

An e-government case study

Chesterfield Borough Council Building Services Division: BPR and project management with The Leading Change Partnership.

Building Block: Change management, Programme / Project management

- **Background**
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Background

The Building Services Division (BSD) of Chesterfield Borough Council (www.chesterfieldbc.gov.uk) recognised that step-change improvements to its current business processes and information technology were essential to win the imminent tender for housing repairs. Through a business process re-engineering project facilitated by the Leading Change Partnership, (www.theleadingchange.com) BSD quickly defined the new administration, its information technology needs, and future performance metrics. The council won the tender, the tender beating all external private sector contractors by significant cost and performance margins.

Initiatives

Chesterfield Borough Council operates a client/contractor relationship for housing repairs. The client side had updated its IT systems a few years earlier, but the contractor side (BSD) was still reliant on a mixture of legacy and manual systems.

Their benchmarking activities verified that BSD were performing very well in doing the actual repairs (e.g. Direct Works Forum - www.directworksforum.co.uk). However, the management of the paper intensive systems and communicating with the mobile workforce were presenting a barrier to significant future improvement.

The Borough Council was about to offer the housing repair contract for open tender. This new tender would require significant improvements to the costs and service delivery performance from the existing contract.

The council decided to review their business processes in advance of the tender and determine their options for meeting the new challenges. The council realised they needed specialist expertise to help the review since they:

- Needed to understand their options and re-plan their business to win the tender in 10 weeks time;
- Had insufficient internal resource to perform the business analysis and selection of any new IT systems within the timescales available;
- Wanted independent advice on all technology options possible;
- Recognised that a successful solution would consider change management issues alongside any new technology.

The council partnered with the Leading Change Partnership to facilitate this review.

Successes

- Identified the need for step change improvement for business processes;
- Successful partnership working;
- Defined the problem, key issues and improvement opportunities using process mapping;
- Communicated strategies effectively to management team to achieve consensus;
- Identified the possibilities of using new technology with people and processes to significantly improve;
- Achieved senior managers buy-in and support from the beginning;
- Completed in just seven weeks - in time for their tender submission;
- Significant improvements in terms of service quality, cost and response times;
- Won the tender.

Why did it work?

Chesterfield Borough Council defined the problem first. They knew why they needed to change but were less clear on exactly what they needed to change and the best way to do it.

The benchmarking activity confirmed that their direct costs were fine, and highlighted the fact that they did not need to reduce costs by reviewing their direct workforce.

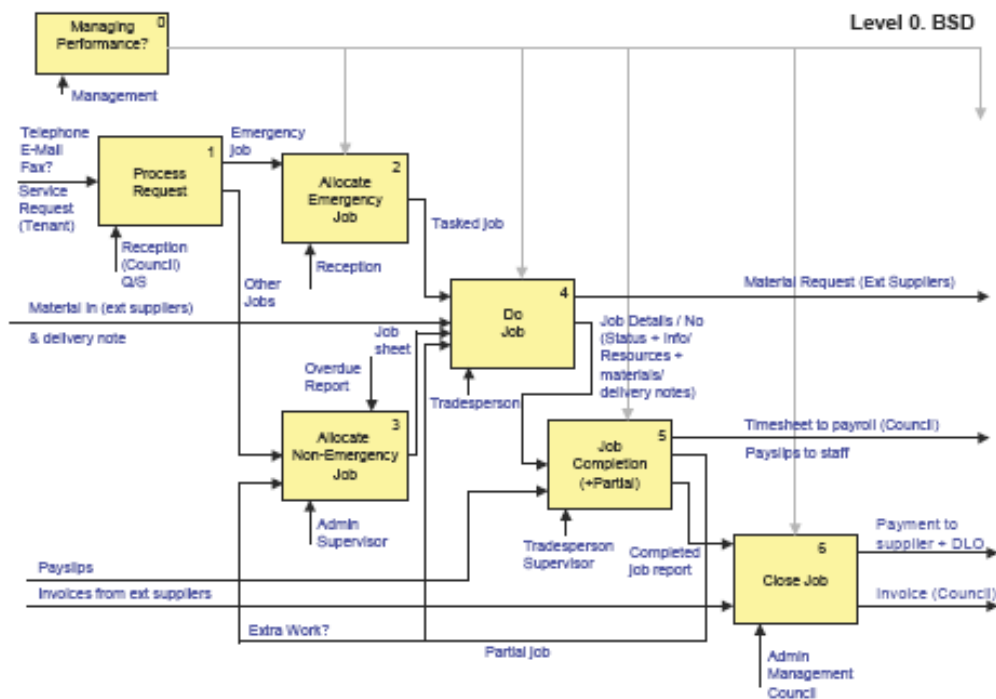
The benchmarking also re-enforced their resolve to win the contract since they could clearly offer an excellent service to the public. The focus moved to how the council organised and controlled their responsive repairs process.

Keen suppliers in this market place were actively promoting vehicle based tracking and control systems using GPS technology. The business benefits seemed impressive and would provide a greater amount of management control on remote and dispersed workforce. The council are reviewing this opportunity to determine the cost-benefit case for their business.

Analysing the options

Through a series of successful team workshops and investigation activities Chesterfield mapped their current processes and identified key issues and improvement opportunities.

Top Process Map of entire business:



The process maps documented the process flows, the resources involved (both people and IT systems), and the performance required for each process step. They cascaded the top-level map down to the relevant levels required for detailed analysis.

Using the maps as a focus and point of reference, the council identified all the issues they were experiencing in running that part of the business. At the same time they noted any obvious ideas for improvement that sprang to mind - there were many improvements they had been thought of in the past.

Sample of analysis of one process step

Process	Issue	Solution	Benefit
3. Allocate non-emergency job	<ul style="list-style-type: none"> • Review all jobs • Allocate to trade mix • Right job for right person • Correct priority • Any other issues • Partials from day before • Weather? • FIRST doesn't allocate to a person • Paper intensive supervisor process (50% of time) • Lack of time to call customer & set appointment (i.e. on day) • Is unaware of completions during the day 	<p>Computerised job planning (during days before work performed)</p> <p>Transmits jobs to each handset</p> <p>Real time job closing</p>	<p>Auto sorting of jobs for supervisor-improves planning</p> <p>Enables working from home</p> <p>Discussion focuses on key issues (improved management)</p> <p>Auto filing</p> <p>No need for printed docs</p> <p>Will improve scheduling / planning process</p>

In the example above, Chesterfield recognised that if they could computerise the planning of the work and then transmit the electronic job sheets to each operator (to a personal hand-held device), they would achieve considerable business improvements. At this point the council were not aware if such solutions existed in practice, or were cost effective for their size of market (at March 2003). The council were able to open their minds to the new possibilities, using the above approach.

It is also very relevant that through this approach the council started to realise the limitations of a stand-alone GPS system, although GPS is still in the plan and on a reduced cost-benefit case. Without the ability to reschedule and amend the planned work, knowing an operative's exact location is of limited use for improving performance. The process maps were very powerful at communicating this logic within the management team and achieving consensus on the future business vision.

The process maps were then used to create the IT specification, by looking at the functional requirement of technology in each process activity. The individual process steps helped the team focus on individual activities at a detailed level, and consider the needs of the end user.

Example of the IT specification for the hand-held device

Item	Function	Process Reference	Supplier comments
16.	<p>Job completion activity needs to be sensitive to operators skills in handling data inputs. Style of device (rugged) and ease of software use to be considered.</p> <ul style="list-style-type: none"> • Menu driven • Time to perform job <ul style="list-style-type: none"> ○ Start / finish times • Materials used, cost if bought by codes & manual entry • Refuse collection required • Aborted jobs with reason code • Partially completed job with type of further action required • Alert system for assistance on job • Job variances to be added by tradesperson 	5.0 and its sub levels	

Chesterfield used the maps together with their specification requirements to find potential suppliers. The suppliers found the documents easy to follow and were able to confirm their ability to provide a solution (or not) by return. The Council quickly identified potential suppliers and obtained budgetary costs with a minimum of meetings and demonstrations.

Now that the council had confidence in the practicality of their vision, they considered the impact on the business:

- New process maps and operational vision;
- New organisational structure (role changes and efficiency improvements);
- Business benefits in tangible and intangible terms;
- Cost of new technology and cost of internal implementation resources;
- Implementation timescales and benefit payback schedule.

All these provided essential inputs to the council's tender response.

Lessons learnt

- Senior managers were involved in the entire process, ensuring understanding and buy-in to the future vision;
- The vision went beyond just a new IT specification - it included new processes at both a people and procedural level;
- Process based analysis involved the staff and ensured understanding and ownership of the proposed solution;
- The use of external facilitation helped the council think "out of the box" and changed their original perceptions of what needed to change;
- They completed all this in just seven weeks - in time for their tender submission;
- Their tender submission offered significant improvements in terms of service quality, cost and response times.

Future initiatives

As soon as Chesterfield was awarded the contract, they started the implementation phase. The process maps and analysis are now invaluable for:

- Creating procedures to the new ISO9000 standard (process based);
- Clarifying new roles for people with new systems;
- Facilitating the cascade of new business metrics from the contract to the organisation;
- Provide the input to training;
- Becoming the basis for future continuous improvement as they recognise that any new system is not a panacea and further changes will always be required to provide best value year on year.

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