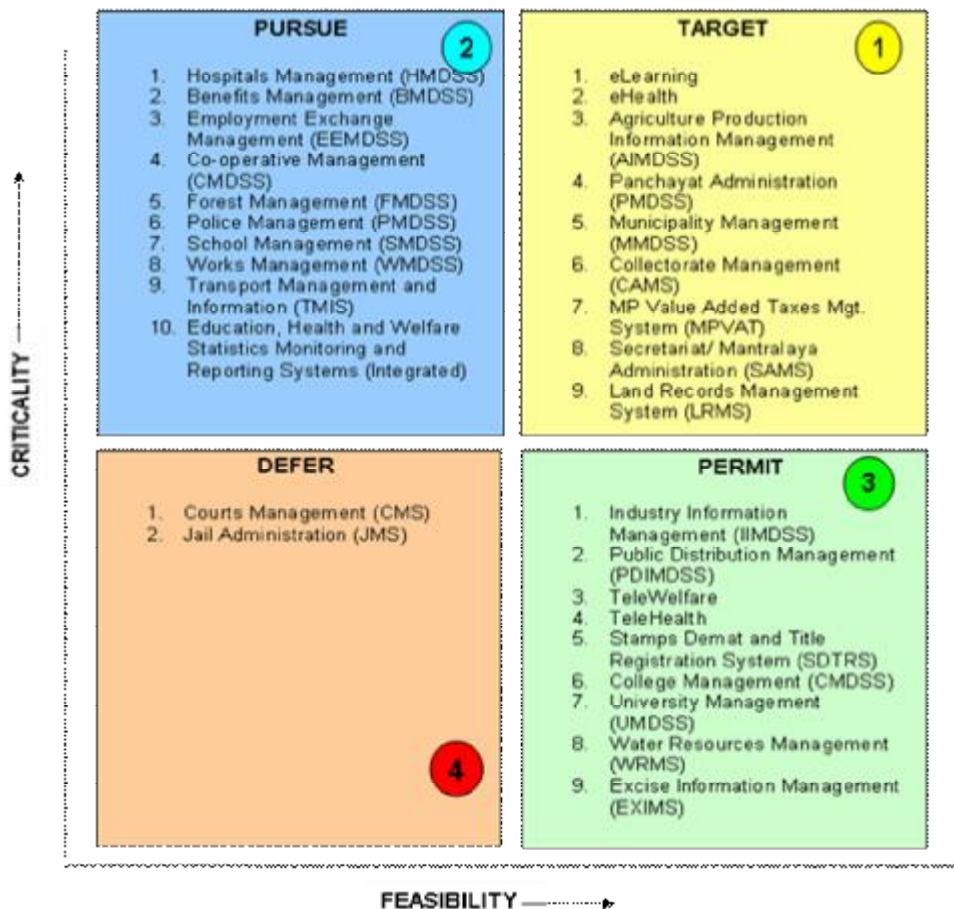


Figure 1 – Criticality Feasibility analysis for e-Governance initiatives

Projects in the Target quadrant would form part of the prioritized projects of the roadmap. The Target quadrant is defined as follows –

- ⇒ **Target** - Projects that would form part of the roadmap as priority projects as they have high criticality and high feasibility. They are urgently required by all the majority stakeholders of the state and should be implemented immediately.

3. e-Governance Blueprint

e-Governance Blueprint is a visual depiction of the various projects and initiatives recommended to be undertaken in the fulfillment of the vision and the strategy. It also brings out the inter-relationships and dependencies of the various components. The designing of the Blueprint would facilitate the provision of the ‘Big Picture’ to all the stakeholders in general and to the program managers and project managers of the e-Governance program. It helps in a systematic and coordinated implementation of the e-Governance Program through multiple agencies acting in a synchronized way, following common policies and guidelines. This results in saving of duplicative efforts and forges interoperability. The Big Picture of the e-Governance Roadmap of MP is shown below.

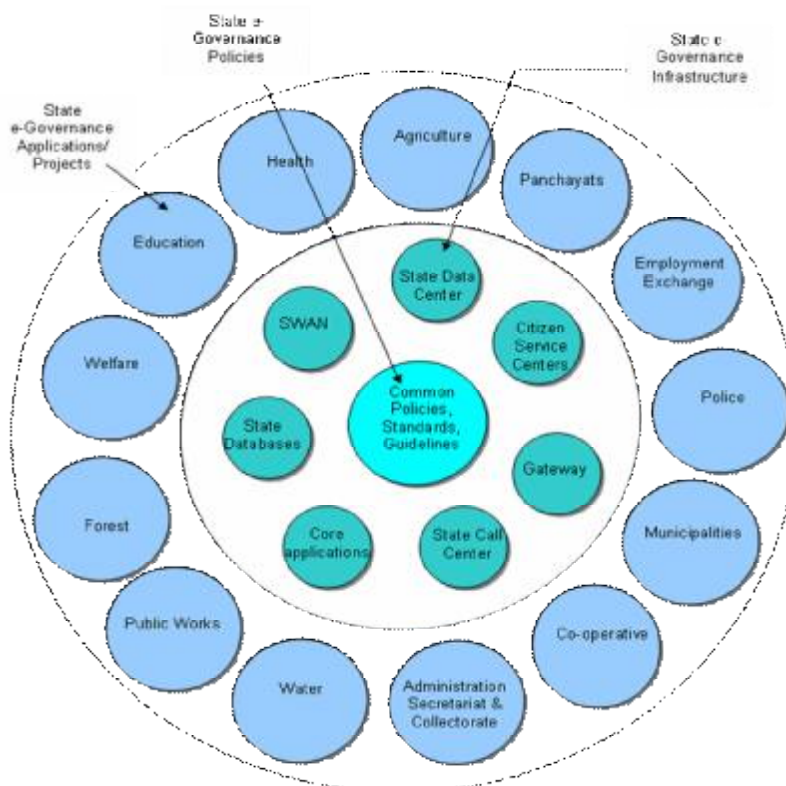


Figure 2 - e-Governance Blueprint

2.2. Summary of the Capacity Building Roadmap

The e-Governance Capacity Building Roadmap for the State of Madhya Pradesh has provides the Governance Structure and Institutional Framework to implement & monitor the e-Governance initiatives undertaken by the state.

A detailed as-Is study was conducted for the existing Governance Structure & Institutional Framework for e-Governance initiatives. On analyzing the strengths and weaknesses of the existing structure, a robust and focused structure has been proposed. The proposed structure has the following components –

- State e-Governance Council
- State e-Governance Apex Committee
- State e-Governance Mission Team
- State Nodal Agency for Capacity Building
- Technical Evaluation Group
- Project e-Governance Mission Team

Madhya Pradesh Agency for Promotion of Information Technology (MAP_IT) as State Nodal Agency for Capacity Building is expected to play a very important role as an enabler to promote e-Governance initiatives in the State. It is therefore expected to have very dynamic, motivated and experienced resources in its team and also have a strategy to retain them to sustain the e-Governance initiatives within the State. As a strategy to retain them, these resources should be motivated through attractive incentive alternatives.

The inter-relation between these various components is depicted in the diagram below.

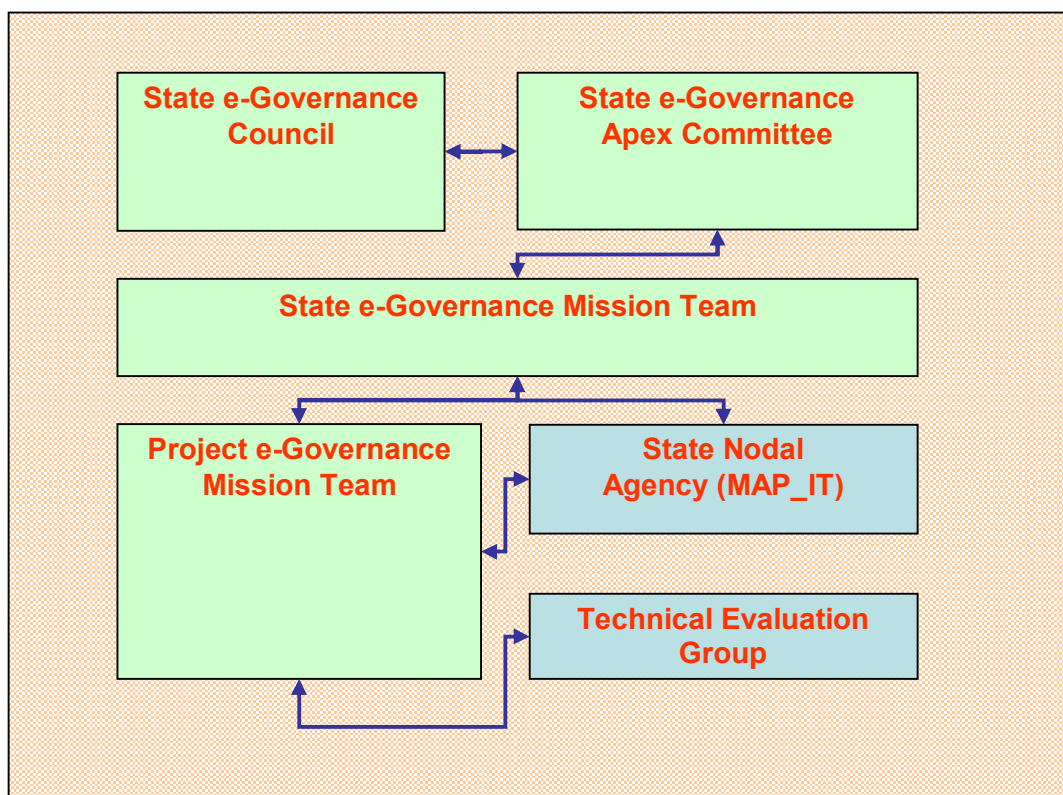


Figure 3- Proposed Governance Structure & Institutional Framework

The Capacity Building report provides the proposed Governance Structure along with roles, responsibilities, required skills & knowledge and analyses the gaps in the existing and proposed structures and provides the strategy to bridge those gaps. Strategy for building capacities beyond the Governance structure i.e. developing capacities of key stakeholder groups – Department Employees, Citizens and Voluntary Organizations, is also detailed.

Training Need Analysis (TNA) was carried out to identify the training requirements for the different roles proposed in the Governance Structure. The courses have been broadly categorized under the following 5 heads -

1. Project Management
2. Technology
3. Change Management
4. Financial Modeling
5. Soft Skills

The priorities and levels of the training course have also been defined and a complete list of training courses for each Governance structure. Training curriculum has been designed to suit the requirement of State. Classroom trainings at various Tier – I Business Schools (including IIMs, IITs, IIITs, IITM, ISB, MDI), NISG, Technology Service Providers, QAI, BIS, institutions like NIIT, Aptech, IIHT, CEDMAP, and RCVPNAA. The duration of these trainings range from a Day to 14 weeks residential programmes. Detailed curriculum provided in section 5.2 specifies training objectives, contents and intended participants.

Existing key government training institutions of the State, RCVPNAA and CEDMAP have been analyzed for their existing capacities, their governance structure, training programmes conducted and their reach in the state. Strengths and weaknesses have been analyzed. **Centre of Excellence in Information Technology** under RCVPNAA should be strengthened and promoted as State's dedicated e-Government Training & Resource Centre. Detailed recommendation to strengthen these institutions along with the possible courses to be imparted by them also forms part of the report

The Detailed Project Report for Capacity Building requires the identification of costs associated in the set-up and operation of the SeMT. Section 3 provides details about the functions and composition of the SeMT.

3. State e-Governance Mission Team (SeMT)

The SeMT is a committee under the Department of IT and is broadly responsible for the program management of the e-Governance exercise. It is a state level team and would have various departmental project teams reporting to it.

The functions performed by the SeMT are as follows –

- Support the Apex Council & SeGP Apex Committee by providing the field level information.
- Function as the secretariat and full time internal advisory body in undertaking e-Governance projects.
- Undertake the groundwork for providing overall direction, standardization and consistency through program management of the e-Governance initiatives in the State.
- All interdependencies, overlaps, conflicts, standards, overarching architecture, security, legal aspects, etc. across projects as well as core and support infrastructure shared across several projects would fall under the purview of this group.
- Facilitate the decision making process by bringing various stakeholders on one forum, providing technical opinion from experts to facilitate decision making and ensuring regular monitoring mechanism.
- Link between the national and state e-Governance bodies.
- Derive and share the learning from the existing e-Governance projects in the State.

3.1. Team Structure – Roles and Responsibilities and required Skills and Knowledge

The following is the proposed team structure for the SeMT followed by detailed responsibilities and required skills and knowledge of the team members.

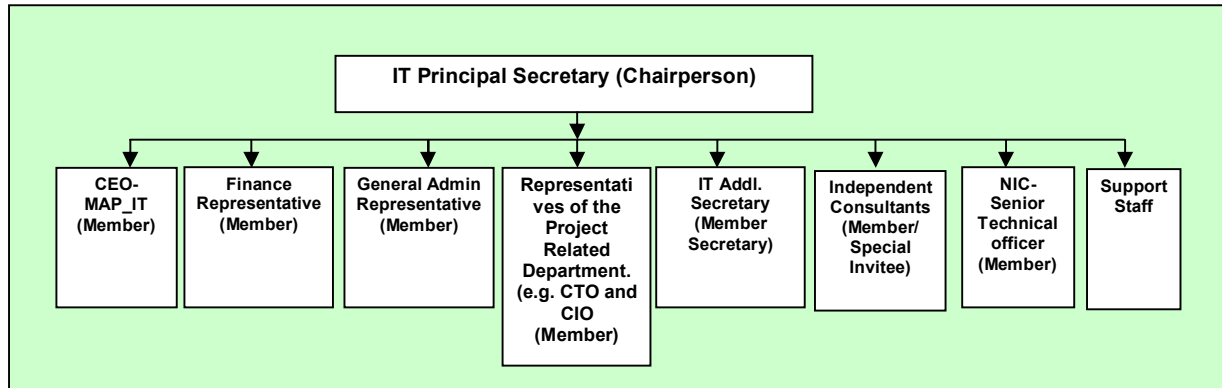


Figure 4 – Team Structure

Role	Designation /Components	Responsibilities	Required Skills & knowledge
Secretary – IT	Chairperson	<ul style="list-style-type: none"> Enable decision making and implementation of e-Governance. 	<ul style="list-style-type: none"> Decision Making IT knowledge e-Governance Policy Framework
Additional Secretary - IT	Member Secretary	<ul style="list-style-type: none"> Provide secretariat assistance to the SeMT. Aligning the state e-Governance initiatives with development goals. Networking with other states to implement successful leading practices. 	<ul style="list-style-type: none"> e-Governance Policy Framework
CEO MAP_IT	Member	<ul style="list-style-type: none"> Ensure coordination with the state nodal agency. Provide guidance for capacity building. Assess training needs requirements for the various initiatives 	<ul style="list-style-type: none"> PPP Modeling Capacity building, Funding knowledge.
Representative from Finance	Member	<ul style="list-style-type: none"> Responsible for budgetary allocations. 	<ul style="list-style-type: none"> Deal Structuring Financial Management PPP Modeling Assess impact of the initiatives
Representative from General Administration	Member	<ul style="list-style-type: none"> Ensure interdepartmental coordination. Facilitate process needs assessment in terms of regulatory framework Provide guidance over department specific procedures and policies to enable the implementation of the initiatives. 	<ul style="list-style-type: none"> Knowledge of department related procedures Regulatory framework knowledge.
Representatives	Member	<ul style="list-style-type: none"> Ensure smooth functioning and 	<ul style="list-style-type: none"> Project related hands

from Project Related Departments (e.g. CIO and CTO, See description below)		resolution of interdependencies and conflicts across their respective projects as well as core and support infrastructure shared across several projects	on knowledge
CIO of the Project Related Departments	Member	<ul style="list-style-type: none"> ▪ Championing, prioritizing and ensuring the effective implementation of the e-governance strategy of the department, its alignment with government objectives, the Best Value Performance plan and its implementation ▪ Ensuring effective systems are in place for capturing lessons learnt from major projects and partnerships ▪ Advocating key recommendations in the e-Governance cycle for major projects ▪ Motivating Government officials and securing their commitment to procurement change, breaking down barriers and overcoming resistance 	<ul style="list-style-type: none"> ▪ Should be at a senior level having authority and direct interaction with the Head of the Department so as to be able to push the project to final decisions. ▪ Working skills on computer applications like MS-Word, MS-PowerPoint, Internet and E-mail. ▪ Preference will be given to officers already working on e-Government project implementation in the department. <p>Officers may be identified from Department s including Boards and Corporations and Public Sector Undertakings (PSUs).</p>
CTO of the Project Related Departments	Member	<ul style="list-style-type: none"> ▪ Act as the key advisor to the CIO. In his role of key advisor to CIO, he is responsible for designing and recommending the appropriate technology solutions to support the policies and directives issued by the CIO. ▪ Provide leadership in ensuring appropriate technology usage ▪ Develop IT technology standards and protocols inline with requirement of the state and industry “best practice;” ▪ Identify and evaluate new technology developments and gauges applicability to Government processes by providing the Solution Architecture that satisfies the business goals and objectives of undertaking an e-Governance initiative. 	<ul style="list-style-type: none"> ▪ BE/MS (Electronics, Telecom, Electrical, CS, IT)/MCA with 8 years in IT projects <p>OR</p> <ul style="list-style-type: none"> ▪ BE in other disciplines/MSc (Maths, Stats, Physics) with 12 years in IT projects
Senior Technical Officer, NIC	Member	<ul style="list-style-type: none"> ▪ Ensure smooth coordination between NIC ▪ 	<ul style="list-style-type: none"> ▪ Conversant with latest technologies.
Independent Consultants	Member	<ul style="list-style-type: none"> ▪ Share experience and best practices for effective implementation of the e-Governance plans. 	<ul style="list-style-type: none"> ▪ Conversant with latest technologies. ▪ e-Governance Basics ▪ Government Process Re-engineering

			<ul style="list-style-type: none"> ▪ Outsourcing Management
Support Staff		<ul style="list-style-type: none"> ▪ Function as the dealing hands for various administrative and personnel functions 	<ul style="list-style-type: none"> Accounts / Finance <ul style="list-style-type: none"> ▪ Accountancy Knowledge ▪ Corporate Finance ▪ Financial Knowledge HRD <ul style="list-style-type: none"> ▪ Knowledge of training, performance management, company affairs, service rules. Admin <ul style="list-style-type: none"> ▪ Knowledge of administrative affairs, policies and service rules.

Table 4 – Roles and Responsibilities and Required Skills

3.2. Norms

Norms	<ul style="list-style-type: none"> ▪ Team Located at DIT Office or MAP_IT offices ▪ Monthly Meeting at MAP_IT Office ▪ Minutes to be circulate to the Apex Committee and PeMT
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Table 5 – Norms of SeMT

4. Funding Requirements

This section of the report provides the costs associated with the proposed capacity building initiatives for the State of Madhya Pradesh under the capacity building roadmap. It also details the funding support required from the Department of IT (DIT), Government of India under Additional Central Assistance for Capacity Building under NeGP.

The funding requirements have been assessed under the following seven broad heads, each of which are detailed subsequently and summarized towards the end of the section.

4.1. Infrastructure Costs

As has been indicated in the capacity building roadmap, MAP_IT acts as the nodal agency for planning and implementing e-Governance initiatives across the state. MAP_IT would house the “SeMT” that is conceptualized. The cost of housing the SeMT is included in this cost as office maintenance costs -

	Item	Number Required	Approximate Unit Cost	Year 1	Year 2	Year 3
1	Computers (including UPS and AMC for 3 years)	Year 1 – 15 Year 2 – 5 Year 3 – 5	60,000	9,00,000	3,00,000	3,00,000
2	Printers (including AMC for 3 years)	Year 1 – 15 Year 2 – 5 Year 3 – 5	7,500	1,12,500	37,500	37,500
3	Program Management Software ▪ MS Project	Year 1 – 15 Year 2 – 5 Year 3 – 5	4000	60,000	16,000	16,000
4	Program Management ▪ Document Version Control Software (Hardware, Software, Software Development, 3 year AMC for all priority departments)	1	17,500,000	17,500,000	0	0
5	Program Management ▪ Portal (Hardware, Software, Software Development, 3 year AMC for all priority departments)	1	15,000,000	15,000,000	0	0
6	Office Maintenance Costs	Annual	1.5 Lakh per month	18,00,000	18,00,000	18,00,000
Year-wise Total				3,53,72,500	21,53,500	21,53,500
Total Cost				INR 3,96,79,500.00.00		

Table 6 – Infrastructure Costs

4.2. Manpower Cost

The manpower cost for the operation of the SeMT for the three year period is based upon the structure that has been proposed in Section 4. It assumed that a 25 % rise in workforce is expected in the SeMT as more project representatives would be added to the SeMT.

	Item	Number Required	Approximate Unit Cost	Year 1	Year 2	Year 3
1	Employees on Deputation from the following Departments (<i>additional incentive</i>) <ul style="list-style-type: none"> ▪ <i>General Administration</i> ▪ <i>Finance</i> ▪ <i>Project Related Departments</i> 	Full-time Year 1- 1+1+10 = 12 Year 2 – 1+1+11=13 Year 3 – 1+1+12 +1=15	20,000 per month	28,80,000	31,20,000	36,00,000
2	Administrative Staff	Year 1 - 4 Year 2 - 5 Year 3 - 6	15,000 per month	7,20,000	9,00,000	10,80,000
3	<i>Miscellaneous Costs</i> <ul style="list-style-type: none"> ▪ <i>Travel, Meetings, OPE, etc</i> 	Monthly	5 % of Yearly Manpower Cost (1,3)	1,80,000	2,01,000	2,34,000
Year-wise Total				37,80,000	42,21,000	49,14,000
Total Cost				INR 1,29,15,000.00		

Table 7 – Manpower Cost

4.3. Outsourcing Costs

As has been indicated in the e-Governance Roadmap for the State, implementation of projects would be taken up after the detailed project proposal for each project is formally approved by the State. However, for the State to approve projects or seek assistance for funds from Central Line Ministries under NeGP preparation of detailed project report needs to be taken up. This is proposed to be facilitated by SeMT through assistance in the preparation of Departmental Detailed Project Report and program management of the SeMT, through the appointment of external agencies e.g. consultants a. Although, there are 15 detailed project reports that are proposed to be prepared during the next three years.

	Item	Number Required	Approximate Unit Cost	Year 1	Year 2	Year 3
1	Preparation with Detailed Project Reports (DPR) for identified projects	15	10 Lakh per DPR one-time	1,50,00,000	0	0
2	Independent Consultants for Program Management	Annual	50,00,000 per year	50,00,000	50,00,000	50,00,000
Year-wise Total				2,00,00,000	2,10,00,000	50,00,000
Total Cost				INR 4,70,00,000		

Table 8 – Outsourcing Cost

4.4. Training Costs

The training costs are identified from the identified training courses for the SeMT for which the costs are detailed below -

	Item	Year 1	Year 2	Year 3
1	Program Management	6,55,000	5,95,000	0
2	Technology	1,20,000	1,42,500	0
3	Change Management	57,52,000	28,42,500	0
4	Financial Modeling	2,47,500	247,500	0
5	Soft Skills	5,16,000	0	0
Year-wise Total		72,90,500	38,27,500	0
Total Cost		INR 1,11,18,000.00		

Table 8 – Training Cost

4.5. Other Costs

Mentioned below are some of the additional costs that are likely to be incurred in addition to the main costs identified above.

	Item	Number Required	Approximate Unit Cost	Year 1	Year 2	Year 3
1	Preparation of EGRM, CBRM	1	16,00,000	16,00,000	0	0
2	Printing and Distribution of Documents to Departments	75	1000	75,000	0	0
Year-wise Total				16,75,000	0	0
Total Cost				INR 16,75,000.00		

Table 9 – Other Costs

5. Total Cost

The table below summarizes the total funding request from DIT under ACA for Capacity Building for the 3 year time frame.

	Item	Year 1	Year 2	Year 3
1	Infrastructure Costs	3,53,72,500	21,53,500	21,53,500
2	Manpower Costs	37,80,000	42,21,000	49,14,000
3	Outsourcing Costs	2,00,00,000	2,10,00,000	50,00,000
4	Training Costs	72,90,500	38,27,500	0
5	Other Costs	16,75,000	0	0
6	Contingency Costs @ 5 %	31,96,100	14,15,600	5,73,675
Year-wise Total		71314100	32617600	12641175
Total Cost		INR 11,65,72,875.00		

Table 10 – Total Costs

To conclude, the total funding required from DIT under ACA for capacity building for the state of Madhya Pradesh is **INR 11, 65, 72,875.00/-** (Eleven crores, sixty five lakhs, seventy two thousand, eight hundred and seventy five rupees only).