

Final Report for 2013 - 2015

Partnership Project between the National
Bureau of Enforcement, Georgia and the
Swedish Enforcement Authority

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Sida Partnership project between the National Bureau of Enforcement, Georgia (NBE) and the Swedish Enforcement Authority (SEA)

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1. Background

The first phase of the project “Partnership between the National Bureau of Enforcement, NBE, Georgia, and the Swedish Enforcement Agency, SEA started in August 2010 and ended on the 31st of July 2013. In mid-September 2013 Sida took a decision to support a second project phase running from 1st of August 2013 until 31st of December 2015.

This report should capture the development in the project during mid-2013 to 2015 and also entail a reflection upon a final project phase for 18 months from 2016.

According to the overall objective of the project, the National Bureau of Enforcement (NBE) should contribute to a stable economic system in Georgia, being guided by the rule of law and creating awareness among the public of its rights and duties.

2. Objectives for the project

Project objective 1 – Capacity for development of the business processes

- *Project objective 1:* NBE: s business operations are effective and efficient.

Project objective 2 – Preventive approach

- *Project objective 2:* Preventive methods are in use in order to prevent over indebtedness among the public.

3. Context of the project

Phase 1, August 2010 through July 2013.

To comprehend the context of the project throughout phase II, it is important to make the connection to the first phase. The overall objective of the project, at that time, was that NBE provides quick and effective enforcement based on justice, equality before the law and transparency to the public by 2015. This report aims to show how far NBE has progressed towards this goal.

A short recapitulation of phase 1 will serve as a foundation for what has been done during phase 2. The first objective was to build capacity within NBE to develop their enforcement services. The processes of enforcement and bankruptcy were mapped and helped NBE in developing a uniform practice throughout the regions. At this time NBE became aware that practice differed vastly between different bureaus and since



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then it has been an ongoing effort to ensure that there is equality before the law no matter which part of the country the citizens happen to live in. To further support this goal of equality before the law, an enforcement policy was created. It encouraged NBE-enforcement officers to be proactive and take preventive actions. They should help keeping the balance between creditors and debtors. The EP (Enforcement Policy) is today considered by all enforcement officers to be required reading and is one of the first document for new bailiffs to get acquainted with.

In July of 2012 the first 3-year strategic plan for NBE was created and a process started where NBE was trying to anticipate problems and try to reach long term goals rather than merely running its processes on a day to day bases. It was at this time the foundation was laid for the reorganisation of NBE that took place in 2014. The old organisation made it hard to distinguish between operational and strategic tasks. The proposal for a new organisational model was presented to MoJ in 2013. The new model would help differentiate between operational and strategic tasks. As it turned out this became a very important change for NBE as will be shown later in this report.

During this 1st phase a foundation was also laid in the area of behavioural economics and preventive communication. Behavioural economics is about what can be done to make people fulfil existing obligations, for example to pay a debt. Preventive communication is done in order to be proactive and prevent over indebtedness before it occurs. This work made an important contribution to the success of Preventive communication in the 2nd phase.

The Monitoring and Follow up procedures also came in focus during phase I. It became clear that NBE did not have adequate control of how their business processes were performing. The Swedish model, using a regular cycle, for monitoring of the processes was presented and the common conclusion was that NBE needed to develop a regular function for Monitoring and Follow up in the next phase of the project.

The second objective related to skills in management of staff and at this time a series of workshops were held for the managers in which they acquired basic knowledge of coaching, time management, team building and change management. One of the topics that caught the interest of NBE, at this time, was team building and that became the cornerstone of enforcement in the reorganisation that followed in 2014.

Under the third objective concerning professional skills and culture of the enforcement staff, the CoC (Code of Conduct) was created in 2012. The CoC is also considered to be acquired reading for new bailiffs just like the EP. These two documents greatly helped NBE to have focus on its customers and the services they provide for them. They are a part of NBE culture today and are known throughout all levels of the organization.



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3rd through 4th quarter of 2013

The formal decision from SIDA where they approved of a second project phase for the partnership between NBE and SEA was announced on the 9th of September 2013. Preparations had been in progress since the spring of 2013 as a second phase of the project was expected. On the SEA side a new Team Georgia was established during the fall and support for the project in form of a *Core Team*, consisting of future, present and former long term experts was established. There were only two missions, related to HR and Preventive Communication, carried out at the outset of the second phase of the project.

A Twinning Project called DEEP, started at NBE in the fall of 2013 with the aim of creating a Georgian Enforcement Code. Some of the participants in the new project on the EU side were involved in a previous Twinning Project at NBE of whom one was from the SEA.

NBE was trying to control an increasing backlog of cases through launching a pilot project at the Kvemo Kartli Bureau (Rustavi), there were plans to implement the pilot at all the NBE bureaus.

In the spring of 2013 an organisational change was suggested for NBE with help from a consulting company called Synergy. It was to be completed in the spring of 2014.

Presidential elections were held in Georgia in October and there were changes on the posts of both president and prime minister.

1st through 4th quarter of 2014

At the outset of 2014 the different activities were starting to come together and the aforementioned pilot to resolve the NBE backlog was in good progress. The new working methods were introduced at several bureaus, the idea being for the cases to be handled by several enforcement officers and having the process divided into different steps. This also allowed bureau managers to get a better understanding of how the cases were managed.

It came to the attention of the project that NBE would no longer enforce tax claims due to an old agreement between the Ministry of Finance (MoF) and the Ministry of Justice (MoJ) that now had been revoked. The reason for the change was probably financial and the staff at NBE, around 20 people that worked with enforcement of tax claims, was offered positions at the Revenue Service.



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Changes were also made to the processes of closing business in accordance with a report by the Social-Economic Development Strategy project (Georgia 2020), run by the ministries of Finance and Economy. According to the report the legislation needed to be changed so that administrative procedures related to business activities could be made simpler and more straight forward. For example the new legislation should provide support so that the closure of a business could be enforced.

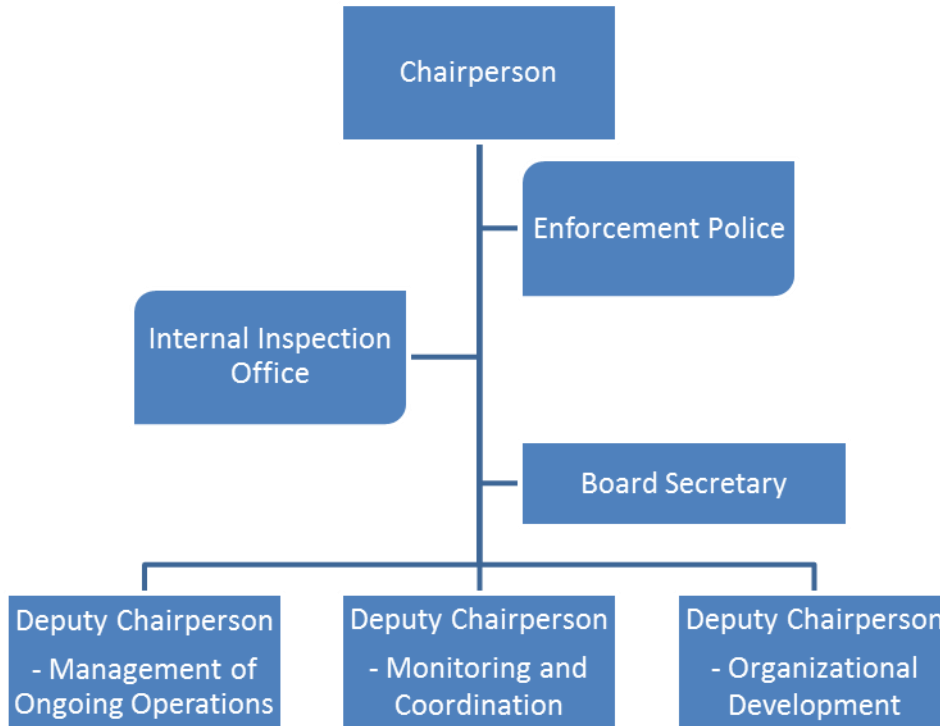
By mid-2014 the organizational changes that work started on in the spring of the previous year, began to be implemented. There were some clear aims to be achieved in this transition, namely speeding up the enforcement process and decreasing the backlogs that were building. There was also an intention to develop the HR-function in order to do more work on Human Resource related issues as opposed to merely carry out administrative functions. Further development of the organization and its services were an important part in the restructuring of NBE together with ensuring that the Protection of Rights for different parties was ensured.

In order to accomplish this, NBE restructured the enforcement bureaus to consist of small teams that held around 2-3 people with a designated team leader. These small teams would handle different types of cases of varying complexity. The new organization for the enforcement teams would thereby support a diversity of specialization and making the overall enforcement process run more effectively.

Starting at the top level, NBE top management now consisted of a top chairman and three deputy chairmen that each were to be responsible for either Management of Ongoing Operations, Monitoring and Coordination or Organizational Development. The organizational chart now looked like this at the top layers:



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In this new organizational model the ideas concerning separating the daily ongoing operations from strategic planning that was developed during the first phase of the project, came to fruition in the most opportune of times. Between 2011 and 2012 there was just an increase of 1.1 % in incoming cases. The number of cases were under 70 000 per year. In 2013 this figure jumped to well over 76 000 incoming cases and in 2014 to 90 227 and in 2015 this inflow is still increasing. That is an increase of 10.2% between 2012 and 2013 and an increase of 18.3 % between 2013 and 2014. Yet in 2012 the backlog was 98 000 cases and at present the backlog is only 102 000 cases which constitutes an increase of a mere 4%. If this change in organization had not been ushered in through work done in the project during the first and second phase, NBE would have seen an increase in the backlog between 2012 and 2014 by more than 30% and rising. NBE clearly became a more efficient organization and now provides quick and effective enforcement to the citizens of Georgia, which was a part of the overall project objective to be reached by 2015. By the fall of 2014 a new chairman was appointed and there were no chairpersons in place for the rest of the year. This change in top management slowed the progress of the organizational change somewhat and is one of several reasons for a final project that will run from the outset of 2016 to mid-2017, as will be concluded later in this report. The new organizational model needs to be implemented in full.

Near the end of the second quarter of 2014 SIDA's Director General signed an agreement concerning the development strategy from 2014 until 2020 in the areas of



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the Western, Balkans, Turkey and Eastern Europe, including Georgia. The strategy was to enhance economic integration with the EU and the development of a functioning market economy, to strengthen democracy, develop greater respect of human rights and a well-functioning state under the rule of law. Also there was an aim for creating a better environment reduced climate impact and enhanced resilience to environmental impact and climate change

This strategy therefore lends support for the project in that it supports the building and strengthening of state institutions under the rule of law.

A gender analysis was made by NCG (Nordic Consulting Group) during the fall and the final report was done by the end of November. The report indicated that were gender based differences which are inherent within the NBE culture and affects both men and women. Relevant findings of that report will be incorporated in this final report as well.

The EU-Twinning project DEEP, involved in the elaboration of a unified Enforcement Code held its last workshop on October the 30th 2014, thereby closing the project. A proposal on a new Enforcement Code was presented at this occasion. Discussions with the different stakeholders were to commence and the proposed new legislation was be sent on referral to the appropriate parties. One unresolved issue was the relationship between NBE and Private Enforcement. NBE is responsible for monitoring and making sure that Private Enforcement operates according to the rule of law but it lacks the structures and resources to solve that task.

1st through 4th quarter of 2015

Most of the planned for activities had been carried out the previous year but there remained some areas to be addressed according to the project plan and results matrix. Training in professional skills as related to the new legislation concerning the enforcement code was not in focus as the proposition for a new Enforcement Code was on referral to the stakeholders. Another area was the implementation of corporate values which was to be addressed in the leadership activity and by the SEA communicators in developing a strategy for communication.

The work schedule had to be compressed and there were a lot of workshops carried out that slowed implementation in different activities as the communication strategy, leadership strategy and others. In the first quarter there was one acting Deputy Chairperson in place, responsible for the Management of Ongoing Operations. In accordance with the activity plan two new activities were started Monitoring & Follow up together with Customer Orientation.

In the spring, austerity measures were taken for all government authorities in Georgia. During the third quarter the US-dollar became gradually more expensive



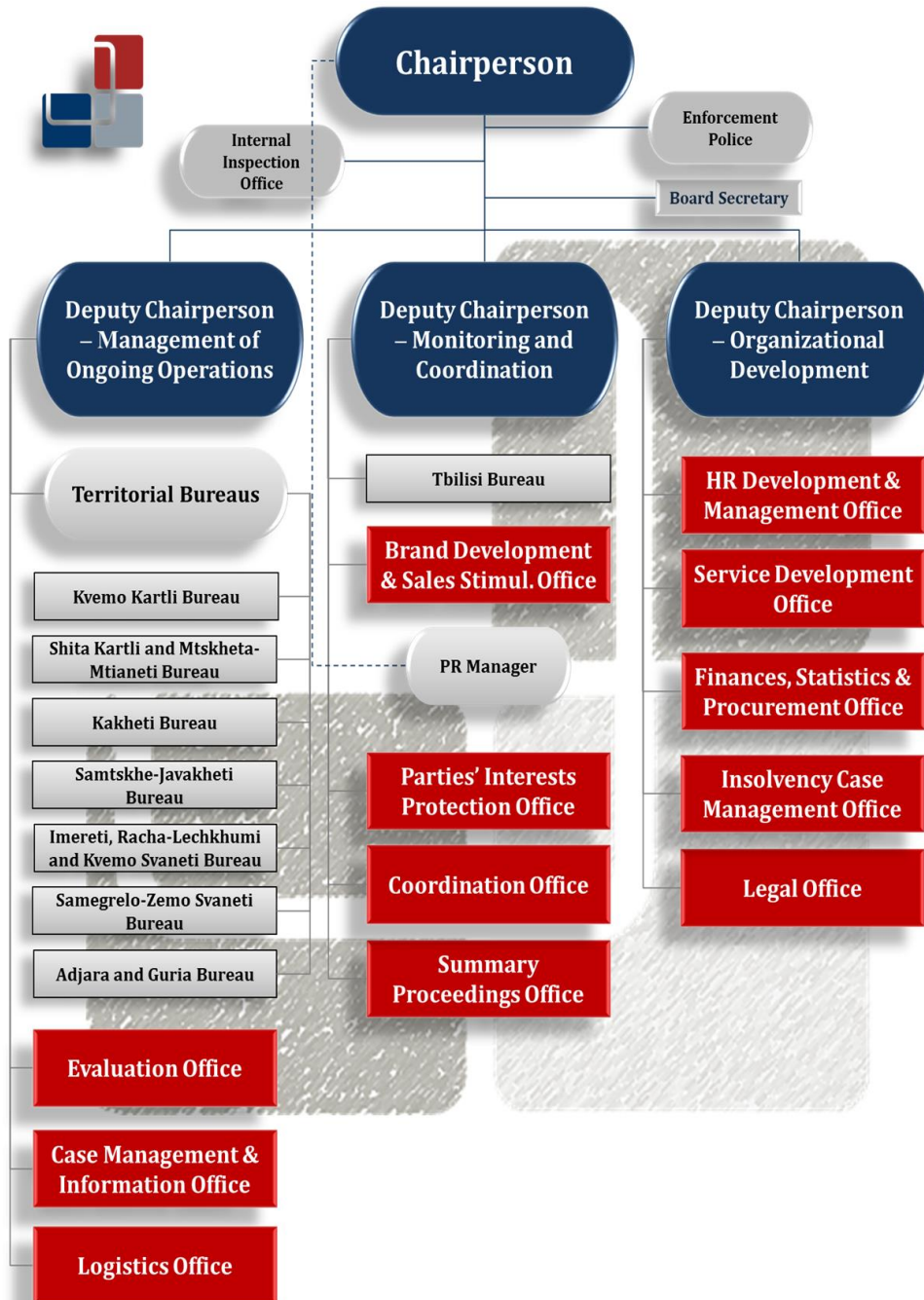
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before stabilising somewhat during the fall. The prices of imported goods progressively increased and since many Georgians have loans set in dollars the households could feel the economic pressure increasing.

At the end of the second quarter a study visit was made to Austria at the BFA (Bundesfinanzakademie) under the Austrian Federal Ministry of Finance, situated in Vienna. NBE received input on how to go about developing training programs.

A second deputy chairman was appointed and it was decided that changes in the NBE organization were to be made to accommodate this. The new deputy chairman would continue in the role of being head over the Tbilisi bureau as well as taking up responsibility for Monitoring and Coordination. Therefore the Tbilisi bureau that formerly was under Management of Ongoing Operations, with all the other bureaus, was moved to Monitoring and Coordination. The Legal Office and Insolvency Case Management Office were moved from the heading of Monitoring and Coordination to Organizational Development where the position of Deputy Chairperson has not been filled. From Organizational Development, the Brand Development & Sales Stimulation Office has been moved to come under the heading of Monitoring and Coordination. All in all the current organization of NBE now looks like this:

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This fall of 2015, NBE started a pilot in the eastern part of Georgia after placing the responsibility for Monitoring and Follow up with the Coordination Office seen in the organizational chart above. Regular result dialogues are being used as a tool to handle the backlog on those bureaus and the results are encouraging. The backlog is decreasing and new best practices are being discovered as dialogues are created



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within and between teams. It is a pilot that will cease in 2016 when the practice of result dialogues will become a common tool for all the regions of Georgia and thus a regular part of the way that NBE works with the process of enforcement.

4. Objective number one - Capacity for development of the business processes

All though all of the project objectives are important, capacity building for development of the business processes has been the most extensive one and has been where a majority of the projects resources has been used. The areas involved has been support for mapping of processes, leadership training, internal communications training, monitoring & follow up and HR-training, development of new services and several study visits.

Twelve missions and two study visits relating to objective number one will have been performed by the close of the fourth quarter of 2015 (three missions and one study visit remained to be done when this report was written). During project phase II all in all 25 missions and 3 study visits will have been carried out relating to objective number one.

Management development and Mentorship program

Project objective number one refers to NBE business operations being effective and efficient. In order to achieve this goal the professionalism of NBE management and staff needed to increase, also referred to as the bridging outcome 1.1. At NBE the staff turnover has been comparatively high and the young age of most employees had contributed towards a significant lack of experience within the leadership group.

Some middle managers had gained leadership experience and it was decided that those that seemed adapt to becoming mentors should receive proper training in coaching and other leadership techniques. They would in turn find more inexperienced managers and have them as mentees in order to pass on their knowledge. The overarching idea was to start the spread of a good leadership culture that would be sustainable over time. The notion of being a mentor was quickly changed to ambassador as being a mentor entails advisory responsibilities, among others, that can be hard to fulfil when you are working as colleagues or subordinates within the same organization. As ambassadors for good leadership they can support new managers entering the organization. This can be done one a broad variety of topics as coaching skills – both in teams and groups, change management, issues of conflict resolution, delegating tasks and more.

NBE is an organization that has a strong focus on keeping its business processes running smoothly and efficiently. When experience in management is lacking it is easy to focus on day to day operations. NBE's strong suit is in its operative work, quickly making common efforts to solve daily problems. Therefore the creation of a



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leadership strategy became an important tool to help the development of NBE leadership. The leadership strategy reached its final form by mid-2014 and is an important step in transitioning away from a leadership style that is authoritative and hampers an open climate where new ideas and initiatives can be tried out. This is especially important when NBE is going for a team based organization where every employee should be able to develop and grow to the maximum of their potential. The strategy exists as a supporting document for the managers and further work on the implementation continues within NBE. It is based on support from other established documents as the CoC (Code of Conduct) and the EP (Enforcement Policy) and the vision of NBE.

Currently focus is on the internal part of the vision:

“Growth of competences and productivity of the staff members, while helping them in strengthening their corporate spirit, acknowledging the importance of their tasks; encouraging them to generate new ideas and take responsibility...”

This strategy was immediately put in to practise by the project through the training of NBE management. In the subsequent workshops there was great emphasis both theoretical and practical on skills in coaching of individuals and groups, where the participants had coaching homework to do after the sessions and they were to practise on their own teams.

The external part of the leadership strategy:

“Maintenance of society’s high trust towards our organization and the establishment of corporate ethics” - are not currently in direct focus on the management level but will be addressed later on. There are of course activities within the project, as Customer Orientation, that is addressing building trust towards the organizations various customers.

During the last quarter of 2015 one workshop has been held on change management that will also further help the implementation of the leadership strategy. A final workshop is planned in November which will focus on the way forward, the further work on the implementation of the strategy and tying up loose ends that are felt not to be thoroughly addressed as of yet.

Internal communication

At the outset of the activity (early 2014) the concepts around communication and how SEA works, was presented in some detail for NBE. Both internal and external communication was covered. A point was made concerning the importance of planned communication. Oftentimes communication is thought of as something that occurs rather spontaneously and no serious effort are put into the planning of the



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message. Discussions were held on the purpose of different messages, relevant target groups, thinking about the message itself, the use of proper channels, planning for activities and finally follow up and feedback. The STE´s were using, as a starting-point, the six-step model that SEA uses to plan communication. Also work went into explaining the pros of good communication. “Informed staff is more motivated and happier, they will then in turn become good representatives of the organization when meeting the stake holders. That in turn will build the brand, inspire higher trust and give the organization more room to maneuver...”

In the subsequent workshop in the fall of 2014, a closer look was taken at how NBE handled internal communication. It was found out that most information was spread through E-mail and sometimes it came in large blocks where it was not so easy to discern what demanded immediate intention and what could wait. In short it was very easy to miss important information. Furthermore instructions and information were not kept organized and contrary instructions were quite common. There was no Intranet where different documents that were in effect could be kept and removed as they became outdated. A stream of instructions was constantly trickling through the organization that also made it difficult for new managers to get a handle on things as a lot of the information could only be found in the mailboxes of other colleagues. Some of the more experienced managers put in a lot of effort to organize their own material and could help when new managers were trying to find information of different sorts. In the top management NBE had only one deputy chairman in place together with the chairman and focus was on managing day to day operations.

In response to solving this problem a workgroup was formed by NBE that came up with a draft of a plan for internal communication during the spring/summer of 2015. During this time discussions were held in the project concerning how to continue with both the activity with internal as well as external communication. Good communication is definitely a part of an effective leadership. A good manager is a manager that can communicate effectively. It was decided that NBE middle management needed to be empowered.

One workshop was held in September 2015, under the heading of Internal Communication. More work was done on the strategy for internal communication and it was decided that it should be developed so that it reflected the thoughts of the six step model for communication previously mentioned. During the discussions it was central what good internal communication could accomplish in regard to the cooperate spirit and giving the employees a sense of coherency in the messages conveyed throughout the organisation.

Monitoring and follow up procedures

The activity started in March 2014 at the study visit in Sweden where the model implemented by SEA to measure and keep track of their processes was presented.



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NBE was interested in developing relevant indicators in order to better measure the performance of their own processes. NBE did not have any qualitative follow up as the strategic plan had not been fully implemented and the goals of the different processes were unclear. Instead focus was on quantitative results in form of size of the backlog and amount of money collected. For instance quality in form of the time it takes to handle a single case - was not measured. During the course of the project the IT-systems has been developed so that a wider range of indicators can be used.

In the following workshops there were more elaborations on the importance of working systematically with continued improvements to the work processes. The SEA-model with continually reoccurring activities to be done by the organization during the year was put forth as a good example. The roll of a controller was also explained more in depth and NBE started doing preparations on how their own organization for the controlling process would work. It was decided by NBE to place the controllers at the Coordination Office.

Next a pilot was started under the heading of the Coordination Office in the eastern region of Kvemo-Kartli and Mtskheta-Mtianeti. It was aimed at trying to resolve increasing backlogs on those teams. It was implemented through result dialogues where special care was taken to do this in a supportive and coaching manner, both giving advice and ask the teams what they thought needed to be done. Several old cases were found where actions needed to be taken for them to be finally resolved. An introduction to these result dialogues has been held on all the regions and it is planned that they should be implemented for the whole of NBE. This is planned for the beginning of 2016.

Mapping of processes

During the first project phase a lot of effort was put in to the activity of mapping NBE processes. Focus was on the Enforcement Process since that is the most important business process of NBE. But work was also done on the Bankruptcy Process.

NBE has become quite efficient and mapped the processes of Summary Proceeding and Statement of Facts. That work was mostly done on their own. One workshop was carried out during the second phase, where support was given in the fine tuning of the maps. Especially the map on Summary Proceedings has required further work because the process is quite complex.

Clear descriptions of the different business processes are important not just for improvement and development, but also in training of staff and developing strategies for the future. From an overall perspective of having a uniform quality for all enforcement processes, process mapping has an important part to play in unifying different practices, routines and procedures.



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HR-matters

When NBE started planning for its organizational change in 2013, there were discussions on developing a proper function to focus on and handle Human Resource related issues. The organization where trying to increase their capacity to develop and build new business processes and human resources were of course key in this development. Therefore the function of HR was named HR Development & Management Office. It was put in the branch of the organization that would deal with organizational development. The mandate was clear - HR would not only have an administrative function but help in the development of the workforce as well.

The areas where the new HR-office would perform their duties were clear. They should be involved in building the competence of the workforce and make sure that the employees were to be continuously trained in their respective fields of work. NBE has been experiencing a large turnover in staff since its beginnings and that has created problems for the organisation in the long run. It was thought that the turnover could be decreased through the efforts of a specialized HR-function and that they could address issues in the work environment as lack of motivation and lack of clear feedback given to the employees concerning their performance. It was also the intention to give the HR function room to grow and develop its own processes.

There followed fact finding missions and workshops where the staff turnover emerged as the most pressing issue that needed to be handled. The HR-function itself was affected by turnover and presently the head of HR is the third since the reorganization in the spring of 2014. Other findings that were made had to do with hygiene factors as the salary system and being able to take a vacation. Addressing them would decrease dissatisfaction but not make the job more interesting and fulfilling. An important area to consider were the motivational factors that could make the job more satisfying. NBE could develop clearer paths and start developing their corporate culture to become more open. There were also training needs of the employees to be considered, in short there were a lot of things that could be done in the area of managing Human Resources.

As mentioned above the HR-function was named HR Development & Management Office. Being understaffed and being strained by all things to be managed, that is administrated – it has been hard to focus on the development part. It was decided that a reasonable focus would be support in the creation of a common introductory procedure for new employees at NBE.

The procedure starts at pre-employment with the presence of NBE in social media and the creation of ads for a certain position. There are now, job descriptions made by the HR-function to be used in these ads. One improvement in the recruiting process that has been made during the last year is that the recruiting manager is



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most often present at the interviews. All practicalities on preparing the workplace and getting key cards etc. are covered by the introduction. It is now clear who is responsible to do what according to the introduction plan that now is partially in place. Work is in progress on the training concerning Enforcement Policy and Code of Conduct. There is a detailed project plan in place that was created by the support from the SEA short term experts in the last workshop and the implementation is in progress.

Gender

One workshop was held during the middle of the 3rd quarter in Batumi that was used as a representative of regions further from Tbilisi and the HQ of NBE. During the training there was strong emphasis on the perspective of intersectionality since gender issues are not exclusively about being male or female, but has a lot broader scope that covers discrimination and not getting equal opportunities due to a wider area of factors. These can be factors concerning race, educational background, age, different forms of handicap, religion and of course of which sex somebody happens to be.

By the end of November there was a final workshop together with the HR-department where issues of intersectionality and gender will be discussed and way forward for NBE should be found. There are some thoughts concerning if and how this could become a part of the introduction for the newly employed.

Developing new services – Introduction to Cross Border Enforcement

In 2014 there was one workshop concerning the subject of CBE (Cross Border Enforcement) in mid-February. That workshop mainly consisted of a presentation of the Swedish model for working with CBE.

The subject discussed concerned the requirements for intricate legal provisions and agreements between states to work effectively. It also requires a stable political situation between countries that have reached those agreements. There were also discussions on the benefits from such a service both from a state and a public perspective.

NBE has enforced tax claims in the past. Changes in the Georgian system for enforcing taxes moved this responsibility to the revenue service. Therefore it was not viable for NBE to continue the activity.

Study visits

During the project there has been three study visits pertaining to project goal one.



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The first one was to Sweden and took place in March 2014. At that time NBE was in the midst of their re-organization and the natural focus came to be upon change management and the use of different business models. At that time there were also an introduction made to the Swedish model for working with monitoring and follow up (as mentioned above under the heading of *Monitoring and follow up procedures.*)

The second study visit was made in June 2015 to BFA (Bundesfinanzakademie) under the Austrian Federal Ministry of Finance, in Vienna. Their organization is responsible for training leaders and staff of the Ministry of Finance together with federal authorities and other intermediate authorities. During the visit NBE received insight on how the BFA develops its training programs and also how the enforcement of public claims and taxes were being dealt with.

In November 2015 the southern part of Sweden was visited. The local offices of Malmö, Helsingborg and Sweden are partly under one unit in the organisation. These units with their local teams are the ones to put strategies into practice and that work will be explained on unit and team level. Some of the teams are enforcement teams, a cross-border enforcement team, a sales team, a debt relief team and customer service – they all gave their views on putting strategies into practice and explained how all the planning on strategic levels is being worked out in daily practice.

Questions on sustainability

Being slightly past mid-project late 2014, a mission was conducted in December with the aim of looking at the sustainability of the activities carried out by the project from the perspective of lower levels in the organisation. The effects of frequent changes in the top management of NBE was assessed and its effects on day to day activities. Questions on strategy in daily practice and the SIDA projects effect on the organisation compared to its effect on individuals were on the agenda.

5. Objective number two

Present activities under project objective number two

By the end of 2015 7 missions will have been carried out pertaining to project objective number two.

During the whole of phase two in the project, a total of 12 missions will have been carried out under objective number two (excluding one preparatory mission in the spring of 2013 under the phase one budget.)

Preventive communication



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According to one strategy of NBE the organization should "... increase awareness of the citizens in regard to indebtedness, consequences of monetary loans and prevention of indebtedness." Bearing that in mind together with consumer patterns being established at fairly young ages, it was agreed between the project and NBE that the activity should consist of a pilot project that was to be run by NBE and that they should focus on students. Students needed to be informed concerning the risks of indebtedness through a developing consumer culture that their monetary income could not support. There was also a secondary objective of the pilot project namely, that the role of NBE and the services they provided should become better known among the public.

The group, with the support of the short term experts, made good progress in developing presentation materials in form of pictures, sound and even animations. The end product was packaged in Power Point together with a script for the speakers. The material is well adapted to the chosen target group and has a very contemporary feel to it.

One reoccurring theme during the workshops was discussion on the need of having a good follow up when you do preventive communication. It is hard to measure results and therefore it is very important to document what is being done. During 2015 the experts were present when the NBE informed students and they discussed the results, challenges and areas of improvement. During the time of the pilot activity more than 200 students were reached. Now school information is regularly done by NBE and there is a joint effort between NBE and the department of Prevention of Crime at MoJ to also reach out to schools outside of the Tbilisi region.

In the last workshop during the previous quarter, strengths and weaknesses were defined concerning the future of preventive communication at NBE. The group is committed and find their job important but need more resources from NBE as the activity is counted as an additional one to their ordinary jobs.

External Communication

One workshop was carried out in October, the final quarter of 2015. It was decided that the External Communication workshop, was to be utilized through connection to the theme of Empowerment and the work done in the activity of the Management development and Mentorship program. There were several reasons for this decision but the most obvious one was the clear connection to leadership training as good leadership requires communicative leadership. And it was a key activity to strengthen NBE in the implementation of for instance the leadership strategy and their introduction for new employees.



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In the workshop they were working on the difference between arguments, discussions and dialogue. They looked at the communicative leadership but also at the communicative co-workers. In the implementation of their strategy for communication they discussed how to make the transition towards becoming skilled communicators on all levels of the organization. The subject of Cooperate Spirit from the leadership activity, resurfaced in this activity from the perspective of being good communicators. In the workshop a strong synergy was evident in relation to the leadership activity.

Customer Approaches

NBE serves a variety of customers, they are mainly debtors and creditors but NBE is also a public authority - meaning that their mandate ultimately comes from the all the Georgian citizens. In order to effectively fulfil their mission NBE needs to make their services effective and easy to use. From a preventive perspective it should be easy to fulfil obligations and get protection of rights for different parties. If NBE does not manage that, they will not have the trust of their customers and will find it hard to prevent indebtedness in society.

During the course of the workshops the term Customer Approach has been explored from the perspective of NBE as a public servant. The differences between the market place and the public sector have been discussed as there is some common confusion touching those issues. A public authority does not have the same mission as a company competing in the market place even though there is some competition with private enforcers for NBE.

The initial aim was to form a strategy on customer oriented services, develop customer feedback channels and set a structure to analyze the results. The short term experts explained how a customer driven organization works and the challenges connected to it. It soon became apparent that NBE was not able to muster the resources to create a unified customer strategy. Instead it was decided that NBE would focus on deciding who their customer were and then choose one group to focus on.

NBE is focusing on the banks as a customer group and work has progressed as far as identifying individual banks and financial institutions. The information NBE has on individual customers has also been gathered as it was found out that focusing on the banks has been on NBE's agenda previously. There was an initial meeting with the banks mid-2014 and the findings are now used in the ongoing activity. NBE did, at that time, not proceed with their findings as other activities became the focus and support from the higher management levels was lost as there were changes on several positions.



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In the last workshop structuring of customer feedback was discussed and in the final survey for the SIDA project - customer perception of NBE is in focus and will provide information that will be discussed in the last workshop which will take place in December.

6. Gender Analysis

A gender based study was performed by NCG (Nordic Consulting Group) towards the end of 2014. The study was conducted both at an operational and an institutional level. At the institutional level the question was asked whether NBE could be considered to be a gender-balanced authority. NBE lacks a recruitment strategy that actively supports gender equality. In total 38% females were employed and 62% males. The lack of balance was more obvious outside of Tbilisi in the other regions. Different documents as the Code of Conduct, Internal Regulations and others could be considered gender neutral but did not actively support gender equality which could be addressed through mainstreaming those documents with gender in view. Some changes have been made as for example in the overview of NBE organizational structure at their webpage where “Chairman” has been replaced by “Chairperson”.

Salary wise there is a gap between men and women that favours men. Oftentimes jobs can be very similar but have different titles so the differences in salary cannot be motivated. NBE has since then made job descriptions of all positions but no actual evaluations and comparing of requirements between different positions to ensure that salaries can be considered fair.

It was also found out that sexual harassment was not considered to be a problem within the organisation. There are no policies in place and no training of staff and management with regard to the issue. The report also showed that NBE needed to adjust their external communication in order not to support stereotyping in, for instance, commercials.

Furthermore differences were found in how NBE treated its debtors. Basically debtors were more satisfied in dealing with an enforcer of the opposite sex which was an indicator of gender stereotyping by the NBE personnel of themselves. Those issues could be addressed through awareness raising activities of the type that were done in Batumi by the project in the third quarter of 2015.

7. EU Twinning Project

DEEP (Development of Enforcement Legislation) was an EU-financed project that started in the fall of 2013 and was brought to a conclusion at the start of the third quarter 2014. The aim of the project was to produce a draft for a new enforcement code for Georgia. It should facilitate efficient and cost effective enforcement of judicial



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decisions or non-judicial enforceable titles. Interests of different parties should be protected and it should be easy to protect one's own rights.

The draft has been on referral to different stakeholders. Currently MoJ is working with the proposal. One recommendation is to make the duties of private and NBE enforcers more equal. As the proposition lies at the moment, the private bailiffs will have to enforce some of the state fines. Those are smaller cases that are not so lucrative compared to handling cases with larger debts which are what the private enforcement is focused on today. MoJ has not published any date for the change in legislation so the decision is still pending.

8. The Final Survey

The final survey was delayed due to unforeseen circumstances and the preliminary report was delivered by the start of January. The survey was conducted by IPM at the close of 2015. 20 in depth interviews were done – half with NBE and half with debtors and creditors. In the quantitative part 160 interviews were done with NBE policemen and bailiffs, 340 interviews were done with beneficiaries (debtors and creditors), finally 1000 interviews were made with the general public. The quantitative survey, with the beneficiaries, was conducted in Tbilisi, Kutaisi, Batumi and Telavi. The survey area for the general public interviews was from around all of Georgia.

The results of the survey are referenced in the following section on the matrix. There are some things to add concerning the staff study that somewhat falls outside of the matrix. Of the interviewed bailiffs and police, only 47% had been employed for more than 2 years which confirms the challenges with high staff turnover that we knew existed within NBE. It is positive that 96% of the employees say they are familiar with organizational values and that they lend good support in the daily work. The employees personal attitude towards NBE had these two predominant values which are representative for 96% of the employees: NBE guards the rights of the citizens (48%) and NBE is a place of professional development with extensive contacts with colleagues (53%). 92% of the surveyed employees thought that NBE is there to protect the interests of both parties.

Only 2.5% perceive NBE as a corrupt organization which corresponds to 3 persons. 79.5% thinks NBE is not corrupt and 13, 9% felt they didn't know enough to answer the question, which is not surprising since there were many new employees in the survey.

Concerning leadership issues 97% answered that their immediate manager knew what they were doing and 93% received feedback on work done, although 18% felt that they only received feedback when they had done something wrong. It was very positive that 98% said that they felt their work was appreciated by their closest manager.



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In general over 80% of the employees think of their work as interesting, having a good and functioning technical support, a good working environment and high satisfaction with the immediate manager. Points of contention are salary issues, career paths and the tension between lower and higher management.

9. The Matrix

As the project closes, this is a current view of the project from the standpoint of the matrix. 1. *Outcome NBE business operations are effective and efficient*

Indicators were that the customer trust towards NBE should increase with a baseline of 24%, of the reviewed public, having trust towards NBE. In the IPM survey - 67% of the reviewed public with knowledge of NBE, had trust in NBE fulfilling its responsibilities. A mere 16% didn't trust in NBE fulfilling its responsibilities and 17% felt that they did not have enough information or was unwilling to answer the question. One caveat to the good result is that only 26% of the respondents thought NBE to bear the final responsibility for the enforcement of claims, more than 50% thought the courts had that responsibility. This is of course dependent on how the question is perceived since the courts are responsible for many of the enforceable claims. None the less, the result is a big improvement and NBE has a lot more trust with the public compared to after the first phase of the project.

The share of closed cases/total incoming cases should be increased by the end of the project. The inflow of the total number of cases has increased by 10.2% in 2013 and 18.2% in 2014. The projection for 2015 would be around a 13% increase in incoming cases. The share of closed cases/total number of cases would be 51% in 2013 and 54% in 2014 and an estimated 50-51% during 2015. But looking at the increased number of cases using 2013 as a baseline, the increase in closed cases was 25% between 2013 and 2014. And it will be an estimated 4.5% between 2014 and 2015. One conclusion that can be drawn is that the reorganisation of NBE in 2014 that the project also contributed towards was very successful.

The total backlog of cases should be decreased by the end of the project. It should be done by an annual rate of 5%. The total backlog of cases was 98 000 in 2012. Since then the backlog has increased to 102 000 cases. That pans out to a yearly increase of 1.3%. The yearly increase in incoming cases is an estimated 13.8% since 2012. In conclusion the annual decrease of the backlog would have been 12.5% if the inflow of cases had remained anything like it was at the start of 2013.

This result is due to all the work done on supporting and encouraging NBE to think and work strategically. More specifically the result is due to the reorganization in 2014, but that would not have happened without process mapping and finding out what improvements had to be made to those processes in order to improve upon the results. The whole reorganization came about from working with the strategic plan for



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NBE during the first phase of the project and then further support was given by the project in phase II. The new organization was set with an experienced core of managers that had received training to become ambassadors for good leadership at NBE.

Bridging Outcome 1.1 there should be increased professionalism of NBE management and staff.

The first indicator is that client perception of the quality of processes and products of NBE should be high. There was no baseline in existence but it was presupposed to be at a medium. The client survey shows that 74% of the creditors and debtors have trust in NBE, 14% of the respondents did not know enough to answer or did not want to answer, and finally a mere 12% felt that they did not have trust in NBE. To the question of which statement was most true of NBE - 45,7% considered NBE to be reliable, 9,4 percent answered effective, 8.4% not partial and 1,6% answered caring. Around 22% of the answers were negative with the two main factors being: indifferent (9,4%) and Bureaucratic (5%) which is not so damaging for the perceived quality of the processes, the quality of the product can be good even in a bureaucratic system for instance.

Furthermore a number of statements were given to creditors and debtors for them to assess which were most signifying for NBE. 49.9% thought that NBE was essentially a none corrupt organization, 36, 2% did not have enough information to answer the question and under 10% of the answers were negative for NBE as an organization. Over 85% thought that the procedures at NBE were more or less transparent (Completely transparent - 61,4%, More or less transparent - 24,1%), only 8,1% thought that they were not transparent at all, just over 6% felt they could not answer the question.

Secondly the number of mentorships in use for male and female young employees was an indicator. The baseline was 0 mentors but the concept of mentors was abandoned as is stated in this report. Instead there is a group of experienced leaders that are ambassadors for good leadership forming a core group that is supporting the further development of NBE. As we have seen under point 1 above, their support really makes a difference and helps in changing the leadership culture at NBE.

1.1.1 Maps and guidelines for existing services elaborated.

The relevant outputs were that maps and guidelines for existing services should be developed.

The process maps of Statement of Facts and the Summary Process has been further developed within the project. In the workshop that was held they went deeper into the methodology of process mapping. But it was also decided that time was to be taken



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to introduce some new managers to how the maps were used. With hindsight that was the right decision since NBE since then has lost the employee that was most proficient in process mapping.

Regarding the target for the end of the project the baseline was 2 maps and 1 instruction in use. Additional maps now exist for the Summary Process and Statement of Facts the descriptions can be further developed.

As have been previously stated the process maps became an important tool in NBE making the changes necessary to handle the quick increase in incoming cases. It provided a foundation for the reorganization. Process mapping is a good way to get control over how the resources within the organisation are used and also to plan ahead for new tasks to be performed as well as improving upon the process itself.

1.1.2 Instruments to handle new services e.g. Cross Border enforcement, Behavioural economics/Debt relief/ Enforcement involving economic crimes, available to managers.

This project phase started exploring Cross Border Enforcement but it could not be implemented as NBE no longer enforced public claims.

There is also an interest from NBE concerning Debt Relief but implementing that would require a political will, a new legislation and the development of a new service for NBE. It simply could not be done within the time frame for the project.

The target of at least one service launched has therefore not been reached yet.

1.1.3 HRM systems are also to be in place in order to lend better support to NBE managers'.

The introduction program for new employees is being implemented. When it is in place the managers will have a tangible support in introducing the new employees at the workplace. Furthermore the program aims to give the new employees a good start at NBE. Practical questions as how the salary is paid, how the new workplace is prepared and so on, will be resolved. These practical issues are today a hindrance for the managers and HR, as can be understood by the paragraph below. Among others things it is a step for the HR function to make more resources available within their function, to work with questions that specifically pertain to the area of HR.

When it comes to the support in HR-related matters according to the matrix the vast majority of calls to the HR-department still concerns technical questions when someone is hired. It can be questions like who to contact in order to get a new workplace and so on. It concerns administration. When there for instance is problem with an employee it is handled by internal inspection and upper management.



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Questions regarding salary for different positions, bonuses and increase in payment are decided by MoJ.

1.1.4 Skills developed in mentoring and coaching.

The management activity has been running throughout this project phase. The focus has come to be on coaching rather than mentoring since mentorship is hard to do within especially a relative small organisation where different roles can collide. The trainees have the charge of supporting the implementation of the leadership strategy.

The goal in the matrix of 20 mentors and 80% satisfaction by the mentees is not strictly applicable since there are no mentors in place. Now there are around 8 ambassadors in place who have attended most of the trainings. But they are experienced managers that have a good reputation within the organization and are in a position to support new managers and be agents of change within the organisation.

Bridging Outcome 1.2 Improved planning and monitoring systems developed

The target at the end of the project was that 100% of the managers provide periodic structured reports. In 2014 there were reporting forms created for all the structural units that are being submitted on a monthly bases by the managers. These are processed by the Finances, Statistics and Procurement Office and made available for the managers. The data is also used by the designated Controllers that are now in place and running a pilot in the offices of the eastern region.

There is now a much more structured approach in keeping track of what is happening in the processes. The enforcement process is a great example. The result dialogues within, the aforementioned, pilot provides the managers with a meaningful feedback concerning what they are reporting. When the result dialogues are fully implemented the whole management will receive such feedback which would unlock a vast potential at NBE. This is not easy to implement on such a large scale and the NBE controllers has recently asked for more support as they are not sure of how to solve this. It would be one of several important things to support with a new concluding project.

1.2.1 Planning cycle integrated in NBE's annual work plan

The concept of a planning cycle has been introduced to NBE. The difficult work situation at NBE, dealing with day to day operations and understaffed top management has slowed progress. The short term experts working with monitoring and following up are concentrated on the start-up of a pilot with regular result dialogues in the eastern region. It has been largely successful and the concept has been introduced on all the regions. The plan is to extend the pilot by the end of the year. NBE has also dedicated one day each month to gather the regional office



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heads in Tbilisi to order to discuss how work is progressing. This can be seen as a starting point for a planning cycle, but the issues of strategic and financial planning remains to be addressed. This is complicated due to the involvement of MoJ and its interface with NBE especially concerning finance and the use of resources. The target according to the matrix is that a planning cycle is elaborated and its use evaluated each year. That is something that NBE will require further support in and if it is to cover financial planning MoJ will have to be involved at some point.

1.2.2 Quality standards developed

During the project there have been developments in NBEs' IT system and they have possibilities to aggregate data at a more detailed level than before. In the above mentioned pilot project on Monitoring and Follow up, NBE has identified cases that are not completed. There can for instance be payments to the creditors or cases where attached property has not been sold. NBE has been changing routines in order to better keep track of the case flow and to ensure that proper actions are taken on time. Concerning the target in the matrix NBE is still lacking in its quality standards and a main problem is in the area of documentation.

What has been accomplished so far is an overall better process quality. It means much for the customers of NBE. Both the rights of creditors and debtors are protected by an Enforcement that does what is needed and do so in a timely fashion. Debtors and creditors have the right to have attached goods sold on time without delay and the money should readily be paid where it is due.

1.2.3 Efficient Quality Control System integrated in monitoring system.

The control system is still focused on incoming cases, the number of hard cases, the number of closed cases, and the size of the back log. It is hard to follow up on quality when the IT-system just logs when actions are taken by the bailiff. The trigger in the control system is when actions are not done within the right time limits. When it is suspected that a bailiff handles cases with an inferior quality of work, it is handled by the internal inspection. The matrix target, that quality control should be included in the monitoring system, is hard to realise when quality standards are lacking. But through the work done in the pilot on Result Dialogues the process quality is improved as problematical areas are identified that has been overlooked. Better control of the processes also creates space to move towards more qualitative indicators when the quantitative indicators are running fine and the process is moving. NBE will require further support in this area.

1.2.4. Improved case management system.

As mentioned above NBE has found areas of improvement in the handling of the cases. The Result Dialogues are ongoing in the pilot and it is facilitating to find best



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practice. One thing that has been improved is for example the handling of attached goods when it is not sold and the bailiff responsible changes job. During the pilot they found several attached cars that was stored with a third party that had not been sold and NBE was simply not aware of this fact. They could then set new routines to ensure that these mistakes were not repeated.

The goal of the matrix is that the staffs' knowledge of case management should be improved. For this purpose NBE has developed manuals for new employees. There are programs that handle the case-management and the flow of different documents/requests within NBE and MoJ. NBE has made an instruction video for this software and managers should do follow up to ensure that the features of the software are sufficiently known by the employee.

There are a lot of small accomplishments that has been made by NBE in this area during the project. The real power of this development will come forth when the HR-function has the capacity to bring all these supporting accomplishments together and create a structure to support NBE in developing its human resources in a methodological way.

1.3.1 Enhanced internal communication

After doing mapping of the internal communications system and identifying problems, NBE was introduced to various tools for communication. The use of communication plans quickly became focus. This is reflected in the guideline for internal communication that is about to finish. It is an important step since NBE has previously not been working on these issues in any systematic way.

The target in the matrix concerning use of the intranet is not applicable because there is no intranet in place for NBE yet. This is however a question of a technical nature. In order to make good use of an intranet there needs to be an effective communication. The work accomplished in this area of the project will contribute towards making the information on a future intranet clear, consistent and targeted towards the right receivers in the organisation. The messages and information will have a thought through intent as to what is to be accomplished with the communication.

1.3.2 Staff aware of corporate values.

Within the management development activity, NBE has created a leadership strategy. This strategy is approved by NBE and work is progressing on its implementation. It has been supported through workshops on Change Management and through the activity of Internal and External communication that has approached the subject through the subjects of Communicative Leadership and Empowerment. Furthermore all new personnel will be trained in the EP (Enforcement Policy) and



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CoC (Code of Conduct) within the frames of the Introduction Programme for New Employees that NBE is working on in the HR activity.

The effects of these activities cannot be measured until the Introduction Programme is in place and the Leadership Strategy is implemented. The last survey made mid-2013 showed that 92% were familiar with the organizational values of NBE according to the quantitative research. The general impression is that these issues are important to NBE and that the Enforcement Policy and Code of Conduct are in frequent use. The final survey of NBE staff covered enforcement police (25%) and bailiffs (75%), only 13,1% claimed that they were unfamiliar with the Enforcement Policy and it should then be taken into consideration that 9% had been employed for less than six months. The corresponding figure for the Code of Conduct is that only 4,9% were unfamiliar with that document.

Bridging outcome 2.1 Improved public awareness of NBE operations regarding prevention of indebtedness

The target is that 45% of the stakeholders should perceive NBE as an organization bearing social responsibility. The final survey shows that 74% of creditors and debtors have trust in NBE fulfilling its responsibilities. Only 12% reports distrust and in those cases the most common complaint is that NBE can be slow to react if the creditor informs NBE that the debtor is at home (36,4% of those instances). The remaining 14% felt that they did not know enough to answer the question.

2.1.1 A preventive approach established at NBE.

NBE is now involved in informing about the risks of over-indebtedness in schools both in Tbilisi and outside in different regions. The activity is supported by MoJ that has asked NBE to cooperate with the department for Prevention of Crime in reaching schools. NBE has also seen that they will not be able to reach all of the students in Georgia that is not reasonable for them to accomplish. Therefore teaching materials will be available for download on the NBE website in the future, materials that can be used by teachers in preparing their own lectures for the students.

The target of the matrix is for employees and managers to know preventive approaches and to have two preventive approaches established. NBE has the preventive approach of providing school information and also a brochure named “*Be informed!*” that is targeting a wider audience and has been used in connection with different public activities. It also uses Facebook to reach the public with messages concerning avoiding over indebtedness.

This is a pure strategical decision, making the Pilot activity permanent. It means that NBE is actively trying to make an impact on Georgian society and take a proactive stance towards over indebtedness. NBE has come a long way in this area since the project started.



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2.1.2 A strategic public communication plan in place as well as accomplished communication and media actions.

In the yearly report of 2014 it was pointed out that there needed to be well developed strategic planning, vision, developed customer perspectives and that there had to be a lot of other synergetic factors in place that helps form a uniform plan for public communication. It was also said that the present framework of NBE didn't fully support this. During the year a guideline for internal communication has been created that together with the use of communication plans also can support NBE in external communication with the media and other parties.

There is also support for the creation of a strategic plan for public communication in the leadership strategy. It for instance clearly states that NBE should maintain "... society's high trust towards our organization and the establishment of corporate ethics." The awareness within NBE concerning the need to continually improve its relationship with the public is high. To get a plan for public communication in place though, the work has to be led by the top management and it can't be resolved by middle management since it concerns strategies for the whole authority that is owned by the top management and MoJ.

The goal concerning values expressed in Media on NBE through a Media Monitoring Report is not applicable at this time. No specific media training has been carried out. NBE is very much in the public eye though and is frequently reported upon by media. There is an experience in handling media within the organisation of NBE and the new organisation that was set in place 2014 has a PR-manager in place.

Bridging outcome 2.2 Impartial, well-balanced and fair customer approaches (both debtor and creditor) introduced in practice

The target is to increase customer satisfaction with standards of services provided by NBE furthermore customer services should be easily and publicly available. The final survey sheds light on this issue.

2.2.1 Developed strategy on (impartial, well-balanced and fair) customer oriented service approaches.

In working with Customer Orientation it has been found that NBE is customer oriented and has done much work on improving its services towards its customers.

Currently NBE is working with a strategy for a segment of customers, namely the banks, in order to develop their services for them. Developing a general strategy for customer oriented service approaches will require support from the top management and cannot be resolved merely by middle management just as the previous outcome (2.1.2).



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NBE has focus on its customers though and during the project improvements have been done for instance in relation to the banks. In the summary process they often need to turn in a large number of applications at a time and NBE is accommodating this by taking them out of the que of ordinary customers so that they will not block the que by so many cases. That way all gets faster service. These small improvements needs to come under direction of a well thought out strategy though and that would be important in a new project with a partial focus on customer orientation.

The survey among creditors and debtors' shows that 65,1% of the respondents felt that NBE were good at explaining when they were contacted in different cases. It was clear were to turn to and which documents that were needed in the next step of the process. An additional 32,5% felt that NBE explained well but that they needed to ask additional questions. Only 2,4% (!) felt that NBE did not sufficiently explain the process when contacted regarding different cases. This shows that NBE is moving in the right direction when it comes to customer orientation.

2.2.2 Customer feedback channels up and running.

NBE will start developing its customer feedback channels within the work with Customer Orientation. Allocating resources for establishing these channels will require the active support of top management. The final survey has a strong customer focus and provides a good starting point for NBE in developing these channels with the aid of a new project.

2.2.3 Structure for analysing follow up customer feedback.

It will have to be addressed in conjunction with the work on feedback channels mentioned above.

10. Conclusions at the fourth quarter 2015

As the project phase II draws to a close, there are conclusions to be drawn concerning the activities themselves and their impact on NBE and its customers but also on how the project itself works and the role it plays at NBE. Finally conclusions will have to be made on how NBE implements and takes care of knowledge gained through the project.

There is no question that the Leadership Training at NBE has been important and contributed a lot to the development of the managers that did take part in the program. For instance it was said by one manager, that were a part of the leadership training from the beginning, that she (or he) had learned most of their leadership and coaching skills from the project and that was the reason of that persons success as a manager. And there actually are more stories like that from other managers that are putting what they've learned into practice. The original intention was that these managers should be mentors for other colleagues. That idea was abandoned



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because to fulfil the role of a mentor it would require a closeness and engagement that easily could create conflict when working close together in everyday situations. The concept of being ambassadors for a good leadership was then created and they are helping out in that respect by being experienced colleagues that can share skills that they've learned in the project. That is not done in any systematic way presently so the role of being an ambassador does not entail anything concrete besides being a good colleague. In the very last workshop there will be a focus on the implementation of the leadership strategy and only by taking up that challenge and follow it through - will NBE have fully fledged ambassadors for good leadership in the organisation. The managers trained by the project constitute an important core within NBE. They are often entrusted with solving pressing problems in day to day situations and they are often called upon when things need to get done. The project played an important role in developing these skilled leaders and they are ambassadors in the sense that they are influential leaders within the organization.

Internal communication is one area of NBE that needs further development. Basically there is no ownership of different instructions and virtually no plans for their implementation, E-mails are sent and then considered to be implemented. Furthermore the instructions are not accessible and gathered in one place, it is very hard to know if an instruction is the last one to be issued and if it is still in effect. That makes it very easy to make mistakes and be criticized. It is also very damaging to the working environment in general. In the workshops it has been a high level of engagement and the guideline for internal communication will be finalized shortly. The Swedish short term experts are working on recommendations at the time when this report is being written and there will be more meetings through videoconference. The recommendations will concern implementation of the strategy which also will have to be developed and continually worked on in the future. New managers will have to be introduced to it in order for the organization to benefit from the guideline. The top management of NBE needs to be trained and practice the guideline in order for it to penetrate the whole organization. Also NBE will have to gather the instructions and rules that are in effect in one place to give the employees a chance to follow them. Things to be communicated needs to be differentiated in order to ensure that it is correctly understood by the receivers. In conclusion there needs to be a decision at the executive level to follow through on the implementation of the guideline and to solve the issues of how to find and know which instructions are in effect. There needs to be a clear ownership of different documents together with a responsibility to follow up and keep them updated. This should be done at a regular basis and be a part of a cycle of activities done by NBE. This cannot be solved by middle management without instructions and a clear mandate to make the change. The guideline for internal communication that has been developed by NBE is potent and will strengthen all communications so the relevant target groups are reached through the proper channels. It will also support in planning for different activities in order to ensure that the messages will have the desired effect, finally things should



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be followed up and feedback be given. The activity of Monitoring and Follow up of Procedures really has a wide scope as its aim is to monitor and follow up on range of different functions within the organisation as developing and implementing strategies, controlling and following up on the financial flows and how different processes works, for example the entire Enforcement process. When the activity started it was immediately clear that in order to achieve an impact the focus must become narrower. Therefore the pilot project in the eastern region, that was described earlier, started. It has been very successful and the ground has been prepared to implement result dialogues on all regions. The Monitoring and Follow up office got the responsibility to build the new controller function that now is running the pilot. This works well organisation wise when it comes to controlling the enforcement process and the outcome of the pilot is good. There remains a staff problem since running the pilot takes up a lot of resources for the two “acting controllers”. In the project this is being mitigated through discussions on the frequency of the dialogues and how often certain controls need to be done. NBE is starting to develop key performance indicators for the enforcement process even though much remains to be done concerning quality issues. The extent to which the existing IT-systems can support this is limited. But as the indicators are developed the strain on the controllers will become less. In order to work with finance- and strategic-controlling resources will have to be added and decisions taken as to where in the organisation controllers should be placed. An early recommendation that was discussed was to place a controller in all three different areas under each deputy chairperson i.e. Management of Ongoing Operations, Monitoring and Coordination and Organizational Development. Some adjustments of responsibilities would have to be made to accommodate the organisational changes that were carried out recently. One strong point of that idea, would be that it could help stability when top management changes and certain functions can be left without a deputy for an extended time (currently there is no deputy in place for Organizational Development.) The project has made an important impact in NBE getting better control of their enforcement process and also in bettering the working environment as the dialogues have energized the teams involved and improved the results. In the areas of financial controlling, strategic planning and setting a wheel of regular activities for NBE to perform – further work would have to be done in a concluding project, a subject which will be visited at the end of the report.

Regarding mapping of the processes it has briefly been addressed within the frame for this phase of the project. In the one workshop that was done there was one important conclusion made regarding the use of process maps – it requires the organisation to be won over and over again. The maps has to be regularly updated as changes are made to the processes, otherwise they quickly become outdated and will not be used. NBE has had one person responsible for mapping in the Service Development Office that recently has left the position. NBE will now have to ensure that the use and development of the maps will continue. The person that left NBE is



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now working in another authority and is putting all his skills in use at his new position. He has commented upon that the new organisation lacks strategic planning and strategies and he has now been made responsible for looking in to those issues. In this way the project has affected and is affecting other authorities in Georgia as well.

The work with HR-matters rested on the decision by NBE to build a dedicated organization for HRM (Human Resource Management) that would lend support in developing their business processes. The activity has taken tentative steps in finding areas to address. It has been a lot of fact finding to start with and many important areas of development were found. For each of those areas it was hard to find a mandate for the HR Development & Management Office to act. There were often collisions with the responsibilities of MoJ in the areas pertaining to changes in internal inspection, recruitment, wage policies and career paths within NBE – all of whom are important areas to be addressed by a HRM-function. To affect change in these areas it would require active support from MoJ and a clear mandate for NBE. The project plan for implementation of the Introductory Procedures for new employees is in place and the responsibility lies with the NBE HR function. Progress is slow as the HR-office needs active support from higher management. Since there is no clear mandate it is hard to engage other functions within NBE that needs to do their part in order for the introductory procedure to work in full. The procedure will be in place eventually, but the impact of the activity cannot be measured effectively at this point. A positive thing is that the HR Development & Management Office at NBE has been thoroughly introduced in how to develop and make plans for implementation of HR projects. Currently it is the Management Office part, managing administrative tasks, that is the predominant part over HR Development. In conclusion NBE would benefit from strengthening the HR part and have personnel that are dedicated to that task.

The gender perspective seen through the lens of intersectionality is important not just to NBE - but in thinking about the direction in which to develop Georgian society in general. Issues of race, handicap, religion, sex and (sometimes) education, should not put strains on the citizens getting equal opportunities. At NBE the project is in the initial process of raising the awareness within the organisation and there are things to be done for instance when it comes to wages for different jobs that are similar in level of difficulty, as was pointed out in the gender study last year. This is an area where state authorities should be leading the development and NBE could have an important role to play.

In Preventive Communication there have been concrete results in hundreds of young people being informed about the risks of over-indebtedness and how to avoid it. It has also given the opportunity for NBE to make themselves and the role they play in Georgian society, known to a part of the general public. There have been great commitment on the part of the NBE personnel involved and they have done this task in addition to all the other responsibilities that they have. The impact of school



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information will of course accumulate over time and NBE is also continually getting feedback and documenting how many students they reach. The group has also become proficient in developing materials that can be adapted to fit other target groups. In the next step the formal responsibility for the function of preventive communication should be placed within the organisation in order to avoid that it becomes a “para-activity” that runs alongside of NBE’s processes but is not prioritized and not followed up on. In this activity NBE is realising the strategy previously mentioned that it should “... increase awareness of the citizens in regard to indebtedness, consequences of monetary loans and prevention of indebtedness” and that is good foundation to keep working on.

A strategic plan for public communication (*results matrix 2.1.2*) cannot stand on its own but requires groundwork in form of planning and coherent strategies for different areas of what an authority is trying to accomplish in the long run. It also requires a lot of work and engagement from all levels of management. That kind of foundation is not present in NBE at this time. But it has to be said that when that work was done at SEA it took years and turned out to be more work than was initially anticipated. The decision to focus on empowerment through communicative leadership and the blending of internal and external communication was a good decision also in view of how communication plans can be used for both. The next step would be to introduce the use of communication plans to all levels of management as well as outside the group of participants in the activity. This work is in progress (see also the conclusion on internal communication above.)

When it comes to Customer Approaches the conclusion is that NBE is well aware of its importance and the bailiffs are doing a good job in contact with their customers as the IDI-interviews show. The idea of keeping a balance between the debtors and creditors interests seems to be a clear focus for NBE. Different customer groups have different needs and the focus of the banks as a customer group is nothing new to NBE. As was previously pointed out work started through NBE meeting with the banks but as the management changed the initiative was lost. It clearly goes to show that management needs to commit to the decided strategies and follow through in different activities. In this case the initiative was lost and has to start all over again. In the activity a lot of effort was put into striking a balance between NBE as a servant to the public and as an authority that wields power. Some models of customer orientation simply will not do since an authority is not the same as a private company with the sole goal of making a profit. The experts have also done a good job in pointing out how much that can be gained through focus on customers when it comes to making the organisation more effective and creating value for their customers. The activity should continue in a concluding project.

Concerning the project itself there was a lot of fact finding that was done initially and some activities really were not up and running until this last year. This created a flurry



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of activities in 2015 and it contributed to the problems for NBE to keep up with the implementation in different areas. During the fall for instance there were seven workshops in six weeks and the spring period was also rather intensive. Fact finding was of course necessary in order to identify relevant activities but the project really came up to speed in the fall of 2014 with the start of activities planned by the previous long term expert. This has consequences in form of Preventive Communication being the only activity that can be said to be fully implemented at this stage. This makes it hard to properly assess the impact of many of the activities that has been carried out in the project. On the other hand impacts take time to assess while it is easy to measure results in documents and guidelines created. That which is important at this stage is the ongoing implementations in the areas of Introduction for new employees, the Leadership strategy, the Result dialogues, the Guideline for internal communication and so on. It also has a strong connection to a concluding project as will be shown in the final section of the report. During the project NBE has made a remarkable transformation in the reorganisation of 2014. The new structure of NBE supports strategic planning and has separated daily operations from strategical work organisation wise. Teamwork was introduced and the productivity went up by at least 30 %. The mature reasoning around the change done by NBE is a reflection of the values that the project has aimed to instil in NBE. Without that change NBE would not have been able to handle the steady increase of incoming cases that started in 2013 and continues to this day.

Concerning NBE it has a stable core of middle management of whom many has participated in the project from the beginning. They form a small group that is present in many of the different activities of the project. The work they do in the project is to some extent thought of as a possibility for professional development as was mentioned by other bailiffs in the IDI-interviews. Working with the project is of course contributing to professional development, something would be wrong if it was not so. But the aim of the project is to make NBE business operations effective and efficient. It is about the development of NBE. The project also needs consistency in the composition of the groups in different activities which has been somewhat problematic. One example is the Leadership training where the number of the participants in the workshops was changed from 12 participants in 2014 to 7 participants in 2015 and this is only partly due to staff turnover. There have also been discussions concerning the closing time of all the workshops since the managers are supposed to go back to NBE and continue work. That means that the workshops have to close at 4 or 4.30 p.m. at the latest. These are signals from NBE top management that gives cause to concern about the future. The activities of the project are contributing to the organizations goals but runs into problems as soon as the implementation starts. There is very little active participation and engagement on behalf of the higher tiers of leadership which creates a vacuum where participating in the project becomes about professional growth and development as stated previously and not about developing NBE. Implementation becomes hard because



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there is no clear mandate and no accountability for NBE participants when it comes to areas that the project is working on.

As a final conclusion it can be pointed out that there is a considerable harmony between the activities initiated in the project. The leadership strategy and introductory program for new employees are helped by good communication. The result dialogues promote and are helped by good leadership as it supports team leaders in improving workflow on their teams. Communication skills of course support the work with preventive communication that also builds trust between NBE and its customers and so on. These ongoing processes are not finished and urge to be concluded in a concluding project.

Next step and final project 2016 to mid-2017

“...Growth of competences and productivity of the staff members, while helping them in strengthening their corporate spirit, acknowledging the importance of their tasks; encouraging them to generate new ideas and take responsibility...”

- Quote from the NBE Leadership Strategy

Creativity requires a framework to be properly channeled and used. There is a lot of creativity, engagement and loyalty at NBE. What makes a good framework is that it provides stability and consistency to those within it. It can be bent and reshaped in the sense that it is flexible but it has to be overall stable.

The areas identified for a final project deals with a framework that will provide stability and a positive working environment for NBE. The HR Development & Management Office needs resources and a clear mandate in order to develop human resources at NBE and not merely manage (administrate) them. The employees need to be trained in a way that help them meet the needs of NBE customers; debtors, creditors and the general public. They also need improvements in their working environment. Herein lays a connection between human resource management and the development of NBE towards a more customer oriented organization.

The leadership strategy of NBE needs to be implemented at all levels of the organization. The entire leadership process should be mapped and engage all levels of management at NBE. The whole management organization of NBE would benefit to have continuity and with support from the activity of Monitoring and Follow up, a wheel of reoccurring activities would help in this. Through it, important areas as strategic planning, economic planning, provision of competence and more, can be revisited on regular basis and adjusted as the NBE business environment changes and develops. As things runs today it is easy for NBE to lose ongoing initiatives as management changes, which was exemplified earlier in mentioning the initiative to



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develop better services to the banks that came to a sudden halt when leadership was changed. This wheel of reoccurring activities would provide top management with a structured approach in leading the organization and ensure that areas that are being developed goes the whole distance and is revisited and followed up on. It would also see to it that visions and strategies are updated at sufficient intervals and that the direction and development of NBE is evaluated on a regular basis.

To bring this Partnership between the National Bureau of Enforcement, Georgia and The Swedish Enforcement Authority to a successful conclusion it will require the active support from the top management of NBE. They would have to regularly follow up on the results in the different activities and give charge to those working in the different groups especially when they need to involve other functions at NBE to do their part. This will also entail close cooperation with the residing long term expert.

In summary, a final project aims at a change in the cooperate culture of NBE. It strives for continuity and a methodological approach in NBEs' running of its business processes. NBE can do challenging things which has been clearly shown by the reorganization previously mentioned. But doing things are not what brings success to an organization it is what is done repeatedly. The final project is about creating regularity or habits with NBE, they are things that they perform continuously whether there is a project present or not. It is an authority that knows how to run its business processes and plan for meeting future challenges. It is an authority that show the way for other authorities faced with similar challenges were more has to be done with less. It is an authority that serves the public of Georgia in a timely and efficient manner according to the rule of law. It is all about sustainability...