Computer integration of Kosovo’s business registration process: [presentation given on May 23, 2012]

Rifat Hyseni

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Computer integration of Kosovo’s Business Registration Processes

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Business registration

Business registration in Government agencies.

- MTI - Kosovo Business Registration Agency
- MF - Tax Administration of Kosovo and Kosovo Customs

Problems identified.

Challenges of Government Agencies

- Use of ICT
- Business environments

Assessments of International organizations
International Organizations

Doing Business report of World Bank

How Kosovo ranks on Doing Business topics

- Starting a business (168)
- Getting Electricity (124)
- Resolving Insolvency (31)
- Enforcing Contracts (157)
- Trading Across Borders (131)
- Paying Taxes (46)
- Dealing with Construction Permits (171)
- Registering Property (73)
- Getting Credit (24)
- Protecting Investors (174)
Introduction

Doing Business report of World Bank

Number of procedures and time

![Graph showing time (days) and cost (% of income per capita) vs. procedures (number).]
**Kosovo Government Institutions**

- Business environment
- Encouragement of foreign investments
- Improvement delivery of government services
- Empower citizens through better access to government information and capability to interact and participate of civil society
- Transparency and higher accountability of the government

**E-government framework**

- Business challenges
- Technical challenges
Current procedures of business registration

Registration office in KBRA-municipality
Exchange information between government agencies
Kosovo Government Institutions

- Business registration agency and municipality offices
- Data and Information exchange at KBRA
- Data and Information system
Business registration and deregistration

MTI- KBRA during 2000 - 2011
Taxpayer registrations and deregistration during 2000 - 2011
Challenges of overcoming problems through reforms

- Registration of individual business
- Transition from Individual business to LLP/LLC or other type of business
- Systems identification of different information regarding: addresses, premises and responsible persons.
Benefits from public administration reforms

- Increase of efficiency and reduction costs,
- Deliver better quality service to businesses and citizens.
- Increase transparency, accountability
- Avoid corruption
- Increase the capacity of government
- Improve the quality of decision making
- Promote use of ICT in other sectors of the society
Business processes and workflow
Technical implementation of the reform

Business processes and workflow

- Description existing processes
- Defining the accomplishment
- Run analysis of constituency of processes
- Redesign of workflow and processes
Building centralized business registration system

Develop and implement relevant IT systems facilitating those business processes

- System design/Architecture
- Service-Oriented Architecture (SOA) and ERP
- Application Design

**Phase 1**: Improve the current situation and prepare for required changes.

**Phase 2**: Develop and implement new systems for registration services
# Project financing

## Estimated cost for complete Information System

<table>
<thead>
<tr>
<th>Nr</th>
<th>Solution</th>
<th>business processes &amp; technical design</th>
<th>Software application product</th>
<th>Hardware</th>
<th>Annual support and maintenance</th>
<th>Annual support and maintenance</th>
<th>Grand total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Year 1</td>
<td>Year 2</td>
<td>Year 3</td>
<td>three Years</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>COTS</td>
<td>up to € 204.000</td>
<td>€ 190.000 ÷ € 700.000</td>
<td>up to € 138.000</td>
<td>€ 20.000 ÷ € 200.000</td>
<td>€ 70.000 ÷ € 200.000</td>
<td>€ 1.242.000</td>
</tr>
<tr>
<td>2</td>
<td>In-house development</td>
<td>up to € 300.000</td>
<td>up to € 50.000</td>
<td>up to € 138.000</td>
<td>up to € 75.000</td>
<td>up to € 75.000</td>
<td>up to € 638.000</td>
</tr>
</tbody>
</table>
Recommendations set#1

- Services Portal and Dispatcher (SP&D)
- Service Oriented Architecture (SOA)
- Business Process Model
- Software application and required technologies
- Network Information infrastructure
Recommendations set #2 - Legal

Amendment the law of Tax administration and procedures and law of trade companies KBRA

- Must unify one Business Identification Number (BIN)
- Must be assigned accountabilities and opportunities of business registration on the ICT system.
- Maintenance and support of the business registry

Revision and drafting amendments in business registration and law and sub-legal acts in regards with e-Government approach such as:

- Law on protection personal information data, Nr. 03/L-172
- Tax Administration Law and Procedures
- Administrative Instruction of MPA, framework technology and software application
Recommendations set #3 - Technical

- Changes in the legal infrastructure for enabling the application of a fully computerized business registration system
- Optimization and re-engineering of business processes
- Requirement affecting technology platform, budget and human resources
Recommendations set #3

- The goal - businesses registration completed in one place.
- Unifying application and submission process using only one application form.
- Issuing/delivering registration’s certificates in one place.
- Synchronization of all activities that are performed in some order in all agencies using same technical and administrative resources.
Recommendation set #4 – Standards

1. Increasing capacities and capabilities of the IT and business teams
2. Standards for developing ICT systems and providing IT services

- COBIT - framework for the governance and management of IT enterprise systems,
  - ITIL best practices
  - International Organization for Standardization (ISO).
- TOGAF - Open Group Standard,
- PMI and PMBOK - standard for project management.
- PRINCE2 - major worldwide project management methodology.
- Use of software tools design, develop, test and deploy information systems.
Recommendation set #5 – Capacity

Train staff or higher experts

- Enterprise/solution architect
- Experienced systems analyst
- Highly qualified and experienced database designer, developer and administrator
- Experienced IT project managers
- Quality assurance experts
# Risks mitigation

<table>
<thead>
<tr>
<th>POTENTIAL RISK</th>
<th>RESPONSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insufficient knowledge and experience in managing Programs at this scale</td>
<td>Engagement of experts, training, development of in house-capacities.</td>
</tr>
<tr>
<td>Lack of experience in Designing Enterprise Architecture Model</td>
<td>External experienced experts.</td>
</tr>
<tr>
<td>Limited experience in requirements definition and selecting the right approach for implementing specific business application</td>
<td>Working groups from professional staff, mixed teams various government agencies and external experts.</td>
</tr>
<tr>
<td>Limited experience in quality assurance</td>
<td>The quality assurance standard ToR, experienced experts.</td>
</tr>
<tr>
<td>Lack of understanding among business owners and business operations of their role and responsibilities in developing and implementing business applications</td>
<td>working group to analyze business processes, ownership, responsibility, ICT system.</td>
</tr>
<tr>
<td>Lack of documented business processes</td>
<td>Standards: ISO, COBIT, TOGAF, Enterprise Architect</td>
</tr>
</tbody>
</table>
Acknowledgements

Thank you for attention!

Questions?