



Business Transformation Newsletter - May 2008

Customer Perspective

Driving Channel Shift

One of the key challenges we all face is to reduce costs whilst dealing with ever-growing customer demand; particularly for the more vulnerable members of our community.

It's also a fact of life that by making our services more efficient & accessible, we invariably unlock more latent demand from those who felt it wasn't worth the hassle of contacting us before.

So what can we do? The Borough of Poole is putting particular emphasis on channel shift to online services – in other words, encouraging customers to use our web facilities to self-serve in lieu of calling, writing or visiting us.

With the SW Region having the highest penetration of internet usage in the country, it clearly makes sense. I know that 72% of my residents now access the internet, and over 23% use our website at least once every month.

To drive this effectively, I suggest the following:

- Review your **telephony and CRM** data to understand what your customers call you about most often – and why. We've significantly reduced

calls through improving the information on our website and including FAQs in key publications like our annual A-Z Guide and Council Tax leaflet.

- Ensure your **web content** is accurate, well-structured & uses plain English. We decided to embed our website within our CRM system, so our advisers directly use it every day to serve our customers. If they can't quickly and easily find what they need, you can guarantee our customers won't either.
- Identify '**quick wins**' to boost self service take-up almost immediately. We're currently updating our existing range of facilities ('Apply for It', 'Report It' and 'Pay for It') having found easy-to-fix issues like:
 - Items listed under the wrong category
 - Headings using Council jargon, rather than plain English
 - Reporting forms that don't ask for all the data we actually need
 - Extra subjects that can be added using existing templates

- Actively **promote your website** and self-service functions. This is embedded in our Council logo and key publications. For minimal cost, we're also running a phased campaign using posters, postcards and bookmarks (particularly popular in our libraries) with positive results already.
- Understand your own '**cost to serve**' dynamics (i.e. cost / transaction for face-face, telephone, letter, email and web). DCLG provide some guidelines and we're also looking to split our web costs down further to help investment decisions – e.g. for fully / partially automated transactions
- Develop a **business case** to drive a programme of self-service enhancements, based on a clear cost / benefit analysis. We expect to implement a range of changes from simple form redesigns to full integrations with back-office systems.
- Set clear **channel shift targets** in your business plans. My advisers are fully bought into helping us achieve these.

For further information contact:

Chris Owens

T: 01202 633487

E: chris.owens@poole.gov.uk

W: www.boroughofpoole.com

Chris will also be running a workshop on this topic at the forthcoming Customer Channel Management Conference Thursday 5th June, Exeter – see Events section for details

Supplier Insights

STOP... Look... and Listen

Have we avoided it in the South West? – I do hope so, because I live here! I have been called in on an emergency basis several times over the last twelve months by Local Authorities, outside our region, because they have agreed to headcount reductions before assessing their impact at the service level. Involving consultants as a distress purchase goes against all best practise principles and costs money!

There appears to me to be one overriding reason for this apparent stupidity. These councils have become used to simply asking (or telling) Service Heads to make savings, which they have done by simply “using up the slack” and putting their staff under ever more pressure. These cuts have been made without any real understanding of the service delivery costs based on the volume of demand made by the public on the council (or imposed by another Government sound bite!).

Over the last eighteen months or so, in many authorities, all the slack has been used up and because there is no real understanding of the service delivery dynamics this latest squeeze is leading to potential disaster.

The scary story is that, in one council, 7000 staff and teachers were about to miss their monthly salary payments before I got a call. In another case, Looked After Children are not going to receive their annual statutory review conference and we could find no quick fix. The cost and heartache to sort out these problems after the event was far higher than a careful but quick assessment and redesign, before the redundancies, would have been.

Happily, LIFT SW has recognised the need to have a clear understanding of service delivery costs and I have been delivering workshops on Rough-cut Activity Based Costing for the last year or so in the South West. Hopefully those who have attended will now be using their knowledge to baseline their service costs and to assess the cashable efficiency gains that will result from their proposed process improvements.

So, please, stop! Look at the process costs and dynamics before doing anything and listen to your own staff that invariably has the best ideas for improving efficiency.

Roger Cooper

Director, ValueAdding.com Ltd

Best Practice Corner

Business Process Re-engineering (BPR) in Adult Social Care

The need to have an efficient process in place to deliver adult social care services is as important as it is for the delivery of goods and services generally and is likely to improve the service to the end user as well as creating a better working environment for people working in a process.

The BPR work undertaken by the Care Services Efficiency Delivery programme (CSED) draws on the key principles of BPR;

- Problems of organisational efficiency are more likely to lie within poor processes than the behaviour of individuals
- Process mapping which allows involvement from staff across an organisation is more likely to gain staff support for organisational change and to identify opportunities for improvement
- Business processes need to be looked at from end to end and should be based on an understanding of the customer experience
- Changes in one part of a process are likely to impact on other parts of the process both upstream and down stream
- Understanding baseline metrics (time, volume, cost and quality measures) before BPR are essential to provide evidence of improvement following changes to processes and improvements and will provide key data for business plans

- Improvements in an organisations processes will be reduced or delayed if the organisational culture is not understood and if necessary changed as part of the change management process
- Assessing the extent of failure demand and lost time is essential to improve the value demand in any process.

Working with Councils to understand their assessment and care management processes (ACM) has been a significant part of the work undertaken by CSED consultants over the last nine months. The basic methodology has been the use of brown paper mapping which is a visual and high impact approach allowing maximum input by staff. Business cases for process improvement are now being produced by councils based on the work with CSED

BPR is also seen as a necessary building block to support the transformation of adult social care based on the concept of personalisation. Good business processes will provide the platform for the introduction of individual budgets and other functions necessary to support the wider transformation

Paul Jays
Programme Manager, CSED

Events

[Aligning customer needs, channel access and service design to deliver superior services efficiently and building flexibility and agility in the process](#)

[FREE South West regional conference - customer insight, channels, and transformation – Thursday 5th June 2008, 10:00 – 15:45 Exeter](#)

A quick note in case you haven't seen this forthcoming conference, with a strong speaker line-up and topics which are close to our hearts.

You will be aware that customer insight, service demand and channels have strategic impacts and are fundamental to transformation; this is the level that the speakers have been asked to address, with a senior audience in mind. For further information visit <http://www.swce.gov.uk/Events/Customerchannelmanagement.htm> for agenda, workshop and plenary session details and booking form.

[Innovation in Action at Bristol City Council & DHL Consolidation Centre - Serving the Environment, the Public and Delivering Savings through Sharing](#)

[FREE Action learning visit and round table discussion - Friday 6th June 2008, from 10:00 to 13:00](#)

As you may know, Bristol City Council is meeting objectives for reduced traffic congestion, cleaner air, reduced CO2 footprint and increased recycling of packaging through a partnership with DHL for a 'consolidation centre' approach to supplier deliveries to retail premises. Instead of multiple delivery vans cluttering the roads and the shopping precincts,

deliveries are consolidated at an out-of-town DHL warehouse and then brought in to a shopping centre by far fewer vehicles making multiple deliveries to multiple premises.

A presentation on this project from DHL and Bristol City Council at LIFT SW's February conference in Exeter was received so enthusiastically that we have set up a site visit so that people can learn more. This is a one-off opportunity for 15 delegates from local authorities and public agencies across the region to get together at the Avonmouth depot and meet representatives from Bristol City Council and DHL to share perspectives and learning and explore the potential applicability to your own circumstances,

Friday 6th June 2008, from 10:00 to 13:00. For more details on the event and how to sign up for it, visit

<http://www.swce.gov.uk/Events/innovationinaction.htm>

[Lean Thinking in Action – Industry Visit Opportunity – Unipart Lean University](#)

[FREE Action learning visit and round table discussion – Thursday 19th June 2008, from 10:00 to 15:00](#)

Many of you are thinking about or are in the process of re-designing and transforming your processes using Lean approaches, tools and techniques. But how many of you have seen and touched a Lean success story and experienced the journey of the transferred entity? LIFT SW have organised an Action Learning Visit for up to 15 Transformation Leaders, Lean practitioners and enthusiasts from our Local Authorities and partner organisations to visit Unipart Group Lean University in Cowley, Oxfordshire to do just that.

Unipart Group's transformation from a publicly-owned automotive company to a successful global logistics enterprise with a wide-range of blue chip customers is one of British industry's most notable success stories of Lean Thinking in action. At the heart of that transformation was the acquisition of deep knowledge and practical experience in implementing Lean principles and engaging employees, customers and suppliers in sustainable change. In an attempt to institutionalise their learnings, Unipart set up the Unipart University in 1993 - , a learning centre and forum in which Unipart's 10,000 employees, other business, government and even academic audiences might learn of the lean enterprise culture on which Unipart's business practices have been based - "the Unipart Way" (visit <http://www.unipart.co.uk>).

LIFT SW delegates will have the opportunity to hear about the Unipart's lean journey first hand, visit the various lean environments including the finance shared service centre and faculty floor to see the principles in action. The day will end with a round table discussion on how Local Authorities can work together to maximize the return the investment in Lean and business improvement.

For draft agenda and further details visit our website <http://www.swce.gov.uk/Events/Leanthinkinginaction.htm>

To sign-up for the event, please email me, Anita Tadayon (anitatadayon@yahoo.com). Note that we are limited to 15 places and will be allocated on first come first serve basis

Other News

South West ERP Group Kick-offs

There are a number of Local Authorities in the South West at different stages of: evaluating the need and business case for, selecting a package and provider and implementing an Enterprise Resource Planning (ERP) platform.

The South West CFT Network Group facilitated the set-up of a regional ERP Group to help authorities share their learnings and resources and to avoid duplications of effort and cost.

Dorset, Wiltshire and Gloucestershire were the first authorities to join the Group with a kick-off meeting on the 30th of April. Rodney Semple, Efficiency Manager Gloucestershire, who was the main drive behind the Group set-up comments "We kicked around a few ideas and found that there was some real interest in comparing experiences and exploring the potential for collaboration in the future. While we have not as yet been able to do a joint system procurement there will be other areas where we can possibly share expertise. There is also a lot we can share with each other about approaches to cultural change and benefits realisations - perhaps the most difficult part of such projects".

The Group outputs will include amongst other things, opportunities to share resources such as existing platforms, help desk support at peak times, skills such as ERP training or programme management and project resource and joint procurement opportunities.

We hope to reach out to a wider set of authorities in the coming weeks. If you would like to find out more or join the Group please contact Anita Tadayon on anitatadayon@yahoo.com

Views and Reviews

Who's Turning Thinking on its Head?

This week I heard Peter Sheahan interviewed on the BBC about his new book 'Flip: How to Succeed by Turning Everything You Know on Its Head'. The book recounts the competitive advantages that some businesses have gained through thinking counterintuitively and then acting boldly. He talked specifically about how in the development of the Wii, Nintendo had deliberately not competed against Microsoft and Sony on ever faster, sharper, slicker graphics but sacrificed those attributes to invent something totally different. Instead of running with the pack they had done the opposite.

This got me thinking...who's thinking like Nintendo in Local Government? At Wiltshire County Council, we

have been using the counter-intuitive principles discovered by Taiichi Ohno (creator of the Toyota Production System) with Vanguard Method to transform services. Already in the reactive highways maintenance service we are seeing many benefits like increased productivity (6 times more work being completed), less waste (paper reduced to 20% of what was used previously) and faster fix times (up to 100 days quicker) and it is only early days!! But is this really business transformation? There is no doubt that we have totally transformed what we have done and seen improvements that relate to cost, performance and staff morale, but is this still just running with the pack? Are we still chasing the better and better graphics? We've delivered big improvements, but are we all still thinking in the same box? Who's thinking innovatively, who's creating the Wii in our business?

Flip: How to Succeed by Turning Everything You Know on Its Head (Paperback) by Peter Sheahan, HarperCollins Publishers Ltd out 6 May 2008

Mrs Deborah Farrow BSc DMS

Lean Systems Implementation Manager

T: 01225 713095

M: 07824408606

E: deborahfarrow@wiltshire.gov.uk

W: www.wiltshire.gov.uk

Clarks Change Management in Action Visit Review

LIFT SW members were given the opportunity to attend Clarks Headquarters in March, to meet with staff involved in their recent change programme. This provided an opportunity for comparison between Public and Private Sectors approaches as well as information sharing and discussion about Best Practice.

Many of the issues we face as Change Managers in the Public Sector are replicated in the Private Sector, although there were also some notable differences. Clarks were able to select staff for Project roles (with notable financial remuneration), leading to the majority of staff being appointed into more senior positions following the Change Programme. Promotional launches included presents for all staff, as well as additional rewards for staff involved in the project at key stages! Motivators for change are also different – in some predominant cases, Public sector organisations are driven to change due to funding constraints and the need to reduce costs in order to provide in other areas. In Clarks the change programme was about introducing new processes and procedures to improve, and they were not initially cited on benefits realisation as an outcome (although this has now come to light and there is a consideration of the outcomes).

Of notable surprise was the fact that Clarks did not apply (or have staffed trained) in Project Management techniques (for example PRINCE2), although they were about to deliver a Clarks version of PRINCE2 Project Management training). Furthermore they were not cited on Programme Management, for example Managing Successful Programmes.

Some of the Communications channels were of interest and may be suitable for adaptation and replication in our services. Cascade messaging was used to distribute information, and then spot check phone calls were made to identify where the messages had reached. It was also noted that Clarks found video a powerful media tool for delivering Comms inside the Organisation. Advice was given about the use of bureaucratic tools, for example stakeholder mapping – Clarks found that getting out there and talking to people was more useful than spending too long mapping out exactly who should get what message and when, although they did state that it is still important to tell people what they need to know rather than all of the information available.

The opportunity to meet with other Change Managers, whether public or private sector is always useful. Listening and challenging (which Clarks were very receptive to) other peoples experiences is a useful way of being able to identify what we could use in the future, or adapt for our Organisations. And on a lighter note, being in a warehouse surrounded by four million pairs of shoes was just an opportunity too good to be missed

Sara Openshaw

Continuous Improvement Manager, Dorset Police Headquarters

Contact

Peter Shields Programme Manager, LIFT SW
BIP, Advisory Service including Council support

M: +44 (0) 7799 038 394

E: peter.shields@idea.gov.uk

Anita Tadayon Programme Manager, LIFT SW
Skills Development, Newsletter, Customer Focused
Transformation Network, Events

M: +44 (0) 7885 363 408

E: anitadatayon@yahoo.com