

# Striving for Performance Excellence

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Strategic Management Framework for Delivering  
Customer Service Excellence in Dover

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# City of Dover, NH

## Striving for Performance Excellence

### Strategic Management Framework for Delivering Customer Service Excellence in Dover

#### Purpose

The purpose of this guidebook is to outline the strategy being employed for delivering customer service excellence here in the City of Dover. The framework described in this document is the basis for continuous evaluation and ongoing improvement of all services delivered by our municipal organization to **our customers - the residents, businesses, visitors and fellow employees of the City of Dover** and the many other constituent groups that require and/or demand the delivery of our varied municipal services.

The strategic management framework for delivering customer service excellence has three important roles in strengthening the public's overall respect and confidence in our ability to deliver efficient, effective and timely municipal services. These three roles are:

- to help improve performance practices, capabilities and results;
- to facilitate the communication and sharing of information, resources and leading practices; and
- to serve as a model for understanding and managing performance, planning, and learning throughout the municipal organization.

#### Overall Strategic Management Goals

The strategic framework outlined in this guidebook enhances the quality of Dover's municipal services through a focus on three overall, results-oriented goals:

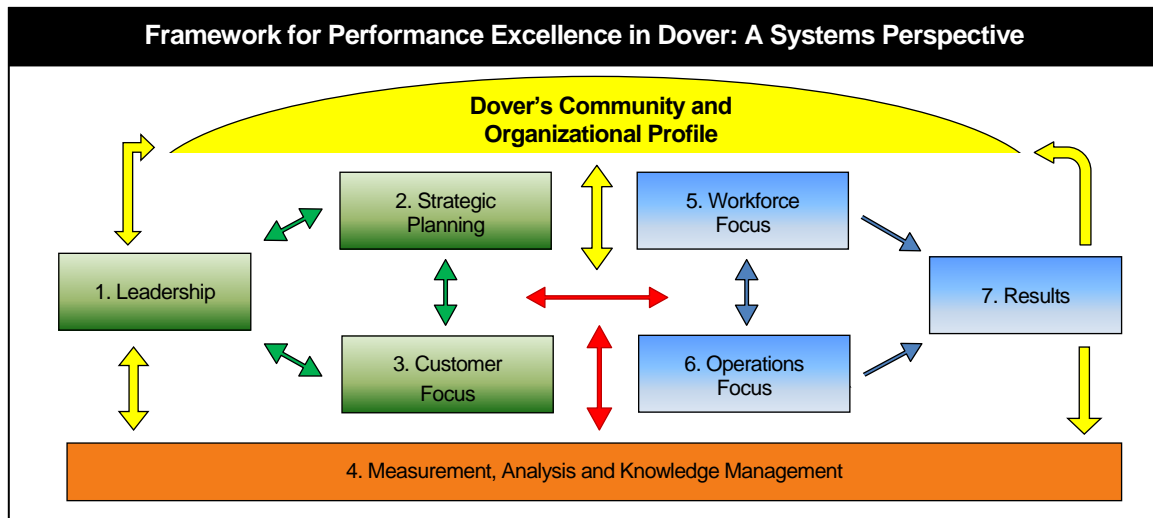
1. Delivery of ever-improving value to all City of Dover customers, resulting in greater respect and confidence in our local government; and,
2. Improvement of overall organizational performance and capabilities, resulting in greater operational efficiencies; and,
3. Organizational development and personal learning, resulting in a culture characterized by the core values of customer-focused service, integrity, innovation, accountability and stewardship.

## Framework for Performance Excellence

The strategic management framework for performance excellence here in Dover consists of a system of six interrelated processes yielding results that meet the immediate and long term needs of our varied customers. The systematic processes and result categories, adapted directly from the *Baldrige National Quality Program Criteria for Performance Excellence*, are as follows:

- 1 Leadership
- 2 Strategic Planning
- 3 Customer Focus
- 4 Measurement, Analysis and Knowledge Management
- 5 Workforce Focus
- 6 Operations Focus
- 7 Results

These categories are integrated into an overall strategic performance management system as illustrated in the figure below.



The strategic management framework shown above has three basic elements. From top to bottom, these elements are **Community and Organizational Profile** (the yellow overarching umbrella), the **Performance System** (the green and blue boxes at the center of the overall system), and **Measurement, Analysis and Knowledge Management** (the orange box providing the base for the overall system). Each of these elements is described further on the following page.

## I. **Community and Organizational Profile**

The **Community and Organizational Profile** (yellow umbrella) for Dover sets the context for how our municipal organization operates. Our community's collective vision, challenges and advantages, along with our organizational capabilities, relationships and operating environment drive the requirements of our performance system (green and blue boxes) This profile shapes short and long-term strategic planning which, in turn, defines the key focus areas for all work units in the municipality and guides resource allocation decisions necessary to ensure customer satisfaction and confidence.

## II. **Performance System**

The system at the center of the framework (green and blue boxes) is comprised of process categories applicable to the various activities performed throughout the municipal organization. These processes support all municipal operations, which in turn yield intended performance results.

**Leadership** (Category 1), **Strategic Planning** (Category 2), and **Customer Focus** (Category 3) represent the **Leadership Triad** (green process boxes and arrows). These three categories are placed together to emphasize the importance of a leadership focus on strategy and customers. Senior leaders set organizational direction and promote future opportunities for the organization. In conjunction with strategic planning, leadership is constantly focused on customer and community requirements ensuring the organization as a whole will always maintain that focus.

**Workforce Focus** (Category 5), **Operations Focus** (Category 6), and **Results** (Category 7) represent the **Results Triad** (blue process and result boxes and arrows). Our municipal workforce and our organization's operations accomplish the actual work that yields results.

All actions point toward **Results** (Category 7) – a balanced composite of outcomes relating to customer, financial, operational, workforce and leadership related perspectives.

The horizontal red arrow at the center of the framework links the **Leadership Triad** to the **Results Triad**, a linkage critical to our municipal organization's success. Furthermore, the arrow indicates the central relationship between **Leadership** (Category 1) and **Results** (Category 7). Leadership must keep its eyes on results and must learn from them to continuously drive improvement.

## III. **Measurement, Analysis and Knowledge Management**

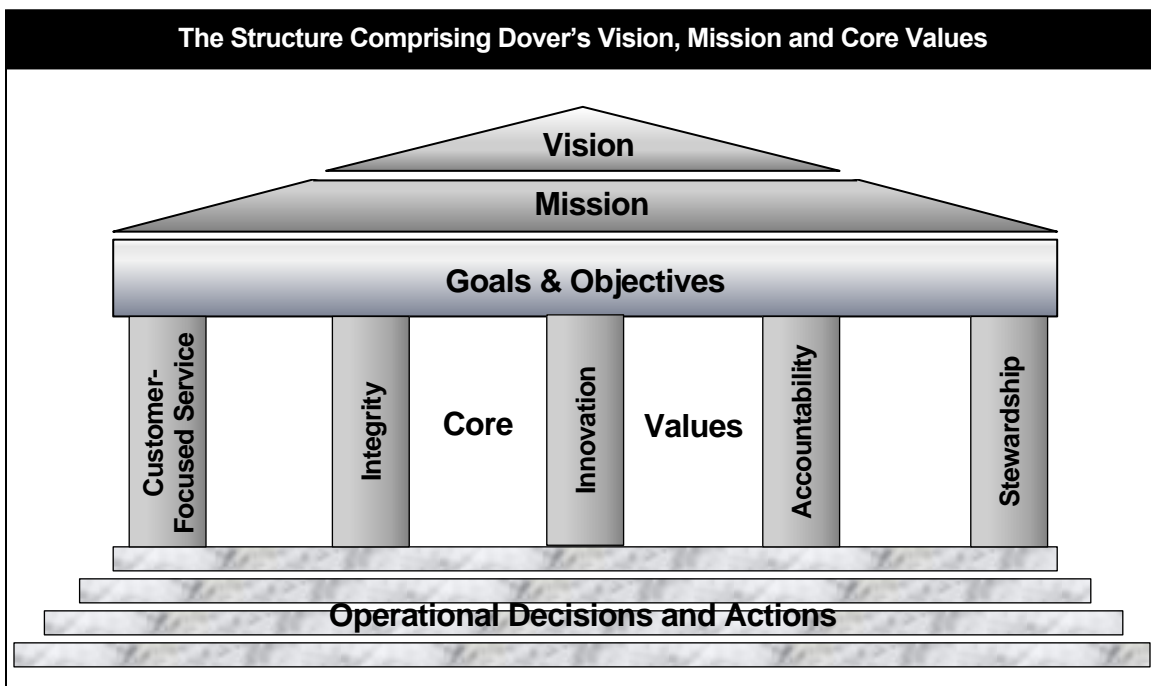
**Measurement, Analysis and Knowledge Management** (Category 4) are critical to the effective management of the municipal organization and to a fact-based system for improving operational performance. Information analysis and the management of accumulated knowledge serve as a foundation for the performance system and support the overall strategic management framework (orange box and yellow arrows).

The vertical red arrow at the center of the framework indicates the linkage between the **Performance System** and **Measurement, Analysis and Knowledge Management** (Category 4). Information communication and feedback throughout the system drives process adjustments needed in achieving intended outcomes.

## Vision, Mission and Core Values

Community vision, organizational mission and core values are essential elements embedded throughout the framework for performance excellence here in Dover. Included as part of the Community and Organizational Profile is our community's vision reflecting the ideal quality of life to be achieved here in Dover and the municipal organization's continuing mission in support of realizing that vision. To support our organization's mission and achievement of our community's vision, goals and objectives are established via strategic planning processes. Core values buttress these goals and objectives while also linking together and reinforcing all underlying operational decisions and actions.

The relationship between community vision, organizational mission, goals and objectives, core values and operational decisions and actions is illustrated in the figure below.



### Vision Statement

The City of Dover's overall vision statement as derived from the collective input of citizens, business owners and other key stakeholders interested in the long term future of the community is as follows:

***"To be a city with an emerging urban vibrancy guided by a small town sense of community."***

## **Mission Statement**

The City of Dover's organizational mission statement reflecting the purpose to be served by the existence and ongoing efforts of our municipal operations is as follows:

***“To provide affordable, high quality municipal services and responsive accessible local governance ensuring all persons the opportunity to enjoy contributing to and being a part of the Dover community.”***

## **Core Values**

The core values representing the beliefs and behaviors by which all members of the City of Dover organization shall conduct ourselves and providing a common basis for making and evaluating all decisions and actions are as follows:

**Customer-Focused Service** – We engage our customers, with a focus on listening to and supporting their needs, anticipating and delivering high quality services and ensuring their satisfaction.

**Integrity** – We conduct ourselves at all times in a manner that is ethical, legal and professional, with the highest degree of honesty, respect and fairness.

**Innovation** – We develop creative solutions and share leading practices that enhance the value of services provided for our customers.

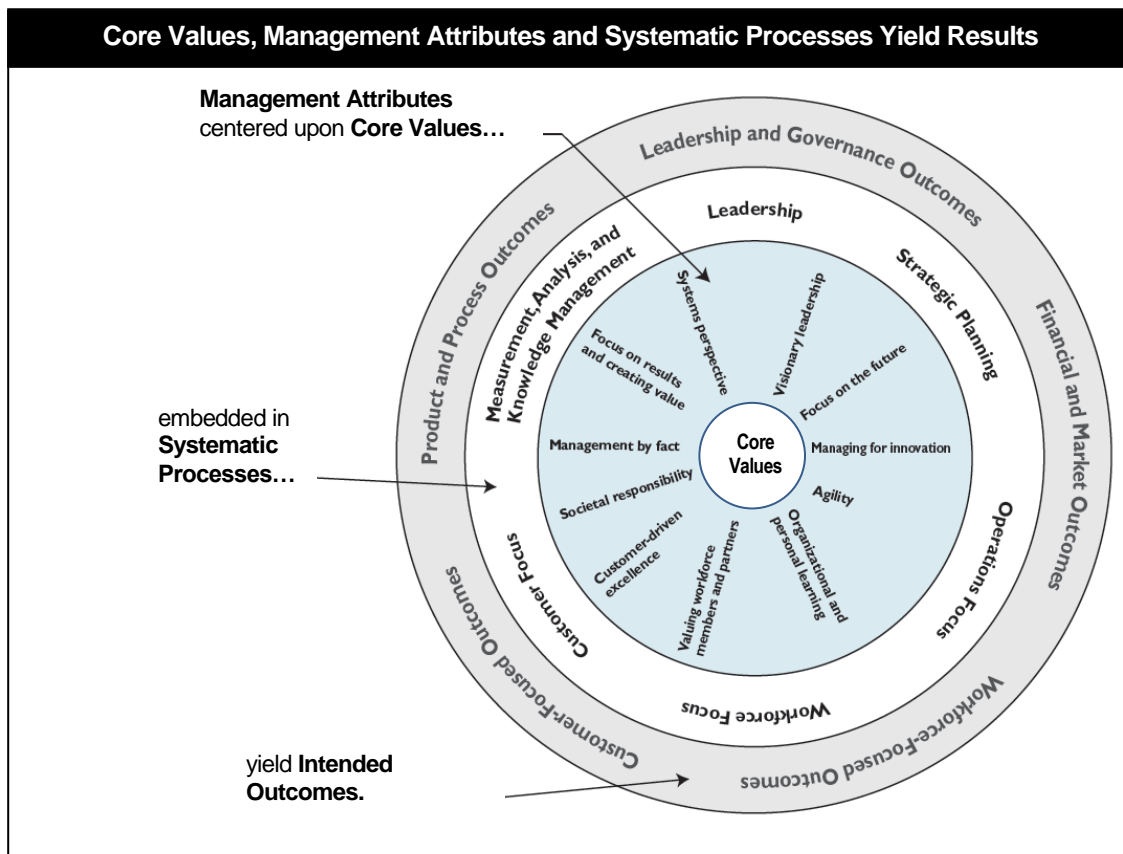
**Accountability** – We promote openness and transparency in our operations ensuring that we are accountable for our actions at all times.

**Stewardship** – We serve as trusted stewards of the public's financial, environmental, social and physical resources always seeking to responsibly utilize, conserve and sustain for current and future generations.

## Management Attributes

The success of the strategy for delivering customer service excellence here in Dover is dependent upon a specific set of management attributes aligned around our municipal organization's core values. They are embedded within the framework's systematic processes which, in turn, yield intended performance results. These attributes are consistently evident in high performing organizations and have been proven to be essential requirements in a results-oriented strategic management framework.

The figure below illustrates the relationship between core values, management attributes and our strategic management framework's systematic processes and results:



### Visionary Leadership

Our city's senior leaders, including the Mayor, City Councilors, City Manager, and Department Heads, set directions and create a customer focused orientation, clear and visible values, and high expectations. The directions, values, and expectations of our leaders balance the needs of all stakeholders in our municipal operations. Our



organization's leaders ensure the creation of strategies, systems, and methods for achieving excellence, stimulating innovation, and building knowledge and capabilities. These strategies and values guide all activities and decisions throughout the municipal organization. Our senior leaders are committed to the development of the entire work force and encourage participation, learning, innovation, and creativity by all employees.

Through ethical behavior and personal involvement in planning, communications, review of organizational performance, and employee recognition, our senior leaders serve as role models, reinforcing values and expectations and building leadership and initiative throughout the municipal organization.

### **Focus on the Future**

Pursuit of performance excellence requires our senior leaders and the entire municipal organization to have a strong future orientation and a willingness to fulfill long-term commitments to key stakeholders – customers, employees, suppliers, taxpayers, the public, and the community at large. Our municipal organization anticipates many factors in strategic planning efforts, such as customers' expectations, new service opportunities, technological developments, evolving regulatory requirements, community/societal expectations, and economic changes. Short- and long-term plans, strategic objectives, and resource allocations reflect these influences. Major components of such a long-term commitment include developing our employees and suppliers to anticipate service requirements demanded by the public today while adjusting to accommodate that which is sustainable into the future.

### **Managing for Innovation**

Our local government organization emphasizes efficiency in order to continuously evaluate and eliminate inefficient and wasteful practices. Pursuing operational efficiency contributes greatly to building an “ever-improving” quality into the delivery of municipal services. Costs that may be associated with efficiency improvements typically pay for themselves in operational savings realized over time. Accordingly, our municipal organization emphasizes opportunities for identifying and implementing efficiency improvements. This approach can yield maximum cost benefits and takes great advantage of even the smallest of improvements or corrections in operational processes. Attention to efficiency also takes into account the involvement of our suppliers in contributing to the delivery of municipal services.

### **Agility**

Our municipal organization's success in delivering local government services demands faster and more flexible response to customer's needs. Major improvements in response time often require automation of work practices and simplification of administrative processes. To accomplish this, the timed performance of work processes is among the key performance measures used throughout our municipal organization. Other important benefits are derived from this focus on time as time improvements often drive simultaneous improvements in organization, quality, cost, and productivity.

## **Organizational and Personal Learning**

Achieving the highest levels of performance requires a well-executed approach to continuous improvement and learning. The term "continuous improvement" refers to both incremental and "break-through" improvements. The term "learning" refers to adaptation to change, leading to new goals and/or approaches.

Improvement and learning are "embedded" in the way our municipal organization operates. The term embedded means that improvement and learning: (1) are a regular part of daily work; (2) are practiced at individual, departmental, and city-wide organizational levels; (3) seek to eliminate problems at their source; and (4) are driven by opportunities to innovate and do better, as well as by problems that must be corrected. Sources of improvement and learning include: customer input; employee ideas; leading practice sharing; and benchmarking.

Improvement and learning include: (1) enhancing value to customers through new and improved services; (2) developing new service delivery opportunities; (3) reducing errors, defects, waste, and related costs; (4) improving responsiveness and service delivery time; (5) increasing productivity and effectiveness in the use of all resources; and (6) enhancing the organization's performance in fulfilling its public responsibilities and service to the community.

Thus, improvement and learning are directed not only toward improved services but also toward being more responsive, adaptive, and efficient – giving our entire municipal organization additional performance advantages.

## **Valuing Workforce Members and Partners**

Our local government's success depends increasingly on the knowledge, skills, innovation, creativity, and motivation of its work force. Employee success depends increasingly on having opportunities to learn and to practice new skills.

Our municipal organization invests in the development of the work force through education, training, and opportunities for continuing growth. Opportunities might include job rotation and increased pay for demonstrated knowledge and skills. On-the-job training offers a cost effective way to train and to better link training to work processes. Education and training programs utilize advanced technologies, such as computer-based learning and web conference broadcasts. Increasingly, training, development, and the organization of work units is being tailored to a diverse work force and to more flexible, high performance work practices.

Major challenges in the area of valuing employees include: (1) integrating human resource practices – selection, performance, recognition, training, and career advancement; (2) developing, cultivating, and sharing the organization's knowledge that is possessed by its employees; and (3) aligning human resource management with strategic change processes. Addressing these challenges requires use of employee-related data on knowledge, skills, satisfaction, motivation, safety, and well-being. Such data are tied to indicators of city-wide organizational and individual departmental performance, such as customer satisfaction, customer confidence, and productivity. Through this approach, our

individual employee and team contributions may be better integrated and aligned with operational needs.

Our municipal organization builds upon internal and external partnerships to better accomplish the overall goals of our local government.

Internal partnerships include labor-management cooperation, such as agreements with unions relating to new compensation practices, employee development, cross-training, or new work organizations, such as high performance work teams. Internal partnerships also involve creating supportive and cooperative relationships among work units to improve flexibility, responsiveness, and knowledge sharing.

External partnerships are ongoing with customers, suppliers, other governmental agencies and educational organizations. An increasingly important kind of external partnership is the strategic partnership or alliance. Such partnerships might offer access to new products or services that would otherwise be unavailable to the organization and/or community. Partnerships also might permit the blending of our organization's core competencies or leadership capabilities with the complementary strengths, capacity and expertise of others, thereby enhancing overall capability, including speed, flexibility and technical ability. In some cases, joint education and training with partners offers a cost-effective method of developing our own employees.

Internal and external partners support longer-term objectives, thereby creating a basis for mutual investments. Key requirements for the success of our partnerships include establishing means of regular communication, approaches to evaluating progress, and expectations for adapting to changing conditions.

## **Customer-Driven Excellence**

Quality is judged solely by our customers. Thus, quality must take into account all service features and characteristics that contribute value to our customers and lead to our customer's satisfaction.

Value and satisfaction may be influenced by many factors throughout a customer's experience with our municipal organization. These factors are greatly affected by our continuing efforts to foster the relationships with customers that serve to build trust, confidence, and pride.

Customer-driven quality addresses not only the service characteristics that meet basic customer requirements, but also includes those features and characteristics that positively differentiate our services from "mediocre" or "less than satisfactory" service experiences. Such differentiation is based upon new or modified offerings, combinations of service offerings, customization of offerings, rapid and accurate responses, and/or special relationships.

Customer-driven quality is thus a strategic concept, yet one which is difficult to measure using operational data. It is directed toward achieving customer respect, confidence, and overall satisfaction. It demands constant sensitivity to changing and emerging customer

and community needs, and the factors that drive our customer's perceptions and civic pride.

Customer-driven quality demands awareness of developments in technology, and rapid and flexible response to customer and societal requirements.

Customer-driven quality means much more than reducing complaints, offering satisfactory service or achieving average results. Although these outcomes do contribute to our customers' view of quality and are therefore still important parts of customer-driven quality, it is also our organization's success in recovering from errors or less than adequate services ("*making things right for the customer*") that is crucial to building positive customer relationships and customer confidence.

### **Societal Responsibility**

Our municipal organization's leadership is committed to fulfill its responsibilities to the public and practice good citizenship. These responsibilities refer to the basic expectations of – a commitment to ethics, the protection of public health, safety, and the environment, and enhancement of our community's and region's quality of life. Our municipal operations seek to prevent community problems from occurring, provide a rapid and effective response if problems occur, and make available information and support needed to maintain public engagement, safety, and comfort throughout problem solving.

Our municipal organization is committed to meeting all local, state, and federal laws and regulatory requirements, while treating these and related requirements as opportunities for continuous improvement "beyond mere compliance".

Practicing good stewardship requires leadership and support – within the limits of our community's resources – for publicly important purposes. Such purposes include public safety, education, infrastructure maintenance and economic development. It also includes environmental protections, resource conservation, community service and encouraging industry and business growth. Leadership as an organizational entity also entails interacting with other organizations, private and public, to partner for these purposes. For example, our municipal organization may coordinate, support and/or otherwise encourage individual persons or companies in their efforts to lead and accomplish community betterment projects.

### **Management by Fact**

Successful private sector enterprise depends upon the measurement and analysis of performance and so does our municipal organization. Such measurements are derived from strategic plans and provide critical data and information about key processes, outputs, and results. Many types of data and information are utilized for performance measurement and improvement. The performance areas analyzed are grouped into customer, process, governance, financial and workforce related measures

Analysis refers to extracting larger meaning from data and information to support evaluation, decision-making, and operational improvement within our municipal organization. Analysis entails using data to determine trends, projections, and cause and effect – that might not be evident without analysis. Data and analysis support a variety of

purposes, such as planning, reviewing overall performance, improving operations, and comparing performance with "leading practices" benchmarks.

A major consideration in performance improvement involves the selection and use of appropriate performance measures or indicators. The measures or indicators selected are those that represent the factors that lead to improved performance. A comprehensive set of measures or indicators are relied upon in evaluating the alignment of our municipal organization's varied activities with our community's vision and organizational goals. Through the analysis of data derived from the tracking processes, the measures or indicators themselves are evaluated and changed to better support the monitoring of such goals.

### **Focus on Results and Creating Value**

Our municipal organization's performance measurements focus on key results. Results are focused on creating and balancing value for all stakeholders – customers, employees, taxpayers, suppliers and partners, the general public, and the community as a whole. This requires that actions and plans meet differing stakeholder needs and avoid adverse impact on any stakeholders, as best as possible. The use of a balanced composite of performance measures offers an effective means to communicate short- and longer-term priorities, to monitor actual performance, and to marshal support for improving results that ultimately benefit the community and all stakeholders to some degree.

### **Systems Perspective**

Our municipal organization utilizes a systems perspective for managing the organization and its key processes to achieve results.

The successful management of overall performance involves city-wide synthesis, alignment, and integration. Synthesis means looking at the organization as a whole and building on core competencies, strategic objectives, action plans, and work systems. Alignment means to ensure consistency of plans, processes, measures, and actions. Integration builds on alignment, so that all work units are tasked and operate in a fully interconnected manner to collectively deliver anticipated results.

A systems perspective includes our senior leaders' focus on strategic directions and on customer's needs. Senior leaders monitor, respond to, and manage performance based on results. A systems perspective includes using measures, indicators, core competencies, and organizational knowledge to support key strategies. It means linking these strategies with work systems and aligning resources to improve overall performance while focusing on the meeting the needs of customers and stakeholders.

## Intended Outcomes

The strategic management framework employed in Dover focuses on key areas of operational performance and their specific areas of intended outcomes, as indicated below.

Operational performance areas:

- (a) Customer-focused outcomes;
- (b) Product and process outcomes;
- (c) Leadership and governance outcomes;
- (d) Financial and benchmark outcomes;
- (e) Workforce-focused outcomes.

### Customer-Focused Outcomes

Customer focused performance results demonstrate how successful our municipal organization has been in satisfying various stakeholders. Relevant data and information include customer satisfaction and dissatisfaction; program participation levels; customer complaints, complaint management, and effective complaint resolution; customer-perceived value based on quality and cost; customer assessment of access and ease of use (including courtesy extended in service interactions); customer advocacy for services; and awards, ratings, and recognition from customers and independent rating organizations. Customer-focused results that go beyond satisfaction measurements are also included, because customer engagement and ongoing relationship development contribute to future service success and organizational sustainability.

### Product and Process Outcomes

Product and process results demonstrate product and service quality and value that lead to general customer satisfaction and engagement. Work system and work process effectiveness and efficiency measurements include internal quality measurements, field performance, defect levels, service errors, response times, and data collected from customers by other organizations on ease of use or other attributes, as well as customer surveys on product and service performance.

More specific effectiveness and efficiency indicators include work system performance measures that demonstrate improved cost savings or higher productivity by using internal and/or external resources; reduced emission levels or energy consumption, waste stream reductions, by-product use, and recycling; internal service responsiveness, cycle times, production flexibility, lead times, and set-up times; and improved performance of administrative and other support functions.

## **Leadership and Governance Outcomes**

Senior leadership and governance measures and indicators demonstrate a fiscally sound, ethical organization that fulfills its societal responsibilities supporting the needs of the community. Results reported include environmental, legal, and regulatory compliance; results of oversight audits by government or funding agencies; and noteworthy achievements in these areas, as appropriate.

## **Financial and Market Outcomes**

Key financial and benchmark results demonstrate financial sustainability and achievements in comparison to other similarly situated organizations. Measures are tracked on an ongoing basis to assess financial performance and viability. Financial performance indicators include revenues, budgets, net income, cash position, net assets, debt levels, financial operations efficiency (collections, billing, receivables), and grants received.

## **Workforce-Focused Outcomes**

Workforce-focused results demonstrate how well our municipal organization has been in creating and maintaining a productive, caring, engaging, and learning environment for all members of the workforce. Results include employee safety, absenteeism, turnover, satisfaction, and complaints (grievances). Other factors include the extent of training, retraining, or cross-training to meet capability and capacity needs; the extent and success of self-direction; the extent of union-management partnering; the extent of volunteer involvement in process and program activities; staffing levels across work units; and certifications completed to meet skill needs.

## Ongoing Implementation Considerations

### 1. The Strategic Management Framework focuses on operational results.

The strategic management framework employed in Dover relies upon measuring intended outcomes across five specific areas: customer focused outcomes, product and process outcomes; leadership and governance outcomes, financial and market outcomes and workforce related outcomes. The use of this composite of performance indicators is intended to ensure that management strategies are balanced – that they do not inappropriately trade off among important stakeholders, objectives, or short- and long-term goals.

### 2. The Strategic Management Framework is non-prescriptive and adaptable.

The strategic management framework does not prescribe:

- Specific tools, techniques, technologies, systems, measures, or starting points;
- That a work unit or department should or should not have staff specifically assigned for quality, planning, or other related functions;
- How the municipal organization itself or individual departments should be structured; or
- That different work units or departments in the municipality should be managed in the same way.

The focus instead is on results, not on procedures, tools, or organizational structure. Work units are encouraged to develop and demonstrate creative, adaptive, and flexible approaches for meeting requirements. This adaptive approach fosters incremental and major (“breakthrough”) improvements through innovation.

### 3. The Strategic Management Framework supports city-wide goal alignment.

The systems perspective of the strategic management framework ensures that the municipal organization’s processes and strategy are channeling different work units and activities in consistent directions. This goal alignment ensures consistency of purpose while also supporting agility, innovation, and decentralized decision making.