

Testimony of Leonard M. Pomata  
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House Government Reform Committee  
Subcommittee on Technology and Information Policy  
March 4, 2003

Chairman Putnam and Members of the Subcommittee,

Thank you for the opportunity to speak today from the private sector's view about whether we are headed in the right direction in the current set of e-Gov initiatives.

My name is Len Pomata, and I serve as President of webMethods Government, a business unit of webMethods, Inc. webMethods is a prominent software company based in Fairfax, Virginia, with 900 employees that has been a pioneer in connecting computer applications and databases for many of the world's largest companies and many government agencies. Previously I served as Senior Vice President of Oracle; and before that for five years as President of Litton PRC, a billion dollar a year government contractor that was acquired by Northrop Grumman. Altogether I have been in government contracting for more than 30 years.

It is an honor to appear before this committee, which through the work of Chairman Davis and other members, together with my fellow panelist Mark Forman, has so greatly advanced our government into the 21st Century. You are all due a huge debt of gratitude for your tremendous efforts and accomplishment.

Let me state some principles that I think are fundamental in the private sector, which I think can and should be applied in public sector e-government initiatives.

The driving force in all IT initiatives is the customer. The customer needs drive the process to determine what and when an IT project is necessary and viable. In business, the customer buys the product or service. In government, the customer is the recipient of the product or service. Therefore, we think of them first, last, and always. For technology to be successful, well-defined output to the customer, whether business or government, is the most important first step. All that matters is that, at the end of the day, the customer receives the results in a timely manner and the project fully satisfies the identified needs. To translate that to the public sector, agencies should ask if their customers, whether the taxpayer directly or indirectly, will gain benefit from the project.

In business, customers measure performance of IT projects by return on investment. The question they ask is not, how fancy are your systems, but how much did I spend on this implementation and what quantifiable savings or enhanced revenues have I obtained in return? Similarly, government agencies need to measure the value of an IT initiative in terms of measurable savings. These savings in government are measured either in reduced cost of service delivery or enhanced delivery to the customer. The customer for government can be citizens, businesses, and employees. We must ask: How much value are we adding to their work or to personal lives?

In business, the bottom line is making money. It is all well and good to talk about all the things we can and should do in any project. But if we're not funded, we can't carry out our simplest functions.

Identified and committed investment must be ensured for the intended duration of any IT project in order to hope for success. All too often, shortfalls in this area lead to diminished capacity of the organization to deliver, protracted schedules, and reduced delivery of service. Unfunded mandates lead to undesired results. It is a fundamental principle in business to stop underfunded projects before the investment is wasted. So the question for government is: We know what authority and direction agencies have been given, but have they been given the funding to do it?

Fundamental to success of any project is a well thought-out plan that requires rigorous milestones and incremental measurement of progress toward those milestones. Modern IT development techniques allow for continuous evolution of capabilities rather than single revolutionary delivery. Project teams need to be fully trained in development approaches and imbed measurement points in the process to determine progress. Management teams need to be responsible and accountable for review of team progress through similar measurement methodologies. Among the widely used industry practices, the Capability Maturity Model is one way of measuring organizational capability to develop and deliver IT project results.

We believe strongly in working as a team. I don't mean just that we share glory and credit, and help each other achieve. I mean that we think of our company's mission as a single, overall objective, not just as a conglomeration of little independent objectives of each bureau and

section. Yes, we have departments and verticals; but in the end we want everyone to ask a more horizontal question, if you will: how do we work in concert with each other to achieve a single focus on the end objective? Therefore, the question to ask of agencies is: Do employees and officials see their incentives as just advancing the objectives of one fiefdom, or are they committed to the success of the overall agency mission?

Of course, to function as a team, individuals and units need to coordinate, cooperate, and communicate as a team, across departments and organizations. A team must have a single objective and a single leader. Otherwise, there will be redundancy, confusion, roadblocks, frustration, and poor results. It would be a shame if good intentions are defeated by avoidable lapses in basic communication, organization, and leadership.

Today citizens and businesses want and need information quickly, and at one time and place. Maybe in the old days people were willing to call around, and wait on hold, and fax, and call again next week. Today, people expect to be able to go to one screen and, in real time, at their fingertips, find out what's happening of interest to them. They also want to be able to act on that information. This has become the customer expectation and need. Therefore, agencies need to ask: When taxpayers come to you, or to one of your portals, can they get instant and comprehensive information--or are they still put on hold and told to call many different offices and come back next week? Today for the first time, information and service can be delivered to anyone, anywhere, at any time on the planet. The Internet and the integration of department, agency, or interagency information now allows us to have

a truly global vision of an enterprise. The e-government initiatives promise to fulfill this vision.

In short, we are a technology company, but we do not believe in technology for its own sake. As a matter of fact, one reason people come to us is because they have spent a fortune on technology but are now wringing their hands that all these gold-plated systems don't actually give them the automated, actionable information they need and thought they were getting. Instead of continuing to operate in a stovepipe mentality, they ask us to map simplified, logical, efficient, overall business processes, and connect and automate functions as much as possible. E-government doesn't mean just putting a web-front end on the same old back end; it also means re-evaluating, and if necessary, re-engineering the back end so it makes sense and delivers value.

Thank you for your invitation, and I would be pleased to answer questions.