

ODI High Performance Work Initiative Programme 2015/16

Case Report – Tasman District Council Management Systems and Practices

Organisation Background

The Tasman District Council (TDC) serves the people of the far northern parts of New Zealand's South Island. It caters to the needs of around 50,000 people and functions out of its offices in Richmond, a town that borders Nelson City. The TDC is one of 67 territorial authorities in New Zealand.

It is one of only five unitary authorities in the country which means it also performs the functions of a regional council. It is spread out over a vast area of almost 10,000km², which by area, is the fifth largest council in the country. Within its boundaries it includes two large bays, Tasman and Golden Bay and is home to the Abel Tasman National Park.

As a council they take their responsibility serious to deliver to the needs of their community in a spirit of service. Notwithstanding this mindset, they also consider themselves a monopoly provider of a variety of goods and services. Most of the time people have no choice but to do business with them as a council, which creates an obligation on them as well as an opportunity. To them adding value is their aim, by being responsive and providing timely, reasonably priced, end to end services to everyone who they work for and with.

Due to the complexity of the environment in which they work in, they are responsible for managing a huge variety of different business processes. Their current workflow management is mostly paper based, their knowledge dispersed across various systems and many of their processes aren't documented. With the ever-increasing expectations from customers and ratepayers, they view it as paramount to invest in their people and systems in order to improve their processes.

The leadership of the council is strongly committed to add value in whatever they do. This is clearly articulated in their vision to be "recognised leaders in our roles, who provide good value and have a reputation for being among the best at what we do." In the past year they have worked hard to refresh and define a single clear strategy for the whole organisation. This strategy focusses on achieving better outcomes in five key areas. The first of these is to provide "High quality customer services."



In order to achieve this, the Senior Management Team (SMT) defined as one of their key strategic challenges, the need to allocate resources to continually improve their business processes. Work in this area had already begun and some objectives and measures were already put in places. The ODI HPWI diagnostics further highlighted the need to continue focussing on this area and to support the work that had already been done.

Consultancy Goal

Following the initial series of ODI HPWI workshops and diagnostics, the SMT felt that the key to delivering high quality customer service lies with the effectiveness of their management systems and practices. This led to them choosing to engage in a consultancy that would enlighten them and guide their thinking towards the right management approach.

The programme allowed for 20 hours of external consultation with André Esterhuizen from ODI to work with the TDC. These hours were expended in the form of two workshops that focussed on introducing the SMT to the type of thinking that underpins sustainable growth and to an understanding of the principles and practices that drives the effectiveness of systems and processes in successful organisations.

The complexity of council management systems often challenges conventional business models because the lines are often blurred between customers, employees and 'shareholders'. Adding to this complexity are the pressures and variability of public opinion, funding, politics, government and many more. Therefore, in order to transcend the challenges of council management, their management system needs to be flexible, responsive and based on principles rather than prescribed methods.

The limited time that was available for the consultation did not allow for an in-depth investigation into the needs of the TDC and the challenges that they were facing. The workshops were therefore aimed at creating a general understanding of key principles rather than trying to solve any particular problem or provide any particular solution.

Consultancy Action Plan

Peter Darlington was appointed to coordinate and organise the two workshops. Peter is the Information Services Manager at the council and also heads up the council's Digital Strategy.

The Digital Strategy involves the total rethink and transformation of the way the council communicates with and service their customers and the way they manage their data and knowledge. It is a comprehensive strategy that aims to not only digitally integrate the processes of the organisation, but also to more effectively connect the council with its customers and suppliers.

With the Digital Strategy being so integral to the future of the organisation's management system and processes, there was a need to understand what an integrated management system would look like. After some initial discussion and exploration with Lindsay McKenzie (CEO) and Peter Darlington, it was agreed that the first workshop would focus on providing the SMT with some idea of what such a system may look like. Accordingly, the workshop was dubbed "Painting the picture".

The primary focus of the first workshop was to demonstrate the important role that strategic leadership plays within any effective management system. There are three key components that characterises a strategic leadership approach. These are value, strategic deployment and tactical leadership.

Much of the workshop centred around understanding and defining what value meant to all the stakeholders (shareholders, customers, the workforce and society) of the organisation. In order to demonstrate the importance of value as the starting point of any transformation programme each participant took part in a value experience in one of their own services.

Twelve service experiences were chosen beforehand and each participant were able to choose a service that they would visit for an hour. These experiences varied from registering a dog to visiting the recycling depot, giving participants the opportunity to experience the value that a customer would get out of the same experience.

Subsequently each participant was also able to see how value translates into objectives, measures and strategies. They learned how to deploy strategies, laying the foundation for the improvement of their processes.

At the end of the first workshop an agenda for the second workshop was broadly defined and it was decided that a particular project/process of the TDC would be selected for review as a case study.

The decision was made to use as a case study one of the components of the Digital Strategy which is at the heart of the systems transformation the council is aiming for. The website redevelopment was selected because it is a project that everyone has an involvement and interest in.

As with the first workshop, participants were trained in the importance of understanding value before attempting any change programme. Understanding is the starting point, followed by relevant training and coaching to ensure the buy-in and engagement of those affected. Together with this concept, the importance of principles concerning front-end loading, short cycles, decision-making and the use of measures were emphasized to ensure that programmes start well and remain on track.

Since so many improvement and transformation programmes fail due to poor management of change, the second workshop strongly focussed on change. The SMT were introduced to a framework that would support change and growth.

Consultancy Outputs Produced

With the workshops focussing on experience and on helping the participants understand key management principles rather than simply teaching methods, the main outcomes of the consultation workshops related to the growth in the level of understanding of each of participant.

Some of the outcomes of the first workshop were as follow:

- Participants saw a picture of what a high performing management system would look like.
- Participants experienced first-hand what level of value many of their own services deliver by physically visiting some sites. Participants enthusiastically reported back what they experienced with regards to value.
- Participants learned how by having a balanced view of value, i.e. by seeking to provide value not only to customers, but to all stakeholders, including employees, becomes a primary decision making tool when developing systems and processes.
- They were challenged to view those they serve as customers...

During the second workshop an actual TDC project, the website re-development, was reviewed. The Digital Strategy was presented to the SMT by Peter Darlington and the plans for the website redevelopment by Richard Liddicoat, his colleague. By understanding and through some training, everyone was able to see the benefit and value the re-development of the website offered to both customers and the council itself and received it with great enthusiasm and support.

Everyone contributed and applied the principles of a value driven framework to the website re-development. Some of the critical success factors of the project became evident and it also became clear how the Digital Strategy would benefit from using the framework.

Outcomes:

- At the end of the workshop Lindsay McKenzie (CEO) offered additional resources to support the redevelopment of the website. A great result!
- A steering committee would continue to drive the Digital Strategy forward as it currently does, but with more buy-in, support and urgency from the SMT.
- A steering committee would be assembled to continue the development and improvement of the council's Systems and Practices.

All participants of the workshops left with a deep understanding of value and some of the key principles that characterises effective management systems.

Issues, Opportunities and Solutions Identified during the Consultancy

Even though the senior leadership team seemed eager and encouraged to change and improve, they face many challenges due to the nature of the organisation. These are challenges in particular that hinder rapid change. During the workshops many principles were shared that could encourage and enhance the speed of change and the speed of their operations.

Successful organisations are characterised by the short cycles they use to manage projects and objectives. More regular, focussed follow-up and feedback will ensure that they reach their targets quicker.

Front-end loading also plays a major part in the success of any project. As a council they do exceptionally well to consult and get feedback from their customers before making changes. This same principle can be used internally through training and deployment of strategy to prepare staff for change and to generate engagement.

As with any organisation they will be able to generate tremendous energy for change as they engage their staff and involve them in the transformation process. By using some of the approaches to strategic deployment that were covered in the workshops, the SMT will be able to ensure that the whole organisation can work together to achieve the goals they set for themselves.

Training and more specifically training that is focussed on process improvement, ensures that the whole organisation is brought up to the same level of knowledge. Herein lies a major opportunity to harness the power of each member of the team.

Assessment of Results and Outcomes Achieved

TDC has expressed satisfaction with the engagement of its staff in the consultancy process and with the progress that was made; a good platform for rolling out the new thinking as the Digital Strategy is developed.

The Way Forward (90-day and 180-day Implementation Expectations)

During the next 90 days it is expected that the participants will continue to use and implement some of the tools and use the understanding that they gained during the workshops to generate better understanding of value among their own reports.

The Digital Strategy has been given a boost and by Lindsay McKenzie (CEO) offering additional resources to support the redevelopment of the website.

During the next 180 days it is expected that a steering committee would continue to meet to continue the development and improvement of the council's systems and practices.

André Esterhuizen

ODI

March 2017