



Transformation strategy of the Social Insurance Institution for the years 2010-2012



1. Introduction

The purpose of this paper is to present a strategy for restructuring the Social Insurance Institution (ZUS) in 2010-2012. This transformation involves implementation of innovative solutions in ZUS, aimed at improving efficiency and customer service. Key changes planned for 2010-2012, will be the basis for further improvements.

This strategy is ZUS response to changes in the socio-economic environment connected with the development of information society and the growing awareness of the costs of civil society. And so, on the one hand, the development of the information society enforces the need to provide services in a comprehensive and permanent way. It becomes necessary to mobilize modern technologies and IT tools that increase the range of services performed by means of an **electronic customer relationship**. On the other hand, the growing awareness of the civil society enforces actions aimed at **increasing cost efficiency** while keeping in mind the need to provide **high standard of customer service**. This requires activities connected with cost optimization while taking into account the need to increase the effects of performed tasks.

The present strategy thus plays a role of a communication that enables more consistent ZUS transformation process, taking into account the innovative activities that are carried out. ZUS initiatives, such as process description and optimization and introduction of indicators to control performance, are intended to shift the organization to the process management track. A 3-year horizon was assumed for implementation of this task. This will allow a more precise formulation of initiatives and a more accurate measurement of work effects in the subsequent years. The strategy determines an ultimate strategic goal for the Social Insurance Institution and overall objectives in the most important areas of ZUS operation. Goals and objectives have been defined based on the SWOT analysis. Cross-cutting policies presented in this strategy are the main tool for achieving the mentioned goals and objectives. The strategy also sets out a mechanism to measure goals' and objectives' achievement and introduces a system of their cascading downward through the organization, taking the form of area policies.

2. Strategic analysis

a. *External conditions*

The Social Insurance Institution is a state organizational entity with legal personality, performing tasks in the field of social insurance under the Act of 13 October 1998 on the Social Insurance System (Journal of Laws of 2009 No. 205, Text 1585 and No. 218, Text 1690 as well as of 2010, No. 105 Text 668). This Act sets out the basic tasks of ZUS.

The Social Insurance Institution currently provides services for:

- nearly **14.5 million insured**. It inter alia:
 - keeps accounts recording individual insurance history for each person;
 - transfers a part of the old-age pension contributions to Open Pension Funds (OPFs), individually for OPFs' members - in the first half of 2010, ZUS transferred to OPFs an amount of **PLN 10.4 billion**;
 - collects, accounts for and transfers to the National Health Fund (NHF) contributions to health insurance - in the first half of 2010, ZUS forwarded to the NHF an amount of **PLN 25.7 billion**;
 - certifies incapacity for work mainly for pension purposes - in the first half of 2010 more than **457 thousand medical certificates** were issued;
 - checks the correctness of certifying temporary incapacity for work; **177 thousand certificates** were issued in the first half of 2010,
 - refers to medical rehabilitation within the framework of ZUS pension prevention - **more than 46 thousand people** were referred to rehabilitation in the first half of 2010;
- more than **1.7 million contribution payers**. It inter alia::
 - conducts monthly contribution settlement, transferring contributions to funds separated from the Social Insurance Fund, i.e. the old-age pension fund, the disability pension fund, the accident and sickness fund - receipts from contributions to these funds amounted to **PLN 45.5 billion** in the first half of 2010,
 - collects contributions to the bridging pensions' fund;
 - assesses and collects contributions to the Labour Fund and the Fund of Guaranteed Employee Benefits - in the first half of 2010 accounts of the Labour Fund and the National Bureau of the Fund of Guaranteed Employee Benefits were credited with an amount of **PLN 4.5 billion**.

- and **beneficiaries**, for whom ZUS:
 - establishes pension entitlements, assesses pension amount, makes calculations and pays pensions to nearly **7.5 million** people;
 - establishes the entitlement to and pays short-term social insurance benefits, i.e. allowances and benefits from sickness, accident and disability pension insurance - about **350 thousand payments** per month;
 - grants and pays from the State Budget the following non-insurance benefits that ZUS is obliged to handle based on the provisions of primary legislation:
 - pensions for about **90 thousand** disabled ex-servicemen and war-disabled persons and combatants and various kinds of supplements for these people, such as supplements for combatants, compensation supplements, energy lump sums, etc.;
 - social pensions for nearly **240 thousand people**;
 - pre-retirement benefits and allowances payable within the framework of social welfare to over **150 thousand people**;
 - establishes and pays personal income tax on paid benefits (tax settlement for more than 8 million people per year);
- In addition, ZUS:
 - acts as a competent and liaison institution for the purposes of international coordination of the social security systems in collaboration with a **number of liaison institutions** from other countries;
 - is the disposer of the Demographic Reserve Fund, which at the end of the first half of 2010 amounted to **PLN 10.9 billion**.

This list does not exhaust the entire area of ZUS activities, but it shows the scale of the burden and diversity of tasks, which are also variable in time. To perform these tasks, ZUS receives funds inter alia by deduction from the Social Insurance Fund (SIF), as determined annually in the Budget. In 2010, an amount of **PLN 3.8 billion (2.4%** of SIF expenditure) was assumed in this respect. Over several recent years that rate has stabilised in the range of 2.3-2.5%, although in 2003 it was 1.8%, and in 2005 - 3.0%. For the coming year it is planned to maintain the nominal value of deduction, which - with an increase in SIF expenditure - will reduce the percentage rate of the deduction.

In conclusion, the Social Insurance Institution - as an executive institution in respect of social insurance - operates in an area of tasks well defined by the legislation, with a budget that is also determined externally. The essence of ZUS activities in such circumstances is to ensure efficient and

reliable operation of the social benefits system through proper operation and optimum allocation of resources. The result are the rendered services whose quality becomes the primary criterion for process design and organization of resources. This dependence is shown below.

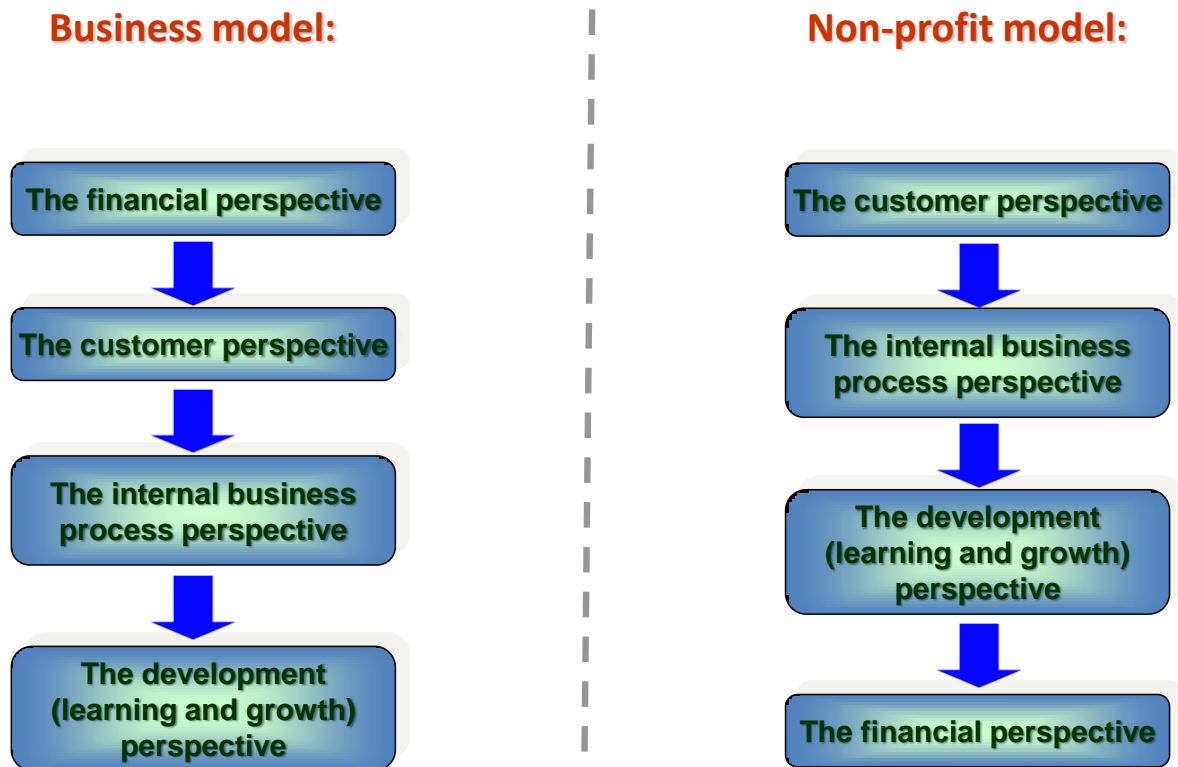


b. Balanced Scorecard as a tool for describing and measuring

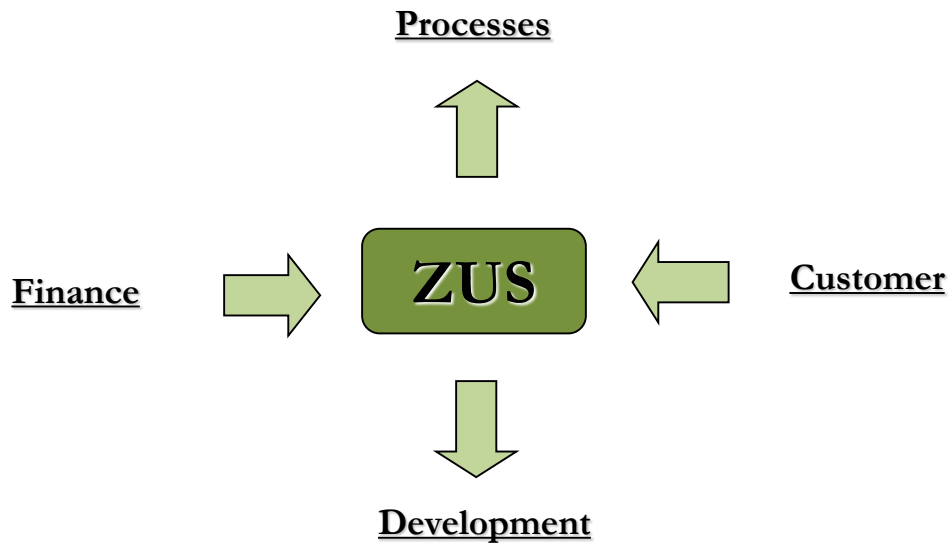
A tool used to describe the structure of the strategy is the Balanced Scorecard (BSC).¹ It allows to define goals and objectives and monitor performance against those goals in relation to four perspectives: financial, customer, process, and development (learning and growth). The financial perspective focuses on the financial operations of the organization. The customer perspective refers to a relationship between the service provider and the service recipient (customer). The process perspective focuses on the way (method) used by the organization to provide a final product. The development (learning and growth) perspective is focused on resources enabling the organization to provide services.

The Balanced Scorecard has been used for many years in business, but it is also increasingly applied in the public sector (e.g. in local governments, health care). In the commercial sector, the hierarchy of perspectives emphasizes the importance of finance as a guarantor of business success. For the Social Insurance Institution, the adjustment of the BSC model consists in emphasizing the role of the customer, while the finance is becoming an efficiency control tool. That adjustment takes place according to the following diagram.

¹ According to the concept of R. Kaplan and D. Norton - details inter alia in Kaplan R. S. and Norton D. P. (1996) *Balanced Scorecard: Translating Strategy into Action* Harvard Business School Press (Polish edition: *Strategiczna Karta Wyników. Jak przełożyć strategię na działanie*. PWN, Warszawa 2007).



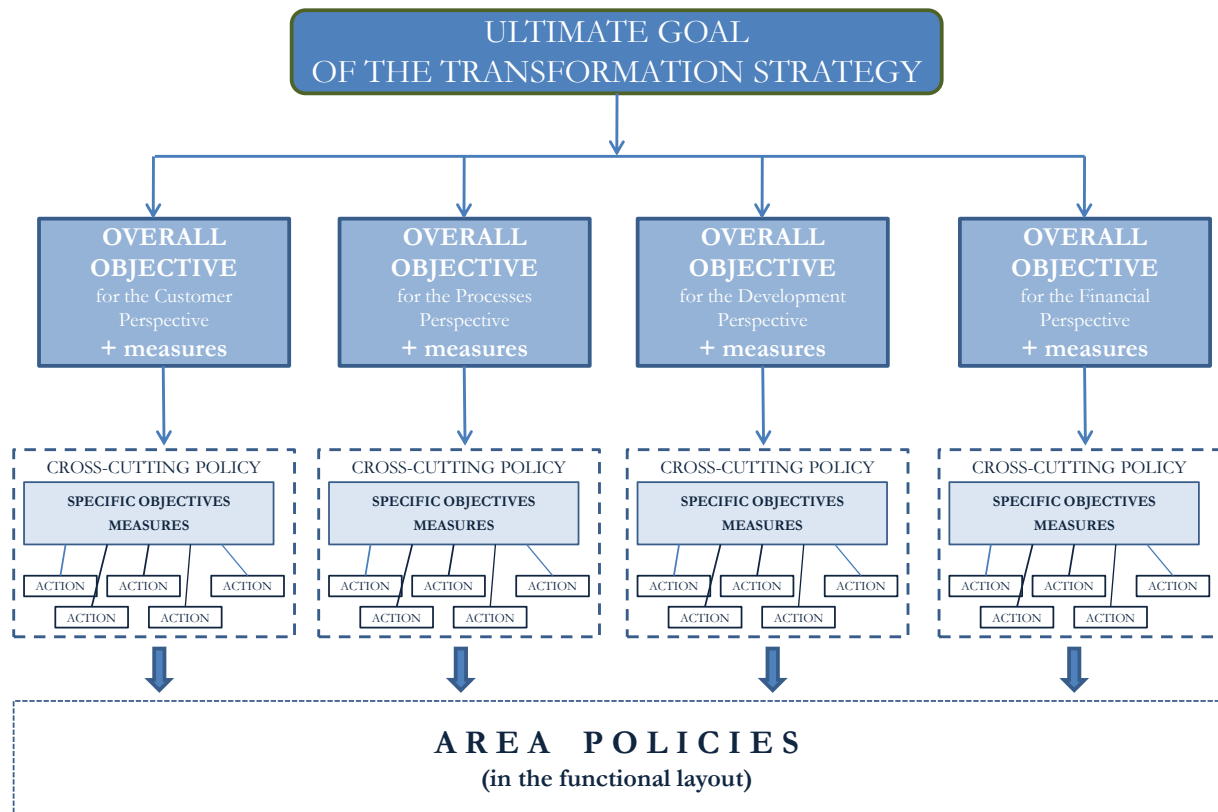
The Social Insurance Institution has a duty to carry out the assigned tasks, having at its disposal the specified amount of funds. In terms of the Balanced Scorecard this means external definition of a framework for the activities in the customer and financial perspective. In the customer perspective, due to the fact that customers and a catalogue of services have been precisely defined by the legislature, ZUS responsibility relates to the way of implementing these tasks. And the financial perspective plays a control function, imposing management discipline within the allocated budget. The freedom in managerial decision-making relates to the process perspective and the development perspective. The process perspective includes the design of the course of action in such a way as to ensure efficiency, quality and financial efficiency of the implemented tasks. This is accompanied by optimal selection of resources to implement the tasks, as described in the development perspective. Its scope includes both the development of an optimal organizational structure and the management of human and material resources. These relationships are shown in the following diagram.



ZUS transformation strategy formulates an overall objective for each of the BSC perspectives, which is a derivative of the ultimate goal, defined as a mission and vision for the organization as a whole. Overall objectives for the BSC perspectives have been broken down by means of *cross-cutting policies* into specific objectives, for which schedules of activities have been developed. As a result, this strategy provides goals and objectives defined at three levels:

- The ultimate goal - a single general goal joining overall objectives set for individual BSC perspectives, acting as the vision and mission for ZUS;
- The overall objectives - individual objectives set for individual BSC perspectives;
- The specific objectives - breaking down the overall objectives for a given BSC perspective within the framework of the cross-cutting policy.

Goals and objectives for each of the levels have been dimensioned using key performance indicators (KPIs). This strategy designs the baseline for indicators and the desirable trend. All the goals and objectives defined at the above levels are a determinant for area policies, acting as a tool for cascading the strategy of changes. With the aid of the area policies, these goals and objectives are transposed to different areas of tasks performed by the organization. To sum up, the BSC-based ZUS transformation strategy will be presented in the following layout.



c. SWOT Analysis

SWOT has been accepted as a strategic analysis method (Strengths, Weaknesses, Opportunities, Threats). This method consists in recognizing ZUS internal situation and its surroundings, creating the basis for the correct identification of strategic goals. The analysis is based on development of a matrix of strengths, weaknesses, opportunities and risks in the cross-section of the Balanced Scorecard perspectives. The analysis was carried out in terms of roles that ZUS has to play in different perspectives: as a service provider for the customer, as a designer of processes, as an organizer, and as a public funds' disposer.

Customer Perspective

The Social Insurance Institution as a provider of services to the customer already exists for 75 years. Over the years, ZUS has developed a dense network of local organizational units, providing convenient access to the services. ZUS has developed standards for customer service, which are being gradually introduced in all the local units. Intensive technological progress in communication offers new opportunities to develop customer relationship standards, also for the disabled. Therefore, the electronic communication system has been in use for many years in ZUS dealings with contribution payers. E-services development is advantageous for the customer both from the

standpoint of increased availability and reduced service time. With the growth in a number of customers using modern forms of communication, ZUS should increase the scope of services rendered in this way, at the same caring for the level of services provided in the traditional form.

Process Perspective

From the very beginning, ZUS has performed closely defined tasks, providing services for defined groups of customers. Tasks' implementation in the context of frequent changes in legislation is associated with the creation of diverse, often inconsistent procedures, whose introduction is forced by a short *vacatio legis*. Procedures implemented in such way are most often associated with large bureaucracy and excessive paperwork. As a result of accepting such pathway to introduce changes, there appeared a potential to optimize processes, related both to their conduct and mutual relationships. The condition is, however, to convince staff at all levels as to the merits of introducing the process management. Process organization will contribute to improving the quality and efficiency of service delivery.

The development perspective

Extensive facilities throughout the country provide the customer with opportunities of direct access ZUS. However, linking those facilities with an extensive internal organizational structure, based on a full scale model, which is therefore less flexible, results in under-utilization of economies of scale and specialization in tasks' performance. This is especially visible in the case of small, full-range organizational units. In this context, improvement of process efficiency requires organizational adjustments. Qualified staff and the Comprehensive Information System (CIS) functioning in ZUS, which - by means of dedicated applications - supports various areas of activity, enable the creation of specialized centres for the execution of specific tasks. Implementation of organizational changes may induce the risk of outflow of well qualified employees and the structural mismatch between employees' skills and the new tasks. The threat may also come from an enormous scale of ZUS operations, bringing about the risk of inefficient supervision resulting from the territorial scattering of units, the diversity of tasks, number and type of supported entities / service recipients. Organizational changes should bring about benefits resulting from the expanded scale of operations, through the use of the so-called economies of scale and specialization.

The financial perspective

Responsibility for public funds disposal requires efficient and reliable financial information. Current ZUS system is based on the methodology of linking costs and their sources of origin.

An opportunity to expand information taking into account the process dimension will allow to link costs with information on performance of individual tasks. This will increase the efficiency of resource allocation and the supervision of funds' management.

The table below presents strengths, weaknesses, opportunities and threats systematization.

SWOT ELEMENT PERSPECTIVE	STRENGTHS	OPPORTUNITIES	WEAKNESSES	THREATS
CUSTOMER	<ul style="list-style-type: none"> - Separated front office function performed within the dense network of customer service points - Taking advantage of electronic forms of payer relationship - Well developed customer service standard 	Dissemination of electronic forms of contact to ensure the 24-hour access to services	Unused potential for customer relationship digitization	<ul style="list-style-type: none"> - No need to solicit the customer - Customer attachment to matters being handled in the traditional form
PROCESS	<ul style="list-style-type: none"> - Procedures- and guidelines-based operations - Experience in project implementation 	Processes optimization in terms of its course and mutual relationships	Unused potential for process optimization, revealed inter alia in inclination to excessive bureaucracy	<ul style="list-style-type: none"> - Frequent legal changes with a short <i>vacatio legis</i> - Low awareness among the lower-level staff of the process management benefits
DEVELOPMENT	<ul style="list-style-type: none"> - Extensive facilities throughout the country - Comprehensive Information System (CIS) to support various areas of ZUS activities - Qualified staff 	Organization model that allows to increase operational efficiency by using economies of scale and specialization	Full-range activities of local organizational units resulting in rigidity of organizational structure	<ul style="list-style-type: none"> - Large scale activity in terms of: territorial dispersal; tasks' diversity, a number and type of supported entities / service recipients - Staff turnover
FINANCE	Well developed system of financial information enabling centralized reporting by costs' source of origin with the use of the individualized list of cost origin	An opportunity to incorporate the process dimension to financial information based on tasks' performance imaging	Lack of linkages between financial information and information on tasks' performance	Non-recognition of the need for efficient management in tasks' performance

Formulation of strategic goals is a response to ZUS weaknesses in the context of emerging opportunities. Strengths constitute a starting point for achieving the objectives of ZUS transformation strategy, while the threats are those risks that must be taken into account in their implementation.

The strategic goals

The ultimate goal of ZUS transformation strategy is:

to increase customer satisfaction through process design and organization of resources while maintaining the transparency and efficiency in managing public funds

This goal ensures customer focus of carried out activities, targeting the process and resource optimization in terms of rendered services (products). Such definition of the problem demands that the management system focuses on the final result of performed tasks, which in turn forces the process approach, i.e. optimization of the course of operations with a given criterion, in the form of customer-focused perception of the product. It provides a starting point for defining the overall objectives of the transformation strategy and its implementation will be monitored through the periodic customer satisfaction surveys.

By means of the Balanced Scorecard method this goal has been broken down into overall objectives in individual perspectives.

Customer Perspective

The SWOT analysis shows that the Social Insurance Institution insufficiently uses non-traditional customer relationship opportunities. Therefore, the main objective in the customer perspective is to increase the degree of digitization in customer relationship (e-ZUS), providing the customer with 24-hour access to services, both in the informational and transactional sphere. This objective introduces ZUS activities to the process of creating e-government while maintaining the traditional forms of contact. In this perspective, performance against the described goal will be measured based on: a number of types of applications/claims available for submission via the Electronic Delivery Authority (Elektroniczny Urząd Podawczy, EUP) and the New Internet Portal (Nowy Portal Informacyjny, NPI) and the percentage of applications/claims submitted through EUP and NPI in relation to the total number of applications/claims filed with the Social Insurance Institution.

Process Perspective

Increasing the quality and efficiency of all types of rendered services requires the process dimension. First, it is thus necessary to describe processes, then to optimize them, which in turn is a prerequisite for effective use of IT tools. The implementation of the process management system should result in increasing process implementation efficiency. The performance against this goal will be measured based on the synthetic indicator of efficiency and quality.

The development perspective

Full-range activities carried out by ZUS organizational units (inspectorates) lead to inefficient use of resources. The present model requires changes aimed at economies of scale and specialization. Organizational changes, supported by the staff policy and implementing the concept of front/back office, are aimed at the **increased organizational efficiency**. Therefore, performance against this goal will be measured based on the synthetic performance indicator.

The financial perspective

The aforementioned activities require efficiency control regime. It is therefore necessary to link financial information with information on tasks' performance. Thus, the objective of the financial perspective is to **control financial performance** in cross-section of processes / tasks performed by ZUS. The performance against this goal will be measured based on the volatility level of the synthetic indicator of unit cost in ZUS branches.

In summary, the goals and performance indicators under BSC are shown in the table below.

Perspective	Goal	Indicator	Baseline	Desired trend
CUSTOMER	To increase the degree of customer relationship digitization (e-ZUS)	The number of types of applications/claims available for submission via EUP and NPI *	5	growth
		The number of applications/claims submitted via EUP and NPI in relation to the total number of applications/claims submitted to ZUS	1.94%	growth
PROCESS	To increase process implementation efficiency	Synthetic efficiency indicator **	9.45 (max.12)	growth
		Synthetic quality indicator **	5.22 (max.10)	growth
DEVELOPMENT	To increase organizational efficiency	Synthetic performance indicator**	7.27 (max.12)	growth
FINANCIAL	Control of financial performance	The volatility level of the synthetic indicator of unit cost **	4.73%	remaining within the range of 5%

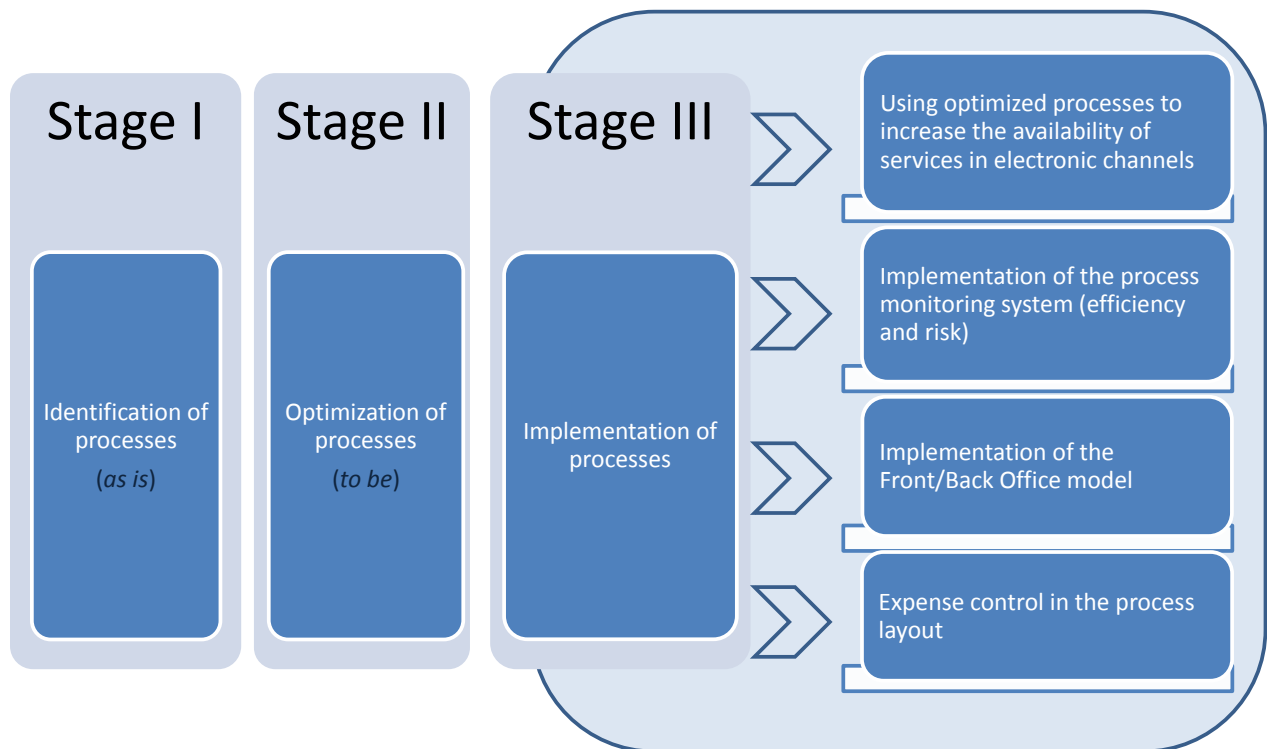
* NPI will be implemented and will replace EUP in September 2011.

** Current average for all branches based on indicators resulting from branches' evaluation in accordance with ZUS President Ordinance No. 44/2010.

3. Cross-cutting policies

Changes introduced by this strategy are a tool to achieve the ultimate strategic goal. Nowadays, the concept of customer satisfaction means not only the very fact of services' delivery to the customer, but also the efficiently, correctly and cheaply performed task. This, in turn, makes us look more closely at how the services are and should be provided. The process-based approach to the task is therefore needed.

The introduction of the process approach is based on the processes' implementation. Their optimization under the EU-funded project entitled: "Improving the quality of services provided by ZUS for entrepreneurs", will increase efficiency in tasks performance at all functional levels of ZUS. The implementation of optimized processes at various levels will be carried out under the relevant cross-cutting policies as presented in the following diagram.



Cross-cutting policies are the main tool for implementing the overall objectives of the transformation strategy, set for individual perspectives. The overall goal of these policies has been broken down into specific objectives, including their performance indicators and the schedule of activities specifying the way to reach the assumed value of indicators. The above information on each policy (in the synthetic dimension), is included in the Cross-cutting Policies Cards annexed to this strategy. The following cross-cutting policies have been formulated for overall objectives related to individual planes of the Balanced Scorecard:

I. The use of optimized processes to increase service availability

This policy is a response to, inter alia, the need to increase the degree of customer relationship digitization, as the overall objective for the customer perspective. It should ensure the development of broadly conceived electronic forms of customer relationship, so as to disseminate, improve and provide 24-hour access to the most comprehensive catalogue of services provided by ZUS for all customer groups. The point here is not only about the current, direct customers' information on matters with which they come to ZUS, but also about the possibility of up-to-date realization of incoming applications/claims. At the same time, for customers who prefer direct contact, it is important to ensure a high standard of service both in terms of service rooms equipment and people working there. The following specific objectives and their performance indicators have been formulated for this policy:

Specific objectives	Indicators	Baseline	Desired trend
1. To increase the accessibility of Internet services	Number of services available in electronic channels	3 *	growth
2. Ensuring continuity of services provided by means of the electronic channel (e-services)	Indicator of availability of: - Internet services - Telephone services** for ZUS customers	100%-24h	maintaining
3. Standardization of customer service points	Number of customer service rooms which meet standards*** (confirmed within the framework of supervision)	0	growth

* Płatnik (Payer) programme, ZUS Internet services, services of the Electronic Delivery Authority.

** As a part of telephone services, helplines are accessible on working days during specified hours, IVR (Interactive Voice Response) is accessible 24/7 (24 hours / 7 days a week).

*** Effective from 1 July 2010.

These objectives will be achieved inter alia through the development of Electronic Data Exchange Platform, implementation and development of the Electronic Services Platform (including the website and helpline), collaboration with Electronic Platform of Public Administration Services (ePUAP). Detailed schedule of activities is contained in Appendix No. 1

II. Implementation of the process monitoring system

This policy addresses the need to increase process implementation efficiency, as the overall objective for the internal process perspective. Process monitoring system is to be a tool for verification of processes, their improvement and permanent optimization. It should be a kind of early warning system that allows managers to react quickly to changes occurring

in the environment by adapting processes to new conditions. The following specific objectives and their performance indicators have been formulated for this policy:

Specific objectives	Indicators	Baseline	Desired trend
1. To identify and describe processes	The number of described processes to the number of identified processes *	7.4% **	growth
2. Process optimization	The number of optimized processes to the number of processes described	0 *	growth
3. Monitoring of optimized processes	The number of dimensioned processes to the number of optimized processes	0 *	growth

* In the first half of 2010, ZUS identified 623 processes

** expected value of the indicator 100%

This policy will be implemented by means of process maps and indicators repositories. The detailed schedule of activities is contained in Appendix No. 2

III. Implementation of the Front/Back Office model by creating Service Centres

This policy addresses the need to increase organizational efficiency as the overall objective for the development perspective. Its main task is to develop an organizational model based on the concept of Front / Back Office. The development of the Front Office function is carried out within the customer perspective. The development of Back Office function, providing increased job specialization in business and supporting units, will be carried out by the Service Centres, created in justified cases. The following specific objectives and their performance indicators have been formulated for this policy, assuming its double-track implementation:

Specific objectives	Indicators	Baseline	Desired trend
1. To create Service Centres to perform tasks of business units	To increase the number of processes performed by Service Centres within the framework of business tasks	0	growth
2. To create Service Centres to perform tasks of support units	To increase the number of processes performed by Service Centres within the framework of support tasks	0	growth

The creation of service centres to perform tasks of business and support units will be preceded by the development and testing of model solutions in terms of their functionality and structure. The detailed schedule of activities is contained in Appendix No. 3

IV. Expense control in the process layout

This policy addresses the need to control the financial efficiency of executed processes/tasks, as the overall objective for the financial perspective. Financial performance monitoring is aimed to ensure tasks implementation in accordance with the principles of economy, with respect for public funds and transparency of costs. The following specific objectives and their performance indicators have been formulated for this policy:

Specific objectives	Indicators	Baseline	Desired trend
1. Optimization of unit cost of services provided to the insured	Volatility measure of unit cost of services provided to the insured	20.4%	decrease
2. Optimization of unit cost of services provided to payers	Volatility measure of unit cost of services provided to payers	11.7%	decrease
3. Optimization of unit cost of services provided to beneficiaries	Volatility measure of unit cost of services provided to beneficiaries	8.7%	decrease

Achievement of these objectives will be possible thanks to the introduction of performance dimension to financial information and the financial planning system taking account of this dimension. The detailed schedule of activities is contained in Appendix No. 4

4. Implementation of the transformation strategy

The strategy will be implemented through area policies, whose aim is to transfer the general strategic goals to specific areas of ZUS activity, namely:

1. Customer service management
2. Revenue collection system management and liquidity management
3. Benefit realization system management
4. IT Management
5. Organizational structure management
6. Human resources management
7. Material resources management (excluding IT infrastructure)
8. Information and knowledge management

Area policies as the strategy cascading method will include:

- Specific objectives that disaggregate objectives of cross-section policies to the above-mentioned areas;
- Risk repository, identifying the basic risks in achieving objectives;
- Indicators related to the implementation of specific objectives;
- Schedule of activities constituting the way to achieve the assumed objectives, with assigning responsibilities to each of strategy's stages.

Area policies in the above-mentioned layout will be presented to the end of the first quarter of 2011.



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The strategy implemented with the participation of projects co-financed with EU funds under the European Social Fund and the European Regional Development Fund under the following programmes: Human Capital and Innovative Economy

CROSS-CUTTING POLICY CARD

Policy Title	Using optimized processes to deliver services in electronic channels			Policy Code	
Leading unit (leader)	Customer Service Dpt.				
Direct support units:	Income Realization, Pension Benefits, Insurance & Contribution, Customer Service, Contribution Payer Control , Medical Certification, Allowances, Prevention & Rehabilitation				
Specific objectives	Indicators			Baseline	Desired trend
1. Increasing the accessibility of Internet services	Number of services available in electronic channels			3	growth
2. Ensuring continuity of services provided by means of the electronic channel (e-services)	Indicator of number of working days with access to: - Hotline and Internet to the total number of working days			100%	maintaining
3. Standardization of customer service points	Number of customer service points which meet standards (confirmed within the framework of supervision)			0	growth
Measures	Deadline	Funding source (I-ZUS / internal funding, E-external funding)	Costs (Applies only to externally funded projects)		
Expansion of the Electronic Data Exchange Platform (Elektroniczna Platforma Wymiany Danych, EPWD) by incorporating new applications/claims. Optimization of applications/claims handling.		I / E			
Implementation of the Electronic Service Platform (Platforma Usług Elektronicznych, PUE) (in particular, NPI and CTI)	XII'2012	E	PLN 101.5 million		
Development of cooperation with e-PUAP	Stage I - Launch of pilot points for confirming the e-PUAP trusted profile - fourth quarter 2010 Stage II - Launch of other points for confirming the trusted profile in other ZUS branches - more forms to be made gradually available as needed		I		
Adjustment of ZUS systems to comply with electronic documents regulations for the public administration	to meet the deadlines set out in draft regulations		I		
Optimization of technical and system infrastructure which makes available ZUS Internet services	continuous		I		
PUE development	continuous		I / E		
Development and implementation of standards for customer service organization	continuous		I / E		

CROSS-CUTTING POLICY CARD

Policy Title	Implementation of the process monitoring system			Policy Code	
Leading unit (leader)	Committee for Business and Information Processes				
Direct support units:	Customer Service, President's Office, Audit, Controlling				
Specific objectives	Indicators	Baseline	Desired trend		
1. Processes identification	The number of described processes to the number of identified processes	7.4%	growth		
2. Process optimization	The number of optimized processes to the number of processes described	0	growth		
3. Monitoring of optimized processes	The number of dimensioned processes to the number of optimized processes	0	growth		
Measures	Deadline	Funding source (I-ZUS / internal funding, E-external funding)	Costs (Applies only to externally funded projects)		
1.1. Developing a hierarchy of processes and assigning responsibility for specific areas within the process,	05.2010	I / E			
1.2. Development of ZUS process map	third quarter 2010	E	Within the funds allocated to the task "Development and optimization of procedures to determine standards of ZUS customer service"		
2.1. Operation processes optimization	third quarter 2012	E			
2.2. Support processes optimization	third quarter 2013	E			
2.3. Managerial processes optimization	third quarter 2013	E			
3.1. Development of indicators repository for optimized processes (Controlling Dpt.)	third quarter 2013	I			
3.2. Development of risk repository for optimized processes (Audit Dpt.)	third quarter 2013	I			

CROSS-CUTTING POLICY CARD

Policy Title	Implementation of the Front/Back Office model by creating Service Centres		Policy Code	
Leading unit (leader)	President's Office			
Direct support units:	All departments			
Specific objectives	Indicators		Baseline	Desired trend
Establishment of Service Centres to perform tasks of business units	The number of processes performed by Service Centres in the field of business units tasks		0	growth
Establishment of Service Centres to perform tasks of support units	The number of processes performed by Service Centres in the field of support units tasks		0	growth
Measures	Deadline	Funding source (I-ZUS / internal funding, E-external funding)	Costs (Applies only to externally funded projects)	
1. Analysis of opportunities to establish Service Centres at the: branch, regional and central level, taking into account an appropriate organizational form.	second quarter 2011	I		
2. Development of an organizational model for the Social Insurance Institution based on the concept of Front / Back Office	third quarter 2011	I		
3. Pilot implementation of the developed model solutions for service centres	second quarter 2012	I		
4. Implementation of the developed model solutions for service centres (Back Office), according to a schedule adopted in business units	from the second quarter 2012	I		

CROSS-CUTTING POLICY CARD

Policy Title	Expense control in the process layout		Policy Code	
Leading unit (leader)	Controlling Department			
Direct support units:	All ZUS organizational units			
Specific objectives	Indicators		Baseline	Desired trend
1. Optimization of unit cost of services provided to the insured	Volatility measure of unit cost of services provided to the insured		20.4%	decrease
2. Optimization of unit cost of services provided to payers	Volatility measure of unit cost of services provided to payers		11.7%	decrease
3. Optimization of unit cost of services provided to beneficiaries	Volatility measure of unit cost of services provided to beneficiaries		8.7%	decrease
Measures	Deadline	Funding source (I-ZUS / internal funding, E-external funding)	Costs (Applies only to externally funded projects)	
1. Distribution of planned resources between the branches for 2011, based on the controlling standards (benchmarking)	fourth quarter 2010	I		
2. Introduction of benchmarking standards to the entire planning procedure for 2012	second quarter 2011	I		
3. Introduction of performance dimension to the planning procedure for 2013	second quarter 2012	I		

GLOSSARY:

Back Office - the sphere of activities in an enterprise or an institution without direct customer relationship, such as granting of benefits, collection of contributions, accounting, personnel, etc.;

Goals/objectives - clear, measurable formulation of future plans for the institution; they set the directions of activities that the organization intends to achieve, they should result from the analysis of situation and especially the analysis of its strengths and weaknesses (see SWOT analysis);

Efficiency - the relationship between the actually achieved goal (outcome), and the expenses incurred for that purpose;

Organizational efficiency - institutional capacities for the current and strategic adaptation to environmental changes and for the productive and economic use of resources for the implementation of the adopted structure of objectives;

Electronic customer relationship - via Internet, phone, special office devices;

Front Office - the sphere of activities of the institution associated with direct customer relationship;

Customer - a person or entity to whom the Social Insurance Institution provides services;

Number of electronic services' users - the number of logons to applications offering electronic services;

Process map - graphical representation of the process or a set of processes and their causal links. It allows to present all activities and relationships within the organization. Process mapping is one of the elements enabling further development in terms of implementing the management system.

Optimization - the process of determining the best solution from the viewpoint of a specific quality criterion (indicator), (e.g., cost, way, performance);

Payer - a (natural or legal) person obliged to pay social insurance contributions;

Process approach - is the basis for the creation of quality management systems by identifying the processes, determining their dependence and order, establishing criteria and methods to ensure effectiveness assessment, regular monitoring, measuring and analyzing as well as implementation of necessary corrective actions to achieve planned results and improvement;

Area policies - a tool for cascading strategies to lower levels of management, including initiatives related to specific areas of ZUS activities, aimed at achieving strategic goals;

Process - organized in time sequence of changes and conditions occurring consecutively;

Effectiveness - an action which leads to the intended purpose; effectiveness is measured only by a degree to which objectives are achieved, without reference to costs;

Information Society - the term for a society, in which information is the commodity and information is treated as a special intangible asset, equivalent to or even more valuable than material goods

Civil society - a society characterized by the activity and the ability to self-organization and to identification and achievement of objectives without impulse on the part of public authority;

Strategy - the process of determining long-term goals and objectives of the organization and the adoption of policies and allocation of resources necessary to meet these objectives;

SWOT - a strategic planning method based on a structured description of strengths and weaknesses of the organization and its opportunities and risks, facilitating selection of appropriate strategic goals and a method to implement the strategy;

Computer Telephony Integration (CTI) system - a system for remote management of incoming telephone notifications, inter alia identifying the caller by his/her phone number or by the characteristics of his/her voice;

Interactive Voice Response (IVR) system - IT system, which is aimed to provide answers to customer inquiries. Connection is established through telephone communicating with the system by voice or tone dialling. Most frequently the answer is given by pre-recorded voice response read by the machine;

Beneficiary - a person receiving from the Social Insurance Institution a retirement, pension, allowance or other benefit paid by ZUS;

Service - action associated with servicing persons/entities to the extent specified by law;

Vacatio legis - the time period provided in a normative act, which elapses between its announcement and the date of entry into force of all or some of its provisions;

Volatility measure - a measure of volatility of examined feature in the population, usually given as a percentage deviation from the mean; the lower the index the more homogeneous population (standardized);

Management - a set of activities (planning, organizing, motivating, controlling targeted at the resources of the organization (human, financial, material, information resources) that are used to achieve the objectives of the organization.