

2005 WORLD CHAMBERS COMPETITION

CATEGORY: BEST CHAMBERS MANAGEMENT & FINANCING PROJECT

**FROM A
PUBLIC SECTOR
PERSPECTIVE**

**TO A
COMPANY WISE
PERFORMANCE**



CHAMBER OF COMMERCE INDUSTRY HANDICRAFT AND AGRICULTURE OF ROME

EXECUTIVE SUMMARY

The Chamber of Commerce of Rome has implemented an organizational and financing model inspired by the principles of business management, changing from a static and top-down structure to a new dynamic system, based on involvement and flexibility, as well as on the efficiency and quality of services offered to customers.

The tenets of the new organization are the culture of change, especially involving human resources, technological innovation, through a wide re-engineering and promotion process that has improved the Chamber's quality image and performance.

Actions have involved all areas of Chamber's activities and were implemented through the work of Chamber's permanent staff, oriented to give results and services to Chamber members. Now the relationship is with "customer", not simply "user".

This process of cultural transformation has led to more flexible structures, real-time innovative services cut according to companies' real needs, a unified computer system for procedures and products management, more efficient and immediate communication methods and instruments, aimed at setting up customers relationship, specific constant training programs, organized employee assessment and staff incentives.

These organizational changes have allowed the Chamber to invert the ratio between operating costs and investments, thus earmarking cost saving to financing the development of the province economic system, as business and job creator,

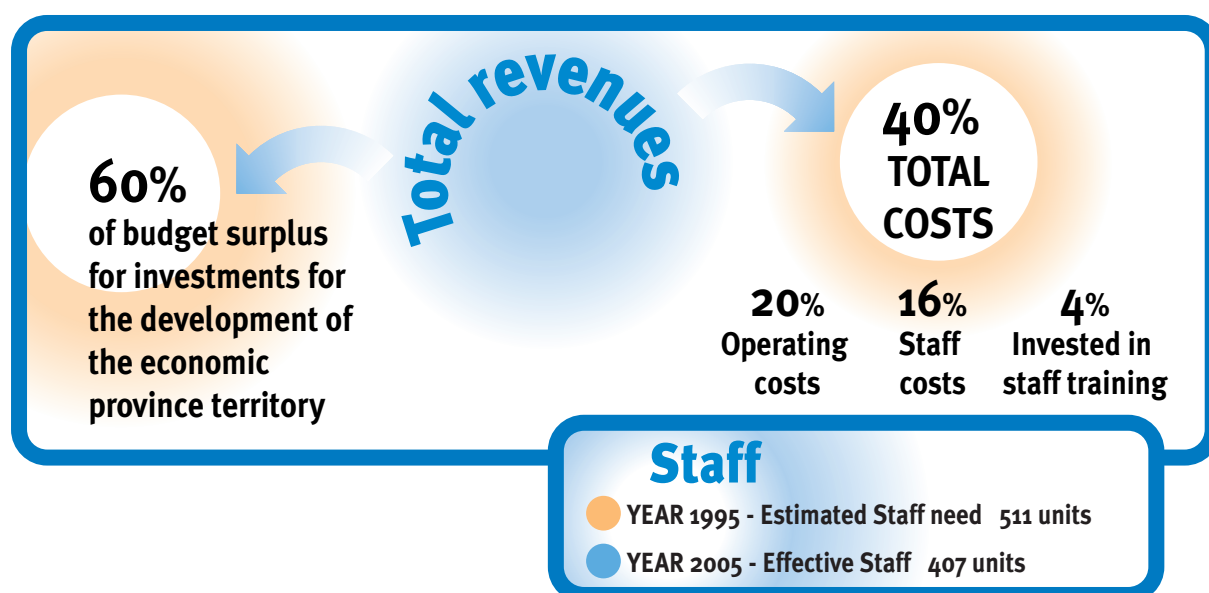
generating value that can be re-invested for the Community. Some examples of this are constituted by Chamber's financial contributions to numerous development projects aimed at giving a key role to the province of Rome at international level. Among them, the new "Fiera di Roma" (exhibition and congress centre), "Tiburtino" and "Castelromano" Technological Poles, "S. Raffaele" scientific biomedic park, "CAR" (Agricultural and Food Centre of Rome), the new "Mercato dei Fiori" (Flower Market), the Auditorium Music Park, Società Aeroporti di Roma (Rome Airports).

As far as above-mentioned contributions are concerned, it must be outlined that in the years from 1995 to 2004, the Chamber of Commerce of Rome has invested a total amount of about Euro 170,000,000 (one hundred seventy million Euro) that represents a present value of about Euro 900,000,000 (nine hundred million Euro).

In brief, we can say that the Chamber of Commerce of Rome has become and is becoming:

- from a public institution to a company-wise entity
- from a Chamber of Commerce to the Chamber of Economic and Social Development of the Territory.

From an economic point of view, the change has greatly strengthened the financial capacity of the Chamber thanks to the cost-reduction and the ability to devote a large part of the budget surplus to the development of the economic activities of its territory.



The aim of the Chamber of Commerce of Rome is that the innovation projects implemented can act as a model to be extended and applied by other Chambers of Commerce (as well as by

any public institution) in Italy and abroad. Thus transforming them into dynamic entities for the sustainable development of their territories.

THE PHILOSOPHY THAT INSPIRED THE PROJECT

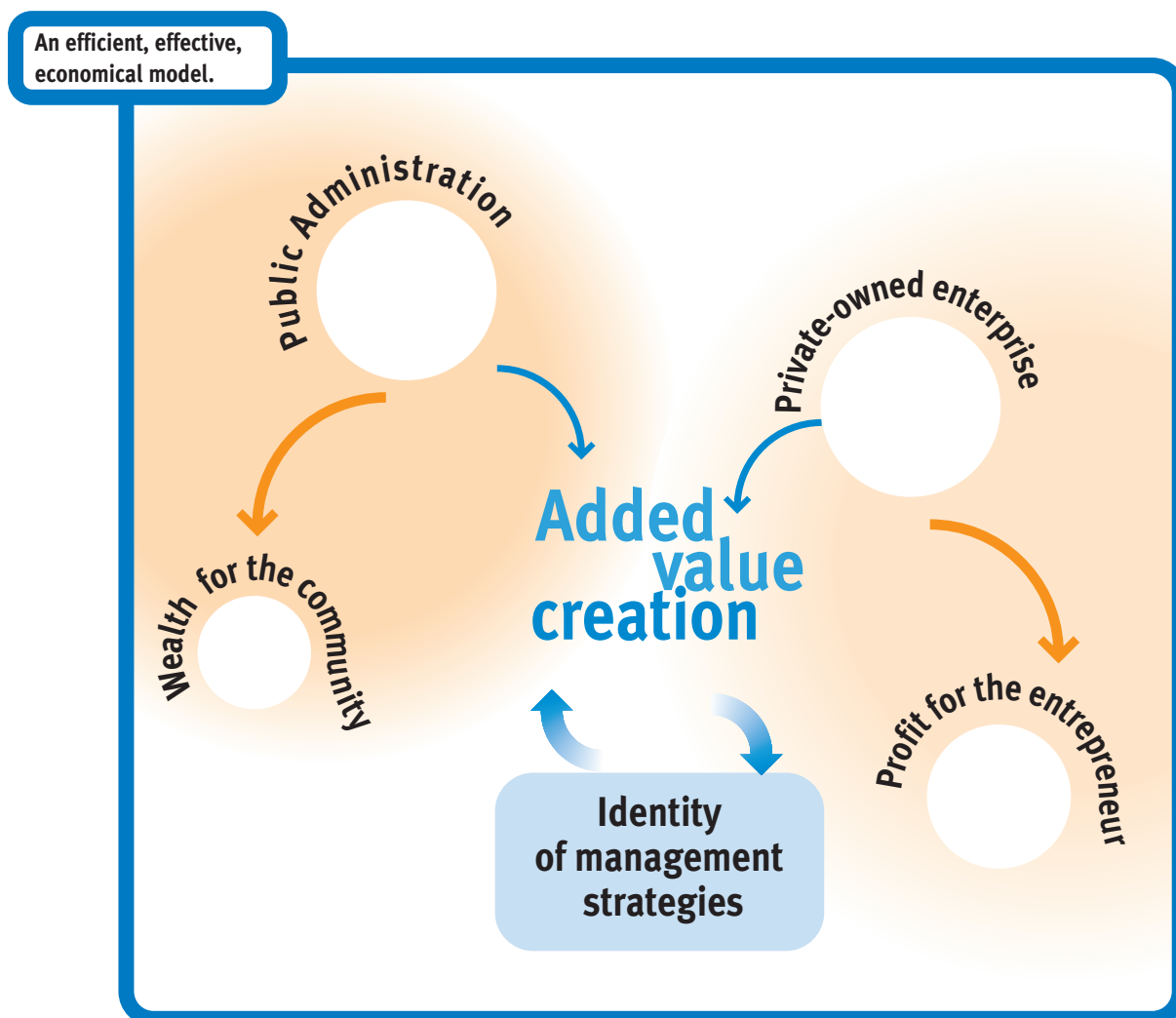
The basic idea is that public institutions and private enterprises are fundamentally alike, have the same management strategies and both of them aim at maximizing economic results. The difference consists only in profits' earmarking, respectively for the community or for the shareholders in the case of a company.

Moreover, human resources were the project's kernel, as every innovation process must involve directly all the staff that form and give life to an organization. Priority was given to the following elements:

- strong management motivation in involving and making staff aware of their responsibilities;

- communication and sharing of definite objectives and predetermined, shared and measurable criteria;
- interiorization of the new behaviour conformed to the culture of service, quality and development of instruments for the relationship with Chamber members;
- cross fertilization with a strong integration of the whole system;
- investment in constant staff training in order to maintain skills in line with the new organizational model.

Through the change and innovation culture, a "virtuous circle" of continuous improvement was started up, for the total benefit of the business community and the territory.



CHANGE LEVERS

The changes introduced have involved all areas of Chamber's activities, and have regarded work procedures, technological instruments and communication channels (re-engineering).

Secondly, as the driving force of every organizational context is based on human resources, a new result-oriented human resources management has been adopted.

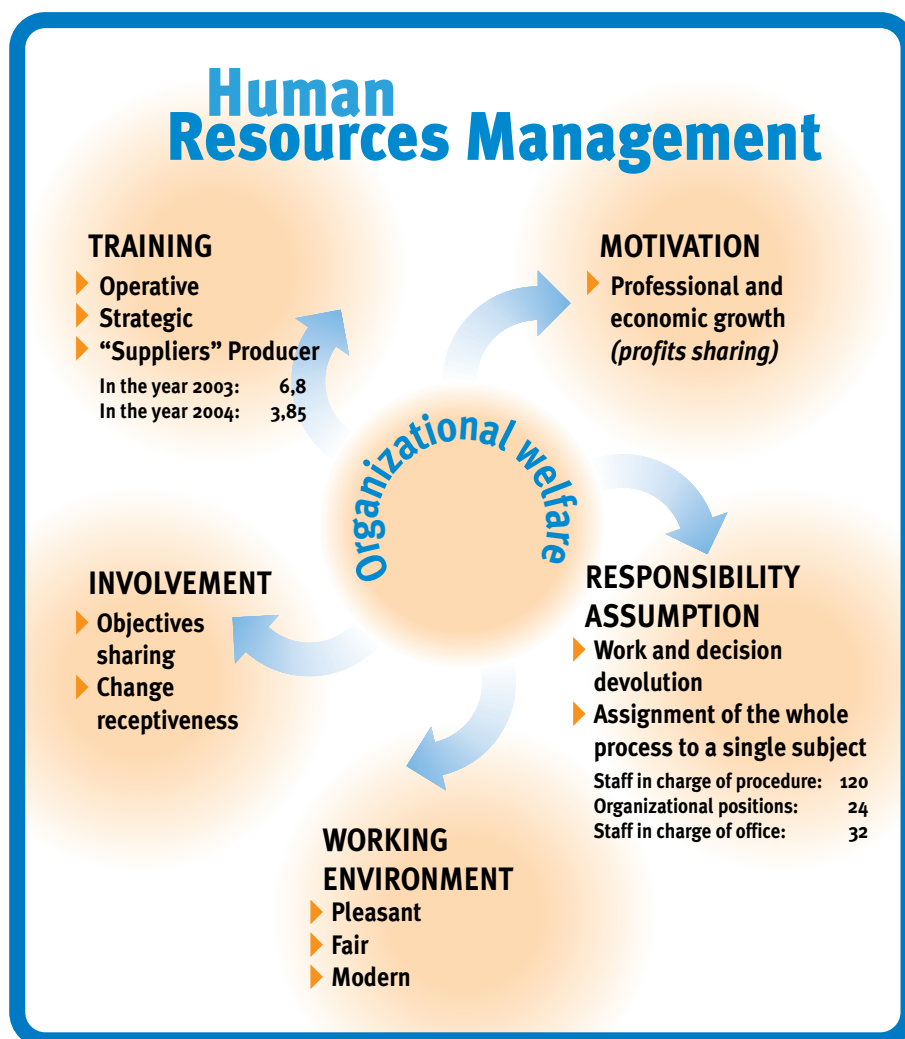
THE NEW POLICY OF HUMAN RESOURCES MANAGEMENT

The cultural change of the Chamber's staff is one of the most relevant and innovative elements that have led the institution towards a company-wise performance. Actually, the Chamber has promoted a transformation process based on the involvement of all the staff at all working levels.

In this way, besides the traditional technical and administrative skills, new cross-party abilities oriented to a service culture and the satisfaction of the needs of Chamber members were devel-

oped. Investment in staff training and motivation, has been the success factor for the creation of a change-oriented working environment. The change has not been imposed by the management, it has been shared and has fostered intelligence and enthusiasm.

The Chamber's attention to its resources, has turned out in the earmarking of part of profits for the staff, by means of supplementary bargaining and trade unions collaboration.



PROCESS RE-ENGINEERING

The organizational analysis

In 2001 the Chamber of Commerce of Rome started an analysis of work procedures in order to conform them to the new business model, according to three main objectives: improving services offered to Chamber members, increasing the work efficiency and the effectiveness with a significant reduction of operating costs and optimizing information systems.

For these aims, the method used was the typical one of a private-owned enterprise, but it was refined and re-adapted according to the Chamber's needs. After a proper analysis training, a Chamber's staff task force has in fact worked inside the offices, interviewing both Chamber's workers and the staff in charge of work procedures.

In each Chamber's microstructure, the following elements were distinguished:

- functions, as specific task assigned to the office;
- activities, as homogeneous groups of works inside the attributed task;
- procedures or process, as logical elementary operations sequences, that bring to the creation of a product.

Re-engineering was therefore based on self-analysis and consequent self-diagnosis, and

highlighted critical points that were object of deep actions aimed at improving services efficiency.

This project has allowed the Chamber to create working-management instruments such as the procedures manual, the book for production record, critical points files containing optimizing proposals and relative implementation program.

Monitoring

Such instruments are used by the staff in charge for the various offices for the following aims:

- managing and assessing the individual productive processes;
- checking the conformity of working procedures with further changes in laws, projects, organizational systems;
- recurrently analyzing the single productive procedures for an easier introduction of changes;
- training of existing and newly-recruited staff;
- improving the quality of services offered and the relationship with the different typologies of customers;
- continuous monitoring of production trend;
- offering reliable data for the Chamber's budget.

Re-engineering opportunities

Constant monitoring of single procedures

Assignment of every process to a single subject responsibility

Individuation of staff in charge of the administrative process

Informational integration

Staff motivation, involvement and professional development

Results of re-engineering

Re-engineering has produced a real improvement of services quality, that is:

For Chamber members

- telematic transmission to the Chamber of registration applications directly from the company office, through Internet and an identification and security system based on digital certification (smart card)
- drastic reduction of the time necessary for the incorporation and operation of companies (from 3/4 months of four years ago to 48 hours today)
- immediate issue of certificates, as a result of the real-time company registration (in comparison with the 10 / 60 days needed before)
- costs reduction (time spent for administrative procedures is reduced by 70%)

- direct involvement of members in the administrative process (real-time certification allows customers to check immediately the data resulting from the register)

For the Chamber of Commerce of Rome

- 20% reduction of production costs (resulting therefore in an increase of resources allocated for investments in support of the economic system)
- a more rational distribution of resources
- no work arrears
- staff culture development and the creation of a know-how that can be shared with other institutions

Quality certification

As a result of re-engineering, the Chamber of Commerce of Rome obtained quality certification according to UNI EN ISO 9001:2000 for the services provided to Chamber members.

Registration procedure

**Immediate issue
of the registration number**

About 20 % reduction of production costs

**Immediate availability
of the file data**



FROM PROCESS RE-ENGINEERING TO “WORKFLOW”

One of the main results of the analysis carried out is the achievement of a system that can manage elaborate procedures dividing them into elementary activities that are connected and synchronized. Such system was called workflow.


The system automation was accomplished by InfoCamere, information technology company owned by all the Italian Chambers of Commerce. The product workflow is merchandised by the Chamber of Commerce of Rome in 50% partnership with InfoCamere.

Workflow is an information system for the guided automation of work flows that:

- integrates active procedures and applicative software in a single access interface
- automates activity flows
- improves data research and user-friendliness.

Moreover, workflow creates the companies virtual file that can provide users with all the data and track record of a company, with a single computer query.

Workflow results

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- Automation of the activities that must be performed
 - Integrated visibility of all informational records
 - Computerized communication issue
 - Files traceability and monitoring
 - Transparency towards the final customer
 - Easy access to documents
 - Guarantee of protection and confidentiality of personal data

A virtual
work desk

THE RELATIONSHIP WITH CHAMBER MEMBERS

The Chamber of Commerce of Rome has developed communication services that can satisfy customers' needs to rely on a clear, user-friendly, approachable system of information, for a better services accessibility.

Thanks to present information technologies, that help communication and relationship, the following services were accomplished:

- Internet site, that represents the on-line guide to

all services supplied by the Chamber of Commerce of Rome and allows customers to gain access to services, directly through internet

- Call Center, that can be contacted by telephone, fax or e-mail
- CRM (Customer Relationship Management), that develops and strengthens relationship with Chamber members, creating also personalized contacts

THE CHAMBER'S INTELLECTUAL CAPITAL

The comprehensive change process implemented has produced management instruments that have become part of the Chamber's intellectual capital.

These instruments have been protected through the registration at the Italian Society of Authors and Publishers (SIAE) of the proce-

dure manuals regarding process re-engineering and the patent application for workflow system management.

Such instruments and know-how are an "intellectual property" that can be extended and successfully adopted by many other Chambers and institutions throughout the world.

THE CHAMBER OF COMMERCE OF ROME AND ITS TERRITORY

The Chamber of Commerce of Rome was born in 1831 with the task to supervise the commercial trend and prosperity.

Since then, more than 170 years have passed, and in the meantime the Chamber of Commerce of Rome has developed, also widening its original task.

The reform law n. 580 of year 1993 assigned the Chamber a great independence of action and further tasks concerning promotion, development and market regulation. All this has made this Institution the main protagonist in the local economic background and an undisputed

benchmark for the productive world.

The economy of Rome, city of art and culture, is characterized by a strong promotion of the service industry, both in public institutions and private companies. As a matter of fact, in Rome the service-producing sector represents 20% of the national amount and public institutions still play an important role, even if decreasing. The sectors with the highest productive specialization index are transport, communications and services to enterprises. The tourism sector registers a strong growth. Moreover, small-size enterprises are more and more diffused.

SOME IMPORTANT DATA ABOUT THE PROVINCE OF ROME

	<u>Rome</u>	<u>Italy</u>
Surface (sq. km)	5.352	301.336
Inhabitants	3.758.015	57.888.245
Added value per capita (Euro)	25.338	20.232
Registered enterprises		
• Corporation	145.961	1.074.686
• Partnership	68.139	1.237.527
• One-man company	162.913	3.490.274
• Other company forms	18.103	195.262
• Total	395.116	5.997.749
Employed per sector		
• Agriculture	14.000	990.000
• Industry	241.000	6.868.000
• Service-producing	1.294.000	14.546.000
Added value per sector (%)		
• Agriculture	0,53	2,54
• Industry	13,72	26,59
• Service-producing	85,75	70,87
• Total	100,00	100,00
Exports (Euro)	4.975.869	258.187.747
Imports (Euro)	17.244.363	257.091.252

Source = Chamber's research department - 2004

