

4. Partnerships and resources

4a. External partnerships are managed.

The Region identifies its key strategic partners by analysing their impact on our business and their importance to the delivery of our business priorities. We have established long term collaborative relationships with our partners since 1990 and have identified seven strategic areas of partnerships crucial to our service delivery. The main value on which our partnerships are based is mutual benefit. Fig. 4.1 below shows the partnerships divided into areas and ranked in order of priority:

4.1 Links between partners and strategy

Strategy area	Partners
Performance	CCTA and three other regions in our district (customs control, motor vehicle assessment). Industrial Contact Committees (ICC).
Users	Aarhus Harbour (import and export agents). The police (customs control, smuggling, the public prosecutor). Seven municipalities (coordinated control actions, collection of arrears, training courses). Aarhus County (courses for entrepreneurs).
Competence development	Coordinating Committee for the Training Centre. Experience-based cooperation in 40 technical areas with other regions. ASEBAML and Aarhus Business School.
Quality development	Benchmarking with four other regions.
Supervision of municipalities	Tax managers in six municipalities, cooperation forums with 28 municipality-based real-estate appraisers.
Society	Aarhus Municipality, on the Broad Labour Market.
Investments	Suppliers and VITA.

The Region structures its partnerships with an aim of creating and maximizing value for users of our output. We do this when the relevant leaders analyse the benefits of each single partnership. CCTA is our mission giver as well as our most important partner. The partnership is built on an annual contract between CCTA and the Region that ensures focus on the output, which is relevant to society as a whole. The Region has given CCTA input for new measurement methods, e.g. LTRS, the "Layer-cake model", development of BO, approaches for determining the assessment of real estate and use of the Excellence Model, while CCTA has supplied us with input for our overall P&S through stakeholder analyses, USs and ESs. Even though the Region in many ways is placed under decisions made by CCTA, there is a close partnership between leaders and employees in their daily work to reach common targets.

Our Customs Centre includes three other regions. By exchanging control information, the partnership contributes to the key process, i.e. control in all regions as we cooperate in cases where fraud is found in our district. Leaders from the four regions meet every six months to evaluate the cooperation. The cooperation on motor-vehicle assessment works the same way. In 2001, a review of this partnership meant making the process for assessing cars more efficient, and casework time has now been brought down from approx. four months to two months for the benefit of users in all regions (6.27).

The Region creates productive partnerships in the supply chain to support our strategy on delivering and developing high-quality services to our users. E.g., we have established two ICCs (one for tax and one for customs) with representatives from 20 trade organisations to improve our understanding of our users' needs. A review of the committees' work in 1998 resulted in the Tax Committee being split into two sub-committees, each with its own area. Their purpose is two-fold: To inform us of new developments affecting the various trades and to collect input on the expertise and service the trades re-

quire of us. The Regional Director chairs both committees. The overall ICC meets once a year to give and receive input concerning the Region's overall P&S. As part of ICC, we have established a partnership with users at the harbour; this is of benefit to both parties. E.g. the Region has set up an office at the harbour, which is Denmark's largest container harbour to ensure an efficient forwarding of goods for exports and import. In 2001, the partnership was a major success when we implemented the Customs 2000 system that also included courses and IT support to users.

The committees discuss areas for inclusion in USs and review survey results. One result of this cooperation was the survey of entrepreneurs carried out from 1999. In 1998, CCTA wished to transfer three of our municipalities to Horsens Region. The committee was against the idea and used their political connections to persuade CCTA to reverse their decision and leave the Region's business area intact. In the same way, ICC was very active, when in 1998; the Region was extended with a Customs Centre. Both examples prove the efficiency of the partnership, at the benefit of our partners as well as us.

The Region ensures cultural compatibility and sharing of knowledge with partners by creating partnerships within areas similar to ours. Our partnership with the police is vital to our monitoring and control strategy. We have established a formal forum consisting of the Regional Director, Deputy Directors and relevant leaders, the Chief Constable, the Public Prosecutor and tax managers at Aarhus Municipality. Together, they organise major coordinated control actions against the black economy and other crimes of a financial nature. E.g. in 1999, the partners cooperated on investigating the black economy of the restaurant industry. Our Customs Centre and the ten chiefs of police in our district have established a partnership. We cooperate on smuggling, fraud involving stolen cars and crimes of a financial nature. Our cooperation ensures that control, performed by the police as well as by us, is effective. As an example, together we monitor the coastline and harbours for cigarette smugglers etc., and cooperate closely regarding fraud with car identities (8.9-8.10).

A review of the partnership in 2000 meant that the time used for casework in connection with financial crimes was made more effective. The process has now been changed so that these cases are dealt with at police headquarters in a direct cooperation between the police, the Public Prosecutor and the Region. We measure the efficiency of the partnership (6.36) and an increasing number of cases and persons that are sentenced.

We support mutual development by entering partnerships that ensure focus on the development of our and our partners' employees. Our approaches include creating a Training Centre in Aarhus. This partnership includes seven other regions and coordinates training of about 1,200 employees. We assess the value of the partnership through course evaluations and ESs. A cooperation forum is linked to the committee, including the eight Training Consultants, so that planning includes local input. One result is the increase in employee satisfaction measured in this area (7.19). Another example of a review is the implementation of a new learning process in 2000 on structured neighbour training. In 2001, external auditors have benchmarked the efficiency of the Training Centres. The result was that our Training Centre is the most effective, measured in relation to turnover per employee and the variation in course offers.

ASEBAML is a frontrunner in terms of quality development. We therefore approached the institution, and Professor Kai Kristensen introduced our cooperation with a lecture for all staff. After having read our 1998 submission, we entered into

partnership with the Institute for Quality Management, i.e. students were basing their dissertations on our submission. The students' report was used in our quality work. Several students have used us for sparring when preparing their dissertations. New fields have been knowledge sharing and the deployment of the Excellence Model. There are mutual benefits, as ASEBAML can place students with us - and at the same time we get in touch with these potential new employees. One result of the partnership is that the Region now employs 6 students in part time jobs.

The Region has several times reviewed the theoretical education of our trainees. Before, the theoretical education took place in mixed classes at Aarhus Business School, but the trainees were very dissatisfied with the level of instruction provided. In cooperation with the Business School we succeeded in establishing a unique CT education. Five other regions joined. This new education is of much more benefit to the regions; see the remarks from Aarhus Business School in 9.38. We now cooperate with the School, as we can influence the subjects and contents of the course. The education is reviewed every year with the trainees as well as with the School, and we were happy to note that all our trainees wrote reports on quality work at the Region as part of their final examination last year.

The Region creates and supports innovative thinking through the use of partnerships, e.g. by creating new partnerships that partly ensure early warning and partly ensure better settlements at the benefit of users. In real-estate assessment in 2001, we established a partnership with appraisers from 28 municipal assessment councils. Thus, we have established a cooperation forum for chief appraisers, the Regional Director and the leader responsible for the area. The Region has equipped the appraisers with computers to save on secretaries, and places offices at their disposal. In 2000 and 2001 we have measured satisfaction with this partnership (9.40). One result of the partnership has been a significant drop in complaints (6.34) since our proactive analyses ensure better assessments. Besides this, we have, in cooperation, contributed to the exposure of tax evasion as the cooperation on assessments has exposed too large foundations for tax write-off (in 2001 alone more than 10 mill. DKr.).

In 2000, we have, as the only region, established a partnership with Aarhus Municipality on employing persons that have not been able to find a job on normal conditions. The partnership has been a great success (8.5).

The Region has created synergy in the cooperation on improvements of processes by taking the initiative to benchmarking projects with other regions. Not all regions have reached the same level with their quality work so in 1998, we established a closer link with two regions, Herning and Aalborg. In 2001, another two other regions have been involved (Vejle and Odense). The partnership has so far resulted in four benchmarking projects and we expect to extend this to other areas. The purpose is to share knowledge and learning to improve processes. One result of the cooperation has been that the participating regions are currently working at describing the processes in a more uniform way in order to make them deployable for benchmarking purposes (9.26).

In terms of control and audit work, we cooperate with Aarhus Municipality by exchanging know-how and control information to strengthen the control process. In fact, staff from Aarhus Municipality is always to be found working at the Region's offices, collecting experience on combating the black economy. This partnership gives a broader background for our control work and therefore improves the quality of our problem solving. The Boards of the parties involved review the

form of work and results achieved at annual meetings, and all have expressed great satisfaction (9.39 and 8.14). Our partnership with municipalities concerning supervision is described in 1c. In 1999/2001, we have conducted surveys on the municipalities' satisfaction with the partnership (6.9).

It should be stressed that the Region is not allowed to enter into partnerships with suppliers. However, we have established a cooperation with Kinnarps, i.e. visits and discussions ensure that our furniture at least meets the ergonomic demands required by the EU. They have actually designed a "CT desk" based on our description and requirements. By doing this, we significantly helped to improve our supplier's products (9.38).

In 5d we have described the VITA system that eases users' administration within the field of customs. The development of this system has been carried out through a partnership between CCTA, Bull, Schultz, and the Region. The partnership began in 1993 with Bull and the Region as participants. In 1998, CCTA was actively involved in connection with a reorganization of the system to Windows. In 1999, the partnership was extended to Schultz, which is in charge of selling the system. In 2000, the system has been made accessible via the Internet. This very successful cooperation that has been of mutual benefit for all parties - not to mention the users - has caused interest in the EU following a demonstration of the system. The review of the system takes place in the steering committee set up by the partners - and the satisfaction with the system is shown by the increasing interest in using the system (6.23).

The approach for reviewing partnerships is, in those fields where the Board is not directly involved, delegated to the Head of Division who is in charge. Besides this, partnerships are evaluated at management meetings. The results of the reviews are described in relation to the individual fields, see 1b, p. 8.

4b. Finances are managed.

The Region uses financial resources for supporting P&S through our budget process in 4.2. We are "cost adaptive" because our annual budget is set during contract negotiations with CCTA.

4.2 Budget process

Analyse needs against goals and key tasks.	Calculate fixed costs.
Contract negotiations.	Collect budget proposals from divisions, LCC etc. Assess investment plans.
Budget allocation.	Prepare draft budgets.
	Approval by the management team and LCC.
	Report to CCTA budget system.
Assess accounts against the budget:	Quarterly accounting reports sent to CCTA, the management and LCC.
1 Readjust, 2 Review investments, 3 Apply for more resources	Internal controls and audits.

CCTA has overall budget responsibility for CT and administers the total salary budget. The individual regions administer the remaining areas of the operating budget. The approach used for allocating the operating budget to the regions is based on number of staff, office area and other criteria. Our input for budget negotiations is based on analyses of our strategies, especially those for IT, training and other investments, e.g. furniture, if our workplace study reveals special needs. The Head of the Management Secretariat (process owner) uses this input to draft a budget proposal that is presented to the management and then LCC, which finalise the priority and principles that determine budget application.

Our budget and accounting system, SCR, is structured to show on a daily basis how much money we have spent on all activi-

ties and areas. We closely follow developments in budget spending.

We develop and implement financial strategies and processes through our budget follow-up, which ensures that we use budgets according to our plans. The approach is: Our bookkeeper reviews the budget against the accounts by compiling a monthly report, and reports any serious deviations to the process owner and the Board. Every quarter, LCC review the level of expenditure against the budget and make adjustments based on management evaluations. The process owner carries out monthly internal controls to check the quality of the data registered and passes the findings to the Regional Director. External auditors review the situation regularly (9.34-9.35). Based on experience and LCC input, the process owner reviews the budget approach annually. The efficiency of the approach is shown in 9.31. In accordance with the law, LCC must be consulted concerning the principles for budget application. This ensures employee support for fund allocation and leads to greater employee satisfaction. The budget can be seen on our Intranet.

When fixed costs for rent, cleaning, etc. have been calculated, the remaining budget are prioritised to ensure sufficient resources for our key tasks, which are linked to key stakeholders and processes. Using input from all divisions, the necessary costs for information, service and control are calculated for the year ahead. We also ensure funds for important strategic areas such as improvement projects. Through our IT strategy and "IT boost", we have drawn up a plan for replacing PCs, and have allocated considerable amounts to this area. In terms of training, every employee has a competence plan set during annual EAs. The Training Consultant uses these when he compiles a training plan for the Region and a budget for the funding framework needed (7.29).

The Head of the Administration Division evaluates the investments in physical assets through HSC in the light of workplace studies. One improvement was the new designed CT desk mentioned in 4a. He monitors maintenance costs of cars, etc. so that selections are based on hard facts. Our Purchasing Department registers all items purchased, so we can always see who has supplied a given item. We can therefore contact suppliers if the quality of the goods is unacceptable or we wish to renegotiate, e.g. an AGFA agreement concerning the lease of photo copying machines resulted in improved quality, a better price and increased operating reliability.

In connection with the annual review of our HR strategy our HR Manager evaluates non-physical activities, e.g. knowledge. The Region is a knowledge-based organisation and employee competences are a significant element in the prioritisation of our investments. In 3b, we have described how we identify, develop and measure the Region's competences, and we are the only Region that is able to prove a positive effect of our investment, see 4e, p. 38 and 9.41-9.42.

Every year our IT Manager evaluates other non-physical activities, e.g. IT software, in cooperation with the other process owners at the Region. CT delivers all major EDP systems. In order to be able to give feedback on the efficiency of the systems, possible problems are discussed at management meetings and at divisional meetings, as employees working directly with the systems know the problems closely. Our approach meant that the Head of CT's IT Department visited the Region with CT's Director in 2001, and at this occasion employees gave a demonstration of the errors and inconveniences the system delivered. The Region has sent a proposal to CT's management, suggesting that we take part in the improvement work, which will ensure larger operation stability.

All leaders use financial mechanisms and parameters for ensuring an efficient and effective resource structure, e.g. by setting goals for production per team/employee in all areas. The goals are compared with resource consumption in LTRS so that they are able to calculate the development in employee productivity e.g. (9.10, 9.15-9.17 and 9.19). The leaders follow up continuously on the development through productivity analyses in order to assess, whether resource allocation is sufficient in relation to output. Since Aarhus is the only Region that has implemented the LTRS system, we are the only Region with this opportunity.

The Head of the Administration Division controls risks concerning financial resources through our approaches for receiving money and paying for output. Invoices are received in our Accounts Department. A signed receipt acknowledges that the goods received correspond with the order submitted by the division that has ordered and received the goods. To avoid abuse of public funds the person's leader must always approve receipts that result in payment to employees. The rules for expenses are detailed in our accounting rules activity overview and chart of accounts. The Head of the Administration Division reviews the rules annually. Our approaches include:

- ▶ Registration of cheques on special lists, which are immediately sent to our cash desk and put in the bank the very same day.
- ▶ Cash balancing every day.
- ▶ Preparing a payment procedure where expenses are entered daily, stating last settling-day so that payment takes place automatically.
- ▶ Control of payments to suppliers, which among other things ensures that we do not pay suppliers that owe us money for taxes etc.

Public organisations in Denmark are subject to very strict accounting regulations and rules for cost planning. We exploit the funds available in our budget as efficiently as possible by buying most items from suppliers who give discounts through SIS, Statens Indkøbs Service. A review of the overall approach in 2000 has meant that we "deal" with SIS suppliers which has led to savings for the Region, see 4c, p. 35 and 4.3. Before paying bills, we check if the business owes us money and if so, we offset the amount in question. As for travelling expenses, we always check the cheapest option for the Region. Staff must, where possible, use public transport or the Region's cars, which are cheaper than taxis because as a state institute, we are not required to pay the duty of 180% of the acquisition price. We have a unique car-booking system, see 4c, p. 34, which ensures our cars are used efficiently, see also 9.32. In 2000, the Head of the Administration Division reviewed the number of cars by analysing the use of and the expenses for each car. The analysis meant that we were able to reduce the number of cars from 18 to 15, which gave us a great reduction in expenses.

Our overall approach is reviewed annually by the Head of the Management Secretariat in connection with the review of our accounts/audit instructions and following this, our external auditors approve them. Continuous updating is kept in a file, which is studied by the external auditors when they visit us.

4c. Buildings, equipment and materials are managed.

The Region uses its assets for supporting P&S by investing in furniture and equipment that give staff good working conditions, and which ensure our users optimal possibilities of receiving excellent and efficient service. The Head of the Administration Division is responsible for the process.

Our building, which was built in 1995, is accommodated according to the highest standards and thus ensures a pleasant physical working environment for all employees. Furniture is bought in consultation with HSC and their workplace studies. IT equipment is bought in consultation with the IT Manager,

and cars are purchased in consultation with the Head of the Administration Division. All new furnishings purchased are listed in the Purchasing Department. Cars are registered separately in the accounts with details of year of acquisition, costs per car, etc.

One employee who works for the Head of the Administration Division is responsible for optimal use of the building (9.37). When we convert or reorganise, he ensures that divisions are suitably positioned, that self-managed teams have the right surroundings, that archives are stored in the least attractive offices, and that offices and areas with public access are suitably located for users and staff. The plans are discussed and reviewed by the management team and approved by LCC ad hoc.

In 2000 in accordance with our P&S, we increased efficiency by relocating all public-access offices on the ground floor with our Information Division, in order to supply users with optimal conditions for good service. We also located our Business Divisions so that staff could quickly reach the public-access offices. A review of the approach in 2000 has meant that booking of conference rooms is done via Yellow Planner, which ensures an effective use of our premises.

In 2001, the Danish Working Environment Service that assesses all Danish workplaces assessed our approaches. The aim of this assessment is to see, e.g. whether employees' work-related conditions are appropriate or in the opposite case give instructions on improvements. Following the assessment, the Region was characterized as a Grade 1 organisation, which is the symbol of a workplace with an optimal physical working environment.

The Head of the Administration Division continuously controls the maintenance and use of assets in order to extend assets' total life cycle by having a maintenance plan for all our assets - this plan is part of our long-term budgets. Our approaches include:

- ▶ A plan for maintaining and replacing cars.
- ▶ A plan for maintaining our building.
- ▶ A plan for replacing IT equipment.
- ▶ A plan for replacing furniture and other equipment.

All our cars follow the recommended service programme to extend their lives. The Head of the Administration Division also decides when it is time to replace our cars with new ones. Our building is maintained according to a plan, which ensures that the building lives up to the highest Danish standards. The plan includes effective use of heating and electricity as well as general maintenance, e.g. painting. In cooperation with HSC, he plans the continuous replacement of furniture and other equipment on the basis of our own workplace studies (7.26). The plans for IT are mentioned in 4d, p. 35. In order to ensure efficient use of our resources, the Region has employed two unskilled labourers who perform smaller repairs. They also ensure that our cars are maintained as stated.

Our overall approaches are reviewed annually in connection with budgeting. The efficiency of the approaches is measured through our workplace studies and at meetings in LCC, where the prioritisation of expenses is discussed annually. One example is that in 2001, LCC decided that two sections of our building must be painted, four cars must be replaced and resources should be allocated to buying new printers.

We control safety through our safety process. Outside office hours, the building is protected by an alarm system that alerts the security company of unauthorised visitors. During the day, locks protect the building, so that users only have access to the information and reception areas. All staff is given keys, security codes and parking cards. An acknowledgement is kept in

our Management Secretariat. Special security procedures have been introduced for keys that give access to our safe, IT Centre, confiscated smuggled goods etc. When several of our cars had been exposed to vandalism we reviewed our approach, as we built a garage with a special security system to prevent damage and theft. The result has been that we have not suffered any loss since then.

The person responsible for the building reviews the security systems quarterly, and a report that includes details of alarms received from the security company is submitted to the Board. A review of security in 2000 meant that we put up video surveillance cameras in our information environment in order to prevent robbery of money and other assets. Another improvement in 2000 was the setting up of a sprinkler system in all parts of the building, in order to reduce fire damages.

We measure and control the negative effect of our assets on society and staff through annual workplace studies as well as through annual reports from the Danish Working Environment Service. We guard against work-related injuries caused by incorrect working posture by buying only ergonomically correct desks. Photocopiers are installed in specially furnished rooms with ventilation systems to ensure an optimal indoor climate. We cater for staff with allergies by furnishing special offices for them. Our environmental policy, action plan and initiatives carried out are evaluated annually by our HSC and through measurements of absence due to illness (7.35) as well as during our workplace study of our physical working environment.

The Region optimises stocks through an efficient Purchasing Department and inventory control, supervised by a purchasing employee. The Head of the Administration Division is responsible for purchasing equipment, materials and IT equipment and for our purchasing policy, which ensures that:

- ▶ We buy only what we need.
- ▶ The depot delivers the relevant items on time.
- ▶ We are aware of prices and achieve optimal discounts.
- ▶ The quality of goods purchased is ensured.
- ▶ Purchases are environmentally sound.

Stock management of material, e.g. office equipment, is conducted by purchasing department staff, where copies of all purchase invoices, lists of SIS suppliers, etc. are filed. Staff can get the office equipment they need from our depot.

The Region optimises resource consumption through the approaches mentioned below. Our purpose-designed car-booking system, for which the HR Manager is responsible, ensures efficient use of the 15 cars currently at our disposal. This on-line booking system is available in the Management Secretariat and allows everyone to book a car for the day or hours they need. The system's usefulness was reviewed in 2000 and now the system has been implemented in our electronic Yellow Planner calendar so that staff can book cars directly without visiting the Management Secretariat, thereby saving resources.

Telephone expenses also reflect our cost control. We found that staff had for some time been obtaining telephone numbers and addresses of users from Directory Enquiries, which is very expensive. In April 1998, we installed an on-line search facility called Names and Numbers. After reviewing the system, in April 1999, we outlawed the use of the telephone company's Directory Enquiries. Our phone bill has dropped considerably, see below:

Fig 4.3 Directory expenses (DKr.)

1997	1998	1st 1999	2nd 1999	3rd 1999	4th 1999
92,000	61,000	11,000	9,000	3,000	0

A third area in which we have achieved savings is the purchase of PCs. Our policy is for staff to have the equipment they need – but nothing unnecessary. Many staff has limited

requirements but need access to the Intranet for information, etc. Therefore, in 1999 we bought 30 second-hand PCs from two other regions for a total of Dkr. 45,000. The computers fulfil our needs completely and we saved Dkr. 200,000. All our working expenses and investments are based on assessing alternatives. Examples of savings seen in relation to earlier offers by changing supplier or “dealing” with the present, are shown below:

- ▶ Reductions in Dkr. in 2000/2001:
- ▶ Copying machines 50,200
- ▶ Painting 51,300
- ▶ Removal of waste 20,000
- ▶ Photo copying paper 30,000
- ▶ New chairs for our Training Centre 50,000
- ▶ New book shelves 17,000
- ▶ Ventilating plant 50,000

The Region minimizes and ensures recycling of waste through an efficient recycling policy managed by HSC. The Head of the Administration Division administers our environmental policy on a day-to-day basis in accordance with our environmental management process, the key elements of which appear below:

- ▶ Environmental mapping.
- ▶ Preparation of action plans with guidelines for purchasing and day-to-day operations.
- ▶ Evaluation of the activities prompted by the workplace study.

Our building complies with guidelines generated by the Ministry of the Environment to save energy. Every year we report our energy consumption to the Danish Energy Agency and we follow developments closely. We also consider energy consumption when buying office machinery and computers, e.g. our computers are equipped with an automatic energy-saving function that cuts in after ten minutes not in use. Our photocopiers also have a save function that means they use minimal power. Cars are chosen for safety and low petrol consumption. An important criterion for our choice of a private cleaning company is the use of environmentally sound cleaning agents. Waste is recycled through incineration. Used printer ribbons, etc. are collected by a recycling company and batteries are disposed of appropriately. We dispose paper and cardboard for recycling, which is handled by Averhoff, our recycling company (8.11).

To save energy, we have also introduced heating management that reduces heating levels to a minimum outside normal office hours. Offices are not heated during weekends and corridor lighting switches off automatically outside office hours. Most of our light sources have energy-saving light bulbs. Measurements of energy consumption are shown in 8.12.

Through our cooperation with seven other regions we have compared our expense control, just as CCTA at intervals analyses whether our approaches are effective. The latest results are shown in 9.32. The Head of the Administration Division reviews our overall approaches continuously.

4d. Technology is managed.

Performing the Region’s P&S is dependant on technological solutions. The identification of our basic technological development takes place in CCTA while the management team and LCC evaluate local possibilities through input from our IT Manager. In connection with the management team’s annual strategy and budget discussions, we evaluate our possibilities for deploying technological solutions in the support of our production. Examples are the purchase of portable PCs with docking stations as help in our control and audit process, the deployment of BO, Intranet and Internet etc. The latest review of CT’s IT strategy has meant that as of summer 2002 we will deploy Windows 2000 which we expect will improve stability

of our systems. CCTA’s strategy is built on virtual IT Centres which in future will monitor the efficiency of our hardware and software.

We expect an improvement to be implemented when we replace our Corel Office programmes with Microsoft Office. To the Region, this review of the strategy has meant that we have already decided to train employees in using the new IT products. CCTA’s overall IT strategy includes:

- ▶ Securing functionality, which supports staff’s needs.
- ▶ Stable settlement of operations.
- ▶ Close support.

Regarding the external users, the strategy is to ensure on-line solutions for CT’s systems that ease the administrative work for businesses and ensure an effective communication with CT. CT commands Denmark’s largest and most advanced databases. All information on the 4.5 mill. tax payers and 400,000 businesses in this country is collected in central databases which all employees have access to, if it is necessary in performing their job. Our IT management process is shown below:

4.4 IT management process

IT strategy. Input from IT Manager on new equipment. Index table overview of equipment.	Collect offers. Assess alternatives. Delivery deadlines.
Budget input. Decision on budget framework.	Environmental considerations. Super users and neighbour training.
Implementation of new systems.	
IT Manager evaluates the results of investigations. New index table.	Measure errors in hardware and software. Consider repair costs.
List of revised needs.	Consider ES needs and implementation

Our IT P&S is built on replacing hardware when a need is registered. In our experience, hardware must be replaced at least every three years to ensure it is powerful enough to work with increasingly demanding software. Computers are allocated to staff using a specified overview of the PC level in each division. The IT Manager reviews our IT management process annually. One result of our 1999 review was that we changed to an IT supplier who provided better service. Our IT purchases are based on price, capacity, support and guarantee terms as well as environmental considerations. We measure quality as the number of mistakes in the hardware, etc. that are mentioned in the IT Manager’s recommendations concerning the purchase of new computers.

The Region controls the technological portfolio by constantly monitoring the systems in our Technical User Service, which employs four people. Our approach ensures that the systems work at their best so that we can serve users on-line or by telephone in accordance with our P&S, to avoid wasting time for working. We measure satisfaction with our Technical User Service (7.23). Process owners and employees evaluate all systems through the technical networks. In 2001, a written review of our most important systems meant, as mentioned earlier on, that CT’s Director and IT Manager visited the Region, and at this occasion employees working with the systems gave a demonstration of problems identified. Following this, the Region sent a report to CT, since the Region is unable to correct errors in systems owned by CT.

We appreciate the importance of IT investments in our work, as shown by the major boost in the PC quality and capacity shown in 9.44.

Maximum security is achieved by dividing our IT security policy into several levels. PCs are secured against unauthorised access using passwords. Vital network components are locked in a secure room in locked steel cabinets and servers are located in a specially secure room with automatic sprinklers and

an air-conditioning system, and access is restricted using special passes. All employees have the necessary access to the IT systems through the authorisation systems. Employees are given a user ID and secret password on joining us. Our password policy is operated by machine so that all users must change their password every 90 days. Some systems generate printouts that log users' use of the systems.

Our safeguards against accidents include a number of routines we have established that provide daily data back-ups, which are stored on tape in a fireproof cupboard. We make sure that our security policy is observed by linking data security controls carried out by all Heads of Division. All problems are reported to our Regional Director.

We use existing technology by ensuring that all employees have access to and receive training in our systems and through innovative approaches as mentioned below. Management of our local IT strategy is a vital link in overall strategy. Our IT Manager submits annual plans to the Board, who uses them as input for annual budgeting. All staff has their own computer and printer and everybody has access to the Intranet and the Internet.

Equipment, e.g. servers etc., is maintained and updated by our Technical User Service with staff trained for the task. For reasons of security, our IT assets are marked to prevent theft and aid retrieval. For instance, in 1998, PCs stolen during a burglary were returned to us. Our IT Manager measures the efficiency of our PC equipment, errors and problems with software and hardware.

As part of our P&S we have made an experiment in 2001 on conducting audit of ten large businesses, using EDP audit systems. The result has been tax increases of more than 10 mill. DKr. This approach has proven so successful that in 2001, we will continue this approach. Another strategic initiative is control of trade on the Internet. In 2002, we will, as the only Region, conduct a pilot project for CCTA and we have allocated five employees to the task, which we expect a lot from.

In 2000, we implemented an EDP system for assessing real estate (Map View) in cooperation with Aarhus Municipality. The system, which relevant employees have access to, gives a detailed view of all premises that we must assess. We use the Internet in the same way since Aarhus County has developed a system that shows all premises from a bird's-eye view. In 2001, we have evaluated these systems and we have decided to extend the use in the JEM Division that handles complaints, and we have also bought a digital camera so that we can support the quality of complaints handling in this area with photos.

As mentioned before, we use technological systems for on-line communication with users, BO for selecting businesses for control and for thirty other purposes. In 2001, as an example we have designed an analysis system for monitoring what we call short-settlement businesses. The system contains key figures on profitability etc., seen in relation to VAT turnover, and this eases our control work, just as we have created an IT based system for analysing businesses' VAT statements. Our BO expert spreads the approaches mentioned above to all relevant employees via the Intranet and through in-house training (70 participants in 2001), and he constantly analyses new possibilities for developing this tool.

Our IT policy ensures that staff has the equipment they need for their work and can communicate efficiently with colleagues and users. We use technology that removes monotonous work and thereby leaves energy for intellectual work, e.g. all VAT declarations are scanned which give administrative relief. We use IT to ensure useful, clear information through

our own web master. We have ensured implementation of the overall IT strategy through our Technical User Service, which has a staff with specialist knowledge within this field. In co-operation with super users, who have been specially trained in using a specific system, and neighbour trainers, who are placed in all divisions, the result of this is an effective support.

The Region creates new technology by analysing areas of special importance to our P&S. As a branch of CT, we are not permitted to develop our own general IT systems. CCTA determines which systems we can have on our servers and develops and tests all our major systems to minimise the risk of viruses, promote IT uniformity, etc. Despite this, we have developed our own systems in some important areas. Examples are: VITA, which supports users in the field of customs, and which is a major success inside CT as well as outside, see [5d, p. 46](#); a car booking system, which ensures an efficient use of the Region's cars; Yellow Planner, which ensures an efficient service to users as well as an efficient in-house communication, and LTRS, our own time registration system. The systems that CCTA puts at our disposal are mentioned in [4e, p. 37](#).

At one time, we implemented new technology using short internal courses for all staff, but this caused problems for our Technical User Service. After reviewing our approach in 1997, we introduced the system based on super-users and neighbour training so that more IT specialists were involved. We used this model when introducing our Yellow Planner technology (1999), which was implemented by two super-users. The neighbour trainers in all divisions were briefed and passed on their knowledge and then finally all employees were thoroughly briefed in our auditorium. We measure and review the effectiveness of the approach annually in connection with the review of our communication policy.

We use technology for supporting improvements via our QO approach and web-master, who makes sure that technological solutions are implemented in our improvement work. The most important example is the development of BO which is now employed in app. thirty different tasks, and which is an integrated part of the whole management system. We use IT solutions in all areas of work. We have designed standard versions of letters on all PCs, we register all letters received in ScanJour, and all in- and out-going payments are registered in the DR-system etc. KVALIPRO is one example of a system that supports improvements since the quality of our casework has improved significantly. Employee creativity is channelled via QG and LCC to CCTA. One employee has developed a system in Quattro Pro that enables the control of energy tax more efficiently. The Region has already implemented the system. Another employee suggested to QG a system that can solve VAT problems concerning the EU more simply. Both suggestions have been nominated for prizes and submitted to CCTA.

New systems are implemented by a number of super-users and neighbour trainers under the supervision of the IT Manager. Each IT system has a super-user trained by CCTA at external courses and one or more neighbour trainers trained by the super-users. Together, their task is to cascade their knowledge throughout the division so that everyone can use the systems. Their efficiency was measured for one month in 1999, which showed that super-users and neighbour trainers provided assistance 236 times - equivalent to about 2,500 times per year. We concluded that the system was effective. Other options have been considered and tested, e.g. external courses outside CT, but experience showed they were too expensive and the link between course content and needs was not satisfactory.

In 2001, a review of our approaches has meant that we have implemented e-learning in connection with certain types of courses. E-learning forms part of our introduction programme

for new employees and it has made our introduction more effective.

4e. Information and knowledge are managed.

Effective IT systems are required to effectively carry out our work and thereby complete our MI. The Region collects, structures and controls information and knowledge to support P&S through measurements and other indicators from our IT systems, which ensure that the output supports our key strategies by ensuring that comprehensive, up-to-date information is available for management and staff who need it. The process owners are responsible for day-to-day management and ensure that the output is of a high quality.

Our approaches include the following information systems that support our processes and are spread to all relevant employees since the systems are connected with our LTRS system. Thus, there is a connection between resource consumption, results and other indicators.

Process	System/Collection of data
Registration, collection (data), collection (tax)	Erhvervssys., DR, VK, RRRS, BO, SAP
Casework and information	ScanJour, RRRS, BO
Control and audit	RRRS, KVALIPRO, BO, KINFO
Real-estate assessment	SVUR
Supervision of municipalities.	CT-tele
Motor-vehicle assessment.	Modet
HR	PAI and SCL
Budgets and accounts	SCR, SAP

The management team review our approaches annually in connection with the review of P&S, and leaders discuss the efficiency of the systems, whether other measurements are relevant to the organisation or whether measurements that do not support P&S should be left out. In 2001, one example of the management's review is RRSI - in 2002, we will register a number of indicators on administrative tasks etc.

We give suitable access to relevant information and knowledge to in-house as well as external users. Collection of data for the systems DR, BO, SVUR, CT-tele and Modet is done partly via the Internet, via scanning of declarations etc, while collection of data for the other systems is done by hand. Heads of Division ensure that staff has the necessary access to the systems. Users do not have access to our internal systems yet, but they have access to all relevant information on CT's home page on the Internet, and users can also get on-line forms, instructions, advice etc. relevant to them. Besides this, all users have access to declare taxes, customs, VAT etc. that they must pay to us, and they can transfer their payments to us automatically via home banking. When users address the Region by telephone or personally, employees will be able to tell them right away how their statements/payments have been registered. In 2001, a review of our approach led to the following improvement: Municipalities were also given access to our new Extranet which contains all relevant information to them, including newsletters, altered strategies and EFN which is a significant tool for exchanging knowledge with our partners, see below.

In order to create openness towards users on our administration, all citizens have a right to see all documents in the cases we consider. Our quality demand is that citizens who want copies of documents must receive these within ten days of their request. We measure the efficiency of this approach (6.24). Our approach also includes that we always inform citizens of where to send complaints if they are not satisfied with our settlements. In accordance with our P&S on openness and

service, it is a part of our future strategy to give users direct access to their own "CT accounts" via the Internet.

Our information strategy is to give relevant information and updated data to all employees who provide a service through screen technology. Up-to-date information helps our employees to make decisions about users as well as to monitor them. Our telephone system is linked to our Flexi system and Yellow Planner and ensures that the switchboard gives users professional, personal service, as the operators can see at any time whether an individual is present at the Region or confirm that they are elsewhere at a meeting.

Internal communication, managed by the Head of the JEM Division, takes part mainly through the Intranet and via e-mail. The Intranet is used for and consists of, among other things:

- ▶ All internal communication within the whole of CT.
- ▶ All internal communication within the Region.
- ▶ The Region's mission, vision and values etc.
- ▶ Home pages of the divisions.
- ▶ Home pages of the technical networks.
- ▶ Home page of QG.
- ▶ The Region's HR policy.
- ▶ An electronic technical network, EFN – nationwide.
- ▶ An electronic library that contains all technical literature.

To ensure high levels of competence, all staff has access to the following additional systems: Thomson and MAGNUS, which is an electronic collection of direct and indirect tax and VAT legislation. These electronic tools are continuously up-dated, and they save the Region from large sums for buying specialist literature etc. We reviewed our approach in 2001, which meant that we bought the necessary licenses so that all employees who needed these media have access to them.

The annual review of our communication process in 2000 has meant that in 2001, we have made most working processes accessible on the Intranet. We measure satisfaction rates on this type of communication. At our 2001 ES, the question: "How satisfied are you with the Region's home page" received a satisfaction rate of 82. The question: "I feel confident about information communicated to me via electronic media" received a satisfaction rate of 85.

The effectiveness of information from the management is reviewed through ESs (7.7 and 7.14). After our 2000 ES, an improvement group suggestion led us to implement a new information policy, see 3d, p.27.

We ensure and improve the quality and the relevance of the information, which lies within our systems, by continuously monitoring all data on the background of input and output from the systems. Input and output are monitored by the relevant process owners and form part of the monthly internal controls. We measure the satisfaction with our approach, e.g. whether inputs to our systems are valid. In our 1999 US the question: "Tax declarations processed correctly" received a satisfaction rate of 85.

A review and improvement of our approaches were the introduction of KINFO, which ensures that persons and companies that have caused the authorities losses of more than 50,000 Dkr. on purpose are registered in the system. Another improvement was the implementation of SAP in 2000. This system is much better at generating accounting reports for analysis work, e.g. liquid analysis. We implemented the new system by a specialist who is a trained SAP super-user. The other users have received two weeks' training given by the super-user. Our experience has prompted us to recommend that the SAP system should also be implemented in our internal accounting system, HR administration system, etc.

Our information systems are protected by confidentiality. The Regional Director is responsible for IT security at the Region, including preparing and updating our security rules. We have appointed a security coordinator to take care of the practical work.

After reviewing the efficiency of the security coordinator's work in 1999, we decided that he should keep a logbook of activities carried out as well as suggestions. The logbook is presented to the Regional Director, who decides if security procedures are to be reviewed. The security coordinator advises the management and employees about risks and choice of options for protecting new systems that are introduced.

In 2001, CT made a benchmarking analysis of the Regions' safety procedures. In the auditors' report it is stated: "The quality of the internal controls which are performed at Region Aarhus were pointed out as being examples for imitation".

We grow, develop and protect unique intellectual property with an aim of maximising value for users by setting up databases that ensure an efficient dialogue and communication. All companies are registered for the relevant direct and indirect taxes in our "Erhvervssystem" (company registration system), under what we call a CVR number. Besides this, all businesses are divided into trades, when the business was set up, the owners etc. Using BO, we ensure that we can have a targeted dialogue with businesses. E.g., if we have to inform businesses, registered for VAT, on new legislation we can select these businesses so that we can target our effort.

Since 2000, we have developed BO, so that now it is also used proactively, since we can select specific businesses for audit without bothering those that have their accounts under control; we can select trades or businesses that will be part of our USs etc. In other areas we have implemented systems that create value for users, e.g. ScanJour ensures that reply deadlines are respected. Our DR system calculates amounts liable for payment and outstanding amounts, which are vital aspects of the process collection of arrears.

In recent years, an improvement of our approaches has meant that all businesses can now communicate on-line with the Region, regarding letters, specifications of taxes and excise duties and payment (6.31).

The Region strives to get, increase and use knowledge efficiently by continuously improving employees' competences and ability to share knowledge. Our approaches include:

- ▶ Goal-oriented competence development.
- ▶ Competence accounts (professional and personal).
- ▶ Knowledge sharing.
- ▶ Empowerment and delegation.

We develop employees according to the IiP Standard to enable them to match present and future tasks. On the basis of the "Layer-cake model" we measure employees' competences in professional (9.42) as well as personal areas (7.31). Employees' knowledge is maximized through knowledge sharing, e.g. through formal and informal neighbour training, technical networks and the electronic system EFN, which can be found on our Intranet.

Our technical networks, which consists of employees from a specific field of activity, elects a technical coordinator responsible for collecting information and publishing it on their home page on the Intranet. EFN is a nationwide technical network that is divided into professional topics and which all employees have access to. EFN works in the following way: All employees can put forward their questions, answer questions from colleagues or participate in a professional dialogue with

colleagues from all over CT and from municipalities, in order to maximize knowledge sharing through the Intranet. The long-term strategy for the on-line networks is to develop "knowledge galaxies" in which each employee provides input and can draw on colleagues' experience and solutions, to help prevent "reinventing the wheel". Knowledge galaxies have the following benefits:

- ▶ Time saved if the problem has been solved before.
- ▶ Uniform casework when cases are completed using previous experience.
- ▶ Easy access to others' experience.

The Internet is used for informing and sharing knowledge with users, as mentioned earlier on. This key area is managed through our Information Division. Information channels include:

- ▶ CT's Internet home page.
- ▶ Newsletters to users about new legislation, etc.
- ▶ Meetings and courses arranged by us.
- ▶ Question from users on-line.

CT's home page is accessible to all our users, who, since 1999, have been able to submit their declarations on the Internet. At the Region an increasing number of businesses use this facility, which is easier for users and saves us resources otherwise spent on keying in the data. Our strategy is for user information to be submitted electronically. We therefore have an employee working permanently to promote and explain about this opportunity for on-line communication, see results in 9.27-9.30.

We have increased the efficiency of data mining by establishing a Data Warehouse and obtaining Business Objects (BO), used by all divisions. After reviewing the usefulness of BO in 1998, we decided to assign an employee to supply leaders with relevant data on a continuous basis. The aim of the system is to base our controls on facts that are also useful for USs. BO ensures, among other things, that we can select businesses for control in a very effective way.

We create innovation and creative thinking within the organisation through the use of relevant information and knowledge resources by cooperating with external partners and by participating in benchmarking with "Best in class" organisations. Our HR Manager participates in technical networks with Ankerhus and Dansk Management Forum in order to give and receive input for efficient use of our knowledge resources. In 2000, the Region has benchmarked our approach for collecting information with AOC whose task it is to register the payment of taxes and certain duties in the UK. AOC's process means that businesses can only pay by cheques while our users have several and more modern ways for payment. We are convinced that the use of the Internet, Giro, and bank transfers to CT's bank is user-friendlier - and more efficient to the Region since we save resources for entering the payments etc.

In 2001, as stated earlier on, we have analysed the Region's ability to share knowledge, in cooperation with ASEBAML. The reason for this cooperation was our wish of maximizing our knowledge resources and ensuring that we make the best of our employees. Later on, experience from this project formed part of our preparations and the necessary improvements prior to our assessment for the IiP Standard. Examples of improvements are: Structured neighbour training, goal-oriented effort to make employees participate in EFN, and e-learning initiatives in connection with introduction of new employees at the Region.

Relevant process owners (1.7) review our overall approaches annually in relation to the review of our overall P&S.