



PORTUGAL 2007
Presidência do Conselho da União Europeia

3rd CAF Users Event

Processes: the heart of the matter?

VERVA | SWEDISH
ADMINISTRATIVE
DEVELOPMENT
AGENCY

rdgaep
direcção-geral da administração
e do emprego público

caf
COMMON ASSESSMENT
FRAMEWORK

**Resource
Centre**
European Institute of
Public Administration

Thomas Johansson

Strategic Development officer

Swedish Administrative Development
(Verva)



Sweden has one of the largest public sector in the world with roughly 2/3's of the GDP being used for public services and transfers. The public sector comprises:

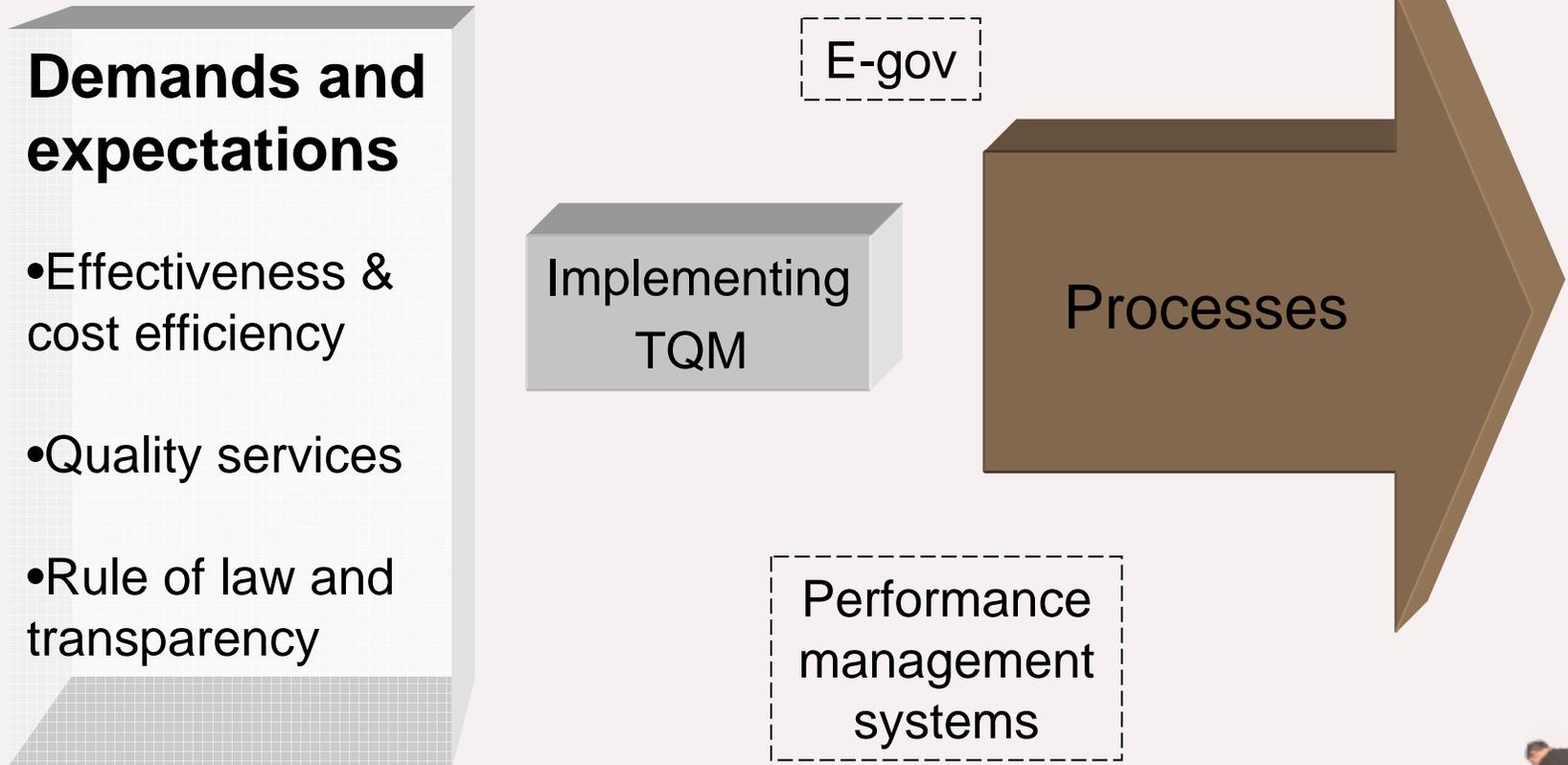
- Central government with the ministries and app. 250 government agencies, with app. 220 000 employees.
- 20 county councils (local government) responsible mainly for provision of medical care, with app. 250 000 employees.
- 290 municipalities (local government) responsible mainly for schools, health care, elderly care and various social services, with app. 770 000 employees.



- **Process orientation within the governmental sector (2003)**
Focus: Different ways of using a process approach
- **Process based management in the public sector (2004)**
Focus: Processes where several agencies are involved and the relation to the performance management system



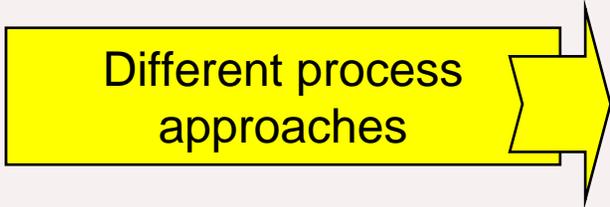
Why using a process approach?



Different purposes

- Quality assurance
- Change culture
- Effectiveness and efficiency

Different process approaches



Impact on formal organisational structure and areas of responsibility

Different starting points for identification

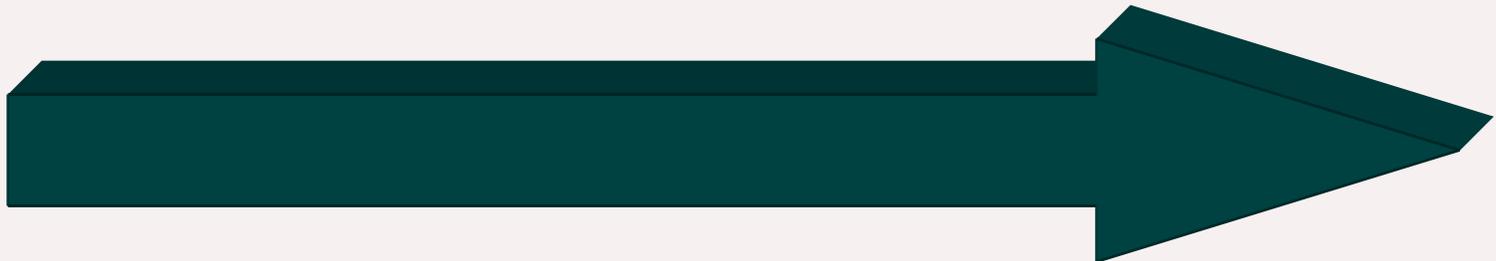
- Vision/mission
- Customer
- Production
- Services

Impact on the formal organisational structure and areas of responsibility

Degree of process orientation

None -
Limited

High -
Total



Questions to consider:

- Strategic or operational level?
- Inside-out (Production perspective) or outside-in (Customer perspective)?
- Where does it start/end?



Example: Operational level Inside -in

..... Process management (control) is suitable at operational level in an agency as the operational level has a better knowledge of how the activities in the process should be monitored, while management by objectives is better suited at managerial level.

/The Swedish National Audit Office 1996/



Perception of process management

Purpose of process
management



Quality assurance

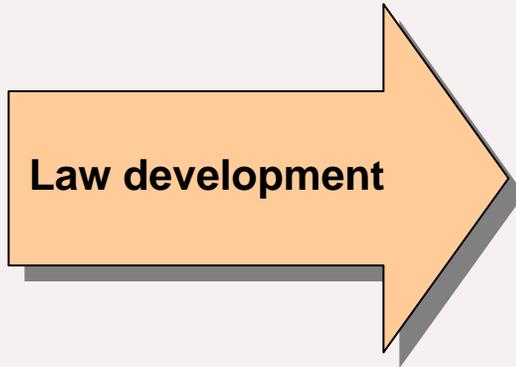
Means of control



Regulations, rules,
procedures, routines



**Example: Strategic level
Inside -out**



Preliminary tax

**Payroll tax,
pay-as-you-earn,
Statement of earnings**

Value-added tax (VAT)

Excise duty

National Tax Board

Annual tax assessment

Gift tax

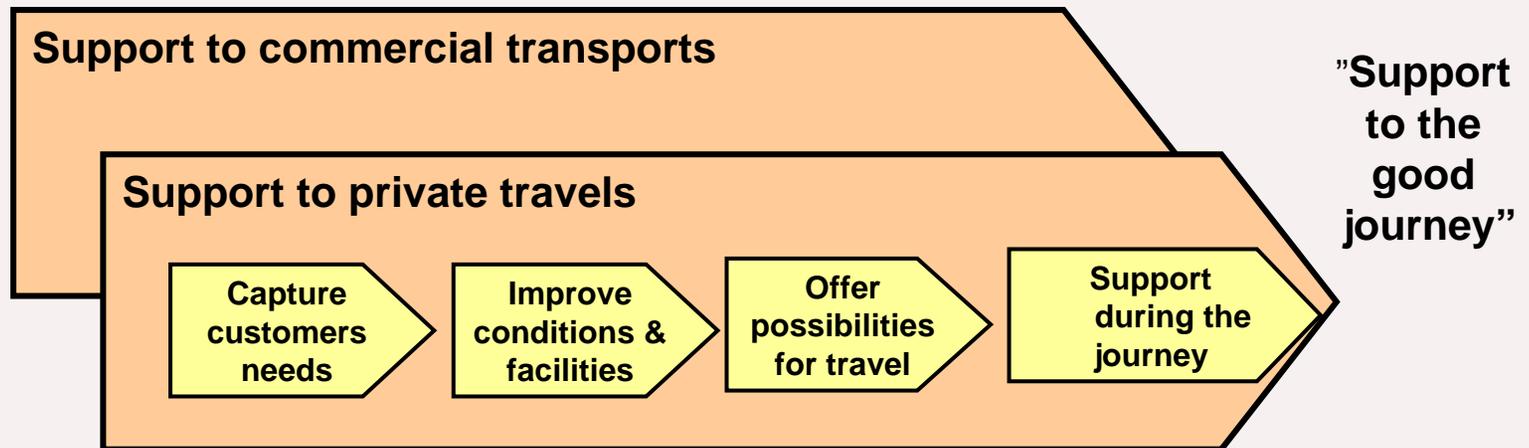
**Example: Strategic level
Outside -in**

National Tax Board



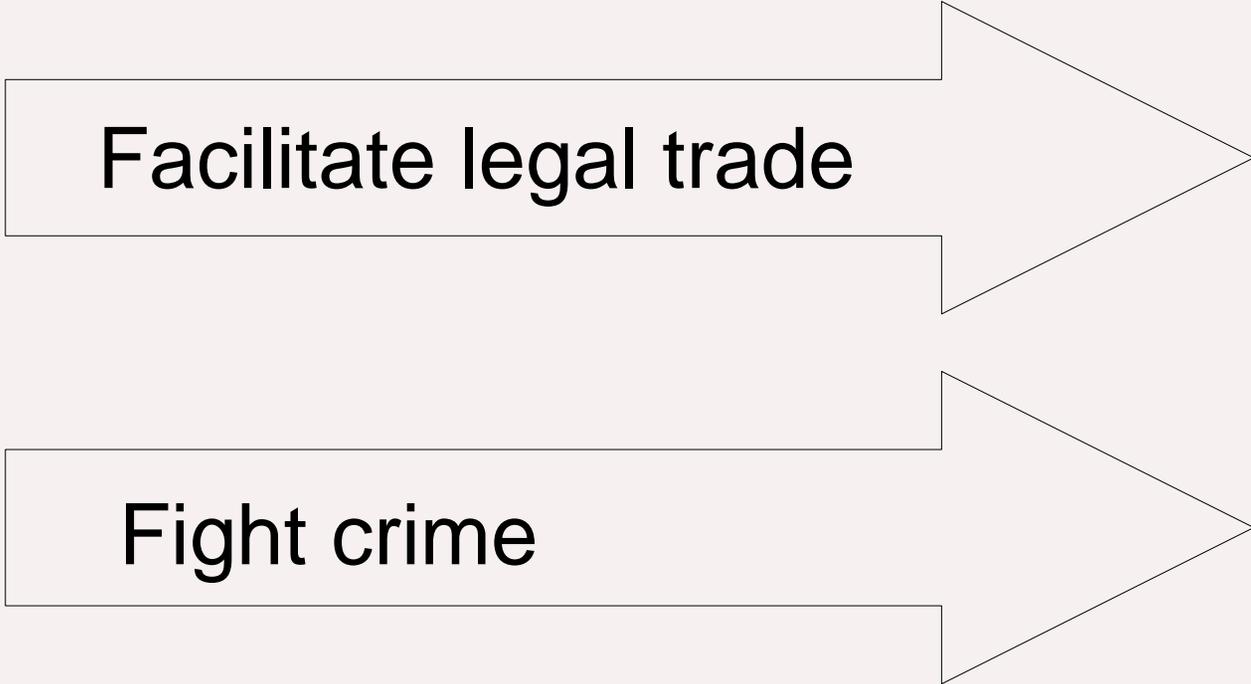
**Example: Strategic level
Outside -in**

The National Road Administration



Example: Strategic level
Outside –in. Customer process

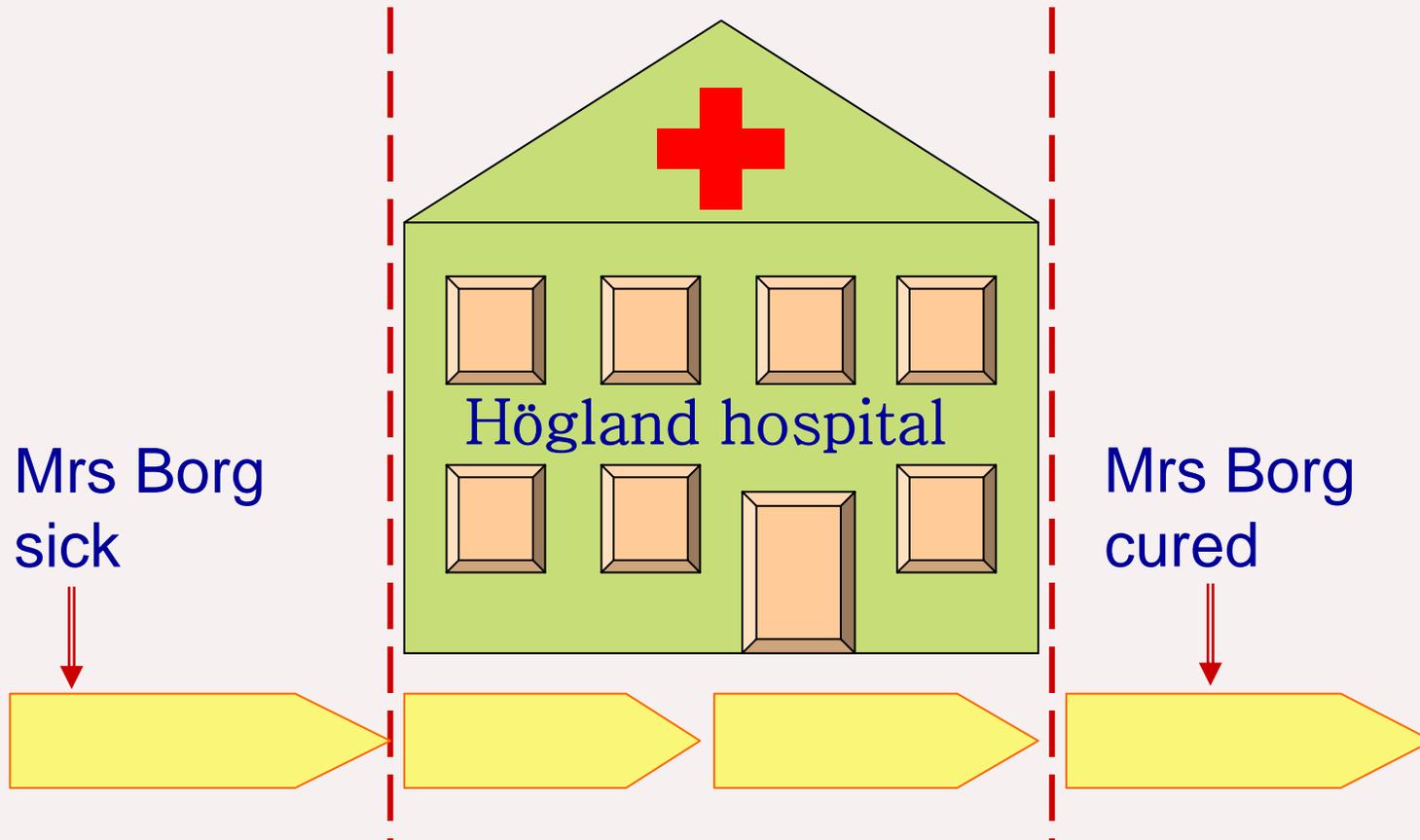
Core processes - Swedish Customs

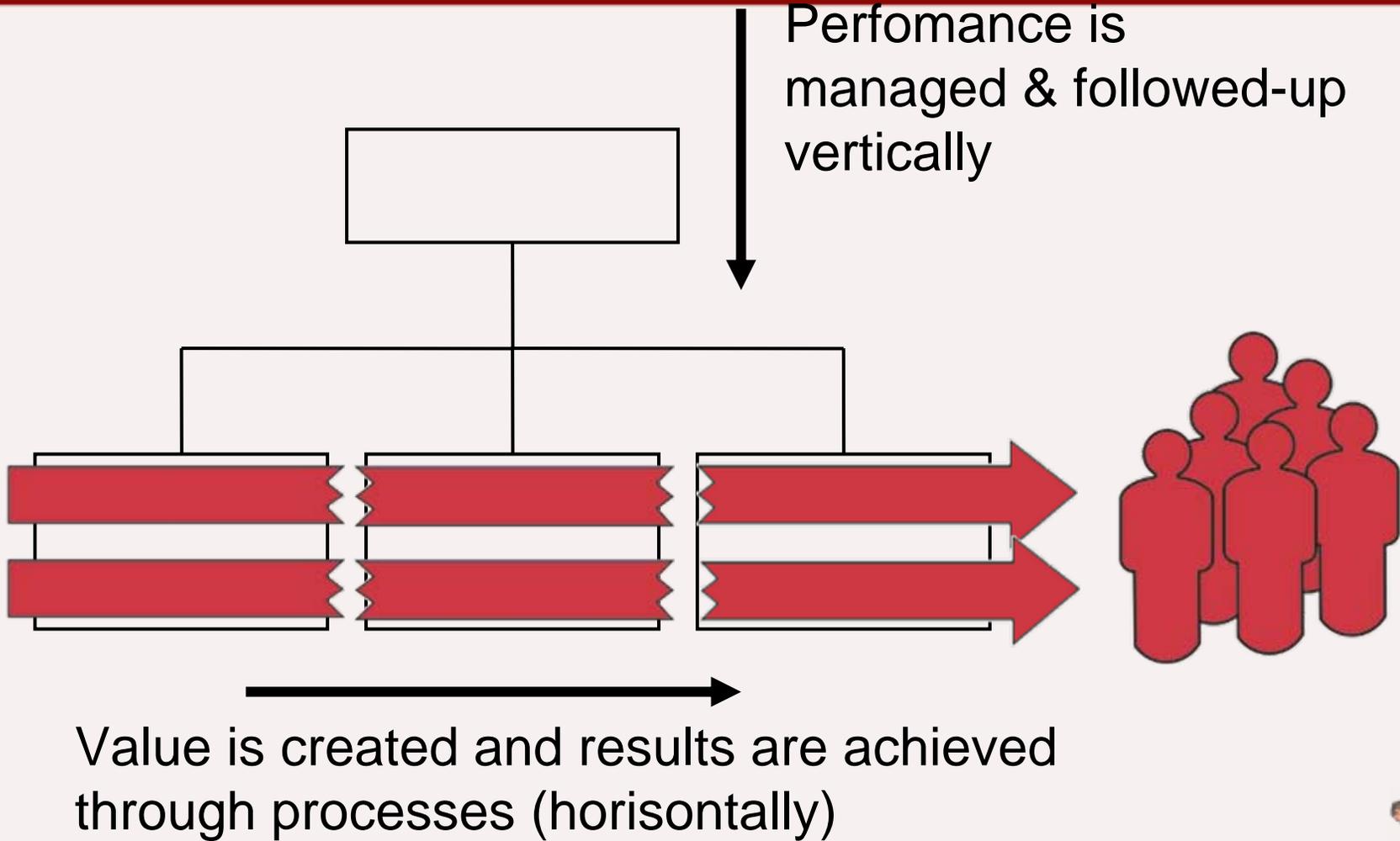


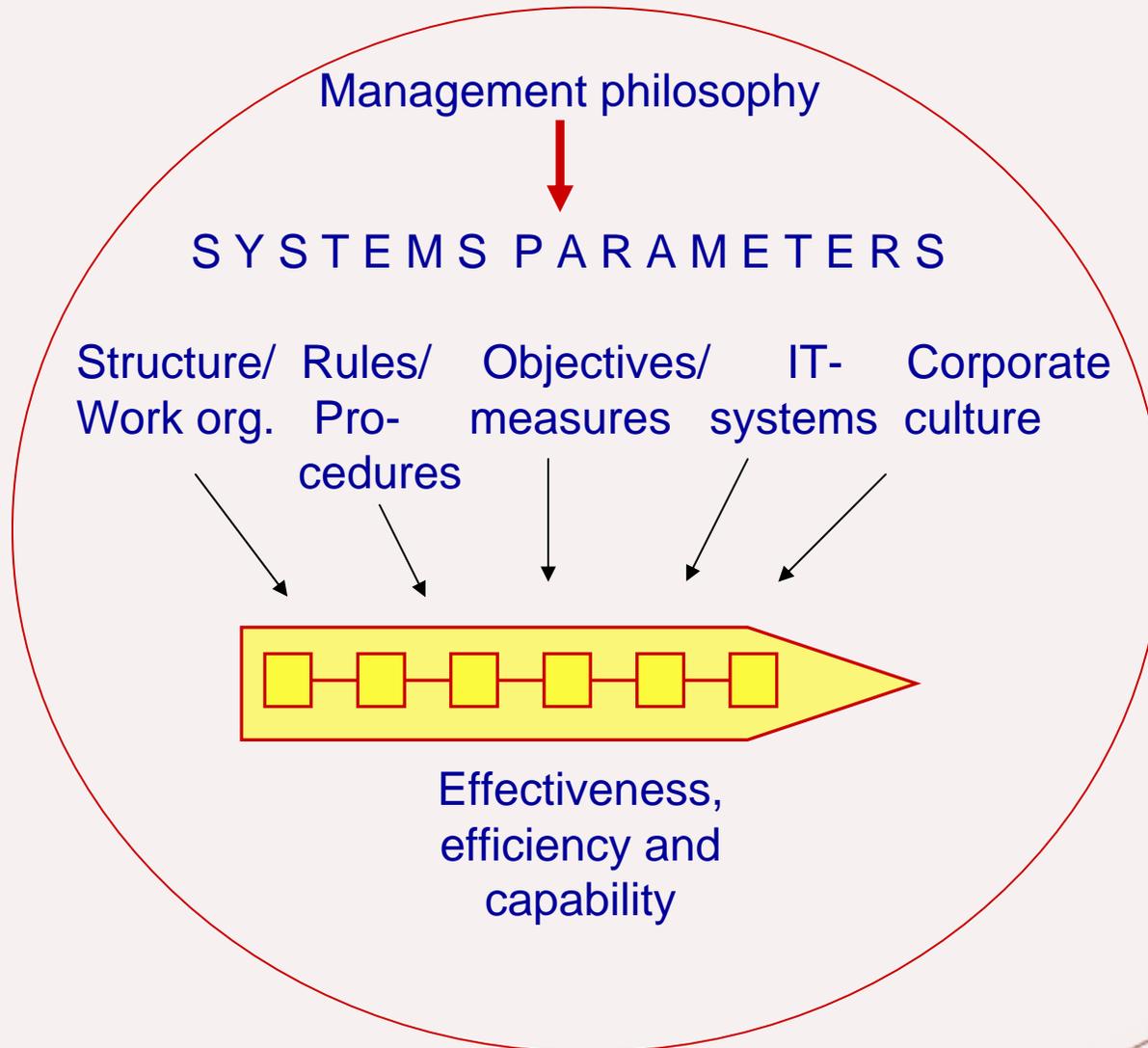
Facilitate legal trade

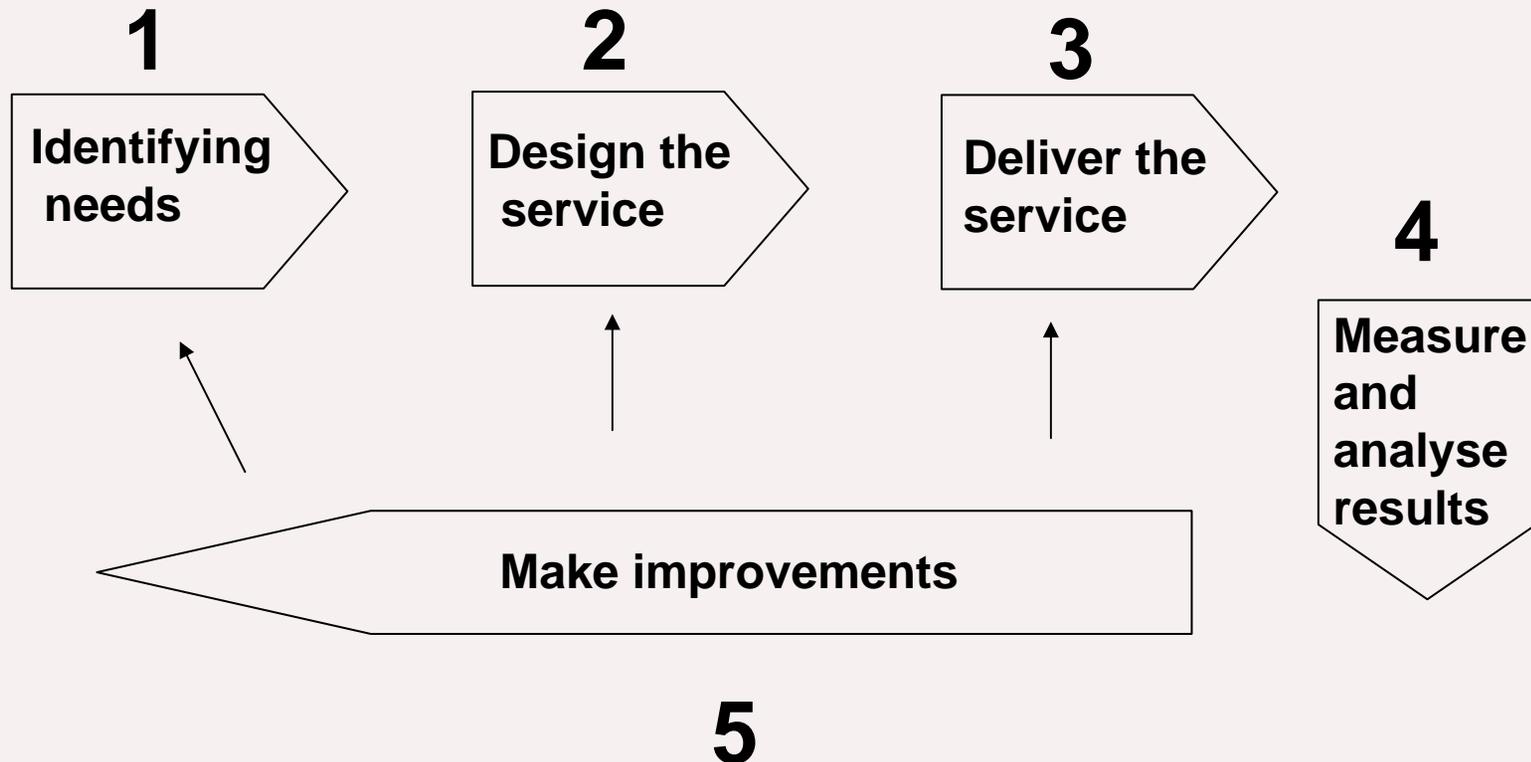
Fight crime

Example: Where does the process start and end?









- Processbased management could provide a substantial part of the solution to the challenges facing the public sector ahead.
- From citizen or business enterprise point of view, many processes cross the border between various authorities.



- A process approach will be particularly useful if the processes are defined at a strategic level and from a customer perspective.
- Process orientation is not merely about process improvements, but also on core business *management*.



- As the value created in most public sector processes is not determined at the market, there could be a need to establish and measure the value in the processes, and have that as a base for construction of services as well as for the performance management system
- A process is a part of a larger system where a number of system factors facilitate or hamper the efficiency and capability of the process.



- To improve efficiency it is necessary not only to eliminate waste but also try to change the systemsfactors that work against the process.
- There is a need for "process owners" within the ministries.

