



Putting plans into action – the British Achilles Heel?

In a recent Management Today article, 'delivery' (or 'execution' as it is called in the private sector) was given a 'Fad Rating' of 9/10, and rising. Even Stephen Covey dedicates a chapter to it in his excellent new book on leadership – The 8th Habit. There is a (belated) realisation that doing something is more important than talking about it. The article claims that UK organisations now have enough expertise in analysis, improvement methodologies and planning, but are lacking the practical skills to get projects delivered on time and on budget.

In the context of Local Authorities, the delivery of change and improved efficiency offers a particular challenge. For many people 'precedent', or 'we've always done it this way' has long been the guardian of standards in service provision.

The most difficult part of any project is the implementation stage – by which I mean the overall implementation of the top level Vision, or the grand design.

The difficulty for people in the front line is to keep the Vision clearly in mind when the critics

and the doubters are snapping at their heels. Without it, they are operating with both hands tied behind their backs. The purpose of this article is to introduce a way of ensuring that the overall objective is kept firmly in mind throughout.

Driving projects through to a successful conclusion takes skill, perseverance, stubbornness, courage and a certain amount of faith. There will be a host of sceptical unbelievers and what may appear to be insurmountable hurdles to overcome on the way to successful delivery. It is very easy to compromise on important aspects, to become discouraged or let things slip. These aspects can be especially difficult for internal project managers, as they are enmeshed in the personalities and politics of the organisation.

A study, or report, that sits on a shelf will not achieve improvements. There needs to be a commitment to results through systematic implementation principles.

The ValueAdding.com Benefits Delivery Model takes a modular approach based on four stages.

Within each of these stages there are a number of key requirements for successful delivery:

BPR in practice

by James Davis, London Borough of Haringey

In April 2004 ValueAdding.com was tasked to develop a Business Process Re-design methodology for the London Borough of Haringey. A key driver to the success of this work was that knowledge of how to undertake BPR should be transferred to Haringey staff. To this end, a team of 16 'practitioners' has been coached in the delivery of BPR across four pilot projects: Highways Repairs, Housing Repairs, Human Resources and Benefits & Local Taxation.

The approach to knowledge transfer has included formal training sessions, work shadowing and mentoring, allowing for increasing input from the practitioners as we became more skilled. The practitioners have found the last year to be a valuable learning experience and we have gained essential new skills, which will help us to roll out BPR more widely across the Council. Meeting the

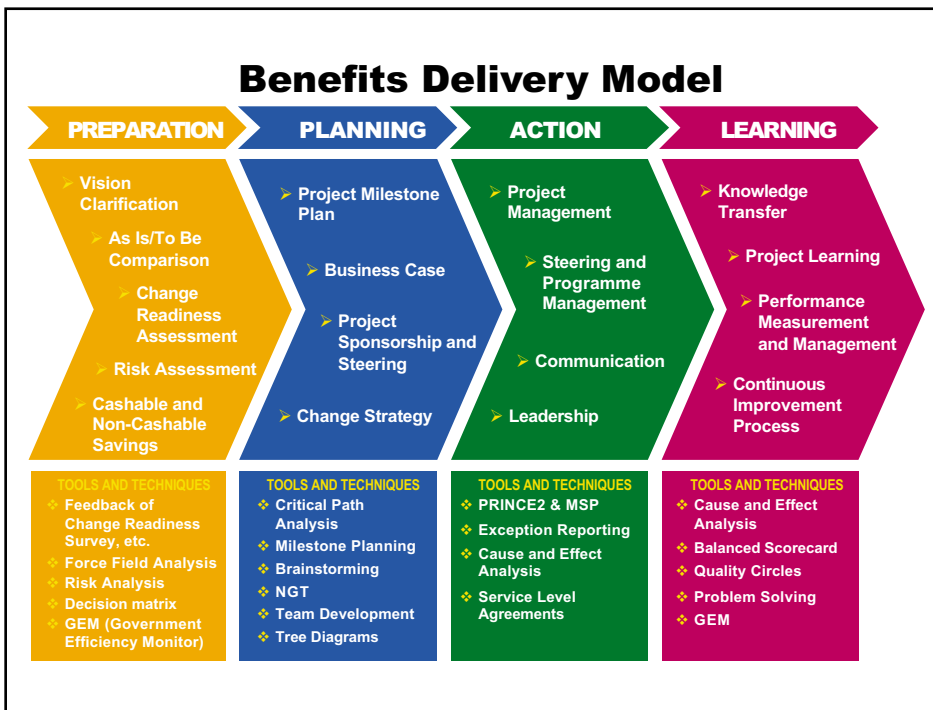


Haringey practitioners review BPR implementation through 'Rich Pictures' (a technique to help creative thinking).

deadlines was always challenging and there were times when we felt that we were being 'thrown in at the deep end' but the training and support provided by ValueAdding.com helped to ensure that we now have the tools and techniques to respond to new situations.

With the two remaining pilot projects close to completion, the changes recommended as a result of BPR will help the Council to deliver improved performance, meeting the rising demands of our residents.

Continued on page 2...



...Continued from page 1

PREPARATION

- A shared vision for the project, including an agreement of the benefits to be delivered
- An understanding of the risks, and change issues that will be encountered

PLANNING

- A detailed milestone plan against which the progress of the project can be measured and monitored
- A fully-costed business case
- A management structure to ensure the project is supported and monitored
- A strategy to enable change to happen within the culture of the organisation

ACTION

- Delivery of the benefits through effective project management
- Accountability for the stated benefits in measurable terms
- Communication and involvement of staff in the implementation

LEARNING

- Building a cadre of skilled staff for further delivery projects
- A review of the project for organisational learning purposes
- A system in place to measure and monitor future performance
- Staff involvement in continuously improving the processes

At ValueAdding.com our experience has taught us that the success of any implementation will depend upon the attitude of the staff and managers involved. The best approach to delivering benefits combines traditional project management skills with workshops and sophisticated techniques for ensuring that real, measurable benefits are realised. Involving staff at every level during the project ensures:

- The quality and practicality of our plans and actions are based on real experience in the organisation
- The commitment of staff to implementing the changes
- Skills transfer during the project

Some of the building blocks of the delivery process may already be in place. However, we know that missing out the initial Preparation stage can have very dire consequences later on.

Leaders who are good at getting things done make sure the foundations are in place for a successful project, and this will ensure that their team can 'deliver the goods'.

To discuss ValueAdding.com's Benefits Delivery Model, or this article, please contact Alastair Watson at alastair.watson@ValueAdding.com

BPR. Cart or Horse in the journey to a meaningful Efficiency Statement?

Business Process Re-engineering (BPR) is not a cure-all ointment which can be applied to systems and processes, offering a magic solution to increasing efficiency. It is an enabling process, taking place against a context set by the most senior people in an organisation.

The 'horse' is therefore the Vision of what is required. The 'cart' is everything which follows from that Vision. There are a number of examples of Local Authorities having started with the 'cart' however, ignoring the need for the 'Vision'.

It is never too late to start again. Indeed, it can be quicker and ultimately more economical to start again and get it right, instead of pursuing an inadequate or plainly wrong course of action, because no one had the courage to cry 'Halt!'

Visions set the agenda. What do we want to achieve or to change, expressed in terms of benefit?

A Vision is, therefore, Policy, and it follows that Policy must be set by the leaders of the organisation. The Vision, if it is Policy, leaves little choice to those charged with deciding how to achieve it. If a hard decision is required to ensure delivery, the team has no choice but to include it in their proposals for implementation.

The top management team are in the best position to spot difficulties, and to make adjustments if necessary. They must always drive the project, ensuring that critical elements are not discarded by subordinates who cannot see the wood for the trees.

BPR clarifies the Vision, by putting it into practice. It makes the Vision possible, by removing non-value-added activity from current practices, replacing it with processes which deliver in the most efficient and effective way.

Typical blockages to delivery

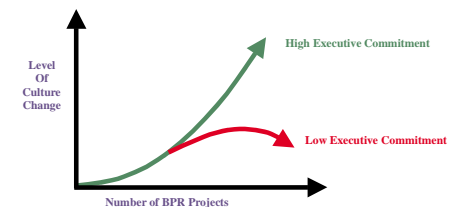
There are often real pressures to obtain central funding while it is available, and this may persuade over-eager change agents to purchase software for the project, before its performance parameters have been specified. We have seen examples of authorities buying software, often a CRM system, before new processes have even

been defined, let alone agreed by senior managers responsible for current operations. How then, can any one piece of CRM software answer all needs?

Like BPR, CRM is not a ready-packaged off-the-shelf product, but a management process, which provides a framework for improvement of delivery to the customer.

Another blockage frequently encountered is the delegated project.

We said at the outset that BPR projects need to be driven from the top, typically by the Directors, and in smaller Authorities by Heads of Service. The Vision supplies a target, a goal, against which achievement and improvement can later be measured. Apart from maintaining momentum and direction, a Vision conceived at the top of the organisation will be coherent, reflecting both what is possible, and what is desirable. It goes without saying that the project is more likely to stay on course as a result. Fig 1 below says it all.



There are very real opportunities for wasted effort when production of the Vision is delegated.

The subordinate team charged with coming up with 'good ideas' may or may not be able to persuade their superiors of the desirability of a given approach or objective.

Resourcing the project becomes a continual battle, with conflicts between the demands of the project and the 'real job.'

Delegation makes it difficult if not impossible to achieve an overall change in culture, leading to significant improvement of delivery and efficiency.

BPR succeeds where senior management use it as a tool to deliver their Vision for the organisation. BPR will deliver the detail by raising questions and

FLYING HIGH!

ValueAdding.com consultant Liz Bertoya will compete in the third Women's World Gliding Championships at Klix in eastern Germany this summer. The competition runs from July 30th to August 14th and you can follow Liz (who flies under her married name of Sparrow) and the team's progress on the British Team website www.glidingteam.co.uk

Liz is one of those superwomen who manages to combine the seemingly impossible – a successful consultancy, working on public bodies, giving a great deal to her sport, competing at the

highest level and maintaining a family life.

Liz lives in Hampshire with husband Alan and, as she says, "to minimise the risk of divorce, Alan has his own glider. We are often asked how we compete in gliding. The answer is simple: we race!"



recommendations that can be checked against the Vision.

For example, if our Vision is that any member of the public can change their address in the Authority's records, using a single contact process, then a review of every department will reveal that some now take telephone calls, others require written information, and some a third party verification. Legislation also impacts some of these processes. The exercise will only succeed with senior drive to make it happen and departmental compromises made for the sake of the common goal.

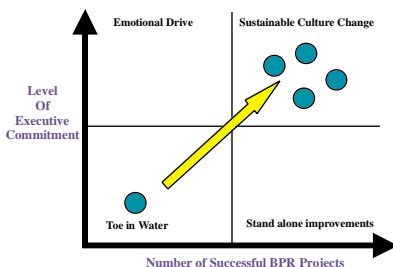
The outputs of such a review will also define the functional requirements of any CRM system, before purchase and, importantly, before implementation.

The Fear Factor

Culture Change requires courage to implement, because the processes necessary to that change may call for radical revision of established custom and practice. There are plenty of examples of Local Authorities shying away from dealing with anything touching on what staff are used to getting, even when what they are used to getting has nothing to do with their contract of employment.

If 'efficiency' involves working smarter rather than harder, it is inevitable that, occasionally, this will impact on the human interface. Established custom and practice must be challenged.

Unless the Authority's Leaders set the objectives from the outset, and then do everything possible to ensure that they are achieved, there is every likelihood that what is needed will be watered down or 'lost' and that any improvements will be isolated ones. Any overall culture change is impossible.



Creating the Vision and gaining consensus at the most senior level is the therefore best route to successful BPR. Combining Visioning with BPR is the proven route to sustainable culture change. The challenges and recommendations made by each BPR project will reinforce and establish what the Vision means in the hearts and minds of the staff.

Some may find it hard to step back from day-to-day detail and come up with a Vision which will increase efficiency and/or service, especially when it involves concepts which are new and possibly alien to traditional Local Authority culture.

ValueAdding.com has long experience of facilitating Visioning Workshops with senior management. There are no pre-conditions to our involvement.

To discuss this article or to find out more about our Visioning Workshops, contact Richard Coombes at richard.coombes@ValueAdding.com

ValueAdding.com's 'GEM' measures efficiency in Local Government

The Gershon Efficiency Review requires Local Government to demonstrate that it has released resources to front-line service delivery through the calculation of both "cashable" and "non-cashable" efficiency savings. It is difficult to define these efficiency savings, however, and this has been a major concern to those tasked with delivering the efficiencies promised in their IEG4 statements.

The Licensing Act 2003 is a case in point. Most local authorities guesstimated that the number of transactions would triple, but they had no way of estimating the resources needed to deliver the same level of service. Non-cashable savings would be gained if less than triple the resources were used...provided this could be measured and demonstrated!

What is needed is an understanding of the real time and resources put into conducting key transactions and delivery of specific outputs. It is clearly not sufficient merely to take total departmental costs and divide those by the number of transactions conducted, or outputs produced. Most departments deliver a variety of services, some of which are 'advice' or 'support to other processes', and indirect employees (such as managers) need to have their time allocated appropriately.

GEM provides the answer

ValueAdding.com Ltd has produced the local Government Efficiency Monitor (GEM), which is a model that works in Microsoft Access and has the concepts of Activity Based Costing at its heart.

Using GEM, it is possible to calculate the true unit cost of transactions, both from a specific department and where the service is delivered by a number of departments. We can then monitor whether or not that cost is reducing over time. Specifically, is the service delivery becoming more efficient? Where departments are carrying out more transactions or producing more outputs for the same cost, this is a true indication of increased efficiency or "non-cashable" savings.

GEM is the perfect start to an efficiency-improvement project. The unit cost of each transaction or process output will be known from the outset. Process changes can be modelled and changes in efficiency predicted. These can then be checked and proven at the end of the project.

The Highways Department of one London Borough was able to demonstrate that the cost of handling paper-based reports from Highways Inspectors was £76,000 per annum. This provided the basis of the business case for a mobile working solution. In the same department, it was also possible to cost the proposed increase in routine inspections, in an attempt to reduce the number of public-reported defects in the streets – with their associated accident claims.

Our Approach

The ValueAdding.com approach is to assist staff in completing an analysis of costs, transactions and outputs that will indicate the areas where action needs to be taken. It quantifies the financial opportunities or problems, and gives management an overview of the areas that need to be tackled in order to make further improvements. This work is sufficiently robust to stand alone in terms of the recommendations it produces and in support of a credible business case.

Where ValueAdding.com have been providing professional services in this area, we will supply the software for our model FREE to Local Authorities on an "as seen" basis, without software support. We can provide training and support to staff in the approach to using the model. The model is flexible and the data can be exported to a spreadsheet for further manipulation and modelling.

The Benefits to Local Authorities

- *The true cost of services will be identified. (This may bear no relation to the current charge structure)*
- *Gives management a model for decision-making for efficiency savings*
- *Low time requirement of local management (although they are involved)*
- *The outputs are simple to review*
- *The financial figures are reconciled back to the general ledger (gives financial staff reassurance in the data)*
- *The savings demonstrated may be used to report on progress against the guidelines set down in the Gershon report.*

To discuss this article please contact Roger Cooper at roger.cooper@ValueAdding.com

“80% of new ICT implementations fail to deliver their promised business benefits”

Robert Heller

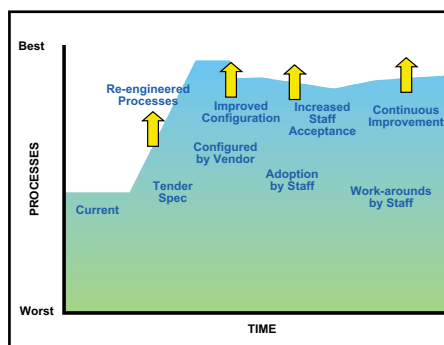
Such failure was understandable in the pioneer days of the 70s and 80s. However, hardware is extremely stable today by comparison, and most business are now using packages, not bespoke software developments.

Yet it is as true now as it was then that, after months of selection, authorising, buying and implementing, the organisation's objectives for their Information and Communications Technology (ICT) investment are rarely met. Improvements to services, in terms of cost, speed of response and customer experience are still as elusive as ever.

The symptoms of benefit failure

If we consider an ICT implementation life cycle in terms of the changes to business processes that it delivers, then we usually find that:

- *Current processes are rarely understood or accurately defined by the Tender Creation Team. (“They’ll change anyway”)*
- *The software supplier will configure the system to facilitate ease of delivery. (“Everyone does it this way”)*
- *Staff only get to realise the full implications of the changes once they use the system in anger. (“We knew it wouldn’t work”)*



Over time, the new process is further worn down by a series of ‘work-arounds’ - a unique strength of the British workforce and culture, so we believe! Many of these are created with the best of intentions, but all too often they actually lead to increased complexity and reduced performance for the complete process flow. Eventually, everyone believes that the system needs replacing, and we start all over again!

This harsh reality is confirmed by the remarkable lack of reference sites that any one supplier can promote.

Reducing the risks

By taking preventative action at each stage of the

lifecycle these risks can be minimised.

- *Define the latest business objectives (contained in the Vision) and set metrics for the improvement required from ICT*
- *Analyse current working practices and design in improvements. Pilot these (where possible) with the staff*
- *Use the Vision to improve the system configuration*
- *Draw on the supplier’s skills and experience to achieve Best Practice. (The supplier may not be able to achieve your vision cost effectively. Prepare to settle for a pragmatic solution.)*
- *Early involvement of the staff and piloting changes will prove the changes and increase their acceptance*
- *Monitor business performance and confirm the actual level of success. Use process performance metrics, not system uptime!*

It is important both to recognise that the new processes will not be perfect and to promote innovation in order to generate further improvements. Finally, reward successes and prevent the workarounds.

To discuss this article or this subject, contact Paul O’Reilly at paul.oreilly@valueadding.com

New Faces Lynsey Brooks



Lynsey graduated from the University of Sunderland with a degree in French and European Politics. This provoked an interest in local and central Government, and since graduation she has worked with the Yorkshire and Humber Development Agency, councils across Yorkshire and a number of London Boroughs. Lynsey’s specific focus is the project management of implementation plans, working alongside staff and senior management to provide one-to-one advice and support.

Lynsey says that “Project Teams always tell me that, whilst they want to own their key milestones, they need continuous support in order to develop their skills, and to ‘spur them on’ when required. Project

Boards also welcome this approach. They want their own internal teams to drive the project, but nonetheless recognise the benefits of external, structured pressure to ensure that the overall targets are met. I pride myself on being totally accessible. To me, project management is personnel management, although there is a fine, yet critical line between them. Mastery of the two is the formula for a successful project.

The other key to successful project management is to engage with staff at all levels right from the project’s start. I feel that it is important to become ‘one of the team’, whilst at the same time remaining sufficiently objective to be able to stand back and see the bigger picture with a fresh pair of eyes.”

Lynsey can be contacted at:
lynsey.brooks@valueadding.com

Key Contacts

At ValueAdding.com “We help clients to respond to customer requirements by improving their processes and costs through the skills of their people.”

SUBJECT AREAS

PROCESS REDESIGN

Led by Richard Coombes:
Email: richard.coombes@ValueAdding.com

CUSTOMER RELATIONSHIP MANAGEMENT

Led by Alastair Watson:
Email: alastair.watson@ValueAdding.com

SKILLS FRAMEWORKS

Led by Roger Cooper:
Email: roger.cooper@ValueAdding.com

CHANGE MANAGEMENT

Led by Alastair Watson:
Email: alastair.watson@ValueAdding.com

HR AND THE CORPORATE COACH

Led by Amanda Smith:
Email: amanda.smith@ValueAdding.com

BENCHMARKING/MARKET ANALYSIS

Led by Eddie Engel:
Email: eddie.engel@ValueAdding.com

E.GOVERNMENT

Led by Liz Bertoya:
Email: elizabeth.bertoya@valueadding.com

MOBILE WORKING

Led by Paul O’Reilly:
Email: paul.oreilly@valueadding.com