

‘Government Windows’: One-Stop Shops for Administrative Services in Hungary

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Introduction

The public administration reform program called the Magyary Program (Ministry of Public Administration and Justice, 2011) was initiated in 2010. An important component of the program was the establishment of so-called Government Offices in the capital city of Budapest and in the 19 counties. The newly created Government Offices, strictly controlled both administratively and politically by the central government, put an end to two decades of struggle between the core administration, surrounding the prime minister, and the diverse set of special and general administration services controlled by specialized agencies and ministries. A subsequent step in the public administration reform – strongly linked to setting up an integrated administrative system on the intermediate level – was the initiation of integrated service centres representing the different specialized public organizations that had been merged into the Government Offices. In 2011, the integrated service contact centres called Government Windows started to operate as the front offices of the newly created Government Offices. At this first phase of the larger project, 29 Government Windows were established (one to four per county). Some months later, in addition to the initial 30 types of administrative services offered by the new one-stop shops, another 31 were added to their profile. In 2014, during the second phase of the project, the establishment of about 300 one-stop shops on the lower district level is foreseen. These future Government Windows would operate with a wider task portfolio, covering about 2,500 types of administrative services. The task portfolio of Government Windows is, thus, extremely broad. From another aspect, however, it is very shallow. That is, the new client service centres offer only information and receive documents in most cases, as opposed to actually processing the case and producing the final result (e.g. issuing a permit or actually deciding on an appeal). The tasks are numerous and diverse, and they embrace almost every policy sector. The new facility was not meant to replace existing services. The key added value was supposed to be the establishment of a one-stop connection between customers on one side and a responsible agency that offers a range of different services on the other. Customers are still free to contact specialized services directly. Below, we review the context, process and immediate results of this coordination effort. With regard to the fact that the Government Windows project is an ongoing reform, the scope of our analysis is limited to the time period between 2011 and 2013.

Country and policy field background

Hungary is a unitary, parliamentary republic. The Hungarian administrative structure is made up of three levels: the central, the territorial (county) and the local level. The executive arm of the central government is divided into ministries and a number of agencies. Many of these agencies have field offices on county or even lower (local) administrative levels. This variety of middle-tier administrative organizations, together with the elected county self-governments and their administrations (in the 19 counties and the capital city Budapest), constitute the intermediate public administration.

At the third level of administration, one finds two kinds of organizations. First, the local government system consists of 3,200 municipalities governed by elected councils. The second kind of administrative organizations is government administrative offices created in the newly established 200 districts in 2013.

As noted earlier, the Government Windows initiative is an important – and from a political, public relations point of view, a flagship – element of reform on the territorial level of administration. Since the system change in the 1990s, a fundamental dissatisfaction with regard to the operation of middle- and territorial-level administration has been a systemic, stable theme imbuing all administrative reform plans. The perceived lack of coherence, uniformity and coordination has been predominantly understood as requiring improvement in the following aspects:

- standardization of the structure, operation, customer services and management of administrative organizations;
- limiting the number and size of the affected administrative organizations; and
- producing cost savings by merging organizations and/or functions (e.g. establishing joint services).

We may pick up the thread of territorial-level administrative reform's battered history back in 1990, when the strongly centralized county councils – integrating all administrative and many public services on the county level – were abolished. From this time on, ministries tended to establish, without any central control or policy, their own middle- or territorial-level administrative offices. (Ivancsics 2006, Balázs 2013) This tendency led to the proliferation and fragmentation of the intermediate administrative system. From that time on, all governments have attempted to restructure mid-level administration, but none of them have had enough political strength to overcome the ministries' and agencies' resistance and push this reform through. (Virág 2012a)

These attempts involved the creation, in 1990, of eight prefects responsible (inter alia) for coordinating the operation of de-centralized administrative branches. Later on, in 1994, as a result of the second wave of

reshuffling, the prefects' role was taken over by the newly created County Administrative Offices. In 2006, these were merged into seven larger, regional-level bodies operating as part of a broader structural reform.

Nevertheless, the coordinating role of the former County – now merged, Regional – Administrative Offices has not changed significantly. The latest wave of restructuring occurred in 2010, when the second Orbán Cabinet was politically strong enough to implement a broad restructuring in the field of middle-tier state administration. An emphatic element of the program was an overarching and radical reshuffling of mid-level administration including the establishment of County Government Offices. The creation of these entities put an end to the constant struggle for control over territorial administration (between specialized agencies and ministries with a purely vertical operation on the one hand, and the broad core executive on the other) that had characterized the previous two decades. The new Government Offices exhibit features of clear, strong centralization and a tightening of political and administrative control. These features will be reviewed in the next section.

In addition to this central role, the new County Government Offices are also important because they host the integrated administrative service centres, Government Windows. Nevertheless, one may note the Government Windows system is not the first one-stop shop arrangement. Since 2000, the so-called General Registration Offices have been operating as general administrative service centres under the direction of the Ministry of Interior. Initially, there were 152 service points in the country. This number has, by 2012, almost doubled (to 280). Their duties include issuing various personal documents and licenses. The importance of these General Registration Offices lies in the fact that the new, district-level Government Windows offices would operate on their infrastructural basis (ICT and office facilities, human resources).

‘Government Windows’ – one-stop shops for administrative services

Background and initiation of the practice

As noted earlier, among other numerous elements, the structural reform program that commenced in 2010 included the establishment of County Government Offices and the partial merging of central agencies' field services into these new entities, as well as the creation of one-stop shops called ‘Government Windows’.

According to official claims, the newly established contact centres served the overall goals established by the program for development of public administration (the so-called Magyar Program, Ministry of Public Administration and Justice, 2011) by making the public administration more client-oriented, transparent and accountable to the public.

Broader reform of mid-level administration, of which the one-stop offices constituted a part, can be seen as an effort to improve both horizontal and vertical coordination on the territorial (county) level. Horizontally, it merged services (e.g. health care, employment services, social care, pension services and so on) that previously operated separately under the direction of their respective (usually county-level) directorates. Vertically, it created a new pattern of control and coordination relationships among the central government (responsible for directing the county Government Offices at large), the specialized agencies (responsible for directing the absorbed specialized offices in professional issues) and the county Government Offices (integrating 18 different administrative field services). The most important new features were the following:

- In order to strengthen and tighten governmental control over the operation of County Government Offices, a National State Administration Centre was created as a central agency under the Ministry of Public Administration and Justice. The County Government Offices were required to provide periodical reports on their budget, staff and operation to this monitoring central agency.
- Steering and overseeing territorial specialized offices became much more centralized, in two respects. First, a tight reporting regime between executives of absorbed specialized offices and the general directors of the County Government Offices was introduced. These reports supply data about their operation and comments on regulatory and legal proposals. Second, the central parent agencies were not allowed direct contact with government offices anymore concerning the operational conditions (staff, budget) of their territorial offices. Instead, the agencies were required to address the Ministry of Public Administration and Justice as a ‘mediator’ within the official communication channel.
- In addition to gaining unparalleled administrative weight as a result of the above changes, the character of the new County Administrative Offices fundamentally changed with regard to their political role, too. The former, totally administrative, politics-free status and leadership was altered. The new leadership consisted of the (i) purely political position of government commissioner heading the office and (ii) a general director – subordinate to the government commissioner – in charge of heading the administrative machinery. Government commissioners are explicitly political figures nominated by prime ministers, often from among members of parliament and other elected politicians. Through this new arrangement, the county-level coordination of state administration was given an explicitly and emphatically political character.

The officially stated objectives of the reform

According to views expressed by officials and ‘owners’ of the reform, client services at the intermediate level of the administration system had become unsustainable, operating in a fragmented and inefficient manner (Virág, 2012b). The chaotic nature of the system was supposedly caused by such elements as the front offices’

uncoordinated hours of operation, non-standardized service quality and dissimilar operating and management systems. Furthermore, they stressed that clients had difficulties orienting themselves in this diverse bureaucratic system. The citizens, on the other hand, expected to have all their public administration needs met by a single service point with standardized operating quality. The newly established Government Windows intended to guarantee a standardized level of service throughout the country, employing civil servants with the same qualifications and featuring unified service operations. The stated goals of the newly created Government Windows included the following:

- extended and uniform opening hours;
- seamless services offered at service-providing points within a short distance from where the clients lived and worked (the one-stop shop services would be accessible not only in government offices, but, later on, in other public places such as post offices or railway stations); and
- reduced time and cost of carrying out administrative procedures.

The main actors involved in the reform's development process covered almost all affected ministries, but the Ministry of Public Administration and Justice clearly played a central, commanding role in the process.

Throughout much of the decision-making process, no consultation took place with most of the affected agencies (i.e. agencies whose services were to be integrated). The agencies were represented only indirectly, through their parent ministries, in the decision making. The agencies (or their heads) only became directly involved in the reform project in the implementation phase, after all decisions had been made.

A certain, limited set of central government agencies were involved in the initiation and implementation of the change, though.

- The Central Office for Administrative and Electronic Public Services provided the ICT background for the one-stop shops.
- The National Institute of Public Administration contributed to developing the necessary training program.
- The National State Administration Centre was placed in charge of managing the implementation, coordination and supervision.
- The County Government Offices were responsible for the selection of the one-stop shops' staff.

Government Windows offer all three kinds of one-stop services defined by Kubicek and Hagen (2001):

- Most of the administrative services offered are of the 'first-stop' type. In these cases Government Windows operate mostly as information/sign points only, ensuring access to the central e-government platform and thereby providing clients with information concerning the

process and the deadlines of the administrative procedures, as well as their rights and the duties; and helping clients fill in the necessary or appropriate forms.

- Services of the second-stop type are also present in Government Windows' range of services. In these cases Government Windows receive requests and documents from clients, but another office is in charge of handling and deciding the cases.
- Finally, a small portion of administrative services is of the 'full-stop-shop' type. In these matters the administrative case can be fully closed on the spot. For example, official registry records can be modified or certifications issued by the Government Windows themselves.

Structural features

Below, we examine the experience of Government Windows from three aspects: the tasks performed (services provided) by Government Windows – in particular, the scope ('width') and the extent ('depth') of substantive involvement with the administrative services – and the range and relationships of administrative actors involved in joint service provision. (For a more extended elaboration of these analytical dimensions, see Askim et al., 2011.)

The width of Hungarian Government Windows' task portfolio seems to be, in an international comparative perspective (Askim et al., 2011), quite broad. At the time of writing, it covers dozens of very diverse case types, ranging from citizen registration to matters related to various social, health and family administrative affairs, construction affairs, and entrepreneurial licensing. Administrative issues not involved in the task portfolio of Government Windows are mostly those covered by independent regulatory agencies not subordinate to the Cabinet, related to security and the armed forces or related to the energy sector.

The depth of the task portfolio, on the other hand, is quite modest ('shallow'). In most of the case types they serve, at least, Government Windows can be considered 'first-stop shops' only. That is, they receive requests and documents, but operate only as front offices of the administrative apparatuses that are actually in charge of handling and deciding the cases.

Another important feature of the structural arrangement is the participative structure of agencies involved. This concept denotes several sub-concepts, a key one of which is the number and heterogeneity of agencies participating in the one-stop shops. The Hungarian case represents an extremity in this regard, too, since Government Windows integrate an exceptionally large number of different and very heterogeneous agencies present in middle-level administration. (After the reform's completion, they are going to integrate almost all, that is, about 30 agencies.) Not only the number of participating agencies, but also their structural relation to one another seems unique. Most of the participating agencies – that is, most of the agencies whose

services are offered by Government Windows – are half-integrated in the Government Offices. Financial, administrative and support functions are fully integrated into the County Government Offices; while technical and substantive supervision, however, are to be exerted by the special central parent agency. A limited number of participating agencies – for example, immigration offices or offices of the environment protection agency – still remain structurally separate.

From the point of view of mandatory versus volunteer participation in joint service provision, Government Windows, once again, represent an extreme, since participation was entirely mandatory. Moreover, as we argued in the previous section, they remained largely uninvolved in the very process of decision making, leading to the creation of the administrative one-stop shop arrangement. Consequently, there was no opportunity for discretion, since autonomy on the part of participants (parent agencies and their mid- or territory-level branches) was minimal. Ultimately, the establishment of County Government Offices and Government Windows largely represents policy design from the top.

Main impacts and effects

Below we assess, on the basis of the limited evidence available, the reform in view of the more tangible goals and objectives identified earlier.

One objective seems to have been to offer administrative services in a seamless manner, through uniform and extended hours of operation (from 8 a.m. to 8 p.m.), thereby decreasing the administrative burden on citizens. (Virágh 2012b) However, it is questionable whether such claims about customer needs are substantiated. Unfortunately, there are no suitable service statistics available. On the basis of interview evidence, it seems that customers often prefer using the administrative service points of the agencies in question, as opposed to using the Government Windows services. This is because, at the former, they can have all their questions answered and their cases fully handled in one place (such as the Environmental Protection Agency's field service), instead of using the Government Windows as a sort of relay, passing information back and forth between the client and the specialized (in our illustrative case, environmental) agency. Moreover, existing (non-public) statistics show that customers do not use Government Windows with regard to special and complex cases.

From a more conceptual, analytical perspective, it may be questioned whether the objective of achieving seamless service provision can be achieved in any meaningful way by offering such a very broad and diverse range of services, as the Government Windows do. The very concept of 'seamlessness' presumes that the

one-stop shop offers services that are in some way related to one another. For example, if all administrative matters related to unemployment or to launching a new business can be processed at a single location, then there is indeed synergy. If, however, entirely unrelated services – such as wedding and funeral administration – are offered at a single location, then synergy is unlikely to occur, because clients typically do not use these services together. Hence, the arrangement does not spare them any time or effort. Government Windows, in contrast to other countries' one-stop shops, offer a rather unrelated set of administrative services.

Another aspect of seamless and client-oriented service provision is the Government Windows' extended hours of operation. According to the official (though unpublished) statistics from 2012, only 6.6 per cent of the clients use Government Windows services after 5 p.m. and only 3.3 per cent after 6 p.m. That is, only a marginal proportion of clients seem to actually need the extended opening hours. Therefore, the hypothesized need for extended and uniform opening hours is not yet supported by evidence.

A third element, on the basis of which the Government Windows reform could be assessed, is the realization of savings and efficiency gains through economy in scale and the elimination of superfluties. According to official statistics from 2012, a certain extent of budget cuts and elimination of redundant workforce seems to have been achieved. It is uncertain, though, whether these savings represent efficiency gains or, rather, simply 'achieving less with less'. Moreover, the distinct, targeted client services at certain specialized agencies – being part of Government Windows – continue to operate alongside Government Windows. This raises doubts regarding cost savings, since overlaps in client services continue to exist.

Nonetheless, on the customer side, some data reflect positive results. According to the government's official report document (Magyary Program 12.0), the Government Windows program brings administration closer to citizens. [Hungarian Ministry of Public Administration and Justice 2012a] The user satisfaction survey conducted by the government shows customer satisfaction above 95 per cent for Government Windows services. In 2012, the number of customers increased by more than 50 per cent. [Hungarian Ministry of Public Administration and Justice 2012b]

Lessons learned and policy implications

On the basis of the limited time perspective and evidence available, it seems that the further success of launching the Government Windows relies on a number of crucial factors, including the following:

- An overall structural reform requires a strong governmental commitment, but stakeholders – especially those directly involved – should have been involved in both the preparation and the

implementation/feedback phase. The involvement of the stakeholders could have been enhanced by sharing information with affected organizations, enabling the representation of special agencies' needs; taking into account, or at least considering, participants' opinions and their special – often highly technical – constraints and requirements; and keeping them informed all along the way in order to minimize uncertainty and fears, improve the quality of the decision-making process and consequently ensure effective long-term collaboration between the central government and other lower-level organizations.

- Unexpected conditions can change the schedule and method of implementation. The implementation of the next, second phase of the reform (the establishment of 300 new district-level, one-stop shops) seems to entail risks. The establishment of the ICT infrastructure (integration of specialized databases and deployment of special hardware and software) fully complying with data protection rules may prove to be more complex and time-consuming than foreseen by the plans.
- Implementing reform regarding the way public services are delivered requires a mix of political, technical and administrative actions taken at different levels, including stable commitment from the top and constructive cooperation from the bottom. One of the main barriers of implementing organizational changes in the public administration is the counterproductive behaviour of the staff. Therefore, it is useful to consider what incentives there are for officers and their managers to support the ongoing process (WHO, 2008).
- Integration in itself is not a cure for inadequate resources and funding. It may provide some savings, but integrating activities into a new system cannot be continued indefinitely without the system as a whole being better resourced. The costs of any sort of reform – both in the reform's implementation phase and in the course of regular operations of organizations afterwards – should therefore be explicitly taken into consideration (WHO, 2008).
- In order to have a successful reform, a step-by-step initiation of a large-scale project is required. A smaller pilot phase should precede the project. The enlargement of the structure and portfolio should be achieved gradually.

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