Government   Gouvernement
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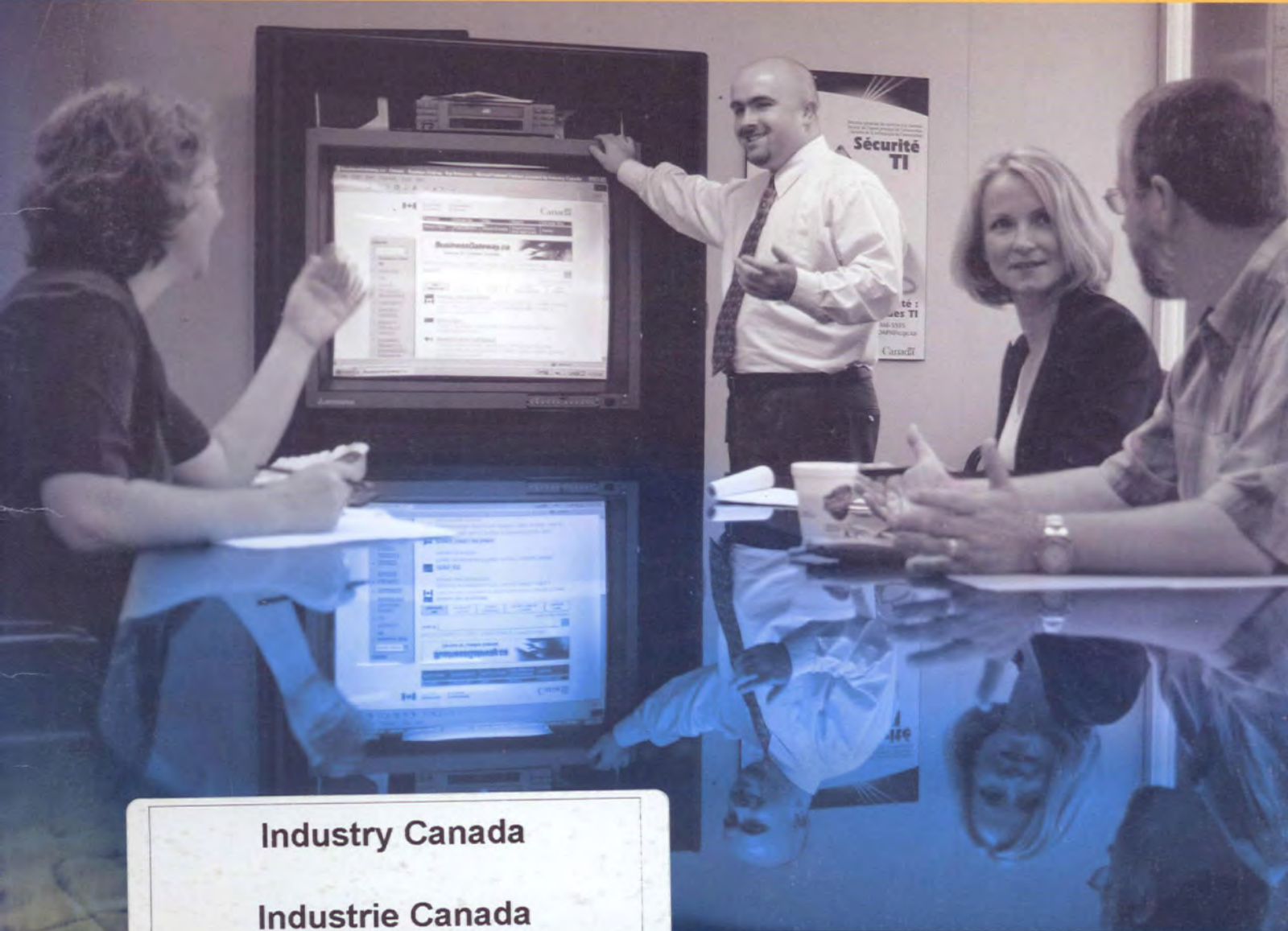
IC

Chief Information Office
Industry Canada

2002-03 Annual Report

Industry Canada

Industrie Canada

Technology and Beyond: Partnerships for Transformation

Canada

Cover Photo 'Business Gateway Planning'

This publication is also available electronically on the CIO Web site **http://icweb.ic.gc.ca/cio-api**

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Message from the Chief Information Officer

I am pleased to share with you the 2002-03 Annual Report of the Chief Information Office (CIO).

The Annual Report is an important way for us to communicate with our clients and partners on future directions and investments. It is also a way for us to be accountable to our "shareholders" in the department for the resources we expend and the results we achieve.
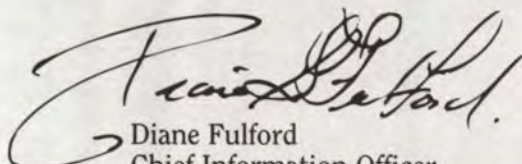
The richness and diversity of the CIO's mandate is perhaps one of the department's best-kept secrets. We provide a wide range of programs and services: a robust IT network, reliable mail and records management, a world-class library, the management of key federal Web sites (such as Strategis and the Business Gateway), the coordination of the Canada Business Service Centres, and support to sectors in putting information and transactions on-line. And these are but a few examples.

In many respects, our relatively low profile is attributable to the solid, well-functioning information management and information technology (IM/IT) underpinning that we provide to the department. We "keep the lights on" in a way that, for the most part, allows you to focus on the delivery of your own programs and to take our support as a given.
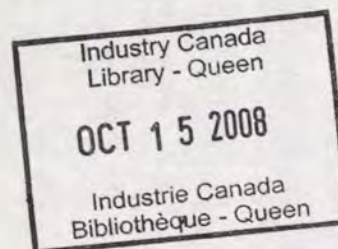
But we also see our contribution as leveraging technology to help transform the way you do business and the way you serve your client base. Technology is not an end in itself, but a means for business-driven solutions and innovations. Partnerships within the department and across government are essential for us to move forward on priorities that serve our collective interests and those of the Canadian business community and consumers.

All of this would not be possible without considerable investment in the CIO by the department. For this reason, we want to tell our "shareholders" more about our strategic directions and the results flowing from that investment. Resources are finite and choices, infinite. Together we can make the right choices.

I hope that you will find our first Annual Report informative and interesting. We have enjoyed the challenge of telling our story and the opportunity to let you know a bit more about us. We hope to have an active exchange with you on where we are going this year and what our joint priorities should be in the future.

Diane Fulford
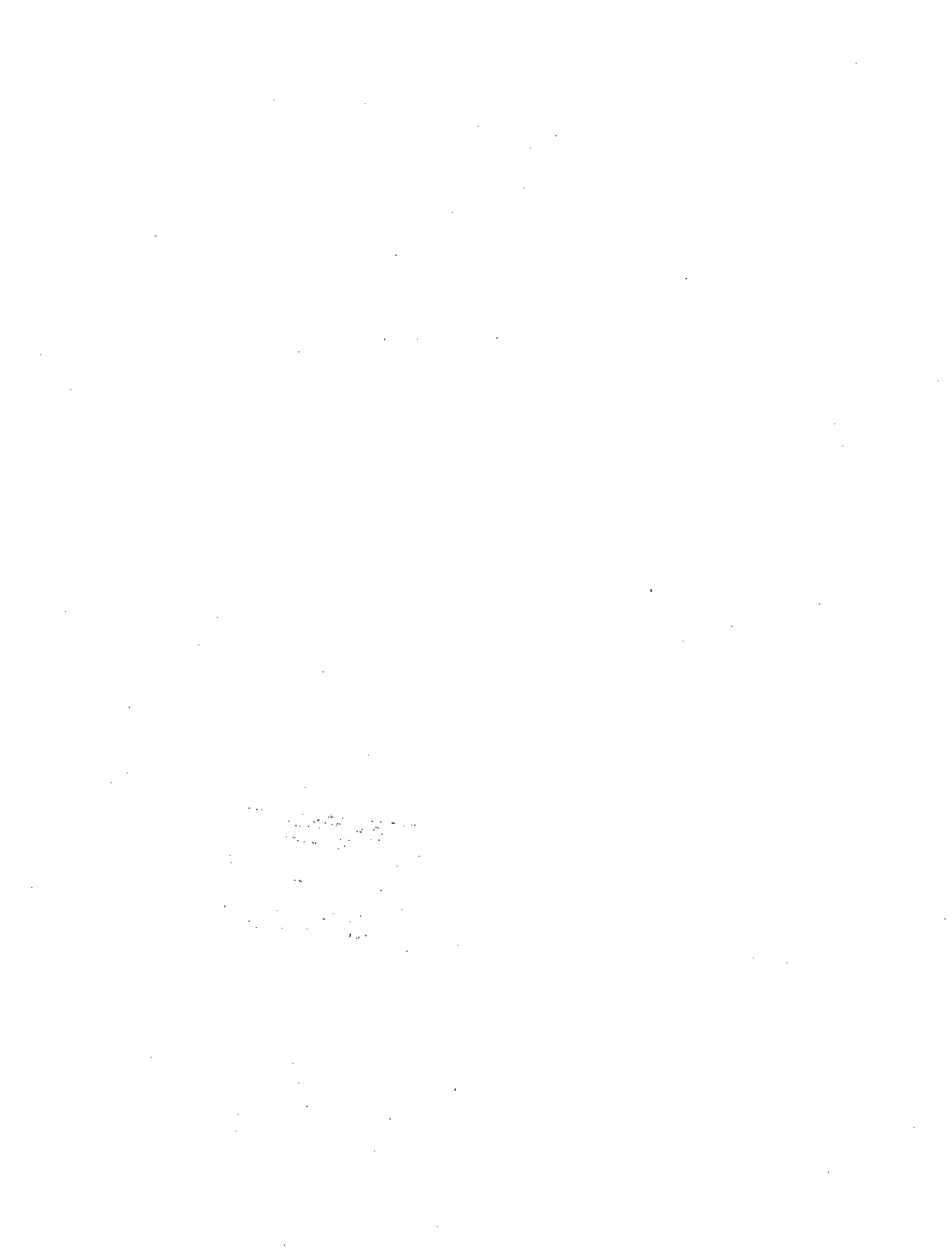Chief Information Officer
Industry Canada

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Executive Summary

There are 450 people in the CIO, working with more than 6,000 clients in Industry Canada to provide robust and secure IM/IT services. We also provide information and programs to Canadian businesses through our work on Canada Business Service Centres (CBSCs) and the Student Connection Program (SCP) and have the lead responsibility for the government's on-line presence for business in the form of the Business Gateway. With an annual budget of $55 million, we are the technology and information management support for the department. But we are only a part of the department's technology and information story.

About the Federated IT Model...

One of the unique aspects of the CIO is the use of a federated model within Industry Canada to manage IM/IT. Many sectors rely on the CIO for core infrastructure services but run their own specialized IM/IT shops. Almost ten years after the creation of Industry Canada, there are debates about whether the federated model reflects a failure to have fully integrated the department or whether the decentralized architecture just makes good sense.

In an IT context, contemporary literature supports a corporate-level backbone with smaller, more nimble client-centric IT shops within individual business units. Indeed, the federated model is now considered an industry best practice. It is, however, not without its challenges.

The department spends over $100 million on IT per year of which $22 million is spent within the CIO on technology support. As a proportion of the department's total operating budget, $100 million represents about an 18% level of departmental investment in IT, which is considered "healthy" by industry standards. Is it the right level of investment for our department? This is difficult to answer. Technology and information are embedded into the business fabric of each of the sectors; innovations abound and we are fortunate to be partners in many exciting ventures. The CIO's responsibilities focus primarily on providing a core infrastructure, application development services and standards to support business innovations within Sectors. By design, the CIO does not provide an oversight function with respect to IT (or IM) investments across Industry Canada.

The reality is that investments in IM/IT will only increase. The industry predicts that the cost of IT support will soon be second only to salary in terms of overall expenditures by organizations. Increasingly, we need to ensure that our collective IM/IT investments continue to be business-driven and not technology driven. We have to make choices on where we want to be on the "bleeding edge" and where "leading-edge" may be more appropriate. We have to understand when investments should be made "in-house" and when they should be outsourced. We have to accept the need for common standards as we migrate to Web-based technologies. We have to understand that security threats to our technology assets are a clear and ever-present danger.

All of this suggests that governance to oversee IM/IT across the department should be seriously considered. While there are committees to co-ordinate technical aspects and ICMC to consider specific proposals, there is no oversight governance body.

Technology...Renewing the Infrastructure

This year is an exceptionally challenging one for the CIO. We had planned one big initiative—the rollout of broadband. Instead, we have three additional infrastructure initiatives underway: the Windows 2000 upgrade, the expanded security agenda, and the move to a new data centre.

Our plans to migrate to a new Windows platform had to be accelerated when Microsoft announced last year that it would soon no longer support Windows 95. Unfortunately, Windows XP will not meet the security needs for enterprise-level use for at least another 18 months, hence the decision to install Windows 2000. This is a bigger endeavour than were the preparations for Y2K, with more than 400 software programs and 300 forms to convert to the new technology. We expect to have the complete rollout by the end of the fiscal year.

In 2000, the department made the strategic decision to move to broadband for its wide area network. This project will give 70 Industry Canada sites faster network service and the ability to consider a host of new applications such as video conferencing, webcasting, and distance learning. The project has proved to be quite a challenge. Deregulation of the telecom industry has meant contracting with new players and dealing with delays caused by the industry players having to lay cabling. The bad news is that all of this has added up to about a year's delay; the good news is that we expect to have completed installation of broadband in all locations by the end of November. This will address network speed issues in the regions.

The final phase of the project will be to extend broadband services within our buildings. Some sites already have broadband to the desktop, others will follow later. (For example, CIPO is scheduled for September, Jean Edmonds for the end of the year, and C.D. Howe will happen as part of the retrofit project.)

Renewal of any infrastructure is a challenge. However, our biggest dilemma is the lack of funding to sustain the ever-increasing demands on the core infrastructure. Think of it as a "utility" that more than 6,000 internal users and millions of Canadians draw down on for access to services and programs. The growth in usage year over year is of staggering proportions, outstripping gains in efficiency and reduced market prices in some areas. Key metrics (e.g., e-mail use and network traffic) show an incredible average increase in usage of approximately 50% per annum. Right now, there is a natural capping of network use attributable only to the size limitation of the existing "pipes." However, broadband is going to significantly increase the size of pipes and the choice of applications. Current reference levels are not sufficient to cover today's costs and not sustainable for projected growth. Industry standards typically call for at least an 8% increase year over year.

With the prospect of a departmental Reference Level Review in 2003-04, the time is now to think about strategies to manage costs and to entertain alternative costing models. As is the case with cable TV, some people just want the basic package, while others want all there is to offer. But even on universal services we need to benchmark our operations against those of other organizations, both public and private, and engage our "stakeholders" in meaningful and evidence-based discussions on options for future service levels.

Beyond Technology—Client Services

Last year, the Gartner Group conducted a client relations review of our services. This year, we are acting on a host of recommendations to strengthen processes to increase consistency in service delivery, ensure sustainable client satisfaction, and build credibility as a partner.

There are some very encouraging results from the study, including higher-than-average levels of client satisfaction, particularly with our IT Call Centre. And, there are also some sobering messages that we are acting upon. The main message is that there is a need to provide seamless service across the CIO and more information on what, when, why, and how much service we provide. In response, we have created a dedicated team to head up a Client Service Improvement Initiative with a requirement for metrics and monthly reports to the CIO Operations Committee (one of our management committees).

Partnerships For Transformation—Knowledge Management

The CIO provides core services in all of the IM domains: the traditional world of paper files, books and periodicals, and the new world of electronic documents and Web-based information. Our challenge is the transformation from discrete information management products and services to a more encompassing culture of knowledge management. Knowledge management is the process through which organizations generate value from their intellectual and knowledge-based assets. Fundamentally, it is about managing knowledge as a key "enterprise" resource and the real currency of this department.

This year, we have several major initiatives planned. The overarching one is the development of a multi-year knowledge management strategy and investment proposal for the department's consideration. This will include options for electronic record keeping and a shift in onus from personally-held information to shared knowledge at the enterprise level.

We are also engaging the department in a broad-ranging discussion on how to renew Industry Canada's flagship Web site, Strategis. Building on a recently completed evaluation, four ADM-led working groups have been formed to address key issues on our best-known brand. By January, we hope to have achieved a consensus on how best to govern Strategis for the future, as well as a bold revitalization agenda.

We are also developing a departmental Internet presence policy that will consolidate departmental policy standards and best practices for Web site owners. It will communicate where we are going on key issues such as "common look and feel," publishing tools, help desk standards, content quality, official languages, security, privacy, and more.

The quest to create client-centric information and services blind to organization or jurisdictional delineations has created quite a challenge in managing a vast expanse of content across countless portals and networks. Last year, the CBSC National Secretariat purchased a new content management system that in effect "tags" the master version of content to all other uses. In this way, updates done by us (or by any of our provincial or federal partners) to the master version will automatically be updated no matter where, how, or by whom the content is used. This will authenticate content and safeguard access to the master version while increasing accountability at the source. We expect that a similar approach will be adopted for the Business Gateway and indeed for other government portals.

Partnerships For Transformation—Leadership in e-Government

Our commitments this year are in three areas: making Industry Canada a leader in Government On-Line (GOL), providing leadership in the government's on-line objectives, and helping e-enable Canadian businesses.

Within Industry Canada, we will be working more closely with the eighteen GOL key services to make sure that we more fully understand the challenges and provide value-added support to the sectors. Our goal remains to have these services on-line by 2003. Our longer term goal is to provide end-to-end services, including financial transactions. This requires linking the Sectors' business systems to "back office" corporate systems (finance, human resources, grants and contributions, supply chain, and so forth). In collaboration with the Canadian Intellectual Property Office (CIPO), the Comptroller's Branch and the Government of Canada's Secure Channel, we are embarking on an exciting proof-of-concept project to achieve a complete and seamless integration from a private trade-mark office to CIPO to full financial integration with departmental and Government of Canada systems. This will be the first of its kind for the government.

On behalf of the government, the CIO manages the Business Gateway. This is a unique service aimed at making it easy for Canadian businesses and consumers to find the critical information they need from hundreds of government Web sites. The Gateway is a highly collaborative initiative, involving partners from 28 departments and all 13 provinces and territories. Now that the Business Gateway is live, our next step is to develop, in partnership, a vision for its next phase of evolution. Part of the vision is to figure out what kinds of service integration opportunities exist, including the provision of integrated channels for service (walk-ins, phone, and Internet). Here our network of CBSCs may well prove to be the service delivery platform of choice for serving business needs.

The CBSCs along with the Student Connection Program (SCP) and the recently launched e-Corps pilot are helping companies to become e-enabled and e-commerce ready. The collaborative efforts of CBSCs across the country provide Canadian firms the competitive advantage of acquiring timely information and services at no cost. Charging only nominal fees, the SCP and e-Corps are ensuring that Canadian firms adopt the technologies and implement the innovative business practices required to take advantage of e-commerce market opportunities.

Investing in People and Building a Workplace of Choice

The CIO depends heavily on technology, but it is ultimately through people that work gets done. In managing the Sector, we have adopted an "enterprise" approach that reflects how interconnected our work is. Success depends on collaboration and failures reflect on us all. We emphasize collective decision-making by our Management Board (executive management team) and open discussion of issues at our weekly Operations Committee, which has a broader membership in the CIO. To make our

commitment to people concrete, we have developed a "People and Workplace Agenda." It includes everything from piloting a creative awards and recognition program, to expanding support for learning plans and career development. Some of these initiatives are home grown and others are partnered with other sectors.

Our Business Agenda

We believe it is important for our clients and partners to have access to our business plans and priorities. One of our new communication tools, in addition to the Annual Report, is our Business Agenda, which is posted on the CIO Web site. The Business Agenda is updated monthly and provides progress reports and contact names, should you want more details on any specific initiative.

Invitation for Dialogue

We welcome your thoughts on the priorities set out in this Annual Report and look forward to hearing more about areas in which we can work together better.

Who We Are

The Chief Information Office (CIO) delivers value to our clients and partners by providing information management and information technology (IM/IT) services that enable business transformation.

There are currently 450 people in the CIO, working with more than 6,000 users in Industry Canada. Each person in the CIO plays an important role in client satisfaction, yet it is the combined efforts of our whole team that allow us to effectively deliver value-added services to our clients and partners.
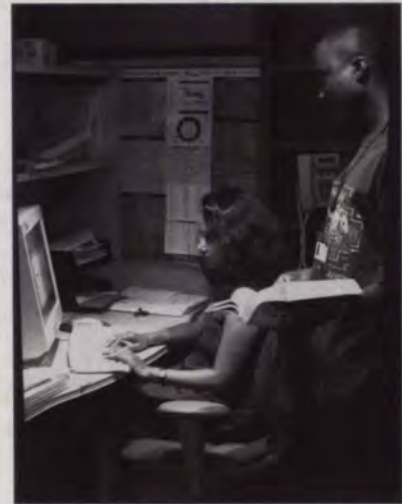
Members of the AMIS Group

What We Do

Federated Model For Delivering IM/IT

One of the unique aspects of the CIO is Industry Canada's use of a federated model to manage IM/IT. The core programs and services provided by the CIO serve as a foundation upon which business units in the department run their own specialized IM/IT functions.

The federated model mirrors the department's decentralized structure and is the result of a conscious business choice following the department's formation in 1993, when several departments (or parts of departments) came together, each with its own IM/IT organization. Almost ten years later, there are debates about whether the federated model reflects a failure to have fully integrated the department (with one consolidated IM/IT unit) or whether the decentralized structure just makes good sense.

In an IT context, contemporary management literature supports the federated model. With distributed and now Web-based technologies, as well as the growing use of technology to innovate business processes, the strongest choice involves combining a corporate-level backbone with smaller, more nimble client-centric IT shops within individual business units. Indeed, the federated model is now considered an industry best practice.

The diagram to the right depicts the IM/IT federated framework. In terms of IT, the "utility" delivered by the CIO includes the network that connects us together and externally, the e-mail system, operation of the corporate servers in our data centre, standards and quality assurance for common desktop software, and IT security. In addition to the utility, quality assurance of Web applications run on Industry Canada infrastructure is another core IT service that is delivered across the department.

Beyond the core utility, we move into progressively more decentralized activities. We administer Local Area Networks (and the related IT call centre) in many parts of the National Capital Region (NCR) and the Prairies and Northern Region. And, we offer Web application development as an optional, cost-recovered service.

IC's Federated IM/IT Management Framework

Sector Managed IM/IT

CIO Managed IM/IT

TBS/GTIS Managed IM/IT
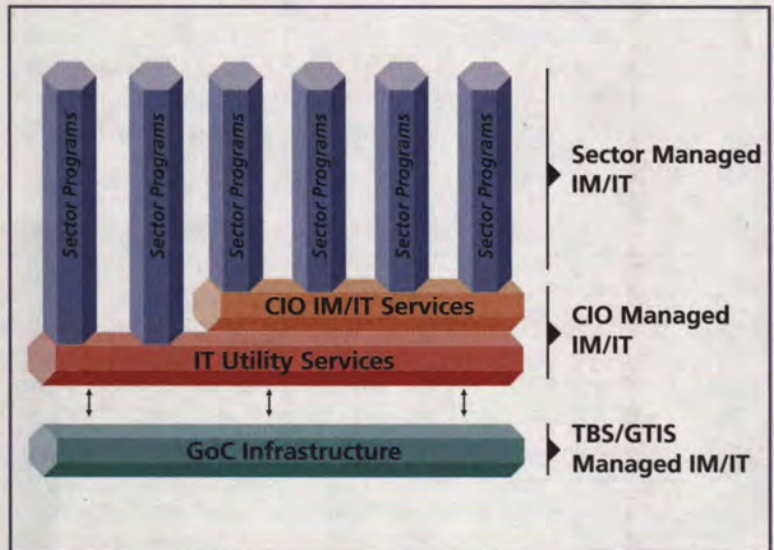
Did you know?

At the time of writing this report, the government remains on high security alert after the events of September 11, 2001, in the U.S. This means that we scan all incoming mail to ensure your safety.

On top of this foundation, many business units are actively involved in running their own IT systems to meet their specific needs.

IM core services include the library, records management areas and development of a departmental knowledge management strategy.

An IM service that is provided to specific parts of the department is mail distribution services (C.D. Howe Building, Jean Edmonds Towers and Place du Portage in the NCR). Arrangements appropriate to local needs are made at the other Industry Canada sites.

Mailroom scanning at Jean Edmonds Tower

Beyond this foundation, business units are actively involved in activities to meet their own IM requirements.

A number of other CIO programs are delivered in a federated approach that relies heavily on partnerships and shared decision-making. Examples are coordination of the department's GOL progress, as well as the National Secretariat for the CBSCs and management of the Business Gateway and Strategis.

To complete the picture of the federated framework, we rely on various services provided at the Government of Canada level, such as the Secure Channel being developed by the Treasury Board Secretariat and the various IM/IT services provided by the Government Telecommunications and Informatics Services in Public Works and Government Services Canada (PWGSC).

This model is not without its challenges. First and foremost, a strong partnership is needed between a corporate-level organization like the CIO and the IM/IT services in business units. There also needs to be an agreed-on balance between standards and customization with a "no surprises" relationship among partners, particularly in design and development features.

Strategis marketing

Departmental IT Spending

We don't expect investments in IT to decrease in the future. If anything, we expect continued growth. According to Monday (the consulting arm of PriceWaterhouseCoopers), the cost of IT support has surpassed the cost of facilities and is second only to salary in terms of overall expenditures by organizations.

Industry Canada's total annual IT expenditures are in the order of $100 million, of which the CIO's core IT utility expenditures are about $22 million. In relation to the department's total operating expenditures, $100 million per year represents an 18% departmental investment in IT, which by industry standards is considered "healthy."

Is it the right level of investment for our department? This is difficult to answer or even to speculate on. The CIO's responsibilities, by design, have focussed on providing a robust backbone to support business innovation within the Sectors, rather than on examining IT investment across Industry Canada.
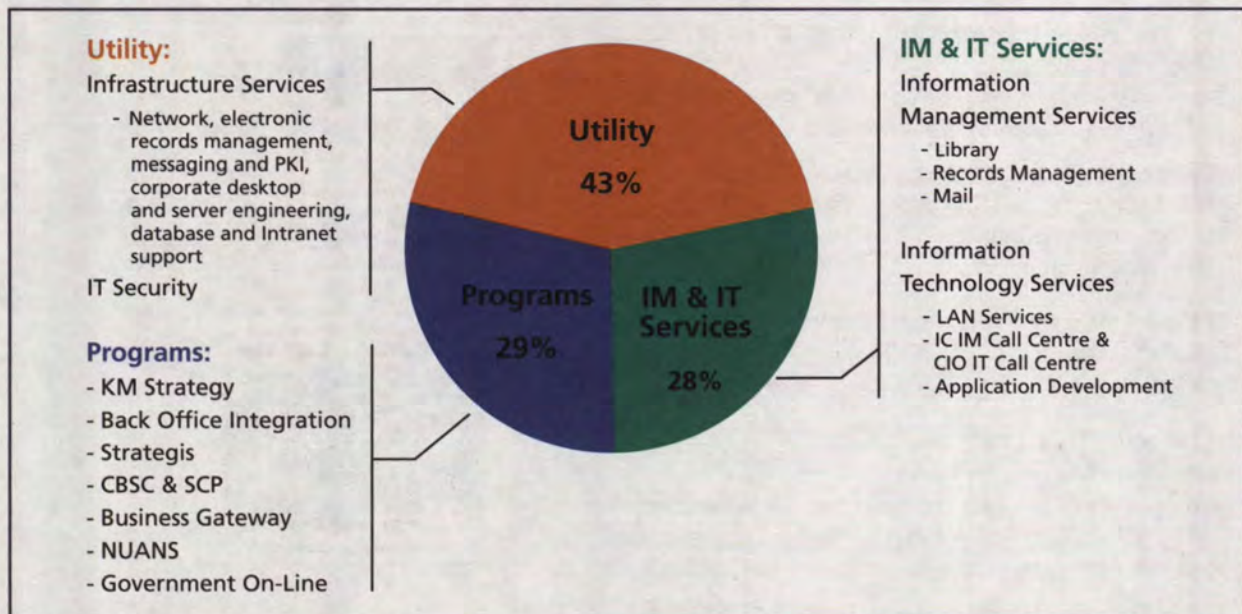
Governance of IT Spending

IT spending is generally considered to be within the prerogative of the business units and, given their distinctiveness and relative autonomy, there has been no impetus to date to create a department-wide IT investment strategy. Department-wide committees exist to coordinate technical aspects (such as the IT Standards Committee), but such committees as a rule do not deal with strategic IT business-driven investment decisions. Where strategic decisions have been taken, they have been brought to the Industry Canada Management Committee (ICMC) for consideration. The corporate decisions to upgrade to Windows 2000 and invest in broadband are two examples of this process.

Increasingly, we need to ensure that our IT investments continue to be business-driven, not technology-driven. In the future, we may need to think about having a specific focal point for strategic departmental IT governance at a senior level.

CIO Services and Spending

As you can see in the chart below, the CIO is involved in a wide diversity of activities. We group them under IT Utility, IM and IT Services and Programs. The IT utility consumes the largest portion of the CIO's resources (43%).

Overview of CIO Responsibilities

Utility:

Infrastructure Services

- Network, electronic records management, messaging and PKI, corporate desktop and server engineering, database and Intranet support

IT Security

Programs:
- KM Strategy
- Back Office Integration
- Strategis
- CBSC & SCP
- Business Gateway
- NUANS
- Government On-Line

IM & IT Services:

Information Management Services
  - Library
  - Records Management
  - Mail

Information Technology Services
  - LAN Services
  - IC IM Call Centre & CIO IT Call Centre
  - Application Development

Utility
43%

Programs
29%

IM & IT Services
28%

CIO Spending by Area of Responsibility

More information on the activities that we undertake within each of these categories is provided below, as well as our spending on each of them. Figures depict actual spending, including revenues from cost recovery in 2001-02. For new programs/services, the 2002-03 budget and estimated revenues from cost-recovery were used.

■ Utility

■ Core IT Utility ($21.5M)
Network, corporate servers, desktop engineering, e-mail system, support to corporate databases (IFMS) and Intranet, software quality assurance and distribution, and shared datacentre at C.D. Howe Building for CIO and other servers

■ IT Security ($0.6M)
Secure framework for departmental IT infrastructure and IT Security Awareness Campaign

■ IM and IT-related services

■ Library and Information Integration ($2.7M)
http://biblio.ic.gc.ca
Traditional and virtual library services, commercial databases and catalogues, and IM initiatives (e.g., ICWeb)

**■ Records Management,
Mail Management/Distribution ($3.0M)**
Mail, records, distribution (ICINFO) and revenue validation services at headquarters

■ LAN Services in NCR and Prairies ($3.3M)
Desktop assistance, server maintenance and remote access services in the NCR and Prairies and Northern Region

■ IM and IT Call Centres ($1.5M)
http://icweb.ic.gc.ca/946-5555
First point of contact for customer service for internal IT clients in NCR and Prairies and Northern Region, as well as for Strategis and Business Gateway users

■ Application Development (AMIS) ($3.5M)
Web development and application support and maintenance services, as well as quality assurance

Theme | **Investing in and sustaining robust and trustworthy IT infrastructure and services aligned to business needs**

We've come to expect a network that runs reliably 24/7. It is indispensable in our work environment in the 21st century. Despite the pressures that our equipment is under, our network reliability is well over 99%. We understand that reliable IT infrastructure is essential to your most basic business functions.

Our Commitments for 2002-03

This year is going to test our mettle. We had fully planned for one big initiative—the rollout of broadband. Instead, this year we have three additional initiatives underway: the Windows 2000 upgrade, the establishment of a new Industry Canada data centre, and the expanded security agenda.

Infrastructure Renewal

The rollout of Windows 2000 is a major undertaking that needed to be well-planned and packaged in order to minimize disruption in our service to you and to our external clients. Preparing for a transition of this magnitude takes about a year. It involves upgrading standard office automation and desktop software packages and some desktop and server hardware upgrades. It also requires upgrades of many of the components that interact with the operating system, such as our network operating system and application management software. In the CIO, for example, we have had to upgrade the e-forms software for the department and then convert more than 300 existing departmental forms to the new technology. As well, business units have had to ensure compatibility of their business software with Windows 2000 and implement required upgrades.

Our Commitments At A Glance

- Infrastructure Renewal
  - Rollout of broadband services
  - Rollout of Windows 2000
  - New data centre
- IT Security
  - Security enhancements
  - VPN
  - Enhanced PKI services
  - Business continuity plans
- Sustainable infrastructure funding

Network Operations Centre at C.D. Howe

Did you know?

Broadband will give 70 Industry Canada sites (including our regional offices and most of our district offices) faster network service and the ability to consider a host of new applications such as video conferencing, web casting, and distance learning.

Our Windows 2000 migration had to accelerate when Microsoft announced last year that it would soon no longer support Windows 95. Without support from Microsoft, we would have to purchase high-cost "patches" if bugs or other security breaches were found in the Windows 95 software. Microsoft has told us that Windows XP will not meet our security needs, so we are moving to Windows 2000, as well as installing Exchange 2000. Given the continual changes in software products in the market, we know that a further migration beyond Windows 2000 will be needed in a few years.

In 2000, the department made the strategic decision to move to broadband as the base for the departmental wide area network.

The project has turned out to be quite a challenge. Along the way, we've successfully negotiated many roadblocks, including delays as our supplier dug up a parking lot in one location and had to get municipal approval in another location to remove trees as it laid cable to various of our buildings, as well as equipment delivery delays due to a train derailment. The result has been a delay in the schedule for implementing broadband by approximately one year.

The good news is that we're almost there! At the time of writing this report, we expect to have completed installation in all locations by the end of September 2002, except for two highly challenging sites in British Columbia, which should be ready by the end of November 2002, barring any more unforeseen developments. These improvements will help address network speed issues in the regions.

Emergency portable air conditioners in server room

The final phase of the project will be to extend broadband services within our buildings. Some sites already have broadband to the desktop, others with follow later. (For example, CIPO is scheduled for September, Jean Edmonds for the end of the year, and C.D. Howe will happen as part of the retrofit project.)

Another project involves establishing an Industry Canada Data Centre on the "M-level" or top level of the C.D. Howe Building to house our many servers, as well as servers run by a number of our partners. Our current facilities are extremely crowded and there is no back-up supply of air conditioning or electrical power. We are anticipating that the new data centre will be in operation by early 2003-04.

IT Security and Business Continuity

Given the events of September 11, 2001, the fourth IT infrastructure initiative to dominate this year is IT security and business continuity planning. Attacks on our systems are now practically a daily occurrence, as this chart on network defence shows. Many systems, such as the Internet, were never designed with security as a core feature.

Network Defence
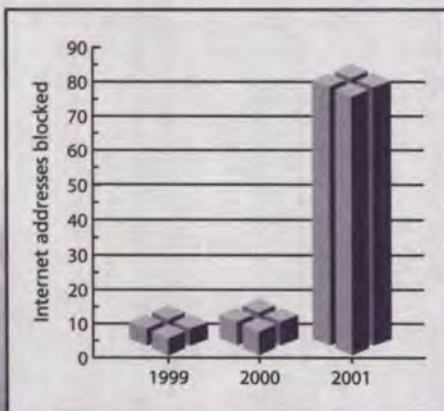
Soon after September 11, 2001, we presented 10 urgent security measures to ICMC and received funding for firewall upgrades and other changes. Much of this is now completed, but important work still remains. For example, we need to collaborate with business units on reconfiguring and patching the servers that they administer. This is a major undertaking, given the range and complexity of software used across the department.

To enable high speed access from home, we have been running a Virtual Private Network (VPN) pilot. We know that many of you are eager for the pilot to expand to broader use. Following September 11, 2001, there are more stringent requirements for security at the home end for VPN—personal firewalls are needed. To move ahead on VPN's rollout, we have been looking at funding options for the firewalls with future users.

We will also be moving further ahead with our Public Key Infrastructure (PKI) services, which enable us to send and receive secure information, inside or outside of the government. We are adding two new services: Roaming Server and Truepass. With Roaming Server, users can use PKI from any workstation, without needing to download their profile from a diskette. With Truepass, as long as a Web application developer knows how to use HTML, encrypting data becomes a very easy process.

In February 2002, revisions to the Government Security Policy took effect and more requirements are likely to follow. To ensure that the CIO can deliver critical services in case of emergency, we prepared business continuity plans in key areas such as IT infrastructure, NUANS, Strategis and mail operations. When critical departmental systems are confirmed, we will need to work on IT continuity plans so that we know what levels of IT support are needed by business units in case of crisis. And we are implementing an IM/IT Emergency Response Communications Strategy to keep Industry Canada end-users informed during an IM/IT crisis, such as viruses or air conditioning failures. The communication strategy uses vehicles such as ICWeb's main page and the IT Alert feature located on the CIO IT Call Centre Web site (**http://icweb.ic.gc.ca/946-5555**).
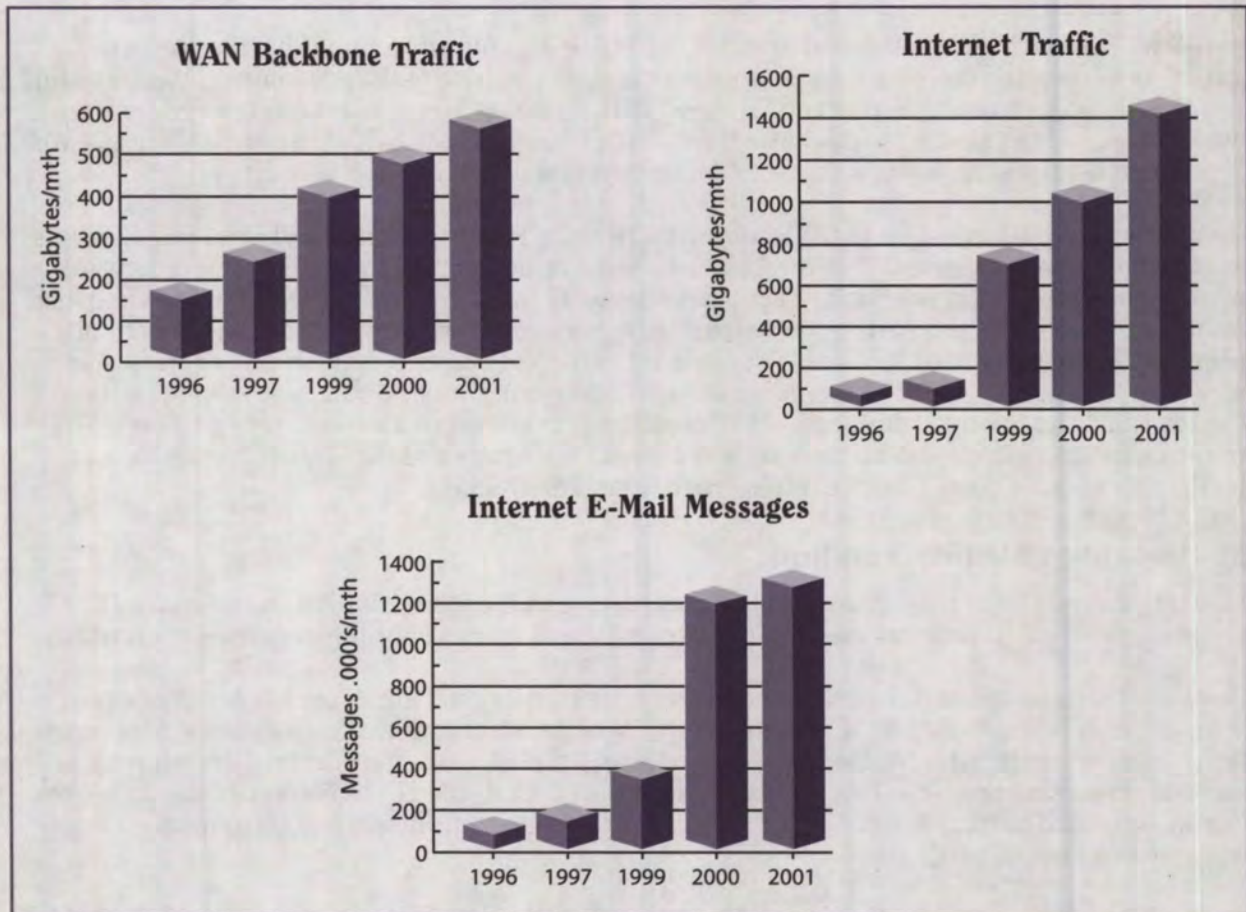
Sustainable IT Utility Funding

How do we continue to support our utility infrastructure in the future? Within the federated IT architecture, the CIO provides the core infrastructure and every sector draws down on this utility.

As the charts on the next page show, no matter what metrics you look at, use has been increasing at an astonishing rate, whether it is traffic on the Wide Area Network that connects our sites across the country, Internet traffic, or the use of Internet-based e-mail. On average, annual growth rates in usage are approximately 50%. This is no surprise, given how integral IT has become to our daily work. Our move toward putting more and more services for Canadian businesses and consumers on-line will only heighten this trend.

The "pipes" that we currently have are at capacity limit (particularly in the regional offices), which is curbing what would otherwise be an even greater demand. This containment, however, is likely to be short-lived with the rollout of the wider broadband "pipes" that will move more data at considerably higher speeds. Our broadband contract includes a provision for growth to accommodate higher volumes of data being moved in the future. However, only time will tell what impact the rollout of broadband will have on future demand for bandwidth and therefore our operating costs.

Our budget is also facing continued pressure due to rising supplier costs and the impact of the high tech downturn. For example, the bankruptcy of a key supplier put an end to a joint project with external partners to upgrade our Metropolitan Area Network in the National Capital Region, which would have yielded annual operating savings for us. Also, growth in the department (more employees, more contractors, and more shared e-mail accounts for specific business functions) means that we have to buy more licenses for corporate software and therefore pay more license fees. Any new pressures beyond this—such as security issues—stretch us to the limit and beyond.

WAN Backbone Traffic

Gigabytes/mth

600
500
400
300
200
100
0
1996 1997 1999 2000 2001

Internet Traffic

Gigabytes/mth

1600
1400
1200
1000
800
600
400
200
0
1996 1997 1999 2000 2001

Internet E-Mail Messages

Messages .000's/mth

1400
1200
1000
800
600
400
200
0
1996 1997 1999 2000 2001

These factors put continued pressure on our IT utility budget. Although we have had periodic injections of funding, it typically comes in the form of funding for specific initiatives (such as broadband) or a flat-lined increase to our budget which is inconsistent with the ever-growing demands faced by a utility-type operation. The bottom line is that the current funding model and levels are not sustainable.

Over the coming year and bridging into next year's departmental Reference Level Review, we will be working on a technology outlook, operating cost scenarios, a multi-year capital plan, strategies to manage and contain costs, and funding models that are more reflective of escalating use, market price increases, and costs associated with the security agenda. In tandem with this, given the strategic importance of IT to our clients and partners, we will develop proposals for stronger senior-level IT governance.

Theme

Managing information as a key "enterprise" resource

Just as we expect our network utility to always be reliable and available, in the electronic age we've grown accustomed to having information at our fingertips. Helping you to effectively manage information is an important part of our business. As with our infrastructure services, our goal is to make the work that it takes for this to happen almost invisible to you.

Our challenge is to operate effectively in all worlds of IM: the traditional world of paper files, books and periodicals, and the new world of electronic documents, and Web-based information. To do this effectively, we must keep our feet firmly in both worlds.

Records office, Place du Portage

Did you know?

There are a total of 562,603 official paper files in Industry Canada, which is equivalent to 14 kilometres of shelf space.

Last year, 34,178 new official paper files were created in Industry Canada under 496 different main subject areas. Yet, at the same time, work has actively been underway on ways to help us all improve the management of our electronic files. The library has been buying less and less print material and is moving significantly into e-services, as well as providing a brokerage service to link us with experts outside the department and to provide training services. It was an early adopter of technology, offering e-news for a number of years and running ICWeb (the departmental Intranet site) since 1998.

Moving further into the electronic world, AMIS (our Web application development group) has been revamping its software engineering processes and adopting leading-edge Web technologies. There have been new developments with Strategis as well. The information management team modified its databases and support applications to begin producing its popular "Trade Data Online" statistical data according to the new North American Industry Classification System (NAICS). Strategis most popular information database is Canadian Company Capabilities, which includes profiles of more than 50,000 Canadian firms. Ongoing efforts to improve the efficiency of data maintenance operations and the underlying supporting software have achieved an increase in the number and currency of firms in the database, while also reducing costs.

Library

Did you know?

For the last five years, the library has been delivering e-news services to your desktop and the desktops in 11 Industry portfolio agencies. With e-news at your desktop, the preparation time for Question Period notes has been reduced by an estimated 75%.

Despite these continuing achievements, we have work ahead of us on the IM front. For years, IM has been the part of the IM/IT equation that few people worried about in most modern organizations. Technology issues seemed so much more pressing! But, technology has given us the power to create and share information so quickly and in so many forms that it is almost overwhelming. In fact, these issues have given birth to a new more encompassing definition of how we handle information: knowledge management.

Increasingly, organizations realize that their greatest asset is none other than their intellectual capital. Some of it is documented, but other parts of it are only carried in people's minds. When the organization develops clear strategies to manage both types of intellectual capital, it begins to unlock its full potential.

> **Did you know?**
>
> Approximately 18% of the 9 million annual visits made to the Strategis Web site are accessing information services provided by the CIO.

> **Did you know?**
>
> Knowledge management is the process through which organizations generate value from their intellectual and knowledge-based assets.

Knowledge management is about "connecting people to people and people to information to create competitive advantage" (Brad Hoyt, *Knowledge Management News*, 2002). This broad definition highlights the fact that managing our information holdings is about more than finding the right database software or building the right portal. It is about using enabling technology so that people can extract information easily and share it with others in the organization.

Our Commitments for 2002-03

This year, we have several major initiatives planned. To make technology and information sharing more accessible, we are engaging the department in a broad-ranging discussion on how to renew and revitalize Industry Canada's flagship site, Strategis. By January, we hope to have achieved a consensus on how best to govern Strategis for the future, as well as on key components in a bold revitalization agenda. We are also developing a departmental Internet presence policy that will consolidate departmental policy standards and best practices on Internet operations for Web site owners. It will communicate where we are going on key issues such as branding, "common look and feel," publishing tools, help desk standards, content quality, official languages, security, privacy, and more. And we are examining content management solutions that will enable information to be updated in "real time" across the CBSC regional network and the Business Gateway. We will also continue to build on the client-centric approach to serving Canadian businesses and consumers in the Business Gateway and will further align content with the provinces and territories.

In addition to these important initiatives, we haven't forgotten the other part of the equation: ensuring that people share information with other people. One of our major projects this year is developing a knowledge management strategy for the department's consideration.

> **Our Commitments At A Glance**
>
> - Development of a knowledge management strategy
> - Website renewal
>   - Revitalization of Strategis
>   - Internet presence policy
>   - Content management solutions

Sharing Information Person-to-Person—A Knowledge Management Strategy

Records Office, C.D. Howe

How people share information with other people is a very real challenge for us. Over the next five years, a significant number of public servants will retire, taking with them a lot of valuable experience and knowledge. If not properly managed, this exodus will result not only in loss of access to the intellectual capital of these individuals, but also the potential loss of records on their computers and personal paper files.

Remember when all paper files were coded, carefully managed by administrative staff, and then sent to records management? Somewhere along the line, we stopped being disciplined, except in areas of the department whose work depends integrally on strong records management, such as patents and grant and contribution programs. As electronic file storage developed, somehow we have ended up treating our e-files differently. Like all modern organizations, we now have some big challenges ahead of us.

Defining the basic business questions at play is complex. In a computer-based world, electronic documents are often treated as personal records, not resources of the workplace, and many people consider the intellectual capital they develop on the job as their own resource, rather than a department resource that benefits the organization. We have already been working on a records management agenda and are now looking at broader knowledge management issues into which this work would be incorporated. The knowledge management strategy will provide the department with an infrastructure of people, processes and systems to maximize the use and "shareability" of information and expertise. Implementing this type of initiative is a major commitment for all of us and will span at least five years. As we grapple with these issues, there will be many consultations with you to ensure that our solutions are practical and meet your needs. Our experience to date in developing innovative services—for example, in our library's adoption of e-services—will be very helpful in guiding our work and we will be drawing on other best practices from across the department.

Connecting People to Information—Web Site Renewal

When discussing the use of technology to make information more accessible, the Internet environment presents some interesting IM challenges. Ten years ago, everyone was rushing to create an on-line presence. Industry Canada was a leader in this area, launching Strategis in 1996 as well as our e-news program during the same period. Strategis remains a very popular site and an important branding tool for the department. In a recent survey, a majority of Strategis visitors reported that using Strategis has a positive impact on their business or organization. Of these clients, 61% said Strategis saved them time, 34% said it helped to identify new markets, 13% reported financial impacts, and 7% reported that Strategis enabled the creation of new jobs.

Did you know?

The Canadian Company Capabilities database continues to be the top performer on Strategis with more than half a million visitors and 6 million accesses per annum. The database now contains information on more than 50,000 companies.

We recognize that, to remain a leader, we need to keep our content fresh and ensure that the information we provide on-line is current and reinforces the brand of Industry Canada. This year, the re-evaluation and revitalization of Strategis is one of our key priorities, as is the creation of common standards for Web sites across the department. In terms of Strategis, building on a recently completed evaluation, in the spring we engaged the Deputy Minister Departmental Briefing (DMDB) in a broad-ranging discussion about ways to re-energize and refocus Strategis for the future as a major mirror on the department to the public and our best-known brand. Four ADM-led working groups were formed to address such questions as the relationship between Strategis and the department's "corporate" Web site (www.ic.gc.ca). This work will culminate later this fall in further discussions by DMDB, and we hope in some fundamental decisions.

A number of Web sites outside of Strategis are run by different sectors of Industry Canada. The CIO's role is to provide leadership by sharing best practices and by working with you to ensure the quality of Web sites from a technical and presentational standpoint. This year, we will be developing a departmental Internet presence policy and standards document, including guidelines for "common look and feel," publishing tools, help desk standards, content quality, official languages, security, and privacy. Stay tuned to hear more on this.

> **Did you know that?**
>
> If you have Web products developed by external contractors, we have guidelines that set out mandatory requirements to ensure the new applications will work on our IT systems. This complements our work this year on an Internet presence policy. Consult InfoDev for more details **http://infodev.ic.gc.ca**

Website Quality Assurance

One of the challenges of managing portals and networks of Web sites is that up-to-date information needs to be maintained in all locations, especially when various versions of electronic documents have been created over time. So, another set of important projects for this year involves improved content management practices. To present the right information, to the right people, at the right time, we need technology and business processes to classify and organize our information holdings. In the electronic world, information management starts with systems that apply "meta data" to electronic records. This allows the capture of key attributes about the source, purpose, and validity of an information holding. Meta-tagging is the foundation on which information can be exchanged, presented, and discovered effectively by computers and also by people seeking information. Building our content management capabilities is critical for sites such as the Business Gateway, the CBSCs, Strategis and our departmental Intranet. It will also eventually play a key role in building an electronic approach to classifying and searching for other electronic documents produced within the department, such as e-mails, memos, or PowerPoint decks.

Let's use the CBSCs to illustrate this challenge. The CBSCs maintain a comprehensive database of business programs and service descriptions (federal and provincial/territorial). This database is used in a variety of ways by the CBSCs across the country to develop regionally specific guides, answer inquiries that are received by telephone, by e-mail, and in person. The database is also used to develop targeted Web products such as the Business Start-up Assistant and Interactive Business Planner. The content is linked as much as possible to other relevant content already on the Web. In addition, CBSC content is also used by other Web sites and products. Because electronic documents are re-purposed and re-used many times, they become much more useful.

All of these uses of the content are becoming increasingly difficult, time-consuming, and expensive to manage. Last year, the CBSC National Secretariat purchased a new content management system, which will link the master version of the content to all other uses of the same content, ensuring that all users have access to the most recent version. New open architecture, with portal and content management systems as its main components, will allow the CBSCs autonomy in managing their content through the portal and at the same time make it easier to integrate CBSCs with their existing and future partners. The portal will also allow CBSCs to access on-line collaboration services, personalization, client relationship management, and other Web services through the use of a Web browser. And savings will be achieved by reducing the need for regional servers and by simplifying the overall approach to content management and IT architecture.

The Government of Canada is also working on a similar approach to help manage information clusters on the gateways on the Canada site, including the Business Gateway. The clusters under each gateway provide easy access to information and services that are grouped by topic or client, and they organize information around the needs of the users rather than according to department or agency. The clusters rely heavily on pre-existing electronic documents, again raising challenges in terms of maintaining the most recent versions of content available.

Theme · Demonstrating leadership in e-government and multi-channel service delivery

There are a number of ways to show leadership. You can be first, you can be a role model, and you can share knowledge. In the end, it is always about influencing others so that they can achieve a goal. In the CIO, we are showing leadership in all these ways with the goal of helping the federal government to meet the service delivery expectations of our citizens and to interact better with them: from anywhere, at any time, by any method. To do this, our programs have to focus not only on making Industry Canada a leader, but also on working across government to allow seamless movement for clients across government services.

We also recognize that citizens have increased expectations of Canadian businesses. Customers want to be able to do business over the phone, on-line, and by e-mail. It is also part of our mandate to help businesses develop the systems and tools that they need to meet these expectations.

The result is a complementary package of initiatives aimed at helping Canadian businesses function in the on-line world—on-line information and transactions from the government under GOL, and support in using the Internet and adopting e-commerce from the CBSCs and the SCP.

Our Commitments for 2002-03

Our commitments follow the same three objectives: making Industry Canada a leader, working across government, and helping e-enable Canadian businesses.

Industry Canada is playing a leadership role in e-government services. The department has extensive experience in delivering services electronically and this continues to be expressed in our policy agenda (Connecting Canadians and, more recently, the Innovation Agenda). That's why, as a department, we chose to accelerate our GOL target date to 2003, compared to the government-wide target of 2005. As the 2003 and 2005 targets loom, we have a number of GOL initiatives on our plate. We are working with you to ensure that key services are GOL-ready for 2003. We are also leading major work at the government-wide level on the Business Gateway's evolution.

In addition, we are spearheading a pilot project that will allow electronic processing of trade-mark revenues, which will be recorded directly in our departmental corporate financial systems without "human touch." The project promises to have a major impact on business transformation within the department and across the government. The government's Secure Channel is now an integral part of the pilot as we work in partnership with the Treasury Board Secretariat and PWGSC.

> **Our Commitments At A Glance**
>
> • Working within Industry Canada
> - Coordination of GOL 18 key services
> - "Back office" integration proof of concept
> • Working across government
> - Vision for the Business Gateway to 2005
> - Business case for licensing and permits portal
> - Federated architecture issues
> - CBSCs — "Contact Us"
> • E-enabling Canadian business
> - E-Business Service Centre pilot
> - SCP "e-Corps" pilot
> - CBSC and SCP funding renewal

And we are actively helping Canadian businesses to develop and implement e-business strategies by enhancing e-commerce support from the CBSCs and SCP.

Working Within Industry Canada

In a study by Accenture in April 2002, Canada ranked first in the world in providing citizens with access to government programs and services on-line. It's great to be first, and we'd like to keep it that way!

NUANS Development Lab

Our collective work in the department made and continues to make Canada's number-one rating possible. Consistent with our federated approach to IM/IT, business units across the department have taken the lead in defining which information and services should make the on-line transformation. Eighteen key services have been identified for GOL transition by our 2003 target. Four of them—the Business Gateway, the CBSCs, NUANS and Strategis—are managed directly by the CIO.

As 2003 approaches, we will be working more closely with the eighteen key services (*see sidebar*) to make sure that we more fully understand the challenges you face and to strive to provide you with value-added support (e.g., we are working on an HR toolkit for GOL and offering advice on handling business transformation challenges).

Part of the GOL mandate also involves moving beyond on-line information to full on-line service, including end-to-end financial transactions. This is where linking systems used by business units to deliver transactions with "back office" corporate systems (such as finance, human resources, grants and contributions and the supply chain) becomes important. In collaboration with CIPO, the Comptroller's Branch and the Government of Canada's Secure Channel, we are embarking on an exciting proof-of-concept project to achieve back office integration in the handling of trade-mark revenues. You previously heard about this project as the "Back Office Integration Project"—it has now been renamed the "Enterprise Resource Planning Integration Program." Rather than pursuing expensive and risky re-design of the systems involved, we have found a less disruptive and less costly solution involving "enterprise application integration middleware," which enables a business unit's systems to communicate with corporate services' systems. This project promises to have major benefits for business transformation both within the department and across the federal government.

As business units work on getting key services on-line, we are standing ready in our AMIS group to develop the software that you need for your transition to the Web and for updates to your existing Web presence.

Working Across Government

Government On-Line

Our role in GOL reaches beyond Industry Canada. We also play a critical role across government.

When e-government works well, it allows for an invisible transition between information provided by different areas of government. The Business Gateway is an excellent example. On behalf of the federal government, the CIO manages the Business Gateway, which is the Government of Canada's "go-to" Internet portal for both start-ups and existing companies. The Business Gateway is a unique service that makes it easy for Canadian businesses and consumers to find the critical information that they need from hundreds of government Web sites. The Gateway is a highly collaborative initiative, involving 28 departments across the federal government and partners from all 13 provinces and territories. Now that the Business Gateway is live, our next step is to develop a vision for its subsequent phase of development. A key question is how to effectively move service delivery on the Business Gateway from information to on-line transactions.

This year, we will continue to align federal, provincial, and territorial content, to scope the potential for wireless access, to explore opportunities for personalization features, to conduct partnership marketing, to enhance search engine optimization, and to explore opportunities for on-line consultation.

In addition, we are working on a business case for a licensing and permits portal that would address a real irritant for businesses by making it easier to meet government licensing requirements.

Head of the Public Service Award

In an on-line world, we need to look at how we can connect horizontally to databases in other government departments and how we can address privacy and security issues (such as PKI and the new Secure Channel that is being developed by the Treasury Board Secretariat). We are actively involved in discussions at the cross-government level on many "federated IT architecture" issues to ensure that we have the IT underpinnings that we need to support our growing on-line presence as a department and a government.

CBSCs

Since 1992, the CBSCs have been helping SMEs start and grow their businesses. They do this by working across various levels of government to act as a central resource for Canadian business information. The CBSC initiative is a cooperative arrangement among 37 business departments, provincial and territorial governments and, in some cases, the private sector, associations, and the academic and research communities.

The CBSCs creatively use all of their service channels to reinforce each other in providing comprehensive information services to their clients. For example, clients may start with on-line services, then phone in with a more detailed question, visit a walk-in site or pose a question by e-mail. Two years ago, the CBSCs complemented this with "Talk to Us," a leading-edge service that combines Internet and telephone technologies to enable clients and CBSC business information officers to simultaneously search for and look at the same information on the Internet as they talk on the telephone together.

Did you know?

The CBSC Business Start Up Assistant featured on the Business Gateway consistently ranks as the most frequently accessed cluster on the Gateway. It won two awards last year:

• a bronze medal in the Technology in Government Awards for "Serving Canadians Better Through IM/IT Innovations"; and

• the prestigious Agatha Bystram Award from the Council of Federal Libraries for "Leadership in Information Management."

Technology in Government Award

This year, the CBSCs started a program called "Contact Us." Recognizing their strength in delivering information services, the CBSCs have been contracted to provide telephone and e-mail support to the Team Canada Inc Web site, as well as to the Aboriginal Business Service Network. Based on their success in multi-channel service, the CBSCs are now offering this type of Web site support to other partners as a new business line. By sharing the CBSCs' expertise, our partners will be able to provide more comprehensive service to Web site users in a way that is affordable and that avoids duplicating the CBSCs' capabilities.

E-Enabling Canadian Businesses

Despite all of the focus on getting ourselves on-line, we also need to highlight the new programs that we have to help Canadian businesses adopt e-commerce. The CBSCs and SCP are continually evolving to meet the needs of Canadian business in an e-world. As part of the regular cycle of seeking funding renewal for these programs, we are highlighting the major contributions that the programs are making now and are positioned to make for the future.

Did you know?

The SCP is an important part of our efforts to e-enable business. In 2001-02, the SCP hired 560 young people who in turn provided e-commerce and Internet training to more than 18,000 businesses, 20% over its target of 15,000.

The CBSCs are in the fourth year of a five-year funding cycle. They continue to provide valued support to small and medium-sized enterprises (SMEs) across Canada and have proven their value as a core government program. As the CBSCs evolve, we are recognizing the growing need to converge their work with the GOL agenda. And, echoing the Innovation Agenda's emphasis on the need for SMEs to evolve in an electronic world, the CBSCs are building in an e-commerce component. We are planning to adapt a pilot E-Business Service Centre that was set up at the Manitoba CBSC to other CBSCs. Several CBSCs have already established e-business "boutiques" within their centres and, in Alberta, this new service has been extended to several regional access sites in communities throughout the province.

Canadian firms need to adopt the technologies and implement the innovative business practices required to take advantage of e-commerce market opportunities. In terms of selling on-line, large Canadian companies are on par with their U.S. counterparts, but Canadian SMEs are clearly trailing those in the U.S. (*Fast Forward 2.0, Canadian E-Business Opportunities Roundtable*). It is critical that SMEs remain competitive, as 78% of establishments across all industries in Canada have fewer than five employees (*Statistics Canada, 2000*).

The SCP, which is also up for funding renewal, supports government and private sector priorities to accelerate e-business adoption by SMEs. Through its e-commerce and Internet training, it helps small business to use IT and pursue new on-line markets to remain competitive in today's global marketplace. From planning, promoting, and updating a Web site to incorporating electronic payment processes into on-line activities, the SCP provides Canadian companies with valuable e-business assistance. The SCP has now added Internet security to its E-Commerce First Step suite.

Through the "e-Corps" pilot launched this year, students are spending four-month internships with SMEs, helping the companies to become e-commerce ready. We are hoping to make e-Corps permanent next year, adding a vital component to our e-business support.

Thème | **Strengthening our partnerships and providing quality services to clients**

People get upset when systems don't work properly, whether that system is found on the desktop, a Web site or in e-mail. When system failures happen, downtime must be minimal. We understand that the first element of good service is providing a utility that you can depend on, and that's why our infrastructure projects are so critical.

The next step in providing good service is making sure that someone is there to help you when things do go wrong. Each month, the CIO IT Call Centre handles an average of 5,000 calls, most of them related to desktop software and e-mail. Despite this heavy volume, the call centre has consistently maintained an excellent user-satisfaction rating of over 4.5 out of 5 points.

We also believe it is important to respond to your feedback. One of the areas in which we have been responding to your concerns is in AMIS, our Web application development group. Earlier this year, the group was reorganized along functional lines. Software development technologies were streamlined

CIO IT Call Centre

so that we can focus on becoming expert in a few areas and save you money, and more rigour was implemented in our business processes. The reason for these changes? We wanted to provide better project management services and a more structured design and development process. We know that Web presence is a key part of your business and we continue to enhance the services that we provide. As the months progress, we will work on additional ways to improve our service to you in this important area.

One of the key channels that we use to collect your feedback is our Business Relationship Managers (BRMs). This role was created two years ago to act as an additional point for strategic communication between the CIO and business units in the department. The BRMs continue to play an important role in our two-way communication process with you. According to recent IM/IT literature, less than 10% of IM/IT organizations like ours have this type of strategic function in place.

This past year, we introduced our own Web site on the Industry Canada Intranet (**http://icweb.ic.gc.ca/ cio-api**). It gives you an additional channel to access information on our services and to find answers to commonly asked questions. The site will be expanding over the coming months—stay tuned!

Does this mean that we have nothing left to do to improve client service? Absolutely not. We know that there are areas for improvement and we have a number of initiatives planned for this year to enhance the service that we provide.

Clients vs. Partners

Before continuing, we should take a moment to discuss the difference between clients and partners. The federated model of service delivery puts the CIO in an interesting situation—we have two distinct users of our systems.

LAN technicians providing support

The first group is our clients. These are the "end users" of our services—the people who use our systems every day to do their jobs. Our clients and their needs are as diverse as the services that we deliver.

The second group is our partners. This, too, is a very diverse group, ranging from the business representatives with whom we work in Industry Canada's business units to plan joint projects, to the people in local IM/IT units in each sector or regional office with whom we work on technical issues such as standards and rollout plans.

There is a unique dimension to our relationship with IM/IT partners in the regional offices and our federated partners in the NCR. In addition to using our systems and programs to keep end users satisfied, these people are our "feet on the street," our partners in delivering quality service. This partnership is a critical part of our service delivery, as end users don't tend to differentiate between the services provided by the CIO and the services provided by their local IM/IT organizations.

Our Commitments At A Glance

* Client Service Improvement Initiative
* Annual Report
* Business Planning Exchange

Our Commitments for 2002-03

We have three key commitments for this year: responding to your feedback through our Client Service Improvement Initiative; developing the Annual Report as a tool for two-way communication; and expanding our Business Planning Exchange.

Client Service Improvement Initiative

The Gartner Group study that we completed in March 2002 found good levels of satisfaction with our core IM/IT services. Gartner's key recommendations were that the CIO needed to increase consistency in service delivery, ensure sustainable client satisfaction, and build credibility as a partner.

In response to these recommendations, a Client Service Improvement Team has been formed within the CIO. Its mandate is to identify a few practical, high-impact items we can address this year to meet your key needs and to create traction for changes in future years. The team's priorities are the items that you identified through the Gartner study, as well as the feedback you've given to BRMs and that we have heard in other venues (for example, during the Chief Information Officer's trips to regional offices in the spring). This year, we have made it a priority to: improve our handling of complex IM/IT problems that involve more than one area of the CIO; strengthen project and process management; and develop systems to provide more consistent advance communication when we make changes to IM/IT systems.

Did you know?

Results of the Gartner study showed that, when benchmarked with peer groups, the CIO Sector scored higher-than-average levels of client satisfaction.

As is the case with client service, communication, consultation, and collaboration are fundamental to building and maintaining successful partnerships. And communication needs to go in both directions so that there are maximum opportunities to find synergies and avoid surprises.

Annual Report

A frequent message that we hear from you is the need for more communication on what we see as our priorities and more dialogue with you to make sure that we are on the right track. This Annual Report is intended to be one of our focal points for communication with you and a way to be accountable to our shareholders in Industry Canada on how we spend our budget.

In writing the Annual Report, we again drew on the feedback that we received from you through many routes—senior-level discussions in the department, liaison with our clients and partners, the Business Planning Exchange with business units, input from regional offices, and many other sources.

Going forward, we look to you to provide us with ongoing information on your strategic directions, your needs, and ways in which we can work together.

Business Planning Exchange

We have found the Business Planning Exchange to be a very valuable way of getting information on your priorities, of sharing information on our services, and of receiving feedback on how we can serve you better, from day-to-day client relations to longer-term strategic partnership issues.

We will be continuing this exercise and will be adding a second annual cycle, so that we consult with you at least twice a year. Also, as our internal strategic planning matures, we will be integrating the Business Planning Exchange better within our strategic planning cycle and the department's operational planning cycle, so that synergy is maximized for everyone.

CIO Business Relationship Managers

Thème Investing in people and building a workplace of choice

The CIO depends heavily on technology, but it is ultimately through our people that the work gets done. Organizations don't work on boxes and lines—they work on relationships and networking.

In managing the Sector, we have adopted an "enterprise" approach that reflects how interconnected our work is. Success depends on collaboration and failure reflects on us all. We emphasize collective decision-making by our Management Board (CIO executive management team) and open discussion of issues at our weekly Operations Committee (which has broader membership in the CIO in addition to the executive management team). We also hold monthly Extended Management Meetings (meetings of all CIO managers) to share information and exchange views on key issues.

CIO Strategic and Operational Planning

All organizations have HR challenges and some of ours are unique to our line of business. Like other IM/IT shops, we rely heavily on contractors to help us in specialized areas. For example, our network could not run without contractors, who give us irreplaceable support in software engineering so that we can maintain and upgrade our systems. We have also benefited from the influx of private sector skills with the downturn in the high tech industry. This brings a fresh business perspective to our work. But, as the high tech sector emerges from its worldwide slump, we may face challenges in retaining these people.

And, a special dynamic is emerging for our people who work on government-wide initiatives like the Business Gateway and the CBSCs. As we move to "boundary-less" work in the public service, where departmental identities and federal/provincial distinctions don't matter, sometimes we need to consciously avoid carrying the label of any specific department. It is still important, however, that people working on horizontal projects feel they have a 'home' department.

Our Commitments for 2002-03

This year, we are making more strides with our enterprise approach to managing the sector and we are also launching activities to improve our workplace and support our employees' development.

We also wanted to tell you about a charitable activity that is near to our hearts: CyberKids.

> **Our Commitments At A Glance**
>
> • Strengthen the enterprise approach
> • People and Workplace Agenda
> • CyberKids program

Strengthening Enterprise Approach to Managing Sector

We will be strengthening our enterprise approach to managing the CIO by using our weekly Operations Committee more strategically. We will be using our Business Agenda (a document that tracks our main deliverables for the year as a sector) as the focal point for the committee's work, ensuring that we push forward on the commitments in this Annual Report. We will also be using the committee to deepen coordination in other key areas, particularly our work with cross-government IM/IT committees.

We also need to ensure that our technical strengths are counterbalanced by strategic capacity and business skills. So, this year, several of our branches are creating new strategic planning or partner relations positions so that we can work better with you and plan more proactively for our future work together.

People and Workplace Agenda

To make our commitment to people concrete, we are developing a "People and Workplace Agenda". It includes everything from piloting a creative awards and recognition program, to expanding support for learning plans and career development. Some of these initiatives are home-grown within the CIO and, in other cases, we are partnering with other parts of the department (such as participating in the career panels for senior professionals that were piloted in the Spectrum, Information Technologies and Telecommunications Sector and that will now be available across the department).

IM Call Centre

To make sure that we remain on course, we will be setting up a CIO HR committee in the fall with mixed management/staff membership.

For more information on the People and Workplace Agenda, please consult our CIO Web site.

Did you know?

CyberKids helps pediatric cancer patients, who are are unable to attend school, to expand their world by providing them with access to rebuilt laptop computers. For more information on CyberKids, contact Bernadette Peters at (613) 954-2635 or at **peters.bernadette@ic.gc.ca**

CyberKids

We also believe that community involvement is important. Over the last year, the CIO has been supporting CyberKids as a charitable cause. This is a true grass-roots activity that has been spearheaded by members of the CIO and that has drawn in a number of our employees.

CyberKids provides cancer patients at the Children's Hospital of Eastern Ontario (CHEO) with access to rebuilt laptop computers for educational purposes. Laptops and software help to expand the world for children who are unable to attend school or are in isolation wards. In addition to the obvious educational advantages, laptops help the children to cope with their intensive treatment protocols by providing a personalized source of entertainment and distraction at any time of the day or night.

CIO staff have been donating personal time to run fundraising activities (our first annual golf tournament was held in May 2002), to prepare CyberKids kits complete with reusable surplus laptops and appropriate accessories, and to provide support and maintenance.

School boards with a presence at CHEO substantiated the solid educational requirement for these special needs kids, and Industry Canada's Computers for Schools program stepped up to provide the initial laptops to launch CyberKids. Over time, the partnership with Computers for Schools has grown, helping to strengthen CyberKids' role in education for pediatric oncology patients. CyberKids is now planning steps for expansion to another pilot location.

CyberKids builds on and reinforces fundamental values for the Sector: partnership, teambuilding, creativity, support to our community through the voluntary sector, and generosity to those who are less fortunate. CyberKids is an inspiring and enriching endeavour for all of us who are involved.

Business Agenda

We believe that it is important for our clients and partners to be aware of our business plans and priorities. One of our new communication tools, in addition to this Annual Report, is our Business Agenda, which will be posted on the CIO Web site early this fall. The Business Agenda will be updated monthly and will give you an up-to-date look at how we are progressing on our objectives for the year. It includes contact names, if you want more details on any specific initiative.

Invitation For Dialogue

This Annual Report sets out our perspective on key priorities and we welcome your thoughts. We also look forward to hearing more about your evolving priorities and how we can work together.

With the release of the Annual Report, we will be following up with Sectors and regional offices to schedule discussions. Depending on your preferences, options range from bilateral meetings to joint meetings of our respective management teams for in-depth discussions.

CIO IT Call Centre

How To Contact Us
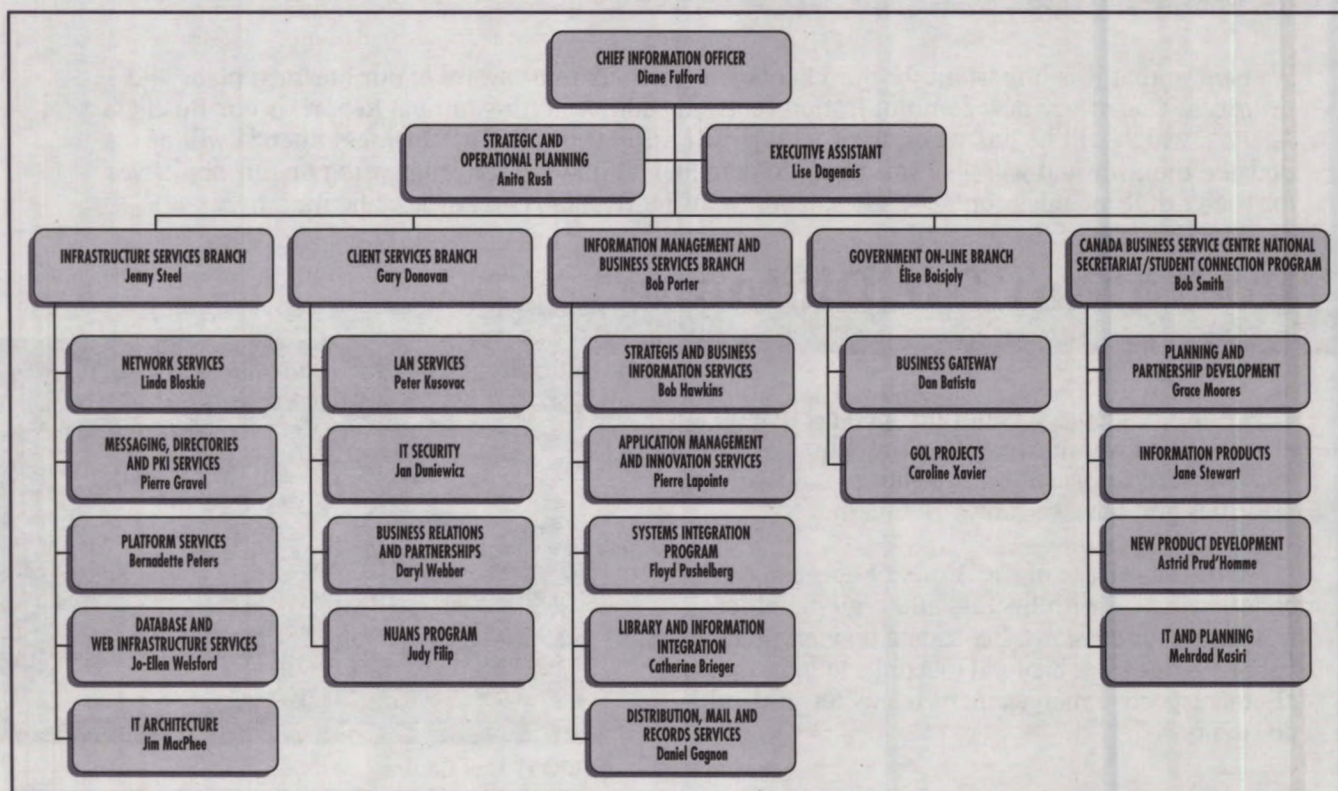
Chief Information Officer

The CIO Sector is headed by Diane Fulford, who is the Chief Information Officer (Assistant Deputy Minister). She can be reached at (613) 954-3574 or by e-mail at **fulford.diane@ic.gc.ca**

Branches

You may direct any questions regarding our enterprise commitments or any concerns about client satisfaction issues to the Branch Heads or their direct reports.

CIO Organization Chart

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                        CHIEF INFORMATION OFFICER
                              Diane Fulford

        STRATEGIC AND                      EXECUTIVE ASSISTANT
    OPERATIONAL PLANNING                       Lise Dagenais
        Anita Rush
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INFRASTRUCTURE SERVICES BRANCH Jenny Steel	CLIENT SERVICES BRANCH Gary Donovan	INFORMATION MANAGEMENT AND BUSINESS SERVICES BRANCH Bob Porter	GOVERNMENT ON-LINE BRANCH Élise Boisjoly	CANADA BUSINESS SERVICE CENTRE NATIONAL SECRETARIAT/STUDENT CONNECTION PROGRAM Bob Smith
NETWORK SERVICES Linda Bloskie	LAN SERVICES Peter Kusovac	STRATEGIS AND BUSINESS INFORMATION SERVICES Bob Hawkins	BUSINESS GATEWAY Dan Batista	PLANNING AND PARTNERSHIP DEVELOPMENT Grace Moores
MESSAGING, DIRECTORIES AND PKI SERVICES Pierre Gravel	IT SECURITY Jan Duniewicz	APPLICATION MANAGEMENT AND INNOVATION SERVICES Pierre Lapointe	GOL PROJECTS Caroline Xavier	INFORMATION PRODUCTS Jane Stewart
PLATFORM SERVICES Bernadette Peters	BUSINESS RELATIONS AND PARTNERSHIPS Daryl Webber	SYSTEMS INTEGRATION PROGRAM Floyd Pushelberg		NEW PRODUCT DEVELOPMENT Astrid Prud'Homme
DATABASE AND WEB INFRASTRUCTURE SERVICES Jo-Ellen Welsford	NUANS PROGRAM Judy Filip	LIBRARY AND INFORMATION INTEGRATION Catherine Brieger		IT AND PLANNING Mehrdad Kasiri
IT ARCHITECTURE Jim MacPhee		DISTRIBUTION, MAIL AND RECORDS SERVICES Daniel Gagnon		

Infrastructure Services

Jenny Steel has a team of experts in network and telecommunications services, corporate messaging, database and Web infrastructure, desktop and server infrastructure, software distribution, and IT architecture. They provide our core utility services: network, corporate servers, desktop engineering, e-mail system, support to corporate databases (IFMS) and Intranet, software quality assurance and distribution, and a shared datacentre at C.D. Howe Building for the CIO and servers from various other business units.

Client Services

Gary Donovan and his team offer a variety of technical services: our CIO Client Service Improvement Initiative; LAN services, remote access and CIO IT Call Centre services for clients in the NCR and Prairies and Northern Region; IT security; the IM Call Centre for Strategis and the Business Gateway; and NUANS.

Information Management and Business Services

The Information Management and Business Services Branch headed by Bob Porter provides services for the department in five main areas: Strategis and Business Information Services; Library Services and Information Integration; Distribution, Mail and Records Services; Application Management and Innovation Services (AMIS); and the "back office" strategy.

GOL

The GOL Branch was created in 2000 as a focal point to lead and integrate Industry Canada's GOL efforts. Some of the key activities that Elise Boisjoly and her team work on include: coordination of Industry Canada's commitment for 18 key services to be on-line by 2003; management and development of the

Government of Canada's Business Gateway, including feasibility work on a license and permits portal; and development of a vision for the Business Gateway and the service delivery of government to business through a multi-channel platform linking the CBSCs with the Business Gateway.

CBSCs and SCP

Bob Smith and his team at the CBSC National Secretariat provide dedicated IM/IT support to the CBSC network: maintaining many of the national products and content; introducing innovative projects such as "Talk to Us"; coordinating the operational management of the CBSCs by Industry Portfolio partners (Atlantic Canada Opportunities Agency, Western Economic Diversification, Canada Economic Development for Quebec Regions, and the Operations Sector in Industry Canada); coordinating periodic funding renewals, evaluations and audits; and addressing requests from partner departments and agencies to collaborate on service delivery. The other part of the Secretariat coordinates the SCP across the country. Under a contract with the Association of Canadian Community Colleges, the SCP provides Student Business Advisors with the opportunity to offer high quality Internet and e-commerce training to Canadian small businesses. A new service, e-Corps, provides more sustained e-commerce advice through four-month internships by student advisors in small businesses.

Strategic and Operational Planning

Strategic and operational planning for the CIO is handled by a small directorate headed by Anita Rush, including a unit led by Eileen Country that handles operational and administration issues. The directorate's activities include: strategic planning for the Sector, including producing this Annual Report and the Business Agenda; coordinating our CIO Web site; and handling operational planning, financial, human resource and other administrative issues for the Sector.

CIO Sector Web Site

The CIO maintains its own Web site on Industry Canada's Intranet (**http://icweb.ic.gc.ca/cio-api**). The site contains information and contacts on our services and has advice on IT procurement, Web publishing and other useful subjects.

CIO IT Call Centre

The CIO IT Call Centre is your first point of contact for IT support relating to desktops and servers in the National Capital Region and the Prairies and Northern Region.

(613) 946-5555 (7:30 to 18:00, Eastern Time — Monday to Friday).
E-mail: **ciocentre@ic.gc.ca**

Did you know?

The IT Call Centre is one of Industry Canada's most popular sites listed on the front page of ICWeb.

Business Relationship Managers

The CIO's BRMs build partnerships and facilitate increased communication between the CIO and Industry Canada's business units. You may contact them if you have questions about the CIO's services or upcoming projects.

Jan Belcher
Business Relationship Manager
CIO Sector
Tel: (613) 941-2370
E-mail: **belcher.jan@ic.gc.ca**

Maureen Ott
Business Relationship Manager
CIO Sector
Tel: (613) 954-4967
E-mail: **ott.maureen@ic.gc.ca**

Annex

What We Charge For and What We Don't

You often ask us which CIO services are free (paid for from the core budget that we receive from the department) and which services are fee-based.

We provide many services to Industry Canada users **without additional fee**, including the following:

IT Utility

- Network services (e.g., access to the Wide Area Network, cables and lines, links to the Internet, Internet IP addresses, etc.);

- Use of e-mail and directories, as well as personal scheduling tools;

- Technical advice and support (network, databases, servers, etc.);

- Server hosting for departmental Intranet or Internet Web sites/products; and

- IT security advice and guidance, as well as security "health check-ups".

IM and IT Services

- Mail, records and distribution services (e.g., ICINFO);

- Virtual library and information integration services;

- Strategis services (marketing, Web usage statistics, client help desk);

- Corporate products such as Canadian Company Capabilities, Trade Data Online and Canadian Industry statistics, as well as trade and industrial statistical data from a variety of sources;

- Web presence support and advice ("common look and feel," privacy);

- IT and content management quality assurance assessments for Intranet and Internet software applications;

- Use of various technology and application testing labs;

- Use of corporate Web site tools (search engine, electronic publishing tool, etc.);

- Initial discussions on requirements for development of new Web site applications;

- Initial review of proposals for IT projects from outside firms that are undertaking work for Industry Canada staff; and

- Response to calls from outside consultants related to Industry Canada's Web infrastructure and standards.

Programs

- GOL coordination, support and advice.

Typically, **costs are recovered** for the following services.

a) *Services that are purchased on behalf of business units directly from external commercial sources, such as the following:*

IT Utility

- Software licenses (desktop software, database software);
- Metaframe remote access (one-time costs, plus maintenance); and
- Security certificates (one-time cost).

IM and IT Services

- E-news program offered by the library (cost of software licenses, content and server infrastructure); and
- Cost-shared subscriptions for specialized services (such as Gartner, IDC, EIU), including analysts' time.

b) *Special customized services, such as the following:*

IT Utility

- Off-hours, on-call network support for special events.

IM and IT Services

- Application development (project managers, designers, and programmers) for on-line application needs-assessment, design, and software development;
- Data publishing entry (migration, input, tagging, cut and paste) into the departmental electronic publishing application (EPIC);
- Customized on-line feedback surveys for specific Strategis products;
- Customized data loads, data extracts and special interfaces with Canadian Company Capabilities data; and
- Forms and e-forms design/development.

Programs

- CBSC customized service centre information support or Web-based collaboration support.

c) *Support services, such as the following:*

IM and IT Services

- Full-time on-site LAN administrators and systems support;
- IM Call Centre support and services for other departmental Web sites who wish to offer these services to their clients; and
- Branch level agreements for CIO IT Call Centre Services.

Contact us for more information, including fees where applicable!