

Introducing Shared Services in Bulgaria's Public Administration

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THE STORY

- Bulgarian system of public administration divided into **specialized** (Policy-making) and **general** administration (supporting – FM, HRM, ICT, property management, public procurement, etc.)
- **Overstaffed** general administration – each institution has its own GA (15-30 % of entire staff)
- **Inefficiency** – high expenditures for supporting functions
- **Lack of conformity** – different structure for identical activities; different business processes, standards, quality



THE STORY

- Lack of uniform IT systems and solutions
- Perception of **low quality** of support services
- **Tension** between specialized staff and GA
- Absence of “client-centered” approach

The negative context:

- The principle “each institution with its own GA” is set in the **legislation**
- Difficult reform – “losing ownership”, mistrust (staff cuts ?!), **resistance** at all levels



IMPLEMENTED ACTIONS

- Priority set at **political and strategic level** - Public Administration Development Strategy 2014-2020
- Find the best reform “driver” (counsel) – **World Bank**
- Selection of areas – Financial Management, Human Resource Management; Property Management
- Choice of **model** – centralized or decentralized (gradual)
- May 2017 - Government of Bulgaria commissioned advisory services from the **WB to assist with the introduction of shared services**



IMPLEMENTED ACTIONS

- Series of events presenting the lessons learned by **other EU Member States** that have successfully introduced shared services in their administrations
- **2 pilot administrations** selected – Ministry of Health (HR) and Food Safety Agency (HR and FM)
- In pilots: **mapping current business processes** -> **re-engineering** and optimization -> creation of SSU
- Recommendation on **necessary upgrades** to the centralized HRM management information system
- Separate report on **Property Management**



RESULTS

- Development of a **new organizational model**
- Creation of SSU, incl. by **legal amendments** (statutory and organizational normative acts)
- **Transfer of support functions** to a higher level
- Optimization and **standardization of business processes** – valid for entire Bulgarian administration
- Clear **division between sub-functions** suitable to be centralized and those to be kept by each institution



RESULTS

- **Training** of staff
- Strategic **mapping of ICT upgrades**
- **Better quality** of services
- **Acceptance of the concept** – achieved
- Monitoring and evaluation **mechanism set**
- Model to be **spread** !
- Property Management – short-term, mid-term and strategic **goals set**



LESSONS LEARNED

- **Tailor-made approach** – national legal and administrative context, different institutions
- Clear plan and **Change management**
- **Focus on people**
- **ICT as a strategic enabler** of shared services – significant resources needed
- The goal – **medium and longer-term benefits**
- Key point – **customer-oriented mindset**: while introduction of the shared services is directly related to internal processes, it ultimately affects organization's ability to serve people and businesses



THANK YOU!

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