



Australian Government

Department of Communications,
Information Technology and the Arts

DEPARTMENT OF COMMUNICATIONS, INFORMATION TECHNOLOGY AND THE ARTS

ICT, Productivity and eBusiness

David Hickman

Manager

Strategic eBusiness

Department of Communications, IT and the Arts

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Overview

- Today I'll cover some broad ICT issues, in particular the impact of Information and Communications Technology (ICT) on productivity
- Then I'll talk about e-business programs/activities, including the *ebusinessguide*
- I'll also touch on some international issues



ICT – Information and Communications Technology

- An “enabling technology”
- Transforming business activities
- Economy-wide benefits



ICT as a General Purpose Technology

- ICT is the fundamental general purpose technology. It has:
 - wide scope for further significant improvement and elaboration;
 - applicability across a broad range of uses;
 - the potential for use in a wide variety of products and processes; and
 - strong complementarities with existing and potential new technologies.



ICT and transformation

- ICT is radically improving our capacity to collect, analyse, utilise, distribute and exchange information.
- ICT transforms industries by:
 - improving operational efficiency
 - enabling product and service innovation
 - enabling new business models.



ICT Research & Statistics

- DCITA research has found that over the last two decades:
 - Up to 80% of productivity growth in the manufacturing sector attributable to ICT
 - Up to 78% of productivity growth in the services sector attributable to ICT
 - Sensis survey: ICT is produced for internal purposes as well as for sale



DCITA Report – *Achieving Value from ICT*

- Demonstrates the benefits and value stemming from ICT use
- Prepared by Australian National University and Opticon Australia
- Resulted from a survey of 1050 organisations from 15 industry categories



Achieving Value - Applying ICT

- Good management practices must accompany ICT deployment
- Three elements:
 - ICT awareness
 - Persistence in using ICT
 - Openness to organisational change



The Consequences of ICT

- While initially disruptive the long term implications of ICT are significant.
- As it becomes pervasive it will be taken for granted.
- The productivity implications of ICT are huge.



The Information Economy

- The ‘information economy’ is not a new sector or industry but a term for the *transformative effect* on all industries and sectors arising from the utilisation of ICT.



The Information Economy and ICT

- ICT is becoming the most important infrastructure in the global economy.
- It is becoming embedded across all sectors of the economy and within the day to day processes of industry, government and the community
- ICT will become fundamental to all economic transactions, and eventually, all commerce will have an online component.



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Strategic Framework for the Information Economy

- Released in July 2004
- My Group is reviewing its implementation
- 4 key priorities - 16 supporting strategies



eBusiness

- Conduct of business using the Internet
- More than simply buying and selling
- Australian Government activities focussed on uptake of eBusiness by small-to-medium enterprises (SMEs)



Business Internet Usage

- At the end of June 2004:
 - 74% of all business used the Internet
 - 25% of all businesses had a website or page
 - 31% of business placed orders via the internet
 - 12% of business received orders via the internet
 - Business-related income was estimated to be \$33b for the financial year, up from \$24 billion in the previous year



BizDex – eBusiness Standards

- A framework of eBusiness standards
- Aims to deepen business-to-business (B2B) connectivity, reduce business complexity, reduce costs of doing business
- Proof of concept and two pilots completed



BizDex – *continued*

- Will be industry driven
- Will deliver simple, affordable solutions for businesses to connect with trading partners
- Will enhance the value of eBusiness investment
- Will enable connectivity within and across industry supply chains



BizDex – *continued*

- Two pilot projects completed: wheat, and steel
- Funded from Information Technology Online (ITOL) program
- Both successful
- Demonstrate that BizDex can operate and deliver tangible benefits



e-businessguide

- Designed to provide practical advice to SMEs wishing to move online
- Website: <http://www.e-businessguide.gov.au/>
- Booklet: currently being updated
- Website used extensively in eBusiness courses at Swinburne University in Melbourne, and is considered amongst the best resource of its kind worldwide



e-businessguide

- *Getting Started* booklet
- Quick-easy explanation of e-business: what it is, the benefits and what is needed to get started using the Internet as a business tool
- Eg p 24 of the booklet - Choosing a domain name



E-businessguide website - 6 sections

- Understanding
- Planning
- Building
- Protecting
- Managing
- Improving



Collaborative e-business

- Information Technology Online (ITOL) program
- Round 14 - just closed
- Over \$13m in projects funded
- Innovative, collaborative e-business
- 5 innovative projects funded Round 13



International developments

- UN/CEFACT
- OECD – Working Party on the Information Economy (WPIE)
- APEC eSecurity Task Group



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Questions

David Hickman

Director , eBusiness Team , DCITA

David.Hickman@dcita.gov.au

(02) 6271 1486