



REPUBLIC OF SLOVENIA
MINISTRY OF THE INTERIOR

BETTER REGULATION, ADMINISTRATIVE
PROCESSES SERVICE AND QUALITY

Costs of interactions between citizens and officials of public administration



Summary

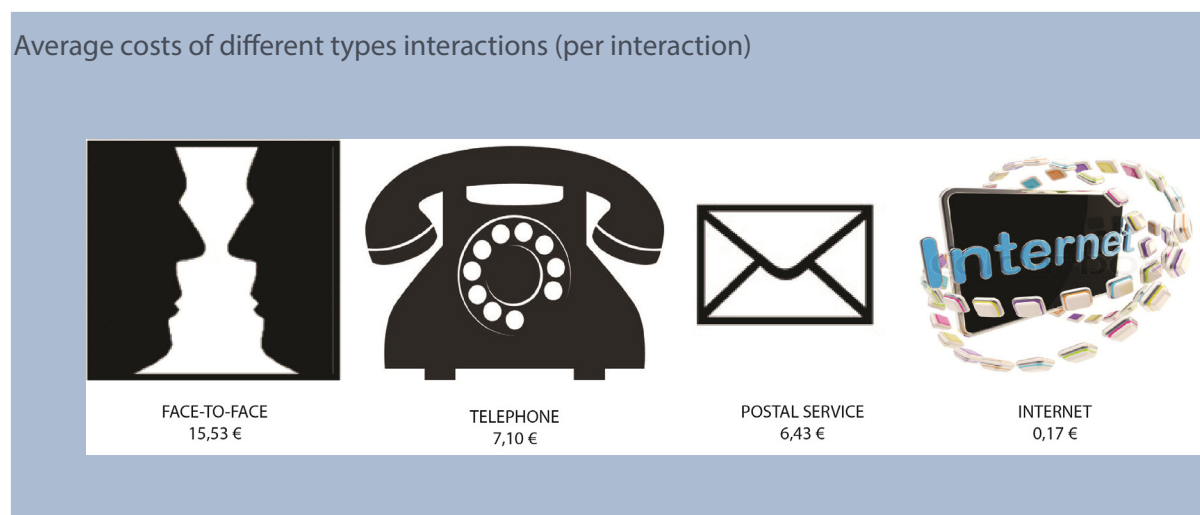
In modern public administration citizens are one of the elements that should be paid the most attention. Citizens want and expect to interact with government agencies in new, non-traditional ways, since as a society, we're all communicating differently today than we did just a few years ago. Web and social media usage is now pervasive in all demographic groups, and private industry is raising the bar in terms of people's expectations for service delivery. Government agencies have to effectively adapt to these changes or risk losing citizen trust and engagement.

The Government must deliver citizen-centric services against a backdrop of rising citizen expectations across multiple channels such as email, web, letter, phone and face-to-face, while meeting demands for cost efficiency.

Despite the rapid growth of the Internet, telephone and paper communication remain the most popular communication for many public services. At the Ministry of Interior the methodology for measuring the costs of interactions between citizens and officials was developed, with a view to simplify the procedure of quantitative assessment of administrative costs, caused to citizens by the public administration. It was developed in accordance with the Common methodology for measuring the costs incurred by the regulation available online at www.stopbirokraciji.si/en.

The Government wants a strong and efficient public sector to ensure a good development of the Slovenian society. Continuous development of the public sector is important to fulfil new needs, take advantage of new opportunities and ensure the necessary confidence in and support of public solutions by the citizens.

The average costs of different types of interactions has been calculated. These calculations indicate a potential for considerable savings by shifting the contact with the general public to the digital channel whenever appropriate.



1. The costs of a telephone call

The cost of telephone call of a person, who needs the information, depends on the price of the call within the standard telephone operator tariff and the assessment of the value of time spent by the citizen for his call.

Table 1: Cost of a telephone call, when the user needs information

	Type of cost	Time (in hours)	Hourly rate (in Euro/hour)	Expenditure per unit (in Euro)	Expenditure	The amount of cost (in Euro)
User	Time	0,17	5,72 € ¹			0,97 €
	The cost of a telephone call	0,17		0,02 €	0,20 €	0,20 €
	SUM					1,17 €
Official	Time	0,17	10,16 € ²			1,73 €
	Goods and services ³	0,17		23,76 €	3,96 €	3,96 €
	Capital assets	0,17		1,42 €	0,24 €	0,24 €
	SUM					5,93 €
SUM						7,10 €

If the call lasts 10 minutes, the overall cost of interaction is 7,10 €.

2. The costs of a personal visit

Table 2: The cost of a personal visit, when the user needs information

	Type of cost	Time (in hours)	Hourly rate (in Euro/hour)	Expenditure per unit (in Euro)	Expenditure	The amount of cost (in Euro)
User	Time	0,25	5,72 €			1,43 €
	Traveling costs	0,50	5,72 €	Urbana	2,40 €	5,26 €
	SUM					6,69 €
Official	Time	0,25	10,16 €			2,54 €
	Goods and services	0,25		23,76 €	5,94 €	5,94 €
	Capital assets	0,25		1,42 €	0,36 €	0,36 €
	SUM					8,84 €
SUM						15,53 €

When estimating the cost of a personal visit is important if the user submits a form or just needs information. In the case of submission of the form are estimated costs higher, as they include time and expenses for printing and filling out the form.

In the case of phone call and personal visit is important that the interaction is only possible during business hours of the public authority. This is a major weakness of the interactions through telephone and personal contact in relation to electronic interaction.

Table 3: The cost of a personal visit, when a user submits a form

	Type of cost	Time (in hours)	Hourly rate (in Euro/hour)	Expenditure per unit (in Euro)	Expenditure	The amount of cost (in Euro)
User	Time	0,25	5,72 €			1,43 €
	Traveling costs	0,5	5,72 €	Urbana ¹	2,40 €	5,26 €
	Form search	0,08	5,72 €			0,46 €
	Filling in	0,25	5,72 €			1,43 €
	Printing			1 sheet of A4	0,02 €	0,02 €
	SUM					8,60 €
Official	Time	0,25	10,16 €			2,54 €
	Goods and services	0,25		23,76 €	5,94 €	5,94 €
	Capital assets	0,25		1,42 €	0,36 €	0,36 €
	SUM					8,84 €
SUM						17,44 €

3. Cost of interaction via postal services

Table 4: The cost of interaction via mail when the user needs information

	Type of cost	Time (in hours)	Hourly rate (in Euro/hour)	Expenditure per unit (in Euro)	Expenditure	The amount of cost (in Euro)
User	Printing			1 sheet of A4	0,02 €	0,02 €
	Traveling time (post)	0,50	5,72 €	Urbana	2,40 €	5,26 €
	Envelope purchase				0,08 €	0,08 €
	Registered mail				0,77 €	0,77 €
	SUM					6,13 €
Official	Time (opening mail)	0,03	10,16 €			0,30 €
	SUM					0,30 €
SUM						6,43 €

Table 5: The cost of interaction via mail when the user submits a form

	Type of cost	Time (in hours)	Hourly rate (in Euro/hour)	Expenditure per unit (in Euro)	Expenditure	The amount of cost (in Euro)
User	Form search	0,08	5,72 €			0,46 €
	Filling in	0,25	5,72 €			1,42 €
	Printing			1 list A4	0,02 €	0,02 €
	Traveling time (post)	0,50	5,72 €	Urbana	2,40 €	5,25 €
	Envelope purchase				0,08 €	0,08 €
	Registered mail				0,77 €	0,77 €
	SUM					7,99 €
Official	Time (opening mail)	0,03	10,16 €			0,31 €
	SUM					0,31 €
SUM						8,30 €

In addition to the costs of postal services the user must adjust fulfillment of obligations to working-hours of the post-office.

4. Cost of interaction via Internet

Table 6: The cost of interaction via e-services when the user needs information

	Type of cost	Time (in hours)	Hourly rate (in Euro/hour)	Expenditure per unit (in Euro)	Expenditure	The amount of cost (in Euro)
User	Information search	0,03	5,72 €			0,17 €
	SUM					0,17 €
Official	Time	0,00	10,16 €			- €
	SUM					- €
SUM						0,17 €

Table 7: The cost of interaction via e-services when the user submits a form

	Type of cost	Time (in hours)	Hourly rate (in Euro/hour)	Expenditure per unit (in Euro)	Expenditure	The amount of cost (in Euro)
User	Form search	0,03	5,72 €			0,17 €
	Filling in	0,25	5,72 €			1,43 €
	SUM					1,60 €
Official	Time	0,00	10,16 €			- €
	SUM					- €
SUM						1,60 €

The main advantage of e-services and interaction via e-mail in addition to the low costs, it allows the users to fulfill their obligations 24/7/365.

5. Comparison of the cost of interaction between citizens and officials of public administration

Table 8: The costs of interactions

Type of interaction	Cost of interaction (in Euro)	Ratio
Obtaining information		
Internet	0,17 €	
Postal services	6,43 €	37,82
Telephone	7,10 €	41,76
Personal visit	15,53 €	91,35
Form submission		
Internet	1,59 €	
Postal services	8,30 €	5,22
Personal visit	17,44 €	10,97

The table shows the total cost per interaction. In the case of searching for information, the lowest costs are when user uses the Internet, the highest costs are incurred in the case of a personal visit.

Table 9: Comparison of international cost calculations

	Personal contact	Telephone	Internet	Post
Digitization for better services and more efficient use of resources ¹	10,01 €	5,00 €	0,37 €	not available
PWC Report ²	12,31 €	3,96 €	0,09 €	14,15 €
SOCITM ³	16,37 €	5,85 €	0,20 €	not available
SLO	15,51 €	7,04 €	0,17 €	6,45 €

References

¹ In 2013 the average net wage in Slovenia amounted to 997,01 Euro. The hourly rate is defined as the ratio between the average net wage per employee and monthly working hours (174 hours).

² In 2013, the average gross monthly earning in Slovenia is 1.523,18 Euro, thus the average gross gross monthly earning is 1.768,41 Euro (considering 16.1% of the employer's contribution to the gross salary of the employee). The hourly rate is defined as the ratio between the average gross gross wage per employee and monthly working hours (174 hours).

³ Expenditure on goods, services and purchase of fixed assets are calculated on the basis of the report of the Administrative units, which is available at http://www.mp.gov.si/fileadmin/mp.gov.si/pageuploads/SUE/2011-POROCILA_ZA_2011/POSLOVNO_POROCILO/01.Poslovno_porocilo_UE_2011_tekst.pdf. The costs include rent, maintenance and costs associated with the fixed assets.

⁴ The Urbana single city card is a no-contact smart card, allowing quick and convenient cash-free payment for rides on Ljubljana city buses.

⁵ http://www.regjeringen.no/upload/FAD/Kampanje/DAN/Regjeringensdigitaliseringsprogram/digit_prg_eng.pdf

⁶ <http://www.govdelivery.co.uk/pdfs/whitepaper-channelshift.pdf?elq=9fab5d76b6b74cb29655fb014ec028f2&elqCampaignId>

⁷ <http://www.govdelivery.co.uk/pdfs/whitepaper-channelshift.pdf?elq=9fab5d76b6b74cb29655fb014ec028f2&elqCampaignId>