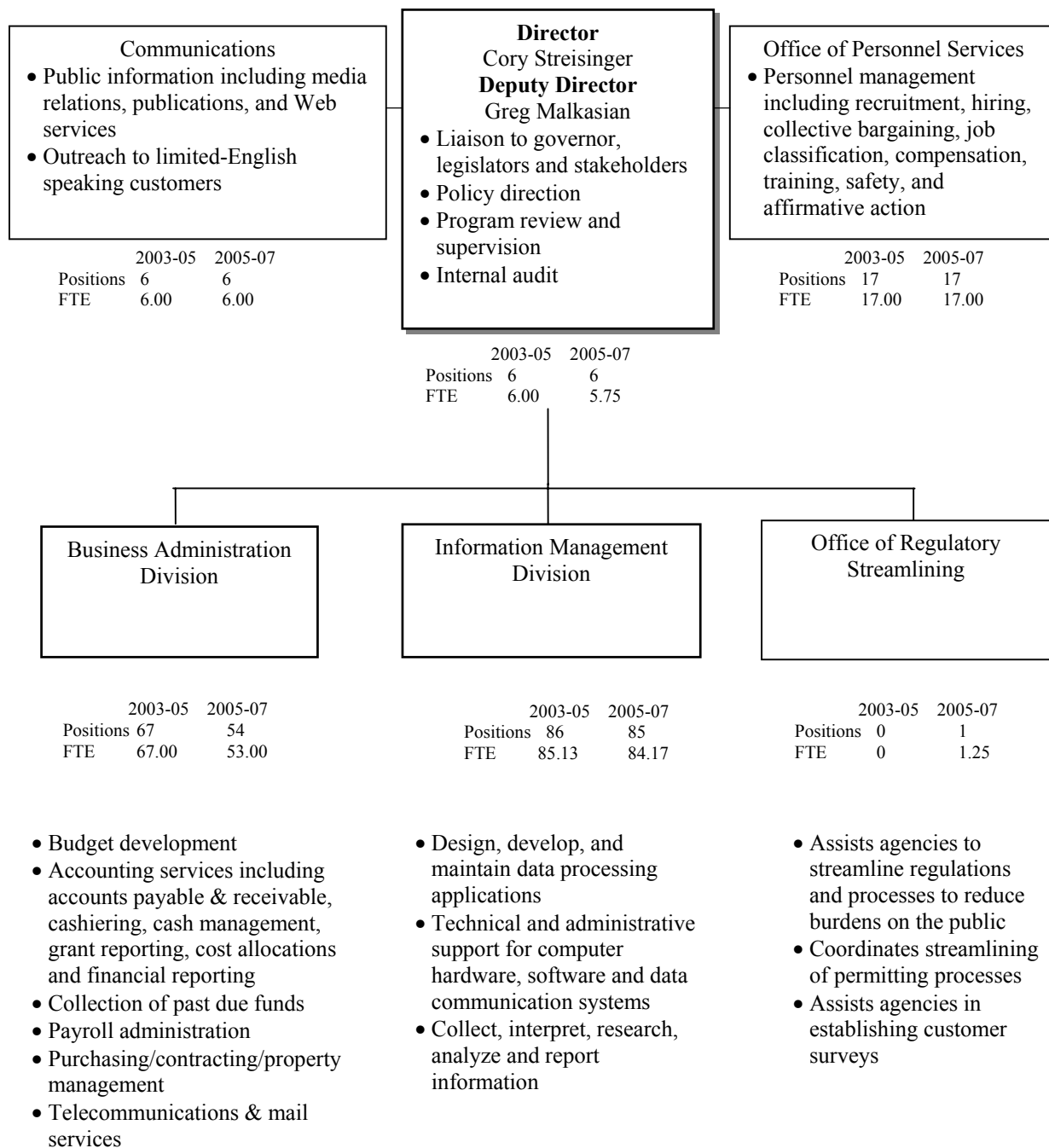


# CENTRAL SUPPORT SERVICES (SHARED SERVICES)



Central Support Services	
2003-05	2005-07
Approved	Requested
192 Positions	169 Positions
191.13 FTE	167.17 FTE
\$32,963,602	\$31,856,765

# **CENTRAL SUPPORT SERVICES (SHARED SERVICES)**

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## **Mission**

To provide effective direction, leadership, and resources to support the department's programs and stakeholders and maximize cost efficiencies.

## **What we do**

As a large agency with diverse program responsibilities, the Department of Consumer & Business Services seeks to achieve consistency in its policy direction, program strategies, and operational management through the use of shared services to perform key functions and assure accountability. This also reduces duplication of costs and effort, allowing program units to draw on common resources rather than maintain separate capacity. Shared services at DCBS are performed by:

- Director's Office
  - Office of Regulatory Streamlining
  - Public Information and Communications Services
  - Office of Personnel Services
- Business Administration Division
- Information Management Division

## **Program delivery**

Department leadership is provided by the Director's Office. The director and deputy director provide general supervision over the DCBS programs and divisions, as well as policy direction for the department. Included in the Director's Office are public information and communication services, the multicultural communications program, internal audit functions, the Office of Regulatory Streamlining, the Office of Personnel Services and a senior policy analyst.

The offices of the Ombudsman for Injured Workers and Small Business Ombudsman, while funded from workers' compensation revenues, report to the Director's Office to insure independence in their roles as advocates for injured workers and small businesses.

Shared services also include the department support functions of the Information Management Division and the Business Administration Division. The functions of these two divisions, along with the other Director's Office programs, are centralized so that resources and specialized expertise can be shared with all programs and divisions.

DCBS' present configuration is the result of agency mergers, program changes, and workload increases that have led to increased size and complexity over the years. The department has maintained its central support or shared services at a constant level relative to agency growth. This has been accomplished by centralizing those services where value can be added by responding to common needs among the program units. Generally, shared services provide a single point of accountability, economies of scale, and the ability to roll-up information on a department-wide basis to achieve better decision making.

To better reflect the point of shared services, three programs that report to shared services divisions but relate only to the workers' compensation program area have been moved into the budget of the Workers' Compensation Division. The three programs that were previously

# **CENTRAL SUPPORT SERVICES (SHARED SERVICES)**

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budgeted in Central Support Services are the Ombudsman for Injured Workers, the Small Business Ombudsman, and the Workers' Compensation Assessments Section. Despite their workers' compensation program budget and focus, however, the first two programs continue to report to the Director's Office to assure their independent perspective. The third program reports to the Business Administration Division to retain the benefit of its administrative and fiscal support structure.

## **Accomplishments, 2003-2005**

- Implemented the nation's most comprehensive online directory of state licenses and permits. The directory allows businesses, professionals, and citizens to obtain licensing requirements, fee information, application information, and agency contacts. In many cases, users can also search for and check the status of current license holders.
- Implemented the department's new warrant authority, collecting over \$800,000 in revenues in the first year from past due accounts that the department might not have otherwise received.
- Implemented the "My License" online license application and renewal system with the program divisions for five license types. The department will extend that to over 80 license types by the end of 2005. DCBS has obtained enterprise-wide authority to expand this service, and will pursue that effort as a multi-agency initiative to improve licensing procedures throughout state government.
- Implemented online purchase of building permits for minor construction projects in the tri-county area. These permits are usable in multiple jurisdictions.
- Expanded communications with the public and regulated entities through the department's Web site. The number of hits on the site increased by 49 percent from FY 2002 to FY 2004. In FY 2004, the department received 11.5 million hits on its website.
- Conducted a statewide business climate survey to set a baseline satisfaction score to assess changes in business perceptions over time; to identify centers of excellence in customer satisfaction as well as areas requiring immediate attention; and to solicit feedback about regulatory processes that can be used to develop streamlining projects.
- Through a collaborative effort with many agencies, over 300 streamlining projects and customer service initiatives were completed or are underway.
- Reduced the department's number of time-loss days resulting from on-the-job injuries, through the department's safety, health and risk program. In 2002 there were 8 disabling claims resulting in 423 time loss days; in 2003 there were 3 disabling claims with 46 time loss days; in 2004 there were 3 disabling claims with 10 time loss days.
- Developed and conducted division-specific customer service training to enhance delivery of service to Oregonians.
- Worked with the program divisions to develop a department business continuation plan to ensure continued operations in case of a local or regional event that limits the department's ability to perform its functions as normal.
- Implemented a department sustainability plan that allows the department to extend the useful life of personal computers and to purchase surplus PCs instead of new PCs.
- Conducted research studies on major policy issues, such as workers' compensation insurer medical examinations and return-to-work programs, to help improve outcomes for workers and businesses.

# CENTRAL SUPPORT SERVICES (SHARED SERVICES)

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- Implemented strategies to continue progress toward the department's Affirmative Action goals for the recruitment of employees who reflect, understand, and value the diverse population of Oregon.

## Anticipated results, 2005-07

The shared services units are focusing their efforts in five specific areas to help the department improve service to its customers and support the department and division strategic and business initiatives. Within each of these initiatives, there are several specific steps to be completed where shared services play a role. These include:

- **Streamline regulatory processes.**
  - ✓ Enable implementation of statewide and DCBS-specific regulatory streamlining projects, to include providing customers with easy and efficient access to information, services and on-line transactions (e-government) such as the Central Business Registry, the online "My License" licensing system, and expansion of the license directory to cities and counties.
  - ✓ Improve the reliability and cost effectiveness of the infrastructure supporting DCBS programs, including participation in enterprise initiatives such as the Computing and Networking Infrastructure Consolidation (CNIC) project.
  - ✓ Improve collection of revenues and owed funds.
- **Ensure business continuation.**
  - ✓ Coordinate the management and maintenance of an effective business continuation plan to ensure necessary service to customers under any conditions.
  - ✓ Continue a succession planning process to ensure key positions can remain filled with qualified individuals.
  - ✓ Improve the security and disaster recovery capabilities of the DCBS computer infrastructure.
- **Improve customer service and staff effectiveness.**
  - ✓ Develop and implement an effective and accurate customer feedback tool.
  - ✓ Provide high quality and affordable information technology systems.
  - ✓ Develop a professional, well-trained, safe, and healthy workforce.
- **Develop and maintain a sustainable work environment.**
  - ✓ Ensure a sustainable infrastructure and use of materials.
  - ✓ Continually evaluate products and materials in use by the department for effectiveness, sustainability, and cost efficiency.
- **Support program evaluation and review.**
  - ✓ Provide information and analysis for program evaluation and policy decision making.
  - ✓ Work with divisions to improve data gathering efficiency and quality.
  - ✓ Review and improve cost-effectiveness of DCBS central support services.

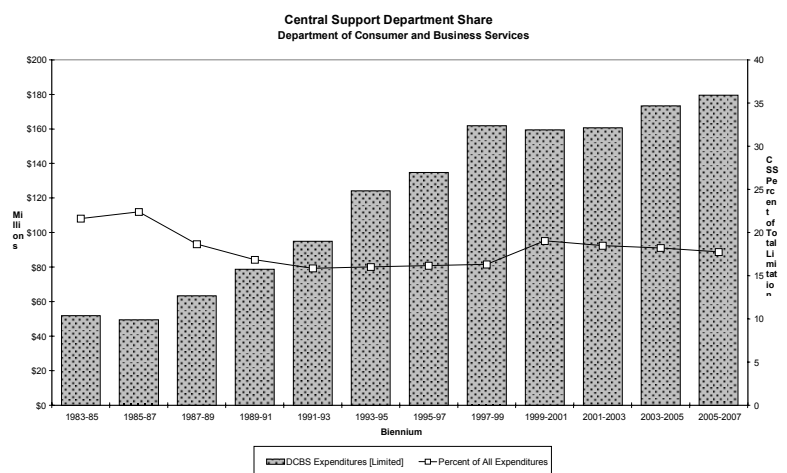
# CENTRAL SUPPORT SERVICES (SHARED SERVICES)

## Key performance measures and related outcomes

- *Percent of customer transactions completed electronically.* DCBS' goal is to streamline its business interactions. By providing businesses with Internet options to apply for permits and licenses or methods where data can be submitted electronically, we are helping businesses to be more productive. With the governor's emphasis on regulatory streamlining, DCBS set a more aggressive target for this measure. The 2007 target is to have 40 percent of transaction completed electronically. DCBS improved from 17 percent in FY 2002 to nearly 31 percent in FY 2004.
- *Reduction in costs associated with workers' compensation time-loss claims* (see "Accomplishments" above).
- *Increased contacts from Oregonians with limited English proficiency.* Recognizing that the department has a responsibility to serve workers, consumers, and businesses regardless of the level of their English-language skills, the Director's Office provides translation, interpretation, and outreach services to help the program divisions communicate effectively with all Oregonians.
- *Number of customers accessing department business functions over the Internet.* Consumers, workers and businesses rely on the DCBS Web sites for up-to-date program information, rules, publications, online services, etc. The number of hits on the site increased by 49 percent from FY 2002 to FY 2004. In FY 2004, the department received 11.5 million hits on its website. The 2007 target is 17 million hits.
- *Collection of debts owed to the department.* Increased biennium over biennium collection of debts owed to the department by 7.5 percent (first 18-months comparison).

## Administrative costs

DCBS' present configuration is the result of agency mergers, program changes, and workload increases that have led to increased size and complexity over the years. The department has maintained its central support or shared services at a constant level relative to agency growth. This has been accomplished by centralizing those services where value can be added by responding to common needs among the program units.



Generally, shared services provide a single point of accountability, economies of scale, and the ability to roll-up information on a department-wide basis to achieve better decision making.

# **CENTRAL SUPPORT SERVICES (SHARED SERVICES)**

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## **Cost saving measures, 2003-2005**

- Implemented the use of central application delivery allowing the department to purchase surplus personal computers and extend the useful life of existing PCs.
- Expanded a Web-based reporting system to reduce production costs and streamline report delivery.
- Expanded an e-mail notification system so customers can obtain documents online rather than in hard copy through the mail.
- Expanded an Internet survey system to reduce cost of collecting customer satisfaction and feedback information.
- Changed copier lease practices by extending lease length and right-sizing copiers, saving an estimated \$138,000 per biennium.
- Switched server providers to reduce maintenance costs.
- Reduced the number of phone lines in use and changed conference room phones to outgoing calls only, eliminating line charges on those phones.

## **Revenues**

Central support services are funded primarily by revenue transfers from the various dedicated revenue sources within the department. A “charge back” process is used to transfer revenue from dedicated funds for actual services provided.

The Information Management Division receives federal funds through a Bureau of Labor Statistics grant from the U.S. Department of Labor. The grant is used to conduct an annual survey of work-related injuries and illnesses and to collect data for the census on fatal occupational injuries. An equal match from workers’ compensation premium assessment revenue is required. Federal funds are used to reimburse the Information Management Division for expenditures charged against its other funds expenditure limitation.

# CENTRAL SUPPORT SERVICES (SHARED SERVICES)

## Governor's Recommended Budget

	Request	FTE
<b>2003-05 Legislatively Adopted Budget</b>	\$ 32,963,602	191.13
<b>Base Budget Adjustments</b>		
Net Cost of 2003-05 Position Actions:		
Administrative, Biennialized E-Board, Phase-outs	\$ 1,254,225	(0.96)
Estimated Cost of 2005-07 Merit Increase	\$ 543,465	-
<b>Subtotal: 2005-07 Base Budget</b>	<b>\$ 34,761,292</b>	<b>190.17</b>
<b>Essential Package 010—Non-PICS Adjustments</b>		
Vacancy factor adjustment.	\$ 123,478	-
Non-PICS adjustments for unemployment, overtime, temporaries, and mass transit taxes calculated as .006 of base salaries and wages.	\$ 1,163,197	-
<b>Essential Package 030—Cost Adjustment for Inflation and Price List</b>		
Cost of Goods & Services Increase/(Decrease)	\$ 221,613	-
Increase/shift in State Government Service Charges.	\$ (499,290)	-
<b>Essential Package 060—Technical Adjustments</b>	\$ (3,289,790)	(23.00)
<b>Subtotal: 2005-07 Essential Budget Level</b>	<b>\$ 32,480,500</b>	<b>167.17</b>
<b>Policy Packages</b>		
<b>Package 090 Analyst Adjustment</b>	\$ (623,735)	-
<b>Package 095 CNIC Participating Agency</b>	\$ -	-
<b>Total: 2005-07 Governor's Recommended Budget</b>	<b>\$ 31,856,765</b>	<b>167.17</b>

# CENTRAL SUPPORT SERVICES (SHARED SERVICES)

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## Revenues and Disbursements

<b>2005-07 Beginning Balance</b>		\$ -
Revenues		
Workers' Comp Insurance Taxes	\$ 1,732,452	
Federal Revenues	\$ 250,000	
Charges for Services	\$ 246,698	
Other Revenues	\$ 15,000	
Subtotal Revenues		\$ 2,244,150
Transfers		
Transfer In from Other Divisions for Services	\$ 33,201,038	
Transfers Out - Intrafund	\$ (2,933,139)	
Subtotal Transfers		\$ 30,267,899
Available Funds		\$ 32,512,049
Budget		\$ 31,856,765
<b>2005-07 Ending Balance</b>		\$ 655,284