Since the processing of incoming and outgoing invoices has been managed by OpenText, the time required has reduced by 25% and the volume of incoming invoices can be handled by fewer employees.

Dirk Kleemeier
Head of Process Management
KRZ
The Kommunales Rechenzentrum Minden-Ravensburg/ Lippe (KRZ) municipal data center, in Lemgo has been the IT service provider for the Minden-Lübbecke, Herford, and Lippe districts, along with the 34 towns and local authorities within these districts, since 1972. As a municipal administration union, KRZ has the status of a public sector entity (Körperschaft des Öffentlichen Rechts). Among its responsibilities are the development, introduction and maintenance of municipal systems and applications.

Modern local authorities, cities and districts have the same standards for efficiency and cost control as public and private companies. To achieve service levels and maintain standards, they use process optimization and support from professional data centers, including KRZ. With OpenText™ MBPM as a foundation, KRZ supports authorities in achieving their goals of transparency, efficiency and exceptional citizen service.

**Process management increases transparency and efficiency**

“As a municipal administration union, we are responsible to districts, cities and local authorities and therefore the taxpayers. We must have particularly good justification for investment in our projects,” according to Dirk Kleemeier, head of process management at KRZ.

“Since the Herford district decided to implement double-entry accounting, we have shown the potential that business process management software is capable of, in terms of transparency and efficiency, using the example of an invoice approval workflow.”

**Invoice approval workflow saves time and resources**

Annual financial statements with inventories, can be most effectively created if the traditional paper processes are replaced with digital ones and managed with appropriate software. This is because the status of each invoice can be specified at the touch of a button. In addition, the workflows themselves can be streamlined, partly due to it being possible to set out cross-municipality substitution procedures. The MBPM platform from OpenText has provided precisely that at KRZ for over six years with around 30 clients and over 3,500 users, handling hundreds of thousands of processes annually. “Since the processing of incoming and outgoing invoices has been managed by OpenText, the time required has reduced by 25% and the volume of incoming invoices can be handled by fewer employees”, stated Kleemeier.

The University of Applied Sciences for public administration in North Rhine-Westphalia (the most populous state of Germany with over 17.5 million inhabitants) made a study about the adoption of the financial BPM solution designed by KRZ in 2012. The most significant benefit was that the Community Espelkamp reduced the processing time to just 13 minutes per invoice. Where administrations have multiple locations, these processing times cannot be achieved with traditional hard copies.

**MBPM platform reduces implementation effort by 30 percent**

“Each of our software projects is designed for economies of scale. We operate up to 160 individual solutions at our company. The work, and therefore the costs to our customers, are only justified if we provide cross-system and cross-application services”, said Kleemeier.

When selecting a suitable solution for business process management, it was essential for KRZ to cover as many scenarios as possible, and not just those suitable for processes involving documents. In addition, it had
OpenText process management saves local authorities time and money, increases transparency and improves citizen service.

To be possible to easily integrate the application into other solutions and for it to function without its own database, “The benefit of this platform approach, designed for synergies, was evident with the introduction of the new digital identity card in 2012. The technical effort to implement was minimal in comparison with the changes to the associated administrative procedures,” according to Kleemeier.

Process management improves relationships with citizens

The local authorities, supported by KRZ, are not the only ones to benefit from efficient process management—their citizens also benefit. An example is in the calculation of fees for child daycare centers. As the amount charged is measured based on the current income of the parents, they must be calculated twice: once taking the estimated income into account and then again in the following year using the tax assessment, corresponding additional payments or reimbursements. Previously, this process took place entirely on paper. The initial calculations performed locally in the municipalities were only checked by way of random samples at the district level. Since May 2013, this calculation also has been carried out online. Parents simply enter the necessary information in an online form. At the same time, behind the scenes, the process is forwarded to the responsible authority at the district level. If the plausibility check gives the green light, a confirmation is automatically created and sent to the parents. This much more efficient, digital approach does away with all of the process steps locally at the day-care centres and in the administration of the municipality. The staff and time requirements are significantly reduced and daycare center employees and local authority administrators are no longer burdened with manual paperwork associated with the process.

The way has been cleared for a digitally supported, superior process. The process begins with the registration of the child to the daycare facility by a local employee and the declaration of income by the parents. The process then proceeds with the regulation of the contribution by the local authorities, to the generation and notification of the administrative decision to the parents using their personal online account. It is all performed digitally. Nevertheless, the hard copy forms are integrated for communication with citizens and processed entirely digitally within the administration. The printing and despatch center run by KRZ is integrated as output channel, generating millions of letters for its customers annually.

“The pilot project in the Lippe district has been a complete success. Parents can fill in the simple online form much faster than the paper version,” reports Kleemeier. And he added, “Here too, the effort involved for the technical implementation was negligible. This was possible because we already had the necessary platform for business process management in house in the form of OpenText”. An award-winning solution

KRZ received the Wirtschaftswoche Digital Transformation Award at the prestigious Digital Transformation Summit in Berlin. The award in the “Best Digital User Experience” category recognized how the company revolutionizes its citizen services provisions for the digital age.

About OpenText

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