Activities for Public Service Quality Improvement
in Public Administration Institutions of Latvia

Riga


1. Public Administration Reform and possibilities for public service quality improvement.

The objective of the report is to analyse the possibilities of improvement of public administration institution’s activity.

After the election of the Parliament in 1993 the new Latvian government pointed out three main directions of state reform: economic reform, reform of the legal system and public administration reform. One of the main documents should be considered the Concept on Latvian Public Administration Reform accepted in March 1995. The Concept envisaged to reform the public administration in order to develop the administration that is effective and capable to undertake changes. The Concept envisaged the following streamlines of the reform:

- Relationship between the administration and the public;
- Functions of public administration;
- Structure of public administration;
- Underlying principles of public administration;
- Main instruments of public administration: use of financial and human resources, drafting normative documents and their implementation.

Improving public service quality was not mentioned among the priorities but implementation of any of them was more or less directed towards this purpose. In this report I will concentrate on development of relationship between the administration and the public in connection with possibilities of public service
quality improvement arisen out of these activities as they have influenced the choice of different quality management aspects.

At the moment **relationship between the administration and public are being improved in several important directions:**

- **The improvement of public service quality** (introduction of one stop shop/information and service centre principle) in state and municipal institutions;
- **Introduction of quality management systems** in state institutions and local authorities;
- **Introduction of public annual reports** in state institutions;
- **Delegation of public administration competencies** to entitled institutions (I will not stop in details at this issue as I have informed on these matters in the previous conference in Sophia)

Do these different activities of public service quality improvement form a unified quality insuring system in Latvia? In order to answer to this question it is necessary to analyse the activities completed in the main streamlines of improvement the relationship between the administration and the public.

2. Improvement of public service quality (Introduction of principle of information and service centres) in state and municipal institutions.

One of the tasks of the public administration reform is to **improve the public service quality** or to **introduce the principles of One Stop Shops (OSS)** (as they are called in Latvia, Information and Service Centres) into the public administration. The **objective** of the activity is to **change the priorities of the public administration** so that the priority would be the intention to serve the people and anyone could receive the necessary service attending the competent institution only once.

There are different opinions on the content of OSS. Only the understanding of the objective of the OSS is the same: to improve the service of public institutions. The quality of service depends greatly on **information technologies and qualification of the staff**, and the **co-ordination of activities** among public institutions is also very important as well as **changes of principles** of institutions’ activities. The concept on OSS has been prepared in Latvia, stating the content and the implementation program. The Concept envisages to ensure the following:

- Available and qualitative information (including electronic) on the institutions competence and service;
- The decrease of time necessary for providing the service;
- Restructuring the reception hours so that residents could have a service in evenings of working days and in holidays;
- The exchange of information is being carried out by institutions instead of residents;
- Information for residents on the improvements of service;
- Development of integrated state importance information system;
• Training for personnel;
• Changes in legislation.

Heads of institutions who do not pay enough attention to improvement of public service quality and do not attempt to achieve positive changes in relationship with their customers will face more and more difficulties in their everyday work. I would like to emphasise that it is possible for every employee of public service to change the attitude towards customers, non-governmental organisations and society as a whole because everybody can imagine himself/herself in the role of a customer.

The implementation of the concept has already been started in several municipalities of Latvia – Liepāja, Jelgava etc., as well as in State Social Insurance Agency, Road Safety Directorate, Enterprises register etc. In some institutions the implementation of the concept has been started before it was drafted (the experience was analysed while drafting the concept), and a concrete achievements are already in place, for example, the municipality of Liepāja has developed the sample-project “Development of Integrated Information System in the Reception Centre”, State Revenue Service has also prepared a relevant project etc.

3. Introduction of quality securing systems in state institutions

It is impossible to improve the quality of the service unless the institutions’ functions are aligned. The further activities in developing relationship between the administration and the public will be the improvement of quality of procedures of institutions, introducing the quality management systems, setting standards for procedures (management, monitoring and accountability, personnel development etc.) and auditing their implementation. The objective of the concept “Introduction of Quality Management in Public Administration Institution” is to achieve the improvement of procedures of the activity of public institutions facilitating introduction of quality management systems (QMS) into public administration institutions. QMS are a tool for improvement of organisations’ activity and public service quality in order to satisfy the needs of customers.

The most frequently mentioned shortcoming of the public administration institutions is insufficient administative capacity (ineffective management procedures, overlapping functions, deficient quality of service, inadequate qualification and motivation of the staff). Management procedures have not been improved considerably until now, this is why that it is necessary to define the standards of procedures. It is partially regulated by the legislation, but the institution can set even higher standards. The standards will differ for various groups of institutions (ministries, institutions in subordination, supervision or surveillance of ministries). If the management procedures are not aligned and carried out well enough, introduction of information and service centres and other improvements is also unachievable.

The concept analyses three models of QMS (ISO 9000 standards, Public Service Excellence Model and Business Excellence Model / Total Quality Management) and one undertaking – establishment of Charter Mark Award for state and municipal institutions. In the session of the Cabinet of Ministers it was decided to introduce the unified QMS that is based on the ISO 9000 standards, setting the criteria and requirements of the implementation.
The quality management systems in conformity with the ISO 9000 series standards ensure the orderliness of the organisation's activity and the description of carried out activities. These standards can be applied in institutions of one sort or another, including in the sphere of services and in the public sector. A series of the standards ensures the regular job management and the administrative methods to ensure producing a qualitative product or rendering a qualitative service. The standards are oriented to the preventive actions whose purpose is to remove any potential shortcomings in the organisation's activity before their appearance.

The ISO 9000 series standards demand to systematise and document all the activities of the organisation, to execute regular and purposeful training of the employees of the organisation as well as to execute the regularly internal audits of the organisation. A part of the elements required in the standards is already introduced in the public institutions, as for instance the document and data control, management responsibility, distribution of responsibilities and authorities, and others.

The internal audit system is also created in the state management. To introduce the quality management system in the public administration institutions, it is necessary to document the existing activities and to improve them in order to carry out the functions provided for them with maximum effectiveness.

The ISO 9000 standards structurally consist of:

- introduction;
- management responsibility;
- quality system;
- contract review;
- design control;
- document control;
- purchasing;
- control of customer-supplied product;
- product identification and traceability;
- process control;
- inspection and testing;
- control of inspection, measuring and test equipment;
- inspections and test status,
- control of non-conforming product,
- preventive and corrective actions;
- handling, storage, packaging, preservation and delivery;
- control of quality records;
- internal quality audit;
- training;
- servicing;
- statistical techniques.
Introducing the ISO 9000 standards, there are certain advantages as there are strictly determined and documented procedures for all the activities of the organisation, there are precisely defined criteria which should be observed and introduced. There is a developed ISO 9001 international standard approved in Latvia (LVS ISO 9001), which regulates the activity. There are extensive experience, information materials, training courses, consultations, etc., which can help to implement the system. When introducing the ISO 9000 series standards, it is possible to receive the official assurance – the internationally recognised quality certificate.

The shortcoming is that the ISO 9000 standard in the present wording is more applicable for the industrial enterprises and is less oriented to the public administration institutions. The opinion prevails that the system is too bureaucratic – there are many documents that regulate the system activity.

In the year 2000 the new ISO 9000 standard will be approved, which will be oriented to the processes and will be much more acceptable for institutions of one sort or another and not only for the enterprises.

When creating the Public Service Excellence Model (PSEM), it is necessary to take into account some characteristic for the public administration institutions – the marked hierarchy and the specific accountability system.

PSEM consists of three parts: promoters, results of organisation and results of program.

The promoters are divided into six parts:

- statement of main policy,
- strategy and plans, management,
- resource management,
- processes,
- personnel management.

The results of organisation are divided as follows:

- resources and economy,
- efficiency,
- motivation of staff,
- dismissal and responsibility,
- results of service,
- satisfaction of customers.

The results of the program characterise the final results.

PSEM is applicable for the public administration institutions and central administrative institutions for which it is difficult to define a circle of their customers or the customers are diverse and their interests are various. In the model the dismissal and responsibility as well as information availability and openness are underlined, which are the major indicators of the state management quality. The results of the public administration organisation's activity are emphasised.
The shortcoming is that there are no strict criteria regulating what actions should be undertaken by institutions to introduce PSEM.

The **Business Excellence Model (hereinafter referred to as "BEM")** is developed by the European Foundation for Quality Assurance which consists of more than 600 organisations and enterprises. The **Total Quality Management (hereinafter referred to as "TQM")** is the widely recognised and effective method that allows due to incessant improvements to adapt itself to the constantly varying environment and its requirements. TQM is based on **prime factors that are divided depending on the opportunities and results.**

TQM and BEM are based on involving the employees in the quality processes, their education, increase of competence and motivation. TQM and BEM provide for continuous and regular improvements of the processes of organisation and the management procedures with a specific objective in order to achieve a definite purpose and vision.

BEM covers the following opportunities:

- management,
- policy and strategy,
- staff management,
- resources,
- quality system,
- processes.

As results the following is considered:

- satisfaction of customers,
- satisfaction of employees,
- influence on company,
- results of work.

When introducing BEM, a clear, certain and continuous improvement of the institution's activity is achieved. This model can be easily applied for the public institutions and be oriented to the recipients of office services.

The shortcoming is there are no strict, certain and precisely defined actions and formulations of the criteria, which should be executed in order to introduce BEM.

The **Charter Mark** is the Management Quality Award System that is provided to promote and award improvements in the state institutions. The Charter Mark is considered as an action that allows to evaluate the results of introduction of QMS. This award with the help of evaluation provides the standard for services to be rendered by the state institutions. Each applicant receives a mark of an independent expert and detailed offers to improve.

The Charter Mark mainly pays attention to the services provided for the customers and their quality. It is elastic, easily understandable and applicable in the public administration institutions of different sizes, which directly render services for the public.
The institutions are evaluated on the basis of 10 criteria, proceeding from such aspects as the level of services, availability and choice, appropriate remuneration, effective utilisation of resources and accessible complaint and compensatory system.

The task group is established in order to follow the started activities – to prepare the normative act draft.

The **support actions** are necessary in order to introduce QMS effectively. The main support actions are the introduction of the **audit system**, preparation and realisation of the **staff management development strategy** in the public institutions and the introduction of the **annual public reports** and monitoring the improvement.

One of the actions to support QMS in the public administration institutions is introduction of the internal audit system. On October 5, 1999, the Cabinet of Ministers Regulations No. 342 "Regulations on Internal Audit" are approved.

**The internal audit** in the public administration institutions is introduced in order to evaluate the internal control system, to convince the administration of effectiveness of this system and to give offers to improve it, to ensure the effective state management activity. Together with it there is a **uniform internal audit system which includes the audit of finance, management, evaluation of performance, quality, expediency as well as other kinds of audits.**

To ensure the uniform quality of the internal audit and to introduce the standards, the uniform regulations and the methodical materials has been developed. The internal audit standards are regularly updated and the conformity of the internal audit structural units' work in accordance to these standards is monitored, thus ensuring the reliance in the quality of the internal audit work and the conformity to the standards.

The determination of the quality requirements and standards of the procedures of the institutions' activity allows to introduce the internal audit system more effectively.

The introduction of the internal audit system ensures the regular evaluation of the internal control system and promotes the qualitative and effective state management activity.

In the year 2000 State Civil Service Administration of Latvia is going to pay a lot of attention to **human resource management development in public administration institutions**, introducing a unified personnel management system. We plan to introduce new system of position assessment, ensure the development of the performance evaluation system, to develop the uniform methodical recommendations on performance appraisal, recruitment, transfer, promotion, as well as informative reports on personnel management issues.

**What are the advantages of introduction of QMS?**

The main advantages are the regulated activity of the state institutions and determined standards of procedures and optimisation of the institutions' activity. Of course, it is necessary to take into consideration the possible difficulties: shortage of resources, increase of workload in the beginning, possible uneven implementation of QMS. Nevertheless it is possible to introduce a modern quality management development tendencies in public administration of Latvia.
4. Introduction of the annual public reports

On March 10, 1998, the Cabinet of Ministers approved the implementation plan of Strategy for public administration reform till the year 2000, which envisaged the Ministry of Finance to elaborate and implement new reports of state budget institutions. This task was related to activities in the framework of public service improvement actions.

The main objective of the reports is to improve knowledge of the residents about the state institution functioning for the good of the residents. The introduction of the reports allows to achieve a return effect, for example, to improve determination of the purposes of the institution's activity, to profile interests of the residents more precisely, to improve the budget preparation, to use the means more effectively.

On December, 1998 the cabinet of Ministers approved the instruction “On Procedure of Annual Public Report Preparation”. The advantages of the solution: as the reports are being developed in accordance of the uniform principles, it is possible to emphasise attention to the observance of society interests as well as the expediency of use of the budgetary funds. Monitoring the phase of the report preparation, the appropriate methodical recommendations have been developed.

The reports contain the following information:

- Report of the head of institution, describing the main tasks, priorities of the activity, structure, most important changes that have occurred in the review period.
- Performance indicators (analysis of performance indicators and effectiveness of budget programs; activities undertaken in order to improve public service quality, activities undertaken in order to ensure the implementation of internal audit and control suggestions, results of public opinion surveys);
- Use of financial resources, including data on investments, researches, co-operation programmes etc.
- Training and improving qualification of personnel;
- Prognosis and future plans.

Before July 1, 1999, the ministerial and central public administration institutions have prepared the annual public reports. The reports should be sent to Parliament, Cabinet of Ministers, State Audit Office, National Library. Additionally they can be sent to other institutions, State Chancellery, embassies, Local Authorities Union, Centre of Non-Governmental Organisations, State Human Rights Office etc. The possibility for legal and natural persons to obtain the reports is regulated by the Law “On Openness of Information”. The report is published in the official newspaper and available on Internet. Institutions can organise the presentations of reports for the public. Copies of the reports should be available in the institutions.

In accordance with the decision of the session of Cabinet of Ministers (1999.12.14.), one of the directions of development of reports is to inform on public service quality improvements. In the year 2000 all the state institutions must prepare the annual reports. It is necessary to evaluate the contents and suitability of the Cabinet of
Ministers Instruction "On Procedure of Annual Public Report Preparation" for development of the annual public reports.

5. Conclusion

The research allows us to state that activities undertaken in the framework of quality management in Latvia form a **unified public service quality management system**.

The introduction of **quality management systems** allow to develop the procedures, introduction of **audit system** – to test purposefulness of the procedures, introduction of **information and service centres** – to develop the relationships with the public and to enhance the improvement of the public service quality, introduction of **annual reports** – to ensure the accountability of the activities of the institution, including actions to improve the quality of residents’ life, **development of personnel management** – to increase the qualification and motivation of employees. Systematically the procedures, tools of accountability, relationship with the public, human resource management is being improved thus forming the unified system of public administration institution’s quality improvement.

The recently prepared **Programme of Public Administration Reform** (Blueprint) combines all the mentioned undertakings. The constant **monitoring** is necessary in order to develop the existing model of public service quality improvement. Latvia takes more and more distinct measures in order to shift from informing and consulting the public to involving it into public administration thus preparing for the next stage of relationship between the administration and the public – partnership, supported by quality management actions.

Armands Kalniņš  
Director  
State Civil Service Administration