

OPM: Turning the Ship Before it Hits the Iceberg

Creating a High-Level Function to Design & Deploy a New Organizational Infrastructure

ABSTRACT

It is said that, *whatever got you where you are today is no longer enough to keep you there*. While this was not always the case with local government organizations, it most certainly is today. When we look behind the scenes into what makes an organization successful, we see that it's not just the programs we manage or the services we provide, but rather a combination of factors that support and define the organization's success. These include, but are not limited to, values shared across the organization, the role(s) of organizational leadership, and the underlying structures and supports for achieving the mission and vision. It is much like an iceberg where what we see above the water is our programs and services, while underneath the surface are the numerous factors, so often taken for granted, that make providing these programs and services possible. This is *infrastructure*, and it is the bedrock on which organizational success and sustainability are achieved. Typically, organizational infrastructure is made up of the systems, processes, and procedures that give structure to the organization, support its key functions, and foster the desired culture. In top-performing corporations, strong infrastructure is what solidifies best practices, procedures, and processes to ensure their consistent execution regardless of staff or leadership changes. But while large corporations can, and do fund maximizing their infrastructure, most local governments don't have that luxury, and must work within a framework that has changed little, if at all in many years.



PROBLEM STATEMENT

For over thirty years, the infrastructure, and culture of our organization existed virtually unchanged. Work systems, where they existed, were *reactive*, responding to complaints and fixing things as they would break, within the limits of available funding. There was little concern for customer satisfaction and even less concern for employee engagement. There was no infrastructure in place to support either. Then we fell into a recession, and seemingly overnight lost 32% of the taxable property value in our county, translating to the loss of nearly one third of our total revenue. At the same time, in our State, legislation tightened our purse strings to the point of breaking while additional financial responsibilities continued to be pushed down intensifying the challenge of limited funds. Meanwhile, the needs and expectations of our citizens, those we provide our services to, continued to increase. The wakeup call couldn't have been more clear—*doing what we had always done was no longer sustainable*.

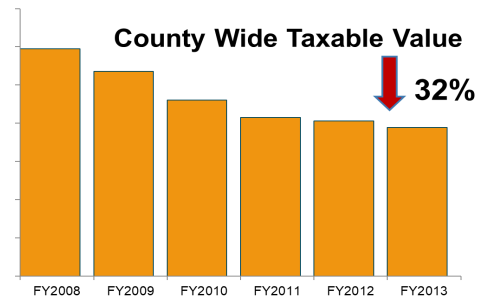
We now had to look at and understand our business in ways we hadn't historically had to. We would have to provide more service with less money. The consensus of high-performing organizations is that this only happens when we clearly understand our customer's needs, have optimized processes and procedures to meet them, and have an engaged workforce to provide them. For us, this would require a monumental effort, turning the organization through a 180 degree turn with no infrastructure currently in place to support it. We determined to establish a new function who's sole responsibility was to effectively transform the organization, from the inside out, from a *reactive regulatory agency* to a *customer friendly service organization* staffed by a team dedicated to and engaged in achieving our mission. The function created was an internal, overarching performance management program unlike any seen at the local government level.

PROGRAM DESCRIPTION

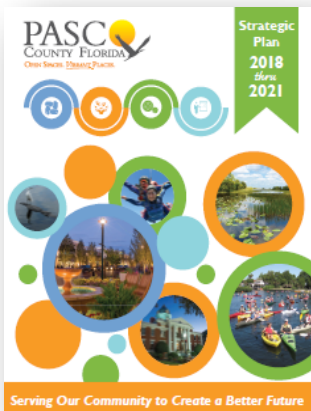
THE INTERNAL, OVERARCHING PERFORMANCE MANAGEMENT FUNCTION

The Organizational Performance Management (OPM) function, reporting directly to the County Administrator, was created to assess the organization's overall capacity, capability, and functionality in comparison to known criteria defining high-performing organizations (Malcolm Baldrige/Florida Sterling). In other words, to rebuild the organization's entire infrastructure. OPM started with a Director, a Project Specialist, and 3 Performance Specialists. Establishing this high-level, high-visibility function would solidify the organization's commitment to making the changes necessary to provide the highest levels of customer service regardless of the program or line of business. Where generally speaking, contracted external consultants typically assess a situation, provide recommendations, then move on, OPM would be the center of organizational change from beginning to end, with accountability for measurable impact and results.

OPMs first task was to assess the organization's ability to rebound from the 2011 recession. OPM designed and facilitated the process to produce the County's first Strategic Plan (2013-2017), based in large part on a robust environmental scan. This plan was developed as a roadmap for recovery, focused primarily on the functions most critical to this effort. OPM worked to set in place an infrastructure in the form of business and operational best practices to steer the organization in a more sustainable direction, focused on employees and on customers. OPM was given operational control of three other key functions, Customer Service, Training & Development, and Media Relations & Communications. Customer Service, fielding more than 200,000 calls per year, represented a very effective customer listening mechanism, providing a wealth of data used to shift the organizational culture from *reactive* to *proactive*. The Training & Development team facilitated rapid deployment of new processes and procedures, providing the knowledge and skills necessary to effectively implement them. Media Relations & Communications, as the voice of the organization, provided the public with positive reports of the improvements made across the organization and their impact on performance and customer satisfaction. This unique functional grouping became known as the Proactive Voice of the Customer Model.



The second Strategic Plan (2018-2021), was developed to address emerging growth, deferred maintenance, and redevelopment. OPM had to orchestrate the shift from the 30-year, tops-down, directive work culture, to one of Program Ownership at the Department and functional levels. This not only required new tools, training, and technology, but above all, the establishment of trust and buy-in at all levels of the organization. The aim was to achieve a 180-degree shift in a deeply imbedded culture.



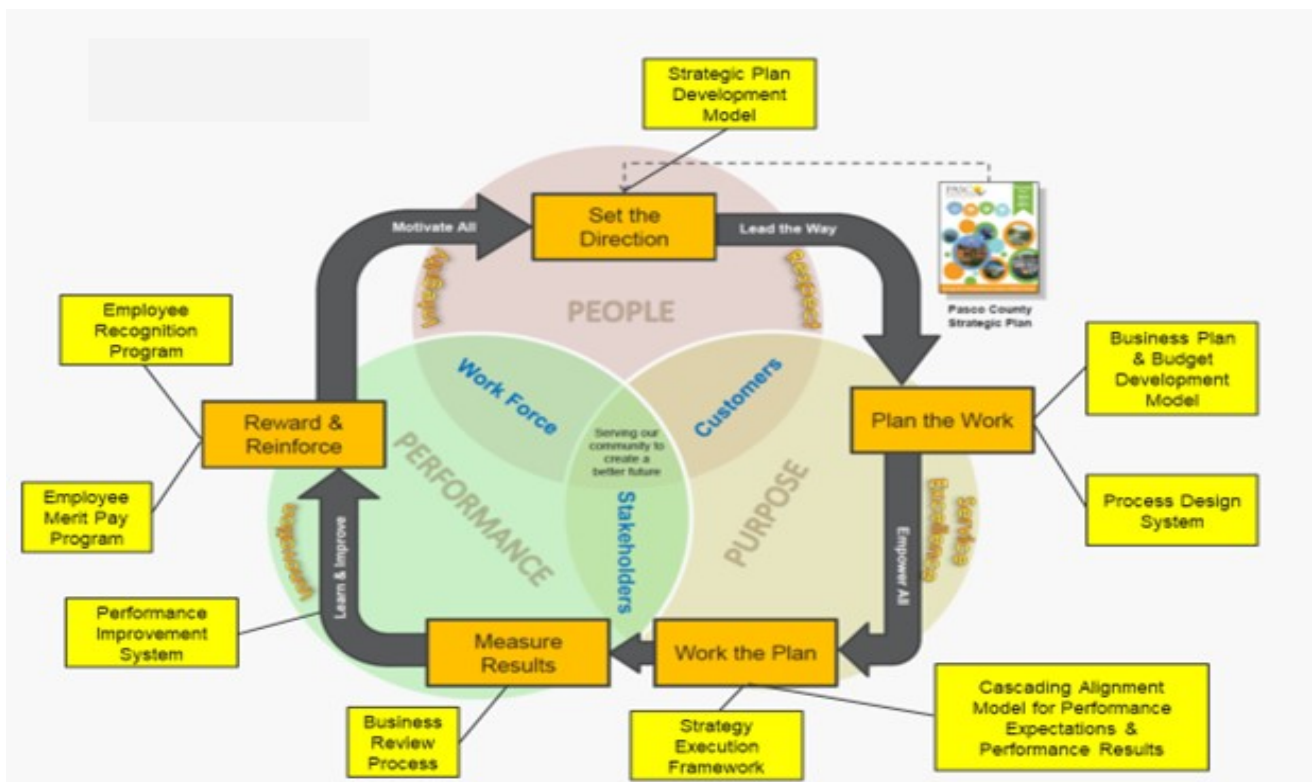
IMPROVE ORGANIZATIONAL PERFORMANCE	CREATE A THRIVING COMMUNITY	ENHANCE QUALITY OF LIFE	STIMULATE ECONOMIC GROWTH
<p>GOAL 1.1 Deliver services that meet and exceed customer expectations to a manner that fosters trust, inspires confidence, and promotes accountability.</p> <p>GOAL 1.2 Retain, retain, and grow a customer-centric work force that has the proper knowledge, skills, abilities, tasks, and technology.</p> <p>GOAL 1.3 Systematically evaluate processes and procedures to ensure they are optimized and that the intended outcomes are achieved.</p> <p>GOAL 1.4 Prioritize significant problem change through innovative ideas, methods, and methods of doing business.</p>	<p>GOAL 2.1 Minimize natural disaster impact and the effect on water utility systems to reduce flood damage, including damage to life or property.</p> <p>GOAL 2.2 Enhance water utility system resilience to ensure the reliability of water supply and service to customers.</p> <p>GOAL 2.3 Promote energy efficiency and ensure a robust multi-modal transportation system.</p> <p>GOAL 2.4 Promote the safety of the County's water utility system through the use of advanced technologies and equipment.</p>	<p>GOAL 3.1 Improve water utility system resilience to ensure the reliability of water supply and service to customers.</p> <p>GOAL 3.2 Deliver essential services to address basic human needs.</p> <p>GOAL 3.3 Promote a balance of cultural, educational, and recreational activities.</p> <p>GOAL 3.4 Promote a balance of cultural, educational, and recreational activities.</p>	<p>GOAL 4.1 Retain and promote a financially sustainable County government that is transparent and effective.</p> <p>GOAL 4.2 Increase a financial surplus to fund infrastructure and operational needs.</p> <p>GOAL 4.3 Increase a financial surplus to fund infrastructure and operational needs.</p> <p>GOAL 4.4 Increase a financial surplus to fund infrastructure and operational needs.</p>

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THE INTERNAL, OVERARCHING PERFORMANCE MANAGEMENT FUNCTION

OPM successfully implemented processes, tools, and training to support program ownership. In 2017, for the first time, every County program or service had accurately identified its customer group(s), their specific requirements, and the levels of service needed to meet and/or exceed them. Performance measurement, outside of the mandated regulatory metrics, was now applied to work processes. Since this level of process measurement had not been done before, the effort surfaced the need for targeted performance/process improvement. OPM increased its impact by adding two more performance specialists and formalized the positions as Performance Development Analysts (PDAs). With one PDA for each operational Branch, the PDAs charge was to implement the Map, Analyze, Improve Model, applied first to core processes, then to support processes in every department. Process Improvement became *continuous improvement* which was firmly imbedded in the organizational culture. Measurement evolved from *inputs and outputs* (How much did we do?), to *quality and efficiency* (How well did we do it?), to key *outcome measures* (Is anyone better off because we did?).

With an increased focus on our team members (employees), certain leadership gaps also surfaced. In most cases, just as we found with performance measurement, many of the leadership gaps could be traced back to an old culture that didn't value leadership. OPM facilitated the development of a robust Leadership System defining how we, as leaders have agreed to lead. Training, coaching, and mentoring continue to support our leadership development at all levels. By 2019, the County, based on verifiable data, could confidently consider itself a "Good" organization, having made the 180 degree turn.



Infrastructure & Supports

USE of TECHNOLOGY

Substantial upgrading of technology was required to support the new infrastructure. To ensure proper fit and integration, OPM was part of the specification design and selection process for all enterprise systems. The decades old mainframe systems were replaced with a virtual enterprise resource management system. Integrated customer information systems were installed, all web portals were revamped and their content aligned to the mission, and social media platforms were optimized for maximum reach. Programs for *online* services like utilities bill paying and filing for building permits improved service delivery and customer satisfaction. For performance measurement, the Power BI platform was selected to surface data for operational reports and scorecards from executive level down through the organization.

PROGRAM COSTS

The annual budget for the OPM operation is just under \$600,000, which includes the salaries of seven staff and all departmental expenses. The tangible return on investment has consistently been 10:1 or better, just from process improvement activities. Recent calculations held that the costs of outsourcing the body of work OPM has done to produce a high-performance infrastructure and shift the organizational culture from reactive to proactive, would top \$7,000,000.

RESULTS

Customer Service & Satisfaction:

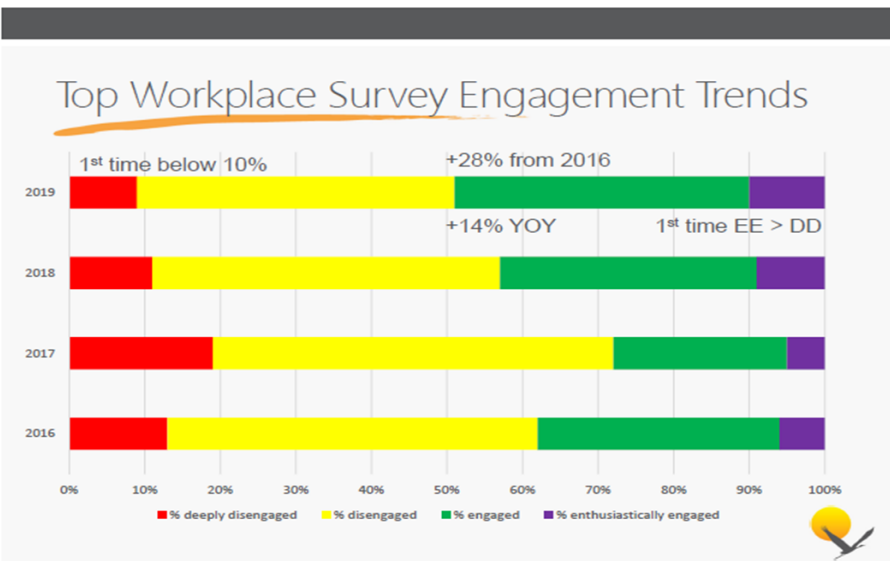
In 2019, Customer Satisfaction with the overall quality of County services hit an all-time high (67% Excellent or Good). This represents a 17% increase from 2009, and the first time the County exceeded the known national benchmark. In comparison, County citizens rated the overall quality of services provided by the Federal Government at only 39%.

Citizen Engagement:

As a result of listening to our customers, we have been able to make better informed, data-driven decisions. From our four-year Strategic Plan, to our annual Business Plans, each and every Department knows the body of work it must do to provide the required levels of service and improve the quality of life for our citizens. When customers can count on you, confidence increases. Since 2014, we have seen the confidence in County Government increase by double digits.

Employee Engagement:

Pasco County Performance	2014 - 2019
The value of services for the taxes paid to Pasco County	+11%
The overall direction that Pasco County is taking	+12%
The job Pasco County government does at welcoming citizen involvement	+10%
Acting in the best interest of Pasco County citizens	+13%
Being honest	+14%
Treating all residents fairly	+11%



Our top key performance measure is the percentage of *actively* or *strongly* engaged team members. In 2016, our employee engagement was at 34%. In 2017 it dipped to 29%. In 2018, the culture shift began to take hold and employee engagement rose to 43%. This 14% increase was supported by over 2,000 positive comments captured in the employee engagement survey. In 2019, our employee engagement jumped 6% to 49%. The overall goal is 75% or to be in the top decile in our region. A Top Workplace.

WORTHINESS of AWARD SELECTION

The organization had gotten stuck in its own current. We had to turn the ship before it hit the iceberg, and if we continued to do what we had always done, we were headed right for it. The recession of 2011 made that abundantly clear. The solution was not so clear... at first. How do you catch up on 30 years of stagnation?

Mark Twain once said: “Why not *go out on a limb? That's where the fruit is!*” The irony is that risk is not something local governments are generally willing to take, but it was the only way we would be able to avoid the iceberg. OPM was that calculated risk. Establishing a new function, doing something very different. Nearly every part of the organization had to change, and that change had to be driven and managed from the executive level. Individual efforts had to be orchestrated and aligned to overall strategies. This is not a small organization, 2700 employees representing 57 lines of business to 550,000 customers over 740 square miles. Turning a ship this size wasn't going to happen overnight, and in fact it took almost eight years to have the data to show the impact of OPM, and support its worthiness for award selection. Ours was not the only county facing these circumstances. Any county could have found innovative ways to address the situation, but our response was unique.

While it has many moving parts, the OPM model is duplicatable. Word has gotten out and our County is becoming a resource for other cities and counties who want to know how we have been able to turn the organization around. Fortunately for most, they don't have thirty years of catching up to do. We are always happy to share what we have learned, good and bad, as well as any of the strategies and best practices we have implemented. Since 2013, OPM has operated under three different County Administrators, and is generally credited with leading, sometimes pulling, the organization out of its dark ages and pointing it in a sustainable direction.

The role of PD now is to orchestrate the organization's jump from “Good” to “Great”. This requires even greater refinement of everything we have thus far put in place, building on our strengths, identifying and addressing opportunities for improvement, aligning our work systems and processes to the Sterling/Baldrige criteria, deploying systematic approaches across the organization, and communicating clearly, completely, and consistently from the top down and from the front lines back to leadership. All efforts center on taking care of our people to improve engagement, and effectively serving our customers to improve satisfaction.