Bulgaria: Shared Services

Breakout Session B: Managing Public Resources

Presented by
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• Bulgarian system of public administration divided into specialized (Policy-making) and general administration (supporting – FM, HR, 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
• 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 and accounting; HR; 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 ShS Units

• Recommendation on necessary upgrades to the centralized HR management information system

• Separate report on Property Management
• Development of a new organizational model
• Creation of ShS Units, 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!

Questions?

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