GUIDELINE FOR OPTIMIZATION OF SERVICES

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Foreword

CONTENTS

GLOSSARY

ABR - Administrative Burden Reduction; improve the quality of legislation; it consists in a measurement of costs connected with fulfilment of the imposed information obligations.

CRT - Cutting Red Tape; to circumvent bureaucratic obstacles (which are often referred to as "red tape") in order to accomplish something.

Digital first approach - a communication theory that should release content into new media channels in preference to old media

ICT - information and communication technologies

MISA - Ministry of Information Society and Administration of RNM

MS - Member States

OECD - The Organization for Economic Co-operation and Development is an intergovernmental economic organization with 36 member countries, founded in 1961 to stimulate economic progress and world trade.

Optimization - the action of making the best or most effective use of a situation or resource

PA - Public Administration

Reengineering - the fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical, contemporary measures of performance such as cost, quality, service and speed

RNM - Republic of North Macedonia

SIGMA - (Support for Improvement in Governance and Management) is a joint initiative of the OECD and the European Union. Its key objective is to strengthen the foundations for improved public governance, and hence support socio-economic development through building the capacities of the public sector, enhancing horizontal governance and improving the design and implementation of public administration reforms, including proper prioritization, sequencing and budgeting. We have been working with our partners on strengthening their public governance systems and public administration capacities since 1992.

SME – Small and medium enterprise

1. BACKGROUND ON OPTIMIZATION OF THE PROCESS OF SERVICE DELIVERY

Public services are the most important and the most visible products of public administration for citizens. Quality provision of public services is part of good governance and is one of the key incentives for economic growth. Paying taxes, change of personal documents that have expired and applying for social protection are some of the most common interactions that citizens have with the administration. Improving the quality and accessibility of public services for all groups of citizens, including vulnerable groups, is crucial for building citizens' trust in the public administration and implementation of necessary structural reforms aligned with EU standards.

One of the responsibilities of Public administration (PA) is delivering public services to citizens and businesses. Unlike long ago, the PA was considered as most bureaucratic system that deals more about itself than its clients, last two decades PA showed dedication and commitment in reforming the way it works and how it fulfills its obligation to serve the citizens and businesses. Clients and their needs are now in the center of the responsibilities that PA care about.

As a joint initiative of the OECD and the European Union, SIGMA points out that the institutions should provide easy access to information on public services for the citizens. Communications and the actions of the institutions should be available through electronic channels, while official websites and various printed materials from the institutions should contain accurate contact information, clear directions for the services, as well as information on the rights and obligations of citizens and institutions when delivering public services. In its public administration principles, SIGMA recommends that public administration reform should play a fundamental role in the EU integration process, so that it will enable the implementation of key reforms and organize an effective accession dialogue. The ability of the institutions to provide public services and to foster the competitiveness and growth of a country depends on the existence of a functional public administration what is a requirement for transparent and effective democratic governance.

There are many positive and progressive examples for adapting the PA to its clients/ customers, but more systematic approach is still lacking and RNM is lagging far behind EU members, according to the Monitoring Report: The Principles of Public Administration- North Macedonia, May 2019[1]. Nowadays, the monopolistic status and behavior is still very dominant and present in governmental and public institutions and bodies, steering by the motto "*Why change something when it still works*" and not understanding what "*competitor*" means, the public administration is using these as justifications and excuses for not changing anything. Every day we are witnessing Macedonian citizens waiting a long queue on one counter for some service, just to be sent to another service point to take some other document as a proof for the process to the neighboring counter, within the same institution. Thus, the needs for change and reforms are calling the policy decision makers on action.

In the Country Report of 2018, the European Commission notes that "*in the past few years, user-oriented administration has not been developed ... mainly due to the lack of coordinated efforts and political commitment to reforms by the government*". SIGMA monitoring report from 2017 noted that

[1] http://www.sigmaweb.org/publications/Monitoring-Report-2019-North-Macedonia.pdf

the new Public Administration Reform Strategy 2018-2022 has established a new long-term vision or action plan to improve the delivery of services in public administration, and a policy for providing digital services. In one of its four main pillars, the Strategy focuses on providing services and ICT support to the administration, with a general goal of providing services in a fast, simple and easily accessible way. This pillar includes activities such as:

- ***Increased quality and availability of public services*** (improved availability, improvement of the quality system, standardization of data, simplification of services, introduction of "Single point of service" centers, informing the administration and the public about public services, measuring the satisfaction of the service users, etc.);

- ***Digital environment*** that enables access to and possibility to use e-services (among other things, by increasing the number of highly sophisticated e-services available in one place). MISA is formally responsible for coordination and horizontal application of digital governance.

In 2018 the National Council for ICT and Cyber Security was founded to provide coordinated management of projects in the field of information and communication technologies (ICT) including the preparation and monitoring the implementation of the national ICT strategy, as well as by giving an opinion on the annual public procurement plans and the technical specifications of the tender documentation of the public sector institutions. A relatively solid legal framework for digital governance has been established, by adopting three interconnected laws: the Law on Electronic Documents, Electronic Identification and Trusted Services, the Law on Electronic Management and Electronic Services and the Law on Central Population Register. According to MISA, these laws complete the legal framework, which enables smooth electronic operation and obtaining full electronic service (electronic signatures, electronic valid documents, electronic documents ex officio, etc.). Few years ago, MISA has produced very short guidelines, with few steps, called Administrative guillotine, which purpose was to help institutions to start optimizing their processes.

1.1. EXPECTED RESULTS AND BENEFITS FROM THE OPTIMIZATION

"Reengineering is the fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical, contemporary measures of performance such as cost, quality, service and speed."

Today's trends of user-centric and human-centric government's services are not only theories, but they show evident results that are more than valuable. Benefits from reforming services delivery, from request to actual delivery are multiple and not always associated with issue of sufficient budget for that purpose.

Rather they influence the social, economic, environmental, cultural and other spheres of the citizen's lives. Users' and employees' satisfaction have no value expressed in money, nor do the inclusion, transparency, free time, freedom of choice and other benefits.

Some of the expected outcomes from process optimization for the PA are:

- Cutting time and reducing costs for delivering services
- Increasing quantity of services delivered
- Relieving (by outsourcing) non-essential PA's tasks and activities
- Less queues
- Less paper documentation needed for initiating the request for service delivery
- Getting faster, chipper and better services
- Achieving more with less resources

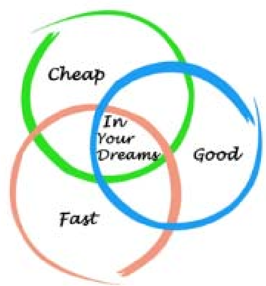

Figure 1. Objective of optimized service: Fast, Cheap and Good

Those outcomes tend to bring benefits to the citizens, such as, but not limited to:

- Increasing the user's satisfaction
- Increasing quality of services
- Opportunity to spend more time with the PA servants for specific user's needs
- Less time spent in queues
- Cutting Red Tape (CRT)/ Administrative Burden Reduction (ABR)
- Improving business environment for business services
- Improved standard of living for all citizens
- Resource savings

1.2. "OPTIMIZATION FIRST" APPROACH V.S. "DIGITAL FIRST" APPROACH

"The first rule of any technology used in a business is that automation applied to an efficient operation will magnify the efficiency. The second is that automation applied to an inefficient operation will magnify the inefficiency". – Bill Gates

General perception when talking for optimization is always related only to digitalization of data and processes, or is done on digital version of the services by default. However, it has to be noted that optimization is applicable to any process or service, no matter administrative or business process.

We live in times when the main intention of government is to promote "**digital first**" approach. This, in terms of e-government means that when generated, data and processes should be digital first. It has its own advantages, but it is proven in business that simple digitalization might lack progress and results.

With that in mind, one of the purposes of this Guideline is to introduce and promote "**optimize first**" approach and give directions and guides on how to perform optimization of the services. In sense of digitalization of the services, means that they should be optimized first and digitized after, or in case if they are already digital, if improvements are planned, it should be optimization of the process before its digital representation done.

1.3. EU APPROACH IN OPTIMIZATION OF PUBIC SERVICES

The purpose of this chapter is to shortly describe the overall theoretical and practical context of optimization process of public services at the level of European Union countries and setting the main aspects which could be taken in consideration in an optimization process of public services.

At the level of European Union there are no specific *acquis communautaire* or other types of legal biding regulation to be followed by national public administration of MS issued in order to directly improve the quality of public services. The lack of such regulation is determined by the fact that there are various types of public administration profiles of the MS, functioning in specific institutional contexts and having different history. On the other hand, there are many recommendations, suggestions provided in various researches, studies or communications issued by European Commission and/or other public or nongovernmental institutions referring to the delivery processes of public services across MS public administrations.

Even though the main topic of these recommendations is focusing on different aspects of the economic situation of these countries, their implementation often involves measures to be undertaken in order to consequently improve the public services. These recommendations are focusing for instant on boosting jobs and growth, while maintaining sound public finances systems as part of a larger objective of increasing the competitiveness of the economies of the MS.

The main purpose of these recommendations is based on the idea that well-performing public institutions contribute to higher growth and are a precondition for the successful delivery of other reforms. That includes public administration institutions, such as those delivering and/or managing public services, either at local or central level. The performance in delivering public services could have an important impact on the level of efficiency of SMEs and therefore leading to their increased productivity.

As mentioned above, an optimizing economy depends directly on an equally optimizing government (i.e. public administration). Therefore, policymakers from all MS should be able to optimize the government, taking steps to strengthen the government's capacity to better match the most significant trends in entrepreneurship and economic growth. Finding an alternative with the most cost effective or highest achievable performance under the given constraints is possible by maximizing desired factors and minimizing undesired ones. In comparison, maximization means trying to attain the highest or maximum result or outcome without regard to cost or expense.

Based on the linkage between the optimization of public services and the pace of economic development of each MS, the periodically issued EC recommendations focus on two types[2] of measures to be approached at national level:

- Reforms of the (regulatory) institutional framework conditions under which private enterprises operate – these reforms are especially referring to the public services provided by governments to private companies, especially SMEs (Small and Medium Enterprises);
- Implementation of internal measures to improve the quality of government service provision by raising the capacities and the incentives of public administration to provide goods and services in a reliable, flexible, efficient and effective manner.

These both issues have to be considered as being interconnected, since achieving the objectives specific for the first one depends on the objectives achieved according with the second issue. In other words, it is mandatory to have a sound public service delivery system in order to implement the policies leading to an increased competitiveness of the economy, but also an increased satisfaction of the citizens.

[2] „Excellence in public administration for competitiveness in EU Member States", prepared in 2012 for the European Commission, DG Enterprise and Industry by Austrian Institute of Economic Research (WIFO), Vienna, Austria (overall responsibility); Center for European Economic Research (ZEW), Mannheim, Germany; IDEA Consult, Brussels, Belgium.

2. CHARACTERISTIC OF GOVERNMENTAL SERVICES/ ADMINISTRATIVE PROCEDURES

SIGMA emphasizes that although the administrative simplification is done in the harmonization of laws with the Law on General Administrative Procedure, there is no special plan for administrative simplification. According to the EU country 2019 report for North Macedonia, the simplification of administrative procedures is extremely difficult since the Law on General Administrative Procedure is still not systematically implemented by the administration. In the annual report for the implementation of the Public Administration Reform Strategy 2018-2022, MISA recommends preparation of the Catalogue of Public Services as a first step that will enable simplification of services. It is expected that the Catalogue will help to identify and overcome possible problems or discrepancies between the legally prescribed conditions for different services and established practice in institutions, as well as to harmonize the practice of providing public services in different locations in the country.

The main goal of the optimization process is to simplify administrative procedures by redesigning the processes for delivering public services. Many methods for implementing the reforms in that direction have been created and developed, and each one having its own pros & cons. Application of the method described in this guideline is mixture of known techniques mapped with the stage they can be used at. Before describing any method for optimization, let us see three main points on administrative procedures/ public services.

2.1. TYPES OF PUBLIC SERVICES/ ADMINISTRATIVE PROCEDURES

There are 4 categories of interactions which could be assessed as part of the delivery process of public services based on the profile of their users: *Government to Business* (G2B), *Government to Citizen* (G2C), *Government to Government* (G2G) and *Government to Employees* (G2E). Only the first two categories are directly addressing the needs of the citizens/businesses. The last two are not directly linked with public services delivery, but could affect indirectly the quality of the services and should be considered as such in a possible optimization process.

The first category refers to public services delivered by public institutions (local and/or central) to private companies. As part of this category are considered services such as: administrative procedures (templates) for registering the company, tax payments, various certificates and/or permits – e.g. construction permits.

The second type of services are provided to citizens and could consist in: life events services (born, marriage, death certificates etc.), public order, waste management, parks and leisure time, social services etc. In these cases, various public administration institutions and/or private companies could cover different activities in different stages of the delivery process. For instant, the waste management could be provided by a local government (e.g. townhall), but to be actually delivered (e.g. collection, deposit etc.) by a private company based on a public procurement contract. In the case of provision of a life event certificate, both a hospital and/or local public administration could be involved in transmitting the relevant information necessary to issue the certificate. In this case, the optimization process could focus on how various institutions could better communicate or transmit information so that the citizen will better benefit from the service. In these types of public services, the optimization could consist in a simplification process using various tools and/or techniques.

Compared with these ones, the last two categories are referring to the formal connections or procedural linkages between various organizations in central and local public administration. The quality of communication between these institutions is crucial and could highly impact the quality of a public service. In these cases, possible improvements of these services could refer to reducing the bureaucracy, initiating organizational rearrangements or increasing the quality of communication channels between different public institutions.

At least when G2B services are concerned, the economic impact of optimization process of the public services is easy to be assessed. The less time and/or documents required to private companies in order to benefit from a certain public service, the more the productivity of that business increases. An increase in the productivity could further improve the productivity of the hole economy.

2.2. ELEMENTS OF ADMINISTRATIVE PROCEDURE

Among many definitions that could be found, what is in common is following:

"Administrative procedure is converting **inputs** into **outputs** through a certain **process**"

One might say that everything is prescribed in legal acts and internal procedures, but majority of them are inherited from previous periods, not aligned among each other, and changes that have been made were more dealing with the form, instead of the essence of the procedures. Talking for the three main elements, we have to emphasize that in order to have the administrative procedure certain environment need to be established previously.

In the enabling environment for the administrative procedure to happen, we will mention several aspects:

I. *Positive legislative environment established*
II. *Technical and ICT environment secured and functional*
III. *Human resources ensured*

Further, when enabling environment is established we can start to talk for Inputs, processes and outputs as main elements of any administrative procedure, similar to the business production of business products or services, as shown in the graph below.

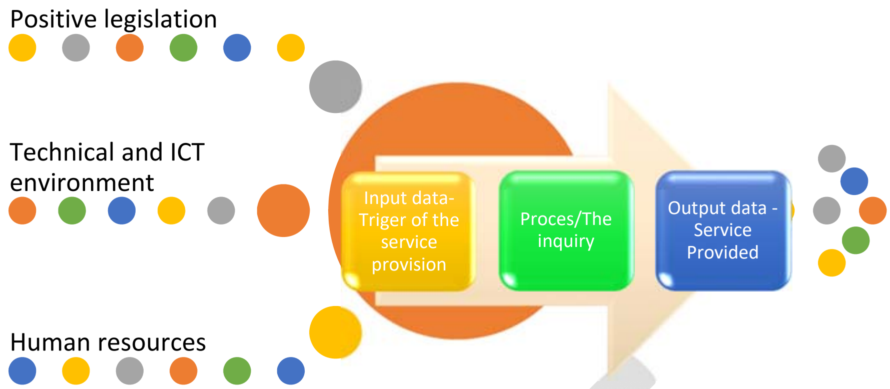

Figure 2. Enabling environment for Administrative Procedure

However, there are some specifics when speaking of administrative procedures as public services, presented in the table below:

	Input/ triggers of process	Process	Output or results
Description	*The thing or event that triggers the process. It is something that is to be processed, used or transformed.*	*Set of tasks and activities performed by the administration, to convert inputs into outputs.*	*Tangible result of a service delivered at the end of the process.*
Examples	Submitting a request or application from the user. Submitting declaration or registration form, in case of user's obligation. Filling complaint or lawsuit. Phone call or informing for alert.	Archive request, distribution of the cases, read the requests, make some check-ups, pass the case to other employee, creating the final document, signing it, perform on-site visits, get data from existing registers, add or change data to existing registers, send notifications, etc.	Registered newborn, car, company, real estate, new employee, or somebody's death, etc. Signed declaration from custom, for taxes paid, etc. Certificate for birth, marriage, death, company incomes, paid taxes, etc. License for performing activities or business. Approved permits for building, transport, export import, etc. Water or electricity connections, etc.
Characteristic	One procedure is triggered in cases when users want some service or in cases when they are obliged to do so.	Main elements are prescribed with the laws or bylaws, internal acts or rulebooks, but sometimes	Very often the output of one process is used exclusively as an input for some other procedure.

		many of the details are left on institutional or employee's interpretation.	
	The main characteristic is that only one public institution or body is responsible of delivering one service, and there is no competition. The only exclusion from this characteristic might be considered services delivered on local/ municipality level, where competitors are other municipalities.		

All of these elements are subject of optimization and they all needed to be analyzed and considered separately. We are going to analyses the elements from the aspect of:

- **Front office/ Front interface**, or what user sees, and
- **Back office/ internal coordination**, or what administration does in order to process the requests.

While front office covers input and output elements and a small part of the process element, the back office covers the remaining of the process elements.

2.3. DIMENSIONS OF ADMINISTRATIVE PROCEDURE

The other characteristics of the services, that are subject or factor of optimization, are the dimensions of any process. Namely, as in project management, producing a product and delivering a service has 3 dimensions that need to be taken care of: Time, Cost and Scope.

- The **Time** represents the duration of the process and scheduled activities.
- The **Cost** represents the needed budget and other resources.
- The **Scope** are the tasks required to complete a service

Keeping all three dimensions in a balance, guarantee **Quality** in delivery at least on the level of certainty. Therefore, changes in one of the dimensions affects the other dimensions, especially in the expected quality.

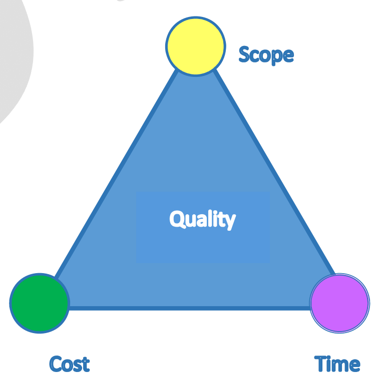

Figure 3. Balanced dimensions of the Classic view of the Administrative services guarantee Quality

Modern trends introduce the **Quality** as the 4-th dimension, as something that should be part of any delivery, while the expectation is the **User's satisfaction**. This introduces the concept of constant change and improvement in order to fulfill user's satisfaction.

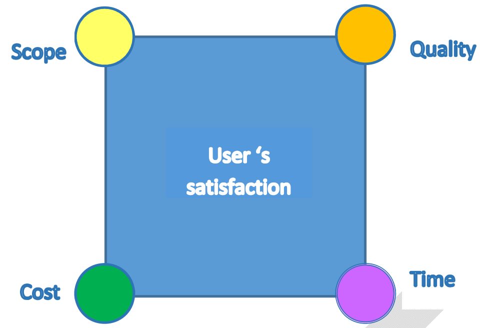

Figure 4. Modern trends of Administrative services results in Users' satisfaction

With this in mind, the **main goals of optimization** administrative procedures are:

- *INCREASING EFFICIENCY BY MINIMIZING COST AND/OR TIME*
- *INCREASING EFFECTIVENESS BY MAXIMIZING SCOPE*

While keeping other dimensions within their constraints, for the purpose of easy administration-user's interaction and increasing user's satisfaction. Ideal situation is to increase both efficiency and effectiveness, by optimization of the services.

3. METHODOLOGIES FOR OPTIMIZATION

"*Manage the cause, not the result.*" – W.E Deming

Optimization of the public services is a process which could be done with various methodologies, that consist in using of various techniques, following specific stages in order to obtain better public services. One of the first methodologies created for this purposes is the *Business Process Reengineering* (BPR).

According to Hammer and Champy, the forerunners of the supporters of this methodology and its usage, BPR is "*the fundamental rethinking and radical design of business processes to achieve dramatic improvements in critical, contemporary measures of performance, such as cost, quality service and speed.*"[3] Although mostly intended for businesses, application of BPR in the case of a public service could consist in fundamentally reshaping the organizational structure, the process, the methods or other aspects related with the delivery, provision or management of that public service.

3.1. TYPES AND ORGANIZATIONAL LEVEL ENVISAGED AS A RESULT OF THE OF BUSINESS PROCESS REENGINEERING PROCESSES

According with above mentioned authors there are several types of BPR research which can be conducted at the level of a certain public institution. The differences consist mainly in the type and organizational level of changes envisaged as a result of the process:

- *Light BPR* – or *process improvement* – is focused on a specific process or group of activities which are conducted in a public institution, as one of the stages of public service delivery process (conception, implementation, evaluation etc.). This type of BPR does not focus on the entire organization, but rather on a specific part of it. This is considered to be the simplest form of BPR and could result in a list of specific and rather narrow changes in the organization (human resources, department change etc.);
- *Medium BPR* – or *process redesign* – consist in a large-scale analysis of all the process developed within an organization and are focusing on aspects such as: resources allocation, quality of the services provided etc. This type of analysis is larger than the previous one and is especially interested in the organizational hierarchy and how it is linked with the features of the services provided in terms of quality and quantity;

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[3] Hammer and Champy are considered to be the first authors describing the BPR as being applicable to public institutions in order to increase the quality of public services. For further details on their approach one can consult: Hammer, Michael and James Champy, *Reengineering the Corporation: A Manifesto for Business Revolution*, HarperCollins, New York, 1993. Their approach is still consisting today is implemented during the implementation of an optimization process.

- *Full BPR* – or *organizational transformation* – is the most complex form of BPR and envisages the entire organization and its purpose. This type of BPR starts with an analysis of the fundamental objective of the organization or what kind of processes are developed and what are their results, how the activities developed are actually improving the quality of the services provided and/or delivered. It is also focused on the formal connections between different organizations involved in the development and delivery system of a public service. This type of BPR looks to simplify and improve the administrative logic of a public organization and place it in a broader institutional context. This is considered to be the purest form of re-engineering because involves redesigning systems and processes without consideration of the current organizational structures, policies, methods and roles.

The use of BPR[4], in the case of public institutions involved in developing, delivery and/or management of public services, the most recommended ones are for the start the *light* and *medium* BPR. In these cases, the focus could be only on a specific department or part of the institution affecting the overall quality of the public service. This document, Guidelines, addresses these two levels of the process, Optimization process, elaborated in details in Chapter 4.

The *full* BPR could be developed in case where a wide, politically driven reform is envisaged and the research has a proper mandate and political support, in line with the objectives of the management team. In the following part of this section, each of the stages of the BPR, as optimization tool for public service, are described, as well as possible measures which can be formulated and implemented as a result of the research. This level is not a matter of subject in this document, nevertheless, it is being performed by public administration through various techniques and tools.

An important aspect of BPR process is that it has to be conducted „top to down". That means that depending on the type of BPR conducted (light, medium, full), top management team has to be involved from the beginning and vision of the main purpose of the process should be available from an early stage. The BPR team should not be involved previously in the process envisaged, so that „no side is taken" during the research or the implementation phases.

3.2. METHODOLOGIES APPLIED IN BUSINESS SERVICES VS PUBLIC SERVICES

The main objective for developing a re-engineering process in private sector companies is referring to a detailed assessment of the work processes and identification of alternative, possible innovative, ways to eliminate duplication or waste of resources or other aspect which may affect the quality of the end-product. The conclusions provided after a research conducted using BPR are also aiming at time and cost reduction of provision of a product or service.

In the case of public institutions, BPR could have the same type of purposes aiming at improving the efficiency of the delivery process of a public service. Compared with other methodologies, BPR

[4] For a more recent analysis of the application of BPR in public administration in the specific case of Italy the following paper can be consulted: "Improving the efficiency of public administrations through business process reengineering and simulation", 2015, Marta Rinaldi, Roberto Montanari, Eleonora Bottani in Business Management Journal.

suggests that a proper assessment of the public institutions can be conducted only if the focus is moved from evaluating the organization, as the main provider, to evaluate the entire process of public service delivery from the point of view of the citizen/user. In the later, the organization with its departments and all the activities developed are considered as a tool which can be subject to change or reshape.

An important feature of *Business Process Reengineering* (BPR) methodology is that it can support possible improvement of a delivery process of a public service, regardless of the profile of the existing institutional structure currently delivering the public service. The possible measures identified during BPR could involve a large spectrum of actions, from organizational change to implementation of an IT solution. In any case, the most important is the exclusive focus on improvement of the service provided, increased satisfaction of the citizen and less on the profile of the institutions involved in the process.

There are several ways in which using BPR could lead to a positive change in the delivery process of a certain public service. The BPR model for optimization presented in the following Chapter in details, is the blended best practices from similar techniques, where users, humans, are in the focus of the optimization process. It is referring to public services as they are provided by a certain public administration institution. It may be applied to local or central public administration

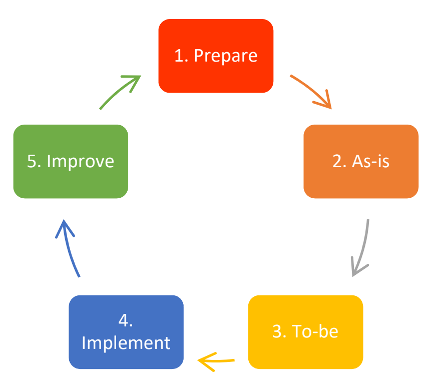
3.3. CYCLE OF THE OPTIMIZATION PROCESS

Among many definitions for optimization is Oxford dictionary explanation that "*Optimization is the action of making the best or most effective use of a situation or resource.*"

Optimization process is a cycle consisted of five phases, each of them with their own substantial influence at the final result. Success of all of the phases is required for successful outputs. Each of the phases is performed in its own steps, described in details in the following Chapter of this Guideline:

1. Prepare for optimization
2. Describe as-is situation
3. Define to-be situation
4. Implement selected to-be solution(s)
5. Improve continuously

Figure 5. CYCLE OF THE OPTIMIZATION PROCESS



4. OPTIMIZATION CYCLE

"Focus on being productive, instead of busy." –Tim Ferris

This chapter describes the phases of the optimization process, with steps included in each phase. Each step includes answers to the questions Why? How? Who and With who? What?, where applicable, and they are reflected in: ***purpose***, ***guides/ recommendations***, ***actors***, ***preferable techniques*** and ***expected outputs***.

The method described in this **Guideline** is user-centric which assumes that end-users are including at a very early stage throughout the process. That not only their inclusion is important, but it is suggested not to proceed if their involvement is not ensured. Services that are subject of optimization are for any user, meaning both natural and legal entities, i.e. citizens and businesses. In that sense, the term "sample of end-users" in the following description is used for representatives from both businesses and/or citizens as users.

4.1. PREPARE FOR OPTIMIZATION

4.1.1. POLITICAL/ MANAGEMENT GOOD WILL AND SUPPORT

"Management is about telling people what to do, and leadership is about allowing people to do what they're capable of doing." – Bob Chapman

Purpose of this step: Top management support is crucial factor for the successful optimization, and it appreciated to be provided during the whole cycle but starting as early as possible. The management / leadership that should ensure working environment for performing inclusive and free activities from the beginning of the process. They can also reduce the resistance of the middle management and motivate them for active participation.

Guides: When the first results are delivered, they should accept and acknowledge them. Their tasks in the process is to enables fast and easy changes in the regulations, if there is need for changes. Very often, optimization process demands organizational changes aside from changes in regulation, which depends only on the top management.

Managing changes in the implementation phase is something that they should manage and monitor. Furthermore, scaling up the process is impossible without their endorsement and support.

Nonetheless, their role is to reward the organization and employees for the accomplishment they have made.

Expected output(s): Given "Go/ green light" from the management for the whole optimization process.

4.1.2. FORM A LEADING MULTIDISCIPLINARY TEAM

> *"Coming together is a beginning, staying together is progress, and working together is success."* – Henry Ford

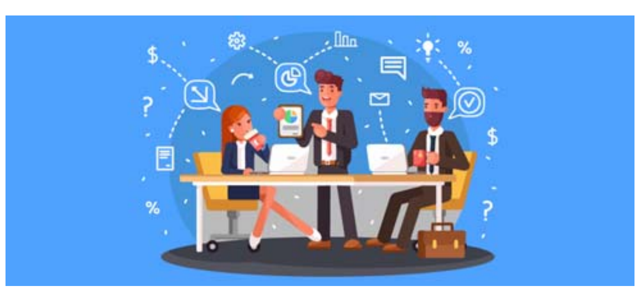
Purpose of this step: The team that should lead and manage the process, be responsible for the results, should have good understanding of the optimization process, all of its aspects.

Guides: They also should be leaders, open-minded, creative, and possess wide range of knowledge and skills. Their selection should be done wisely as their role is the most important role in the process.
Recommended, but not limited to, members of the team are:

- Middle manager(s) from administrative procedures departments
- Representative(s) from legal department
- Representative(s) from IT department
- External experts in this field

Each of them should contribute to the process in their field of expertise. The objective of forming this team is to gain knowledge for the process and ensure organizational memory for it.

Expected output(s): Members of the leading team appointed.



4.1.3. IDENTIFY THE PROCESSES THAT NEED TO BE OPTIMIZED

> "*If you always do what you've always done, you'll always get what you've always got.*" – Henry Ford

Purpose of this step: Organization needs to assess all the services that they deliver, by forming a list of services, or use the ones that have been filled-in in the National Catalogue of services, and prioritize them according to their significance and importance to be optimized.

Guides: Assessment should be done based on one or more of the following criteria and their values for higher priority:

- Length of the queues for that service: long queues
- Level of complexity for processing the service: more complex services
- Frequency of issuance: high number of annual deliveries
- Comments from the users: more negative comments from the users (through various channels)
- Number of complaints: high annual number of positively resolved complaints
- Number of persons working on one case of the service: high number of employees

We should also bear in mind that quick wins should be find a place in the most priority services.

The list could be amended with additional criteria that organization considers necessary and applicable and in their case. As the optimization is being performed for each service separately, it is preferable in the first round of optimization to identify the most priority processes, pain-points of the organization. Not only that the pain-points of organization will be resolved, but this will boost learning curve of the participants and the organization as a whole. Thus, the following rounds should be more efficient and effective.

Preferred stakeholders in this step: Multidisciplinary team together with the employees from the organization and sample of the end-users.

Techniques recommended: Research, interviews.

Expected output(s): List of prioritized services, with a number of them to be subject of optimization.

4.1.4. DETERMINE THE STAKEHOLDERS

"*The best way to minimize disagreement is to make sure that all the stakeholders are in the room.*" – Cheryl Yeoh

Purpose of this step: The process of optimization demands involvement and active participation of all stakeholders, especially the ones that are directly or indirectly affected by the services the organization is delivering.

Guides: Selecting not-affected entities or not involving affected ones, could lead to process without real success, hence determining stakeholders is very important.
Adjusting the stakeholders' list should be done for each service, in order to have the right persons on board.

Preferred stakeholders in this step: Employees in the organization and sample of end-users.

Techniques recommended: Stakeholders identification.

Expected output(s): List of stakeholders to be involved for specific service optimization.

4.2. DESCRIBE AS-IS

While preparation process relates to the organization as a whole system, this phase and the next two phases are to be explained for each service separately.

4.2.1. MAP THE WHOLE PROCESS

"*If you can't describe what you are doing as a process, you don't know what you're doing.*" – W. Edwards Deming

Purpose of this step: The goal of this step is to map the whole service, including every detail of it, as it is being delivered. It should start with the service's inputs, describing the whole process including legal grounds for the service and written internal rulebooks, until the delivery of the final result of the service. Mapping should give answers to the many questions leading team should ask, starting with **What**? **Who**? **When**? **Where**? **Why**? and **How**?

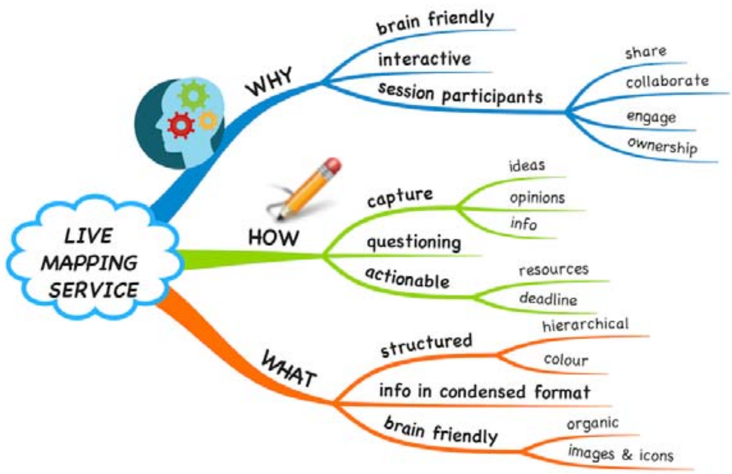
Guides: There is no more or less important aspect of the mapping process, because if one aspect is missing it might prevent the team to come to realistic map. The team's task in this step is to take care of the following aspects as ones that should not be missed:

- Both front and back office activities should be clearly mapped, for they will both be subject of the optimization.
- How the service is being prescribed in legal and internal acts, and how it is being implemented or interpreted, should also be subject of the mapping.
- It is of importance to map all the proofs needed for the service, and which ones of them are being provided ex-officio, in paper via regular postage or electronically via what channels, or users are the ones providing them.
- Payment for the service is also to be mapped, both administrative taxes and service fees, so questions asked for the service should cover this aspect as well.
- Where the output document or result of the service is required or needed further on is aspect that can help answering question in the future stages of the process.

Techniques recommended: Interviews, Surveys, Journey mapping, Active listening and Research, for collection of data, while Flowcharts, Diagrams or Complex tables can be used for mapping the findings.

Preferred stakeholders in this step: Multidisciplinary team, employees working on that particular service and sample of end-users of the service.

Expected output(s): Detailed map of the service.



4.2.2. DETERMINE THE SERVICE SPECIFIC PAIN-POINTS

"*If you define the problem correctly, you almost have the solution.*" – Steve Jobs

Purpose of this step: This is the step where specific pain-points in the service map are being identified, either in front or back office activities, in legal grounds or in its implementation, for users or for employees.

Guides: This step should also challenge the need of all the proofs that are being required and mark the ones that can be provided from other institutions based on the once-only principle vs ones that are in the solely possession of the user or entity out of the scope of legal obligation.
At this point, it is only the problems, issues and challenges that are subject of determination and categorization, so it is not allowed to think on possible solutions, because doing so might be contra-productive.
The final result of this step is to determine the future course of the optimization. As an optional, but also nice-to-have, is if the pain points are grouped and categorized into categories such as the list below. One pain point could fall into one or more categories:

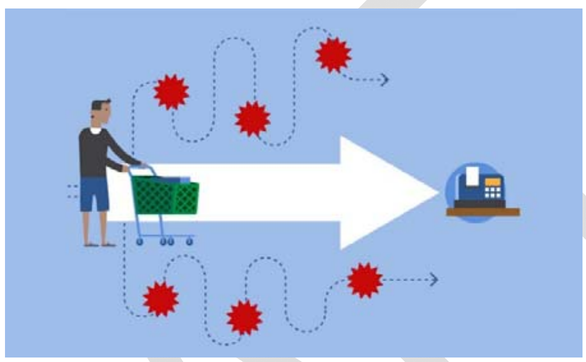
- Front office or front interface: low space, long queues, low organization, issues of malfunctioning or with difficulties, etc
- Human resources: little staff, week knowledge, low skills and behavior, etc
- ICT resources: not available, not adequate, malfunctioning or with difficulties, etc
- Data: kept in many books, central data base not existing, electronic data not able to exchange data, low data quality, etc
- Process issues: lot of documents, slow process flow, unclear templates, slow proceedings, etc
- Legal grounds: inherited regulation, regulation not completed or in collision with other ones, regulation gives floor for interpretation, not clear, not existing, etc

The list of categories can be modified and created based on the organization's need, but they should reflect the actual internal situation and setting.
Finances and budget are not listed as a category of pain-points, and that should be respected in this step. First, the final solution needs to be defined before assessment of how much budget would be needed for the solution will depend only on the solution.

Techniques recommended: Interviews, Journey mapping, Active listening and Research.

Preferred stakeholders in this step: Multidisciplinary team, employees working on that particular service and sample of end-users of the service.

Expected output(s): List of pain-points of the service, preferably categorized.



4.2.3. DEFINE KPI'S FOR THE SERVICE MEASUREMENT AND ESTABLISH BASELINES

"*What get measured, gets managed.*" – Peter Drucker

Purpose of this step: Measuring the progress of optimized services can be done if they could be compared with the existing services. For that, defined KPI's and baseline measurements are needed.

Guides: For the services delivered both in paper and digitally, delivery via both channels should be measured and compared. Although traditional only paper delivered services are different then digital ones, there are KPI's that can be used for both of them. Some examples of recommended KPI's are:

- Information on service available – board / web
- Number of application forms – paper / web
- Error rate – Time to fill in the application / request
- Process Lap Time – The time spent from the submission of request to issue final document vs Time prescribed in the respective laws
- Proofs Rate – Number of required proofs vs prescribed proofs
- Rate of late responses – Percentage of outputs delivered late

> *A KPI is a measurable value that demonstrates how effectively a company is achieving key business objectives. KPIs are used by individuals and organizations to evaluate their success at reaching critical targets.*

- Rate of complaints – Percentage of outputs with filled complaints vs grounded filled complaints
- Rate of ex-officio collected proofs – Percentage of documents, evidences and proofs collected ex-officio, upon request
- Number of "hands" – Number of officers that one case needs to go through
- Level of digitalization – DBs, business process, system, IOP

Techniques recommended: Workshops, Interviews and Research.

Preferred stakeholders in this step: Multidisciplinary team, and employees working on that particular service on a need basis.

Expected output(s): List of defined KPI's and the baseline report.

4.3. DEFINE TO-BE

4.3.1. DEFINE/ GENERATE LIST OF POSSIBLE SOLUTIONS

"Don't say it cannot be done, rather say, you don't know how to do it yet." – Tomas Bata

Purpose of this step: There is not one possible solution for one problem, however unlikely it appears at the beginning. Before the best solution is selected, all available possibilities should be taken into consideration.

Guides: This is very creative and innovative step in the process, hence no special guides to that regard are necessary. However, because administrative procedures are subject of optimization, the following recommendations should be kept in mind:

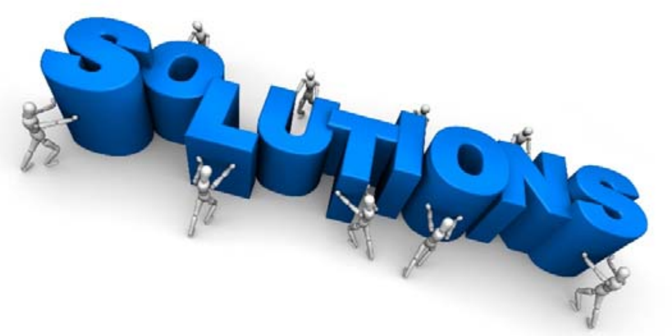
- As in the step for determining pain-points, at this point, the team should not focus on how any of the solutions should be implemented or how much they will cost in time, funds and staff, but be open for ideas even some of them might seem impossible. Creating a list of proposals should be done with paying full respect to each of them and rejecting none before evaluation.
- Some of the possible solutions might be "eliminate the service", which is legitimate and acceptable proposal and from the stand point of the users, wanted in some cases.

Having in mind the once-only and digital first principles, interoperability platforms, level of digital transformation in state and public institutions, population and other registers in electronic format, possibilities of electronic data exchange, etc, there are services that serve only to produce documents that users need to bring to other institution as evidence. Certificates are examples as one of those documents and they should be considered to be eliminated.

Techniques recommended: Brainstorming, ideating.

Preferred stakeholders in this step: Multidisciplinary team, employees working on that particular service, sample of the service end-users.

Expected output(s): List of possible solutions.



4.3.2. SELECT THE BEST SOLUTION(S) TO-BE

"*Perfection is achieved, not when there is nothing more to add, but when there is nothing left to take away.*" – Antoine de Saint Exupery

Purpose of this step: Evaluate proposed solutions based on few factors and selecting the best solution to be implemented.

Guides: Proposed solutions should be evaluated on factors that should be defined by the team. Some of the recommendation for the factors are:

- what benefits it brings to the end-users;
- how much time and cost are reduced from the users' burdens;
- how much the front-office process is simplified;
- how much the back-office process is simplified;
- is the service needed at all; etc.

Less but not the least, evaluation should answer or predict the following:

- how it influences on related services;
- level of changes it requires;
- level of resources it needs;
- how quick it can be implemented; etc.

After evaluating all proposals, the team should decide on the best or most beneficial solution, according to the evaluation, and proceed with the next step.

Techniques recommended: Brainstorming, research, active listening, complex tables.

Preferred stakeholders in this step: Multidisciplinary team, employees working on that particular service, service users, other experts upon need.

Expected output(s): Best TO-BE solution selected.

4.4. IMPLEMENT SELECTED TO-BE SOLUTION(S)

4.4.1. MAKE PLAN FOR IMPLEMENTATION AND TRANSITION

> *"He who fails to plan is planning to fail."* — Winston Churchill

Purpose of this step: Development and Implementation of the selected solution is process that needs to be planned and managed accordingly. Final goal will not be achieved with random activities, but with carefully prepared plan of activities and actors that need to perform them.

Guides: There are four major recommendations for carrying out this step:

- When developing the solution, focus more on product management, in this case service is the product, rather than project management. Thus said, project management should not be left behind or not practiced, but it should not be in the center of the activities.

- Chose to use any of the agile methodology[5], instead of waterfall methodology[6]. Agile methodologies have more successes in product management. Monitoring of the process is very closely and almost on a daily basis, so any problems will be noticed as early as they occur, such as: lack of resources, misinterpretations, regulatory changes being late or delayed, etc. This also provides quick changes and check-ups to be done in a short period of time.
- Inform the stakeholders, employees and users about the changes to be made, at the very beginning.
- During the development step, start preparing plan for transition from old service to new one. Transition plan should include: all of the spots for service delivery, physical and virtual; channels for service delivery, paper or electronically; all organizational units that will be affected; other institutions as well, if there is data exchange in any format; etc.

Techniques recommended: Implementation plan.

Preferred stakeholders in this step: Employees working on that particular service, top and middle management; other experts, service users and multidisciplinary team upon need.

Expected output(s): Implementation plan developed. Transition plan developed or outlined.

4.4.2. MAKE PROTOTYPE OF THE SELECTED SOLUTION

> "*Perfection is not attainable. But if we chase perfection, we can catch excellence.*" – Vince Lombardi

Purpose of this step: Prototype is a model of the creation that can be made with least funds, but can show what the product is and to get the users feedback and their impression.

Guides: Cost for creating prototypes of the services are very low, and this might be the most fun/ amusing step for the participants. Success is guaranteed in this step if the following recommendation are followed:

- Involve employees that are willing to participate and express their ideas. Nomination cannot bring out the creativity from the employees.
- Involve end-users throughout this step. Make this with them, not for them.
- Provide the team enough time and resources. Sometimes this is taken as a good exercise for team-building, which would be added value of the whole process.

[5] Agile methodology is a type of project management process, mainly used for software development, where demands and solutions evolve through the collaborative effort of self-organizing and cross-functional teams and their customers

[6] The waterfall model is a breakdown of project activities into linear sequential phases, where each phase depends on the deliverables of the previous one and corresponds to a specialisation of tasks. The approach is typical for certain areas of engineering design.

- When the prototypes are created, present them to the sample of end-users, to get feedback. If there are more than one prototype, remove the one that is the least useful and attractive.
- Iterate the process few times, until there is one prototype and it has the best feedback.

Techniques recommended: Team and individual work, presentations.

Preferred stakeholders in this step: Multidisciplinary team, employees working on that particular service, service users.

Expected output(s): Prototype of the solution created.

4.4.3. PILOT/ SIMULATE THE SELECTED SOLUTION(S) (ITERATE)

"*I have not failed; I've just found 10,000 ways that won't work.*" – Thomas Alva Edison

Purpose of this step: Piloting is the last step before the final change enters into production mode. Pilot models in business sector are done for more than one prototypes, but as it requires time, staff and funds, it is unlikely that could be done in administration. Nevertheless, if it is possible and requires little resources, it is recommended to be done.

Guides: When producing the pilot model, it is of great importance to reduce points of errors to extend possible, both for users and for public officers.
- Pilot model could be: new templates for application form, new dashboard, new layout of the room, new module in the information system, new process in back office, new appearance of the output document, new place for payment, etc.
- Involve end-users in this step, as they are the ones that this is done "with" and "for" in the first place.

Techniques and actors in this step might be completely different for paper and electronic services. Moreover, if there are only legal issues that need to be resolved. All of those cases should be led by professionals and experts from respective fields.

Techniques recommended: Various

Preferred stakeholders in this step: Experts, end-users, and other groups upon need.

Expected output(s): Pilot model approved.

4.4.4. FINAL SOLUTION IN PRODUCTION

"*If you think education is expensive, try ignorance*" – Robert Orben

Purpose of this step: This step should firstly ensure the completion of the final solution. It should be: adopting the new law amendments or new law in the parliament, adopting the bylaw or internal rulebook, or putting a new optimized service in production. However, they all are events.

Guides: To put new process in real usage is an activity that needs to be performed with no exceptions:

- Informing the clients, through most appropriate channels for the service and for the end-users: on website, mail or sms notification, social media news, informational boards, promotion of state TV service, etc.
- Assuming that all employees know the news is always a wrong assumption, hence informing them and in case needed training them is mandatory.
- If a manual for the service exists, it should be revised, up-dated and made it available for its readers.
- Publishing new templates, the day the new solution is on production, or having them printed out for the physical front offices.
- Informing other institutions, bodies, organizations, if affected, that the new service is in production mode.
- Promote the achievements. Share success stories with community.

Techniques and actors in this step might be completely different for paper and electronic services. Moreover, if there are only legal issues that need to be resolved. All of those cases should be led by professionals and experts from respective fields.

Techniques recommended: to be used for this step are at least: Communication, training.

Preferred actors: Management, PR experts; training experts and IT staff upon need.

Expected output(s): End-users and employees informed.

4.5. IMPROVE CONTINUOUSLY

> "*The thing is, continuity of strategic direction and continuous improvement in how you do things are absolutely consistent with each other. In fact, they're mutually reinforcing.*" – Michael Porter

Purpose of this phase: This phase should establish sustainable environment for optimization on a regular basis. Changing the culture of the organization, its employees will reflect soon enough in the end-users.

Guides: This phase encompasses three main steps:

I. *Establish and perform regular measurement*, by assigning the team or one person in charge of making plans and performing them. For internal measurement, internal team could complete the whole process. However, external experts are recommended for capturing objectively the user experience and satisfaction, based on the existing Methodology (link). This step
II. *Compare results from measurement and draw conclusions for future undertakings*. Following to the measuring on a regular basis: writing reports for public and for the management, comparing results from previous measurements; identifying the progress or stagnation; setting targets for the next rounds of optimization, etc should be the purpose of this phase. Sharing the results with the users, employees, public sector is also objective of this step.
III. *Iterate the whole process* of optimization is the step that really makes ground for sustainable growth and building user-centric government.

This step should firstly ensure the completion of the final solution. It should be: adopting the new law amendments or new law in the parliament, adopting the bylaw or internal rulebook, or putting a new optimized service in production. However, they all are events. To put new process in real usage is an activity that needs to be performed with no exceptions:

Techniques and actors in this step might be completely different for paper and electronic services. Moreover, if there are only legal issues that need to be resolved. All of those cases should be led by professionals and experts from respective fields.

Techniques recommended: Measuring, KPIs, surveys, reports, research, interviews, communication, complex tables.

Preferred stakeholders in this step: Management, PR experts, dedicated measurement team, other staff upon need.

Expected outcome(s): Sustainable environment for constant optimization.

5. BEST PRACTICE EXAMPLES FOR OPITMIZATION IN EU COUNTRIES AND CASE STUDY FOR THE MATERNITY LEAVE SERVICE DELIVERED BY THE HEALTH INSURANCE FUND

5.1. BEST PRACTICE IN OPTIMIZATION USING BUSINESS PROCESS REENGINEERING (BPR)

Child welfare in Ireland[7]

An illustrative case example, including the main services and associated processes is represented by the Child Welfare System in Ireland, which is under the responsibility of Health Boards, as prescribed in the 1991 Child Care Act. According with this act, Health Boards is responsible for:

- Child Protection;
- Child Welfare Promotion;
- Children in Care and Fostering; and
- Adoption Services.

As a result of the diagnosis analysis developed as part of a BPR research process, the Child welfare system has various types of services and processes, as they are presented in the table below. The information presented in this table shows clearly the focused, non-bureaucratic approach to the services provided in the system used in a BPR research. For each service, clients, process and performance attributes are presented, as well as their providers.

Client-centred service objectives, processes, performance and service providers (Child Welfare services in Ireland).

SERVICE	CLIENT(S)	CORE PROCESS(ES)	PERFORMANCE ATTRIBUTES	SERVICE PROVIDER(S)
Protection	Child at risk	• Identification • Referral • Investigation • Intervention	• Speed • Appropriate-ness of outcome	Inter-agency, e.g.: Gardaí, medical, social workers
Welfare	1. Child 2. Family	• Same as A. on a micro scale. • Education on a macro scale	• Same as A. on a micro scale. • Client knowledge on a macro scale	Inter-agency, e.g.: Health Promotion, public health nurses
Fostering and Children in-Care	1. Child 2. Carers 3. Parents	• Matching to carers • Identification of suitable carers • Feedback	• Appropriate-ness of care • Outcome of placements • Satisfaction	Social Work Inter-agency clearance Social Work
Adoption	1. Child 2. Adoptive Parents 3. Birth Parents	• Matching to parents • Matching to child • Feedback	• Outcome • Outcome • Satisfaction	Social Work Inter-agency clearance Social Work

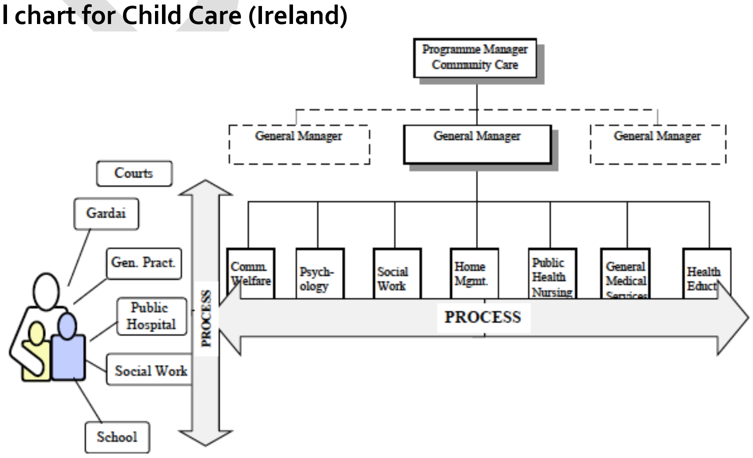
[7] A detailed description of this example can be found in „*Application of Business Process Re-engineering and Information Technology to the Re-design of Personal Social Services*", Gerard Lyons, Fergal Kearns, 1997, Administration, 45 (1):40- 59.

Compared with other optimization tools, BPR is rather focused on the content and profile of the service provided, as they impact the citizen, and less on the administrative bodies having corresponding attributes for the provision of parts or the entire service. This is the reason why, when developing a BPR research, the findings such as those presented in the table above, are not directly corresponding with the institutional/organizational structure in place, as the one presented in the figure below. According with the latter figure, the way the departments are developed, the profile of the administrative connection between them, as well as the role of other institutions involved (hospitals, school etc.) suggest the difficulty of comparing and drawing relevant optimization reform measures. In order to overcome this difficulty one solution could be to start considering the various outputs of the organization as part of a „process", rather than as an independent end-product, formally associated with the provision of a public service.

For example, let's consider the situation when a specific child having difficulties of psychological and physical nature and who is also a possible candidate for the adoption. He could be the beneficiary of various public services, ranging from health or psychological to adoption services. That means that, according with the traditional organizational chart, the corresponding services which have to be provided in this case are under the responsibility of various institutions: hospital, psychological cabinet, social work etc. If the research aiming to optimization will focus on the institutions, then each of these services will be approached separately, even though, as in our case, the beneficiary is a single person. A reform following the institutions providing the services will therefore be focused on optimization of administrative processes and will not consider these services by following the process from the point of view of the beneficiary.

BPR is a method which starts the research by focusing first on the beneficiary and its needs, not on the way the existing institutions are providing the service. The BPR perspective, as showed in the figure below, considers the end-products of various institutional departments (such as psychology, social work, home management etc.) as being part of a „process" (represented by a horizontal arrow in the figure below). The process is the most important because the corresponding activities and elements are the ones leading to a sound provision of public service. The process by which these services are delivered and any possible optimization suggestion are relevant only if follows the actual needs of the beneficiary and less the ones of the institutions even though formally they are dealing with these needs.

Organizational chart for Child Care (Ireland)



From the experience of implementing a BPR research for Child Welfare system in Ireland, several conclusions are drawn in order to overcome the difficulties mentioned above:

- *A common understanding of the process objectives, activities, information flows and service provided must be reached* – the difficulties were avoided and valuable conclusions for an organization change was formulated based on a shared understanding at the level of all organizations/levels dealing with development, provision, and/or delivery of the public service by acknowledging the importance of focusing first on beneficiary, rather than institution;
- *Identify and formulate process-based measures which supported the integration along the supply chain of the existing services* – based on the service focused approach specific to BPR research, measures where identified and undertaken when necessary at the level of each of the existing institution. That consisted in organization optimization and service improvement (restructuring, termination of parts or entire service, reallocation of responsibilities etc.);
- *Compatible organisation structures and information systems* – for a better overall improvement of the services provided the profile of the organization structure were considered as relevant and important in an optimization process.

5.2. CASE STUDY FOR CHAMBER OF CRAFT (SKOPJE, MACEDONIA)

This example refers to the reforms initiated at the level Chamber of Crafts in Skopje. These reforms were aiming at improving the services provided to citizens/clients regarding different aspects of initiating and conducting a craft business in Skopje. The reform consisted in implementing a „one stop shop" system in order to improve the services provided for the entrepreneurs which intend to or are they already managers of a craft business.

The reform started in 2005. Previous to this date, provision of all the related services – registry, termination, legal requirements necessary such as certificates, bank account, etc. – were fowling under the obligation of each of the client/citizen who intended to start a craft business in Skopje. That means that, either he/she intended to start a business or was already part of it, he/she had to comply with various forms required by different public institutions. But in order to comply with these requirements the amount of time and resources allocated for their delivery was discouraging. Taking in consideration this situation and because of the high importance of the craft industry for Macedonian economy, more interest was allocated in order to find better ways to support this industry.

With support from the Chamber of Skilled Craft Goblenz in Germany, a study was developed aiming at identifying ways of supporting the clients/citizens both those who wanted to enter the business and those who were already part of it.

The results were considerable improving the connection between citizens/clients and the public institutions involved in controlling and/or relevant in improving the development of this industry.

The main aspect of the new reform consisted in allocations of new functions for the Chamber of Crafts in Skopje and across the regions in Macedonia. Based on an adopted regulation, these public institutions were allowed to act in the name of applicants (e.g. in case of the citizens/clients applying for starting a craft business), as well as in the name of those who were already registered. That meant that, based on a „one stops shop" optimization solution, the Chamber of Crafts staff was able to deal with all the documents, certificates and other required official documents in the name and for the direct benefit of the applicants and/or those with already established businesses. The simplification of the entire procedure for the beneficiary was completed with a series of benefits which included:

- Registration to Craftsman Registry, Central Register entry, stamp, bank account, application for JTS, employment establishment;
- The possibility of flat taxation at the request of the craftsmen, there is no obligation to keep accounting and cash register;
- There is the possibility of temporary suspension from work due to illness, renovation, longer vacation, during which time the tax and contribution obligations cease;
- A family member may perform the craft activity without fulfilling the conditions stipulated in the Law on Craft Activity, and after the expiration of that period they may undertake the activity;
- No obligation to pay income tax.

Support services for craftsman were also initiated:

- Support in participation in creating Education Policy and Creating Future Young Craftsmen;
- Selection and recruitment of experts for improvement of the craft products;
- Striving for better framework conditions for the craft;
- Giving opinions, remarks on legal and political occasions;
- Involvement and engagement in committees, bodies and councils in state bodies and institutions;
- Establishing and fostering contacts with institutions, bodies, associations, social groups in the country and abroad for equalization of the conditions for handicrafts;

The example above serves proving two of the main aspects related with the optimization process:

1. The optimization starts with adoption of an approach based on the specific intention to better serve the citizens/clients. In the case presented above, this approach let to adoption of a „one stop shop" solution in order to improve the services for a very specific category of citizens/clients (in our case the craftsman). The same type of approach could be also applied in the case of other public services across Macedonian public administration;
2. As presented above, besides the implementation of „one stop shop" optimization solution, there are a series of other citizen focused services which were additional improving the support provided, in this case, by Chamber of Craft, in order to improve the development pace of an important industry.

5.3. CASE STUDY FOR THE MATERNITY LEAVE SERVICE DELIVERED BY THE HEALTH INSURANCE FUND (NORTH MACEDONIA)

In the Republic of Northern Macedonia, salary compensation for pregnancy and childbirth is a statutory right of all women under the Labor Law. In order to exercise this right, the beneficiary of this right should apply[8] to the Health Insurance Fund of the Republic of Northern Macedonia - HIF in accordance with the instructions[9] given. The request may be submitted electronically or in paper form. With this right every woman who is pregnant and / or giving birth has the right to receive compensation within 270 days according to the established basis for payment of compensation.

The HIF application processes and pays the fees for the positive solutions. After payment, the HIF officially requests a refund of maternity leave from the Ministry of Labor and Social Affairs. For sick leave that is opened before childbirth due to pathological pregnancy, the HIF does not require a refund because it is made on the basis of health insurance and not for absence.

In 2015 this public service is optimized, which reduces the time from submission to 60 days to 15 days and the number of documents required from 8 to 3. The basic and general differences before / after optimization are:

- Pre-paper paper submission is a longer process of filling out and submitting versus the current electronic submission opportunity
- The paper processing of the request took a long time, compared to the current computer processing and arithmetic calculations
- Previously there was some degree of control to exclude the human error factor, whereas now this risk factor is almost annulled due to computer processing
- Earlier processing involved gathering evidence / documents from the PRO, EARSM and UMK, and now this data is downloaded electronically through the Interoperability Platform
- Previously this process had to be repeated every month from the submission of Proofs of Monthly Salaries paid to the Company, to Monthly Salary Processing, while it is now automated and valid for the whole duration of maternity leave.

[8] http://www.fzo.org.mk/WBStorage/Files/Obrazec_na_barawe_N2_(Barawe_za_nadomestok_na_plata_poradi_bremenost_i_ragawe)-ZLP-OVL.pdf

[9] http://www.fzo.org.mk/WBStorage/Files/Upatstvo_za_popolnuvawe_na_N1.pdf

Necessary documents for salary compensation for pregnancy and birth by 2015	Necessary documents for salary compensation for pregnancy and birth after 2015
1. Discharge list from the hospital where the delivery is performed 2. Birth Certificate for the Newborn 3. Report on Temporary Disability in Work Form - ISR by a Selected Physician 4. Certificate of paid salary for the employee for the last 12 months 5. Full company payroll confirmation for last 6 months 6. Bank statement for the transaction and balance of the transaction accounts 7. Proof of the applicant's transaction account 8. M1 / M2 form ***A. Every month, the employer submits a Statement of Salary for a spent salary and a request to make a separate payment calculation each month.***	The following documentation (enclosed) is attached to the application: 1. Report on Temporary Disability in Work Form - ISR by a Selected Physician; 2. Birth certificate for the child (copy); 3. Adoption Decision - Adoption by the Center for Social Work for an Adopted Child (Adopted Child Only); 4. Notarized statement on the transaction accounts of the legal entity and a copy of the statements for transactions and balances of transaction accounts (only for a legal entity with one employee); 5. Proof of the applicant's transaction account ***A. The employer submits documentation only once for the duration of the whole maternity leave.*** ***B. Documents under rb 1, 2 The HIF will provide it ex officio***
Duration of commencement of procedure (on average) **60 days**	Duration of commencement of procedure (on average) **15 days**

According to HIF staff statements and surveys, implemented optimization has threefold benefits:

1. The data shall be processed with great accuracy
2. Processing speed increased by 75% with the introduction of electronic / computer processing
3. The risk of human error in calculations has been eliminated
4. For the beneficiaries (employers / employees) the benefits are:
5. Shortened life time from 60 to 15 days
6. Reduced number of required documents from 8 to 3
7. One-time procedure that is not repeated every month