



# Innovative work processes in IP administration

The goal of innovative management  
Four innovative management initiatives



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### The goal of innovative management

KIPO's goal of innovative patent administration is to become "the best administrative agency in Korea and the best patent administration agency in the world". To achieve this goal, we have exerted the utmost effort to innovate our work processes through the following four initiatives: performance-based management, the cornerstone of which is the performance management tool called the Balanced Scorecard (BSC); Six Sigma management; knowledge management; and customer-oriented management. As a result of these management initiatives, we received the highest accolade among Korea's 48 central administrative agencies by being awarded the titles of the Most Outstanding Agency for Innovation and the Most Outstanding Agency for Governmental Work, as well as a Presidential Commendation for Performance Management.

KIPO's four major innovative management initiatives



### Four innovative management initiatives Performance-based management

To accomplish our mission and vision, we have been practicing strategic performance management since 2004. The aim of this type of management is to gather data on the capabilities of individual members of staff and to facilitate staff communication. In line with this approach, we established the Performance Management Team in 2006 to manage the performance of all our human resources. In addition, we set up an on-line performance management system.

Having formulated a basic plan for managing performance, the Performance Management Team monitors the performance of each team in real time so that the basic plan can be efficiently executed. The team generally manages the performance evaluation of each group and each individual.

Our BSC system consists of a management system for group performance and a management system for individual performance, and both systems are linked to an internal network.

In the management system for group performance, we input data and compare the data with a target value. The data is derived from our major operational systems (such as the application, registration, examination and trial systems) and support systems (such as the examination assessment system and the knowledge management system). We then calculate the level of accomplishment for monitoring purposes.

In the management system for individual performance, which is used to assess individual accomplishments, the strategic goal of the group is connected with the performance goal of the individual. Various factors such as capability assessments, multisided assessments, and innovation mileage are accurately and systematically combined and reflected for the purpose of determining individual promotions and remunerations. Feedback on the results of an individual assessment is shared with the individual so that the person can use the information to establish a personal development plan.

As a result of these efforts, KIPO received two special awards in 2006: on June 13, we were awarded the Korea BSC Award; and, on December 21, we were honored with a presidential award for introducing and expanding performance-based management in the public sector. In addition, in 2005 and 2006, our successful performance management system was benchmarked by more than 50 agencies inside and outside of the country, including the Agency for Defense Development in Korea and the IP offices of India and China.

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### Six Sigma management

Six Sigma is a method of improving work processes from the customers' point of view. Through statistical analysis, Six Sigma management can help us eliminate defects in the processes of applications, examinations, registrations, and policies, particularly in so far as those defects are perceived by our customers. As a result, we can standardize our work processes and provide our customers with world-class IP administration.

Six Sigma has enabled us to improve our work efficiency because our policies and examination processes are no longer based primarily on experience, intuition and custom but on rational and scientific measures. As a result, we can now see several measurable improvements. For instance, errors in examinations now occur at the negligible rate of one error every 5 years (that is, the error rate has dropped from 4.3 percent in 2002 to 1.5 percent in 2006), while the number of notices sent to the wrong address has plummeted from 7.2 percent to 0.8 percent. Moreover, our diffusion management system has successfully reduced the individual variation in the first action period of patent examinations to less than 6 months.

In May 2005, we began selecting outstanding personnel (called "black belts") as core agents of Six Sigma. By making these agents tackle innovative and problem-solving tasks off the job, we reinforced their capabilities with respect to strategic thinking and change leadership. We will also continue to reinforce the core capabilities of all our teams and individuals. Since May 2005, we have designated 740 black belts, who are currently working on 84 tasks, such as calculating the degree of difficulty for examinations in each technological field.

By connecting BSC performance management with Six Sigma, we built a general performance management system that can perform core tasks and improve our work processes. We also promote voluntary improvement of work process by providing a form of Six Sigma education called "EZ" (easy). In addition, we will continue to enlist the participation of all employees in Six Sigma management as a means of fostering a more productive organizational culture.

Finally, to improve the effectiveness of our pan-governmental IP policy, we initiated steps to connect our Six Sigma projects with agencies such as the Korea Invention Promotion Association and the Korea Institute of Patent Information.

### Knowledge management

By systemizing the creation and sharing of knowledge within each team, knowledge management can drastically enhance the ability of each team to solve problems. Hence, we have been practicing knowledge management at KIPO to maximize our work efficiency in examinations and trials, to develop our digital patent information service, and to formulate more effective knowledge-based patent policies.

KIPO has a world-class information infrastructure that we use to administer Korean IPRs. We also lead the way in raising awareness of the importance of creating and using knowledge. Hence, we selected knowledge management as an innovative way of improving our problem-solving capability, particularly for the sake of maximizing the creation, sharing and use of knowledge.

In 2006, we upgraded our Knowledge Management System of 2001 and gave it a new name, Knowledge Oasis (KOASIS). In this system, all members of staff can discuss and share knowledge through the bulletin board of the KOASIS Web site. Furthermore, they can use a keyword search function to glean details of every approved document. In short, KOASIS enhances the convenience of our staff in utilizing knowledge.

By the end of 2006, we had set up 56 study groups at KIPO for each policy or technological field. With members comprised of KIPO staff and customers from various research institutes and companies, the study groups are essential for fostering the creation and sharing of knowledge and for developing a positive learning environment.



The home page of KIPO's KOASIS Knowledge Management System

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Examiners can use the research societies to improve not only their understanding of various industries but also the quality of their examinations. The research results of each society are distributed to customers through the Web sites of the study groups or through the governmental system called Policy Customer Relationship Management. Moreover, any results that are particularly outstanding are reflected in changes to our actual work processes so that the quality of our policies and systems can be improved.

Knowledge management has clearly reinforced the efficiency of our patent examinations. It has also enhanced the knowledge capability of the general public by providing free access to patent information through commercial Internet portals.

## Customer-oriented management

In 2006, we continued our zealous efforts to provide the best customer service, by taking our customer-oriented management to the next level. In particular, we established a new bureau called the Customer Support Bureau. The first of its kind among government agencies in Korea, the Customer Support Bureau has a management role in planning and mediating customer service.

We also drew up a master plan of customer satisfaction based on the continual and systematic practice of customer-oriented management.

Another initiative was the formation of the Customer Experience Team. The team members endeavor to experience the patent administration service from the perspective of customers and, whenever they experience any inconveniences, they try to improve the process.

We also expanded and relocated our Patent Customer Service Center.

As a result of these efforts, our 2006 survey on customer satisfaction showed an overall satisfaction level of 71.5 points, which represents a 4.8 percent increase over the previous year.

Not content to rest on our laurels, we will continue to find new ways of improving the patent system. For example, by promoting the participation of customers and listening to suggestions from the public, and by making our documents more user-friendly and reducing the amount of required documentation. Furthermore, by returning any application and examination fees to customers when applications are withdrawn or abandoned, we intend to keep customer satisfaction at the forefront of our service.



The Customer Experience Team



Establishment of the Customer Support Bureau



The proclamation of customer-oriented management