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The Journal of Innovative Management is a peer-reviewed quarterly journal for people who are improving the way their organization runs. The purpose is to facilitate increased learning and innovation by providing people with cross-discipline stories of transformation through participative planning, problem solving, and innovation. It is written to help leaders, managers, and workers to:

- Cope with the growing need to integrate quality management, systems applications, and creativity and innovation into their organization dynamics
- Integrate academic thought with real-world applications
- Cope with learning time pressures by using an article format that enables faster reading and improved initial learning
- Facilitate a sense of community as readers see how people from various organizational settings and sectors face and solve what are essentially common leadership and managerial problems
- Achieve performance excellence throughout the organization.

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- Private sector, public sector, and nonprofit organization settings
- Leading-edge and experience-based information, generally 1–3 years old.

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Community and a Sense of Community

When leadership thinks in terms of building a good “company,” “organization,” or “nation,” they may well be inadvertently setting themselves up for failure. That’s because they’re incorrectly leading from a theory that the corporation is a thing and that leadership creates and operates things. Thinking of a corporation as a thing to be led and managed is just an illusion, a legal fiction. Functionally, a corporation is a group of people who are there at the moment, and not a thing. Good leadership is essentially about creating a good community and developing a good sense of community. Good management is about achieving and maintaining a high-quality functionality within that community.

If leadership speaks of difficulties involving change and corporate culture, for example, the underlying issues are problems of community and a sense of community among the people. Competent leaders will approach these kinds of problems as attitude and relationship issues that are likely to involve complex processes of how people are thinking, feeling, and behaving. This may include attitudes of dependency, independency, and interdependency. It may include issues of awareness, knowledge, understanding, trust, and communication. There may be fears, uncertainty, disagreement. All of these are properly matters of the community, and of the sense of community, that exists among the people. These are not matters of some lifeless “it”— “the corporation”—having a mechanistic (buildable and controllable) machine-like nature.

Over the last fifty or sixty years there has been an evolving recognition of the inadequacy of holding, as a mental model, a mechanistic metaphor for communities and corporations in the world. The emerging model is one of using machines and mechanistic-thinking only when appropriate and thinking of organizations as communities of people who agree to be in a relationship with each other for a common, mutually beneficial, purpose.

A further evolution in thought is taking place today, and accelerating, which is about the relational impacts of hundreds of thousands of communities in the world on each other in the present time, and also for their impacts on future generations of people. We see this in terms of various “issues” and “movements”—climate change and global warming, environmental quality and pollution, food supply and quality, water supply and quality, waste disposal, energy, poverty, violence, crime, health care, education, nuclear and other weapons of mass destruction, peace, good government, quality.

These combinations of “old thinking” and “new thinking” produce forces that create socioeconomic turbulence in society and the economy. They also create turbulence between people who see themselves as ruling over other people in command and control-like fashions and those who have developed the capability to live in a more participative style of planning and managing, sharing appropriately in conversation, decision making, work, and rewards.

The needs we must face today are twofold: (1) Working in the system: Enable more people to continuously improve the way their organizations run, including the quality of life in their organizations and the quality of their goods and services. (2) Working on the system: Encourage more organization leaders to spend time and energy to continuously improve the larger societal systems that their organizations operate in, including the quality of inputs and outputs, and the quality of life in the world.
Learning How to Live and Work in a World of Communities

A nation, a city, a corporation, a family—all are forms of community. The role of leadership is about how that community will look and feel, and what it will be like, including what will and will not be happening there. The role of management is about how things will be organized and operated so that it continuously functions well.

The lead-off article in this issue of the *Journal of Innovative Management* is the continuous improvement story of how to lead and manage a whole city—The City of Coral Springs, Coral Springs, Florida. It is an important story of city management, one that is worthy of the recognition it received in becoming the first city in the United States to receive a Baldrige National Quality Award for performance excellence. It is also, along with all Baldrige Award-winning organizations, imperfect, but ever willing to keep trying to keep improving a way of life for themselves and their whole community.

The city manager, Michael Levinson, says leadership begins with setting a clear mission for the city’s management, which is: *To be the nation’s premier community in which to live, work, and raise a family.* Levinson adds: “Everything that we do, every dollar that we spend, links back up to those three operative words of our mission statement: *live, work, and family.*”

*Our People Make Us Premier* is by Jena Abernathy and Kelli Price of Premier, Inc., a recipient of a Baldrige Award in 2006. They tell us that Premier is a healthcare alliance owned by more than 200 not-for-profit hospitals. “We work with over 2,000 hospitals and share a core purpose to improve the health of communities,” states Abernathy and Price. They also emphasize Premier’s four core values and how they become an integrating force for leadership and management:

The four core values of Premier are:

- **Integrity** – The way we work with our customers, treat each other, and live and work within our communities
- **Focus on people** – Internal, external, and within the community
- **Innovation** – For our employees, innovation is collaboration so we are focusing on collaboration and what that means
- **Passion for performance**

These core values work for us because they are a combination of the hard and the soft. We discovered the importance of the explicitness of our values and the need to build them into everything we do as we applied the Baldrige Criteria and used Baldrige as a business model. We found that making sure our values are focused on our business, our customers, and our community and then integrating them in the organization is actually the hard stuff and this has become more important to us over the years.

*Conversational Inquiry as an Approach to Organization Development* by Patricia Shaw, University of Hertfordshire, is about how organizational continuity and change happens, although leaders often do not understand the process.

We are in the midst of a sea change in our understanding of how organizational continuity and change arise. We have concentrated on trying to design and implement future states, explaining, in hindsight, what actually comes about as the successful realization of our prior intentions. However as the complex interdependencies of our world become increasingly apparent, the illusory nature of our traditional understanding of control—of being able to trace simple chains of cause and effect, of re-engineering the form of our organizational activities—is proving illusory. So we are now shifting towards understanding how outcomes emerge from the local self-organizing interaction of multiple intentions in webs of power relations, where there is no single source of change.
City of Coral Springs, Florida
2007 Malcolm Baldrige National Quality Award Winner

Leadership

Michael S. Levinson, City Manager/CEO—Coral Springs, a community of excellence, is located in southeast Florida, approximately twelve miles inland from Fort Lauderdale. While not on the beach, we do border the pristine Florida Everglades.

Incorporated in 1963, we are a young, bustling community, with a service area of approximately twenty-five square miles and a customer base of 132,000 residents and approximately 3,500 businesses. The average age in Coral Springs is thirty-six, with nearly a third of our resident population under the age of eighteen. These are important demographics, which shape the provision of infrastructure, public improvements, and city services. One need only look at the store mix in our regional mall to conclude that a large part of the disposable income in our community is in the hands of kids. If you’re looking for a business suit there, you might have a hard time. However, there are probably twenty stores that can sell you a boogie board.

Our municipal corporation consists of approximately 775 full-time employees, and nearly 300 part-time employees. We also have nearly 1,000 volunteers. All these people service our community through a very flat organizational structure with a short chain of command made up of fourteen departments and numerous wholly owned subsidiaries such as our water utility, performing arts center, museum of art, hotel conference center, and also our charter schools, middle, and high school. A $137 million net budget fuels the implementation of our business plan.

We’re rated AAA by all three rating agencies on Wall Street, enjoy a 94% customer satisfaction rating from our residents, a 97% customer satisfaction rating from our businesses, and a 97% employee satisfaction rating. It’s important to note that we’ve been able to maintain these high ratings in the best and also in the worst of times. This is the true test of excellence. Our residents have the lowest property tax rates in the region for a larger full-service city. In fact, only 18.5% of the property...
taxes our residents pay go to the City of Coral Springs, while over 50% of the goods and services they enjoy on a daily basis—police, fire and rescue, parks and recreation, public works—are provided by the City of Coral Springs.

During the 1990s, we were the ninth fastest growing city in the nation. Managing the challenges of growth rather than having growth manage us was our objective. Today, our population is diversifying, and that is happening as rapidly as we grew earlier on. Our challenge is to maintain a strong sense of community while embracing and harnessing our diversity in ways that enrich our community.

I’m often asked the question: What are the biggest threats facing the city of Coral Springs? There are two. The first is hurricanes. The second, less obvious but potentially as damaging, is our state legislature! These days, property tax reform plays a major role in putting limitations on our property tax revenues, requiring us to tighten our belts. In Coral Springs, what that means is tightening the alignment of our scarce resources with our customers’ needs and expectations.

Our mission is to be the nation’s premier community in which to live, work, and raise a family. Everything that we do, every dollar that we spend, links back up to the three operative words of our mission statement: live, work, and family.

Our competitive arena is southeast Florida, which includes Miami, Dade County, Broward County, and Palm Beach County. A common perception is that local government does not compete. We disagree entirely. The largest investment a family will make is probably the purchase of their home. Companies have the flexibility to locate anywhere within the region. We want to be the location of first resource for families and businesses. Our customer requirements for residents are high quality city services, a safe community that is aesthetically pleasing, low taxes and fees, and excellent schools. For businesses, we aim to provide a high quality of city services, a healthy economic environment, a wide range of affordable housing for their workforce, safety, and also low taxes, fees, and charges.

Our strategic or competitive advantage is being able to meet customers’ needs and expectations in the most fiscally responsible manner. We achieve this through three special features, all working in harmony with one another to make Coral Springs the location of first resort for families and for businesses. These features are our business model, our corporate culture, and our city charter.

Our business model, clearly our core competency, is based upon the Baldrige Criteria. It enables us to identify customer needs and expectations and harness our scarce resources into core business processes in order to meet these needs in a systematic and data-driven manner.

Our corporate culture is defined by our four core values:

- Customer focus
- Empowerment
- Leadership

Overview of Coral Springs, continued

City faces growth, change, and weather

Mission

Local governments do compete

Three features contribute to competitive advantage
Three features contribute to competitive advantage, continued

Strategic plan and business plan

It's this corporate culture that drives a high-performing and motivated workforce.

Last, our city charter, commonly referred to as our local constitution, dictates a corporate structure that promotes ethical, objective, and timely decision-making.

The strategic plan is our vision for the city of Coral Springs. It establishes the mission statement priority areas, which are channeled, directional statements, to better articulate our general direction. It also lays out aggregate performance measures, which we refer to as KIOs or key intended outcomes.

The business plan operationalizes the strategic plan by offering programs, projects, initiatives, tactics, and financial strategies that bring the strategic plan to life. The operating and capital budgets are, simply put, a numerical reflection of the business plan. Our business model requires that our budgets be performance based.

Feedback loop instills credibility

Outputs are measured, analyzed, and communicated back to our customers through what we refer to as our feedback loop. This feedback loop also helps develop credibility with our customers, encouraging them to continue to provide input, because through it they learn that we're listening, learning, and responding appropriately.

Leadership system

Senior leadership works closely together to communicate a clear picture of what defines success for our organization and community. We serve every day and every way as examples of what our culture requires of us. We communicate to our employees our cultural values through training, through our incentive pay system, through rewards and recognition programs, and through the engagement of employees in decision making, often through cross-functional process improvement teams. In fact, employees must be engaged in a minimum of two process improvement teams annually as part of their dashboard, against which they will be evaluated.

Leadership’s role is to identify and commit to core business processes, drive these processes, and produce results that meet or exceed the measurements that are associated with them. Where possible, we develop in-process measurements, which enable us to detect performance gaps, but more importantly, to generate pro-active solutions. Senior leaders also promote an environment that fosters and demands legal and ethical behavior through our ethics compliance system. City commissioners and those running for office in Coral Springs, win or lose, are asked to sign an agreement to uphold the city's ethics compact, and they do.

Sustainability

Sustainability is fostered through our core values, particularly continuous improvement and empowerment, to leverage our scarce resources with the private sector, other governments and/or civic organizations. We also achieve sustainability through our incentive pay system. Our culture dictates that we never rest on our laurels. Leadership’s role is to encourage employees to use our core values and competencies to look for ways to do more with less for the benefit of our customers.
Strategic Planning

Ellen Liston, Deputy City Manager—It’s unusual to see a city as a Baldrige winner. In fact, we’re the first. We always believed we could do it and we always believed that there’s no reason why we can’t measure ourselves by the same standards as the best private corporations in the United States.

One of the first areas in which we started operating like a business was strategic planning. We’ve been at it now for fourteen or fifteen years. About thirteen years ago, the city manager told me we needed a business plan. I’d worked in government all my life, and I didn’t know what that meant, but it turns out that the business plan was going to fit in between the strategic plan and the budget. We started by looking at the cities and counties that we compare ourselves to, but they didn’t have business plans. We had to look in the private sector to find the kind of business plan that we thought was going to help operational results day in and day out.

We began with an environmental scan. At first, it seemed like a very technical exercise, but as we got better at it year after year, we learned how powerful it was as a tool that helped us discover those emerging trends that were going to affect us in the future and that we were going to need to plan for.

The first big trend that hit us was build-out. We are a planned community of about 130,000 residents and we were one of the fastest growing cities in the United States, according to the census bureau. We could see that we were growing leaps and bounds and that every piece of developable land was being snatched up and developed as quickly as developers could do so. This was the housing boom.

Our environmental scan enabled us to foresee that our remaining parcels of vacant land would soon dwindle to almost nothing. And we knew that the boom would come to an end as soon as we were built out. There is no opportunity for us to annex, our borders are set.

We had originally thought that the boom would end gradually, but in fact the building kept going at sixty-five miles an hour until it hit that brick wall and stopped suddenly. In about a year’s time, all those building-related revenues that we had become dependent on were gone, as was the workload associated with all that building. But thanks to the environmental scan, we were prepared. We had known build-out was coming, and in preparation, during the boom we began hiring contract and part-time labor to handle some of that excess capacity, so that when the workload disappeared, we could manage our workforce and part-time labor without having to resort to laying off employees.

We’re still using our environmental scan, still looking to see what the next emerging trends will be. We know the next one: tax reform. By 2004 we knew that it was coming and we started to prepare. We also knew that the housing boom was going to slow and that the increase in housing prices would not continue forever. What we
didn’t realize was that these things would occur all at once—what our city manager calls the “trifecta.” The housing boom would become the housing bust in the state of Florida and that would happen during an economic slowdown or recession and both things would happen at the same time that we faced tax reform. Last year we lost about $4 million in tax revenue due to a mandated tax cut by the State of Florida for all cities and counties. We will lose about another $3 million this year, which means approximately a 15% cut over the two years in our property tax revenues.

Obviously a 15% revenue cut is going to have an impact on an organization, and that is one thing we began preparing for. At times like these you have to practice what you preach. If you’re using the Baldrige tools, they become most important to you when you’re facing adversity.

Right now we are facing exactly that. We find ourselves in a budget crisis. Having identified this problem, we have to figure out what to do about it. We have told our employees that we are going to keep our focus on the customer and keep our focus on the strategic priorities. That is the whole point of strategic planning—keeping the focus on the things that really matter. When you’re looking at hard times, it’s more important than ever.

Something that’s been very difficult to explain to public employees is that as we’re cutting our budgets, we’re not doing that in a way that we think is easiest for us as staff. We must make those budget cuts in a way that protects our customer. That’s not easy to do.

Our process has been to cut programs that are of the least value to our residents—our customers—or cut them in a way that is not going to impact them very much. Here’s an example. We have had the luxury of being able to have a school resource officer (SRO) in every school—elementary, middle school, and high school. From a police standpoint, that’s very expensive, however, and in an elementary school, there’s really not much work to be done. On the other hand, our customers love those police officers in the schools. It’s really important to them.

We sent a police officer into the schools to talk to the principals and parents and asked them what was most important about their school resource officer. It turns out that what was most important about having an SRO at the school is managing traffic and pedestrian safety at the beginning and the end of each school day. So we’re working on finding a cheaper way to provide that traffic managing service. That’s how we managed the problem and still found a way to solve the customer’s realistic needs. That’s the hard part, and it’s what we ask our employees to do.

Everyone helps balance the budget

We told our employees about our budget challenges. We’re very open about communicating with them about the fact that we will have less money next year. It is not just a request from us but a responsibility for every employee to help come up with ideas for cutting our budgets while still making our customers happy. We empower our employees to bring ideas to the table.

We make budget decisions as a team, and here I’m referring to our senior management team. As we were balancing the budget last year, we put all of the senior
managers into a room and locked the door and said we weren’t coming out until we balanced the budget. It was a very organized, but difficult morning. The budget folks had put some packages together and we also required that every department director have some decision packages on the table that must be discussed with the entire team, so that everyone would be informed of the decisions that we’re about to make. You couldn’t opt out. Everyone was onboard. Decisions are made as a team, and we’re going to have to support them as a team.

We are very proud that as we went through our most difficult budget year ever last year, our employee satisfaction rose to 97%. We feel that that level of input and communication with our employees is helping us to get through these tough times. Our employees believe that we are in this together. It’s not just a few senior leaders’ jobs to balance the budget. It’s everyone’s job.

We start strategic planning by gathering input. Gathering is not a problem—but analyzing the avalanche of information we get can be. We have so many methods of outreach. We use common sense and technology in making sure that we capture the key message. Sometimes that’s as simple as creating a list of top ten concerns at our Slice of the Springs meetings, which we hold regularly with our customers.

We time our strategic planning to take place after every election because the city commission owns the strategic plan and the city staff owns the business plan. That means that we never have a strategic plan in place that belonged to a previous city commission. All our city commissioners therefore tend to be very supportive of the strategic plan because it is theirs.

They will determine those vital few priorities that are the most important part of the plan and critical to our long-term future by looking at the data and information we provided in the environmental scan. We currently have seven vital priorities:

• Customer-involved Government
• Financial Health and Economic Development
• Excellence in Education
• Neighborhood and Environmental Vitality
• Youth Development and Family Values
• Strength in Diversity
• Traffic, Mobility, and Connectivity

They will flesh out these priorities a bit more in a directional statement and will develop approximately thirty key intended outcomes with which we’re going to measure our progress in addressing those priorities. In this way, the city commission will have determined how we’re measuring progress.

One of our priorities is excellence in education, even though we are a city, not a school board. We don’t run the public schools in the city of Coral Springs. However, we know from our customers that excellent education is one of their key requirements. People move to Coral Springs for quality schools, and stay here because of quality schools. When something is that important to your customer, you ignore it at your own risk.

Some time ago, we knew we had to find a way to address our educational system.
During the building boom, school overcrowding had become a huge problem. We had some additional land that we could give to the school board if we partnered with it. So we donated the land, and they built the school. We also found a way to put a high school on a city park. We built all the recreational facilities that are used by the school during the day and used by us nights and weekends. After-school programs are another way that we can help, as are anti-bullying program taught by our police officers. So there are lots of ways that we can partner with our schools because we understand that's what our citizens expect of us.

We've been through a lot of improvement cycles on the business plan since we started thirteen years ago, but we have found that the plan has done what the city manager intended for it to do, and that is translate the strategic plan into action because the business plan is our work plan. It is also the city manager’s work plan, and is included in his contract with the city commission. At the end of the year, the manager will be graded as to whether he was successful in implementing all of the programs and initiatives in this business plan. It serves as his evaluation.

The business plan is our finish line. It has been very effective for us in providing that tangible link between the strategic plan and the budget.

Department directors are responsible for developing initiatives to support the strategic priorities. So each department director has a few initiatives he or she sends to the budget leader. Each commits to initiatives that are in support of the strategic priorities. And as the directors commit, we commit resources to their initiatives.

So all resources are allocated in the business plan, not the budget. We balance the budget when we do the business plan because the only way for a department director to get new resources is when those resources are tied to an initiative that is tied to the strategic plan. That’s how we’re able to put our money where our mouth is. That’s how we put legs on the strategic plan. And every department director knows what his or her role is because it’s very simplistically spelled out. The business plan is an easy read, and it’s intended to be so. It’s a good communications document in a way that a budget never is—a budget is a working document.

Our financial strategy is multi-year. It’s easy to balance a budget in a single year, but it’s hard to balance a budget in a way that’s going to assist you in future years, and that has been our real focus.

We measure, we report, and we discuss. It’s not just a matter of putting out a quarterly report and slamming it on somebody’s desk, because that is never helpful. The city manager and the department directors discuss measures on a quarterly basis. They talk about what’s going well, what’s not going so well, and if any mid-course changes are required.

We also discuss measures with the city commission. Whenever we have a strategic planning workshop we report on all of our performance measures, and we discuss especially the ones that aren’t going so well and what we’re going to do about them.
The real value of that, especially the discussion component, is that it does make the city commission feel that we are holding ourselves accountable to the Key Intended Outcomes (KIOs) that the commission has set and it adds to our credibility. When we’re able to be honest about what’s going well as well as what’s not going so well, and we’re consistently honest year in and year out, we are building our credibility with our customers and with our city commission.

This business plan absolutely helps us to focus the budget decision on things of importance. If we are going to stay focused on the priorities that matter, we have to have budget discussions on things that matter, like those initiatives that are intended to address the strategic priorities in the following year. This has been very, very helpful to us in focusing our discussions on what really matters, and not getting tied up in line items. We don’t ever have discussions about line items, or why somebody budgeted 5% more for paper clips this year than they did the previous year. Those discussions don’t come up because we spend our valuable time discussing what matters most to our community.

We try not to forget that our strategic plan is not an end in and of itself. We use it to make sure that we’re hearing from our customers and finding out exactly what their needs are, that we’re using data to focus in on what’s most important, and that we’re putting our resources where they’re most likely to get results that matter.

“However beautiful the strategy, you should occasionally look at the results.”
—Winston Churchill

Bob Goehrig, Budget and Strategic Planning Manager—In 2004 we did our first business survey, and received a 77% communication rating from our business customers. We also got a 93% customer service rating from the same business customers. We didn’t understand this gap, nor why we had gotten such a low communication rating, because after all we were communicating with our customers in a way that was most convenient for us!

Based on this information, the city commission decided that our existing customer-involved government strategic priority was still relevant, but that we needed a new directional statement to help the city shift its resources to increase our contact with community businesses. At the same time that the city commission established that new strategic direction, it also established three key intended outcomes (KIOs) that would help the city track the progress we were making with regard to that priority. Departments looked at how we were currently communicating with our businesses, and came back with recommendations on changes to those service levels, which we called our business plan initiatives.

Over time, the business plan communication rating, which was one of the key intended outcomes, increased significantly. The top-box score increased from 11% in 2004 to 24% in 2007.

It’s not enough just to take the input and develop a plan accordingly. You have to go back to the customer and say, this is what we heard, this is what we’ve done in...
Feedback loops, continued

response to what you said. Did we get it right? We build that feedback right into our next strategic planning cycle, because our cycle begins and ends with the customer.

Likewise, it’s not enough just to ask employees what they think. At some point we have to get back to them and ask them the same things. This is what we thought we heard you say. This is what we’ve done in response. Did we hear you correctly?

Solving problems without money

There’s a myth within the public sector that if we just have enough money to throw at any problem we can solve it. The City of Coral Springs has been able to achieve everything it has with the lowest tax rate in the area. Our property tax has been the same for the past ten years, except for last year, of course, when we reduced the tax rate as mandated by the state.

Police on bikes saved money, decreased crime

Coral Springs has been able to achieve one of the lowest crime rates in our area and also a very high crime clearance rate. The way we did this was not by throwing more and more resources into the police department, but by using data—input from citizen committees—to shift those resources to where they would do the most good. For instance, we got six police officers out of their cars this year and put them on bikes so they could head through parks and other places where cars couldn’t go. Citizens saw the police on the beat and it made them feel better, plus we got the cops out of the cars and in better shape.

Customer and Market Focus

Pat Mirabello, Training Coordinator—Our customers are our residents and businesses. Customer focus is one of our core values, and we want our employees to really know how to treat our customers. We are a service-oriented organization.

To make sure we meet our customers’ needs, we segment our data. For businesses, we look at the type, the size, and the location. For residences, we look at how long our customers have lived in the area, whether they have children or not, their ethnicity, and so forth.

We’re a young community, interested in attracting and retaining families. I moved to Florida from New Jersey in 1991. At that point, my daughter was four, and so my interests were education and a low crime rate. I had heard, even back then, that Coral Springs was the place to live in South Florida. Now, fourteen years later, we are known for having the best schools and the lowest crime rate in South Florida. We also have great customer service.

Listening and learning methods for residents

You have to know what your customers want, and you need to have many different ways to listen to your customers. Figure 1 lists seven ways we do this.

One of our most important methods is our comprehensive annual survey. We use an outside research and marketing firm, which talks to more than 1,000 of our residents for actionable feedback. When we do that survey, we make sure it reflects our demographics. So if 50% of our residents are homeowners, we don’t stop surveying until we represent those demographics.
Another method is our Slice of the Springs meetings, which we hold each quarter in different areas of the city. The “slices” translate, roughly, to neighborhoods. We ask residents about their concerns, what’s working in their neighborhood, and what’s not. They tell us. As a result, we’ve formed more than 200 partnerships with our neighborhoods. These partnerships are based on issues such as funding and beautification.

We’re also proud of our City Hall in the Mall. Residents can come to the mall, go shopping, and stop into city hall to pay their bills, find out about recreation programs, and get their passports. This last service was requested by our residents, who used to have to drive down to Miami to get passports. We figured out how to offer this service from our city, and last year made more than $1 million in revenue from passports. It’s important to note that this happened because we listened to our customers.

Here are some additional changes we made as a result of not just listening, but learning:

- Operating hours: We were working 8 to 5. Now we’re open at 7:30 in the morning so people can pay bills before they go to work
- Traffic calming: We have lots of kids in our neighborhoods. Residents told us they needed traffic calming such as speed bumps and roundabouts
- Business signage: Coral Springs is very much about look. It’s a pretty community. People come here because of that. So signage is important

We have also developed listening and learning methods for businesses, as listed in Figure 2.

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**Figure 1. Listening & Learning Methods for Residents.**

- Annual survey and departmental surveys
- Slice of the Springs meetings/partnerships
- City commission public hearings
- Community forums, boards, committees
- City Hall in the Mall
- City Help Desk and Customer Care Center
- City Web, City TV, City Radio, magazine

**Figure 2. Listening & Learning Methods for Businesses.**

- Annual business survey
- Commercial Slice of the Springs meetings
- Community forums, committees, focus groups
- Economic Development Foundation
- Monthly Chamber of Commerce meetings
- Commission workshops
- Police and code programs

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The training we provide helps our employees learn how to build relationships. We emphasize customer relationships to a great extent. It’s in our employees’ performance reviews, and in our core values. Our senior managers model it.

Our premier customer service system has five dimensions:

- Presentation
- Responsiveness
- Reliability
- Reassurance
- Empathy

We developed this system in the early 1990s with a consultant who reminded us to be systematic. It’s not enough just to teach your employees to smile and make eye contact. Our system includes customized service standards, which we developed with our employees.

We also have the philosophy that before you can take care of your customers you have to take care of your employees. Our employees are happy and enthusiastic, and that comes across to our customers. If you ever go someplace where you see miserable employees, they don’t usually give you great customer service.

Larry Staneart, Director of Development Services—We try hard as a city to make it easy for our customers to provide input, to conduct business, and to find information. We do this through a variety of access mechanisms, including the CityHelpDesk; our Customer Care Center, the CityWeb, CityTV, CityRadio, and magazine; City Hall in the Mall, community outreach, and more.

Listening and learning tools are used to obtain information and also to provide feedback to our customers. Many of our tools have been designed by our communication and marketing department over the years and have been refined. Our website is now more robust, allowing our customers to do such things as obtain occupational licenses, applications for permits, building codes, and other information about how they can do business in Coral Springs.

Our radio stations provide emergency messages and information on city events along with the TV. We use these mechanisms to keep our customers informed about what’s important in the city.

We created a customer care center about two years ago as a result of complaints from residents about not being able to reach an employee in person. They said the phone would ring and nobody would answer it—and they didn’t want to leave voice mail. Or that they talked to an employee who wasn’t knowledgeable. Therefore our problem-solving team put into place a customer care center with a software system and three people manning the phones. We track the amount of time it takes for phone calls to be answered. We now average pickups within sixteen seconds, which is to the standards of the industry. We’re getting about 300 calls per day. The individuals answering the phone are trained and knowledgeable about building codes, permit processes, and whatever else they need to know to help our customers.
Case Study • City of Coral Springs, Coral Springs, Florida

Since we began the program, we’ve logged more than 110,000 calls, some of which led to other initiatives. For example, we discovered a need for workshops to teach businesses, and homeowners how to pull permits, hire contractors, and so forth.

We’re very proud of our complaint management system, which we call the CityHelpDesk. Through it we collect comments, complaints, and requests both from residents and businesses. A resident puts in an online request, whether for information or for help resolving a complaint. An employee within the department can also post that request if a resident doesn’t have access. The request goes to the appropriate department, and the department is required to get back to the resident within one business day. Within two business days, we respond in terms of a resolution or a schedule for resolution, because obviously some things—graffiti, for example—take longer than two days to resolve. You have to get someone to go out and paint over the graffiti. But we do provide a schedule for when it will be resolved.

We use a variety of methods to follow up with our customers. Some overlap with listening and learning. Certain departments call customers immediately after a service has been performed, just to find out how things went, so they can make immediate corrections. If there’s some type of atonement that’s needed, they will do that, because they’re empowered. Other ways that we provide follow-up are through TV, radio, and our magazine. Many times we do articles based on concerns that have come up through the open forums or through our twenty-seven advisory committees. Going green, for example, was one of our initiatives, so we explained what that meant in an article.

The city uses customer information and feedback to improve our customer satisfaction and to identify opportunities for improvement through listening and learning, including through the information we get from our survey results. We then measure it through our customer service ratings, then start the cycle again, based on what the information tells us.

In determining customer service, we compare our results to the ACSI, the American Customer Satisfaction Index. We also use information from the federal government, and from ICMA, the International City/County Management Association. We score higher than both, and we’re happy about that, but because we’re involved in a process of improvement, we’re trying to get better.

In the last nine years, we’ve been fairly consistent in our residents’ customer service ratings, ranging from 93% to 97%. The data that we collect from our survey is broken down into twelve categories, including race, gender, length of residency, the section of town you’re in, education, income level, and type of employment. We’ve learned that there are different needs and therefore different types of improvements required for each of these categories.

We had been doing the residential surveys for nine years when we realized that we were missing a big part of our customer base—the businesses that operate in the city. We didn’t have a formalized approach for them. So four years ago, we created
a business survey. Since then we have created twenty business plan initiatives to improve customer satisfaction, based on what we were finding out and measuring in terms of the satisfaction index.

Business customer service satisfaction has been high over the four years—essentially over 91% during that time. Our 2008 survey results were at 97%. As for residents, the data is broken down into segments. We look at the number of employees, the square footage, length of operation within the city, the type of business, and the annual revenue. We do this because we find that there are different needs for different-size companies, and they are therefore requiring different kids of improvements and actions.

**Measurement Analysis and Knowledge Management**

*Chelsea Stahl, Senior Performance Measurement Analyst*—When considering measurement and analysis, we must first look at the bigger picture. Our environmental scan provides fundamental data about our current situation. The scan is the bedrock for our strategic plan, which is a multi-year document. The data are used by the commission to determine our priorities and establish our key intended outcomes (KIOs), which are the most important measures to our customers. Our business plan is the staff's response to that strategic plan. It’s basically our work plan for the next year. The budget helps identify how we’re going to pay for everything.

Coral Springs has been working on its performance measurement system for fourteen years now. We’ve learned that it’s important to know where to get data, and what to do with it, as well as how to allocate resources based on the data, and basically, how to use what we’ve learned.

Comparisons for us are tricky. This has been the biggest opportunity for improvement (OFI) in our feedback reports over the years. We use several sources. Some are national and some are neighbors. The aforementioned ICMA data includes a group of high-performing cities and counties who do rigorous surveys every year. We receive volumes of data that we can sort through. We are on the Florida Benchmarking Consortium and were on the steering committee that created it a few years ago. We encouraged cities and counties in Florida with similar legislative problems to come together to compare, learn, and share. We also use the FBI’s Uniform Crime Reports.

*Bryan Sostokas, Chief Information Officer*—We post all city commission meetings online. Citizens can log in and, using our hub as a portal, can download meetings and listen to them on their iPods. We work to leverage all of our technical capabilities above and beyond the traditional avenues. This requires a fairly substantial infrastructure. We have about 2100 nodes on a full fiber network. We also make substantial use of wireless infrastructure for our field workers such as police and firefighters. We have about 250 field laptops for access. We use about thirty client/server applications and the majority of those are mainframe based.
We found through our surveys over the past few years that traffic and speeding were concerns for our citizens. So a Citations Systems Improvement Team was formed, a collaborative group that included IT and the police department. At the time, all speeding tickets were handwritten by officers, then approved by the supervisors and entered when the officers got back to the police station. The team determined that with a laptop-based or other wireless technology, officers could do all these steps from the field automatically. Now they can scan a driver’s license, automatically populating the necessary fields and validating the driver, then send the ticket electronically. Tickets do control traffic and speeding, so the faster we can handle the process, the more satisfied our customers will be.

Our biggest issue is emergency preparedness. We need to be redundant. We have two distinct data centers, and that’s mainly due to our location—as you have read, hurricanes are a major threat for us. We want to make sure that all our information is always available and accurate, without interruption. We have a primary feature called CodeRED. This is a state of the art system that the police department uses in case of an emergency—a missing child, crime activity, or approaching hurricane. The system can automatically dial whatever number you have registered. With it, we can do about 60,000 calls in an hour. It tries each number three times, and leaves a prerecorded message about what is going on in your area. It can also be geographically driven. We can cover certain areas of the city if we need a narrower focus.

Hurricane Wilma, in 2005, was the most devastating storm that had ever hit Coral Springs. During it, we lost no continuity for any of our systems. We had the majority of our roads cleaned promptly and were able to maintain contact with our public service people. It was quite a testament to our processes, and it is key that we maintain this level of preparedness.

To stay current with technology needs, we use what we call our IT technology game plan. We’re able to look ahead at the operational, functional planning, and system requirements of any project that we take on. These are tied in to our strategic plan from the city, as well as to our business plan and capital improvement plan. This alignment helps tell us what value a particular project is going to provide and if it is a worthwhile undertaking. If it ties in with citizens’ requests, we go forward with that project.

Of course, we want to maintain our data. The integrity must be sound, and security must be in place. We also have state and national guidelines that we have to adhere to as a municipality. We rely on the clerk’s office to maintain and interpret that information, and then we store data according to what is required. If there’s a record retention request, for example, and we have to retain the information for five to ten years, we make sure that happens. We have annual audits that look at our security functions to make sure that we are in line when we change any type of security structure. In addition, we have physical security that we have to maintain because our data centers are in publicly accessible buildings.
Workforce Focus

Susan Grant, Director of Human Resources—Our government exists in a slew of production functions. We have 771 full-time employees, which include police officers, firefighters, and public works employees. We have many support functions as well: finance, IS, HR. We also have 295 part-time employees, including lifeguards, camp counselors, and school crossing guards. We have volunteers in areas such as emergency response, and we have volunteers who help out at city hall in day-to-day staff functions. These particular volunteers will become even more important as resources grow harder to come by. And finally we have volunteers that help us with parades and other special events.

About fifteen years ago we looked at the chain of command between line employees and the city manager. In some cases, there were seven or eight people between them. We asked ourselves how employees could make decisions in an empowered way with a chain of command that long. Then we made specific decisions to flatten the organization and we do believe it helps employees get to a more empowered environment. We’re organized around functional departments and these are reinforced through cross-functional teams that get together on a regular basis or for special projects.

A decision we made long ago at the beginning of the journey was that no one would have the word “quality” in their title. If you have that, people tend to think quality is that person’s job when in fact it’s everyone’s job. Another key decision we made was that we didn’t want anyone to think that by making improvements they were going to be working themselves out of a job. We do have a no lay-off policy. We believe that if we ever did have to lay people off it would be “shame on us” for not doing a good job of planning. Finally, in human resources we have a core promise to our employees that we are going to ask them about changes that do impact them. We accomplish this through standing focus groups and some ad hoc ones as well.

Korey Meckes, Human Resources Coordinator—Key factors we use to determine workforce engagement include our annual workforce survey with full-time employees. We ask a multitude of questions about benefits, training, and other issues. We also do a part-time employee survey and a volunteer survey. We use focus groups. And we have an HR liaison program. Everyone is assigned to someone from HR, so that if an issue comes up, they can talk to someone in HR they already know. We also do exit interviews to find out why people are leaving. We look at that data very carefully.

Our weekly senior managers’ meeting takes place every Wednesday morning with the city manager. This is by design, because the commission meetings are on Tuesday evenings. Whatever comes up there is discussed on Wednesday morning. Subsequently, departments have a staff meeting later that week. In human resources, we meet every Thursday, so the information keeps flowing through.

We also have quarterly city manager communications meetings. Mike Levinson sets
up about twelve different meetings for different shifts and locations, so he can talk to everyone. During these, he's open and forthcoming. Questions are asked and answers are given. We also have quarterly supervisor forums. We have eighty supervisors who get together to discuss pertinent issues, and perhaps do some safety or other training. It's also a way these supervisors can get together and get to know one another.

Other ways in which we share information is through our HR News and email. HR News is a one-page payroll stuffer in which we include information about items like open enrollment but also announcements about events such as parties or Weight Watchers meetings. We also have regular emails that go out, but we try not to overwhelm people with too much information. Those emails have headers for what's being covered so that people can quickly scan for just what's pertinent to them. We also have bulletin boards in all departments where we post information. And we have our Knowledge Net, our intranet with policies and forms.

Susan Grant—We link individual employee objectives that are set at the beginning of each fiscal year to department objectives that then link to key intended outcomes (KIOs), which ultimately tie up to our city mission: to be the nation's premier city in which to live, work, and raise a family.

One of our KIOs is employee satisfaction. We have a department measure regarding training satisfaction, which we want to be at a certain level, as I believe that if employees are satisfied with their training, they will tend to be satisfied employees. Individuals working in HR may have an objective that says they're responsible for doing X amount of training during the year, so what they do on an individual basis links back to the city's mission.

Employees are evaluated annually in two areas: first, those objectives, and second what we call job skills, which are also the city's four core values. This system keeps everyone's eye on the ball as far as what is important to us as an employer.

We have a lot of reward and recognition programs, not for their own sake but rather to reinforce specific points that we're trying to get across to everyone as an employer. We have employee excellence awards, which we give out during our annual chili cookoff. There are four, based on the four core values. We have an Applause card program in which employees can recognize each other if they see someone offering great customer service. We do a safety rewards program. And we have instant employee recognition in which a director can give an employee a gift certificate in order to recognize a job well-done. We have cash bonuses for big projects, and certification awards. If you're a mechanic and you obtain a certification for brakes—a specific job-related skill—you are rewarded.

And finally we have a gainsharing program, in which employees share in what we call the city's positive variance. So if we come in under budget, 10% of that is shared equally among all employees. The janitor and the city manager would all get the same check.
How do we identify employee needs? We ask, first of all, through employee surveys. Second, we do a development plan for each employee through the incentive pay system.

Senior leaders and middle managers have a 360-degree assessment every three years. At that time, we’ll put together a personal development plan and then follow that up in another three years.

We also ask employees about development in focus groups, and also find out what’s needed through our business planning process. The forms we fill out for business plan initiatives ask questions such as are there training needs associated with this? Are there different staffing needs? Those initiatives provide some of the input we use when developing our annual HR plan.

If we notice our customer service rating for our residents has gone down in a specific year, that’s an indicator that we need to do more customer service training and remind our employees what we expect of them during customer interactions.

We started off doing training with all our employees about fifteen years ago. We knew our organization, and that if we started with Pareto diagrams and process improvements, it probably wasn’t going to work too well. We started instead with what we called the softer side of quality. We talked about customer service and about empowerment, and then over the years moved into the more technical areas. And everything we’ve done over the years we’ve incorporated into our new employee orientation, so our new employees get all the information the older ones have gotten.

To train our leaders, we use the Center for Creative Leadership, our 360-degree assessments, weekly senior management meetings, and also annual retreats, which give our senior staff members a chance to get offsite and talk about issues that we might not get to discuss in-depth on a day-to-day basis. The retreats are also an opportunity for team-building.

Our employee turnover rate is low. Our pay is in the top quartile of the local labor market. Through our incentive pay system, you can get annual awards of up to 7%, depending on your rate. Our health plan is really the signature benefit of the City of Coral Springs. The premiums are low and the coverage is great. It is probably our biggest selling point to employees.

The work environment is also very important to our folks. We offer as much flexible scheduling as possible, and family-friendly initiatives such as family hours, generous sick and annual leave, tuition reimbursement, and our no-layoff policy. Overall, we’re a great organization to work for—we do Baldrige. I think it makes a big difference to our employees that we listen to them. Not many folks who come to us from previous employers have experienced this before.

Korey Meckes—We handle health, safety and security through our safety committee. It’s made up of members from each department, who meet monthly to go over safety issues.
Case Study • City of Coral Springs, Coral Springs, Florida

Among other activities, we review the monthly worker’s compensation and accident reports to see whether accidents are preventable or not. When a police officer running after a criminal twists his ankle, that’s non-preventable, but backing up and hitting something because you didn’t use a vehicle’s mirrors is preventable. We look at these kinds of trends and offer training to correct safety gaps where applicable.

We consider health as well. We offer fitness club memberships at $25 a quarter and free yoga classes on Monday. We also do mobile mammograms and offer incentives for getting your annual physical.

Susan Grant—One way we measure how productive we are as a workforce is to count the number of employees per 1,000 residents. The appropriate comparison here is the local labor market and we have consistently been the most productive workforce in our area. Employee turnover used to be 7% and above, but we have been below 5% now for several years. We do better than the local labor market in this area as well. Workers’ compensation claims per 100 employees have also been consistently moving down.

Process Management

Chris Heflin, Organizational Development Coordinator—Local government is truly a holding company. We are up to our ears in processes. Part of the challenge of writing to Category Six was identifying our key work processes when, collectively, we have nearly 100 of them, given the diversity of what a local government does—police, fire, aquatics, zoning.

What makes it all work for us is consistent deployment. When it comes to process training every employee of Coral Springs, from a process training expert on the leadership team to the person who lines the fields in our parks, hears the same things. Another key area has been involvement, not only from employees but stakeholders, at the process development level. And last, we involve everyone in developing the measurement systems that underpin process management. There is a perception toward local government that we should be made accountable in order to prove how little we really do! If you ask people who doubt you to help develop a system to prove how bad you really are, you can imagine how motivated they might be. So we ask people to tell us what kinds of measurements are useful to them, and they get engaged.

Another challenge when you’ve got this many processes is determining what core competencies are. We pulled out our many feedback reports, and determined them that way. Our core competencies are:

- **Customer service.** This particular one is a chip on our shoulder. Americans don’t expect much from local government and we want to turn that image around. So we try to do this very, very well.
- **Communications.** We’re very proud of this competency. As a government, our obligation to communicate is higher than it is for the private sector.
- **Financial management.** This one is vitally important. When people judge us, one of the first things they mention is the tax rate. It’s a challenge to support a good organization and keep people happy on a tax basis as well.
Case Study • City of Coral Springs, Coral Springs, Florida

Leadership is a key element

Our value system—customer focus, empowered employees, leadership, continuous improvement—actually parallels our core competencies. Of these, leadership is especially critical. In our industry, American government, cynicism is pervasive. You’ll hear that certain things can’t be done because of politics—the bogeyman in our closet. So our leaders have to constantly reinforce, at all levels, that this system can work for us, and in fact, can be good politics, because it produces consensus, which politicians love.

Core competencies are continuously improved

We don’t take our core competencies for granted. We try to build better muscles in that area every year, and into our business plan, which is our action plan, our to-do list, the link between the budget and the strategic plan. We’re not resting on our laurels.

For example, this past year we’ve developed an outreach program for new residents. We want to introduce them to our culture, to how we do business, and to our pride. We’ve been working very hard in recent years on improving communication with businesses. Our ratings in that area have grown over the past few years And last we’re stretching our strategic plan, deploying that to more levels.

City designed a new process for dealing with false alarms

One area that led us to develop new processes is false alarms. One year the police identified an increasing number of false alarms in the city. These types of alarms sap a police department’s resources and create problems with regard to being responsive to real emergencies, They are also dangerous to police officers, because if officers respond to a number of false alarms at a particular address, then arrive one day to find, unexpectedly, that an intruder is actually there, bad things can happen.

The officers’ concerns, supported by data, went to the commission and were incorporated into a business initiative. The initiative was then turned over to a team of stakeholders and employees who required a process. The subsequent process team in this case included police officers, firefighters, IT people (you always have a need for data), and human resources, because staffing was involved. We also had attorneys on the case because there are legal issues around responding to false alarms. And we had focus groups in the community.

We started out with benchmarking. This is not an issue unique to Coral Springs. It occurs in virtually every community in the nation, as home alarm systems become more ubiquitous. They are flawed and problematic, and they need to be maintained. We looked at what other cities were doing and found there was a model ordinance that had been put out nationwide that was a good point of departure for us. So we benchmarked, researched, and talked about feasibility.

Here’s where this kind of approach can serve the political process very well. A lot
of cities would have stopped there and said, yes there are a lot of false alarms, but anything we could do about them is bad politics. If your alarm system goes off, you want an officer to show. So you continue to get a lot of false alarms. You have to increase the number of officers, which is highly expensive—every officer on the street costs $125,000, with equipment. So taxes go up.

We met as a team, developed an ordinance, then headed out to talk to the stakeholders. We spoke with people who get a lot of false alarms, and people who get none. We looked at a lot of data. We found through data segmentation that the majority of false alarms were pretty much concentrated in certain parts of town where there was older housing. We also found out that most people in the community did not know that these older alarm systems have to be maintained. So putting out information about maintenance would be a good thing.

With this information, we came up with some options, which we took to the focus groups. We eventually formed some consensus around what we would do—a fine system, with heavy fines. But the fines didn’t kick in until about the third offense. For the second offense, you got to go to “school” to find out why your system kept going off. We had some public meetings about this, and it was voted on, passing with absolutely no public resistance. Throughout the process, we informed the public through various communications devices. Residents were aware of why we were doing what we were doing, and what the payoff was to them. Those false alarms have been going down ever since.

We had an “aha” moment recently with regard to processes. I’m a true believer in a lot of collaboration. The paradox is that, once developed, every process needs a particular person to be a process owner. A group of us will have great ideas developing the process. But when a team is operating the process early on, something will go wrong in the first couple of weeks, and at that time, you can get some bad press that will sink your ship before it has even sailed. You need someone who gets very upset as soon as something goes wrong and immediately jumps on it. The paradox is that a process should be developed by a team but managed by an individual who feels very accountable for a quick fix when needed.

If a city government does a good job, ambulances arrive in less than six minutes, and crimes are solved, not just recorded. The crime rate is low, the parks are well maintained, and taxes are at the right level. If these things are in place, we start to build the confidence necessary for the community to give us permission to do other things that help the community thrive over the longer term. So our good process management is a confidence builder.

Examples of non-traditional activities that a city might perform include Sterling and Baldrige. We had to sell those programs. We also have a charter school, though we’re a city, not a school district. We’re retrofitting a dense downtown area with a lot of apartments. And we have our own firefighting training school because right now the market is tough, and you can’t find them. We also have a center for the arts and a museum, which is unusual for a community of our size. And as you’ve read, we’ve been granted some profit sharing.
We find out what our residents’ requirements are in many ways. We use listening and learning, of course. And we have research on our side. Unlike companies that can’t share information because of competition, we local governments are getting pretty good at that. And professional organizations as well as universities do research for us. Some requirements come from regulators. We have a water company, which is regulated. Water quality is checked on the hour. We also have our Help Desk, and we actively use a lot of survey and focus groups.

To help us stay on track to make sure we’re meeting our requirements, all employees are trained in process management. The employees know the measures for their processes, and they also know the in-process measures, the ones that tell you before the process is over whether you’re in trouble or you’re on track. Empowerment is a great device for making sure your requirements are met. Employees feel free to blow the whistle if need be. Our partners and suppliers are also our collaborators, and they alert us to issues.

I have a favorite training paradigm for process management that involves the idea of widgets. You have “factories,” or processes for accomplishing something, and you have “widgets,” the products or outcomes of those processes. What do we hope to accomplish with said widgets? It is important to measure both processes and outcomes.

For example, a building permit is a widget; it’s a product that comes out of our factory. And it’s something that builders want fast and homeowners value for compliance. I need to know the requirements for making that widget in order to have an effective factory. But ultimately we’re trying to make the community safe, so that the buildings don’t fall down. Remember the example of Homestead? We know now those houses did not meet code and even the existing code was not sufficient for the environment. Since Wilma the code has been strengthened. In any case, even if we are doing a brilliant job of getting out those widgets, the outcome of safety might not be happening if there is a disconnect between the widget and what we ultimately want. So we need to measure both the outcome and the widget and periodically study whether those widgets are getting the outcomes we want. And measure to make sure those widgets are getting done efficiently and effectively.

How do we control costs and accelerate innovation? We control costs by accelerating innovation. Our goal in the face of tax cuts is to make the subsequent budget cuts virtually invisible to the citizens. We need to find out how to do what we’re doing right now with fewer resources. The pressure is on.

We support our no layoff policy by finding smarter better ways to do all our work. What’s our point of departure for that? The budget. Most budgets start out with a gimme list. What do you want that you don’t have? Ours starts out with a widget worksheet that basically says show me your ideas for doing what you’re currently doing, cheaper. That’s the starting point.

The other part that helps, and I can’t overemphasize this, is our organizational culture. I’ll go to a public works meeting, for example, I can sit there for an hour hearing about the improvements they’re working on and feel the adrenaline in the room, the pride they take in always finding a better way.
When we’re talking to employees about process management or for that matter, Baldrige, I talk about the scientific method that most of us learned in ninth grade science. If you learn “form a hypothesis, test the hypothesis, revise as needed,” you’ve just learned Baldrige. Our KIOs are hypotheses, derived from feedback, for what should make our customers happy. We come up with a business plan, spend the money in those areas, measure again, and test the hypotheses. If customers are happy, we keep doing what we were doing; if they’re not, we revise. That’s our strategic planning at the macro level. We also use it at the micro level, through Plan Do Check Act.

Journey to Excellence

Michael S. Levinson, City Manager/CEO—Achieving performance excellence is not an event; it’s a long-term process. Our quest for excellence began nearly fifteen years ago. At that time we didn’t know why we were doing what we were doing, or whether what we were doing would lead to long-term sustainable prosperity. In fact, if you asked the then five members of our city commission what long-term prosperity meant, you would have gotten at least five different answers.

There was no data being collected and analyzed to shape a common vision for our community. Complaints from a few dictated the programs and projects that we put into place. Politics dominated the decision-making process and rhetoric and innuendo ruled. New to city management, I made my way through the organization asking employees why they were doing what they were doing. I would usually get one of three answers: “This is the way we’ve always done it.” “My supervisor told me to do it this way.” The third was my daughter’s favorite answer to every question I asked her between the ages of twelve and fifteen. “Because!”

Now, Coral Springs was still a very nice community to live in, an affluent master plan community, often coined “the city in the country.” The case for change, however, was being ignored. An explosion of development was waiting on the back end of the recession of 1993. The state of management was not ready to manage it or accommodate it.

The number of multi-family housing units would equal the number of single-family units once we reached build-out. We would later show the substantial negative fiscal impact of this trend. If we sat on our hands and did nothing, we were staring down the barrel of a 25% to 30% increase in our property tax rate, in an emerging zero-tolerance environment for property tax increases. School overcrowding was becoming a huge concern, with little response other than, “Oh that’s the job of the school board, not the city.” But as we learned, as the quality of the schools goes, so go property values. Employee morale was low, and the productivity of the workforce was sliding. Management consistently blamed the employee rather than focusing on and fixing the business process. The commission was fighting. The mayor quit. Crisis management was the norm within our organization. There was no system of accountability. Silos were developing everywhere and parochialism was threatening to paralyze us if we sat there and did nothing.
Despite all this, or because of it, leaders set a goal at the time that we wanted to run the city of Coral Springs like a high-performance, private sector corporation. We would adopt the principles, tools and best practices of high-performing companies to reinvent our local government. At first, the sentiment among our employees was, “Government can’t run like a business. Then we instituted gainsharing, which is the public sector version of profit sharing, and employees began to change their tune. A new city commission was elected that saw the merits of our quest.

While we as an organization might not have known why we were doing what we were doing, we agreed upon one thing, and that was that if we were to succeed in our quest for excellence, we had to put our customers first. First off, we needed to identify our customers. Next we needed to empower our front-line employees and provide them with customer service training. Our quality college opened its doors and employees were required to take a minimum of forty hours of training.

Meanwhile, management began to flatten the organization, largely by removing unproductive layers of midmanagement and red tape. This took some time, because we adopted what we referred to as a no-layoff policy for the entire organization. Our biggest concern was that employees would view change as the flavor of the week and would instinctively hide under their desks until the ice cream truck left town for good.

We had tentative support from our city commission. However, they told us, prove your point soon, or lose your opportunity. Our efforts had to result in increased morale and productivity for the organization. Not to adopt a no-layoff policy was in our judgment a road to failure. The tradeoff was an extended timeframe of approximately two years to rightsize our organization. In the meantime we continued to train, instituted a new business model, began to pay for performance, and engaged employees in decision-making processes through cross-functional improvement teams.

We also teamed up at that time with the Florida Sterling Council. This was back in 1994. We believed then as we believe today that the Sterling and Baldrige Criteria offered the most complete and comprehensive approach to performance assessment and improvement. One of the questions I’ve been asked was why didn’t you jump on the Baldrige program? At the time, Baldrige didn’t have a category for government or non-profits. The Sterling Council did, and that was our opportunity to become engaged. We began to utilize our association with the Sterling Council to develop a network of successful companies that could and did steal shamelessly from each other regarding principles, tools, and best practices. We also used our local companies to run interference for us with the press. In the past, the press used to say that the government needs to run more like the private sector. When we took their advice, they slammed us for inappropriate use of taxpayers’ dollars. In fairness, though, The Sun Sentinel, our local paper, and in particular the editorial staff, became our staunch supporters once the results started coming in.

Our first strategic plan was adopted in 1994. It contained our mission statement and our priority areas, for which we would channel our scarce resources. This initial plan was based upon the outcome of a community visioning session, and some initial surveying of our customers. It also established core values for the organization that would shape the definition of our corporate culture.
The strategic plan lacked performance measurement for our organization. In fact our first feedback report from the Florida Sterling Council in 1995 identified “no strengths” in the category of results. Ouch! We soon realized that there was a disconnect between our strategic plan and our operating budget. In 1995, we developed our first business plan to be implemented during fiscal year 1996 to connect the strategic plan to the budget. The budgets therefore became a numerical reflection of the business plan and thus, performance-based budgeting arrived via our new business model. Interestingly, budget public hearings went from an all-night tug-of-war to an hour and a half of non-confrontational exchange and a move to adopt. Clearly, this indicated we were headed in the right direction.

Accountability was also addressed concurrent to the business plan improvements. We added performance measurements to our strategic plan for each priority area. A balanced scorecard would be developed over the next two to three years, thanks to the feedback from the Florida Sterling Council. By 1996, accountability through performance measurements was being developed and deployed throughout our organization. Pay for performance was linked to individual’s work plans and performance objectives, which in turn were linked to department initiatives and performance measures, which in turn were linked up to our aggregate dashboard, not as tightly then as today, but it was a great start. Department ownership of our business plan initiatives and performance measurements were negotiated between department directors and city management.

Thirty-three KIOs, or key intended outcomes, and seventy operational performance measures were introduced between 1995 and 1996. We were measuring everything we could get our hands on. Outcomes began to be reviewed by management and department directors on a quarterly basis. A fully deployed data management and analysis system was still years away. A tighter linkage between our core business processes and associated measurements would evolve over time.

We won the Florida governor's Sterling Award in 1997, but we did so barely. We reapplied and won in 2003. We were a much more effective organization by then, but still fell short of the level of excellence we were seeking as an organization.

Certainly, we had became a better data-driven organization. In-process measurements related to response times and cycle times created an effective early warning system throughout our organization. We were using technology and related tools more effectively to collect and integrate data from multiple sources, including our customers. The geographical representation of data helped us position our resources more effectively, especially in the area of public safety. And results were improving, many significantly, as trends were being established and analyzed.

Generally speaking, our organization began working better to meet the needs of our customers in the most responsive and fiscally responsible way. Our stock price, or composite index, remained on the rise, even through 911 and the ensuing economic recession. Sustainability was becoming apparent throughout our organization. Our workforce was pumped and proud because they had their fingerprints all over our successes and they knew it. Just as important, we were better able to show the relationship between results and what we were doing as an organization.
Case Study • City of Coral Springs, Coral Springs, Florida

Hurricanes and other interruptions

Our focus on improvement was materially sidetracked between 2004 and 2005, number one due to the city term limits kicking in, and two, to the arrival of three hurricanes, the most significant of which was Hurricane Wilma. A new city commission took charge in March of 2004. We had run with the previous city commission for a ten-year period. Much of our focus was then orienting the new commission to our business approach to running government. While supporting our business model along the election trail, the devil was in the details. One new commissioner in fact asked us the question, “Why do we need all this structure?” In 2005, we dug ourselves out of over 1 million cubic yards of debris from Hurricane Wilma and quickly redeployed resources to address the consequences, especially in the building and public works departments, as we began to rebuild our community.

Coral Springs applies for Baldrige

For 2006, Baldrige announced the pilot program for non-profits—just what we needed to refocus and invigorate our tired organization. We prepared our application, and were fortunate enough to receive a site visit and feedback report. The results were quite humbling. We weren’t as good as we thought we were. We even thought we’d be better in person than on paper. Not so. Our scores were marked down from those preliminarily obtained during the evaluation application. The Florida Sterling council was forgiving on the lack of comparisons to other government agencies because we were pioneers in the public sector. Baldrige was not.

We did not demonstrate a systematic, well-deployed process for succession planning. Our complaint management system was not effectively deployed across the organization and nor were the training and development of our workforce. We were measuring and tracking satisfaction levels. Baldrige advised that we should be tracking and focusing on top-box performance.

We got busy. We transformed our intranet to a Knowledge Network that serves as a portal to online training and cross-functional team results. We instituted city software for tracking, mapping, and managing performance data, and put it on the Knowledge Network to communicate this information down into our organization. We developed a consortium of cities to standardize and benchmark data with. We grew our complaint tracking system into our CityHelpDesk, our computerized and web-enabled, comment, complaint, and request for service system, which provides real-time access to complaint monitoring.

We also instituted a management development program throughout the organization to address the challenges of succession.

We’re proud to be the first local government in the nation to receive the Baldrige award. We’re even prouder of the business improvements and results we’ve been able to attain along our journey of nearly fifteen years, thanks in large part to help from the Florida Sterling Council and the Baldrige program.

About the authors

Bob Goehrig is the Budget and Strategic Planning Manager for the City of Coral Springs. He earned his Masters degree in Public Administration from The American University in Washington, DC.

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Sterling Council for six years, and as an examiner for the Malcolm Baldrige Award for three years.

Since 1994 Chris Heflin has been the Organizational Development Coordinator for the City of Coral Springs. Chris holds a BA from Western Maryland College in Political Science and a MA from the University of Maryland in Public Administration.

Michael S. Levinson is serving in his thirteenth year as the City Manager of Coral Springs. He attended the Yale University Graduate School of Economics Ph.D. program and holds M.S. and B.S. degrees with honors in economics and business administration from Southern Connecticut State University and Quinnipiac University, respectively. He has taught and lectured at numerous universities around the country and currently volunteers as a guest lecturer at the Academy for Strategic Management at Florida International University (FIU).

Ellen Liston is the Deputy City Manager. She holds a Masters degree in Public Administration from the University of North Carolina at Chapel Hill.

Korey Meckes has been the Human Resources Coordinator for the City of Coral Springs, Florida since 1995. She holds a Bachelors Degree from Ohio University and a Masters in Management from St. Thomas University.

Pat Mirabello, Training Coordinator, has been with the City of Coral Springs since 1991. She has been a Florida Sterling Award examiner for five years.

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This article is based on presentations made by the authors at the Quest for Excellence XX Conference, Washington, DC, April 22-25, 2008.
Our People Make Us Premier

Authors
Jena Abernathy, Chief Administrative Officer, Premier, Inc.
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Introduction
We like to say that our people make us Premier. The people in our organization, beginning with the leadership, embody and live out the values that the organization espouses and our employees create. Those values drive the culture and the culture drives high performance. These three things working together create the organization.

Development of our values and culture
Premier is a healthcare alliance owned by more than 200 not-for-profit hospitals. We work with over 2,000 hospitals and share a core purpose to improve the health of communities. Our focus is on improving quality while reducing costs in a safe and transparent way. Premier’s goal is that our owners will be the leading healthcare systems in their markets with the lowest costs and the highest quality.

Following a 1996 merger, we had the opportunity to determine the foundation of Premier. The stakeholders and board of directors created our focus and strategic plan, and developed our core values. We brought our employees together and asked for their feedback. Through a collaborative process, they helped to further determine and refine the Premier values. Twelve years later, our employees continue to say these are the values and culture that best align and drive our organizational success.

Integrity, focus on people, innovation and passion for performance
The four core values of Premier are:
- Integrity – The way we work with our customers, treat each other, and live and work within our communities.
- Focus on people – Internal, external, and within the community.
- Innovation – For our employees, innovation is collaboration so we are focusing on collaboration and what that means.
- Passion for performance.

These work for us because they are a combination of the hard and the soft. We discovered the importance of the explicitness of our values and the need to build them into everything we do as we applied the Baldrige criteria and used Baldrige as a business model. We found that making sure our values are focused on our business, our customers, and our community and then integrating them in the organization is actually the hard stuff and this has become more important to us over the years.

Values and human capital systems
We make sure our values show in all of our human capital systems. Our talent management model, shown in Figure 1, serves as a framework to ensure we embed our values in our culture.

Our values are central as people learn about us and as we try to attract talent. It is important to us that people coming into the organization already share our values.
We try to make values an objective part of our hiring process. We have five or six core competencies aligned with each value and three or four key questions around each value that we encourage people to ask prospective employees. After an interview, everyone involved completes an online interviewing assessment. We provide a scale to help demonstrate what interviewers will see if the value is present or absent. We do a lot of team interviews, so for one position we may have fifteen to twenty people involved with interviewing five candidates. It is a challenge to continue to do the assessment well because of the time required, but we have found it to be very effective.

There is a strong focus on values and culture during orientation, especially as it relates to the work that we do and our purpose. We have high expectations for our employees regarding ethics and compliance and do a lot of training in those areas. Once we have recruited people, the next step is setting clear expectations so all business-related, skill-related, and broad competencies are aligned with our four core values.

We set focused goals and expectations for existing employees as part of our strategic planning process. Our employees are assessed twice a year on both results and values. The evaluation is almost evenly split between what we expect to be accomplished and the values and competencies we have identified. Our high performers are people who live and embody the values of the organization and also perform well.

Our talent development program contains a section on building on our values that includes learning maps, focus on positive/negative behaviors, and discussions about how our values show.

“Live Well...Be Premier” is an employee committee that provides information about the many programs Premier offers to employees. They also offer suggestions on ways to live our values individually and through community service.

“Live Well ... Be Premier” is just one of the positive things that has come from our All-Employee Values Conference. Once a year we bring all employees together for a series of interactive, collaborative meetings. Our leaders are committed to this annual Values Conference and believe it is worth the cost to systematically strengthen our culture and improve performance. We often bring customers in to help us understand how we can improve. Half of one day is always spent doing community service, which is a great way to build culture and teaming and reinforce our sense of social responsibility. We review our successes and look forward to how we can improve our outcomes and culture, but most of our time together is focused on how we support our customers and how we continue to live our values.
Incentives

On the final night of the Values Conference our CEO, Richard Norling, presents team and individual awards. The Premier Awards, which have a generous monetary award, generate the most excitement. Winners of the Premier Award must be below the vice president level, be nominated by a peer, and survive a very rigorous selection process conducted by the Premier Rewards and Recognition Committee which is comprised entirely of non-executive level employees.

Our CEO created the Turtle Award to encourage innovation across the organization. This award is given someone that stuck their neck out on behalf of our customers and the organization to do the right thing even though it may not have been successful. So far we have presented five of these awards.

We also try to provide daily incentives. One of these programs is the Employee Choice Awards. Employees can send values postcards to one another when they see someone demonstrating a values behavior. They go online and choose a card tailored to each of our four values. We have found these incentives really help to hardwire our values into the organization.

Measurement

We measure our success by our customers, employees, and community. One of the questions on our customer satisfaction survey for our member-owner organizations is, “How satisfied are you with the integrity, innovation, and passion for performance that Premier’s staff demonstrates?” This is a very serious metric for us and we present the results to the entire organization because it is important to us that our customers and community are getting the service they need in the right way. Figure 2. shows the positive results we have received over the past five years.

Figure 2. Measuring our Values - Customer Satisfaction.

How satisfied are you with the integrity, innovation, and passion for performance that Premier’s staff demonstrates?

*Question not asked in 2006

We ask similar questions of our employees every year. Figure 3, on the next page, is a sample of the results we receive from our employee survey in comparison to the national average. It is very important to us that our employees feel we are living our values in our relationships with them as well as with our member-owners and the community.
Premier has amazed me in how well we live our values in a transparent way to better serve our people, our customers, and our community. Our leadership system provides the foundation of our employee endorsed values. Our culture, which drives high performance, is built around them. Our people, our values, and our culture working together create Premier.

Jena Abernathy brings 20 years of human resources and executive administration experience to the Premier healthcare alliance. Currently her executive role is responsible for developing, implementing, and managing a comprehensive suite of human resources, benefits and training programs. She is also responsible for facilities and the performance excellence groups. Before joining Premier, Abernathy was vice president of human resources for Fisher Scientific. In addition to her human resources executive responsibility, she was responsible for Fisher University, a program that provided extensive training and professional development for staff and management.

Kelli Price is responsible for the Premier performance excellence journey, integrating the Baldrige Criteria into the fabric of the organization with an additional focus on aligning and developing organizational talent for the purpose of improving individual and organizational performance. Before joining Premier, Kelli was a senior partner with a North Carolina-based management and organizational development consulting firm. As a partner, she used her talents to increase performance outcomes, improve processes, facilitate change management, and lead organizational redesign efforts for her clients. She also served as a North Carolina state quality examiner and has previously served on the national board of examiners for the Malcolm Baldrige National Quality Award.
Conversational Inquiry as an Approach to Organization Development

We are in the midst of a sea change in our understanding of how organizational continuity and change arise. We have concentrated on trying to design and implement future states, explaining, in hindsight, what actually comes about as the successful realization of our prior intentions. However as the complex interdependencies of our world become increasingly apparent, the illusory nature of our traditional understanding of control—of being able to trace simple chains of cause and effect, of re-engineering the form of our organizational activities—is proving illusory. So we are now shifting towards understanding how outcomes emerge from the local self-organizing interaction of multiple intentions in webs of power relations, where there is no single source of change.

This is leading us to explain continuity and change as arising through intensive processes of joint inquiry amongst diverse participants. The focus is shifting from the design of outcomes to the design of, and participation in, inquiry processes. This is not inquiry understood as investigation into a static set of facts to find simple causal connections. Rather, this is inquiry as an active on-going process of re-creating our situation. Inquiry means making fresh sense between us of how we get to be here and how we can move on, thus remaking the potentialities of the situations we are continuously constructing together. We are coming to recognize that complex change arises through the movement of inquiry itself rather than as a result of it.

This re-orientation gives us a new perspective on some key activities. For example:

- Leadership—How do we become good at recognizing, initiating and sustaining inquiry processes?
- Professional education—How do we design development activity that is based on convening and engaging pertinent communities of inquiry?
- Diversity—How do we become more inclusive and inviting of diverse input and sense-making in inquiry processes?
- Organization development—How do we enable shifts in complex patterns of interaction through inquiry based dialogue?

The starting point is often a small group of people, glimpsing possibilities, raising troubling questions, sharing experiences and ideas around questions that are beginning to form. These intense early conversations themselves emerge from other
Case Study

Delphi’s Lean Enterprise Progressing Along the Journey

more desultory conversations and encounters, but people often identify the “start” as the occasion when a growing sense of purpose actually motivates people to meet to pursue what may be an emerging inquiry.

The key seems to be to value low-key but intensive beginnings, and not move too fast to create representative groups or large project teams.

In the early stages, the ill-defined nature of an inquiry is its power. The relative openness but relevance of the questions being posed, perhaps the introduction of new language and terms whose meaning is not yet clear, encourages a broader engagement and necessitates a constant revisiting of what this is all about, as different perspectives are drawn into the process.

The key seems to be to dare to stay longer in the forming process and not to rush too quickly to capture clear formulations, which are all too likely to be cast in familiar and limiting ways. Don’t be afraid of multiple ways of talking about the inquiry; avoid collapsing to the latest buzz-project/initiative that becomes a slogan to be bandied about.

People do not need permission to cluster in this way. Indeed we cannot, fortunately, stop this from happening. However, as the first conversations develop, people do start looking to engage early “sponsorship”. They look to interest someone with the visibility, connections, and access to other conversational forums who will help to provide early legitimacy for “keeping the conversation going,” enabling limited investment of resources of time, travel costs, and above all allowing people to start inviting others to join the inquiry. These early sponsors are willing to be involved with the emerging discussions and spread the interest. As the process continues, and other interested parties are drawn in, the inquiry may be re-articulated and sponsorship becomes clearer and increasingly formalized.

The key seems to be to seek evolving legitimacy as the inquiry takes shape and not to get locked in to existing power structures.

The best way of swelling an inquiry process is by pulling on webs of relationship and connection, inviting others to invite relevant others. Personal engagement that stirs curiosity excites diverse motivations and different takes on what is being explored works much better than email, round robins, or positional papers. Hold only loose ideas about the right or best people. Participation and project evolve together in unforeseen ways. People become involved, less because they are attached to specific outcomes, but more because they are keen to participate in the creation of new possibilities that shift their identities and relationships within the company and its evolution.

The key is to take the trouble to explain over and over again what this inquiry is about—why it matters, what is being questioned, what desire is fueling it—to create resonance with others. Don’t be fooled by the fake “efficiency” of one generalized invitation. The process of inviting people to inquiry forums plays a crucial part in learning what the inquiry project is becoming. Always suspect the boundaries you have set and bring in less obvious contributors.

Leadership Perspective • Conversational Inquiry as an Approach to OD

What we are learning about inquiry, continued

The paradoxical productivity of the ill-defined but urgent inquiry

Sponsorship as an iterative process of broadening legitimacy

Inviting others and allowing the initial conversation to spawn other related groupings
People are learning to host open-ended inquiry forums as a new leadership capability:

- Being comfortable yourself, and helping others become comfortable, with open space and the lack of a full or fixed agenda. Leading becomes being able to articulate issues and themes as they emerge and transform.
- Being comfortable without a fixed hierarchy but not an idealized equality—power relations are not pre-determined and can move as patterns of turn taking, turn making, persuasiveness, and spontaneity shift. Leading becomes encouraging lively conversation, living with pauses, not being anxious about conflict of views or strong feelings, being attentive to patterns of response that hold orthodoxies in place, or silent dissidence.
- The “speaking in the round” architecture is important but need not be taken literally to mean a single circle: there are many variations—care style tables, cascaded circles, “fishbowls,” spirals, and so on. We are learning to design and use conversational architecture to suit different modes of talking amongst very different sized groupings.
- A conversational space that is not too homogeneous and arid (e.g., the typical meeting room of identical chairs around a board table facing an overhead projector in a small room with flat grey/white walls). Informal, comfortable, light, colorful spaces with access to fresh air stimulates the full range of people’s intelligence and responsiveness.
- Rhythm is also important—regularly breaking, milling, taking time alone, and returning to take up the conversation from a fresh point of departure.
- The security of ready made “turns”; prepared presentations and rehearsed speeches are not suitable if the purpose of the conversation is to make new connections and associations between ideas and events, and to explore fresh meaning that opens unexpected possibilities of future direction.
- The “edginess” and messiness of spontaneous, rather than rehearsed, speech allows people to discover as they speak what they scarcely realized they thought. We register many subtle responses to what we are saying even as we speak and thus come to know what we are talking about in ways that surprise ourselves.
- People are “moved” from existing ideas, their existing sense of self and situation, by concrete utterance in the presence of others because of the bodily reverberation and increased affect of face-to-face engagement.

Active inquiry differs from investigation or consultation by not just seeking to bring back information “to the center” for sense-making and action. This is not about surveys or focus groups. The point is to create ripples of local sense-making that drive new activity. Guard against trying only to capture and harvest what comes of each inquiry “round.” The key questions are: What is the next conversation that needs to happen? With whom? Where? Who will take on inviting, convening, and hosting the next “round?” How do we overlap and keep interconnection between evolving conversational groupings? What ideas and material may stimulate and progress the inquiry?

The key seems to be to focus less on creating actions plans and more on generating the energy to take action as an urgent necessity. The idea is to keep moving forward rather than to “capture” everything that has happened.

Since this is all about joint inquiry as an emerging process, it does not lend itself to setting all the goals and targets for outcomes at the outset and measuring against...
them. Instead, the effort and capability becomes continuously inquiring into what effect the inquiry is having as it evolves. This means being able to recognize what is stirring and changing, and shaping the evolving story in writing, models, pictures, presentations, and ordinary conversation in order to gain the attention and recognition of others as the work moves on.

The key is to keep revisiting and retelling what the inquiry is coming to mean, what it is helping to achieve, without claiming simplistic cause and effect relationships. The art is to retain humility as one among many participants in complex change while articulating and drawing attention to the part each inquiry strand is making to our co-creation of the future.

Patricia Shaw is a visiting professor of management and associate director of the Complexity and Management Centre at the University of Hertfordshire, which she helped found in 1995.

With her colleagues at the University of Hertfordshire she has developed new approaches to organizational leadership, learning, and change. She concentrates on helping people convene and participate in more emergent organizing processes in which lively “sense-making” may flourish, paying particular attention to the part they play in constructing the cultural and political contexts of their organizations and institutions. She is the author of the book, Changing the Conversation in Organizations: A Complexity Approach to Change.

As an organizational consultant for more than twenty years, she has moved away from large-scale change programs toward more conversational approaches to learning, whereby spontaneity, improvisation, and lively sense-making may flourish amidst everyday politics and conflict.

Dr. Shaw first graduated in physics from Imperial College, London in 1974 and qualified as a teacher. After a few years she moved into an internal consulting role with British Gas when it was still a large public sector utility. She specialized in designing models of business situations to aid strategic decision-making, and became head of manpower planning for the Southeastern region. She then joined Roffey Park Management Institute as a management tutor and then set up her own consulting company. She received a Ph.D. in organization development from the University of Hertfordshire in 1998.

This article was developed from a two-day workshop to explore the ideas of Ralph D. Stacey, Patricia Shaw, and Douglas Griffin, directors of the Complexity and Management Centre, University of Hertfordshire, United Kingdom. The workshop was held in Boston, Massachusetts. It was first published in the Journal of Innovative Management in the Winter 2005-2006 issue.
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