

EVOLVING MANAGEMENT PRACTICES

Priorities for social security



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In the Americas, as in the rest of the world, social security is a powerful instrument through which the public feels the presence of government. The quality of the social security experience is an important gauge of public satisfaction with government and political leadership; administrators thus have a compelling reason to strive for excellence in the administration of social security programmes.

Social security institutions in the Americas are innovating their management practices to continue overcoming challenges and improving where necessary. A rich combination of methods and approaches combines diligent and goal-driven strategies with the institutions' highly skilled workforce and improved business processes powered by new technologies. Strategic plans, supported by risk management plans, are a common element in the portfolio of every forward-looking administrator. Similarly, international standards, frameworks and benchmarks are applied as a matter of course.

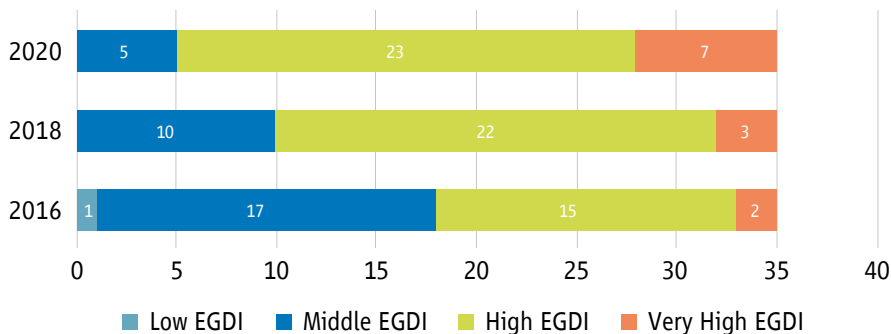
In recent years, the region has entered a new era of service, blending human skills and capacities with digital technologies. Social security in the Americas is going from manual, presence- and paper-based processes to the speed, flexibility and convenience of online and mobile services. The transition to digital technologies is expanding the range of ways in which the public can access benefits and services. Investments in staff skills and capacities are leveraging the digital literacy of the workforce. The extreme demands imposed by the COVID-19 pandemic have clearly shown the benefits of a digitally adept workforce supported by digital technologies: solutions could be developed and deployed swiftly to respond to the needs of the public.

The Americas region is a global pioneer in the use of big data, artificial intelligence and machine learning, and integrated databases that enable interoperable processes. The region is beginning to explore the power of these technologies to provide actionable information quickly, to address error, evasion and fraud in social security.



E-government development Index

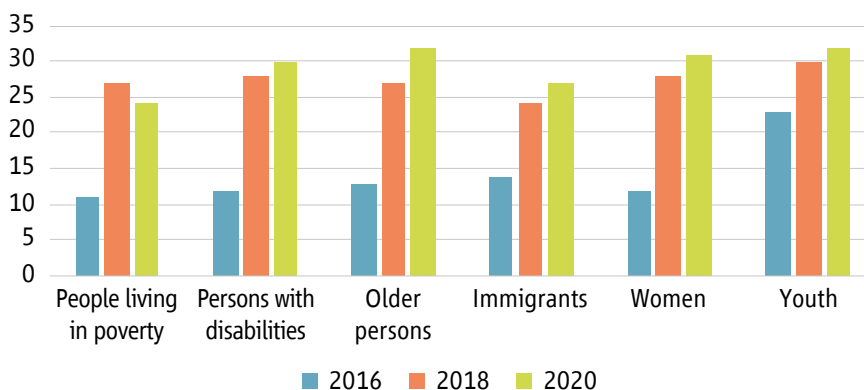
Figure 1. Distribution of countries by E-government development Index EGDI level, 2016–2020



Source: UNDESA (2020).

Digital inclusion development

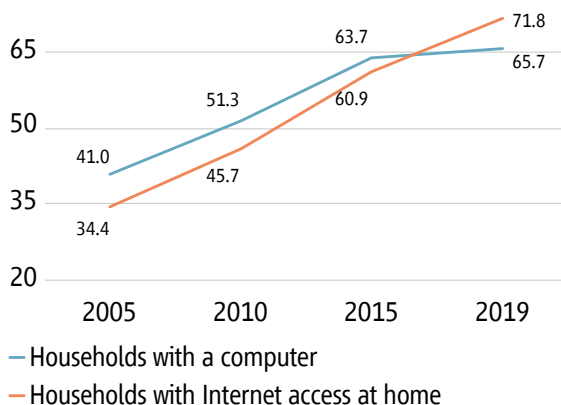
Figure 2. Number of countries providing online services for vulnerable groups, 2016–2020



Source: UNDESA (2020).

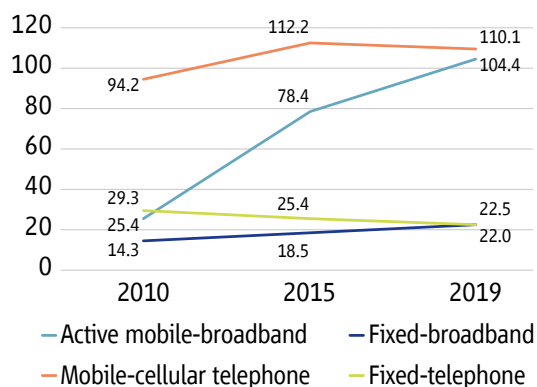
Access to online services: Mobile and home-based connectivity

Figure 3. Households with Internet access at home and with a computer, 2005–2019



Source: ITU (2020).

Figure 4. Households with access to mobile telephone and telephone, 2010–2019



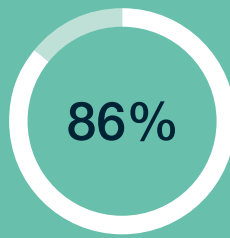
Source: ITU (2020).

Digital inclusion

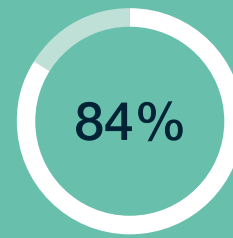


With an EGI of 0.6341, the Americas region is ranked behind Europe (0.8170) and Asia (0.6373).

Source: UNDESA (2020).



86% of countries in the Americas have a high or a very high e-government development index.



84% of countries in the Americas are offering government online services targeted to vulnerable populations.

Access to online services



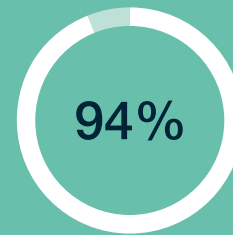
As of 2018, in terms of online services provided, labour (66%), education (63%) and health (60%) are the most covered and accessible via email, SMS and RSS.

Source: UNDESA (2020).



+50%

Over 50% of countries in the Americas offer multiple public online services.



94% of countries in the Americas offer the possibility to registering a business, paying for utilities, and applying for marriage/birth/death certificates online.

Mobile connectivity – Internet access



The share of population with mobile-broadband subscriptions in the Americas rose by 20% between 2015 and 2019.

Source: ITU (2020).



There are more households in the Americas with Internet access at home than there are with a computer at home.

ENHANCING MANAGEMENT EXCELLENCE – STRENGTHENING STRATEGIC PLANNING AND RISK MANAGEMENT

Institutions in the Americas are enhancing their capacities in implementing their social security mandate through strategic planning and risk management at an institutional, corporate level. These developments are based on various international standards and frameworks, such as the Malcolm Baldrige National Quality Award, OECD recommendations and the *ISSA Guidelines on good governance* (ISSA, 2019a) that, in particular, emphasize that strategic planning and risk management are two sides of the same coin.

The Social Insurance Fund of Costa Rica (*Caja Costarricense de Seguro Social – CCSS*) is enhancing its risk culture by strengthening the linkages between its strategic plan and risk management framework, including compiling a detailed risk catalogue and risk indicators. It evaluates its strategic plan annually to ensure the alignment of institutional performance with established strategic targets and milestones. This type of assessment is increasingly becoming part of the region's practice for continuously improving an institution's performance.

Derrama Magisterial in Peru continues to develop its culture of good governance through a management excellence model. Recently, it established new governance structures, including a committee on good corporate governance and a regulatory compliance office, to encourage adherence to the governance principles and good practices encouraged by the institution.

The Social Security Institute of Guatemala (*Instituto Guatemalteco de Seguridad Social – IGSS*) credits its recent achievements to its five-year strategic plan. Clear targets on coverage extension, financial soundness, service quality, human resource development, as well as the promotion of greater transparency, enable the institution to systematically consolidate and focus its efforts for greater efficiency and effectiveness.

Similarly, the Mexican Social Insurance Institute (*Instituto Mexicano del Seguro Social – IMSS*) has developed a model to enhance quality and administrative efficiency at the institutional level. The model is aligned with international standards, including the ISSA guidelines on embedding innovation and change management (*ISSA Guidelines on service quality*, Guideline 25) and on measuring and managing client satisfaction (*ISSA Guidelines on service quality*, Guideline 20) (ISSA, 2019b). The framework includes targets and goals to improve governance, service quality and the establishment of a work environment that is oriented towards continuous improvement and better performance.

It is important to highlight that the serious impacts of the COVID-19 crisis have not disrupted the good governance and management excellence of social security institutions in the Americas. On the contrary, institutions are leveraging these capacities to address the challenges of the pandemic.

DELIVERING SERVICES, RESPONDING TO PUBLIC EXPECTATIONS

Delivering quality services has never been as crucial as in the current times. To better meet public expectations, social security administrations seek new avenues to improve service quality and become more user-centred. Furthermore, the systems and infrastructures already in place when COVID-19 first impacted the Americas enabled the institutions to respond with remarkable speed and effectiveness to the pandemic.

Prior to the onset of the pandemic, two overriding strategies proved to be particularly forward-looking in preparing the region for the coming crisis. Many institutions had begun leveraging staff capacities with new technologies and transforming their service architecture.

Developing digital channels – Optimizing human capacities and digital technologies

The COVID-19 pandemic provides clear evidence that technology is an immense enabler of business, and that it has tremendous capacity to connect people and keep them engaged. Amidst lockdowns, grounded transport systems, shuttered businesses and the overarching fear of contagion, the delivery of social security benefits and services has been made possible by good leadership, staff ingenuity and the adept use of technologies.

Prior to the pandemic, the region had fortuitously begun shifting to digital technologies that enabled online access to benefits and services. Until recently, standard procedures and business norms required in-person visits and paper-based applications supported by manual processes. These often caused costly delays in time and resources both for the public and the institution. In-person visits were time-intensive for institutional staff. Institutional costs were incurred to maintain physical custody of documents in paper-based applications. Manual procedures rendered processes susceptible to human error and discretionary interventions.

These arrangements were clearly not satisfactory. Social security administrators started to leverage staff capacities and digital technologies, thereby initiating the transformation of social security services in the region. A number of institutions are now well on their way to an end-to-end transformation of the business and service architecture of social security. Those that are still in the initial stages of the journey had to expedite the implementation of plans in order to respond to the COVID-19 crisis.

1. **From physical to virtual services.** Prior to the pandemic, social security in the region was already transforming from physical to virtual services, and from in-person transactions to online visits, chatbots and mobile applications. The early introduction of online and mobile services prepared the public to use web-based platforms and mobile applications to access social security, in time for the non-contact and social distancing

requirements imposed by the pandemic. The following are a few examples of innovative services in the region.

- In Argentina, the transformation of the National Social Security Administration (*Administración Nacional de la Seguridad Social – ANSES*) enables electronic submission of applications and virtual assistance platforms. The digital submission of applications is now possible through the Federal Administration of Public Resources. Members of the Federal Social Insurance Council (*Consejo Federal de Previsión Social – COFEPRES*) have online collection and pension services. The virtual services of the Superintendency of Occupational Risks (*Superintendencia de Riesgos del Trabajo – SRT*) includes Julia Lanteri, a chatbot to respond to member inquiries.
 - In Brazil, the *Meu INSS* of the National Social Security Institute (*Instituto Nacional do Seguro Social – INSS*) offers over 90 services, from registration through to the payment of benefits.
 - In Colombia, the Colombian Pension Administrator (*Administradora Colombiana de Pensiones – ColPensiones*) pays pensions through online channels and recently introduced an online contribution service for artisans, musicians and informal workers.
 - In Costa Rica, the CCSS has two mobile applications that allow access to health-care records and services, and enable better monitoring and management of cases.
 - In Ecuador, the teleconsultation services of the Ecuadorian Social Security Institute (*Instituto Ecuatoriano de Seguridad Social – IESS*) prioritize virtual medical consultations for vulnerable and immobile patients for their convenience.
 - In Guatemala, the IGSS developed an electronic tool that reduced to one day, from a previous average of 13 months, the time required to process applications for voluntary contributions.
 - In Mexico, the IMSS now requires no more than one in-person visit; digitized, interoperable processes speed up the payment of benefits. The State Employees' Social Security and Social Services Institute's (*Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado – ISSSTE*) system for the electronic submission of applications has increased fairness and transparency by the electronic, random allocation of loans.
 - In Panama, the Social Insurance Fund's (*Caja de Seguro Social – CSS*) virtual environment enables online application for and payment of benefits, has a mobile application to access basic medical care, and a chatbot for member inquiries and customer care.
 - In Peru, Derrama Magisterial collects contributions and pays benefits through digital means. The Social Health Insurance Institute's (*EsSalud*) *VIVA* is a virtual integrated platform that allows members remote instead of face-to-face access to services.
 - In Uruguay, the Catholic Workers' Circle of the Uruguay Mutual Fund (*Círculo Católico de Obreros del Uruguay Mutualista*) has used video-consultations and social media to enable real-time service during the pandemic. The Social Insurance Bank (*Banco de Previsión Social – BPS*) developed an intelligent chatbot and applied robotic process automation technology to speed up service delivery. A mobile application gives auditors remote access to databases to detect any irregularities while on field inspection duties.
2. **Investing in staff skills capacities.** Staff training, whether conducted in-person or virtually, develops skills and builds capacity. The examples below show how staff training is a regular activity for ISSA member organizations in the Americas region. E-learning courses have the added advantage of giving autonomous and independent opportunities for staff to enhance their proficiencies.
- In Argentina, the Mutual Association for the Protection of Family (*Asociación Mutual de Protección Familiar – AMPF*) regularly trains caregivers, therapy assistants and students in the use of support products for the elderly and persons with disabilities, with a view to enhancing their independence and quality of life, enabling them to perform the tasks of daily life such as eating, dressing and personal hygiene, and improving their mobility, their work and leisure activities.
 - In Brazil, the Trails of learning initiative of the INSS uses a modular approach supported by tools such as games, mind maps, podcasts and mentoring, to suit different staff profiles, needs and learning styles.
 - In Chile, the Mutual for Safety CChC (*Mutual de Seguridad CChC*) conducts staff training activities in occupational safety and health. It has virtual learning spaces and online forums with augmented reality applications.
 - In Costa Rica, the use of a single digital health file to automate health services for members implied radical changes in the use of technologies and processes. To manage staff reactions to change, such as resistance, fear and frustration, the CCSS actively bridged staff knowledge gaps with regard to technology use and new processes by involving leaders from within the institution who, although not senior in rank, were significant influencers of informal networks.
 - In Mexico, the IMSS has programmes to enhance staff sensitivity and approachability in the care of pregnant women. The Family Medicine Clinic of the State Employees' Social Security and Social Services Institute (*Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado – ISSSTE*) has online courses on healthy and active ageing for the benefit of its clients.



- In Peru, staff of the Derrama Magisterial use a management excellence model to self-evaluate and identify their needs, strengths and areas for improvement. The model uses seven criteria, namely, leadership, strategy, clients, measurement, analysis and knowledge management, personnel, and operations and results.
- In Uruguay, the Catholic Workers' Circle provides lifelong training to nursing staff in emergency and intensive care services to ensure timely, humane and safe care, especially to critically ill children.

Online platforms proved critical when the COVID-19 pandemic struck. They facilitated the swift dissemination of information to staff on health, treatment and patient care protocols. Institutional web portals and social media accounts were reliable sources of public information on safety measures, and on the practicalities of how social security benefits and services would continue to be delivered during the pandemic.

Institutional transformation

Social security institutions across the region are redefining policies and strategies to respond to the profound and growing needs of the public. The efficiencies and flexibilities of a combined human and digital framework are now driving the transformation of service infrastructures. Ad hoc or one-off service improvements are giving way to multi-year transformation strategies that are leveraging at least three governance strategies: digital by default, collaborative by default, and developing a data-driven administration, all of which aim to achieve smarter, faster, better, more transparent and more responsive social security.

1. **Digital by default.** Human proficiencies combined with digital technology are unleashing a more agile and dexterous social security that is allowing the safe, swift and secure delivery of benefits and services even during a crisis such as the COVID-19 pandemic. Online and mobile platforms, digital solutions and modular applications are ushering in a new era of service.

Streamlining and simplifying processes are making it easy for social security to standardize and develop protocols for service delivery and, where feasible, automate them. In Argentina, the Federal Administration of Public Resources (*Administración Federal de Ingresos Públicos – AFIP*) has digitized several paper-based interactions with customers, while the Bank Employees' Pension Fund of Uruguay (*Caja de Jubilaciones y Pensiones Bancarias – CJPB*) has gone fully paperless, which was a key aspect of meeting the teleworking arrangements imposed by the COVID-19 pandemic.

2. **Collaborative by default.** While innovation is often associated with individual discoveries by brilliant minds, recent studies have shown collaboration as a pathway to innovation, usually involving several units working together across organizational boundaries. Employment and Social Development Canada (ESDC) has taken this direction. Based on a 2017 pilot of an immersive design-thinking process that translated ideas from staff, clients and partners into client-centred service solutions, new governance structures have been defined to build a workplace culture that is collaborative by default. This was part of a multi-year service transformation strategy that led to, among other things, the creation of the Acceleration Hub, a permanent physical space that enables both in-person and virtual collaboration to ideate service improvements and solutions using agile and repeatable design methodologies. The strategy is building stronger collaborations within the organization and better relationships with other government agencies in allied services, leading to simpler and better services for Canadians.
 3. **Data-driven social security.** A growing number of institutions are leveraging data as a strategic asset for social security by using advanced information systems, artificial intelligence and analytics.
 - Until recently, the INSS in Brazil was losing billions of Brazilian real in payments to deceased beneficiaries. This was mainly due to civil registry offices not being able to report beneficiary deaths to the INSS in a timely manner. An intelligent data management system has since corrected the problem, with the Institute now able to issue digital death certificates in real time.
 - When the pandemic struck, the IMSS in Mexico faced serious shortcomings because data were housed in unconnected repositories. To deal with the needs arising from the crisis, it prioritized the creation of a unique “data lake – big data” platform under a data governance framework to be implemented over several years. This framework aims to provide value-added information to operational and strategic decision-making. These developments depend not only on the institution’s strong staff capacity and technologies but also on interoperability with other organizations that enable data exchange.
- Peru’s EsSalud has a Business Intelligence and Data Analytics Unit that aims to generate critical information in real time as the basis for management decisions. Services have improved thanks to dashboard information on appointments, home visits, hospital bed availability and prolonged stays, as well as daily reports on the procurement of medicines. A heat map application to monitor the spread of COVID-19 is helping the institution to respond to the pandemic.
 - The CCSS of Costa Rica is using analytics to support the operational and strategic management of health services, particularly during the pandemic. The approach is enabling the availability of relevant information on developments in the medical services offered in different health centres, as well as the impact of postponed medical treatments due to COVID-19 priorities. Among several key factors, the CCSS highlighted the relevance of ensuring good quality data for obtaining reliable analytical results. Staff skills in data analysis and an organizational culture for data-driven decision-making play a key role. Management support is needed to develop these practices further, especially if organizational changes are involved.
 - In Uruguay, the BPS is using predictive models for addressing error, evasion and fraud in contribution collection in two different scenarios: i) identifying for inspection potentially non-compliant contributors, and ii) detecting fraudulent benefit claims. The first application has been in use since 2013, while the second is more recent and is proving useful for authenticating claims related to COVID-19 benefits.
 - In Canada, the ESDC is using artificial intelligence techniques to identify beneficiaries of the Guaranteed Income Supplement, a cash benefit for low-income old-age persons. Machine learning models took only two months to process more than 10 million records of unstructured information to identify the over 2,000 vulnerable Canadians entitled to the Supplement. ■

GOOD PRACTICES

Brazil: Automation of benefits – End-to-end digital transformation

The National Social Security Institute of Brazil (*Instituto Nacional do Seguro Social – INSS*) faced significant challenges in satisfying the growing demand for its services, which were mostly presence-based and required institutional staff to attend directly to the needs of members. The complexity of municipal structures led to segmented processes managed by separate administrative units. There was minimal integration of operations, which resulted in weaknesses in the application and assessment of benefits, isolated decision-making, and a lack of oversight of the administration of benefits as a whole. A reduction in the available municipal workforce compounded various delays.

Work began on developing a customer service portal to integrate and automate processes, which had thus far relied on human intervention. The solutions involved legislative changes, the revision of internal rules and regulations, and the integration of information systems. Process models were developed to ensure the coherent and integrated processing of member information, which would be the basis for automating decisions on the merits of a benefit claim. By the end of 2016, systems were in place that enabled applications to be granted or denied without requiring the physical presence of the insured person. The decision-making process became more transparent, operating costs fell, and the quality and speed of customer service improved vastly.

Canada: Service transformation – Design thinking and the Acceleration Hub

Employment and Social Development Canada (ESDC) provides 122 billion Canadian dollars in benefits to Canadians and delivers services across many channels. The delivery structure works well and involves specialized teams distributed in branches across four regions. This is not, however, necessarily conducive to a holistic approach to collaborative and creative innovation and design. Ad hoc and isolated service improvements are typical, often without input from clients or service partners.

To overcome this challenge, ESDC has taken steps to implement an ambitious whole-of-institution multi-year service transformation strategy to improve service delivery. ESDC piloted an immersive design-thinking process that tested agile and repeatable design methods to gather innovative ideas from employees, clients and partners, and to translate such ideas into client-centred service solutions. The pilot was so successful that ESDC decided to create a physical space, the Acceleration Hub, to support the new methodology.

The Acceleration Hub enables in-person and virtual collaboration and ideation of service improvement solutions, concepts and ideas. Importantly, the strategy is transforming ESDC's organizational and governance structures and leading to new capabilities. Silos between programmes, branches and regions are quickly giving way to service management integration. The workplace culture is changing as ESDC transforms its services across the four pillars of modern service delivery: world-class experience in the delivery of benefits and services; accurate and consistent service regardless of branch or region; immediate resolution of cases; and guaranteed accessibility of services by going digital-by-choice everywhere.



KEY MESSAGES

- Innovating management in social security institutions requires strengthening governance capacities, notably strategic planning, performance management and risk management.
- Developing digital channels broadens the range of quality customer services on offer. Such developments mean strengthening institutional capacity as well as understanding customers' needs and their ability to use mobile technologies.
- Ensuring the continuity of social security services in times of adversity is essential. Institutional capacity and inter-institutional collaboration, combined with human ingenuity, are key.
- Enforcing compliance by addressing error, evasion and fraud requires powerful detection systems. Good quality databases and clear regulatory frameworks, which formalize worker status and the contributory obligations of employers, are important enablers.
- Institutional transformation to achieve management excellence involves three governance strategies: digital by default, collaborative by default, and developing a data-driven administration. All three strategies aim to achieve smarter, faster, better, more transparent and more responsive social security.
- Data-driven administration means leveraging quality data, analytics and artificial intelligence to improve processes and decision-making. Smart use of the information that accumulates in massive social security databases enables social security institutions to improve efficiency, enhance customer services and control evasion and fraud. It also enables preventive measures and policies to be developed in areas including health and social protection for vulnerable populations.
- The intensive application of cutting-edge ICT is a success factor that involves risks and challenges. Well-defined strategic plans, supported by risk management plans and aligned with institutional objectives, must be in place for technology adoption and digital transformation. The strategic adoption of new technologies must go hand in hand with the management and development of human resources. Institutional leadership must guide the drive towards smarter use of human capital facilitated by technological innovation.

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