PUBLIC ADMINISTRATION REFORM IN B&H - A PAPER REFORM ONLY

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Over the course of years, Bosnia and Herzegovina (B&H) has witnessed progress in its system of delivery of basic public services to citizens. In some cases, the level of customer satisfaction and speed of service delivery has increased. However, an additional effort must be made in order to successfully finalize the reforms and achieve European standards in service delivery, as one of the preconditions for EU membership.

EU practice has demonstrated that true upgrading of service quality can be attained if utilization of modern technology i.e. Information and Communication Technologies (ICT) is accompanied with reorganization of processes and continuous advancement of skills. Introduction of new technologies must be implemented hand-in-hand with organizational changes and adoption of new skills, if customer-oriented services are to follow (EC, 2005).

Despite the fact that much can be learnt and adopted from successful EU examples, it is important to bear in mind that there are no universal solutions and models. Each country needs to develop its own model, in line with its own specific socio-political environment. The model presented in this document is a combination of solutions and proposals from several European studies. It has been developed taking into account the situation on the ground, as well as strategic documents developed and adopted at both central and local government levels. The proposed model and strategy were developed to the aim of providing support to the current public administration reform in B&H.

(UN)FULFILLED AIMS

For the past five years, B&H has been implementing public administration reforms. Nevertheless, the foreseen reforms have mostly remained on paper. A discrepancy exists between the policies and strategies adopted on paper and the activities taking place on ground. The strategies, action plans and policies continue to exist solely as ideas without really being implemented in practice - *"most policy documents produced so far have remained unimplemented"* (Office of PAR Coordinator, 2006). For example, the Strategy for Development of Information Society (IS) in B&H was prepared for the period 2004-2010, with the key term being until year 2007, but most of the aims have not yet been achieved. The Action Plan for IS foresees many projects, the implementation of which has not yet started although the deadline for their completion has passed. There are numerous setbacks in the realization of aims set in the PRSP Strategy and Strategy for Local Self-Development. The Public Administration Strategy and Action Plan have been developed two years after the set deadline. Therefore, recent experience and the deadlines set in the action plan itself are reasons enough to question what will happen with the recommendations and projects in these documents.

This situation is a result of several factors. The laws and accompanying documents are not being adopted on time. Even after adoption, much time passes before the conditions for their implementation are met. The production of follow up documents and legal acts defined by the law also takes too long. Furthermore, the legal framework, which could enable the realization of adopted policies, is inadequate for the implementation of strategies presupposing the utilization of information technologies (IT); *"The existing IT legislation remains haphazard and piecemeal, leaving B&H a long way from acquis requirements, and the needs of a modern information society"* (Office of PAR Coordinator, 2006).

Moreover, even though the mentioned strategies reference and complement each other, their compatibility remains questionable. Additional confusion is created by the many levels of government and agencies involved. Networking and cooperation between public institutions and agencies is very limited and mostly occurs via post office.

Lastly, there is a delay in the establishment of formal bodies responsible for the implementation of the adopted strategies and action plans. For example, the Agency for Information Society (AIS), responsible for e-government coordination and implementation, has not yet been established and is one of the major obstacles to the implementation of the BH IS Strategy.

"There is no secure and reliable country-wide public administration infrastructure, which is the groundwork for development and implementation of IT systems, applications and electronic services in all areas of administration"

(Office of PAR Coordinator, 2006).

Reform failures are mostly caused by a lack of coordination and cooperation within the reform process itself. Many actors are involved from many different perspectives. While the inclusion of a wider set of actors is positive, lack of cooperation amongst them is an obstacle. Responsibility for the reform is proving to be an additional problem. As yet, no institution has been assigned the responsibility for reform successes and failures. Moreover, ownership of the reform has not been defined among key actors, whereas the citizens and public servants have not been included in the reform process.

DELIVERING BASIC PUBLIC SERVICES TO CITIZENS - DEVELOPMENTS IN B&H

Whether we regard the overall reform of public administration or its specific parts, the situation is identical. Basic public services to citizens are an important component of the reform. It is the visible part of the reform and one which has a direct impact both on public servants and citizens. In general, the current method of basic public service delivery in B&H can be summarized as presented in Figure 1.
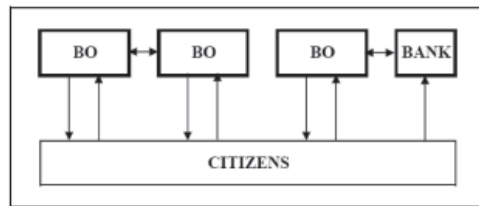

Figure 1 – Typical process of delivering public services in B&H

To receive a service, a BH citizen must visit several government agencies and collect documents personally. In some cases, a visit to the bank or post office to pay for the service or buy a tax stamp is also required. Therefore the burden of collecting documentation is on the citizen, because the level of integration and data exchange between existing agencies, such as municipalities and other public agencies, is limited. If it does exist, it is executed via post office. Even if the mentioned services were available online, the burden of collecting data from government registers would still be on the citizen/customer.

Therefore, applying ICT to existing procedures and workflows, as is currently the case in B&H, does not have an effect on the overall improvement of service delivery and is not enough to fulfill European standards and quality of services required for EU membership. What is truly needed, and can be achieved by applying ICT, is redesigning and reengineering of processes and workflows. Instead of citizens being required to collect different certificates from public bodies in order to apply for a service, the public bodies themselves should be responsible to collect the data on behalf of the citizen – to use the data already stored in official government registers. The burden on the citizen should be limited to collection of those documents and information that are not available in government databases and registers. This is key to back office reorganization and integration and the path towards improving the delivery of basic public services. In such a way, the process of delivery of public services would shift from the one presented in Figure 1 to resemble more the one presented in Figure 2. In such a system, the citizen approaches
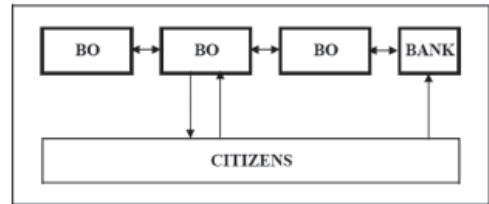

Figure 2 – Improved process of delivering public services

one agency or front office, whereas and the rest of the process and data collection takes place electronically among and between the different back offices and database registers.

It is important to point out that this is not a simple transformation, but one that is challenging to everyone involved. Much needs to be done if the quality of the service is to be raised to European level.

DELIVERING BASIC PUBLIC SERVICES TO CITIZENS
A VISION IN LINE WITH EU PRACTICE

Comparing B&H and EU cases and considering the recommendations based on EU Best Practice, a proposal was developed as presented in Figure 3. In order to improve the quality of the services and to produce and deliver them in accordance with EU Best Practice, it would be most appropriate for B&H to centralize the back office, decentralize the front office functions and create clearing houses where appropriate and necessary.

The centralization of the back office and decentralization of the front office functions represents a rationalization of back offices and their functions (e.g. data-storing and management) in order to increase
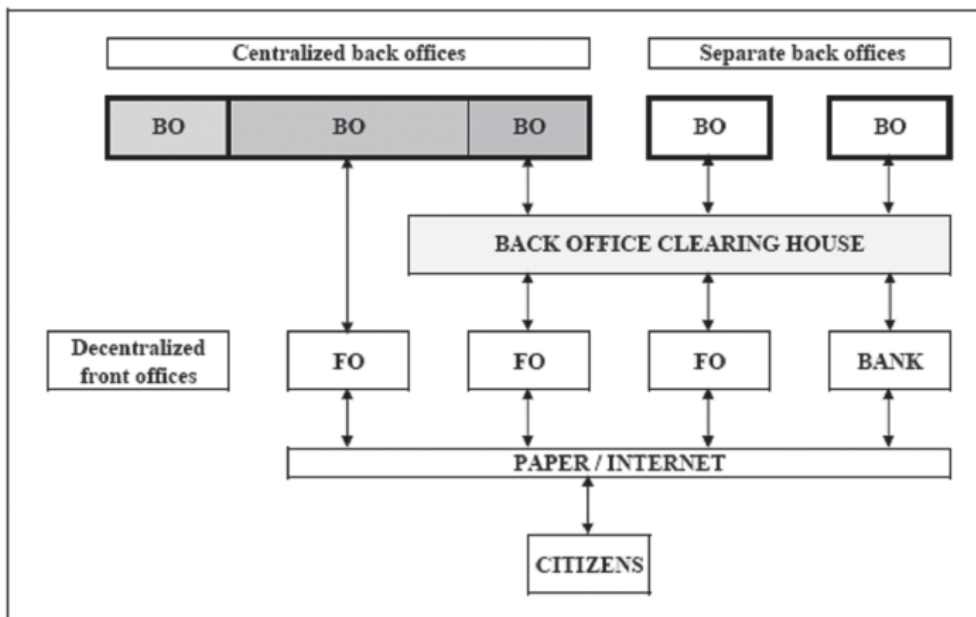
Figure 3 – Proposed model for delivering public services in B&H

efficiency and make savings, whilst recognizing that users require local contact and adaptation. It reduces errors and time delays, exploits economies of scale, saves costs and provides improved services. According to the e-Readiness Report, neither the citizens nor public administrations are fully prepared to utilize e-services. Therefore, decentralized offices in municipalities will be essential in B&H for a long time. However, online options should gradually be introduced and made available. Even in some EU case studies, electronic options are not fully utilized. In Bremen, for example, citizens rarely use e-signature options even though they are available.

A clearing house is a useful strategy where existing back office arrangements are relatively complex, often not integrated and difficult to change, since a separate data exchange mechanism is established for use both between agencies and users, thus ensuring high quality online services. For some services in B&H, it is possible to create central registers and databases but for others it is not. Moreover, some government agencies have already invested a lot of funds in developing their individual registers and databases that might not be compatible with agencies with which they will need to exchange information and communicate. Therefore, instead of investing more funds into already developed registers, it is more cost effective to create a clearing house to deal with such issues. A clearing house would enable data exchange and data interoperability where it does not exist, allowing individual agencies to continue using their own technology, data and processing systems.

Complementary and auxiliary services, such as digital signatures and online payment, also need to be considered and perhaps outsourced to private companies and banks. This would enable utilization of existing systems and would save costs of creating a new system, which is what banks have developed as part of e-Banking systems. However, as was the case with basic services and for the same reasons, the paper-based and face-to-face options should still remain in use.

The proposed model would provide a gradual but comprehensive move towards providing improved services in accordance with EU Best Practice. It is an option that is compatible with policies, strategies and action plans developed at both central and local government levels. The added value of the model is that it presents the final outcome that the reforms and implementation of the action plans aim at. All the strategies and action plans were created with the same goal – to improve quality of the services, make them citizen-friendly and in accordance with EU Best Practice. However, sometimes different stakeholders have different interpretations of what it means to provide quality-driven and citizen-friendly services. This can be seen in practice where different stakeholders, with the support of donors or at their own initiative and investment, had the same aim – EU standard - but ended up with developing completely opposite solutions. What is missing is a unique and much clearer picture of the final outcome of the reforms. The ultimate goal should be clearly visible, understandable and acceptable to most of the actors involved in the process. This will enable

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an improved attitude towards the reforms, a clearer understanding of the direction of the reforms, common acceptance, ownership, trust and easier promotion of the process, which would ultimately decrease resistance towards change. Simply stating that the services will be in accordance with EU standards does not mean much to the average citizen or public servant. It is too general and the public is fed up with such foggy talk and empty promises. Therefore, I strongly believe that presenting a clear and understandable model which would be accepted and understood both by the citizens and government agencies is a strong tool for promoting and pushing forward reforms in this sector.

SUCCESS STRATEGY

Back office reorganization represents a new wave of change that simply must be mastered. It requires coordination among multiple independent agencies. It requires preparation and commitment from people at many levels, not just those in charge at the top. Leaders need to assess the interests and motivate all participants in the process – local and regional, public and private, opponents as well as supporters of change. Preparations must include strategic assessment, whilst problems are analyzed and projects given direction. Commitment must include sustained tenacity through implementations that become life-changing events for many of the employees involved. Once commitment is achieved, reform implementation stands a better chance if it is speedy and forceful.

Therefore the government leaders in B&H must take control and coordination of the process, involving all actors in the process, assigning clear responsibilities and providing support until the process is fully completed. All of this can be achieved using the ***"4 P&P Strategy"*** developed as a means to facilitate the process of implementing reforms of public service delivery.

Steps in the "4 P&P Strategy" are:

- **Pool and Place**: Gather all stakeholders to discuss ideas and proposals, similarities and differences in approach and other issues. This can be achieved through working groups, panels, forums etc. At this stage it is important to clearly define and assign responsibilities and ensure competent leadership of the process.
- **Prioritize and Plan**: After all the ideas have been discussed and presented, the stakeholders need to prioritize and develop a framework and

an overall implementation plan, which includes all aspects and segments of the issue that have already been considered. It is very important to take into account what has been achieved and implemented so far.

- **Persuade and Promote**: The next step is to persuade the decision makers to adopt the necessary laws and enable basic requirements for implementation of the developed plan. At this stage also it is necessary to promote the plan and proposal to the wider public to gain support and early accommodation and acceptance to change and to the new system.
- **Provide and Perform**: Fully and completely implement the plan and provide and deliver basic public services accordingly; ensure that control mechanisms are in place and functioning efficiently.

Back office reorganization will not be easy, but such valuable issues rarely are. Hopefully the recommendations presented here will help stakeholders successfully manage the next wave of ICT enabled changes.

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