What the Information Age Means to a Trade Promotion Organization

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The problem and opportunity of the information age is the constancy of change. This truth is age-old, as poets and guru’s in many cultures attest (for example, this):

“All things flow,
Nothing abides;
Into the same river
One cannot step twice.”

The Information Age means many things to people and organizations (such as new business processes, more speed, more choice). Above all, to me, it means the Internet.

INTERNET USE:
An international E-Commerce research group estimates that in 2001 over 500 million people and organizations worldwide used the internet, and that purchases within countries and across borders via the internet totaled $2.4 trillion. Another private American research institution estimates that global exports transacted on-line will be worth $1.4 trillion in 2004, and that this will represent 18 percent of all export transactions.

People and companies have many choices for information on the internet, but a surprisingly large number go to government for information they can trust and rely on. A study released last month by a private American research group (Pew) shows that American internet users go to government websites for information, particularly on public policy issues including health and safety, and to send opinions, questions, or complaints to public officials. Over two-thirds of all American internet users use government sites this way. A growing minority of American internet users do transactions with government on-line: 16% of American taxpayers (35 million people) pay their federal taxes via the internet, and millions more use it to obtain permits or licenses, or to pay fines. More to the point for trade promoters: one-third of American internet users seek information from government websites for business opportunities.

BUSINESS PROCESSES:
Everything seems to be moving to the internet nowadays: information, business-to-business introductions, sales, government procurement, government permits and licenses, job announcements and applications, “knowledge management,” and also international trade promotion information and services. The movement is fast, and change is rapid and
constant. Organizations, including trade promotion organizations, must adapt quickly, or become lost and irrelevant to the customers we serve.

SPEED:
Information technology, particularly the internet, has speeded the delivery of information by trade promotion organizations. It has also raised expectations of service quality by clients and employees. We want answers now, and if they cannot be immediate, we expect answers by the end of the day or overnight at the latest. This is very different from our former reliance on mail, earlier generations of fax technology where the ink would blow off if you sneezed on it, or telex and telegram.

CHOICE:
Internet users have choices. They don’t have to rely on traditional suppliers of service, or sources of information, since the internet offers many alternatives. This empowers individuals, and enforces the suppliers of information, products and services to ensure quality and objectivity on their websites. Exaggerations and untruths are easily discovered by comparing your or my information with others’.

FEARS AND CONSTRAINTS:
Constraints on the use of the internet by trade promotion organizations or others, begins with lack of trust, i.e. fear by consumers and businesses of the creative ability of hackers to steal their personal or corporate secrets and their credit/bank account numbers. Other constraints to expanded use of the internet to conduct business include authentication, intellectual property rights, bandwidth, and basic business processes within organizations and inside the minds of people who may be reluctant to change and adopt something new and different. Internet users like me and my organization must work around these fears and constraints, or wait for creative fixes.

WHAT THIS MEANS TO GOVERNMENT TRADE PROMOTION ORGANIZATIONS:
The US Government stimulated the creation of the internet per se, but it is a late entrant into electronic E-Commerce and E-Government. We have learned from our own frustrations, those of clients we serve, and from the private sector and other governments around the world. I want to share with my perceptions of where we failed and where we are succeeding, thus sharing our best practices and our plans with you.

FAILURES:
The US Government spends huge sums annually on IT ($45 billion in 2002, $53 billion planned for 2003) but the White House’s Office of Management and Budget affirms that this investment has not produced measurable gains in productivity comparable to those of the US private sector, where IT investments contribute 40 percent of the increase in annual productivity growth.

Problems include: Government agencies developed IT systems without regard, until recently, for the need to communicate or share with other agencies or even other units within their own agency. Financial, human resource (personnel), procurement,
regulatory, and other systems are generally independent of one another. Sharing data or processes is either an electronic nightmare, or impossible. Government tends to evaluate IT systems by the percentage of time they are working, not by the performance gain they deliver or by the work the agency is supposed to do. Agencies tend to use IT to automate pre-existing processes rather than create new and more efficient solutions. Bureaucrats sometimes perceive IT as a threat to their old chains of command and ways of doing things, rather than an opportunity to improve delivery to customers and performance.

Technology questions also hold back even wider use of the internet by individuals and companies who lack trust in on-line electronic delivery systems and who want paper records instead, or in addition; or who distrust the ability of financial systems to prevent hackers or cyber-terrorists from stealing credit card numbers. Authentication and privacy issues remain on the list of problems, as does the limitation of bandwidth.

SUCCESSES:

*Opportunities for Change:* The US Government has begun a major effort to improve government services to citizens and performance measurement, focusing on E-procurement, E-grants, E-regulation, and E-signatures. Goals include:

- Creating easy to find, single points of access to government services for individual citizens
- Reducing the reporting burden on business and individuals – e.g., filling out one form one time for use by multiple government agencies
- Sharing information more quickly between the federal, and state and local governments, and with foreign governments and international institutions
- Automating internal processes to reduce costs and disseminating best practices, including use of digital signatures (Public Key Infrastructure) for transactions between government and citizens

*CIOs:* As part of this effort, all US Government agencies have created Chief Information Officers to oversee and improve government IT investments, make websites more relevant and friendly to users, protect sites against hackers and cyber-terrorists, and ensure that sites meet accessibility requirements for handicapped people.

*Web portals:* Examples of the new easier-access web portals include [http://www.firstgov.gov](http://www.firstgov.gov), the USG’s primary website, where information is retrievable by keywords. If you want to know how or where to export, it brings up information from 19 agencies. Another initiative is the single E-Procurement portal, [http://www.FedBizOpps.gov](http://www.FedBizOpps.gov) for all US Government procurement over $25,000 in value. A website portal exclusively aimed at exporters is [http://www.export.gov](http://www.export.gov). It contains information about programs offered by all US Government agencies involved in international trade promotion and regulation. We are developing a single Application Form for companies to use in applying for financing, insurance, or other programs offered by our trade promotion agencies. We hope to test this form later this year.
Videoconferencing and webcast technologies are IT tools that we have begun to use successfully and creatively.

Videoconferencing is expensive compared to e-mail, but cheap compared to moving people by airplane to business meetings or training sites. Improvements have eliminated the unnatural, jerkiness of early videoconference technology. We use it for virtual briefings of US business persons about how to do business in an overseas market, for introducing US and international companies to each other during a scheduled video match-maker meeting, and for staff training. We also find video technology critical for intimate human-to-human dialogue, when you need to look the other person in the eye. It also has proved useful when violence discourages people from traveling. We are also using Webcasts to market our services and inform our customers of international business opportunities. The Internet allows us to store and repeat-market webcasts to others, creating in effect a virtual, visual marketing and trade promotion library.

We have entered the Information Age not only through our own efforts, and mistakes, but also by learning good lessons from the private sector and from other governments.

INNOVATIONS TO HELP THE CUSTOMER:
From the private sector, we have learned how to collect fees securely via the internet. Only two years ago my agency started to do this, and now all of our 160 offices overseas can collect money via credit cards from a client, sent it to our accounting offices in the U.S. or other locations, and draw on the funds to perform the services requested by the client.

Other governments have created impressive on-line trade promotion services, the best of which we are adapting to our own environment. For examples:

France has used the internet and intranets extensively. Its Odysee intranet database links public and private export groups to a single authoritative government source of international market and regulatory information. It has a simple on-line application process for applicants for government trade insurance. All government websites can be reached from a single web portal. What we’re doing: We followed France’s example by consolidating many client databases into one, and by creating the export portal website, export.gov. We have on-line application processes for many of our trade promotion programs, but they are neither simple to use nor unified within my agency let alone within all the US Government trade promotion agencies.

Sweden offers an internet-based Business Inquiry Management System to its companies, which pushes overseas market information to each member company. What we’re doing: we have begun initial “push technology” efforts to send market research and trade opportunity information directly from our database to US clients, but it is not automatic and requires human intervention.
The United Kingdom is developing a single on-line application for many government trade services, and has created “customer satisfaction” surveys via the web. What we’re doing: Our first on-line customer satisfaction survey form was created this year, with excellent results that will help us improve our programs so that we are certain we are doing what our customers want us to do.

Korea’s “Silkroad21” offers a website alliance between government and private partners that is a buyer-seller e-marketplace. Foreign buyers and sellers can register their products on this site free of charge. What we’re doing: Last year we developed an on-line buyer-seller e-marketplace called http://www.BuyUSA.com. You notice the address is “dot.com”, not “dot.gov.” We did this to make the point that the site is a serious business address, and we did it in close collaboration with a well-known American IT company, IBM. The site carries the logos of the US Government and of IBM. It is a matchmaking service to put US sellers together with international firms that want to buy American technology. International firms register for free directly on-line; US firms also can register for free for a service with limited application; we charge a fee for including advertising about specific US company products, hot-linking the site to the US company’s private URL, or for putting the US company’s entire product catalog onto the site.

INNOVATIONS TO IMPROVE INTERNAL MANAGEMENT:
We are moving all our internal records keeping processes to the Internet, and making them accessible either directly, or via various levels of Intranets, through passwords available to offices or persons who “need to know” a specific field of information.

Our basic Intranet is accessible instantaneously to all of my organization’s 1,700 employees of 80 nationalities located in 268 offices in the United States and in 83 other countries. This includes basic output and performance measurement data, internal announcements, awards information, and the like. We use the Internet and a specially created system we call E-Menu, to record financial information (budget authorizations, obligations, liquidations, and collections) from each office. Other data is available on the same Intranet system but it is restricted (e.g. to senior managers, human resource or budget staff). Examples of the restricted data include personal information on each employee, family contact information in case of a natural disaster or other emergency, and various spending and planning scenarios in advance of a final budget.

We are also using the internet for “knowledge management,” the new term of art for what seems sharing records of how to do something right (best practices). “Collaboration Zones” is another term being used by IT guru’s, whereby an internet-based system is used to write, edit, critique or clear with other people and agencies various policy documents, speeches, publications. We are beginning to use the internet to survey customers so we can evaluate how well we do our work. We also hire new employees quicker via an internet-based vacancy announcement and application process.
Hardware improvements, such as wireless technologies, and the growing range of personal digital assistants (PDAs) and ultralight laptops, has further encouraged us to use the internet for our very mobile workforce.

**CONCLUSION:**
The technological innovations of the Information Age make our work more productive, and more meaningful for ourselves and clients.

I have only one nagging fear: the proliferation of passwords, endlessly changing numbers and letters, which you dare not repeat across different programs for fear of theft by hackers. It becomes impossible to memorize them. The Information Age has spawned the tyranny of “password anarchy.” Here are mine!

Thank you for your attention.