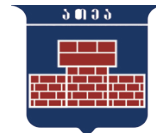




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## LOCAL ECONOMIC DEVELOPMENT SERIES

### Volume III

# ASSESSMENT OF THE CONTRIBUTION OF THE DIGITAL MUNICIPAL SERVICE SYSTEM TO THE COMPETITIVENESS OF LOCAL ECONOMIC ACTORS

Tbilisi  
June 2023

# Backstopping Mandate for Strengthening LED National Core Group in Georgia

Local Economic Development Series  
Volume III

Assessment of the contribution of the digital municipal service system to the competitiveness of local economic actors

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## ABBREVIATIONS

<b>LED</b>	<b>Local Economic Development</b>
<b>SDC</b>	<b>Swiss Agency for Development and Cooperation</b>
<b>MSDA</b>	<b>Municipal Services Development Agency</b>
<b>SRMID</b>	<b>Second Regional Municipal and Infrastructure Development</b>
<b>SCO</b>	<b>Swiss Cooperation Office</b>
<b>NALAG</b>	<b>National Association of Local Authorities of Georgia</b>
<b>PSI</b>	<b>Public sector information</b>
<b>EIF</b>	<b>The European Interoperability Framework</b>

## 1. Preface

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Since 2012, the Government of Switzerland has been supporting Georgia's efforts aimed at promoting decentralisation and advancing sustainable and participatory local and regional development. The Swiss contribution to the decentralisation agenda has followed two priorities: (1) improving public service delivery at the local level, and (2) promoting Local Economic Development (LED). Under priority 1, SDC, in cooperation with the World Bank, supports the Municipal Services Development Agency (MSDA) through its Second Regional Municipal and Infrastructure Development (SRMID) Project in developing and rolling out digital municipal services systems for the improvement of access to public services in municipalities across Georgia. Under priority 2, the consulting firm Mesopartner, mandated by the Swiss Cooperation Office (SCO) for the South Caucasus, supported the LED Core Group (a group of Georgian and international organisations) in a first phase to embark on a learning journey to better understand the status of the LED system in Georgia, to define a strategy on how to support the improvement of the LED system in the future, and to develop initial activities to strengthen LED in the country. In a second phase, NALAG, supported by Mesopartner and funded by SDC, is providing further support to the LED Core Group to implement the initial actions developed during the first phase.

Today, the digital municipal service system (DMSP), supported by SDC and the World Bank, is operational in 63 municipalities of Georgia. This system consists of three components:

- ***ms.gov.ge*** - an interface for external users to request information on municipal services,
- ***mm.gov.ge*** - an interface for internal users to exchange documents and to operate online databases, and
- ***maps.gov.ge*** - a digital map that visualises information and data stored in the first two components.

The purpose of the current assignment is to analyse the contribution of digital municipal services to the support of the development of LED and provide appropriate recommendations.

To achieve this goal, within the framework of this study, it is suggested to answer the following questions:

- What potential benefits does the digital municipal services system provide for local economic development actors?
- How responsive is the digital municipal service system to requests and questions/issues requested?
- What other digital services might municipalities be able to provide for LED?
- What are potential benefits of the digital municipal services system for participatory LED processes such as identification of Public-Private Dialogue opportunities and initiatives and stimulating development and use of innovative instruments and services (e.g. like the creation of communication platforms between businesses, civil society actors and public sector representatives)
- How are local actors assessing the digital municipal services system's effect on local businesses' competitiveness?
- What are potential areas for improvement to the digital municipal services system to better support LED?
- Which digital services of state institutions can be useful for LED?
- How municipalities, state structures, businesses, and non-profits can collaborate to digitalize development services.
- What LED-relevant statistics are collected already or should be collected, and how should they be analysed?

## 2. Overview of the Digital Municipal Service System

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DMSF is a comprehensive solution that combines various modules designed to digitalize various processes related to the administrative processes of local municipalities. The total number of elaborated modules is 17.

### 2.1 MS doc - document rotation module

Electronic document management is an automated information flow management system in municipalities. All further processing of correspondence received through the online application system and the electronic office is carried out in the electronic document management system.

### 2.2 MS council doc - city council document management module

The document flow of the City Council is an automated system for managing information flows in the City Council of municipalities. The module is a standard workflow system adapted to the specifics of the work of the City Council.

### 2.3 Ms chancellery - electronic chancellery module

The module for registration of statements received from citizens, the main function of which is registration of statements of citizens and issuance of prepared documents to citizens. This module is intended for employees of the Citizen Service and Case Management (Clerical) Service. The module has electronic access to the data of the State Services Development Agency and the National Public Registry Agency, which allows for effective verification of applicants, individuals, and legal entities.

### 2.4 MS HR - human resources management module

The module intended for employees in the field of human resources management allows employees to maintain a single database of human resources, which will be constantly updated. The module ensures the operation of the hierarchical structure of employees in the clerical and document circulation module of the municipal services development system.

### 2.5 MS social services - social support module

The social and health program management module will allow the relevant municipal staff to manage and control all programs, both single and multiple, in one space. Also, the system will enable the employee to prescribe the criteria and requirements for each program, categorize and group incoming applications.

### 2.6 MS free meal - free food module

Through the free food module, the municipality is able to electronically register and monitor free meals recipients and related activities.

### 2.7 MSAM - asset management module

The asset management module will allow municipalities to place municipally owned assets on an interactive map, categorize them, describe them, and specify the necessary parameters. Information about assets will be periodically updated by the responsible employee. The main part of the module is an interactive map on which Municipal assets will be placed as a layer.

### 2.8 MS waste management - waste management module

The main objective of the Municipal Waste and Street Cleaning Performance Management System is to provide municipalities with a waste management quality improvement tool so that they can more effectively

manage waste and monitor street cleaning. Waste management and street cleaning are monitored and evaluated through indicators. In the main cases, indicators are obtained as a result of performing arithmetic operations on certain quantitative data.

## **2.9 MS letters - online application portal (ms.gov.ge)**

Through the online application portal, the residents of the municipalities have the opportunity to submit an application online to their municipalities on the issue of their choice using an electronic ID card. On the portal, the citizen can familiarize himself with all municipal services identified according to specific directions.

## **2.10 MS IDEA - your idea to the mayor**

The module is a mechanism for the population's involvement in the activities of the municipality and the online presentation of initiatives on issues important to the municipality, which allows the population to participate in the development of the municipality. Any adult citizen of Georgia has the right to submit an idea.

## **2.11 MS INFRASTRUCTURE - infrastructure projects monitoring module**

The infrastructure projects monitoring module allows citizens to learn about the ongoing, planned and completed infrastructure projects in the municipality according to specific categories.

## **2.12 MS HELP - citizen help module**

The citizen assistance module is built into the online announcement system (ms.gov.ge), the citizen assistance module enables the residents of municipalities to establish direct, fast communication with the municipality. The module includes the possibility of a live dialogue, during which the employee of the municipality will provide an online consultation to the citizen regarding an issue of interest to him.

## **2.13 MS MAPS - spatial planning and interactive map module**

In terms of simplifying the use of geo-spatial data, the MSDA has developed a concept of a unified interactive map. The interactive map allows both citizens and municipality employees to display and view the following information as layers on the municipality map:

- Electronic announcements entered in the municipality's town hall marked on the map according to specific objects
- Territorial-structural, functional and restriction zones
- Cadastral data
- Roads and buildings
- Parking zones
- Linear structures
- Infrastructural and business facilities

## **2.14 MS RECREATIONAL AREAS - recreational areas management module**

The recreational areas management module is a component built into the interactive map, the purpose of which is to provide the municipality with a full-fledged tool for accounting and development of its green areas. Through the module, a register of green areas in the municipality is produced, in which the characteristics of specific green areas are detailed: area, number and species of trees, infrastructure located in the area, further development plans, etc.



### **2.15 MS PARKING - parking module**

Through the parking module, residents of the municipality have the opportunity to electronically purchase a parking pass, pay a fine, receive an SMS message to their mobile number. Through the website, the user can verify and purchase a parking pass and view detailed information on the fine issued to him: photos, protocol number, time and date of violation, place of violation, etc. Through the same system, it is also possible to pay the fine amount.

### **2.16 MS TAXI - taxi permit module**

The module ensures registration of taxis moving in the territory of the municipality and issuance of activity license.

### **2.17 MS CALENDAR - municipal calendar module**

The goal of the municipal calendar project is to create a nationwide centralized system for disseminating information about events; At the same time, simplifying the possibilities of exchanging information about planned and current events, according to location or interests. The municipal calendar will combine information on events at the central and regional level in one space and will be available to everyone. Users will have the opportunity to see the ongoing, planned or completed event within any municipality with a detailed description.

Currently, the project is in its final phase and several modules are being implemented across the country, as for the already implemented modules, they are actively used by municipalities to improve their daily activities and increase efficiency.

Newly formulated business requirements or legislative changes may lead to the implementation of appropriate changes in the existing functionality of electronic modules or the development of new functionality. In this regard, the software products created by the Municipal Services Development Agency are scalable and create opportunities. After the completion of the project, the Municipal Services Development Agency continues to closely cooperate with the municipalities in order to reflect their needs in the system as much as possible and to ensure the proper functioning of the electronic modules.

### **3. Local government services related to the development of LED.**

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We cannot unequivocally say that the services that are currently digitized are focused on the development of LED. The purpose of digitalized services at this stage is to improve the administrative office work of local governments.

In Georgia, local self-government has limited influence on the development of LED, but the most interesting for local businesses may be the electronic system for construction permits and licensing.

As a general rule, e-services and digitalization can help improve the process of public administration in local governments and create a transparent environment, which in itself will stimulate the development of LED.

To improve the quality of service delivery, it is necessary to build on international experience and on the experience of the central government.

The European Union develops and promotes directives that are very important for the development of the process of public service delivery.

To improve the quality of public service delivery, the government of Georgia has developed a policy document for the provision of public services, which declares the key principles that should be considered during the development of public services.

## 4. EU regulations related to Quality of Public service

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The EU has a number of important civil service reform initiatives. These initiatives aim both at improving the quality of public services and at better interoperability between public institutions in all Member States. These key areas are listed below:

- **Service directive** - This is an initiative setting the general framework at the level of the European Union for increasing the accessibility and quality of all types of services, for both citizens and businesses across its entire territory. The importance of this directive is that it provides the basis for initiating a common approach to shaping the content and process of delivery of public services for users from different countries. The Services Directive was adopted by the European Parliament and the Council on 12 December 2006. The deadline for transposition was 28 December 2009. Under the Directive, Member States are obliged to set up “points of single contact”, through which service providers can obtain all the relevant information and deal with all administrative formalities without the need to contact several authorities.
- **Common framework in providing public services at the level of the European Union (Interoperability Framework).** In close relation to the initiatives of various Member States, proofing the common effort to implement the above-mentioned service directive, a series of related actions were undertaken to increase the level of interoperability between various institutional set-ups for delivery of public services by public administrations of the Member States. This led to the adoption of the objective of establishing the European Interoperability Framework (EIF), aiming at improving cross-border interoperability between the public administrations within the European Union.
- **Public sector information (PSI) directive** - A common approach in the development and provision of services, as well as the efforts to insuring a high level of interoperability among Member States' public administration, is complemented by an initiative focusing on the flow of information among various institutions, as parts of the same public administration structure. PSI is setting the conditions for the re-use of public sector information (Directive 2003/98/EC, known as the 'PSI Directive') and entered into force on 31 December 2003. It focuses on the economic aspects of the re-use of information rather than on the access of citizens to information.

## 5. Guiding Principles for Public Services in Georgia

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The Government of Georgia has developed common values and principles to be applied in the process of designing and delivering public services in Georgia. These principles can guide the development of uniform standards and procedures for the development, provision, pricing and quality assurance of public services.

**Principle 1: Customer-minded and responsive to citizens needs through co-creation.** Customer needs, expectations and perceptions should be at the heart of the public service design and delivery process. Service providers should aim at studying and understanding client needs continuously as well as adapting to constantly changing customer preferences. There is a growing pool of evidence that shows that public services become more effective when customers are involved in the process of service design and production right from the beginning. The concept of ‘co-creation’, encompasses ‘co-design’ and ‘co-production’. Together with the principles of “design thinking” and “human centered design” it stands in stark contrast to more heavy handed top down methodologies of controlling and designing public services. Co-creation requires service providers to look at the service delivery from the customer perspective to make service delivery as simple and as convenient as possible.

**Principle 2: Quick Feedback Loops.** Since customer engagement is considered essential at each step of the design, delivery and quality assurance of public services, public institutions should develop instruments for the collection of customer feedback on an ongoing basis and design procedures for rapid response. The system should allow reinforcement of positive feedback loops and best practices as well as timely correction of problems that create negative feedback loops. Customer participation and quick feedback loops can help maximize the usefulness of public services and increase value for money in public service provision. Thus, the institutionalization of these practices and the establishment of the minimum requirements for constantly gathering feedback across various Government agencies, is key to delivering quality public services.

**Principle 3: Accountability.** Accountability is one of the foundations of good governance. Accountable institutions/persons are answerable for their actions and decisions, respond constructively to criticism, are willing to accept responsibility for failure to perform their professional duties and show readiness to fix mistakes. The principle of accountability denotes the obligation of the public service provider agencies as well as public officials to provide justification of their decisions and actions to any interested party in the political, judicial and social system and oversight institutions. Public services providers should be subject to both horizontal accountability (by other state institutions) as well as vertical accountability (through citizens, mass media and civil society organizations).

**Principle 4: Transparency.** The principle of transparency implies visibility of actions taken by public agencies/officials, openness in decision-making and effective communication with all stakeholders. This includes making publicly accessible all relevant government-held information in a timely and user-friendly manner. The released information must be up-to-date, accurate and complete. Transparent public institutions should be both proactive and reactive in making information available, create mechanisms to reinforce the right to information, and actively promote public engagement.

**Principle 5: Confidentiality.** Public servants should adhere to high professional standards and make a genuine effort to perform their duties to the best of their abilities. Moreover, public service provider agencies and public servants must ensure protection of personal data and respect customer privacy and confidentiality in accordance with the legislation and beyond, by incorporating this principle in the design of public services.

**Principle 6: Equal Accessibility and Non-discrimination.** The Government of Georgia should ensure equal access to high quality public services to all customers irrespective of their place of residence (urban vs rural), race, gender, ethnicity, religious or political affiliation, social status, disability, age or sexual orientation. Public servants are obliged to act in a non-discriminatory manner and to be polite, respectful, helpful and responsive to all customers. Public service provider agencies should maximize the use of technology in order to provide digital access to public services whenever possible and to adapt service provision to the needs of various groups (people with disabilities, senior citizens, mothers with small children and ethnic minorities) to make services more widely available.

**Principle 7: Agility (timeliness and adaptability).** The concept of agility comes from the private sector. In the context of Government agencies and public service provision it can be understood as ‘flexibility’. Agile management envisages cutting red tape and streamlining operations to maximize value for the customers. Agile public institutions and services are fast, easily adaptable and responsive to the dynamic needs of their organization as well as their customers. They also seize opportunities provided by changing environment such as the emergence of new technologies. Public service providers, which embrace agility, recognize the heterogenic nature of customers’ needs and segment customer bases to find tailored solutions for each segment; they proactively collect client feedback and reactively respond to complaints to minimize delays. Another important aspect of agility is the timely provision of services. The latter can be used as an indicator of responsiveness to measure customer satisfaction.

**Principle 8: Corruption-free.** Corruption or the abuse of power for personal gain, which may involve bribery, nepotism, bias, kickbacks, and other deals involving conflict of interests, undermines public trust in the Government institutions and leads to misallocation of scarce resources. A corruption-free approach in public service delivery envisages taking both proactive and reactive measures to eradicate corruption. Proactive measures include creating structures and regulations that minimize opportunities for corrupt behavior, increasing transparency of the service provision process as well as accountability of service providers. It also requires establishment of employee reward schemes and penalties that ensure the costs of corruption outweigh the potential benefits of engaging in corrupt behavior.

**Principle 9: Digital by Default.** The rapid development of information technologies and the increasing digitalization of citizens’ and organization’s everyday activities, has changed expectations towards Government services. Users are demanding more innovate and customized approaches to public service design and delivery. The Digital by Default principle envisages that governments make active use of the possibilities provided by information technologies and each newly designed public service is offered in digital format in parallel with its physical analogy, thus increasing the variety of service provision channels, while leaving the selection of the channel up to the user. Moreover, the principle also obliges governments to gradually transform their existing services into electronic format, to increase customer choice, attend to specialized needs of users, and reduce costs of public service delivery (including in terms of user time).

**Principle 10: Only once.** Public service provider institution should ensure that service users supply the same information only once to a Government agency. Given the consent of the customer, public organization should be the side, responsible for requesting, obtaining, processing and transferring of the information, which is under authority of another public entity and which is needed for rendering of the service to the user. Public agencies, if permitted, can internally re-use the collected data, respecting the personal data protection legislation and confidentiality principle. The “only once” principle also envisages a creation of a single contact point (one-stop-shop), whenever possible, so that no additional burden falls on public service consumers. The principle also applies to digital services provided by the Government i.e. all relevant electronic services which can be grouped together should be integrated in a single portal (while maintaining alternative channels such as service provider websites). The implementation of the “only once” principle demonstrates Government commitment towards maximizing customer convenience.

**Principle 11: Cost Efficiency and Cost Effectiveness.** Cost efficiency and cost effectiveness are key indicators of public sector performance. Cost efficiency relates costs of inputs (or resources) to outputs (or shorter-term quantitative targets). Cost effectiveness, on the other hand, relates the inputs to intermediate and final outcomes or longer-term objectives to be achieved. Both Cost efficiency and cost effectiveness in public services provision imply finding the least costly alternatives for attaining quality excellence and high level of customer satisfaction. Making the best possible use of scarce public resources without compromising on quality lies at the heart of the principle of cost effectiveness.

**Principle 12: Fair Pricing.** This principle implies that the pricing of public services is based on sound budgeting and is fair to both service producers and the service consumers. On the one hand, public service providers can adopt various financial tools from the private sector for accurately estimating total costs of service provision. This would allow proper costing of each service and better planning, so that prices established for the services (including envisioned promotional events) ensure that public agencies are not loss-making institutions, enabling further institutional capacity development and covering the costs of

quality service provision and break-even at least. On the other hand, pricing of public services should take into consideration social and economic factors, such as general standards of living in the country, to maximize the availability of essential services to the users (selective pricing mechanisms maybe adopted for socially unprotected groups, or for using less costly digital services). Given the above, different types of pricing models could be acceptable in order to accommodate specific needs and circumstances of specific service providers.

**Principle 13: Continuous Improvement.** This principle implies the ongoing improvement of an organization's internal processes and procedures to better design and deliver public services to customers. Implementation of this principle in public service design and delivery requires creating a participatory organizational culture, where initiatives are encouraged and rewarded, and where all employees combine their collective talent to work proactively on identifying areas, which need improvement, while reinforcing best practices. Moreover, it is essential to swiftly incorporate customer feedback in the process, since continuous improvement of public services must be driven by user demand.

**Principle 14: Quality Excellence.** Quality comprises different aspects of the overall organizational performance. For instance, public services need to correspond to predefined quality standards and sound financial management. This includes reducing error rates and responding rapidly to correct errors in order to increase the level of customer and employee satisfaction. Excellence in public service provision requires going out of the way to attend to each of these aspects to exceed the expectations of an organization's stakeholders and deliver a superior customer experience.

**Principle 15: Collaboration.** Public service provider state agencies should closely collaborate to share knowledge, experience, information and pool resources to align and coordinate their activities, reduce/avoid duplication of efforts and increase efficiency and effectiveness of their operations with the ultimate purpose of achieving excellence in public service provision.

**Principle 16: Partnership.** Public service provider state agencies should seek to establish strategic alliances and mutually beneficial partnerships with other tiers of government, the private sector as well as international and local non-profit organizations in order to share knowledge, skills, information, technology, and infrastructure and implement joint projects. Internal regulations and frameworks of the governmental organizations should be modified or created to encourage the establishment of such partnerships. Public agencies should involve key partners in design of new and improvement of the existing services.

**Principle 17: Evidence-based Decision-making.** Government agencies should strive to base the process of public service design, delivery, pricing and quality assurance on data analysis and rigorous evidence, wherever possible. This requires systematic collection, processing and analysis of information to ensure availability and usability of high-quality data by relevant government agencies. A facts-based approach can be used in identifying customer needs/demands for new public services, collecting customer feedback regarding existing services, identifying most sought-after services, optimizing use of resources, assessing costs and setting prices, improving employee productivity and many other fields. Evidence-based rather than intuitive decision-making would allow service providers to make best use of scarce public resources and create greatest value for the customers.

**Principle 18: Everything Everywhere.** Provision of access to any service from any place (be it a service center, home or office) through "one-stop-shop" and "digital by default" principles, where possible.

## 6. Public service design and delivery

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E-services are, by definition, a one of the form of service delivery and not a stand-alone service provided to businesses or citizens by the public sector. Therefore, we will talk in general about the service and e-service as one of the forms of its provision.

A public organization, like any other agency, carries out its activities according to certain consistent organizational processes, which we call business processes.

A business process is a collection of related, structured activities or tasks performed by people or equipment in which a specific sequence produces a service or product (serves a particular business goal) for a particular customer or customers.

Analysis of existing business processes and their rethinking or reengineering using new approaches makes it possible to improve the quality of the service provided. The following are some useful approaches that improve the quality of service delivery.

### 6.1 Separation of the work process of "back" and "front" offices

Historically, the following practice was established in the public institution: a citizen who came to receive a specific service was met by an appropriate person who received his application, along with the attached documents, and was then responsible for all proceedings related to this customer. In particular, he had to prepare the documentation related to the service, the relevant decision, and deliver the result to the user. Such a process is distinguished by a high corruption risk, because a specific public official has an influence on the conduct of a specific user.

Today, the so-called the practice of separating "back" and "front" offices. This method is divided into 2 main parts:

1. **"Front" office** — where a citizen goes with a request to receive services, registers an application, brings relevant documents and undergoes an initial consultation. The function of the front office employee includes only the registration of the entered documents in the organization and delivery to the "back" office;
2. **"Back" office** — employees process the received documents and start proceedings. After the process is completed, the prepared documents are sent back to the "front" office for delivery to the customer.

Separation of "back" and "front" office has many positive aspects:

- **Anti-corruption effect** — organizing the work process in such a way that the user does not have direct contact with the decision-maker makes the possibility of corrupt deals more difficult. The employee of the "front" office has direct contact with the citizen, who is obliged to receive the requested documentation in a predetermined manner and invariably deliver it to the "back" office through the computer system. The "front" office employee does not know which "back" office employee will be involved in further work and obtaining the final result;
- **Optimization of the service process** — due to the fact that the process is divided, the management of the organization has the opportunity to clearly see at which stage of the work performance we have a delay or a defect. In addition, as a result of conducting the process with information technologies, the management clearly perceives who performed a specific action and for what time at a specific work stage of service delivery. In this way, it becomes possible to improve/optimize the work process of a certain stage more flexibly, so that the whole work process is not interrupted;
- **Transparency of the service process** — the division of the service and management by information technologies allows us to make the process more transparent for citizens and to proactively provide them with information about their own work (in particular, work stages and expected or established deadlines for the completion of the process). In this way, information can be provided automatically;

- **Improvement of service quality** — customer-oriented service implies constant analysis of customer requirements and provision of services with appropriate quality. Logical division of the process allows us to define service quality standards for each link of the work and gradually adjust them to customer requirements;
- **Use of different service channels** — the separation of "back" and "front" office has another positive effect: the use of information technology allows us not to have the "front" and "back" offices physically in the same building: the "front" offices are located in a convenient, accessible place for users in places, while the "back" office functions in a centralized form. Such an approach, in addition to being anti-corruption, also allows the public institution to optimize investments and personnel;
- **Staffing optimization** — the division of work allows the management to receive various analytical information: for example, we can identify the busiest areas in the process, where the "throughput" of the work is much lower, and expand them with additional staff. This can be ensured by reducing staffing at less busy workplaces. In addition, the management has the opportunity to select personnel with a narrower specialization. Their qualifications should correspond only to the necessary requirements for work in this area, which greatly simplifies both the search for new staff and the retraining of existing employees for inclusion in another work process.

Implementation of this principle allowed public institutions to create high-quality service points such as justice houses and community centers.

A prominent example is the service of the Public Registry National Agency of the Ministry of Justice of Georgia from the offices of commercial banks or authorized service centers.

## 6.2 Publishing open data

Open data publishing has many advantages:

- Reuse of information accumulated in the process of the organization's activities — it helps other organizations and general stakeholders to avoid repeating the work that has already been done. The mentioned approach can become the basis of additional economic stimulation;
- Promotion of innovative research and business development - the data accumulated in the process of specific activities can become a stimulating source of new business ideas and research. There are many examples of this in the world;
- Anti-corruption effect — the publication of open data contributes to the transparency of the organization's activities, its activities and achieved results. Hence, through them, it is possible to develop independent public control mechanisms, which is an important factor for improving the anti-corruption environment in the state.

## 6.3 Periodic revision of the list of documents to be submitted to receive services to reduce their number

In order to initiate any business process/service in a public institution, it is necessary to create certain prerequisites from the user's side: namely, providing predetermined documentation and application. In most cases, the documentation specified for receiving a specific service involves information requested from other public institutions. Modern information and communication technologies allow us to automatically request such information, with the consent of the citizen, and thereby make the process easier and cheaper for the user. In some cases, the required documentation was only determined as a prerequisite for service based on certain historical/political realities. Thus, periodic analysis/revision of the required document necessity often gives positive results to identify unnecessary/unnecessary documents and remove them from the list of requested documents.

In addition, the use of information and communication technologies has significantly increased in Georgia. The Law of Georgia "On Electronic Documents and Reliable Services" came into force, which



allows us to conveniently use electronic documents in the process of conducting public affairs. Requesting information necessary for the service from other public institutions - in electronic form and with the user's consent - is considered to be equivalent to removing it from the list of requested documents.

Reducing the list of documents to be submitted for receiving services is an important step forward. In particular, by:

- It becomes easier for the user to receive services — he has to search for much less documents from various agencies;
- User costs are saved and economic activity is stimulated in the country, in particular: in order to find any document necessary for a specific service, the citizen makes a certain investment — he spends time and financial resources (he pays the necessary fee for transportation and obtaining this document). If the document is not required, the citizen will use the saved funds and time for other, more necessary activities, which will ultimately be manifested by stimulating the economy in the country;
- Improving the country's business environment — the time and financial resources that a citizen or business spends on a specific service is one of the important criteria for evaluating business in the country. Therefore, removing any required documents from use (if possible) is a step towards improving the country's business environment.

## **6.4 Proactively informing the user about the case management process**

The necessary time to receive any service in a public institution must be clearly defined. The best practice is to divide the work process into sub-processes (eg: initial processing of the application to detect the defect, the first stage of the case, decision-making and delivery of the final result to the customer) and determine the work time required for them. With this approach, the existing work process in the organization is much better controlled, which allows us to identify a possible error or delay in time. In addition, to increase customer satisfaction and transparency of the process, it is important to provide information to the customer proactively/advance, at what stage of processing their application is and how long it is likely to take to complete the process.

Implementation of the mentioned approach allows us to:

- To increase the user's satisfaction with the services provided — since he is informed about the processes related to his application, he knows what additional procedures the application has to go through and how long it will take to complete the proceedings; This unconditionally increases customer satisfaction and loyalty to the service and the organization providing it;
- Process Transparency — Breaking down work into small steps and informing the user of the outcome of each step is also a good process transparency practice. This allows us to identify in time the errors that arise in the process and to react accordingly.

## 7. Basic principles and examples of best practices in public sector services

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When providing services to customers, it is important to take into account the best practices in the country and the world and available technological means. Below are specific examples and best practices related to these issues.

### 7.1 "Only once" principle

The goal of this one of the basic principles of e-government is that public organizations can only receive certain standard information from citizens and organizations once and use it in another process of conducting business without asking the person to submit it again.

For example, it is a common practice when one public institution asks a citizen to deliver a certificate or document issued by another public institution. Taking into account the "only once" principle, a similar issue is resolved through the cooperation of public organizations: based on the consent of the citizen, the first agency requests from the second organization the information necessary for the user's case management.

Implementation of such practice reduces administrative barriers for the citizen and makes it much cheaper to receive a specific service; The processing time is also reduced, because the requested information can be obtained using information technology.

For the guaranteed and safe exchange of information between organizations in Georgia, a special infrastructure has been created, which is managed by the Digital Governance Agency of the Ministry of Justice of Georgia. By means of it, in case of the existence of the corresponding right, the organizations can obtain the necessary information for the proceedings from other public institutions.

International practice shows that the introduction of such a principle significantly lowers the cost of services, as well as reduces the time of proceedings and the probability of errors.

### 7.2 "Connected Government" principle

Through this approach, information is seamlessly exchanged between units of a single organization. For example, if any department of one organization possesses information that is important for the operation of another department, it is exchanged/supplied automatically. Unfortunately, such an approach is not common among organizations.

The main goal of "connected government" is to proactively or instantly exchange important information between public institutions.

The European Interoperability Framework (EIF), (The European Interoperability Framework (EIF), [https://ec.europa.eu/isa2/sites/isa/files/eif\\_brochure\\_final.pdf](https://ec.europa.eu/isa2/sites/isa/files/eif_brochure_final.pdf); [https://www.youtube.com/watch?time\\_continue=54&v=g-CzHHJ0ZTM&feature=emb\\_logo](https://www.youtube.com/watch?time_continue=54&v=g-CzHHJ0ZTM&feature=emb_logo)) which was adopted by the European Commission on March 23, 2017. This framework provides concrete guidance on how to build interoperable digital public services.

All EU countries are implementing digital reform of public administration services. According to the recommendations of the EIF, member states should consider a common approach in such processes as the provision of public services via the Internet, the integration of these services with each other, the availability of information sources, and the development of common rules for security or data protection. This will make services available not only across national borders, but across countries as well as across common policy areas. In other words, they will practice compatibility. In this way, public administrations can save

time, reduce costs, increase transparency and improve the quality of services that organizations offer to citizens and businesses.

The implementation of a similar approach is aimed at the state strategy of mutual involvement of Georgia, which is being actively developed by the "Digital Governance Agency" of the Ministry of Justice of Georgia.

To illustrate the principle of "connected government", we can consider the following example: in the process of a specific service, an organization automatically initiates a service related to this process in another organization. For example, the birth of a child in a family, which is registered by the "State Services Development Agency", may become the basis for activating a certain social package in a specific municipality; Or the generation of additional income for a specific family can become a reason for removing the social subsidy. Good practice involves proactively providing this information to the relevant agencies (without the citizen's intervention, only with his consent or on the basis of the relevant legislation).

Implementation of such an approach in public institutions improves the quality of services, reduces the probability of errors and increases the efficiency of the public sector.

In order to exchange information, it is also important to use the data exchange infrastructure of the Digital Governance Agency of the Ministry of Justice of Georgia.

### 7.3 Public Service Hall and Community Centers

Today, Georgia is one of the outstanding examples in the world in terms of public services for citizens, and service delivery through justice houses and community centers has a special place in this.

The House of Justice mainly provides central government services to citizens. It is possible to receive up to 800 services. During the working day, the Tbilisi House of Justice serves 8,000 to 12,000 citizens. The waiting time of a citizen does not exceed 5 minutes.

Unlike the Houses of Justice, Community Centers are mainly focused on providing local government services and providing basic services to the central government. Citizens receive about 300 services through community centers.

One of the most important aspects when introducing a new service in the organization is the development of convenient forms of providing it to the citizen. The use of justice houses and community centers as channels of service reception or delivery significantly increases the quality of service and reduces the investment and operational costs of service implementation.

### 7.4 Public and private sector cooperation in the provision of public services

It is possible to cooperate with the private sector in the provision of public services, providing mutually beneficial results for both parties. A clear example of this is the delivery of services — property registration — from bank offices to the Public Registry National Agency of the Ministry of Justice of Georgia.

The Public Registry based this decision on an absolutely practical opinion: after anti-corruption reforms were carried out in the agency and real estate registration was simplified, the process of real estate registration was activated in Georgia and the demand for this service increased several times. The public registry faced acute problems such as increased queues, service delays and deterioration of service quality. The logical way out of this situation was to build new "front" offices, which would require significant financial resources and the process would take time. To solve the problem, an innovative decision was

made at that time: providing services through bank offices. This solution turned out to be very interesting, both for the banking sector and for the population, because:

1. Citizens, together with the transformation of the property, carried out financial transactions in the same building;
2. Citizens have increased their sense of security regarding financial or legal transactions related to property;
3. The role of banking operations in the process of property transformation has increased — before that, a large percentage of property-related financial transactions were carried out in cash;
4. Banks were given the opportunity to provide property-related services to citizens on a "one-stop shop" basis.

The mentioned process encouraged the cooperation of the public and private sectors in the field of property in other directions as well. For example, this results in:

- Online updating of the citizen's real estate statement and receiving it in the form of an electronic version when taking mortgage loans;
- When issuing such a loan, mortgage the property by electronic means and, in case of repayment, remove the mortgage in the same way;
- Creation of means of online verification of personal identification documents, etc.

Today, the banking sector widely uses electronic services in the public sector. For example, when issuing a bank credit, with the consent of the citizen, the bank has the opportunity to check: his tax liability or taxable income; Also, profits of companies registered in his name, tax debts, vehicles registered in the company's name or in his name, etc.

It is also worth mentioning the opening of the new office of the Ministry of Justice of Georgia "Justice House": as you know, Gldani is one of the largest and growing districts of Tbilisi. Accordingly, in order to increase the availability of state services for citizens, it was decided to place a similar public center in the newly built shopping complex of this district. This decision saved the Ministry of Justice of Georgia from large infrastructural costs, and citizens living in Gldani were given the opportunity to receive high-level state services close to their homes.

For the management of the shopping center, this cooperation is an additional means of attracting new customers and increasing turnover.

Another example of successful cooperation between the public and private sectors is the innovative model "Just Cafe". In this cafe located on the territory of the Tbilisi House of Justice, customers can taste a variety of menus. At the same time, he has the opportunity to receive the services of the House of Justice in the cafe at the same time as having breakfast or dinner (for example: to register a company together with his colleagues, or to apply for a new passport). The cafe is operated by a private company, and the service is provided by an employee of the House of Justice. This model is one of the best examples of multilateral and mutually beneficial cooperation between private and public organizations.

## 7.5 Importance of measurable indicators in service quality improvement

Any organizational process, in addition to functional characteristics, also has non-functional characteristics. The first category includes:

- Documents necessary to initiate the process;
- Who and in what form verifies these documents and makes a decision;
- In what order, sequence, action and form will the document be moved from one department to another;
- In what form will the final product be delivered to the customer, etc.

Non-functional features may refer to service security, convenience, performance, delivery time, etc. We will touch here on the quantitative non-functional characteristics of services and indicators that accompany any service, for example:

- number of users during the day or month;
- peak hour traffic;
- average time of the customer standing in the queue;
- Social status of users (eg: female/male; married/getting married; native language; limited abilities);
- the distance that has to be covered to receive the service;
- average time required for complete processing of each application;
- average time required for application processing in organizational subdivisions;
- Defined maximum and minimum time for application processing, both in the whole process and in a specific organizational unit, etc.

These quantitative parameters can be easily obtained when implementing automated procedures in an organization. Such indicators are the most important analytical basis for the management of any organization in the process of service quality improvement. For example, if too many customers come to the organization during peak hours, it is possible to offer new service channels or define the tariff policy in such a way that customers have more incentives to come at other times.

Measuring the time of the work process, as a whole and within each organizational structure, allows us to identify the most difficult and time-consuming areas. This can be the basis for initiating additional changes (increasing staff or process changes) in a particular organizational structure.

It is important to consider in detail the cases that required the most or least time in the work process. Such cases may contain corruption risks, or allow us to identify new and more effective business methods.

## 7.6 Tailoring services to different social groups

The main task of a quality-oriented public institution is to define different consumer groups and provide services to each of them in the most convenient way. The following examples can be taken into account by each public institution in the process of service delivery.

- **Accelerated service** — the practice of accelerated service is widely implemented in many organizations of Georgia, receiving specific services faster than the established standard for an additional fee. Such services may include different tariff policies, depending on the terms (for example: if the service is conventionally worth 10 GEL and it can be received in 5 working days as a standard, in case of payment of 20 GEL, you will receive it within 3 working days, and in case of payment of 50 GEL - in 1 hour) ;
- **Place of service delivery** — in many cases, it is convenient for the user to submit an application in one territorial organization and receive a response in another territorial organization. The separation of "back" and "front" offices and electronic business management allow organizations to offer such;
- **Different forms of service delivery** — depending on different circumstances, often customers prefer to receive services remotely. In this regard, the most convenient form is electronic service. Already in many organizations, including the "Services Development Agency" of the Ministry of Justice and notaries, the so-called "Skype service" — user identification and application registration through "Skype". In the mentioned process, it is important for the civil servant, who registers the application for the first time, to clearly identify the identity of the user. The user's video call is fully recorded by electronic means. Such services are especially convenient for citizens living abroad;
- **Stimulation of electronic services** — consumers often perceive electronic services as a more convenient form. In fairness, however, we should note here that this form is also beneficial for the

service provider: electronic services save the resources of employees and relieve the users of the "front" office. Considering these factors, it is much more convenient (and cheaper) for the organization to provide the service in electronic form, compared to the physical service. Therefore, organizations often encourage customers to more actively use electronic means of service. For example, it is possible to deliver services faster or more cheaply through electronic channels so that these channels are more widely used. "National Public Registry Agency" of the Ministry of Justice of Georgia will update the electronic extract in the same form for 5 GEL cheaper than in case of physical attendance;

- **Providing services through a trusted person** — if a citizen is unable to get a specific service to a public institution, many organizations allow him to receive this service with the help of a trusted person. For this, the person entrusted with the trust must have the citizen's notarized consent. This can apply both to the filing of an application and to the withdrawal of a prepared document;
- **Channels of delivery of the prepared document** — offering various channels of delivery of the document obtained as a result of proceedings also makes the service convenient. For example, the organization may offer the user to receive the document electronically or by mail. Today, many public institutions actively use the unified portal of electronic services (My.gov.ge) to deliver documents in electronic form;
- **Services in other languages** — due to the ethnic and linguistic diversity of Georgian citizens, it is necessary to provide services in different languages. In Georgia, we have many tourists and non-resident citizens who need to receive public sector services in a language different from the state language. The ability to provide service in foreign languages is an indicator of a high standard of service. Therefore, it is a good practice to develop service related application forms in different languages to make it easier for foreign language users to receive government services. As you know, any official document issued by a public institution must be prepared in the Georgian language, but often the content of the document is translated into another language for various business processes, as well as for foreign partners of our citizens. For this purpose, the "National Public Registry Agency" of the Ministry of Justice of Georgia has implemented an additional service of translating business documents into English. Along with the update of the extract, the citizen can also request its English version to be prepared for an additional cost. This is a convenient service for many of our fellow citizens and foreigners.
- **Adaptation of services for persons with disabilities** — accessibility of services for such citizens is one of the obligations of public institutions. This applies to both physical and online service channels. To this end, special service delivery guidelines for persons with disabilities have been developed, detailing the standards of conduct ethics, physical environment, website design and event organization;

## 7.7 Automated decision making tools

In any business process, when solving a specific task, it is often necessary to make a certain decision on this or that issue. Due to human nature, when making such decisions, there is always a certain subjectivity, or the risk of making a mistake, which may include a risk for the organization's activities.

In specific cases, this risk can be avoided by automated means of decision-making (eg: if decision-making on a business process is based on strictly defined criteria, it is appropriate to automate this process).

Such a clear example is the automatic distribution of work among employees, depending on their workload. By implementing such a mechanism, the work will be evenly distributed in the organization and the transfer of the case to the interested person for subjective reasons will be reduced to a minimum.

It is this approach that was introduced in the judicial system during the automatic distribution of cases, which in this particular case has a significant anti-corruption load.

Also, the anti-corruption task was to introduce a cargo clearance risk management system. This field is characterized by high risks of corruption all over the world. Before the introduction of the system, a specific customs officer had the authority to determine which cargo should be allowed to pass without inspection, only by checking the documentation, or with full control of the cargo. Under the light anti-corruption policy of the state, the customs officer tried to check less cargo; If the anti-corruption policy was tightened, in order to avoid punitive risks, the customs officer would try to check as many cargoes as possible, although the risks of corruption still remained. In addition, the more the number of cargoes to be checked increased, the more time was needed to clear them, which naturally created a queue and increased the duration of cargo waiting. The solution to this situation was the implementation of a risk management system, which is based on predefined parameters and pre-processes the following information: type of cargo, origin, country of origin, route, cost, tax history of the importing company, history of the shipping company, etc. As a result of the analysis of these parameters, the system automatically provides information to the customs officer, whether the cargo should be fully checked, only the documents should be checked, or it should be passed without customs inspection. The introduction of such a system significantly reduced the corruption risks at customs and the delay time of cargo at customs.

An interesting automatic decision-making system was introduced in the Social Services Agency as well. Its purpose is to assign points to socially vulnerable families in order to determine the amount of state subsidies. The agency's evaluators independently describe the assets and income of socially vulnerable families. After entering these data, the system automatically determines the social score of a particular family.

## 7.8 Digital signature and electronic stamp

As we mentioned, the law "On Electronic Documents and Electronic Trust Services" is valid in Georgia (<https://matsne.gov.ge/ka/document/view/3654557?publication=1> )

Based on this law, the certified and accredited body in Georgia is the State Services Development Agency of the Ministry of Justice of Georgia. Within the framework of the agency, citizen's digital signature, as well as organizational and time stamp services are already functioning.

A citizen's digital signature is used to express his will on an electronic document, and it is impossible to falsify such a document. Nowadays, any citizen of Georgia who has a new ID card can digitally sign an electronic document.

The digital stamp is designed to express the will of legal entities on an electronic document. To get an electronic stamp, a representative of a legal entity should apply to the State Services Development Agency of the Ministry of Justice of Georgia.

A digital time stamp is used on an electronic document to record the unmistakable time of its creation.

According to the mentioned legislation, any electronic document is considered as admissible evidence in the process of court proceedings, and a digitally signed document is considered as infallible evidence.

According to the current legislation, in order to start the proceedings, the public institution has the right to receive only a digitally signed electronic document (unless any other exception is allowed for a specific organization by the relevant act of the Government of Georgia).

It is technically impossible to falsify a digitally signed document, unless the digital signature key illegally ends up in the hands of another person.

The use of electronic documents in the work processes of public institutions increases the efficiency of proceedings and allows for the organization of business processes in a new way.



## 7.9 Unified portal of electronic services My.gov.ge

The unified electronic services portal My.gov.ge was created by the "Digital Governance Agency" of the Ministry of Justice of Georgia. The purpose of the portal is to provide citizens and businesses with state services electronically through the "one window principle".

If a citizen uses a new ID card, he can access the services on the portal without initial registration. In other cases, the citizen must register at the House of Justice.

Today, more than 600 e-services are available on the portal, and their number is increasing daily.

Integrating the service into the portal facilitates the availability and automatic delivery of this service by such means as electronic notification of service status to the user, digital signature, document delivery in electronic form, etc.

The My.gov.ge portal offers a special solution to organizations that do not have the means to create an information system supporting the proceedings, or a technically sound website through which it will be possible to receive electronic services: it is the integration of the service of receiving the documents necessary for the service in electronic form on the portal, which is provided by digital By signature, online payment, automatic notification and other means. Information is sent to the service provider through the portal in the electronic document circulation system. The organization processes the incoming documentation, which is officially registered in its document circulation system, in an appropriate manner. After the completion of proceedings, the prepared document is delivered to the citizen from the organization's electronic document circulation system, through My.gov.ge. This method provides high-quality electronic services to the citizen without introducing an electronic Business procesis in the Organisation.



