METHODOLOGY
FOR RE-ENGINEERING OF PUBLIC SERVICES

1 Introduction

This document is drafted for the E-Government Center of Moldova under ECAPDEV Grant No. TF0A2299 Support to Preparation of Modernization of Government Services in the Republic of Moldova Project.

1.1. Scope of methodology

The primary scope of the current methodology is to serve as a reference guide for undertaking modernization of government services in a consistent and repeatable manner and to serve as a reference framework for public service providers and development partners, involved in reengineering of public services.

The key audience of this methodology are companies and/or teams with previous relevant training and practical experience in reengineering of public services.

The document is also intended to be a valuable resource for the managers and employees of government agencies undergoing or planning to embark onto reengineering of their services.

The goal is to have a document that is simple to understand, practical to apply and, at the same time, addresses some of the concerns and missing elements from the previous re-engineering guide[1].

This methodology is intended to be both flexible and detailed enough to bring value to public services re-engineering efforts. In order to retain its applicability over time, it should be regarded as a living document that will be further enhanced with lessons learned, know-how and best practices by the practitioners applying it.

1.2. Approach

The approach of the methodology is a combination of business process re-engineering and administrative streamlining. It contains the major steps and actions to follow when embarking into the re-engineering of public services.

The business process re-engineering is "the fundamental rethink and radical redesign of business processes to generate dramatic improvements in critical performance measures-such as cost, quality service and speed. It attempts to bring radical rather than incremental changes and focuses on continuous improvement."[2]

Differently, this methodology update will not focus only on the process, but also provide guidelines for administrative streamlining of other aspects of the public

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[1] Ghid metodologic privind reingineria serviciilor publice (http://cancelaria.gov.md/ro/content/ghid-metodologic-privind-reingineria-serviciilor-publice)

[2] Hammer and Champy, 1993: p. 32.

services including eligibility, documentation and information needed in order to obtain the service.

Administrative streamlining is the reduction of administrative barriers for obtaining a specific public service. Part of simplification (among others) is the input, therefore the reduction of legal requirements and the burden of proving the fulfillment of these requirements, including information to be presented by the applicant, documents accompanying the request (both the content as well their form) in order to obtain the service.

Furthermore, this methodology makes reference to the previous re-engineering guide as both are compatible and can be used concomitantly. The following elements will not be included in this document but will be referred to the current Service Reengineering Methodology hereinafter called "Ghid":

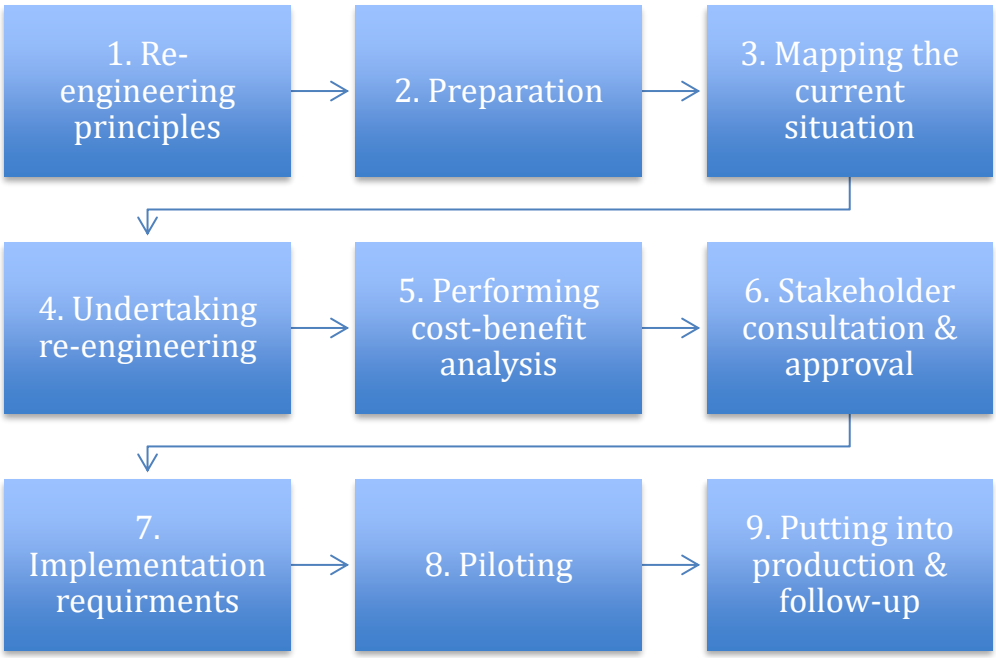
1. The calculation of the Administrative Burden as per Standard Cost Model
2. The calculation of the Service Cost
3. The calculation of Cost-Benefit Analyses

Other documents, such as the methodology on staffing reviews and strategic re-staffing of service delivery functions, the proposed tools and approaches of gender and citizen engagement are included into the methodology and considered as part of it.

The methodology does not look into tariff calculation mechanisms since it is being treated separately as work is being conducted in parallel to address these aspects.

2 Public service re-engineering methodology

This current methodology is structured in nine (9) Chapters; each of them defining the goals, actions and major outputs to be performed:



3 Re-engineering principles

Before undertaking a re-engineering exercise, certain principles should be considered and applied throughout the entire process of re-engineering.

3.1 Citizen oriented services

The expectations of common citizens from the government for providing better quality of services have increased manifold. The citizens also demand increased transparency and accountability in the government services system. Meeting these citizen expectations requires for a citizen-first approach – one that keeps the citizens needs at the core of every decision, from strategy formulation and design, through to execution, resulting in a quick, effortless and comfortable citizen experience while availing the public services.

This principle is supported by the legal mechanisms already in place in the legislation regulating business activity:

- Service by default
- Proactive notification for eligibility for a service
- Silence is consent
- Trust the citizen
- Citizen charter etc.

3.2 Multiple service channels (increase service accessibility to)

The approach means “anytime, anywhere service access to citizens”.

Citizens expect public service to be accessible anytime, anyplace and by whatever means of communication. They prefer and are increasingly demanding greater access to information, transaction and feedback on services from the government, multiple channels of access to the public services and facilitation of transactions with maximum ease and time saving.

This principle would translate in the following strategies while re-engineering the service:

- Enable choice of channels (one-stop shop, internet, mobile, kiosks, call center, etc.);
- Diversification of access channels to include a wider range of citizens, across geographical areas and social strata, to use the most appropriate way of application and delivery respective to their needs and possibilities.

3.3 Standardize and simplify processes

In order to make the services more citizen centric, it is essential to standardize all services and ensure that a citizen has a uniform experience while availing the services. Implementing and adhering to specific service standards enables the seamless integration of various government agencies by ensuring dynamic and uniform information and process flow, as well as better citizen journeys. Given the large organizational size, scope, touch points (with citizens) and heterogeneity in its structure, it is important for the government to standardize its processes in order to provide homogenous high quality experience across all channels of service delivery.

3.4 Ask for data once

This principle ensures that the citizens and business entities provide their standard information only once and it becomes the responsibility of the government entities to capture this information in the most optimal way and internally share this information across all government agencies.[3] The citizen or the business entity need not provide the same information again while accessing the same service or the service of another department. The 'once only' principle improves the overall citizen experience of availing a public service. Citizens need not carry a proof of their identity and other documents while accessing services across government departments. This makes the service delivery quick and efficient. For the government officials this reduces their administrative burden and they are able to serve the citizen effectively and efficiently.

3.5 Use of ICT solutions

E-Services have fundamentally transformed ways in which government logistics are managed right from policy administration to service initiation and service delivery. Many countries like Netherlands, UK, New Zealand, Singapore, Estonia, etc. have created new ways to use e-Services to respond to the evolving needs of their citizens. Transition to 100 percent e-Services can be applied where appropriate by the government agencies in order to benefit from improved efficiency of the re-designed business processes, to enhance citizen's access to information and services, and to engage in more productive relationships with both citizens and other government institutions. The e-Government Center has already build the most basic and important platforms for a transition to e-Services. The following strategies can be employed while doing the re-engineering:

- Access to information in an online mode;
- Online submission of application;
- Automated and online processing of application (with minimal manual interventions);
- Online tracking of an application's status;
- Online delivery of services to citizens;

4 Preparation

This stage concerns with defining the objectives and goals of the re-engineering process and with the creation of the team/working group that will perform the re-engineering of the public service.

[3] According to an EU Commission study, more than 70% of EU countries have undertaken initiatives to put into practice the "once only" principle http://ec.europa.eu/futurium/en/content/final-report-study-egovernment-and-reduction-administrative-burden-smart-20120061.

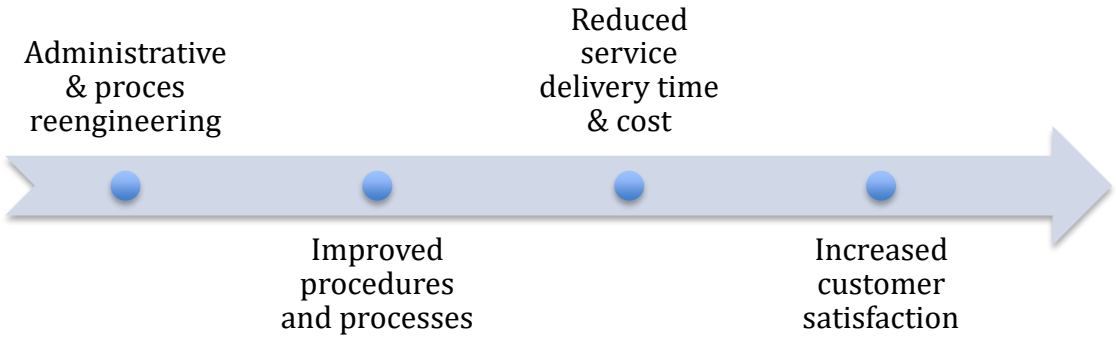
4.1 Set the objective, foresee the impact of the re-engineering

Before engaging in a re-engineering project, the objective(s) should be set, in line with the government's overall strategies i.e. Public Administration Reform Strategy 2016-2020, Public services modernization reform 2017-2021. Developing a clear vision of what will be the main goal to achieve is essential i.e. promoting better service delivery. It is important to have a consensus on the objectives and goals. The objectives can be revised later on when more data is available.

The following may stand as typical objectives:

- Reduce delivery time to the citizen/business by at least 25%;
- Improve public service access and delivery quality by using innovative solutions;
- Increase citizen satisfaction;
- Increase efficiency, transparency and accountability in public service delivery.

If the objectives will be achieved, the following impact should come as a result:



4.2 Set up the team

The working team composition is very important. Participation of different sets of skills and backgrounds is a must.

Participation of a senior executive (Leader) is of critical importance. The leader establishes the goals and acts as the sponsor and promoter of the project. In addition, he will help communicate the details and benefits of re-engineering to the entire organization and perform change management activities.

A high-level (inter-ministerial) steering committee, whose members are high level managers, needs to be established. They support the Leader and are responsible for solving significant problems for which decision on a higher political level is needed.

Staff, familiar with the functions of various departments and trained in management science and operations research, are very useful resource for re-engineering.

The participation of an expert in re-engineering, who at first can be an external agent and then be trained as an internal specialist, is crucial for the project coordination and instruction to the staff in re-engineering techniques. The team should be mixed in depth and knowledge.

Also, by stationing the reengineering team as close as possible to the processes that are to be reengineered, it increases the opportunities for them to observe and understand the work processes. It also allows the reengineering team to build up rapport with the staff whose work processes will be reengineered.

Customer participation, that is members of all ultimate process users' groups is also highly recommended. Their feedback will be required during the most crucial phases of the re-engineering process including the validation of "as is" and "to be" maps.

Box 1. Skills

Knowledge of the administrative procedures (administrative law);

Business processes analyst;

Previous experience with re-engineering;

Information technology;

HR;

Finance.

4.3 Define the object of the re-engineering

From a whole range of public service types, the team needs to decide what will be considered public service for the purpose of the re-engineering exercise. The question "What will be the object under re-engineering?" should be answered.

Administrative Public Services **-** services that are issued by or on behalf of the public administration to private subjects (natural or legal persons), and that could involve provision of information or issuance of an administrative act or ensuring fulfillment of duties towards the state (or local government) by individuals or organizations, as defined in the law. Examples of such services include: issuance of various permits, undertaking registration of a person or property, registering for benefits and others.

Example: *Services providing permission (for particular commercial activities, for construction work, for placement of an advertisement in public space etc.).*

4.4 Collect information or use existing inventories available

The first step is to decide what data is necessary.

The second step is to check and decide if data needs to be collected or the available data is complete and up-to-date.

In case data needs to be collected, there should be a decision on the tool(s) for collecting the data.

Example of tools: *face-to-face interviews; telephone interviews, self-administering questionnaires delivered by e-mail or other on-line platforms, or regular mail etc.*

The most frequently used tools are self-administered questionnaire sent by email and face-to-face interviews.

Note! *The questionnaires must have a sufficient number of clearly defined questions and be comprehensive to include all the necessary information needed for the upcoming re-engineering phases.*

Box 2. Example of type of data that can be collected

1. Description of the purpose

Short description of the purpose of the questionnaire and what the data will be used for.

2. General data regarding the service

Description of the Service with relevant information including title of the service, service owner, service provider, purpose, beneficiary, eligibility, application form, documents, linked services, related services, deadline to provide the service, number of the requests for the last 2 years, fee to obtain the service, number of visits etc.

3. Description of the process delivery of the service

This section must describe in detail the internal service production, the service delivery process, people and roles involved.

4. Legality of the service and its procedures

Legal foundation and regulations for the administrative process of the service including collaboration agreements, international agreements.

5. Information Technology

Information Technology documentation aspects including IT solutions used; software or platforms used by the customer and the service provider; information about e-governance and/or digitization.

4.5 Select and approve the service or group of services to be re-engineered

In the absence of a crisis, formal assessment and prioritization of needs are essential steps for re-engineering.

Depending on the priorities of the working team implementing the re-engineering, a set of criteria can be used to select one service, a number of services or a group of services to undergo re-engineering.

Consequently, the set of criteria will help the team for a rapid diagnosis of the most problematic ones and determine which public services to prioritize for re-engineering.

The prioritization can be applied to the total number of services inventoried, to the sector of services or to the beneficiary category: citizen or business related services.

4.5.1 Criteria for prioritization

Different sets of criteria can be applied depending on the priorities of the Government at the time of the project.

Box 3 shows some criteria that can be used for selecting the service to undergo the re-engineering. A more comprehensive set of possible prioritization criteria are presented in Annex 2 of this methodology.

Box 3. Example of Criteria for prioritization

1. The number of transactions annually:

Low: less than X applications (score 1)

Medium: between X and Y applications (score 2)

High: more than y applications (score 3);

2. The number of beneficiaries of the service:

Low: less than X beneficiaries (score 1)

Medium: between X and Y beneficiaries (score 2)

High: more than Y beneficiaries (score 3);

Note*! Rarely a service will be assessed using both criteria.*

3. The most burdensome regarding the administrative compliance cost (score 3);

Note! *the administrative burden must have been calculated beforehand with data captured during the collection of information where questions for this purpose should have been included. See Standard Cost Model for tools and calculation.*[4]

Note! *It is suggested to select a group of services for re-engineering instead of one service. A group of services would include linked* or related* services.*

Linked services: To receive the public service - main service – the customer is often required or able to receive other – linked – public services. Linked Services can be provided by the same, other government institution or by private entity. Linked Services make single service a part of larger group or groups of mutually connected and dependent services.

Example: *The citizen is required to obtain a sick-leave certificate from a Health Care institution to apply for Sick-leave benefit at the State Social Insurance Agency.*

Related services: Related Services is a group of services with only minor differences from Main Service in some aspects, e.g. client or necessary documents and are delivered as result of same Public Function.

Example: *a mother is eligible to Maternity allowance before childbirth, Childbirth benefit right after the child is born and monthly benefit for child care until the age of 1.5 and monthly benefit for child care until the age of 3.*

4.5.2 Discuss and approve the specific public service list

[4] Administrative burdens are the costs to businesses and citizens of complying with the information obligations resulting from government imposed legislation and regulation. These costs are calculated according to Standard Cost Model that estimates the costs of completing each activity on the basis of cost parameters. The formula can also be found in the Annex 7.1 of the previous Service Reengineering Methodology.

The list of the services to be re-engineered should be discussed with the providers and owners of the respective services. This assures inclusiveness and acceptance of the process and will guarantee commitment for its implementation.

A final approval might be necessary by a higher body (e.g. *National Council for PAR*) in order to give to the process the political, financial and institutional support later needed on in the implementation phase.

Note! There might be cases where the activities in sections 4.3, 4.4 and 4.5 of this methodology, will not be necessary, as they have been already undertaken as part of a wider reform initiative of the government or the sponsors of a specific project.

5 Map the current situation of the public service

The information collected will be completed with additional elements of the public service, analyzed and mapped through the following activities:

1. Mapping of the legal foundation: requirements for administrative conditions (essential eligibilities), documentation and information needed to obtain the service;
2. Mapping of the process: "as is map":
    i) Mapping the Front Office and Back Office responsibilities,
    ii) Mapping of staff expertise level,
    iii) Identifying ICT solutions used in the process: channels, technology, data,
    iv) Develop the "as is map",
    v) Validate the "as is map";
3. Finding out customer's perception: i.e. surveys, focus groups with end users;
4. Mapping the level of development of the service;
5. Defining and measuring key parameters: time of application and delivery of the service, maturity level of the service (technology used, delivery channels) and preparing the baseline.

5.1 Map the legal foundation

Analyze the legal background of the public service and map out at least the following elements:

- Administrative requirements: i.e. eligibility criteria for the customer to apply/request the service;
- Information that must be provided: information filled in a form or given verbally i.e. general identification data, etc.;
- Document/s: set of documents that must be prepared by the customer in order to have a complete file to request the service. These documents maybe be produced by private entities, by the customer itself or by other public institutions.

The output of this activity can be summarized in a word/excel format file, structured with all the information resulted from the analysis.

Example

Service Provider's name (authority)							
no	Name of the service	Regulation level & ID	Eligibility	Information required		Document/s required	
				Type	Format	Type	Provider

5.2 Map the process

This stage is concerned with at least three main activities:

- identification of the steps and sub-steps in the process (including customer activities)
- identification of the roles of the employees involved in the process and
- identification of the information and communication technology used throughout the process.

5.2.1 Identification of steps in the process (workflow)

This analysis includes dividing the entire process of the service production, from application to delivery of the service to the customer, into steps.

The identification of the steps in the process should be done in close collaboration with the officials that work/provide the public service and customer.

The workflow contains all the current processes and sub processes that will be analyzed and studied later on, in order to identify the main obstacles that make the work system inefficient.

All the steps in the process will later on be captured in the "as is map".

5.2.2 Map the Back Office and Front Office responsibilities

Usually more than one employee is involved in producing a service and sometimes the agency providing the service is different from the agency producing the service. These aspects of the service need to be identified and mapped.

First, identify if the service is offered by the same institution by establishing the Service owner and the Service provider in case the organizations are different.

Second, identify the roles within the Back Office and Front Office and who is generalists and specialists staff.

Generalist usually is the front office employee who provides information on all institution services;

Specialist is part of the production process of the service in Back Office.

It is important to match the roles with responsibilities and steps in the process.

The expertise level of the staff can also be assessed. Box 4. provides 4 levels that can be used:

Box 4. Professional level of expertise

Level 0. Generalist

Front office employee that provides information on all Institution's services, organizes client flow and provides direction. Not part of service production

Level 1. Universal Client Server

Front office employee that handles services requests and documents and provides service outcome results as well as produces some of more simple services.

Level 2. Service Expert

Back office employee that produces the services, provides more detailed consulting and information on particular service by request from Client.

Level 3. Management and Senior Service Expert

Back office employee that handles non-standard situations and deals with complaints and provides trainings.

In addition, a clear description of the people involved and their roles is required. At this stage, the HR expert should ensure the following:

1. Collect information regarding the allocation of responsibilities on current business processes;
2. Analyze the effectiveness of the organizational structure: identify strengths and weaknesses of the current structure;
3. Collect information on existing resources (quantitative and qualitative data)

The specific activities related to staffing reviews and strategic re-staffing of service delivery function are described in the Annex 3 of this document and should be used accordingly.

5.2.3 Identify ICT solutions used

Identifying Information Communication Technology support for the current status of the service is important because it is the basis for improvement and re-engineering the processes. It allows assessing and solving possible bottlenecks. The following elements should be identified:

Communications and delivery channels of the service

Here we use the term "channel" represents the form or medium of communication in which a client interacts with an institution to obtain

information or services. Examples include email, a web site, SMS, or a mobile telephone application. For each service, review the following questions:

- What channels are available for the service?
- What components of the service are available via this channel?
- What is the process for using the channel?
- Can the channel be considered effective?

ICT service components

For any government service, some portion of it may be facilitated by an ITC solution. The purpose here is to identify these ITC service components. Do not confuse these service components with the communication channels. On-line payment would be a service component, which could be accessed by a mobile app or via a website (two different communication channels). The following are some examples service components, but the list is not meant to be exhaustive:

- Internet use and the information provided via internet;
- Application on-line;
- Electronic processes in BO;
- Service tracking on-line;
- Integrated database share;
- On-line payment etc.

The technology used

The service components and communication channels will have underlying technological implementations. It is important to identify these technologies to aid the understanding of the quality of service, interoperability between other services and other organizations, alignment with government policies, and use of existing government initiatives (e.g. MCloud).

- What information systems are used?
- Which processes are carried out by these systems?
- What, if any, integrations exist between each of these systems and other systems?
- Which communication channels are they currently supporting or available through and which other channels could they support?
- What programing language or technology framework are they using (e.g. Java, Struts, etc.)
- How is the system secured against inappropriate access and usage? (i.e. physical access controls and authentication and authorization technologies)

Data process

It is important to know how information is stored and accessed in order to assess how it will can be used in the future and accessed by other systems. Here some basic elements to consider are:

- Is a database system used and if so, what database technology is used? (e.g. Oracle)
- Is there a reliable and tested back-up system?

- Is the format (schema) of the information well documented and kept up-to-data?
- What software systems have access to the data and how? (e.g. SQL, REST API, etc.)

5.2.4 Develop "as is map"

The "as is map" is the main output of the activities at this stage which represents the workflow of the production and offering of the public service. Having said that, before starting to develop the actual "as is map", it is useful to first create an "Inventory sheet" in order to help identify missing data and people involved in the process.

After having obtained all the necessary information, the "as is map" is developed as a process flowchart diagram. BPMN tools and standards shall be used to ensure interoperability between different involved actors[5]. These tools allow managing all necessary information, including:

- Workflows and documentation;
- Separation of duties;
- Decisions making; authorizations, signatures;
- Information Technology in use for each process;
- Execution time of each step of the process, etc.

Process flowcharts are created for each procedure identified earlier; see section 5.2.1. in order to ensure the clarity of process documentation.

5.2.5 Validate the "as is map"

Once the "as is map" is developed, it must be consulted and validated with the interested parties in order to ensure quality, inclusiveness and transparency of the process.

Typically, the "as is map" should be the result of the information collected in collaboration with the service owner and/or provider. However, the final results of legal, staff and ICT mapping, should be shared with the officials that produce the service. Ultimately, these people will have to agree on the final output. This way it will be guaranteed that nothing was left out or misrepresented by the working team in the "as is map".

Usually, the working team seats with each department involved in the process and goes over the process steps and reviews the exiting schema until all parties involved agree on the final workflow and its supporting documentation.

Ultimately the "as is" map should also be validated with the user's group of the service being re-engineered. Customer feedback is required for at least the front office process.

[5] Business Process Model and Notation by Object Management Group: http://www.omg.org/spec/BPMN/

5.3 Find customer perception

This activity is about identifying problems, bottlenecks and quality of the service from the customer's perception. Although the working team will analyze the service from the provider's perspective and will have the customer in the center of the re-engineering, in many cases the problems that the customers face cannot be identified/detected without involving them in the analysis process.

The activity can be organized in different ways and using different tools, including surveys; focus groups, heuristic evaluation, observations, shadowing, secret shoppers etc. Different targets group should be involved i.e. gender, disability, economical status etc.

The report on gender equality & citizen engagement performed as part of Modernization of Government Services project outlines a set of tools and approaches that can be useful during this activity.

Example of customer feedback: *the following example is a real case scenario identified during the re-engineering activities with the National Food Agency.*

Title of service: veterinary certificate

Beneficiaries: subjects that handle meat (processing and trade)

Service provider: The National Food Safety Agency (ANSA)

Problem identified by the users: a copy of the certificate needs to accompany every consignment. The "meat shops" are asking for an original copy to prevent government inspection fines. This increases meat suppliers' costs and is a nuisance to go many times to the office.

5.4 Map the development level of the service (Maturity level)

Maturity model is a set of structured levels that describes how well the organization, process, practices, rules and tools can produce the required outcome in a reliable and sustainable manner.

The purpose is to assess the initial level of development of the service and determine the target level of maturity and a transformation path from initial to target level.

The level of staff expertise is measured while developing the "as is map"; see sections 5.1.1-Box 4. Professional expertise level.

The overall level of development for the service can be assessed and mapped according the stages presented in Box 5 and the e-service maturity level can be assessed against the stages presented in Box 6.

Box 5. Level of service development

Level 1. Non-existent

Service is not defined.

Level 2. Initial

Service is provided in improvised and non-governed manner. De facto service is delivered but not yet governed and regulated.

- *Is the service in starting or Piloting phase?*

- *Is the delivery process still under improvement?*

Level 3. Repeatable

Service is provided in a governed and homogeneous manner but it is not formally defined according to all legislative requirements and lacks division of responsibilities.

- *Is service identified and has a description of delivery process?*

- *What is the level of detail of service description?*

Level 4. Defined

Service is delivered in accordance with all legislative requirements and defined in legal documents.

- *Is the service described and defined accordingly?*

- *Have any assessments or measurements been introduced?*

Level 5. Governed

Service is being monitored and standards have been introduced.

- *Is the assessment of channel effectiveness, client satisfaction, delivery processes, staff service levels, client strategy, risks, cost efficiency and other factors is performed?*

- *Are the delivery standards defined?*

Level 6. Optimized

Service has been reengineered according to best practice.

- *Have the Bottlenecks and issues in process delivery, efficiency and effectiveness have been identified and optimized?*

Note! Only services with maturity level 3 and above are subject to reengineering.

The United Nations has identified 5 stages of e-development of services in Year 2012[6] according to which the services can be assessed and mapped.

[6] UN E-Government Survey 2012: E-Government for the People Retrieved from http://unpan1.un.org/intradoc/groups/public/documents/un/unpan048065.pdf).

Box 6. E-Government maturity level

Stage 0

The value "0" indicates that the service is not yet available on-line at any of the following levels

Stage 1 Emerging information services

Government websites provide information on public policy, governance, laws, regulations, relevant documentation and types of government service provided. The website has links to ministries, departments and other branches of the government. Citizens are able to obtain updated information in the national government and ministries and can follow links to archived information.

Stage 2 Enhanced information services

Government websites deliver enhanced one–way or simple two-way e-communication between government and citizen, such as downloadable forms for government services and applications and limited submission of requests for non-electronic forms or personal information. Systems at this level may also provide audio and video capabilities and multi-lingual access. Some.

Stage 3 Transactional services

Government websites engage in two-way communication with their citizens, including requesting and receiving inputs on government policies, programs, regulations, etc. Some form of electronic of authentication of the citizen's identity is required to successfully complete the exchange.

Government websites process non-financial transactions i.e. filling taxes on-line or applying for certificates, licenses and permits. They also handle financial transactions, i.e. where money is transferred on a secure way.

Stage 4 Connected services

Government websites have changed the way governments communicate with their citizens. They are proactive in requesting information and opinions from the citizens using Web 2.0 and other interactive tools. E-services and e-solutions cut across the departments and ministries in a seamless manner, information, data and knowledge is transferred from government agencies through integrated applications. Governments have moved from a government-centric to a citizen-centric approach, where e-services are targeted to citizen through life cycle events and segmented groups to provide tailor made services. The government creates an environment that empowers citizens to be more involved with government activities to have a voice in decision-making.

5.5 Define and measure key parameters

Defining the key parameters is linked with the objectives set in the beginning of the re-engineering process.

According to the objectives set in section 4.1, time reduction is one of the main results that the re-engineering must obtain. As a consequence, it is important to divide the time by specific components that will be measured later on. These components must be discussed and agreed beforehand.

Typically, Time is divided in “Customer” Time and “Institutional” Time.

The Institutional Time is considered the time needed by the agency to produce the service. This time can be measured by primary and secondary data, as from internal and/or external sources. It is important that institutions do dispose of enough information to track the timing for service production. If data is scarce, surveys, observations or interviews can be used to measure it.

The Customer Time is considered the time that the customer needs to apply and obtain the service. This time can also be measured by primary and secondary data. In cases where the organization has no such data, the external sources can be used e.g. developing questionnaires to understand the customer’s time to collect documents that must be submitted for the application etc.

Examples of Internal data sources:

a) Records of internal management reports that monitor the work process of the organization
b) Data of ICT systems
c) Data from the camera monitoring systems
d) Information contained in Human Resources reports
e) Data from information contained in work files, registers etc.

Examples of External data sources:

a) Direct measurement or observations
b) Survey of citizens/businesses
c) Information obtained from other institutions

Depending on the context, the sources of the time components measurement need to be discussed and approved beforehand. A list of all the relevant sources/instruments for measuring the different time components needs to be created. This will help keep track of different activities/tasks and responsibilities.

Box 7. Time components

Time required to be informed on the service (Customer Time)

The time needed for a citizen to be informed about the requirements and procedures to be followed in order to obtain a service

Document preparation time (Customer Time)

The time spent by citizens in collecting all the required documentation, which will allow the start of work on service delivery

Time to access the service (Customer Time)

The time required to obtain the information from the preparation of documentation requirements or other requirements to launch the service. In general, this component refers to the time spent on logistics to enable physical access to the point of application

Queue Time (Customer Time)

The time spent in the queue from reaching the point of application of the service until the final point for an interaction with the institution.

Application submission time (Institutional Time)

The time spend by the citizen in submitting the documents to fill in a form / s of application and the completion of the preliminary steps in order to finalize the application

Re-visit time (Customer Time)

The time spent by the citizen to re-present/re-visit the point of service

Back Office process time (Institutional Time)

The time required to accept the application until delivery of services to the citizen

Service delivery time (Institutional Time)

The time required from the resolution of the service until the citizen receives it.

The Total time of the service T(t) =T(c) (Customer Time) + T(i) (Institutional Time) where:

T(c)=Time for information+ Time to access +Time to prepare the documents+ Queue Time +Re-visit Time

T(i)=Application Time + Process Time + Delivery Time

Other statistical parameters might be included and measured. See Box 8 for examples:

Box 8. Other statistical parameters

Number of documents needed to apply for the service;

Number of documents electronically submitted

Number of process steps

Number of customer visits needed to the office

Number of channels to access the service

Note! *These parameters are useful as "project-indicators"*

Prepare the baseline: this will help determine the current values of performance indicators referred to in Chapter 11.

6 Undertake the re-engineering of the service

This stage aims at creating an alternative process to replace the current system, that should meet the strategic objectives set at the start of the re-engineering project. It is important that the new designed process provides high-quality service that will increase customer satisfaction. Ultimately, at this stage the team has more complete data and therefore, depending on the context, the objective set in the beginning of the project might change. As a result, the objectives of the re-engineering can be revised or validated.

6.1 Administrative simplification

The administrative streamlining focuses more into simplifying the input. Usually the input is mandated by the legal acts which set up a list of information, documents and eligibility conditions for the customer to start an application and be entitled to receive the specific service.

A couple of important elements should be observed while undertaking the administrative simplification of the service.

Public interest should not be weakened. The simplification and re-engineering of the process should contribute to the protection of essential standards of the public service which aim to protect certain public interests (i.e. health, safety and order, the environment, protection of minors, personal data, etc.).

The legal framework should also be observed in order to find out if legal mechanisms exist or are in the process of being approved to help the simplification of the public service delivery. Some legal mechanisms that relate directly with the streamlining of the relationship between citizens and the public administration are presented in Box 9.

Box 9. Legal mechanisms to streamline the service

1. One-stop service points;
2. Silence is approval;
3. Changing the burden of proof in administrative proceedings;
4. Government obligation to inform and assist the customer;
5. The obligation of the government to not require the documents already owned by the public administration;
6. The need of authentication of documents.

To obtain a public service, the applicant must meet some basic requirements and must submit basic information (usually a simple form) and a set of documents (to prove a fact). Each of them from the essential requirements (the eligibility) to the set of documents, are a cause where the process may fail to start, cause delays and increase costs or may lead to the failing of service delivery.

These elements can be simplified through the proportionality test and application of administrative strategies to address the deficiencies.

6.1.1 Proportionality test

The proportionality test is about analyzing and putting under question the three main aspects: eligibility conditions, the documents required for submission and the information are the first steps towards simplification.

Box 10. Proportionality test[7]

The proportionality test is applied by analyzing the responses to some basic questions:

1. Is the condition or the document necessary to ensure the protection of the targeted public interest? YES/NO
2. Is the condition or the document appropriate (effectively achieves its goal) to ensure the protection of the targeted public interest? YES/NO
3. Could the goal of the service be achieved by another less restrictive condition or document? YES/NO
4. Could the requirement or the document be eliminated or substituted? YES/NO

6.1.2 Strategies for administrative streamlining

Depending on the results of the proportionality test, specific actions can be taken with the purpose of simplifying the requirements of the service. The main strategy is to see if there are opportunities for elimination of eligibility conditions, documents or information. The following are some cases for elimination:

[7] The criteria of Proportionality are provided also in the Law no.160/2011, article 5, letter h) and Law no. 235/2006 article 15.

Eliminate the document or information required if:

- The document or information is not necessary (does not add value or help the authority to decide on the service)
- The document or information can be substituted by another document already required for submission (duplication case-example: ID and Passport)
- The document or information is issued by the service provider, so it already exists in the archives of the institution;
- The document contains information that can be obtained through G2G communication or accessing a shared/common database (e.g. apply only once principle)

***Example**: Adoption of "apply only once" principle has direct impact on the reduction of the time related to the documents that citizens have already inputted in the institutional data warehouses. This strategy is linked with the digitalization of records and creation of a citizen online identity.*

***Note**! In cases where data needed for processing the service contains personal information, which is protected from legislation and is stored in public institutions, written consent must be taken from the applicant during the application phase.*

Other strategies:

- Reduce number of reviews, approvals, signatures, stamps;
- Eliminate the unnecessary third party authentication (i.e. notarized copies of ID, Passport);
- Allow for self-declaration/certification by the citizen for faster service delivery with appropriate checks;
- Adopt 'silence is approval rule' by legislation and provide for exceptions

6.2 Analyze and re-design the processes of the service

While the administrative streamlining was focused in simplifying the inputs, the re-engineering initiative aims at changing the business process by identifying performance issues and re-designing them to have a better result, including a more efficient and transparent process.

First assessing the current processes of the organization and determining what exactly needs reengineering is necessary. In this analysis phase, a series of sessions should be held with process owners, other stakeholders such as customers, regarding the need and strategy for business process re-engineering.

6.2.1 Identify deficiencies in the process

The information collected and mapped must be analyzed. The "as is map" is an important source of data that will have to be analyzed. This is done in the following steps:

- **Classify the process steps** as "value added steps" and "non-value added steps". Value added steps would be defined as the necessary and indispensable part of the overall process.
- **Identify parts of the process that consume the highest percentage of time needed to provide the service.** This is one vital aspect for

improvement and change. Such processes cause delays for the whole production and lead to negative impacts on the customer satisfaction level.

- **Analyze the customer's complaints and feedback**. The customers' complaints should be considered a reliable indicator as they reflect the opinion on the quality level of the provided service.

6.2.2 Apply re-engineering strategies

Usually the business process strategies for the public sector are focused on micro-managing the processes in the public organization. The strategies intend to improve performance indicators in the delivery of the public services to the citizens/businesses. The goal of the re-engineering of the processes can be expressed in concrete targets related to indicators such as time, quality of service or cost etc.

***Note**! The clarity of the goal and of the indicator is very important for selection and application of strategies. If the main objective is time reduction with 25%, the focus in selecting and applying the strategies will be to reduce the delivery time of the service.*

Despite this main objective, such processes, when re-engineered, will have a positive impact on the improvement of other performance indicators, including increase of the quality of the service, reduce of the cost of the service and increase of transparency levels.

Strategies can be focused at the following aspects of the service:

1. *Accesses* to provide multiple channels of information, application and delivery of the service;
2. *Process efficiency* that can be operationalized through elimination, standardization, consolidation of steps, etc.;
3. *Staff specialization* and separation of roles; Front Office-Back Office
4. *ICT solutions* through automation, digitization, connectivity between service providers, etc.;
5. *Client satisfaction* focusing on needs of specific groups of customers including client segmentation.

While analyzing the process, the main focus should be looking for opportunities to:

ELIMINATE

- Process steps not adding value;
- By combining with other steps/activities;
- Inconveniencies to citizens;
- Excess number of roles for process-free resources faster.

***Example**: reduce process steps when redundancy and burden as time is observed.*

DELEGATE

- Minimize number of hand-offs;
- Eliminate unnecessary approvals;
- Authorize staff with appropriate check;
- Provide staff with all information for decision making.

Example*: Delegate authority to specialized people with enough information and appropriate authority to sign off the service.*

RELOCATE

- Reduce number of customer visits
- Reduce delays
- Deploy multiple and appropriate channels of access
- Electronic documentation applicable

Example: *Relocate to Regional offices or to third parties; Improve online accessibility by opening online channels for information and application for services; Create new channels such as unique information phone numbers, caravans for elderly (Seniority)*

Note! Multiple channels of delivery improve drastically the accessibility by responding to different customer segments and also educate citizens*.*

Channels that might be used: Service Provider's Client Service Center; Other Institution's Client Service Center; Universal Client Service Center; Website: Public Service Portal; E-service; Mobile service; E-mail; Mail; Phone etc.

AUTOMATE

- Automate repetitive tasks;
- Automate time consuming tasks;
- Use ready inexpensive tools available.

Note*: Manual is prone to errors.*

SEPARATE

- Front office from back office;
- Governance from execution;
- Function from service.

Example: *Associate skills with roles and tasks with standard roles.*

STANDARDIZE

- Processes;
- Roles;
- Time;
- Information.

***Example**: the process of grievance and complaints can be standardized across the institution; standard description of responsibilities for different roles (FO &BO). The response time for complaints or feedback can be standardized; Process and delivery time can also be standardized; Information received when applying - Application forms can be standardized; refer to Citizen Charts.*

***Note**! Regulate exceptions.*

DIGITIZE

- Make available on-line applications and delivery of service;
- Shift to electronic records instead of paper. This will particularly eliminate all the services that depend on archives like certificates;
- On-line communication between different departments in the BO and among institutions;
- Centralize data.

***Note**! Digitize is a key enabler of the re-engineering initiatives since it reduces overall burden of time and cost for the citizen.*

***Example**: Back office online communication between departments, between institutions.*

OUTSOURCE

- Components or the whole service i.e. the IT sourcing, delivery service to postal operators, Front Office to Client Service Center.

***Example**: adopt "one-stop shop" principle including public and/or private parties such as: notaries, banks, post offices etc.*

USE ICT SOLUTIONS

- E-authentication;
- Single gateway for payment: the system will allow the government to invoice the citizens;
- Electronic signature;
- Shared databases, making the information available in many places;

***Note**! It is important not to invest in development of ICT solutions that have already been developed by the government or other public institution but, on the contrary, take advantage of already developed solutions.*

*ICT solutions are developed by **e-Government Center of Republic of Moldova** and available to public institutions and can be consulted in the Annex 1 of this document.*

6.2.3 Develop "to be map"

Based on the strategies chosen for the specific service and their operationalization, the "as is map" needs to be upgraded to the "to be map",

reflecting in the flowchart all the changes that result from the re-engineering of the process.

The "to be map" includes at least:

1. Roles: in back office and front office;
2. Third parties involved;
3. Steps in the process (sequentially);
4. Guide that explains the steps in the flow and their modifications (narrative document).

Separately, but accompanying the flowchart, there will be information about the following elements:

- Problems identified (from analysis and/or from customer feedback);
- Solutions to the identified problems;
- The baseline time of the service and the time saved as a consequence of the new design;
- Description of Strategies/interventions used (e.g. the strategy used is "go digitally" by connecting databases; use tracking system for the customer to follow the status of his application; one gateway for payments etc.);
- IT solutions and recommendations to implement the "to be" maps.

6.3 Develop "service standards"

The service standard is the commitment of the Public Organization to its customers (citizen & business) about the quality of the services that the customer can expect. As long as the standards are set and made public, the public organization guarantees performance up to these standards. At the same time the agreed standards measure the performance of the organization and are a tool for holding the organization accountable for the quality of the service delivery.

How to set the service standards?

While in the process of deciding the specific service standards, first, few principles should be taken into consideration.

Box. 11. Principles of service standards

Concrete;

Measurable;

Significant to the customer;

Communicative with the customer.

6.3.1 Define elements of the service that can be standardized

Developing a service standard chart must involve the customers (citizen & business). Involving customers in the design of service standards can be done through a large range of tools including surveys, feedback, focus groups, inquiries concerning the suitability of services and whether they are effectively taking into account gender and diversity aspects; customer journey mapping; usability testing and website analysis etc.

Note! *There are some aspects of the service that can be standardized while analyzing it for the purpose of re-engineering.*

The service standards can cover the entire range of service providing or only some relevant aspects.

The list below presents some elements that are measurable and can be evidenced during the re-engineering process. These can be associated with a specific value of a performance indicator.

TIME

- Standard Queue time (waiting time in line);
- Standard Feedback time (the time to answer to the customer's questions);
- Standard time for citizens to fill templates (quality standard);
- Standard time for clerks to provide information to the customer (quality standard);
- Standard time to deliver the service.

ACCESS

The organization must ensure multichannel service access and delivery i.e. service window, paper, phone, e-mail, internet

- Number and type of channels to access the service;
- Number of channels for service delivery;
- One-stop shop availability for the service.

TRANSPARENCY

- Information available (i.e. Passport of service availability as a standard rule);
- Include Feedback process/mechanism as a rule of communication with citizens;
- Mechanism of digital tracking an application's status.

GRIEVANCE & COMPLAINTS

- Unified mechanism throughout the agency;
- Standard time to solve the grievance or respond to complaints.

Examples of service quality standards:

- A complaint will be resolved within two working days;
- The customer can digitally track the processing progress on a complaint or request;
- The customer will be attended within 15 minutes.

The Public sector scorecard maybe considered also as a tool to help create service standards, also recommendable is to use empathy techniques, interactive tools for the civil servants to see the customer perspective and their specific needs, including gender needs.

7 Cost –benefit analysis

Cost-benefit analysis is an analytical tool created to help public authorities in decision taking by evaluating potential outcomes and enumerating all benefits and all costs associated with the policy. It is a quantitative comparison of all benefits and costs done by financial and economic calculation analysis. The previous methodological guide offers detailed information on how to make the economic and financial calculations and other relevant guidelines related to the cost-benefit analysis in Chapter 6, section 6.10.

This tool can be used optionally, depending on the objective that the government may have in a particular moment in time and the size of the investment that is proposed for the service improvement and the scale of its applicability.

8 Stakeholder consultation and approval

This step is about presenting the new model of the service delivery to the relevant stakeholders.

The service providers will need to be consulted regarding all the steps, procedures, staff and legal changes that will be needed as the result of the re-engineering process.

***Note**! It is important to have them onboard on the new model, in case they were not involved from the beginning of the project.*

The second tier of stakeholders would be the institutions/departments that provide for connected or similar services to the main re-engineered service.

***Note**! It is important to identify, consult and include in the reengineering process all such entities affected by service reengineering and new process, as well as identify their role and importance.*

Third tier of stakeholders would be the customers, who might be consulted with regard to the elements of the service that are changed and affect directly their interaction with the public authority or their eligibility to the service or the major requirements that will need to be fulfilled by them within the new framework of the re-engineered service.

Fourth tier of stakeholders would be the committees or inter-ministerial committees that will have to support the project politically but also can guarantee or support the financing aspect for the implementation of the new model.

***Note!** The involvement of these different tiers of stakeholders should be in different scale. Technicalities should be consulted with the appropriate team and each group is presented the right level of details.*

Example: *Executive summary of the changes and their impact accompanying the high level detail of the "to be map" might be presented for approval to the forth tier of stakeholders. High level changes such as number of steps, roles, documents reduced can be presented. Where applicable, show some assumptions related to time reduction of service delivery in the new model.*

9 Determine implementation requirements

After having re-designed the model of the service, the working team must provide the necessary tools, documents, programs and methods that are necessary to support the implementation of the proposed working system.

At this stage, the gap between the currently available human, technical and financial resources is studied and analyzed, in addition to what is required in order to implement the proposed working system.

The HR expert in this stage must make sure to include the following activities:

1. re-design the organization structure, clarify the allocation of tasks by departments;
2. establish the optimal number of positions and define the skills required;
3. assess the exiting HR, identify gaps (no. of staff and skills) redundancy;
4. design new job positions, re-design the modified ones and identify the position that might need to be eliminated.

The methodology on staffing reviews and strategic re-staffing of service delivery provided in Annex 3 of this document should be used to perform the abovementioned activities.[8]

Box 12. Essential implementation requirements

1. Implementation Action Plan

Detailed action plan and corresponding stakeholders with service improvements and necessary investments in phases, timetable and costs estimations will be needed.

2. Legal changes to support the new model

All the legal acts that need to be amended or created from scratch in order for the new designed service to take place will have to be developed. These legal acts must reflect the new service delivery model. Lawyer expertise is involved to assess the legal changes or newly designed legal acts.

3. Workstation re-design in accordance with the new work flow

The procedures including all internal steps. Depending on the administrative and legal system, the procedures of the work station can be included in a normative act or in the internal regulation of the service provider's act.

4. Human resources needed to perform the new designed service

[8] The methodology on staffing reviews and strategic re-staffing of service delivery functions by Liliana Olivia Lucaciu, January 2017

This means developing an organizational or department chart (depending on the case), personnel changes (reduction or increase). HR expertise is involved for assessing the staffing needs, human resources needed to perform the new redesigned service.

5. Training assessment needs for the employees with the new process

Trainings needs assessment and capacity building plan is the main document for this requirement. HR expertise is involved.

6. Investments and procurement needed

Investments that need to be made for ICT hardware, software, infrastructure that are foreseeable. Define ICT specification that will be necessary for procurement.

7. Change Management

Managing change with due consideration is an important factor in the re-engineering implementation. This involves human and social related changes and cultural adjustment techniques needed by management to facilitate the implementation of newly designed process.

10 Pilot/simulation

The effectiveness of the proposed new designed delivery system can be verified using simulation tools and check if it will be successful. To ensure that the process generates the desired benefits, it must be tested before it is deployed to the end users. If it does not perform satisfactorily, more time should be taken to modify the process until it does.

Piloting will be more effective if real life scenarios of the service are tested with real customers. This way the feedback of the end-users is taken into consideration.

Through pilot implementation of the proposed improvements, at a specific level within one division, we might ensure the effectiveness of the new process before implementing at organizational level.

The piloting also will help estimating the time needed to implement the re-designed process, in addition to estimating costs and number of employees, before the factual implementation process.

In addition, it helps identifying gaps between the current available human resources, technical and financial resources. These can be analyzed and feed in the following phase - Implementation.

11 Put in production and follow-up phase

To ensure the efficient implementation of the re-engineered service few factors be considered:

- Management support for the working team;
- Commitment to the action plan and adherence to the timetable;
- Involvement of all employees in the targeted department/s.

Rolling out the new model into production at organizational level will be done according to the action plan developed beforehand (see chapter 9), which can be further amended taking into account the results of piloting/simulation process (see chapter 10) and agreed by all the relevant stakeholders involved in the process.

This stage is also designed to ensure the ability of the organization to maintain the achievements that have been made and the continuity of development and improvement, in order to prevent a decline in performance levels. That is why a follow-up in monitoring and observing the service delivery per se and track of performance indicators are necessary.

11.1 Evaluate and Monitor the performance indicators

At this stage the impact of the changes is assessed. This impact is determined by evaluating and measuring the performance indicators.

Evaluating and monitoring the service performance over time is an important tool to assess the effectiveness of the re-engineering and also helps identify deficiencies, that need to be improved further on, to achieve the ultimate goal that is customer satisfaction.

Three main elements merit to be evaluated and monitored

- Accessibility of the service;
- Efficiency of the internal process of the service provider
- Customer perception of the quality of service / customer satisfaction

Box 13. Example of type of indicators to evaluate

Accessibility is the ease of accessing the service by the customer. It can be evaluated and monitored by the following statistical indicators:

Increase in number of access points for the service:

Number of new channels/devices of access recommended;

Channels available for different categories of customer *(customer segmentation);*

Availability of the information for the service:

Availability of service passport; on-line information; customer charts;

Opening hours of the service window:

24h availability via internet; special hours for woman with children;

Amenities for the disabled to access the service:

Website design also suitable for blind people; information available on different languages; etc.;

Number of electronic document submissions permitted (% of total);

Efficiency of the internal process concerning the service provider can be evaluated by the following indicators:

Number of steps in the process eliminated (% of total);

Number of documents needed for application eliminated (% of total);

Number of standard forms introduced (% of total);

Average processing time per application reduced (in %);

Reduction of the service cost **(not measured under the current methodology)**;

Number of roles eliminated post standardization;

Quality of service/Customer satisfaction can be measured through: public perception by surveys OR by measurable indicators such as:

Average reduction of time to access the service (in %);

Average reduction of waiting time/ queue time (in %);

Average reduction of time to apply successfully (in %);

Average reduction of time to obtain the service BO+FO (in %);

Reduction in the number of required visits to the office (in % of total);

Compliance with service standards might also be another performance indicator;

Citizen report card can be used also to measure the citizen satisfaction in order to include the social categories that are most vulnerable and marginalized.

11.2 Service maintenance and ongoing improvements

Since business process re-engineering is considered a successive and on-going process, a service maintenance process must be introduced and it should be a continuous process of revisiting the service itself and its production and delivery. Analyzing the monitored data and identifying possible improvements is the main task in this stage.

A core concept is the use of feedback loops at every step of the process and an environment that encourages constant evaluation of results and individual efforts to improve.

At the end user's level, there must be a proactive feedback mechanism that provides for and facilitates resolutions of problems and issues.

After identifying deficiencies, an improvement plan should be put in place and executed with appropriate resources and timetables.

Annex 1. Existing ICT solutions in Moldova

MCloud *(Available now)***:**

Agencies can benefit of cloud services in order to:

- Avoid purchasing hardware and instead focusing on service provision;
- Avoid hiring expensive experts (system administrators, database administrators, information security specialists etc.) and use the MCloud team for administration tasks;
- Scale up and down depending on the agency needs (e.g. if the service in used in certain periods – quarterly reports or other - institution could request additional resources – CPU, RAM, HDD – for limited time);
- Benefit of increased availability (because of redundancy) and security (endpoint security devices, security experts, security monitoring).

ENABLING SERVICES:

- **MPass** *(Available now)* – offers single-sign-on facilities in order to allow accessing IT systems using the same credentials. Allows authentication using mobile ID, digital signature and username/password. Can also handle centralized role management (authorization) for streamlined permission management;
- **MSign** *(Available now)* – allows to digitally sign documents and forms and validate signatures on signed documents/forms;
- **MPay** *(Available now)* – allows receiving electronic payments for public services using credit/debit cards, internet clients, electronic terminals and postal offices;
- **MNotify** *(Available now)* – allows sending notification using email, SMS, Facebook to alert users of various system events (file processed, document issued, more details needed etc.);
- **MLog** *(Available now)* – centralized logging of business events for Business Intelligence purposes (statistics, pattern analysis etc.);
- **MDelivery** *(Not yet available)* – delivery via post/courier services of documents, packages etc.

SHARED SERVICES:

- **SIGEDIA** *(Available now)* – document management system for CPAs;
- **ECMP** – *(Available now)* platform for developing registers, services for issuing authorizations, case management systems etc. Has native integration with enabling services above and allows for quicker time-to-market of IT systems and up to 3 times cheaper cost of implementation;
- **Interoperability framework** *(Available now)* – allows data exchange across agencies and IT Systems;
- **Public Services Portal** *(Available now)* – single window for accessing information about public services.
- **Open government data portal** *(Available now)* – one-stop shop to access open government data and public information available for re-use.

Annex 2. Possible Criteria for prioritization of public services for re-engineering

Once having a qualitative inventory of public services, an exercise of prioritization of the services to be re-engineered can be performed.

This will help the project not to focus on an exhaustive list of services but rather concentrate on a substantive and critical number of services in order to have a bigger impact of the reform.

Consequently, a set of criteria for a rapid diagnostic of the most problematic ones will help the government to determine which public services to prioritize for re-engineering.

The prioritization can be applied to the total number of services inventoried, or it can be done by sector of services or by beneficiary category: citizen or business related services.

Selection method for critical services

Based on this strategic approach some of the key criteria for deciding the inclusion or exemption from the list of re-engineering are:

1. The number of applications annually:
    - Low: less than x applications (score 1);
    - Medium: between x and y applications (score 2);
    - High: more than y applications (score 3).
2. The number of beneficiaries of the services:
    - Low: less than x beneficiaries (score 1);
    - Medium: between x and y beneficiaries (score 2);
    - High: more than y beneficiaries (score 3).

***Note**: Typically, a service will either be assessed by the number of transactions or beneficiaries, whichever is more relevant but not both of these criteria.*

3. The most burdensome regarding the administrative compliance cost (score 3);

***Note:** The administrative burdens must have been calculated beforehand. During the collection of information maybe questions for this purpose should be included. See Standard Cost Model experience from all previous SCM measurements shows that the top 20% most burdensome services in any given area will represent 80% of the costs.*[9]

[9]The Standard Cost Model breaks down administrative costs imposed by legal acts into components that can be assessed with reasonable accuracy. http://ec.europa.eu/smart-regulation/refit/admin_burden/docs/enterprise/files/abst09_statistics_en.pdf

Also the formula can be found in Annex 7.1 of the previous reengineering methodology.

4. The sensitivity of the service related to different economic status of the beneficiaries (vulnerable categories) for example: services related to the pensioners, services related to unemployment (score 3);
5. The highest number of complaints from customers (score 3);
6. The number of visits to the office (the level of interaction between officials and citizens):
    - Low: less than x number of visits (score 1);
    - Medium: between x and y number of visits (score 2);
    - High: more than y number of visits (score 3);
7. The number of documents required in order to obtain the service:
    - Low: less than x number of documents (score 1);
    - Medium: between x and y number of documents (score 2);
    - High: more than y number of documents (score 3);
8. The service that has evidenced corruption or excessive discretion (score 3);
9. The service is key to obtain many other services for example: civil status certificates (score 3);
10. The service is significantly influencing Moldova's standing in international rankings or derives from Moldova's international agreements (i.e. Doing Business) (score 3);

The inventory will give enough insight to establish the categories "Low", "Medium" and "High" for the listed criteria. For example, the data collected in June 2016 through the questionnaire on e-services done by e-Government as part of the developing the Action Plan for Modernization of Government Services Project (MGSP) helps to establish the values for criteria #1 "the number of transactions annually", #4 "the number of visits to the office" and #5 "the number of documents".

Note! The criteria do not have a weight, they are equivalent.

A different set of criteria can be applied in the beginning of each Year depending on the priorities of the Government at the time. As such these criteria can be divided in "primary criteria" and "secondary criteria". For example, corruption or excessive discretion case can be one of the secondary criteria deciding in case of doubts or even score.

The list of prioritized services

Based on the scores obtained, a ranking of all the services is made and the top X number of services that reached the highest score can be selected for going under re-engineering first.

Note! *It is advisable that when selecting the services that scored highest choose also the similar services that can be grouped together and re-engineered at the same time. Similar services are services that have the same business process but different output.*

The list of the services can then be validated and approved by collective bodies with enough political leverage in order to give political and financial support to the re-engineering project (ex. e-Transformation committee, National PAR Council).

Example

Name of service	**Crit. #1**	**Crit. #2**	**Crit. #3**	**Crit. #4**	**Overall assessment**	**Recommendation**
Permit for export-import	3	2	1	3	9	Re-engineer

Annex 3 "The methodology on staffing reviews and strategic re-staffing of service delivery"

Table 1. Methodology for HR support to the business processes re-engineering.

No	Support required/ HR tasks	When?	Method and tools
1	Organization design Mapping the processes on the structure and structure effectiveness and efficiency analysis	STEP 3. Map "as is" structure Test the map "to be" structure	Mapping the processes on the structure Structure effectiveness and efficiency assessment model Benchmarking the organizational structure against similar organizations Current workforce available (number and capabilities) and forecasts Identifying the gap, gap analysis
2	Staffing reviews, demand analysis: number and profile of jobs and positions needed	STEP 7. Determine implementation requirements	Department capabilities identification, formulation Job analysis and redesign (defining/redesigning jobs, workload and capabilities analysis), estimation of number of jobs and positions, defining the jobs capabilities (profile)
3	Staffing reviews, supply analysis. Workforce available (number of profile) Gap analysis	STEP 7. Determine implementation requirements	Current workforce available (number and capabilities) and forecasts Identifying the gap in number and skills
4	Strategic human resources planning	STEPS 8 , 9 Pilot and implementation	A pack of HRM strategic and operational plans, such as: Recruitment and selection plan Talent management plan (including redeployment, training and development, career planning, succession planning, etc)

5	Information and services provision throughout the entire process to inform decisions	All steps	HR analytics and metrics HR capabilities assessment HR capacity development plans

Mapping the processes on the structure and structure effectiveness and efficiency analysis

Scope of the analysis

To provide a clear view on the current structure, regarding how the responsibilities for the business processes are allocated in the structure, efficiency of the structure and areas of improvements.

Premises and coherence with other processes

The work starts from the Business Process Model "as is", clearly indicating the processes and sub-processes. The HR specialists have to work with process re-engineering experts and managers in order to understand correctly the model and link them with the responsibilities allocated formally and how things are done in practice.

Tasks, methods and tools

Task 1. Assessment of the current structure

Identification of responsibilities allocated in the structure for all processes and sub-processes.

For each process and process element[10], the allocation of responsibility has to be identified, showing who is formally responsible for the specific process elements (according to internal rules and regulations and manual of procedures), if the process element is in practice implemented, who is doing in practice (the job, position[11])

Table 2 Allocation of responsibilies for processes elements implementation on departments „as is" situation

Process/ Process elements	Analysis
Process elements….	Where is formally allocated the responsibility (department) (according to Internal regulations and job descriptions)

[10] An example of business processes breakdown on four levels could be found in the APQC (American Productivity Quality Center) process classification framework, https://www.apqc.org/pcf.

[11] Although at this stage the analysis is concerned only with the structure and not people, information about job holders performing the tasks for process elements analyzed should be collected at the same time.

	Is the process/ process element in practice implemented? By whom is in practice implemented? (department/ jobs/ job holders)

Assessment of the current structure "as is"

This task aims at identifying the areas of improvement to increase structure efficiency.

We suggest six dimensions for the structure assessment

1. Type of the structure
2. Division of work and specialization in the structure is adequate
3. Hierarchy and span of control
4. Unity of command / double subordination.
5. Coordination
6. Simplicity and proper balance

Table 3 Organisation structure assessment dimensions

No	Key structure design aspect	Methods and tools
1	Is the type of organization structure adequate?	Benchmarking against other similar organizations. Assessment: The structure ensure sufficient concentration on the business objectives Is the structure suitable to the nature, size and activities of the organization and its objectives?
2	Division of work and specialization in the structure	Assessment: Processes do not have unnecessary fragmentations among several departments. The responsibilities are formally allocated for the business processes and main elements - adequately. The number of categories of functions/tasks for a department is limited and manageable. The responsibilities and liabilities are clearly and explicitly defined, understood and accepted by all parties involved. Separation of duties is ensured as required.

3	Hierarchy and span of control	Assessment: The area of activity or number of functions, people, or things for which an individual or a department in an organization is responsible are manageable. The number of layers in the hierarchy is adequate.
4	Unity of command/double subordination	Assessment To what extent dual subordination is found in the structure.
5	Coordination	Assessment: Coordination is properly ensured through working relationships and mechanisms.
6	Simplicity and proper balance	Assessment: The structure is simple and easy to be understood by the employees and managed, facilitates efficient communication. The structure ensure a reasonable balance in the size and functions of departments, centralization and decentralization, span of control, chain of command, vertical and horizontal dimensions.

Roles of HR specialists[12]

The HR specialist role is to contribute in the team responsible for business processes reengineering with information and analysis regarding the formal allocation of responsibilities, the way work is done in practice, map them on the business processes, contribute with analysis of the effectiveness and efficiency of the structure and identify solutions for improvements.

An essential role is to support managers and other stakeholders, provide advice and coaching on how to perform the analysis and cooperate efficiently in the team.

Outputs

Contribution to the "Description how the organization operates today"

Clear description of the allocation of responsibilities (where is allocated responsibility for each process and process elements, where, in which

[12] We refer to HR specialists as the persons with HRM capabilities assigned to involve in the process. The HR specialists could HR managers or members of HR department or experts contracted to complement the internal capacity of the HRM department.

departments the tasks are performed and by whom) **"as is**" description of the organization and how it operates "today"

Areas of potential improvements of the organization structure

List of weaknesses of the organization structure and recommendations for improvement

Task 2. Redesign the structure, assess the organization structure "to be"

The task will look first at the new/redesigned processes, and the changes proposed and accepted for improvement as recommendations in Task 1.

The work will start with the new/redesigned processes, will continue with the division of work and defining the departments (new departments, modified, eliminated), allocation of responsibilities for processes implementation on departments.

This task is essentially based on the team work of HR specialists with process re-engineering experts and the organization managers. The process will be iterative redesigning/ changing processes, structure and testing the effectiveness and efficiency of the structure against the key dimensions used in the first Task.

The following three subtasks will be performed:

Mapping the redesigned processes on the structure

A new map with the modified processes and allocation of responsibilities will be prepared based on model presented in Table 1:

Table 4 – Allocation of responsibilities in „to be" case

Process/ Process elements	Analysis
Process elements….	Where should be formally allocated the responsibility?

A synthesis table with all departments and the processes for which they have responsibilities will provide a clear view on how the structure will operate in the future.

Table 5 Departments responsibilities for business processes implementation

Department	**Business processes/ process elements**
[example] **Human Resources Management Department** [13]	Develop and manage human resources planning, policies, and strategies

[13] The examples are mainly from Human Resources Management because this is a horizontal function easier to be understood by managers and HR people from different sectors.

	Develop human resources strategy
	Identify strategic HR needs
	etc

Testing the effectiveness and efficiency of the new proposed ("to be") – using the six dimensions

1. Type of the structure
2. Division of work and specialization in the structure is adequate
3. Hierarchy and span of control
4. Unity of command / double subordination.
5. Coordination
6. Simplicity and proper balance

Intense cooperation with managers to agree on the most effective allocation of responsibilities is required

Roles of HR specialists

The HR specialist role is to contribute in the team responsible for business processes reengineering with information and analysis, solutions and judgments regarding business processes changes and corresponding structure changes, test the new "to be" map.

As in the case of the first task an essential role is to support managers and other stakeholders, provide advice and coaching on how to perform the analysis and cooperate efficiently in the team.

Outputs

O2.1. A new organization chart with division of work and relationships at departmental level

O 2.2. Allocation of responsibilities by departments for the new "to be" processes.

Staffing review

Task 3. Demand analysis: number and profile of jobs and positions needed

Having a clear view for which processes a department is responsible the next step is to define what is for each department the expected performance, in line with the service standards (see section 7.3.) of the reengineering methodology, organization strategic and operational plans.

Defining department capabilities

Table 6 Department capabilities

Department	Processes responsible for	Expected results and outputs	Capabilities needed in the department ("to be" situation)
	....	e.g. no of documents issued no of persons advised no of appointments	....

Defining jobs, estimating workloads and positions required

The scope of the task is to define for each department the jobs and positions required to perform the processes and achieve the expected level of performance. The HR specialists work together with the managers define the jobs and positions, to estimate the workloads.

Job analysis and redesign

Defining the jobs

Starting with the process elements for each process main activities are listed and they are grouped into jobs based on a number of criteria that could include: continuous flow of operations, homogeneity of competences, location of the delivery of the activity, others.

Analysis of the workload and capabilities required

For each job defined an analysis of the workload and competences needed is performed,

An example of analysis is suggested below

Table 7 Job analysis - capabilities and workloads

Departament	**HRM**
Person in charge at present (if applicable)	**xxxx**
Process/ Process element	**Human Resources planning**
Expected result from the process (what)	**HR plan, correct estimation of the demand and supply**

Internal/external client (for whom):			Top management and managers		
Frequency of the process (how many times):			annual		
No.	**ACTIVITIES (indentified)**	**Capabilities required**	**Place of the activitiy**	**Activity continue or discontinue**	**Estimated duration hours/month[14]**
1	Job analysis and design	...	.....	discontinue	6
2	Identification of capabilities required	....	....	discontinue	8
3	Job description	...	....	discontinue	8
4	Workforce demand and supply analysis	...	....	discontinue	8
	Total				30

After performing the analysis for each the job a summary table by department will provide a clear view on the jobs and number of positions required to perform the tasks and the capabilities for each job.

Table 8 Summary of department jobs requirements

Nr.crt.	**Department** **Role/ responsibilities**	**Human resources management**	
	Job title	**Capabilities required**	**Number of positions**
1	Head of HRM department	Legal requirements: university studies Other performance requirements	1

[14] the estimation should be coherent with/ well justified with the department performance indicators – outputs and results

		....	
2	Recruitment and selection expert	...	2
3	Training expert	Certificate in Training of trainers	2
	Total		

Define the job content and profile

No	Job title	[Example] Training expert
1	Tasks/ activities/ responsibilities	xxx
2	Profile Studies and qualifications Knowledge Skills Attitudes Other competences	xxx

HR specialist role

The HR specialist has a leading role and is responsible for organizing the work, preparing/ adapting the methodology, mobilizing leaders and managers to contribute, delivery of outputs

Outputs

O3.1. Capabilities by department identified, aligned with business objectives and performance targets – current and forecast

O3.2. Estimation of the number of jobs needed and positions

O3.3. Jobs redesigned and defined in terms of responsibilities, location, workload, capabilities (aligned with the department capabilities)

1.1 Staffing review, supply analysis

Task 4. Supply analysis, workforce currently available, identification of the staffing gap

The task scope is to analyze the workforce available in the organization, identify the gaps and analyze the gaps in terms of size and type of shortage/surpluses, priorities, critical gaps.

The tables below offer guidance for identifying the staffing gap, quantitatively (numbers) and qualitatively (capabilities or competences)

Table 9 Gap analysis at department level

Nr.crt.	Department	Human Resources Management					
	Job title	Staffing needs		Human resources available		Gap / surpluses	
		Capabilities required	Number of positions	Number of staff	Capabilities	Number of staff	Capabilities
1	Head of HRM department	Legal requirements: university studies Other performance requirements ....[eg use of specific software] Certificate of compentences					
2	Recruitment and selection expert						
3	Training expert						
4	Other existing positions at present						

The data at the level of departments are aggregated at institutional level.

Department/ date	Current situation dd/mm/yy	Forecasts Dd/mm/yy	Breakdown by job segments (family/ function/ job role two three layers)

Total number of staff needed			
Total number of staff available			
Number of staff deficit/ surpluses			
Key capabilities needed			
Key capabilities available			
Key capabilities deficit /surpluses			

Qualitative assessment of the gap

Guiding questions for gap analysis conclusions

- What job family, job function, job role, skill and capability deficit/shortages and surpluses currently exist in your organisation?
- What job family, job function, job role, skill and capability shortages and surpluses are expected to appear in the future?
- What is the gap between your current workforce demand and your future workforce demand?
- What is the gap between your current workforce supply and your future workforce demand?
- Which are the most critical gaps now and over your forecast period?
- When are your most critical gaps?
- Which are likely to be the most critical gaps in the future?

HR specialist role

The HR specialist has a leading role and is responsible for organizing the work, preparing/ adapting the methodology, mobilizing leaders and managers to contribute, delivery of outputs

Outputs and results

Workforce available in the organization (number and skills)

Gaps/ surpluses identified by job segment, department

A clear view on priorities and critical areas of staffing

Strategic human resources planning – Strategic re-staffing

This section is dedicated to the methodology in the planning phase (according to the model in figure 1) the analysis phase already provided information regarding the supply and the demand and the gaps/surpluses that have to be managed at present or in the future. (see outputs of the tasks in section 3.2.).

The methodology is built on the guide "Workforce planning" published by CIPD[15]. The workforce strategic planning process should be simple and clear. It is very important to involve the main stakeholders from all interested parties. A special attention should be paid that all the participants understand the process and the data available.

Steps:

Steps	**Tasks**
1. **Determine strategy**	Identify all the strategic plans: organizational strategy, operational plans, people strategy, standards and procedures. In order to understand all the expectations from your institutions in terms of staffing, take into account all the strategic documents which are in force at that moment.
2. **Analyze and discuss available data**	Based on the information gathered in the analysis phase, from data collection exercise, input resourcing information from HR department and organizational managers.
3. **Determine and agree objectives of the strategy**	Based on group exercise determine the main objectives of the plan. The plan should have no more than 3-5 objectives. An important step is to agree the vision of the organization related to HRM. Usually covers a three to five-year time horizon, with many organizations focusing on a four-year time horizon aligned to Portfolio Budget Statements. It is needed to ensure these align with the organizational objectives and obtain approval for them from the executive team. It's also important to consider the cost of implementing strategies and initiatives against expected benefits.
4. **Determine action plan and implementation arrangement**	Agree assessment and evaluation criteria, regularly review outcomes. Seeks to address high-level trends and

[15] https://www.cipd.co.uk/knowledge/strategy/organisational-development/workforce-planning-factsheet, access restricted to CIPD members

	developments that will affect the availability of the workforce required to deliver organizational outcomes. A suite of actionable strategies will be articulated to mitigate the workforce risks identified.

Strategy development involves:

- Identifying the most critical gaps and strategies for addressing first;
- A combination of short term and longer term strategies to address gaps between the current workforce and future workforce requirements;
- Strategies and action plans which specify what is going to be done and when.

Strategies to address workforce planning issues can include:

- Recruitment and selection operational plan;
- Training and development operational plan;
- Redeployment strategy;
- Workforce governance and capability operational plan.

The practice reveals two approaches for staffing strategies: the Demand-side and Supply-side approaches. Usually a combination is recommended to be considered when addressing staffing gaps.

Demand-side Strategies

Demand-side strategies reduce the number of positions that need to be filled. They include:

- **Retention**: Reduce turnover through retention incentives and employee engagement strategies.
- **Reorganization**: Reduce the number of management positions by expanding supervisory span of control.
- **Work Process Redesign**: Reduce staffing needs by streamlining workflows and methods.
- **Employee Performance Management**: Reduce staffing needs by improving individual productivity.

Supply-side Strategies

Supply-side strategies help fill the remaining staffing gap once demand-side strategies have reduced the number of positions that must be filled. They include:

- **Recruitment**: Expand applicant pools through enhanced marketing (e.g., broadening the target recruitment area, increasing advertising venues, and improved branding strategy).

- **Modified Qualifications**: Expand applicant pools by considering a broader range of experience and education.
- **Workforce Development**: Grow future applicant pools by supporting schools and apprenticeship programs.
- **Training and Development**: Keep current staff up-to-date in their knowledge and skills through on-the-job and other training and development programs.
- **Succession Planning**: Grow new internal applicant pools through training and development programs.

In the process of strategy development the following questions should be raised:

Questions	Instruments
What are the 3-5 most critical workforce planning challenges facing your organisation today?	Working groups discussion Data analysis –strategies analysis, legal framework
Has management's support for initial and on-going implementation of the workforce plan been secured? **What is the organisational impact if these challenges are not addressed?**	Interviews with managers and key stakeholders
What selection/recruitment strategies are you proposing and for what posts?	Organisational development Staff reviews
Is there enough time to develop staff internally for anticipated vacancies or new competencies, or is special, fast paced recruitment the best approach?	Group discussion, startegic option considered
What staff development strategies should be considered to prepare employees for specific positions or classifications?	Group discussion and best practice considered
What knowledge transfer/mentoring strategies need to be considered to capture the knowledge of experienced employees before they leave your Department/Office?	Best practices considered and in house training capacity analysed
Does your Department/Office need to be restructured to meet business needs and strategic objectives?	Organisational structure analysed and jobs assesment

HR specialist role

The HR specialist has a leading role and is responsible for organizing the work, preparing/ adapting the methodology, mobilizing leaders and managers to contribute, delivery of outputs

Outputs and results

Recruitment and selection operational plan

This operational plan includes:

- Recruiting new staff with the skill and abilities that your organization will need in the future;
- Considering all the available options for strategically promoting job openings and encouraging suitable candidates to apply;
- Community involvement;
- Induction and on-boarding;
- Diversity initiatives;
- Advertising, branding, reputation.

For strategic HR planning, each time you recruit you should be looking at the requirements from a strategic perspective.

Training[16] and development operational plan

This strategic document includes:

- Providing staff with training to take on new roles;
- Providing current staff with development opportunities to prepare them for future jobs in your organization.

Training and development needs can be met in a variety of ways. It is the skill of HR particularly learning and development specialists to find the most effective and cost efficient solutions.

<u>It is necessary to validate the methodology through:</u>

- Consultation with HR experts and HR people from relevant institutions
- Verify coherence with the business processes reengineering methodology through consultation with process experts
- Test the methodology on a case study, relevant for the future real cases
- Plan implementation, including training to all managers to be involved in the process
- Start creation of HR databases to ensure HR data and metrics will be available

[16] The term training is to a large extent replaced with the term learning in international HRM.