

**The New Zealand Post  
Process Management Award Entry 2006**

*Hutt City Council's  
Journey to Excellence*



“Business Excellence”

# “BE the Best”

Doing the right thing for Hutt City

BE the Best  
Talk Hutt City

BE the Best  
TeamWorks

BE the Best  
Ideas into Action

BE the Best  
DoQment It

BE the Best  
First in Service

BE the Best  
Better Together

## Contents

**Strategy and Process Alignment** Page 1

The need and the expected benefits Page 1

Effective project management techniques Page 2

Getting buy-in from stakeholders Page 2

Innovation and originality Page 3

Successful results Page 4

The right thing to do Page 5

# Strategy and Process Alignment

## The need and the expected benefits

Hutt City Council's decision to embark on an improvement journey was in response to a crisis situation; the organisation was experiencing a loss of public confidence and poor financial performance. Over recent years we have implemented many significant improvements to the way the organisation operates. The project for which we are submitting this application is Strategy and Process Alignment. This project was the result of feedback received from staff and identified in a feedback report from the Business Excellence Foundation (2004).

This performance excellence approach, combined with staff initiatives to improve our organisation and better serve our customers, led to Council winning the Performance Excellence Study Awards in 2001 and 2002. In order to focus on continued improvement, we applied for the arguably more rigorous assessment of the New Zealand Business Excellence Foundation (NZBEF). In 2003, we achieved a Progress Award, a result only bettered that year by one other local authority, and in June 2004, we submitted our second application and received a Commendation Award – Bronze.

Part of the process of evaluating the June 2004 application involved eight evaluators, who, in total, dedicated over 700 hours to review of the application, including a site visit to verify their findings, and the production of a comprehensive feedback report summarising the findings of their evaluation. The report contained a commentary that included a listing of opportunities for improvement.

In 2005, no business excellence application was submitted, in order to focus on implementing the improvements that were identified by the Business Excellence Team (BET). The majority of items, including this key project Strategic and Process Alignment, identified in the action plan have now been addressed. A few items are however still in progress.

NZBEF helped us identify a major area for improvement in our alignment between organisational objectives, key processes and business results, and how we used these results to improve organisational performance:

*“There remains an opportunity to finalise the alignment of the divisional business plans and asset management plans to the Long Term Council Community Plan (LTCCP).”*

*“The key performance measures in the business plans are not consistently aligned with the key performance measures in the LTCCP.”*

*“Although there are some ad-hoc processes in place, the applicant does not maintain a systematic approach to determining key value creation processes.”*

*“While the applicant collects a wide range of performance measures relating to value creating processes across the organisation, they do not clearly prioritise or identify which are the key performance indicators to use for strategic measurement.”*

*“The applicant does not widely use process mapping for support processes, and does not systematically consider key requirements for support processes.”*





## Effective project management techniques

The BET spent considerable time analysing the feedback report from NZBEF (project initiation), and developed an action plan (project planning) to address the key recommendations in the report where BET agreed that improvement opportunities existed. We kept the Senior Management Team involved and informed through team meetings, reports and publishing information on HCC's Intranet. We employed the services of an external contractor to work with key staff to help us develop a strategy map (project execution). The Senior Management Team considered the draft strategy map at their retreat and refined this map.

The map has been deployed throughout the organisation through various channels. The strategy map allowed staff to see the 'big picture' at a glance. The map also made clear the vision, key strategies, linkages and alignment to activities. The mapping process was the basis of approaches to strategy development and to the business planning process. The mapping provided a framework to formalise the planning cycle, link key strategies and develop a new business plan template (to achieve a consistent look and feel and include a strategic mapping process), along with many other initiatives. A Business Planning Tool Kit was developed, resources were made available on our Intranet and presentations made to staff (project closure).

## Getting buy-in from stakeholders

Getting buy-in was achieved by involving stakeholders from the very beginning of the project. We didn't need to sell the idea, as the organisation had already identified strategic focus and alignment as areas that needed to be improved. This had been further highlighted through the feedback received following the external audit of our organisation.

As business excellence has been a theme for some time in this organisation, we already had a culture where staff want to be part of and contribute to a great organisation. Our journey to excellence has created many initiatives that have not only just led to a focus on our customers, or just on a particular part of the business, but also to improvements that include staff,

customers, stakeholders and key business partners. Therefore introducing the strategic and process alignment initiative was welcomed by many as a natural progression within this process.

We made the process very simple by integrating it with the corporate planning cycle, providing processes (in line with current ISO standards) and developing a Business Plan tool kit – a resource with templates and 'how to guidance' for staff. The process required staff to become involved in the business planning right from the start by using SWOT analysis as a tool to identify key strategies at team workshops. The process also clearly linked individual performance objectives with the organisational goals.

## Innovation and originality

To achieve a best practice organisation, HCC has based its Business Excellence model '*BE the Best*' on the Baldrige business excellence framework. We have a culture where we strive to continually improve. Providing a business model around this ensures that improvements are aligned to Council's vision and values and enable us to meet our community outcomes. Using the feedback from NZBEF and other initiatives, we are able to develop and implement innovative improvements such as strategic mapping and process alignment. We use the '*BE the Best*' programme to deploy key strategies, and as the title suggests, it helps us to strive towards operational best practice.

The key components of '*BE the Best*' are:

*BE the Best*  
**First in Service**

*BE the Best*  
**TeamWorks**

*BE the Best*  
**DoQment It**

*BE the Best*  
**Better Together**

*BE the Best*  
**Ideas into Action**

*BE the Best*  
**Talk Hutt City**



*BE the Best*  
**First in**

Strategic mapping is a part of all Divisions and Business Units business plans. All business plans have a consistent look and feel. Linkages from personal objectives through to community outcomes are clear. Staff can see at a glance how what they do contributes to the overall performance of Council.



## Successful results

Our business results show a successful organisation delivering quality services. This is in support of our corporate vision to *'BE the Best'*.

The feedback report was a real catalyst for action on our strategic focus. We developed a process of strategy and process alignment to overcome these issues. The result has improved performance management within the organisation. These significant improvements have been implemented:

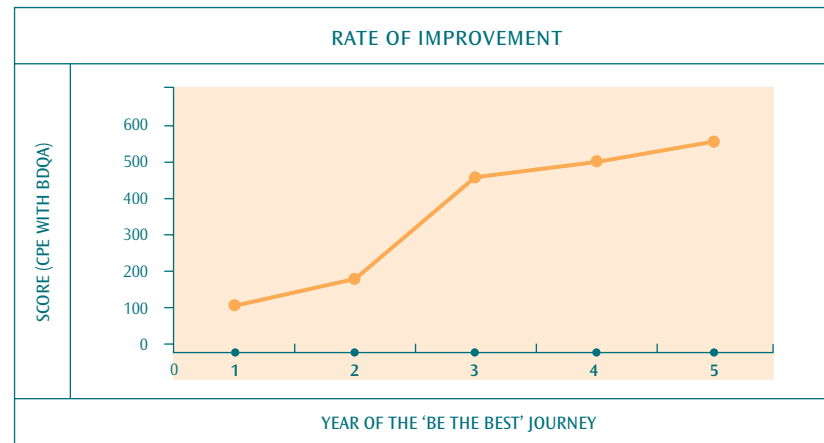
- Developed strategy deployment/process maps that set linkages between the LTCCP, divisional business plans and individual performance objectives. These strategy deployment/process maps were developed in collaboration with key stakeholders within HCC.

- Formalised our planning cycle, linking key strategies, business plans and the LTCCP into a structured timetable.
- Introduced a new business plan template to ensure additional matters are addressed during Council's planning cycle (e.g. better segmentation, and highlighting and programming policy requirements).

There has been significant business improvement over the Business Excellence (BE) journey, this being evident by the consistent improvement in business results over time.

The most significant improvements have been in clarity of direction, customer satisfaction, financial performance, stakeholder relationships and staff engagement in improvement.

The graph below shows the continued improvement in the NZBEF score over time.



## The right thing to do

*This case study has demonstrated the following themes:*

**The decision to start the improvement journey was influenced by:**

- external drivers e.g. customer's raised service expectations
- internal drive e.g. the organisation's lack of clarity.

**The decision to adopt BE was influenced by a mix of:**

- external drivers e.g. internationally proven to work, external measure of performance
- Internal drivers e.g. desire to create a great organisation.

**There were multiple levels of action throughout the BE journey:**

- external events/strategies
- organisational events/strategies
- business excellence events/strategies
- individuals/groups of people.

**Collectively the key events/strategies and people influenced the BE journey in multiple ways, throughout the journey:**

- clarity of direction e.g. organisation and improvement strategy
- stakeholder and customer relationships e.g. with the Council, external and internal customers
- organisation capacity e.g. infrastructure, capacity to be involved in improvement initiatives
- expertise e.g. business and BE expertise
- engagement e.g. confidence and trust in the organisation and BE
- momentum.

**Significant change have occurred:**

- organisation function e.g. clarity of direction, stakeholder and customer relationships, expertise
- organisation culture e.g. confidence and trust in the organisation and BE, voluntary involvement in improvement
- results e.g. business results, score over time.



## Contacts

New Zealand Post Awards Entry  
May Haines, Business Excellence Manager  
Hutt City Council, Private Bag 31912  
Lower Hutt

Telephone: 04 570 6759  
Email: [may.haines@huttcity.govt.nz](mailto:may.haines@huttcity.govt.nz)

*[www.huttcity.govt.nz](http://www.huttcity.govt.nz)*

