



ULB – Solvay Business School, in collaboration with
the Federal Public Service (FPS) Personnel and Organization

PUBLIC MANAGEMENT PROGRAM

Training Period Report

Arizona Department Of Revenue
Phoenix, U.S.A.

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Special thanks

I want hereby to thanks all the friendly people who helped me during my training period in the Arizona Department Of Revenue and everyone who made this study trip has been a real pleasure.

With special thanks to :

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All the BRITS team.



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2 Training period objective

The main theme is the strategic management in the public sector. In particular, the study of the implementation of such a system and the needed phases of its carrying out in the scope reengineering the Arizona taxation system via the B.R.I.T.S (B.R.I.T.S. : Business Reengineering / Integrated Tax System). The customer relationship aspects, the process management and the outcomes auditing will be a part of this study towards an fully automated system built for a efficient service with optimal quality.

This training period is based on the observation of the newly designed structures and procedures put in place in order to implement the BRITS project. At different times, meetings with Arizona's civil servants and consultants involved in this project gave me the opportunity to exchange some best practices having in mind the same kind of projects the FPS Finance is building now.

2.1 Management Trainee Mission

Mrs Lynette States, BRITS Project Manager, is responsible for the BRITS implementation. She manage this reengineering project meant for the whole Arizona State. This training period will give the trainee all needed informations related to the project implementation allowing him to collect a lot of 'best practices' which can be help the trainee for his work as project leader in Belgium. To bring back those practical experiences will improve the overall customer minded performance and the quality in an efficient way in the Coperfin plan perspective. The BRITS project, described in the following pages, gives the opportunity to observe a complete redesign of a public administration and fully justify the choice of this training period.



3 Welcoming Organization Description

3.1 Geopolic Context : The Arizona State

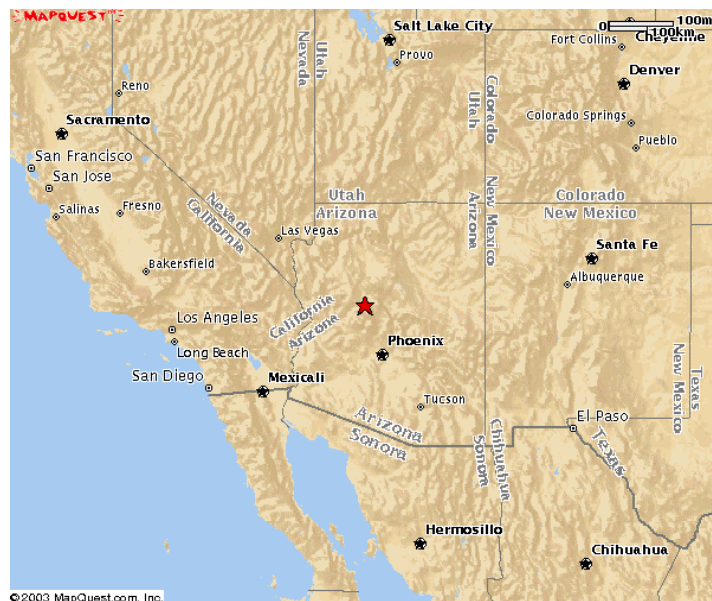


- Organized as a territory on February 24, 1863.
- Entered the Union on February 14, 1912 (48th State).
- Present Constitution adopted in 1911.
- **Capital:** Phoenix

- **Governor:** Janet Napolitano, D (in office to January 2005)
- **Senators:**
 - Jon Kyl, R (in office to January 2007)
 - John McCain, R (in office to January 2005)
- **State Motto:** Ditat Deus (God Enriches)

- **Number of counties:** 15
- **State parks:** 28
- **Residents:** Arizonan, Arizonian
- **Nickname:** Grand Canyon State
- **Origin of Name:** From the Indian “Arizonac,” meaning “little spring” or “young spring”

- **Land area:** 113,642 sq mi. (296,400 sq km)
- **Largest county by population:** Maricopa, 3,072,149 (2000)





○ **Counties**



Apache
Cochise
Coconino
Gila
Graham
Greenlee
La Paz
Maricopa
Mohave
Navajo
Pima
Pinal
Santa Cruz
Yavapai
Yuma

○ **Largest county by area:** Coconino, 18,562 sq mi.

○ **Arizona 10 Largest Cities by Population (2000)**

- Phoenix 1,321,045
- Tucson 486,699
- Mesa 396,375
- Glendale 218,812
- Scottsdale 202,705
- Chandler 176,581
- Tempe 158,625
- Gilbert 109,697
- Peoria 108,364
- Yuma 77,515

○ **Arizona 2000 resident census population (rank):** 5,130,632 (20)

○ **Male:** 2,561,057 (49.9%)

○ **Female:** 2,569,575 (50.1%)

○ **White:** 3,873,611 (75.5%)

○ **Black:** 158,873 (3.1%)

○ **American Indian:** 255,879 (5.0%)

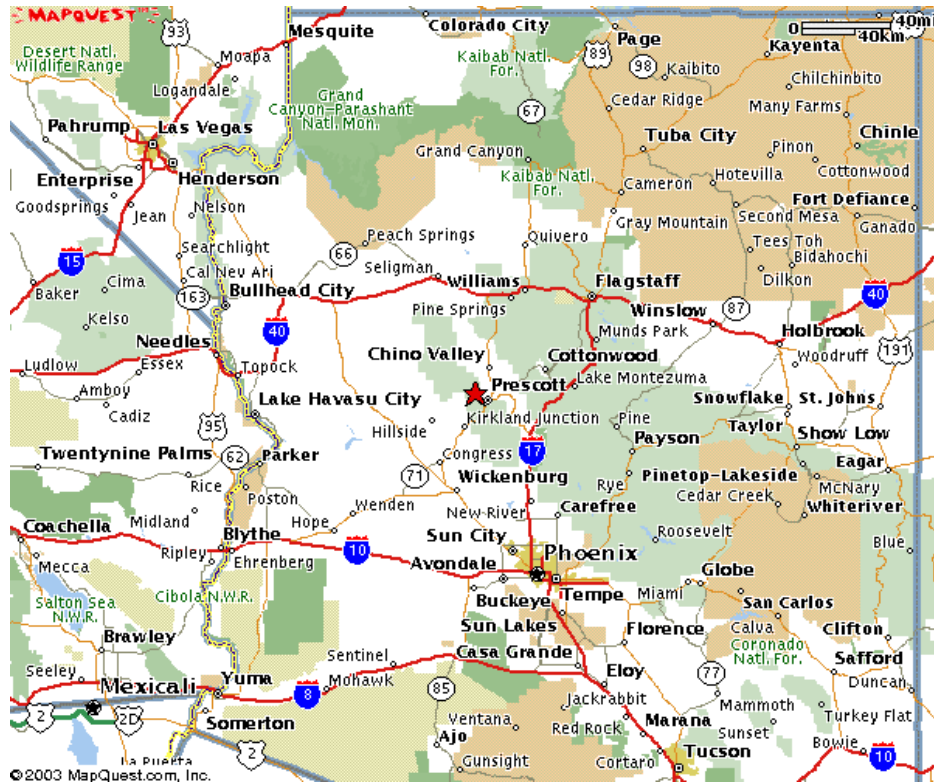
○ **Asian:** 92,236 (1.8%)

○ **Other race:** 596,774 (11.6%)

○ **Two or more races:** 146,526 (2.9%)

○ **Hispanic/Latino:** 1,295,617 (25.3%)

○ **2000 percent population 18 and over:** 73.4; 65 and over: 13.0; median age: 34.2.



Arizona can be compared to Belgium : various political power from cities to state going through counties. Arizona counts 5 millions people sharing a 296,400 sq km territory (Belgium : 32.545 sq km) . The settlement is concentrated around major cities leaving wide open space without anyone. This major difference may explain the differences between Belgium and Arizona Department Of Revenue structure.



3.2 The Arizona Department Of Revenue (ADOR)

The Arizona Department Of Revenue has nearly 1000 employees distributed on 4 sites; Phoenix's offices being the major one. People dedicated to the BRITS project are about 72 : 60 from Accenture and 12 civil servants from ADOR. To be able to flow information and coach the changes through the Department, a change network has been established : 35 trained people cope with change management communication allowing every plan to be implemented in a smooth way.

4 locations for the entire state :

Phoenix Office
1600 West Monroe
Phoenix, AZ 85007
Main Phone Number 602-542-2076

East Valley Office (Chandler - EVO)
3191 N. Washington Street
Chandler, AZ 85225
Main Phone Number: (480) 545-3500

2902 W. Agua Fria Freeway
Phoenix, AZ 85027
Main Phone Number: (602) 337-7500

Tucson Office
400 W. Congress
Tucson, AZ 85701
Main Phone Number:(520) 628-6600

When a citizen needs to meet a DOR civil servant he must drive to one of the above location. Regarding the spot where the customer is living, this can lead to a 4 hours drive trip. In Belgium a FPS Finance's office is never far away but in return we must be able to manage 500 remote sites.

3.2.1 Organization's address

Arizona Department of Revenue (ADOR)
1600 W Monroe AZ 85007
Phoenix, USA.

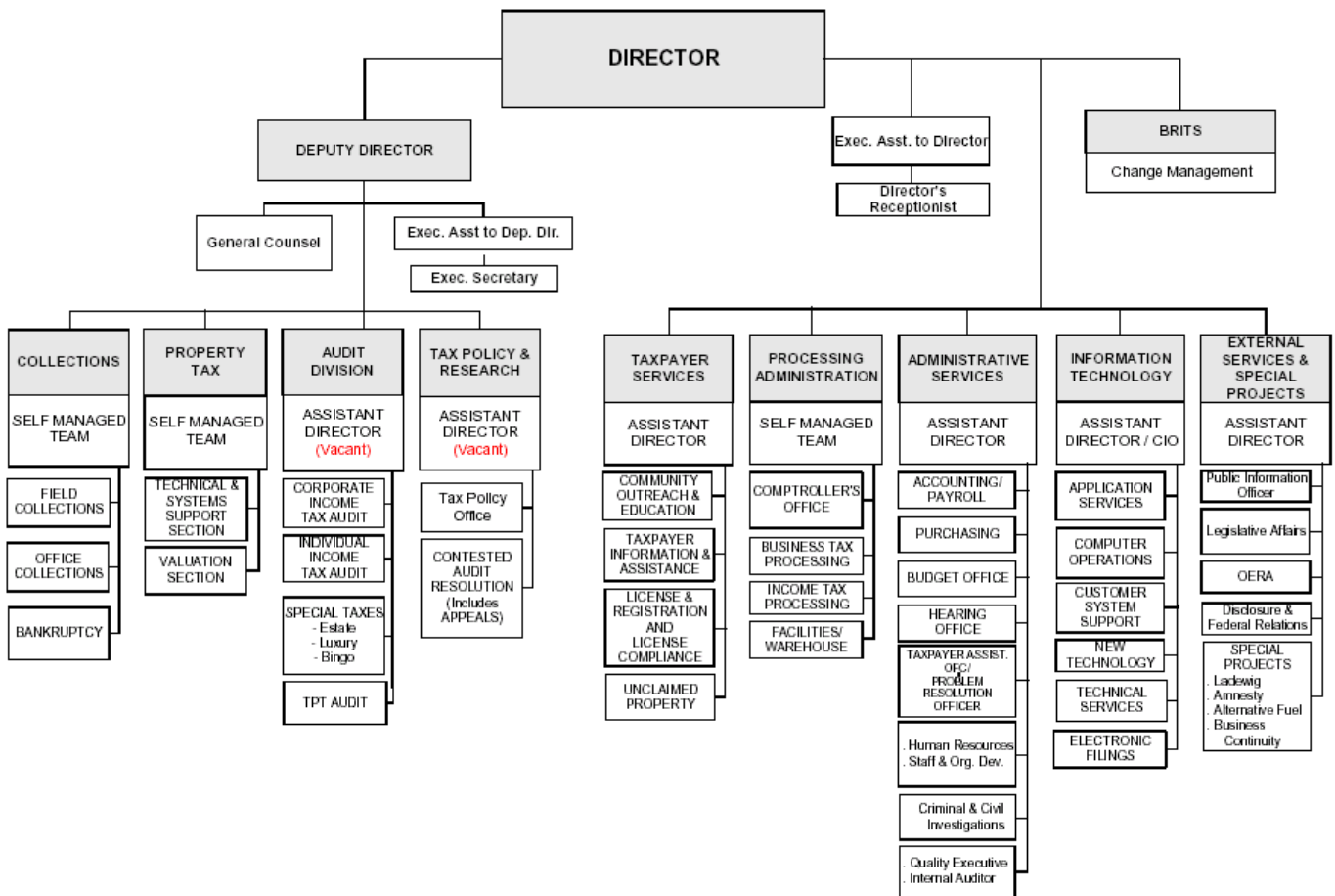
3.2.2 Contact persons

Lynette States, Assistant Director, (BRITS Project Manager)
Arizona Department of Revenue
email : StatesL@revenue.state.az.us
Tel : 602.542.3141 ext 6450



Lori Gasper, Assistant (BRITS Administration Office)
Arizona Department of Revenue
email : GasperL@revenue.state.az.us
Tel : 602.542.3141 ext 6464

3.2.3 DOR Structure



3.2.4 DOR Mission Statement

The mission statement of the Arizona Department of Revenue is :

To promote voluntary compliance with all tax obligations through fair administration, firm enforcement, and prompt and courteous service in a manner that justifies the highest degree of public confidence in our efficiency and integrity.



3.2.5 DOR Objectives

The Arizona Department of Revenue (DOR) is reviewing its current business processes, organization structure, and information technology in order to develop a customer-focused department. The current environment is legacy based and does not comply with future view of DOR management : the department’s vision will not be achieved in a customer focused way nor in an integrated point of view if a whole BPR is not implemented. DOR has called this vision for customer service “No Wrong Door to Government Services”. All current IT systems will be gradually replaced. The old siloed business model forces DOR support distinct functions, but do not effectively support an integrated vision of customer-focused service delivery.

In order to achieve its customer-focused vision, the DOR has initiated a Department-wide project called Business Reengineering/Integrated Tax System (BRITS).



4 BRITS Overview

The DOR is re-engineering its key operating systems. The project entitled Business Re-engineering and Integrated Tax System (BRITS) has been planned to work in synergy with a business partner to modernize its technology and update its systems. Key to the partnering aspect of the project is the idea that the vendor/partner would be paid from a share of increased revenues realized by the project.

BRITS focuses on improving the department's efficiency, effectiveness, and service delivery. The byproduct of this will be increased revenue collections. The business partner will finance all new technology systems and will be paid out of the increased revenues that result from the project. This last principle is called gain sharing.

In states such as Kansas and Virginia that have used this approach to fund reengineering, the results have been excellent. In several states, improved systems and processes have resulted in increased efficiency of collectors. This has allowed these states to collect money owed faster, and to collect a larger percentage of the receivables created.

In other states, another feature of data base systems was used to allow discovery units to find more unlicensed or unregistered businesses with the same staff. These systems use the power of data warehousing technology to automate a manual process of discovery that matches masses of files. This increased efficiency results in bringing more businesses into compliance sooner and increasing the revenue stream.

When completed, BRITS will deliver a "no wrong door" entry for a taxpayer. Improved technology will result in much faster processing of returns and payments, and faster refund times.

The customer relationship module will insure accuracy and fast response to inquiries leading to an improved voluntary compliance, that in turn will also improve the revenue stream.

The Business Vision describes how DOR will deliver services in the future and is based on the concept of customer-centricity, which leads to three major business processes included in DOR/BRITS Business Vision.



4.1 Business Vision

4.1.1 Customer Service/Relationship Management

Assist customers in fulfilling their tax obligations by facilitating prompt customer registration, anticipating customer needs and providing education, responding effectively to customer inquiries, and providing timely and accurate account maintenance and adjustments

4.1.2 Channel/Processing Management

Make filing tax returns and fulfilling tax obligations as easy as possible for the taxpayer, and to effectively and accurately capture, process, store, retrieve and provide needed tax information

4.1.3 Compliance/Enforcement Management

Effectively capture and use information to ensure correct returns, assist in identifying non-filers and selecting taxpayers for audit, and to use automation wherever possible to efficiently conduct audits, collect returns and receivables due after audits, and process cases through hearings and bankruptcies

4.2 BRITS Mission Statement

The mission of BRITS is:

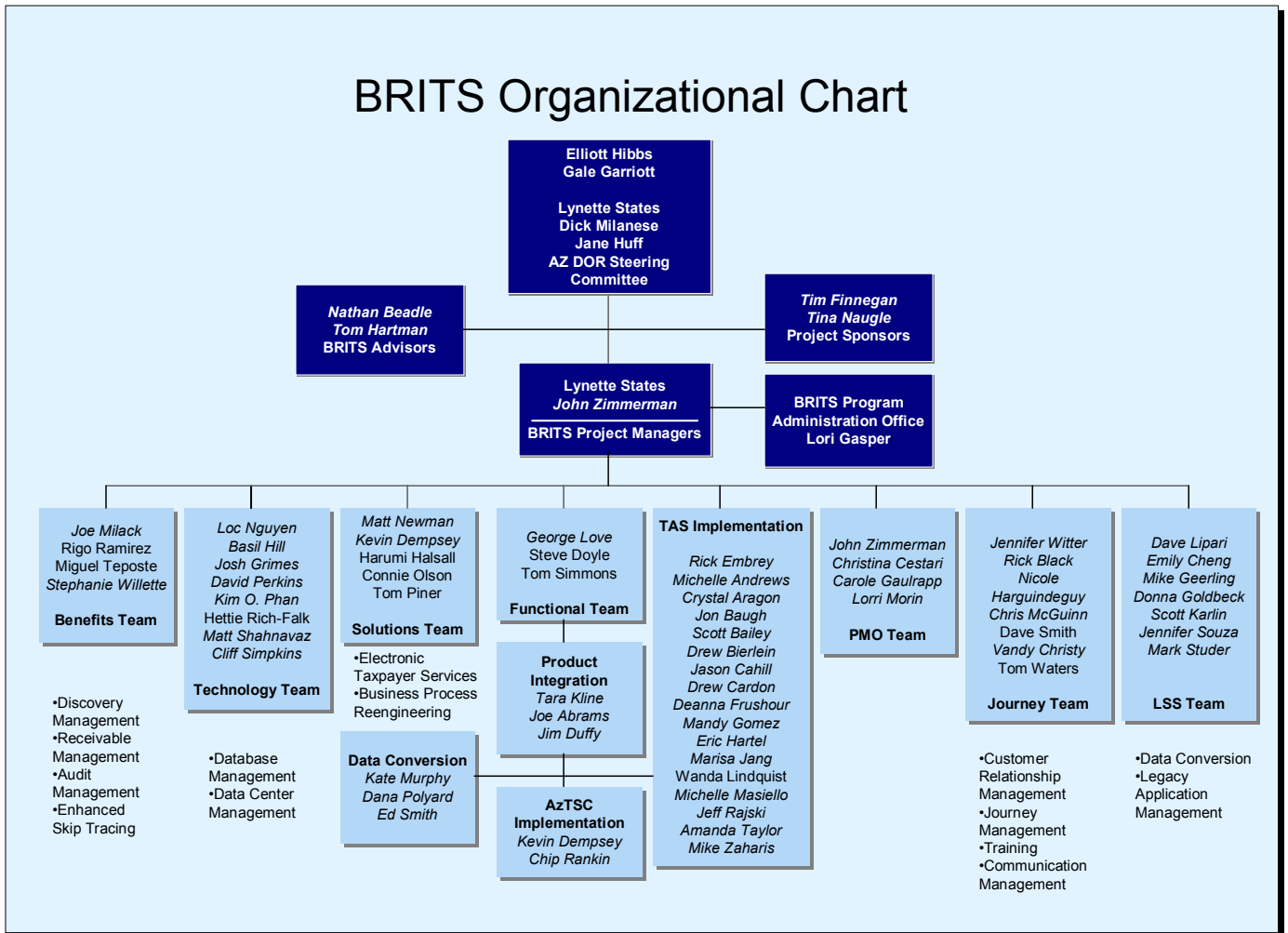
“To service the needs of our customers and stakeholders by redesigning and restructuring the Department of Revenue and its supporting systems.”

4.3 BRITS Objectives

- Re-evaluate all current processes and procedures to determine future direction
- Focus on essential core business functions and how DOR meets the needs of its customers
- Change only what needs to be changing when it needs changing
- Use the best practices of other organizations to develop milestones, objectives targets and to benchmark DOR results
- Simplify DOR organizational structure by ‘breaking down’ the silos and fragmentation across traditional Department lines
- Inspire organizational creativity and employee involvement



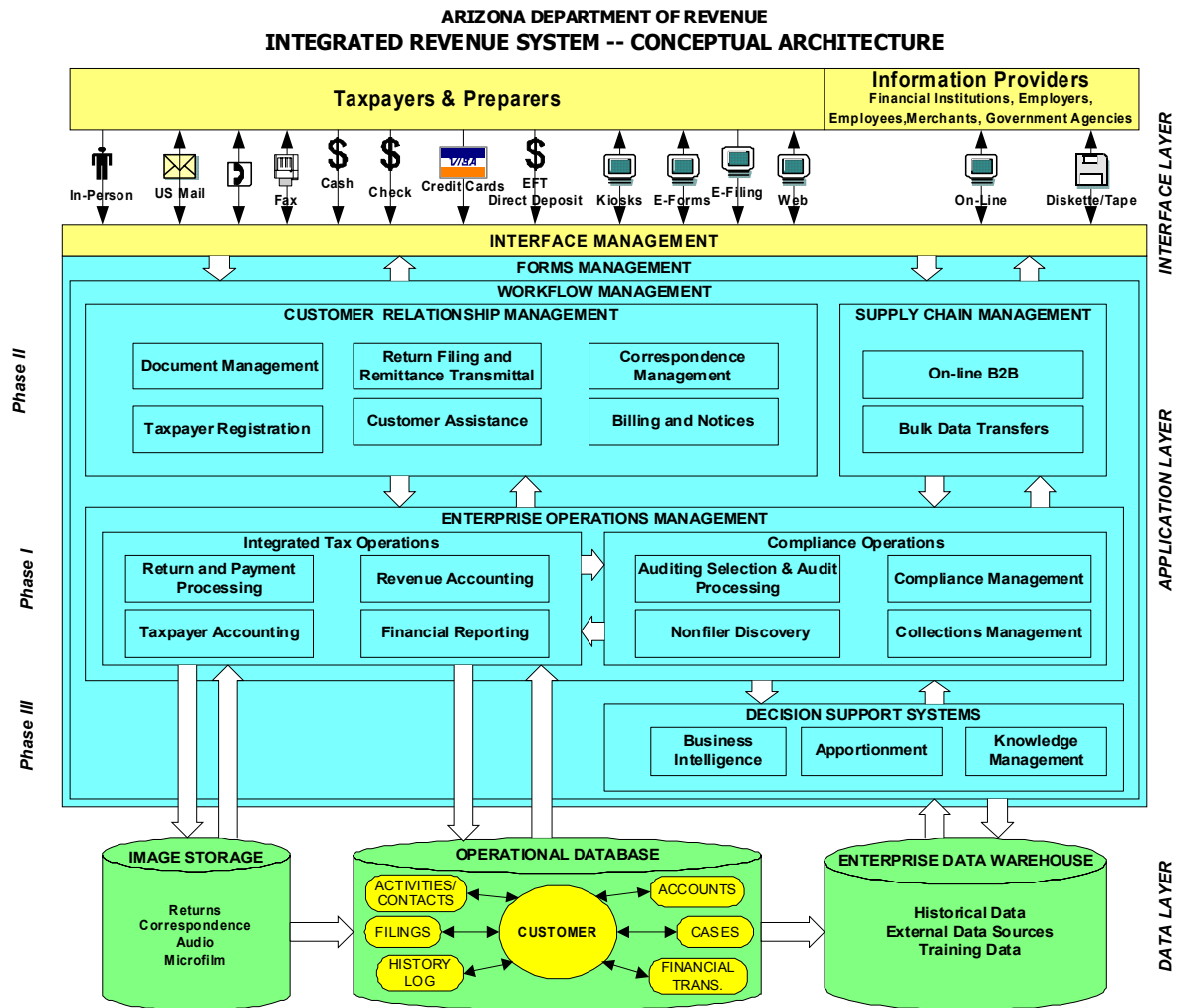
4.4 BRITS Organizational Chart



Directed by top management and steering committee, BRITS has been divided into teams coached by Accenture people and a leader from DOR. Those teams focus overall on earning money enabling the project to go ahead (Benefit Team), defining en implementing the IT infrastructure (Technology Team), reengineering the processes (Solution Team), redesigning applications in an integrated way with data conversions (Functional Team,...), allowing legacy system to cope with new systems (LSS Team), managing the change through the whole implementation (Journey Team) and of course driving the project (PMO Team).



4.5 BRITS Conceptual Architecture



The above chart shows all the parts to be implemented and the ‘no wrong door’ concept on top of the interface management box. From bottom to top, you find the infrastructure layer (databases, data storage, datawarehouse, ...), the back office systems for enterprise wide operation management, and finally a CRM layer. All those layer are surrounded by an integrated application environment allowing any element to share informations with others in a fully automated way. The core system will be built in a 4 years time frame.



5 Tasks carried out by the trainee

5.1 Tasks description

This training period gave the trainee the opportunity to conduct series of meeting allowing him to get a global overview of the BRITS project including dashboard, gain sharing principle and a detailed one of the change management process. Some of those meetings allowed the trainee to express and exchange advices based on experience.

In the frame of this study stay, best practices which can be exported to Belgium have been identified and analysed. Those ones, described in the following next sections, could raise exchanges between Belgium and Arizona. This would lead to possible benchmarks across those two states and would lead to a best practices sharing process.

A quick presentation of the Belgian public service has been given to Lynette States and John Zimmerman (Accenture) allowing them to compare some informations between Arizona en Belgium. This meeting has raised some interesting questions related to the organizational structure of the department, the way we both consider the service offered to a customer and our HR management point of view. One can find the slides in appendix.

5.2 Gap analysis and BPR

Before going further into detailed concepts, let's notice a gap analysis has been conducted to allow the organization to travel from the « As Is » perspective to the « To Be » . Using BPR techniques, this work focuses on the following processes:

- Registration
- Tax Processing
- Financial Services
- Audit
- Collections
- Customer Service
- Revenue Accounting

Each of those have been divided into more simple sub processes. From those BPRs, a process flowchart has been designed for each sub process explaining the global assumptions, a quick description, issues, majors impacts, possible reports and documents linked to customers., “To Be” projects, based on those processes, have been linked to a timetable shown below.



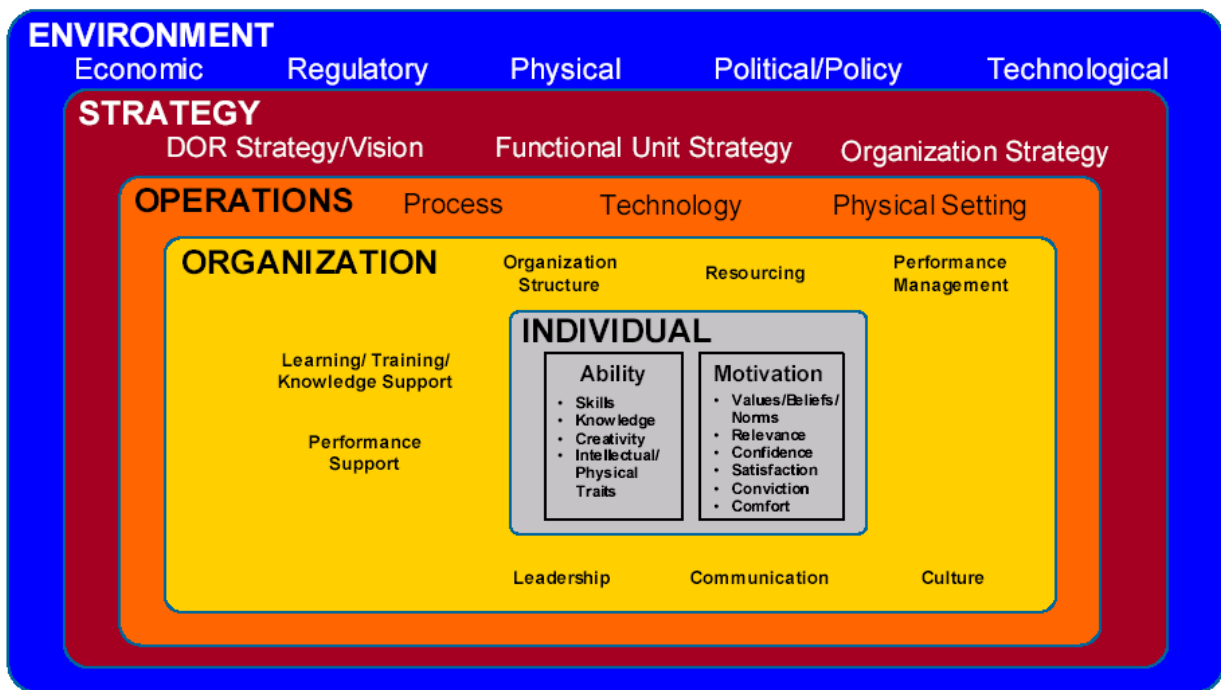
5.3 Change Management

Change is constant in every organization. An organization’s success rests with its ability to change. Successful change requires an understanding of the dynamics and structures of organizational change.

5.3.1 Organization Performance

Human behavior may appear to be chaotic but, in fact, it is fairly predictable when the right components of change are put in place and managed appropriately. The people’s performance behavior can be directed toward common goals.

Human behavior must be viewed as an element of a “complex adaptive system” that can be depicted by the patented Accenture’s Human Performance Framework figure below. This illustrate this “systems” view and the interrelationship of external and internal influencers and enablers of human performance.



We find at the core of this model the individual enabled by two key factors: ability and motivation. Surrounding the individual is a set of organizational influences that can affect the ability and motivation of the individual. These influences create an organizational setting in which the employee can develop his performance. In turn, both of these dimensions take place in an operations environment, which includes the processes and work performed, the technological enablers for that performance, and the physical setting in which performance takes place. The strategic dimension drives the three inner layers of the system, including the vision of DOR, the unit or team strategy and the organization strategy. Above it all, the environment influence the whole structure in lots via different dimensions.

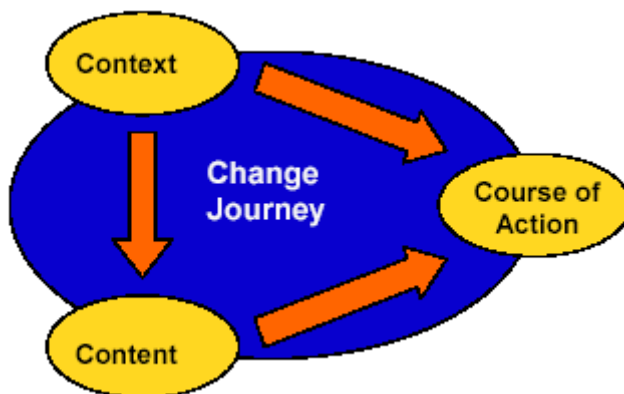
To enable people to change as easily as possible, the organization must emphasize on performance management, communication, managing resources, changing the organization structure, managing the leadership and allowing employees to get well trained. Without addressing these issues changes in Department performance are neither attainable nor sustainable.

From an individual point of view, we must care about the set of action described in the table below to improve people performance.

INDIVIDUAL	
<p style="text-align: center;">Motivation</p> <ul style="list-style-type: none"> • Build confidence in new processes & systems – demonstrate small successes early – quick wins • Plan to influence beliefs/norms (e.g. stubbornness, perception of “to be” environment) • Messages to ensure perceived relevance of change • Measure satisfaction/comfort with process/progress • Awareness that pain of not-changing is worse than pain of change 	<p style="text-align: center;">Ability</p> <ul style="list-style-type: none"> • Assess/build skills/knowledge • Encourage creativity/innovation

Successful organizational change requires the resolution of three basic questions:

- **Context:** Why do I have to change?
- **Content:** What am I changing to?
- **Course of Action:** How do I change?

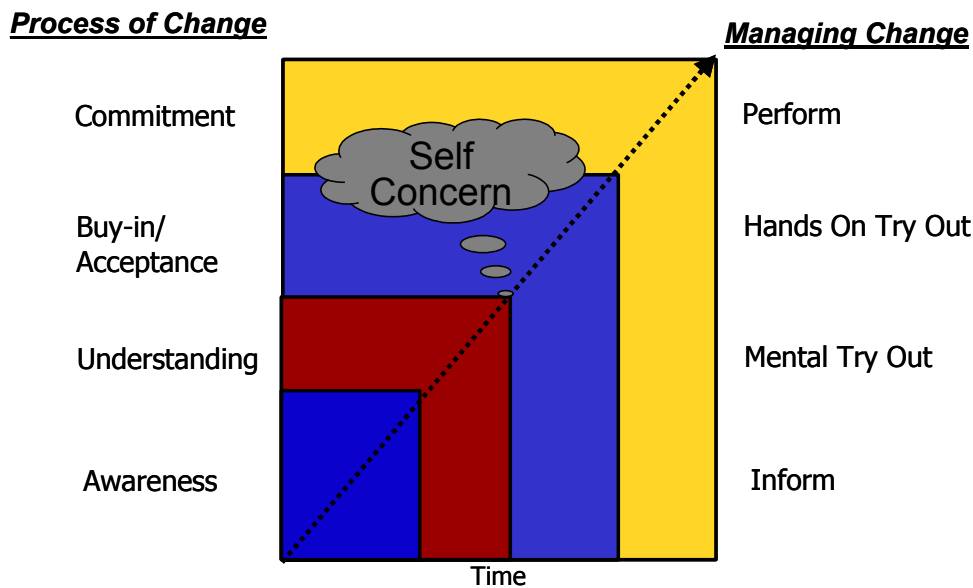


Communication will be the key to success, clarifying the questions above. The change management will allow to work in a more efficient way, doing the same or more with fewer resources and with an improved customer service.



5.3.2 People and change management

The change management can be seen as a journey. It is a predictable progression from a world that employees know well, to a world that currently looks very different and foreign to them. They will have to improve their skills and knowledge and some employees will ask themselves whether they can be successful in the new environment. A special change management team, called in the BRITS project the journey team, must care about the preparation of change for everyone to minimise the disruption by gradually building a sense of awareness, understanding, acceptance and commitment to the change.



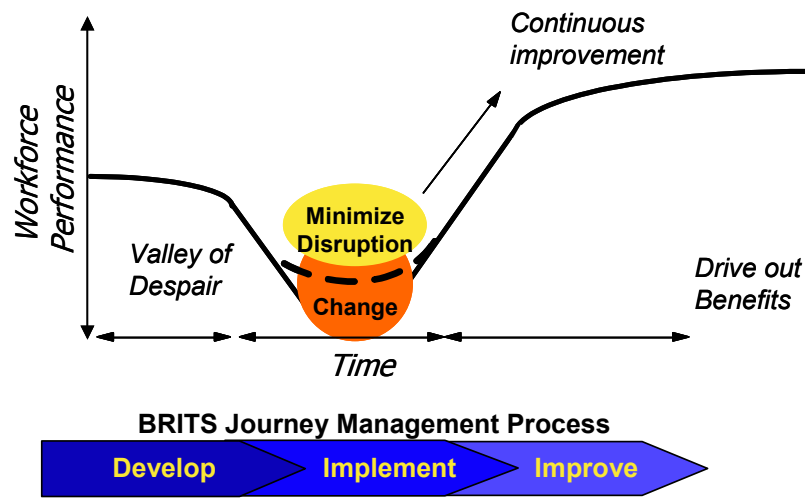
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There are predictable ups and downs along the way. By closely monitoring the process and responding to these ups and downs with appropriate actions and targeted information, employees will continue to progress through the journey toward commitment.

People going through a change experience have an initial period of excitement when they first learn of coming changes (period called “informed optimism”). Over time, they spend more time thinking about the coming change (fueled by information provided by the program and by informal discussions).

From their perspective, as employees come to understand the change they are confronted with, the optimism of initial awareness eventually gives way to a period of more informed pessimism where they think they know enough to begin to question in what ways this will influence their jobs.

The key is to minimize the disruption.



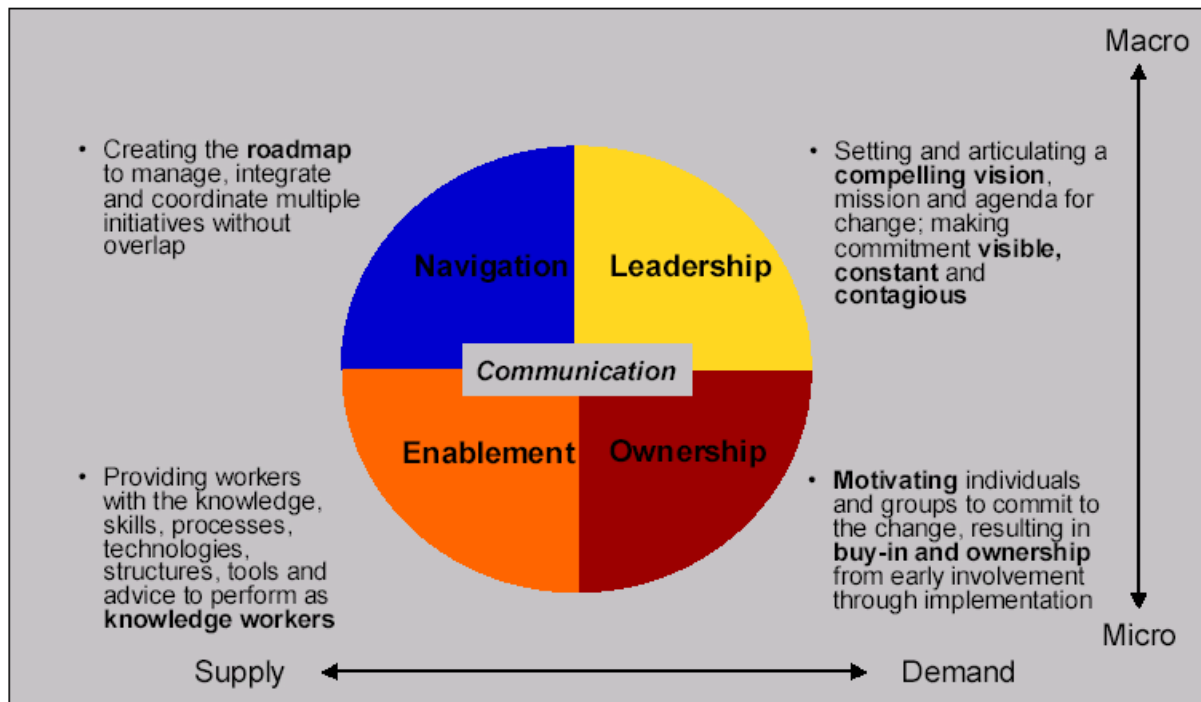
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During this period of “understanding”, some groups or individuals will continue to learn about the coming changes and have a positive reaction. Others will experience the change negatively, now knowing enough to contemplate the changes impacting them, but not yet knowing enough to understand how they will adapt to and perform

This stage of “self-concern” is often misread as a sign of a failed change initiative, however, if managed appropriately, it is just the opposite. This is a normal phase of the process for the employee in building commitment to the change. Viewed as a request for skills and knowledge, people can pass through this phase by getting additional opportunities to learn about and, ideally, experience the new environment.

5.3.3 *Accenture’s course of action*

Accenture’s course of action is designed to prepare people for each release of BRITS capabilities. The course of action activities is divided in four quadrants (Navigation, Leadership, Ownership, and Enablement) with respect to the axes of: (x) supply and demand and (y) macro and micro.



Navigation

Effective change navigation predicts and minimizes the negative outcomes of change, such as productivity declines, stakeholder conflict, and project redundancies. It ensures alignment and integration of human performance improvements with system and process improvements to ensure successful delivery of each BRITS capability release.

The navigation process must prioritise and plan activities linked to the following goals:

- Channelling organizational efforts towards a common direction and goals defined in the Department's Vision, Mission, and Strategic Initiatives.
- Helping to minimize the depth and duration of declines in productivity and employee morale resulting from the uncertainty of change.
- Assist in increasing the overall potential for success for the program by supporting and building leadership, sponsorship, and ownership for the change.

To achieve these goals and in addition to the program and project management, two more plans must be designed :

- an organization assessment and development plan
- a change implementation plan

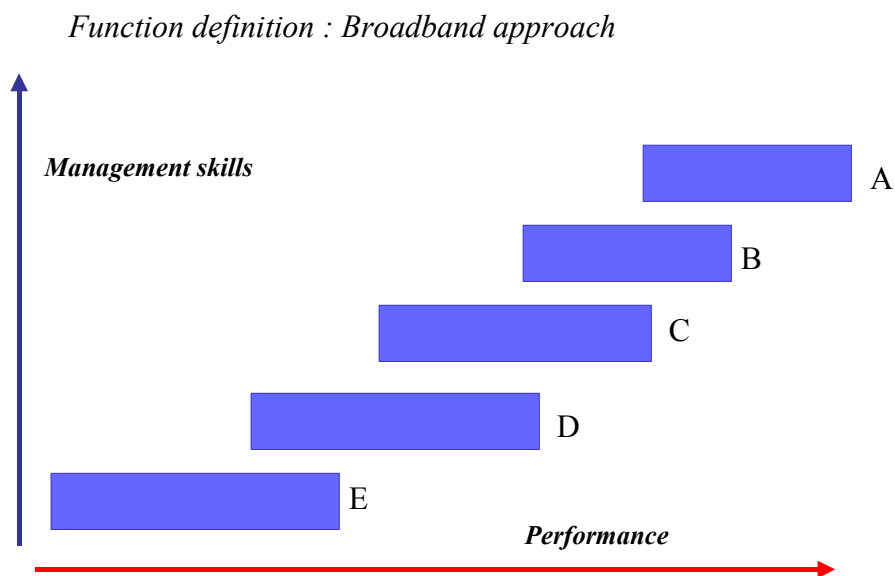
Organization Architecture

The Department have to redesign the organization (structure, governance, career paths, recruiting profiles) and build a culture change program (including descriptions of specific behavior changes required) to support BRITS business practices and strategies.



Job Alignment

Using the results of the Business Process Reengineering study, Accenture and Department change team staff will use a structured process to analyze jobs and roles impacted by BRITS. By reviewing specific tasks which will be introduced, modified, or deleted once BRITS is implemented, they will be able to help Department identify which jobs will be impacted, how they will be impacted, the degree of impact and job implications. Outputs of the Job Alignment process will provide a base for determining future staffing levels for each functional area.



New functions will be defined in a broadband approach. Levels will be created from low management skilled people to high grade confirmed professionals. An employee will be able to evolve in this career path in two ways : by increasing his performance in his level or by showing higher skills in his job providing him the possibility to reach an upper level.



Skills Assessment

An assessment to determine employee's skills must be conducted to be able to measure the gap between the actual knowledge and what will be needed.

User Training Approach

Accenture is developing a detailed Training Approach that provides the conceptual design for BRITS training and content development and delivery schedules, including roles and responsibilities.

Enablement : Knowledge Transfer Approach

A detailed knowledge transfer approach will provide the conceptual design for BRITS knowledge transfer to technical employees. The approach is designed to outline formal training, informal training and on-the-job training. It include a comprehensive measurement approach to include an individual development planning process, team lead assessment and tracking process and a formal measurement process.

Leadership

Leadership development prepares Department leadership to guide and lead the change journey. Without this preparation, a large percentage of change initiatives fail. Leadership development means effective communication, role modeling, sponsorship and problem solving by project executives as well as by middle managers and supervisors as change initiatives cascade through an organization. Effective leadership helps ensure that internal and external stakeholders remain committed to the organization and its change goals.

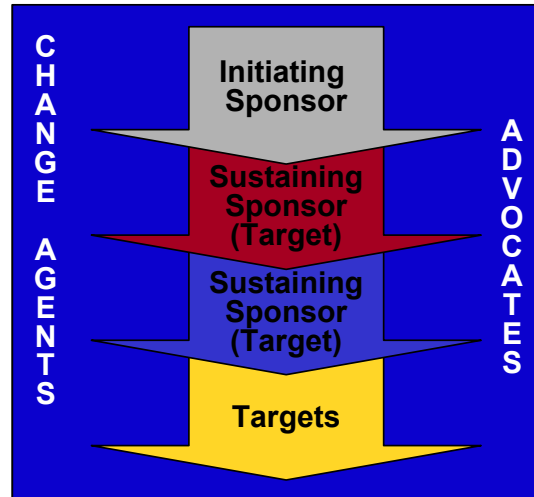
Additional leadership roles include:

- Continuing to create a shared sense of urgency among employees by building active dissatisfaction with the present business practices
- Continuing to clearly articulating the reasons for change and what change means in terms of “the way we do business”
- Pacing the organization through the change process
- Reinventing leadership roles/skills/profile as necessary to adapt to a changing business landscape
- Providing problem-solving and decision-making capabilities
- Taking managed risks and fostering innovation down through the organization

5.3.4 Process of change

There are four roles critical to the change process. Everyone impacted by change will play one or more of these roles.

- Sponsor – **Responsible for making change legitimate; has authority over resources required for success**
- Change Agent - **Responsible for developing & carrying out implementation plans**
- Target – **Person(s) who must change (sponsors, agents & advocates may also be targets)**
- Advocate - **Strongly supports the change but does not have the authority to sanction it**



A change network, composed of change agents, is supporting this structure. These people will be in charge of the communication to employees and care about their questions related to BRITS. They will stand as mentors for the project and be the first communication line for rising issues.



6 Context

In the shape of an informal discussion, the presentation of the Belgian Public Service allowed us to lay the foundations for an information exchange regarding our respective countries. This showed us the common points and differences between FPS Finance and ADOR. Following this, best practices exchanges and maybe civil servant exchanges could be built in a near future.

In a context of a global fully integrated customer oriented BPR implementation, all the best practices studied during this training period can be the force for change to help Copernicus plan. Some ideas developed in the BRITS project may lead to major changes in the whole Arizona's administration via the Arizona Department Of Administration (ADOA) such as the broadband approach for job classification.

In one word, the main goal is to provide better services to customer in a cost-effective way with few people regarding the size of the state and the number of inhabitants.

6.1 Internal and external stakes

Internal and external stakes are intimately linked in this project. From an internal point of view, the Department is asked to do more with less resources allowing the Administration to collect taxes. From the outside, the customer service has to be improved helping people in filling their forms in a complete compliance. The opening to foreign countries could be a chance to discover new way of developing such projects under a different light. A well know principle tells us it's no use to reinvent the wheel, so we don't have to. It's easier when an issue has been solved somewhere to exchange solutions instead of solving it again. These solutions can be extended to the whole Public Service when possible.

7 Trainee's concrete realizations

The reader will find in appendix the Belgian Public Service presentation. This lead to a discovery that the ADOR is using the same kind of broadband approach to redefine the careers but in a far more simple way. At the time of this writing, the performance measurements for jobs are being defined, this will surely be the most difficult and complex part of this career path definition.

The best practices studies gives the trainee the opportunity to exchange ideas with ADOR civil servants and check which ones can be exported to Belgium. Among those the gain sharing principle stands as the major one. Please refer to point 9 'Advices for the Belgian Public Service' to learn more about it.



8 Conclusions

The BRITS project gave me the opportunity to get a global perspective on a concrete BPR implementation on a whole department scale. Even more, this training allowed the observation of a customer focused integrated system financially fuelled by the gain sharing principle and driven by change management. In comparison, most federal Belgian e-government project are strongly IT based but sometimes underestimate the human factor. This causes more difficult transitions and hard necessary structural evolutions both badly received by a lot of concerned people. The gain sharing principle, mentioned above, will be proposed as a best practice for the federal Belgian administration under a file from presented in the next section.

When comparing the ADOR to the FPS Finance, the main structural difference is the very reduced number of employee (30 times less than in Belgium) for a land more than 9 times bigger where 5 millions inhabitants lived nearby majors cities. This last characteristic allows the ADOR to benefit from large scale savings related to its operational budget : in Arizona, only four sites need to be managed. Nevertheless, we just only should keep ourself modest when comparing the fiscal income in connection with the number of DOR employees.



9 Advices for the Belgian Public Service

9.1 Gain sharing principle

9.1.1 Practice main theme

A collaboration where the business partner gets paid from the incremental revenue generated as results of improvements.

9.1.2 Practice's objectives and issues description

The main goal is to be able to conduct large re-engineering projects with few investments regarding the real financial needs. ADOR has built a partnership with Accenture to drive the BRITS project, estimated to 120M\$, in a 4 years time frame. ADOR's business partner gets paid from the increased revenues generated by improving the whole tax system. Some changes to the state's law have been made to allow a collaboration between a private firm and a government agency on a benefit based project.

9.1.3 Practice operations

The ADOR and Accenture have reached a partnership allowing them to share the incremental revenue generated by the project BRITS. These new financial means help the public service to respond to the society demand for a simple fast responding customer oriented administration. The answer to those requirements is a global integrated system focused on citizens in which no wrong door stops the communication workflow. Using common financial resources, administrations cannot deal with such complex global integrated processes : that is why the benefit based approach is a must have.

Before establishing operational rules, a analysis of the current stage has to be done. The internal resources and their influence on the money collected give a good starting point to understand the link between processes and external outcomes. Next, looking at the society in a 'tax collecting' point of view helps to quantify the possible tax return increases.

After checking out positively the readiness assessment, a gap analysis must be conducted to determine what is needed to travel from the As Is to the To Be following the strategic objectives.

Among the many teams needed for the project, the financial team will be the one responsible for finding quick ways of earning back money to fuel all sub-projects. This team arbitrate which change has to be done first keeping in mind the project financial balance. When started, a new development will be coached by the change management team be sure all changes will fit in the new structure with a minimal disruption.

The reader will easily notice that a strong partnership is mandatory when applying such concept. The business partner is paid from the incremental revenues and is forced to provided enough quality to accomplish the objectives. The administration must also give all needed help and resources to guarantee success and project realization. In one word, it should be a real win-win case.

9.1.4 Practice's users

The FPS Finance and all employees who can be involved in a BPR based on the gain sharing principle.



9.1.5 Advantages and drawbacks for the Belgian Federal Administration

When launching a benefit based project, you don't have to earn all the money needed before starting it. This allows to build global projects in an integrated way where all needed components can be intrinsically customer oriented. The main issue is to be able to find fast ways of getting more revenues back to feed all projects. That's why a special team called 'benefit team' is responsible to give the right orientations for quick 'financial' wins projects, to check the day to day effective returns, and to assure every action taken will keep a balanced budget.

9.1.6 Reference documents and contact person

All complementary informations can be obtained from the responsible of the BRITS project :

Lynette States, Assistant Director, (BRITS Project Manager)

Arizona Department of Revenue

1600 W Monroe AZ 85007

Phoenix, USA.

email : StatesL@revenue.state.az.us

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10 Training period personal evaluation

10.1 Answer to personal learning expectations

This training period has fully answered to my personal learning expectations, even more than I expected in fact. Due to the global redesign of the biggest part of the ADOR, I have been able to get an overview of all the teams involved in the BRITS project and the associated processes. Lots of ideas have been exchanged about the executive dashboard, the broadband approach linked to the job alignment, the change management and of course the way we are working in the Belgian public sector. Such amount of information and new ideas forced me to let down some part of this report avoiding this one to become a book.

10.2 Correspondence between project definition and the training period

When looking back at my project definition, this training period squares well with my previous statements. I have been involved in global rebuilding of an improved integrated tax system fuelled by the gain sharing, coached by change management and I have been allowed to study it from a strategic management point of view. Helped in my work by the team leaders, this training also gave me the opportunity to observe in a ‘living’ case study the translation of the strategy into actions.

11 Appendix

11.1 Belgian Federal Public Service Presentation



Belgium


... and its civil servants ...

Michel Martin
Federal Public Service Finance
Phoenix, Arizona, Avril 2003



Agenda

- The Federal Country
- Official Languages
- Federal Public Sector
- Copernicus Plan



The Federal Country



The Federal Country

- People : 10 million citizens
- French-speakers: 4 millions
- Dutch-speakers : 6 millions
- German-speakers : 20.000
- From north to south : 400 km
- 10 provinces
- Constitutional monarchy



The Federal Country

- The neighbours :
 - ▾ France southward
 - ▾ Luxemburg south-east
 - ▾ Germany east
 - ▾ The Netherlands north
- Independent since 1830
- History : alternately french - dutch



The Federal Country

- Three administrative areas
 - ▾ Flanders in the north + Comines
 - ▾ Wallonia in the south + Mouscron
 - ▾ Brussels capital area
- Local competences mainly
 - ▾ Agriculture, regional planning, Roads Department



The Federal Country

- Three communities
 - ▾ The Flemish community
 - ▾ The French community
 - ▾ The German community
- People's competences
 - ▾ Culture, social services, education



The Federal Country

- Trends :
 - ▾ federalism via subrogation
 - ▾ Wallonia Brussels rapprochement
- ▾ strong immigration to Brussels, Less in Wallonia, few in Flanders
- ▾ Wallonia's economic recovery



The languages

- Two official languages :
 - ▾ Dutch
 - ▾ French
- A third language recognized :
 - ▾ German



The languages

- Moniteur belge (official journal) :
 - ▾ bilingual in two-column spread
 - ▾ Translation in German of Some laws and royal decrees
- Protection of minorities
 - ▾ Mouscron and Comines
 - ▾ Outskirts of Brussels



The public service

- The King
- The legislative power
 - ▾ The House of Representatives
 - ▾ The Senate
- The legal power
- The executive power



The public service

- The Ministers
- The Federal Public Services (FPS)
 - ▾ The President
 - ▾ The high ranking officials (level 1(A))
 - ▾ The civil servants of level B, C, D



The public service

- FPS's role
 - ▾ Writing of the royal and ministerial decrees
 - ▾ Answering to parliamentary questions
 - ▾ Carrying out the laws
- Interface with Minister
 - ▾ The cabinet



The public service

- The use of languages
 - ▾ Bilingual framework for higher functions
 - ▾ Functional bilingualism
 - ▾ Bilingualism certificate per level
 - ▾ Obtaining language grant



The public service

- Careers :
 - ▾ promotion examinations or flat career
 - ▾ biennial augmentations
 - ▾ under labor union surveillance
 - ▾ multiple resort authority
- Age pyramid



The public service

- Strong conservatism
- The only incentive : grants



Copernicus plan

- Give back nobily letters to the public service



Copernicus plan

- Evaluation based on skills
- Mandates and opening to private sector for leading functions
- Wage adjustment to market
- New careers
- Minister's cabinet moved into the administration



Copernicus plan

- Evaluation based on skills
 - ▾ Top down and bottom up
 - ▾ Yearly by the manager
 - ▾ Via the selection organization for promotion
 - ▾ Competence bases
- Reaching merit based careers
- PUMP training



Copernicus plan

- Mandates and opening to private sector
 - ▾ Selection via ' assessment '
 - ▾ Open positions published in newspapers
 - ▾ Management positions, linked to a mandatory result and a bonus
 - ▾ High ranking positions only



Copernicus plan

- Wage adjustment to market
 - ▾ Level D : 2%.
 - ▾ Level C : 4%.
 - ▾ Level B : 3 à 7%.
 - ▾ Level 1 (A) : 4 à 9%.
- True holiday grant
- Retirement plan unchanged



Copernicus plan

- New careers
 - ▾ Seniority and competence based
 - ▾ Experts and managers
 - ▾ Simplification
 - ▾ Disappearance of some levels
 - ▾ Bonus linked to productivity
 - ▾ Possible dismissal



Copernicus plan

- Ministerial cabinet
 - ▾ Becomes strategic council
 - ▾ Assisting the president
 - ▾ Residing in the administration
 - ▾ Old cabinet reduced to a minimum



Conclusion

- Because of strong conservatism, Copernicus may be the last chance to deeply change mentalities before years
- Safeguard : missed privatizations
- Hope : people competences