# The Burden-Hunter technique

A user-centric approach to cutting red tape

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# Content

# Introduction

## 1. Introduction

This report presents a new approach to the task of cutting red tape from Denmark's business regulations. This new approach uses the principles and techniques of user-centric innovation.

User-centric innovation of business regulations means that enterprises themselves will be at the centre of ministerial initiatives for cutting red tape. The enterprises will play an active role in identifying potentials for the rethinking of business regulations, and will be involved in the practical realization of these potentials. The focus is on the enterprises' experience of business regulations and on how these burdensome experiences can be reduced.

The report describes how the principles and methods of user-centric innovation have been used in the cross-ministerial red tape reduction project known as the 'Burden Hunters' project which the ministries of Economic and Business Affairs, Employment, Taxation and Finance operated during 2007 – 2008. This project was implemented in cooperation with MindLab, a development entity owned by the Ministry of Economic and Business Affairs, Ministry of Taxation and Ministry of Employment. The purpose of Mind Lab is to involve citizens and enterprises in the development projects undertaken by these three ministries.

Annexed to this report is a script describing how the Burden Hunters project conducted its detailed process studies. The annex provides insights into the process methodology, and is intended to enable other ministries to independently conduct process studies of their own.

A separate report has also been compiled which gives specific details concerning the enterprise data that emerged from the first Burden Hunters project. This report is titled 'Report from the burden hunters - From burden to service'

## Purpose and target audience

The purpose of this report is to demonstrate the value that user-centric innovation can contribute to the task of reducing red tape in business regulations compared with AMVAB or more traditional methods such as surveys. In addition, the report gives an example of what a user-centric red tape reduction project can look like in practice. The objective of the report is to enable the reader to assess the benefits of the user-centric approach in the ministries' task of reducing the administrative burden of their regulations. A further objective is to inform readers about the processes, techniques and particular features of user-centric innovation, in order to enable them to be better equipped in their interactions with consultants or other experts who can assist in the practical implementation of user-centric innovation projects.

The target audience of this report is project managers and decision-makers whose work is project-based and who are familiar with traditional survey methods such as questionnaires and interviews, but who have no previous experience with user-centric innovation.

# Overview of user-centric bureaucracy reduction

2.1 Why adopt a user-centric approach?
The objective of using techniques for user-centric innovation does not differ fundamentally from AMVAB or the other techniques that the ministries have so far applied when overhauling business regulations in order to reduce the administrative burdens on enterprises. The whole purpose is to identify new initiatives for amending business regulations that are implementable and which create value for enterprises by cutting red tape.

The main strength of user-centric innovation is that its techniques enable the project to generate a more detailed understanding of the three fundamental elements of the development process:

*What creates value for the enterprises?*
The case described in this report clearly shows that there are many factors which contribute to enterprises experiencing business regulation as a burden. The AMVAB technique measures the time that enterprises spend on complying with business regulations. This is just one of many ways in which initiatives to cut red tape can create value for enterprises. User-centric innovation helps projects to achieve this more detailed understanding of how new initiatives can create value for the enterprises, and in what situations this concrete value can be achieved.

*What initiatives can achieve the desired value?*
User-centric innovation actively involves enterprises in the task of working out how to use new initiatives to create the value for them being sought by the public authorities. The enterprises can supplement the ideas that civil servants and advisers come up with because they are the experts regarding their own day-to-day routines and can therefore contribute important perspectives regarding how any new initiatives will affect them.

*Can the initiatives be implemented?*
User-centric innovation focuses on achieving a holistic understanding of the enterprises' day-to-day routines and experiences with the authorities. An understanding of their day-to-day activities that extends beyond 'problem lists' to include the challenges that the new initiatives are intended to rectify is very helpful for the implementation of new initiatives. This is because such an understanding helps to demonstrate how the enterprises' day-to-day routines and experiences can serve respectively as resources and challenges in the implementation of the new initiatives.

We recommend that future projects to reduce bureaucracy should include user-centric approaches to innovation.

2.2 In which stage of a project trajectory should user-centric innovation be used?
User-centric innovation can in principle be used throughout a project trajectory. An organization can benefit from basing its development project on user-centric innovation if:

• The organization has a general challenge in reducing its administrative burdens, but is unsure about the best place to start. It is here that user-centric innovation can help to identify where the scope for reducing bureaucracy is greatest.
• The organization has a special interest in pursuing initiatives in a particular area for either strategic or political reasons, or because the organization has a presumption that substantial scope for reducing bureaucracy exists. It is here that user-centric innovation can help to produce a more detailed understanding of what the real challenges for the enterprises are in the relevant area. In addition, the involvement of users can help to identify new initiatives and the need for cross-ministerial solutions, as well as how these initiatives will be able to work in practice.
•The organization is about to implement a previously-decided initiative to reduce bureaucracy. Here user-centric innovation can contribute to making better-informed decisions about the many detailed questions concerning the practical design, work processes, required guidelines and desires connected with the initiative.

2.3 Is information about 10 enterprises enough to develop solutions for the entire population?
Project managers are usually doubtful about whether user-centric innovation techniques are capable of generating data from which it is statistically possible to extrapolate from the enterprises involved to all other enterprises. This scepticism is based on the premise that the authorities will not devise new solutions for circa 10 – 20 people or enterprises, but for the initiative's entire target group.

It is true that the knowledge gained in user-centric innovation projects serves a different purpose than statistical extrapolation, namely to provide well-qualified inspiration that can help to identify new opportunities for innovation as well as to confirm that the initiatives being developed in the project can create the anticipated value for the users. Business regulation experts, such as experts in particular areas of the law or belonging to professional organizations, will often be able to assess whether the information obtained about the enterprises is representative, or whether there is a need for further qualification of the project results. User-centric innovation techniques can also be supplemented with such tools as questionnaire-based research if statistical confirmation is desired that the initiatives being developed are also relevant to the broader target group. This applies particularly if it is anticipated that the enterprises' experience of and response to business regulations will vary significantly, for example across business sectors or in terms of enterprise size.

### 2.4 Does user involvement remove decision-making power from those responsible for the project?

User-centric innovation does not mean that the power to make decisions about the initiatives to be implemented is delegated to the users. Enterprises may describe problems or desires which the project cannot or will not respond to, for instance because of political, economic or logistical reasons. But the application of user-centric methods helps to ensure that such problems and solutions are deselected for rational and valid reasons, not because those responsible for the project have failed to realize that the problem or the solution exists!



> ”We just try to be effective and make a profit. What we need is that the Government Administration thinks ”That`s really great”. We need that”

**Small Business, Industy and Trade**

# The 'Burden Hunters' project

The Burden Hunters project is a component of the government's efforts to reduce the administrative burdens affecting Danish business.

The starting point for the project is the substantial experience of bureaucracy reduction gained from applying the AMVAB technique, whose goal is to reduce the expenditure of time spent by enterprises in complying with official business regulations. The Burden Hunters project wanted to go further than AMVAB technique by increasing the emphasis on the burden experienced by enterprises – the burden of irritation – in other words, an enterprise's subjective experience of satisfying the demands imposed by official business regulations.

The burden-hunter technique should therefore be regarded as complementary to the efforts made to date. The burden hunters supplement existing red-tape reduction efforts by placing particular emphasis on the burdens experienced by enterprises, and on how other factors besides the expenditure of time can cause enterprises to regard business regulation as being a burden.

The Burden Hunters initiative was organized as an cross-ministerial project consisting of a project team of circa 15 officials plus a steering committee comprising decision-makers from the ministries of Economic and Business Affairs, Employment, Taxation, and Finance. The project was implemented in cooperation with MindLab plus external consultants with expertise in user-centric innovation.

> ”It is quite amazing that the Government develops some system, and then expects that it`s just intuitive to use... They don`t think with a customer focus that ”We will teach you to use it so we will save time because you master it””

**Small business, Industry and Trade**

# The user-centric innovation process

The Burden Hunters project was initiated and developed around a process for user-centric innovation centred on best practice for this approach to innovation. Themodel was developed by MindLab. The process is outlined in Figure 1 below:

**1. project focus**

Who are the users? What do we know/not know?

**2. learning about the users**

Learning about the users, alongside the users and together with the users

**3. analysis**

Identification of needs Challenges and new opportunities

**4. developing ideas and concepts**

Cross-disciplinary development of ideas and concepts, thinking that straddles organizational lines of demarcation.

**5. concept testing**

Testing of concepts together with users Developing and refining concepts

**6. communicating the results**

Communicating to the project stakeholders in a direct and inspiring manner

**implementation**

**7. measuring**

The effects for the end users

**The rest of this report describes the purpose of phases 1-4 of the process model; the practical implementation of the respective phases of the Burden Hunters project; and the learning about the application of user-centric techniques that was generated in the project.**

**Note that the segment of the Burden Hunters project described here is confined to the first iteration of the process model's phases. User-centric innovation projects will often pass more than once through stages 2-5 in particular. The need for an extra iteration of the process typically arises when Phase 5, "Concept testing", reveals the need to return to Phase 2 in order to obtain further information about the users. However, it is also possible to conceive many other leaps back and forth between phases 2 to 5 before the project staff consider that the initiatives developed are so well integrated that the implementation can be kicked off.**

# 1.
# Project focus

<u>Purpose</u>
The aim of this phase is to clarify the project's target group and to define the desired effects for the target group that the project wishes to achieve at its inception. These things will typically already be explained to a greater or lesser extent in the project's terms of reference, project definition or similar. But there will usually be a need to further clarify and fine-tune the initial rationale.

In addition, this phase has the purpose of identifying what information the project already has about the project's target group(s), the target groups' current practices, and what would be needed to produce the effects sought by the project. This is the context for identifying what additional knowledge the project needs to obtain during the later phases.

<u>The case example - what did we do?</u>

*<u>Defining the target group</u>*
*At project kick-off, the target audience was defined as small and medium enterprises, particularly ones seeking to achieve growth. The project was also intended to focus on the total quantity of administrative burdens that these enterprises experienced, and hence not just on those burdens that lay within the areas of responsibility of the three ministries involved.*

*This very broad definition of the target group created a need for further clarification regarding which particular enterprises should be central to the project's later phases. The enterprise's business sector, size and growth ambitions were chosen as the selection criteria. A total of six business sectors were chosen: Finance; Construction; Service; Restaurants; Hotels and cafes; Industry and Trade. The inclusion of six entire sectors was intended to increase the likelihood that the project would generate insights about the non-business-sector-specific regulations that could be extrapolated to other sectors. Enterprises with increasing sales were selected within the six sectors that ranged in size from five to circa 100 employees.*

*<u>Charting of existing information about the target group</u>*
In this phase, charting the existing information about the enterprises' current business regulation challenges was given high priority. This was to ensure that the project did not expend valuable time with the enterprises in uncovering information which was already known. Among other things, it built on results from earlier studies conducted by experts and research institutions. Interviews with key stakeholders were also carried out, as was a sifting of the results from the AMVAB database.

The project team laid out which areas of business regulation could be expected to affect the business sectors selected. A glossary was produced which briefly described the various regulatory requirements imposed on the enterprises.

In this way the members of the project team gained an insight into the busi ness regulations that spanned across the various areas of regulatory respon sibility. Using all this as a framework we generated a set of hypotheses regar ding
the challenges and experiences con nected with the regulation of business that we anticipated the six business sectors would face.

## Learning from the case example

The activities carried out during this phase created a good jumping-off point for the next phase, "learning about the users". In particular, the generation of the project team's hypotheses regarding the enterprises' challenges and experiences was a valuable tool for focusing on the subsequent learning about the users.

The project could have benefited from a further clarification of the desired effects on the enterprises, particularly the extent to which the project was to identify radical long-term initiatives versus ones that could be implemented in the short term.

# 2. Learning about the users

Purpose
The aim is to learn about the users alongside the users and together with the users, for instance through field studies, interviews and workshops. This learning should as far as possible take place out among the users in order to obtain as nuanced a picture as possible of their day-to-day routines, actions, social relationships and surroundings. Moreover, this phase gives substantial weight to descriptive learning, i.e. to specific information about how the users handle various tasks, activities, etc., and not just what they regard as being good or bad..

## The case example - what did we do?

Methodology selection
The “learning about the users” phase used a qualitative, ethnographically-inspired methodology. Specifically, one or two officials in the project team plus a consultant with expertise in qualitative ethnographic methodologies visited a number of enterprises and remained there for half a day. Their focus was on achieving a greater understanding of the enterprise, its practices, its relationships with the public authorities and the challenges and experiences connected with business regulations that it was experiencing. The visits to the enterprises consisted of a mix of interviews and observations.

*A total of 24 visits to enterprises were made.*

Preparation for the visits to the enterprises
A script was prepared for the individual company visits. It contained a loosely structured interview guide describing the themes that were to be discussed with selected employees in the enterprises. It contained a set of useful tips regarding observation techniques and the main things we needed to pay attention to. It also contained hypotheses about which business regulations the enterprise would be affected by, as well as the possible challenges of the business regulations that the project team had previously formulated.

The first three visits to enterprises were used to pilot the methodology and script in order to ensure that the choice of methodology and script content were appropriate. The pilot testing led to several minor changes regarding how the visits to the enterprises should be conducted in practice.

Conducting of company visits
Each enterprise visit lasted about three hours and was conducted using the same structure. In-depth qualitative interviews were conducted with the leader of the enterprise and an administrative employee respectively. The focus of these interviews was to obtain an understanding of the enterprise’s daily activities and growth, the company’s conceptions regarding the authorities and their dealings with them, and the enterprises’ experiences concerning the requirements imposed by the authorities. In addition, participant observation was undertaken in which the two interviewees showed us how they handled requirements that they found particularly irritating in practice.

The learning obtained was documented in video clips, photographs and written notes.

Role allocation
The roles of interviewer and observer were generally assumed by someone with expertise in sociological / anthropological question-and observation techniques who was employed either by MindLab or by the external consultancy firm Copenhagen Living Lab. The one or two officials involved were primarily brought along as experts who posed important and detailed supplementary questions which they were able to ask because of their depth of knowledge in specific areas. In this connection the officials also had recourse to the glossary we had compiled.

During all the visits to enterprises, the latter often mentioned requirements that had been set by the public authorities which none of the project team members present had any expertise in. In such cases the project team noted as many details as possible so that they could later possible explain the enterprise’s experiences to colleagues who did possess expertise in the relevant requirements.

Compilation of data from enterprise visits
After each enterprise visit, one of the people visiting had the responsibility of writing down the observations that had been made, as well as the information that the enterprises had given us during the two interviews. The focus was on retaining the information that had been obtained (for example through the recording of quotes), and not the project participants’ analytical conclusions and summaries. The assembled data typically took up 10 to 15 pages.

After circa half the company visits had been undertaken the project team conducted an interim analysis to ensure a common understanding of the learning that had hitherto been obtained from the enterprise visits conducted. The interim analysis provided the basis for establishing the focus of the remaining studies. The interim analysis was intended to ensure that all the desired key areas to be uncovered were addressed during the interviews.

# Learning from the case study

**Undertaking a pilot test of the methodology selected was very useful for making the planning of how individual enterprise visits should be undertaken in practice more rigorous, as well as for deciding what should be focused on at the enterprises being visited.**

**The recruitment of individual enterprises proved to be a major challenge, partly in terms of the logistics of finding relevant enterprises, and partly in terms of persuading them to participate. Many enterprises expressed enthusiasm for the project but said they were unable to set aside 4-5 hours during a busy workday. Ample time must therefore be set aside for recruitment; alternatively, a recruitment firm could carry out the recruitment task.**

**There appeared to be considerable variation in how the individual project participants had compiled the written data relating to the enterprise visits. The level of detail was especially variable. More consistent compilation could be ensured either by assigning the responsibility for the data compilation to fewer than the approximately 10 people taking part in the Burden Hunters project, or by doing even more to achieve a common understanding of how the compilations should be put together.**

**The aspiration of achieving a comprehensive perspective concerning the experiences of each of the enterprises with public business regulation sometimes adversely affected the scope for digging deeply into precisely how the enterprises were dealing with the various requirements imposed by business regulations. The enterprise visits were therefore used as a basis for selecting eight requirements which were then analysed further in a set of flow analyses that took the form of workshops involving the enterprises. The development of initiatives to cut red tape using the results of the flow analyses operated as an independent process. The project has compiled a purpose-written script describing how to use the flow technique to work with the burdens experienced. This script is described in the publication titled 'Report from the burden hunters - Using flow studies' , which can be obtained from the Danish Commerce and Companies Agency, Division for Better Business Regulation.**

# 3. Analysis

**Purpose**

**The purpose of the analysis phase is to look across the information gained in the project and identify new opportunities for reducing administrative burdens. This includes the needs and challenges presented by the current business regulations that the enterprises have explicitly pointed out, the so-called “acknowledged needs”. It also includes identifying patterns in the actions, experiences and attitudes of the enterprises that will influence their assessment of business regulation as being burdensome, worthwhile, or something else entirely. The opportunities for innovation that these patterns reveal are typically referred to as “unacknowledged needs.”**

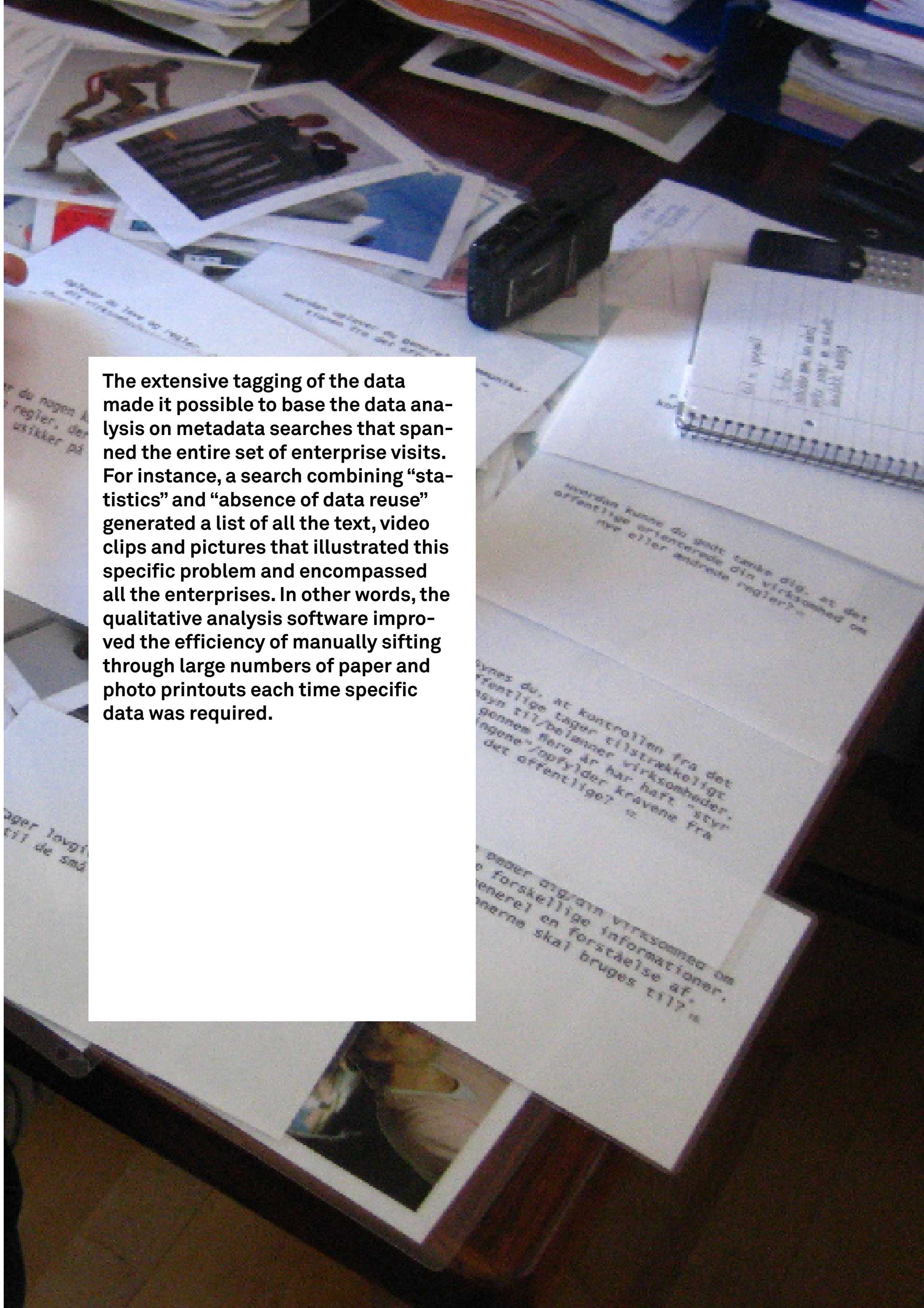
## The case example - what did we do?

**Data tagging**

**After completing the total of 24 enterprise visits, the project faced the challenge of identifying the needs, challenges and potentials for reducing administrative burdens that were contained in almost 500 notes, pictures and video clips.**

**This large quantity of data was processed using qualitative analysis software (Atlas.ti). Metadata (i.e. data describing what the data from the enterprise visits was about) was systematically added to all the data collected (i.e. pictures, notes and video clips). It contained the following information:**

**1. Background variables for the company to which the data related, e.g. business sector, geographical location and number of employees.**
**2. Which area of regulation the data described, such as statistics, VAT or workplace evaluation.**
**3. What experiences and assessments of the specific regulations were described by the data, such as lack of flexibility, pointlessness, lack of data reuse or unfairness.**



**The extensive tagging of the data made it possible to base the data analysis on metadata searches that spanned the entire set of enterprise visits. For instance, a search combining “statistics” and “absence of data reuse” generated a list of all the text, video clips and pictures that illustrated this specific problem and encompassed all the enterprises. In other words, the qualitative analysis software improved the efficiency of manually sifting through large numbers of paper and photo printouts each time specific data was required.**

## Analysis framework

**The analysis of data was based on a model for the user-centric innovation of public services that had been prepared by the external consultancy firm Copenhagen Living Lab. The model is based on a dual perspective in which the understanding of the users' day-to-day routines (the front stage) provides a starting point for the systematic study of the working practices of the public authorities (back stage). This generates a user-centric perspective in relation to the public authorities and institutions that can be used to identify discrepancies between user expectations and the practices of the authorities, as well as the location of the source of such discrepancies:**

**Service quality model developed by Copenhagen Living Lab**

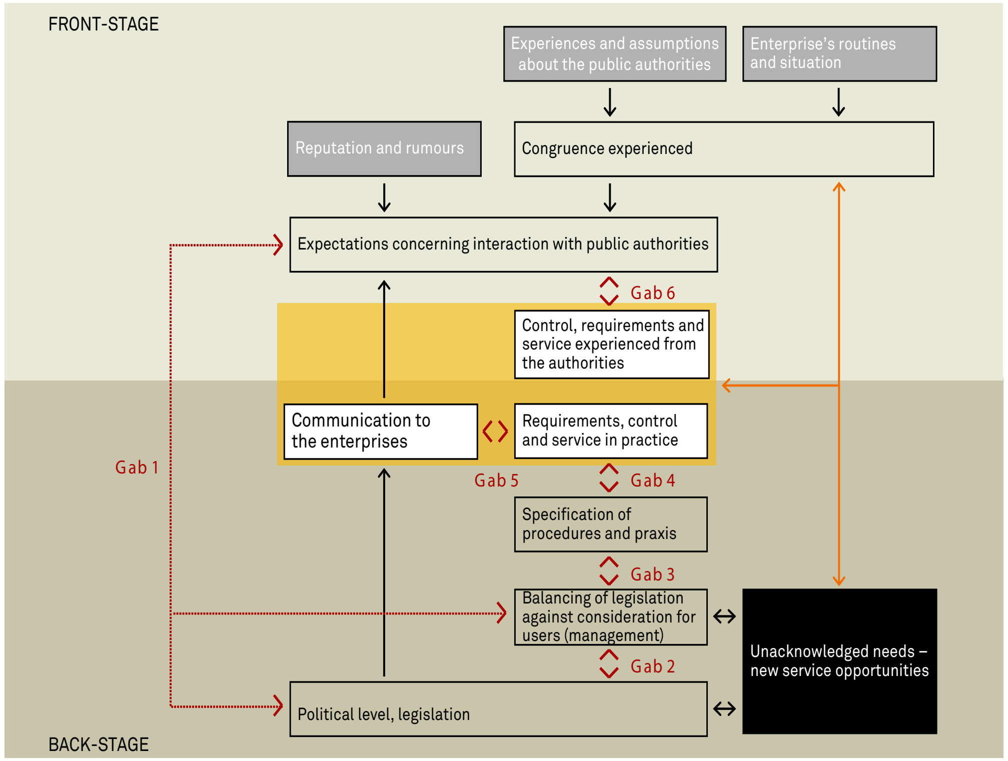



Figure 2

The service quality model distinguishes between six different "gaps" that may result in discrepancies between user expectations and the public authorities' practices:

Gap 1 represents "leadership orientation". Are the political level and central government oriented towards understanding what is important for the enterprises and what expectations the enterprises have of productive interaction with the public authorities?

Gap 2 concerns the ability to implement the legislation passed by politicians and to translate the policy objectives in such a way that it takes into account to the greatest possible extent information regarding the enterprises' day-to-day activities and expectations.

Gap 3 concerns the extent to which an "adequate specification" exists. Have all the significant relevant issues regarding how the requirements, supervision, procedures and practices should be set up in order to accommodate the enterprises' day-to-day activities and expectations been taken into consideration?

Gap 4 can be termed daily administrative practices. To what extent do the practices match the specifications?

Gap 5 deals with the organization and conducting of external communication. Communication helps to shape the enterprises' expectations.

Gap 6 concerns "quality experienced", and the issue of the degree to which the expectations or desires of the enterprises correspond to their experience of dealing with the public authorities.

Execution of the analysis

The analysis focused on producing two different types of insight into the enterprises' experiences of the authorities' demands:

1. An overview of the problems and challenges that the enterprises face in the individual areas of regulation. This information should provide a basis for cutting red tape in these specific areas.

2. An understanding of which of the enterprises' experiences in dealing with the authorities cause the enterprises to regard business regulations as an annoyance. This knowledge should provide a basis for cutting red tape regardless of regulatory areas and requirements that considers other aspects in addition to AMVAB's focus on time and financial costs.

On the basis of the service quality model, Copenhagen Living Lab produced drafts for the above-mentioned insights that were subsequently qualified and fine-tuned during a series of analytical workshops in which the project team participated.

These analytical workshops were vital inasmuch as they generated a joint identification and understanding of the needs, challenges and opportunities for innovation that the enterprises visits had demonstrated. In addition, the workshops represented an opportunity to bring into play all the impressions that the individual project participants had assimilated during the individual enterprise visits but had not documented in the form of notes, pictures or video clips.

Nine experiences that generate irritation

The analysis identified a total of nine different experiences related to the enterprises' dealings with the public authorities that turn business regulations into an irritation for them.



# Nine experiences connected with business regulation that produce irritation

1. **Inflexibility**
2. **Lack of mutual obligation**
3. **Unfairness**
4. **Uncertainty and unpredictability**
5. **Pointlessness**
6. **Lack of respect from the public authorities for the fact that "this is my enterprise and these are my en terprise's day-to-day activities"**
7. **Lack of confidence in "my good intentions and ac knowledgement of my knowledge and experience in operating a company today"**
8. **Complexity**
9. **Powerlessness and lack of clarity regarding the role of the authorities**

Compilation of analysis results

All the analysis results were compiled into a so-called "burden matrix". The burden matrix was divided into the 28 burden areas that the analysis had highlighted as being the most important. The matrix brought together all the challenges for the enterprises that the analysis had revealed. For each challenge it was indicated which of the 9 experiences the particular burden was associated with.

The burden matrix was designed to structure data, and was also intended to serve as a tool for the subsequent development of ideas and concepts.

| Nr. | Krav fra det offentlige, eller udmøntning af krav | 1. Mangel på fleksibilitet | 2. Mangel på gensidig forpligtelse | 3. Urimelighed | 4. Usikker- og uforudsigelighed | 5. Meningsløshed | 6. Manglende respekt fra det offentlige for at det er min virksomhed, og for virksomhedens dagligdag | 7. Manglende tillid til min gode hensigt og anerkendelse af min viden og erfaring med at drive virksomhed i dag | 8. Kompleksitet | 9. Afmagt og uklarhed om det offentliges roller |
|---|---|---|---|---|---|---|---|---|---|---|
| 2 | **Statistik generelt** | | | | | | | | | |
| 2.17 | Folk gemmer gamle indberetninger i lang tid på papir fordi "hvis der nu skulle være noget, skal jeg være helt sikker". | | | | x | | | | | |
| 2.18 | Indberetning af (?) til eksport i vægt! Og ikke i værdi. | | | | | x | | | | |
| 2.19 | Indberette vha. digital signatur - forekommer svært at få digital signatur. | | | | | | | | x | |
| 2.20 | Statistik hvor virksomhedernes tal ikke passer i kategorierne - DST hjælper ikke, men siger at det er bare sådan og så må virksomhederne fifle med tallene for at de passer ind i skabelonen. | | | | | | | | | x |
| 2.21 | Baggrund for statistikken kommunikeres ikke klart (det modtages i hvert fald ikke). | | | | | x | | | | |
| 2.22 | Hvorfor kan man ikke med det samme få en validering af, om det er korrekt, hvad man har indtastet? | | | | | | | | | |
| 2.23 | Hvorfor kan man ikke se sin seneste indtastning? | | | | | | | | | |
| 2.24 | Hvorfor er der ikke en automatisk fejlmelding, hvis indtastning ser forkert ud? (Eksempelvis hvis man bruger noget meget dyrt glas). Så ville man med det samme kunne orklare, hvorfor tallene ser sådan ud, og hvis virksomheden så én gang havde lavet en sådan "sær" indtastning, ville det blive husket, så man ikke skulle forklare det igen, og igen, og igen.... | | | | | x | | | | |
| 2.25 | Hvorfor skal man indberette til DST, når der går flere måneder, inden nogen henvender sig, hvis indeberetningen ser mærkelig ud? Bruger de den overhovedet til noget? | | | x | | x | | | | |
| 2.26 | Detaljeringsgraden har ikke hold i virkeligheden | | | | | | | | | |

Figure 3

A page taken from the burden matrix – an Excel sheet of circa 50 pages in total



# Learning from the case example

Because of the very large volumes of data, the use of qualitative analysis software in the analysis phase was extremely useful. It would have been beneficial if the entire project team, and not merely the external consultants, had been given access that would allow them to search the data.

The burden matrix was a useful framework for the compilation of the analysis results, but it had the disadvantage that the content was devoid of references indicating to which interviews the individual burdens in the burden matrix related. Future projects should therefore ensure that the compilation of the analysis makes it easy to go back to the data source, for example by means of references to the individual enterprise visits or by compiling the analysis directly in the qualitative analysis software.

The analysis task is an extensive one. It is therefore important to ensure that there is ample time for such things as analysis workshops, not least because it is during these workshops that the common understanding of the enterprises, their challenges and the potential for innovation is generated that will be the basis for the subsequent development of ideas and concepts. It is also important to dedicate time and resources to enable experts covering particular areas of the law to assess whether the problem identified is an isolated one that is specific to one or a few enterprises, or whether it can be extrapolated to apply more widely.

The service quality model (see above) can usefully be employed very actively to identify both the causes of the challenges and their solutions, for example by systematically reviewing the six gaps depicted in the model.

The 24 company visits generated an overwhelming amount of data, which presented a challenge in itself during the analysis phase. An alternative might be to conduct fewer enterprise visits in the first iteration of the process model for user-centric innovation, and on the other hand to use the resources saved to return to the enterprises after the project had completed the initial idea and concept development.

”We ask The Occupational Safety Agency what we should do if we wanted to build a table with drawers for beer and soda. Then we asked for some advice aboute how to do it. No, we couldn`t get any advice, but we could build the table and then he would return to us and throw it out if it wasn`t up to the Government standard”

**Small business, Service**

# 4.
# Idea and concept development - new initiatives aimed at reducing bureaucracy

<u>Purpose</u>
The aim of this phase is to develop concrete suggestions for new initiatives which will translate into reality the opportunities for reducing the administrative burdens that were identified in the analysis phase. This stage consists partly of idea generation, in which the emphasis is on generating a large variety of free-floating ideas concerning how the possibilities that exist for reducing bureaucracy can be realized. It also includes the development of concepts in which these ideas are prioritized, refined and assembled into concepts in which many ideas will together help to achieve the possibilities identified for cutting red tape.

## The case example – what did we do?

<u>This phase started off with a workshop</u> which aimed to translate the many challenges and experiences of irritation identified in the analysis phase into practical possibilities for reducing bureaucracy. These possibilities should not be independent initiatives to cut red tape. The aim was to create a foundation for the subsequent generation of ideas about how the individual possibilities for cutting red tape could be realized. In other words, the possibilities for reducing bureaucracy should ensure a better-focused development of ideas and concepts.

The burden matrix developed was used as the basis for identifying opportunities to reduce bureaucracy. In line with the project's two-pronged analytic focus, the aim of the project was to identify:

1. The scope for reducing bureaucracy in particular regulatory areas.

2. Cutting across official requirements and regulatory areas, the scope for reducing the nine types of the enterprises' experiences of dealing with the public authorities that turn business regulations into a source of irritation.'

These innovation possibilities were identified through a systematic review of all the data in the burden matrix that contained the results of the analysis phase. The structure of the burden matrix supported this work. By reading from left to right in the matrix, the project team was able to gain an overview of all the challenges in the individual regulatory areas. By reading from top to bottom, the project team was able to gain an overview of the actual situations in which the enterprises had experienced each of the nine experiences that turn business regulations into a source of irritation.

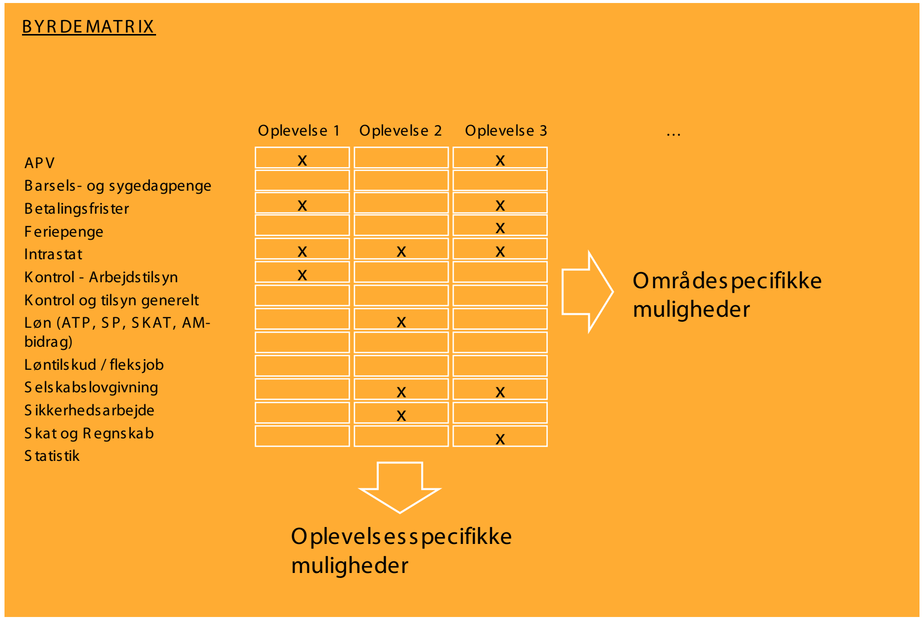



Figure 4: Illustration showing how the burden matrix was used to identify possibilities for reducing bureaucracy.

With the completion of this work, the project had identified opportunities for reducing bureaucracy within each of the 28 burden areas and each of the nine experiences that generate irritation for businesses. Around 100 possibilities for reducing bureaucracy were identified altogether, with varying levels of detail ranging from the quite specific to the extremely broad. Each possibility was concisely described in a couple of lines.

Examples:

Possibility in the area of regulation concerned with statistics: Match reporting deadlines to the daily activities of the enterprises (summer holidays etc.).

Possibility in the experience area concerned with lack of flexibility: Failure to differentiate rules and requirements in accordance with the differing sizes of enterprises.

Production of concrete initiatives

The work towards concrete initiatives for cutting red tape followed several parallel tracks. Firstly, additional workshops were held by the project team to bring together the roughly 100 possibilities for reducing bureaucracy into a lesser number of better-integrated possibilities. Secondly, the project team worked to produce descriptions of how the potentials identified could be realized in the form of practical initiatives. The initiatives were divided into three groups: 1) Solutions relating to individual authorities. 2) Projects that cut across the authorities. 3) Concepts that cut across the public sector.

Within the area of the participating ministries, in cooperation with experts from the various authorities the project team then developed concrete suggestions for solutions to the burdens and experiences connected with each of the three above-mentioned groups of initiatives. The project group's suggestions for solutions also contained financial and scheduling estimates, because several of the proposals are long-term in nature. Ministries that were not included in the project also received data connected with their fields regarding the burdens experienced by the enterprises. This was so that the many valuable items of data would not be lost but could be included in the future bureaucracy reduction work of these ministries.

# Learning from the case

The two-step process for identifying the possibilities for reducing bureaucracy as the basis for a subsequent generation of ideas was useful. These activities make it possible to involve representatives from the enterprises and thus to obtain further valuable input into how the individual possibilities for reducing bureaucracy can be realized.

It was also useful to divide initiatives into the three above-mentioned categories so that it was clear whether an individual area of responsibility, cross-cutting working groups, or the project team in general needed to keep working on the concrete suggestions for solutions.

It is beneficial if the interval between an enterprise visit and the compilation of initiatives does not exceed 3-4 months, so that the project team's first impressions from the enterprise visits can be fresher during the idea generation phase.

The case example confirmed that the burden-hunter technique does not automatically lead to new and innovative initiatives for cutting red tape. The production of finished initiatives is an independent and time-consuming task, and time and resources should be set aside for officials, experts, users and decision-makers to get together in idea workshops that are capable of ensuring a focused and creative generation of ideas.

The production of new initiatives aimed at cutting red tape raised many questions concerning the enterprises' daily activities, attitudes and practices that were not sufficiently explored in the first round of enterprise visits. Time and resources should therefore be devoted to repeating the "learning about the users" and "analysis" phases in order to obtain answers to the questions raised during the idea development phase.



"Some things I find really annoying. I have agreed to participate in this project and to meet with you today because it is the first time I´ve ever experienced that anyone is interested in what goes on out here on the prairie."

**Small business, Transport**

# 5.-7. Future developments

During the first iteration of its process model for user-centric innovation, the Burden Hunters project identified numerous possibilities for reducing bureaucracy, as well as a set of concrete initiatives that would be capable of realizing these possibilities in practice. The results were made public in June 2008 in the government's plan to reduce bureaucracy.

Repeated user involvement

The aspiration is to further concretize and qualify the individual possibilities and initiatives via further iterations of the process model for user-centric innovation. Enterprises will be involved in qualifying the previously-described initiatives, and additional learning about the users as well as analyses and idea generation will be undertaken.

It should be particularly noted here that while a single iteration of the "learning about the users," "analysis" and "idea and concept development" phases of the burden-hunter technique provides an opportunity for outlining some general ideas, it is insufficient for generating integrated solutions. For this to be possible at least one more pass is needed to uncover more detail concerning the challenges identified. This is particularly important if the focus extends across the areas of responsibility of several authorities, because maintaining a broad focus restricts the degree of detailed information that can be obtained about the enterprises' experience and handling of individual burden areas.

If the challenges identified in the first iteration of the burden-hunter technique are highly process-related, a possible alternative to an additional iteration of the phases of the burden-hunter technique would be to undertake process studies.

# If you wish to explore the user-centric approach further:

**Contact**
**If you are interested in more information and experiences derived from working with user-centric innovation techniques in red tape reduction projects, please contact:**

**Danish Commerce and Enterprises Agency, Centre for Quality of Business regulation**
**T: 33 30 77 00**
**regelforenkling@eogs.dk**

**MindLab**
**T: 33 92 31 44**
**chb@mind-lab.dk**

**Copenhagen Living Lab**
**T: 20 23 22 05**
**info@copenhagenlivinglab.com**

**Further reading**
**You can read more about user-centric innovation and practical techniques in the following books and Web resources:**

**Winner Concepts - User-driven innovation and business development ('Vinderkoncepter – brugerdrevet innovation og forretningsudvikling')**
**Søren Merit and Trine Nielsen (2006)**
**Publisher: Børsens Forlag**

**Welfare Innovation - The management of innovation in the public sector ('Velfærdsinnovation – Ledelse af nytænkning i den offentlige sektor')**
**Christian Bason (2007)**
**Publisher: Børsens Forlag**

**The website of the Danish Enterprise and Construction Authority's Programme for User-Driven Innovation ('Program for Brugerdreven Innovation') contains a number of case examples, techniques and reports: http://www.ebst.dk/brugerdreveninnovation.dk/inspiration/0/3/0**

**The British company Engine has described a wide variety of methods for involving users on its website: http://www.enginegroup.co.uk/service_design/methods/**