

# PROCESS MANAGEMENT



The 2005 New Zealand Post Management Excellence Awards: Process Management Award Entry



 Far North  
District Council

**Politicians**  
our #1 customers

*The need for, benefits of the project and how it furthers council's vision and strategic direction . . .*

**Cohesive processes = robust information = reduced risk = better decisions . . .**

*"Focusing on elected members as our #1 customers"* is the key operational mode for the Management Unit of the Far North District Council since June 2004. This new mode and the processes that drive it have now resulted in the Management Unit achieving ISO 9001 accreditation for providing democratic service and council support, (see Appendix 1).

The need for this project was identified by the District Secretary who perceived that both staff and elected members were exposed to an unacceptable level of risk in the public arena without a formal, business improvement management process. This risk is intensified with ongoing law changes, staff turnover and no control systems for documented, departmental processes and procedures.

Achieving and maintaining this accredited approach ensures:

- elected members and Chief Executive are provided factual information on formal Council meetings;
- an accurate and timely agenda is readily available for every formal meeting;
- day-to-day administrative support is maintained for the Mayor and Chief Executive;
- administrative support is secured for the District Secretary (the overall governance manager at the political / organisational interface);
- administrative support is maintained for Council committees and chairpersons of Community Boards.

It soon became obvious that the expected benefits from developing and standardising processes and procedures would ensure all staff are better informed, know what needs to be done, and therefore are able to respond more effectively to elected members.

This new system links directly to Council's strategic direction of continuous improvement in all undertakings. Council's leading mission statement is "...to provide effective leadership and responsible, affordable services." It provides certainty and an acceptable level of safety for all parties operating in this ever-changing environment. Having effective processes in place also builds confidence between staff and politicians, as well as instilling trust and wellbeing throughout the community.



*"Let's reforge our weakest procedural links to better service the needs of our politicians."*

District Secretary



*Effective project management techniques . . .*

The timeframe set for ISO accreditation was two years. This was successfully achieved 6 weeks before the self-imposed deadline.

PHASE ONE: scoping, reviewing and reshaping the Management Unit's services.			PHASE TWO: documenting processes and procedures.	
Concept	Initiation	Planning	Execution	Closing (accreditation)
Feb 2003	Feb 2003	March 03 – May 03	May 03 – May 04	June 2004

## How we tackled the task . . .

The project management life cycle followed five generic phases to achieve ISO accreditation:

1	Concept: <i>Understanding the need - setting the objectives</i>	<ul style="list-style-type: none"> <li>How will the project enable the organisation to change from its current state to reach a "future state".</li> <li>Set <b>smart</b> objectives, i.e. <b>s</b>pecific, <b>m</b>easurable, <b>a</b>greed, <b>r</b>ealistic and <b>t</b>imed).</li> </ul>
2	Project Initiation: <i>Get stakeholder commitment</i>	<ul style="list-style-type: none"> <li>Gain management approval and 'buy-in' to commit resources to start and action the project.</li> </ul>
3	Project Planning: <i>Developing the plan</i>	<ul style="list-style-type: none"> <li>Develop a detailed Project Plan to manage project execution and completion. Agree on benchmarks.</li> </ul>
4	Execution: <i>Implementing the process</i>	<ul style="list-style-type: none"> <li><b>"Do the work"</b>, monitor and control the project in keeping with the approved project plan.</li> </ul>
5	Closing: <i>Controlling, monitoring and reporting</i>	<ul style="list-style-type: none"> <li>Formally accept the project, make it fully operational. The ISO manual is <b>a living document</b> that is continually audited by internal and external auditors.</li> </ul>



*"With the procedural system now in place, the monitoring and measuring of the processes against policies - plus the reporting of results - will lead to continuous improvement of both the process and our collective performance. "*

District Secretary

*Buy in and communication . . . a participatory approach.*

## Real Consultation . . .

The Management Unit's key stakeholders are the Mayor and all elected members, as well as the Chief Executive and all Group Managers.

The key driver of the project was the District Secretary who successfully convinced stakeholders that **the most effective way to guarantee the future success and management of all processes necessary for effective governance is to ensure the Management Unit strives for, achieves and maintains ISO accreditation.**

Effective planning and governance centres on establishing and maintaining sound working relationships between staff and elected representatives. These relationships rely primarily on robust communication procedures to address issues facing elected members. They also require up-to-the-minute staff awareness of regulatory requirements related to those issues.

All stakeholders participated meaningfully in various stages of the change process. Issues, required resources and new or revamped procedures were collectively identified and addressed. This included staff training to carry out audits to ensure a seamless workflow. Ongoing participation is inherent in the process both organisationally and politically, particularly during the monitoring and review processes.

*“Rather than lapsing into a reactive mode with our elective representatives, the new proactive approach has given us a clear pathway to effectively manage the organization’s democratic functions.”* District Secretary.

## *Innovation and originality . . .*

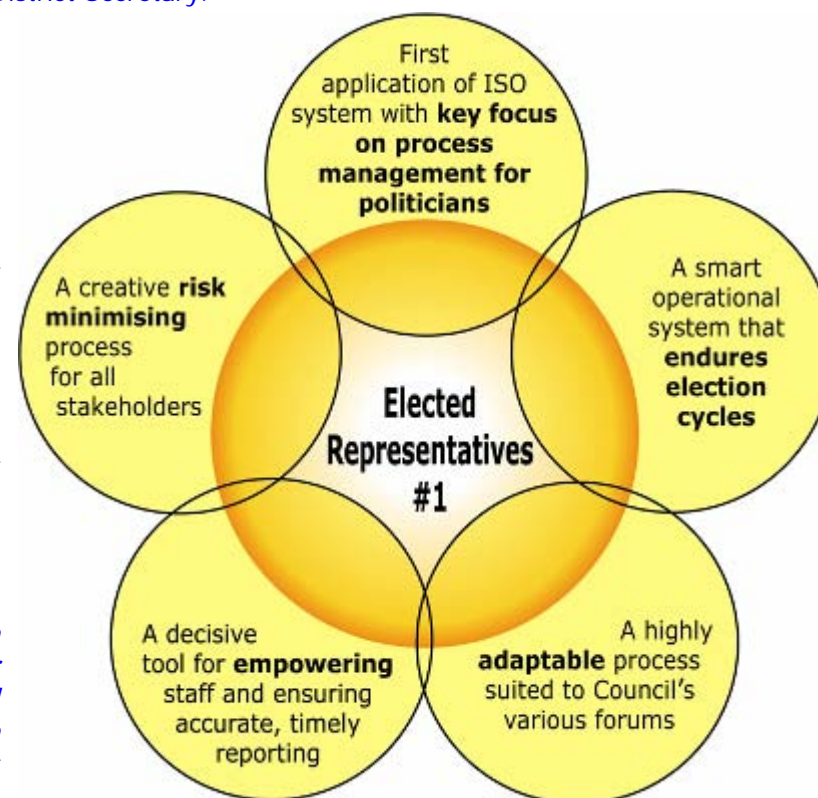
### **A first for a New Zealand local authority . . .**

The innovation and originality elements in this project are embraced within the continuous business improvement system led by Council’s Management Unit. This Unit is essentially the interface between the twenty six elected members and all other departments of Council. Within this context, the originality or novel nature of the Management Unit’s approach is **focusing on elected members as the #1 customers**. This perspective is unique to any other Council that has achieved ISO accreditation to date.

This approach addresses the very real difference between the option of regarding politicians as being the #1 customers rather than the conventional notion of council’s regarding residents and ratepayers being the #1 customers. In effect, the whole change management process being driven specifically from a democratic/governance perspective, is ground-breaking within local government.

*“No other local authority in New Zealand has concentrated their efforts to anywhere near the same degree to primarily service the needs of their elected representatives – both in terms of overall focus and in creating and revamping procedures. Furthermore, the grafting of the ISO system onto process management for elected politicians is certainly original in both its conception and execution.”* Greg Williams, N.Z. Manager SAI Global, (verbal comment).

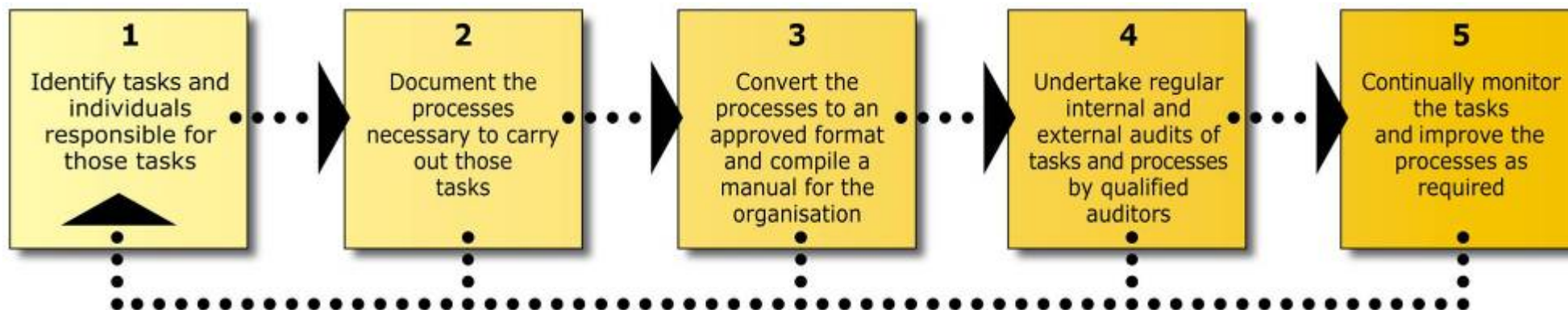
The approach also addresses the critical differences between the two customer groups – i.e. elected representatives on the one hand, and residents and ratepayers on the other. The latter group does not change markedly over time, whereas the former customers generally change through election cycles. This means that the new processes must be capable of enduring these cycles with ease.



The processes also need to be capable of servicing various forums including formal meetings, committee workshops, legislative hearings (i.e. for district plan), etc. The operational flexibility of the new processes is another distinctive advantage to deal effectively with these varied settings.

Advancing the notion of “politicians as our #1 customers” has also engendered overwhelming support from the rest of the organization because it has enabled them to better meet the needs of their wider customer base, i.e. both internally and externally, (i.e. residents and ratepayers in particular). This is yet another novel outcome to emerge.

The key features of the process are as follows:



As noted above, following need identification, all required processes and procedures were scoped, reviewed and recorded. This immediately added value to the day-to-day operation of the Unit. They also now provide a tangible working model of continuous improvement for the rest of the organization.

*“This is essentially about developing a new effective and ongoing improvement system. It is also about imparting an empowering tool for staff to assist elected members so that they can confidently make decisions within legislative capabilities.”*

District Secretary.

## Successful Results

Here’s two examples of **need identification** plus their associated “**process solutions**” within the project:

1. The **agenda preparation process** had become increasingly difficult to manage because Council’s new governance systems now involve additional committees, workshops, forums, etc. Agendas were occasionally distributed into the public arena with inconsistent, badly-written reports. The actual standard of production was also unsatisfactory. Within 3 months, an 8-strong staff “agenda production team” drawn from across the whole organization: identified the problems, developed the “process solutions” and implemented the procedures. Since its inception, all agendas are quality-checked twice, firstly for accuracy of content and secondly for production standards. *(The documented process is attached as appendix 2).*
2. **Maintaining and editing the formal meeting calendar** was also an area of concern. The resulting “process solution” ensured only two staff members - each as a back-up to the other - could enter and delete bookings into the calendar. Before amendments are made, an approved (sign-off) procedure is also required. Adoption of this procedure has consolidated the management and effectiveness of the formal meeting calendar.

### Three initiatives confirm the success of the project . . .

1. To gauge the success of the ISO manual organizationally, we interview new staff members who join the Management Unit. To date, all new employees unanimously agree that the processes documented by their predecessors are a valuable resource to acquaint them with their position, roles and responsibilities. Likewise, this documentation of "how to provide service to our customers" facilitates and sustains a seamless transition between departing and new staff.
2. We also regularly carry out surveys of all elected members, asking them specific questions about the operation of the Management Unit from their perspective. The qualitative results show that our customers believe the Management Unit performs all tasks to a high standard in all areas surveyed. They also believe their expectations have been met in all areas including: agenda preparation, formal meeting calendar, minutes, administrative support, venue and catering.
3. Externally, SAI Global Limited undertakes six monthly surveillance audits on the provision of democratic services and council support provided by the Management Unit. The latest certification review on the 31st May 2005 was approved with a range of complimentary comments, (see *appendix 3*). The auditor acknowledged that "... the operational areas within the Management Unit were well implemented and system processes well documented and recorded." SAI also noted that this "... is due to the Management Unit's philosophy of continuous improvement."

ISO accreditation has also achieved direct financial benefit in that the resulting processes have significantly reduced the effort and costs associated with report compilation, copying, dispatch, etc.

***"The results of the project are smoother, better informed meetings with improved decision making. The 'no surprises' approach is welcomed by the Council and is leading to greater trust and superior interaction."*** Mayor Yvonne Sharp.

### *Good, Sensible and Right thing to do*

The adoption of a quality management system for the Management Unit - with its critical interfacing, information gathering and dissemination roles – is unquestionably a sound, sensible and right thing to do.

***"Working through the ISO standards has identified our strengths and weaknesses. It has led us to the situation where we know what our customers needs are and how to respond to them. It has made us question what we do and how we can do it better. It has highlighted the risk that undocumented processes and procedures are for the organization."*** Chief Executive.

As a result of ISO accreditation, the Management Unit is committed to:

- understanding and meeting customer requirements;
- continuing to regard all processes in terms of added value;
- continually improving processes based on objective measurement;
- ensuring processes for service delivery are up-to-date and well documented, and;
- obtaining the best possible results from effective process performance.

With the accreditation of the Management Unit now in place, Council will focus effort on achieving the same qualification and level of service for every department in Council. This will bring significant efficiencies to the organization for both the staff and elected members.

***"For us, ISO accreditation means that we can confidently say to our # 1 customers - we do what we say we do, so you can do what you do better."*** District Secretary.



## SUPPORTING APPENDICES:

1. ISO Accreditation Certificate.
2. Agenda Production Team procedure.
3. SAI Global Surveillance Audit, May 2005.

**Photo Credits:** Front cover: Deputy Mayor Laurie Byers, Iwi Services Manager, Ted Wihongi, *Kohewhata Marae, Kaikohe*.

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Quality  
Endorsed  
Company

# CERTIFICATE OF REGISTRATION

## Far North District Council Management Unit

Memorial Avenue KAIKOHE NORTHLAND NEW ZEALAND

complies with the requirements of

**AS/NZS ISO 9001:2000**  
Quality management systems – Requirements

for the following capability

The registration covers the Quality Management System for the provision of democratic service and council support for the Far North District Council.

**Registered by:**

SAI Global Limited (SAI Global) ABN 67 050 611 642 286 Sussex Street Sydney NSW 2000 Australia  
Subject to the SAI Global Terms and Conditions for Certification. While all due care and skill was exercised in carrying out this assessment, SAI Global accepts responsibility only for proven negligence. This certificate remains the property of SAI Global and must be returned to SAI Global upon its request.

**Certificate No.:** QEC20792  
**Issue Date:** 23 June 2004

**Certified Date:** 18 May 2004  
**Expiry Date:** 18 May 2007

Alex Ezrakhovich  
General Manager Certification  
for and on behalf of  
SAI Global Limited

Authorised Local Signatory, SAI Global



A Division of SAI Global Limited  
ABN 67 050 611 642

