

The Dutch City of Almere Transforms the Way it Works to Improve Social Services and Cut Costs

Executive Summary

CUSTOMER NAME

Social Services Department, City of Almere, the Netherlands

INDUSTRY

Public Sector

BUSINESS CHALLENGES

- Improve the management of unemployment benefits-related budget
- Transform from a department-oriented to a process-based entrepreneurial culture
- Place the unemployed in jobs and ensure long-term employment

SOLUTIONS

- Transform the department's approach to processes, organization, and technology
- Implement an information architecture to transform and support the way the organization operates
- Develop a business-case analysis to bridge the department's vision and implementation

BUSINESS RESULTS

- Forecasted reduction of overall department operational costs by 15 percent in three years
- Increased the number of unemployed clients undertaking reintegration activities by 80 percent.
- Forecasted reduction in time-to-eligibility for benefits applicants

When an organization begins questioning its purpose and the way it does business, this is a clear indication that it is time for change. This was the dilemma that led Social Services at the Dutch City of Almere to find a way to better manage the budget for unemployment benefits, and its associated financial risk, and improve social services. The Cisco Systems® Internet Business Solutions Group (IBSG) worked with Social Services to translate its vision into actionable plans, which are transforming the department's processes, organization, and approach to technology.

BUSINESS CHALLENGES

Despite being the fastest growing city in Europe with over 5,000 new residents moving there each year, the [City of Almere](#) in the Netherlands has its share of unemployment. In 2005 it stood at 9.6 percent, a rise of 1.3 percent over the previous two years.

With the Dutch government's recent decision to devolve financial responsibility for unemployment-related issues to local government, Almere found itself in a particularly difficult position. Not only was it now accountable for making good on any budget deficit from its own funds, it was also working to a budget based on historical figures, which did not allow for growth, thus practically guaranteeing a shortfall in available money.

While this increased financial risk brought a need to reduce costs, at the same time citizens were demanding higher standards of service generally from government



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departments. They wanted to be able to connect to government in the way that suited them best—by phone, in person, and increasingly over the Internet—to quickly receive an effective resolution to their issues.

“The financial consequences of directly providing benefits means that we are effectively incentivized to work as efficiently and effectively as possible,” explains Bernard Arnold, chief executive officer of the City of Almere. “In the past we administered a process. The challenge was to act more like a company in terms of understanding costs and the financial implications of our decisions. This is a very different objective to the one we had previously, and it meant that we had to do things differently.”

The challenge was made more difficult by the fact that the process of accepting people for benefits and helping them back into employment involves many different partner agencies, and the need to access information siloed in different departments.

For example, people who have been unemployed for six months are passed to the Almere Social Services from the central government [Center for Work and Income](#) (CWI). Historically, Almere officials would ask those people about 200 questions, many of which they had probably already answered. More worryingly, lack of visibility meant that people could be lost in the system for months, receiving benefits without being part of any integration process designed to get them back to work.

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Bernard Arnold, chief executive officer, City of Almere

SOLUTIONS

“We knew that, instead of trying to link each organization’s existing processes together, the solution was to create one integrated horizontal process where each of the various parties could perform their different roles,” says Arnold.

Almere understood that information and communications technology (ICT) would have a role to play in supporting new ways of working. An invitation by the city to the [Cisco® Internet Business Solutions Group](#) to share its knowledge of best practices among local governments led to a series of workshops that laid down a roadmap for turning the vision into reality.

Kees de Haas, chairman of the Steering Committee for Almere Social Services, recalls that time: “It was a very challenging process because we had lots of ideas about how things should be, but were less clear about how to translate them into a practical implementation plan. [Cisco IBSG](#) helped us to develop our plans in a very structured way. Their approach was based on our strategy and objectives and on the processes that we wanted to implement.”

The workshops helped refine the department’s vision, undo current processes, and define new ones. Time was spent understanding the nature and purpose of information—where it came from, where it had to go, and how it was used.

Cisco explained its overarching blueprint of a Customer Interaction Network that integrates all data, processes and transactions, connecting government departments, agencies, and other partners with the citizen. Cisco explained how IP-based communications could support these processes, unblocking information flows and removing silos. Information—data—in combination with IP communication would enable customer self-service and the repopulation of online forms.

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Customer information would not only be available in the call center, but also would provide customer life cycle information for the case manager, and provide the ability to automate workflow using business rules engines.

A series of initiatives was subject to vigorous scrutiny to assess their impact on the organization and ease of implementation, from which a detailed business case was developed focusing on the key actions that would deliver maximum impact. By making the overall process modular and applying a “core vs. context” strategic approach it was also possible to evaluate whether either the department or a third-party agency was best placed and qualified to deliver key steps, such as recruitment.

In less than two months—straddling Christmas and New Year’s—the workshops resulted in a plan which was immediately approved by the city council. Operational activities started immediately after that.

Known as Almere Switch, the plan fundamentally changes the way the organization works and how its people need to think. The first phase of the plan sees the development of a Social Service Intake Process comprising four steps:

- Value-chain collaboration and preparation of client self-management helps to ensure that information collected prior to Almere’s intake process (for example, by CWI) is in digital format and immediately available to Social Services.
- Client self-management enables applicants to access more information online during the benefit application process, and to update or to query information held in the online database. Web chat, SMS, and “push to talk” (where a benefits agent will phone an applicant in response to his/her request for a telephone call and have all relevant information available) technologies are other solutions being implemented.
- Client self-management and support for the unemployed who do not have home computers provide more electronic information-based systems, such as kiosks, at libraries and other public facilities to offer services such as video-based online training to help clients transfer new skills and provide an induction briefing for a new job, and online calendaring so that clients can make immediate appointments with their case managers or people in partner agencies.

- Scalability and an increase in productivity result from improved communications and access to applications to mobile workers and from improved collaboration with third parties supported by policy-driven rules engines to replace all paper processes.

The first three steps are being implemented, while the execution of the fourth step will depend on how much savings will be made and reinvested into further ICT development for mobility. Links have already been made between CWI and Almere's data systems to enable sharing of information. A document management system is collecting all data in digital format, which will further help to ensure that information need only be requested once. Just as important, a rules-based engine is helping to streamline and speed up the new processes, with significant results.

The second phase, to be launched one year after the first one, will include the creation of an extranet-based marketplace for job opportunities. Not only will it better match demand with supply, it will also make communications easier for partners in the value chain, such as consultants, education institutions, private employment agencies, and other public-sector organizations. Also in development is a case-management and tracking system for unemployed clients, which will ensure an holistic view of a client's progress and, therefore, offer more effective assistance in returning them to work.

Due to the fact that the city is heavily focused on the development of a next-generation broadband infrastructure throughout its territory, the use of video communication is expected to increase in the social services area as well.

BUSINESS RESULTS

Access to the right information, combined with a rules-based support engine, means that between four and six hours of a case manager's time is saved by writing fewer reports during the first steps of the intake process for each of the applicants. With approximately 2,500 to 3,000 new cases a year, the department is projecting a savings of 1.5 million euros a year in the intake process, per their business-case analysis.

Assessing a client's particular needs and planning a program to return him/her to the workforce as soon as possible also takes less time. The average number of clients in the social care system is forecasted to fall from 4,400 to 3,700, despite an expected 10 percent increase in population. With fewer people in the system for less time and with a lower rate of return, 3 million euros in unemployment benefit payments will be avoided each year.

The revised business processes have been built around three typical client profiles: The first profile is clients with marketable skills who are matched to available employment vacancies. This covers roughly 10 percent of all clients

The second profile—around 70 percent of all clients—is people who need to develop specific skills before they can be sent back to the job market. A “reintegration” to close the gap between their skills and market needs. Almere is creating public/private partnerships to provide work environments where people can be retrained, and kept active and in the habit of a work routine. Benefits that might have been paid otherwise are given to employers to fully or partly fund wages. An underlying, broadband-based infrastructure using Cisco Unified Communications, for example, to support virtual meetings and provide information on a person's “presence” or availability status—will facilitate communications and real-time data exchange between the municipality and its partners to support this process.

The third profile is clients who are not yet ready to work for a variety of reasons—including physical or mental health. These clients go through a customized reintegration path aimed at solving their health issues and, later, at bridging the job skills gap.

“We had to take the underlying problems seriously. They could not be addressed by small incremental changes; we had to transform the way we work and create a results-focused, more entrepreneurial culture.”

Henk van Oosten, director, department of Social Services, City of Almere

A change in the City of Almere’s social service department’s culture from an organization that communicates in silos to one in which individuals see their roles as helping people return to work quickly is key to its success. Plans are being finalized to reorganize the department of 200 staff into small teams with a client manager, for the first time, taking responsibility for the outcome of a case. The nature of employees’ work is also being transformed as they are now free to concentrate on the more complex cases, with their role becoming that of a conductor orchestrating the various resources available. Recent research has shown that 90 percent of the staff is proud to work at the department, a striking endorsement of the enthusiasm and commitment being generated by Almere Switch.

For Henk van Oosten, director of the department of Social Services, key to the project’s success has been the thoroughness of the original business case and the scope of the department’s ambition. “We had to take the underlying problems seriously,” says van Oosten. “They could not be addressed by small incremental changes; we had to transform the way we work and create a results-focused, more entrepreneurial culture. You do this vigorously or not all.”

Van Oosten adds that while local governments generally are very afraid to spend a lot of money on ICT and automation, today everyone can now understand the Internet and its benefits. “The business case made it very easy to see the increase in quality and reduction in costs Almere Switch will deliver,” says van Oosten.

By using technology to drive service improvements, increase public safety, and stimulate economic growth, local governments have the opportunity to create connected communities that benefit from streamlined processes and allow for the sharing of resources and information across the entire community. For Almere, a key enabler will be the creation of a more entrepreneurial, results-based culture, and the building of a Citizen Interaction Network.

NEXT STEPS

In creating Almere Switch, Social Services has helped the council step closer to the larger goal of a Citizen Interaction Network to provide what Arnold describes as “one government”—a consistent, coherent, and effective system for connected government.

The [Citizen Interaction Network](#) will seamlessly integrate all elements—from the Web-portal, to call center, to human experts—to improve the customer experience and internal productivity. Customers will be able to choose the channel they prefer, enjoying a seamless transition from one channel to the other as necessary. Providing and obtaining digital information as

early as possible in the process will improve information flows and reduce administrative overhead as information is used and reused to improve customer-relation management.

Web portals will enable citizens to proactively self-service their needs online, by downloading forms, getting further information, and receiving guidance or video-based training or even a preliminary job induction. The aim will be that a person will only have to go to City Hall, or to a training institute, for 20 percent of the process. Computers for the request process could be at home, the local library, the community center, or City Hall. The induction process for the new work environment could also be done at home, while skills training could be done at home or at the temporary workplace and managed by the human resources organization.

A virtual IP-based call center will make the right people available wherever they might be—with Social Services or a partner agency—with “click-to-talk” facilities enabling people to talk to each other in real time on request via the Web browser.

The city is now extending the Almere Switch approach to the rest of the municipal organization, launching a citywide program aimed at creating one multichannel contact point for citizens, businesses, and partners wanting to interact and transact with the municipality.

“The objective is to create more transparency between government and the citizen, and to enable as much self-service as possible by the citizen, thereby improving the quality of services while reducing costs,” says Arnold of the city’s vision. “Citizens will be dealing with ‘one government,’ in an environment where fragmented processes and information have been replaced by a unified organization.”

MORE INFORMATION

The Cisco Internet Business Solutions Group (IBSG), the global strategic consulting arm of Cisco Systems, helps Global 500 companies and public organizations transform the way they do business—first designing innovative business processes and then by integrating advanced technologies into visionary roadmaps that improve customer experience and revenue growth.

For further information about IBSG, visit <http://www.cisco.com/go/ibsg>



Corporate Headquarters

Cisco Systems, Inc.
170 West Tasman Drive
San Jose, CA 95134-1706
USA
www.cisco.com
Tel: 408 526-4000
800 553-NETS (6387)
Fax: 408 526-4100

European Headquarters

Cisco Systems International BV
Haarlerbergpark
Haarlerbergweg 13-19
1101 CH Amsterdam
The Netherlands
www-europe.cisco.com
Tel: 31 0 20 357 1000
Fax: 31 0 20 357 1100

Americas Headquarters

Cisco Systems, Inc.
170 West Tasman Drive
San Jose, CA 95134-1706
USA
www.cisco.com
Tel: 408 526-7660
Fax: 408 527-0883

Asia Pacific Headquarters

Cisco Systems, Inc.
168 Robinson Road
#28-01 Capital Tower
Singapore 068912
www.cisco.com
Tel: +65 6317 7777
Fax: +65 6317 7799

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