

QUALITY MANAGEMENT SYSTEMS AND PERFORMANCE MEASUREMENT IN A PUBLIC SECTOR ORGANISATION

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Submitted in Partial Fulfilment of the Requirements of the
Degree of Doctor of Philosophy, August 1999

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ACKNOWLEDGEMENTS

I would like to express my greatest appreciation and thanks to the following individuals. Primarily to Dr. John M. Sharp, my supervisor, for his valuable advice, support, patience and attention to detail which has helped me in many ways in completing this study. His guidance and experience have indeed enriched my understanding of quality management and the approach to conducting research. His rigorous attitude towards research and the quality of supervision have contributed greatly in establishing the high quality of this thesis. I will always remain in gratitude for his concern and care in ensuring this research was successful.

My greatest thanks to Mr. Tony Struthers, Deputy Director of Salford City Council (SCC), for allowing SCC to be used in this case study. I had the privilege of the assistance of Mr. Jim Gore, the Quality Assurance Officer of SCC, in conducting this study at SCC. My special thanks to him for his invaluable assistance in establishing the contacts and arranging the interviews with the respondents required for this study. I wish also to thank Miss Mitchell Whalley, Graduate Quality Assurance Officer, and all the staff of SCC for their cooperation in providing me with all the information required to complete this study.

I also wish to thank Professor Roger Mason for his guidance and comments on research methodology. I also have the opportunity to discuss with Dr. Richard Varey issues concerning case study research. I am thankful for his comments and positive criticisms which have indeed strengthened my understanding on conducting case study research. I am very appreciative of the supportive and positive views of Dr. Michael Hides on the overall content of my thesis. To all the fellow postgraduate students under the supervision of Dr. Sharp, I am deeply indebted for their inputs, comments, and opinions which has also contributed a great deal to this study. I am grateful to the Public Services Department, Malaysia and Mara Institute of Technology, Malaysia for sponsoring this PhD.

I am gratefully thankful to my parents, for their support and encouragement. To my wife, Sharifah Suzana, and our son, Daniel Amer, I am forever grateful for their understanding, patience, support, tolerance, and the sacrifices made during the course of my study. Finally, I wish to thank God for his blessing in making this research possible.

List of abbreviations

AC	- Audit Commission
AQL	- Acceptable Quality Level
ASQC	- American Society of Quality Control
BEM	- Business Excellence Model
BS	- British Standard
BV	- Best Value
CBP	- Consumer Benefit Package
CCT	- Compulsory Competitive Tendering
CQI	- Continuous Quality Improvement
DEA	- Data Envelopment Analysis
DETR	- Department of Environment, Transport and the Regions
DMU	- Decision Making Unit
DSD	- Development Services Directorate
EFQM	- European Quality Foundation Model
GDP	- Gross Domestic Products
GNP	- Gross National Products
IIP	- Investors in People
LGA	- Local Government Association
LGC	- Local Government Commission
LR	- Lloyds Register
MBNQA	- Malcomn Baldrige National Quality Award
MRBM	- Management Review Board Meeting
MRBT	- Management Review Board Team
NDPB	- Non-departmental public body
NPR	- National Performance Review
NPRG	- National Partnerships for Reinventing Government
NQA	- National Quality Assurance
OECD	- Organisation of Economic Corporation & Development
PDPR	- Property Development and Property Review Department
PMD	- Property Management Department
PRC	- Performance Review Committee
PSO	- Public Sector Organisation
QA	- Quality Assurance
QAS	- Quality Assurance Section
QMS	- Quality Management System
QUANGO	- Quasi-Autonomous Non-Governmental Organisation
SCC	- Salford City Council
TQM	- Total Quality Management
TUPE	- Transfer of Undertaking Protection of Employment Regulations
UMIST	- University of Manchester Institute of Science and Technology

ABSTRACT

Two of the most important issues concerning public sector organisations (PSO) all over the world today is the need to reduce their operating cost whilst at the same time they are required to improve their services. Most countries of the world are looking at quality management, competition and performance measurement as elements that they could explore to achieve the objective of reducing cost and increasing public satisfaction with the services offered.

The local authority in Britain is one of the most heavily targeted public sector organisations to be subjected to competition. Compulsory Competitive Tendering (CCT) was introduced by law to ensure local authorities embrace competition. In response to this regulation, the majority of the local authorities adopted a quality management system in order to cope with competition. Associated with the quality initiatives and competition is the legal requirement for local government in Britain to publish in the local newspapers their performance on a set of indicators determined by the central government. The aim of this research was to explore and describe the link between quality management and performance in a PSO . A case study investigating two departments consisting of engineers, surveyors and architects at Salford City Council, Manchester was conducted to determine the effect of quality management system (QMS) and competition and the nature of performance measurement undertaken in a PSO.

The research findings indicate that there was no structured system that monitors performance of the organisation. The research also highlights that the performance of a city council in general was determined by a simple set of indicators. It was also found that the implementations of QMS in a PSO needs to incorporate features that can detect how well the departments are improving due to practising the system.

CHAPTER 1

INTRODUCTION

1.1 Introduction

Public Sector Organizations (PSO) today are faced with a very demanding and dynamic situation. PSOs are now experiencing a continuous reduction in their budgets and the public are, on the other hand, demanding that these PSOs offer better services too. Several authors have observed that the public expect a PSO to spend the public's money wisely and at the same time expect more services to be provided to them (Kerley, 1994; Brough, 1992; Anon, 1993; and Coffee, 1996).

The general public need assurances that resources are properly used, to an approved objective in an efficient and effective manner and also expect public service managers and politicians to improve performance in the delivery of services. The situation is made more crucial in two aspects. Firstly, although there is a growing demand for services, the public resent paying higher taxes. Secondly, the ability of the economy to sustain a higher share of gross national product (GNP) devoted to non-market goods and services is decreasing (Hepworth, 1995).

The percentage of gross domestic products (GDP) spent on government services in many countries is in decline. Sweden, which has the reputation as one of the world's most "governed" (a high percentage of GDP spent on government services) countries, experienced quite a drastic decline on GDP spent on government service. In 1976, 72 percent of its GDP was for government services but in 1993 the figures declined to less than 50 percent. Similar drops have been experienced in France and England. In the United States (USA), the percentage of expenditure devoted to government services has declined from 38 percent in 1976 to 32 percent in 1993 (Anon, 1993).

According to Morgan and Murgatroyd (1994), PSOs today face pressure to reinvent themselves. The challenge is to manage a PSO with increasingly limited funds amidst a public that is becoming more affluent and demanding. The public demand not only more services to be provided to them, but also services that are of better value too.

In the business world, the application of Total Quality Management (TQM) and other forms of quality management system have dramatically transformed the well-being of the organizations practising it. There are a number of benefits, in terms of cost savings, reduced waste, increased profits, and a more motivated workforce that can be achieved from TQM practices and other quality management initiatives.

Policy-makers and managers of PSOs are searching for new ways to achieve better productivity and efficiency for their expenditure. Quality management initiatives, with the many benefits and success stories in the private sector, seem to be the answer to the challenges of being productive and efficient that management in the PSOs are facing. Morgan and Murgatroyd (1994) reported a study which reveals that TQM and quality management related initiatives have increasingly become a key government strategy in all the fifty states in the USA. These fifty states believe that through these initiatives, better management of public resources and provision of better services can be accomplished. Thirty-one of the fifty states were found to have a systematic approach towards implementing TQM. Kerley (1994) cites a study conducted by the Organization for Economic Cooperation and Development (OECD) which discloses that the issue of public sector efficiency and effectiveness has become the main agenda of all the governments covered by the study.

The British Government for example, has laid down many programmes and directives to ensure that PSOs in Britain practice some form of quality management. Programmes like Citizens Charter, Compulsory Competitive Tendering (CCT), Investors In People (IIP), and Best Practices are examples of some of these initiatives (Lawton and Rose, 1991; Kane, 1996; and Davison and Grieses, 1996).

Poultney (1995) attributes the growing interest in quality in PSO in the United Kingdom (UK) to four main influences namely: the introduction of CCT, the increasing demands and discernment among the customers of public services, a shift in focus of managing PSO from the traditional provider-led approach to a customer-focused approach and the general development and implementation of quality management in UK private and public service sectors.

In Britain, the most heavily pressured PSO to introduce change is the local government. Sanderson and Foreman (1996) quote Walter (1991) who stated that the pressure of government legislation plus the authorities' own desire to change has resulted in local government undergoing substantial change. Madu and Kuei (1993) comment that only quality driven organizations will be able to survive in the future. According to them, customer needs, expectations and aspirations can only be achieved by a TQM-managed organization. The Department of Trade and Industry support this view and stress that quality is the key strategic issue for the 1990s (Department of Trade and Industry, 1990).

An important element attached to the efforts of providing better services and better management PSOs is the issue of measuring how these PSOs are actually performing with regards to various changes that they are introducing. Taking the lead towards this effort is the Local Authority Accounts Commission which in 1992 required a local authority to be judged on certain "performance indicators" to determine how well these organizations are doing on the various services that they are offering. PSO managers are "basically" judged based on their ability to provide more services with fewer resources (Kerley, 1994).

1.2 The Need

Governments all over the world are concerned about how PSOs are operating in their respective countries. Various initiatives were introduced by these various governments to make PSOs in their countries more efficient, productive, competitive, business-like, and effective. There is a need to investigate the impact of initiatives such as quality management systems and the introduction of competition in PSOs to determine whether there has been any impact on the performance on these PSOs. It was based on this need too that the author was awarded a scholarship by the Malaysian government to conduct research to investigate the significance of initiatives such as quality management systems and competition on PSOs.

1.3 The Research Outline

1.3.1 Aim

This research aims to investigate and identify the relationship between performance measurement and quality management systems/quality of service in a public sector organisation.

1.3.2 Objectives

Based on the above aim, this research will:

- * Investigate the effect a quality management system has on performance in a PSO
- * Study how a quality management system was implemented in a PSO
- * Study the impact of CCT on performance
- * Identify the key performance measures used in a PSO

A detailed description of these broad objectives which will be linked with the key research questions of this research will be presented in Chapter 4.

1.3.3 Methodology

This research involves two stages. Stage 1 involves conducting a literature review while Stage 2 involves conducting a case study at a PSO that is using a quality management system and is subjected to CCT while at the same time is actively experimenting with performance measurement. Appendix 1.1 shows a flowchart of the design of this research.

1.3.3.1 Literature Review (Stage I)

A literature review from articles, books, and reports on quality management, TQM, PSO performance measurement and CCT will be conducted to determine what has been done, how it was done and to determine the suitability of the data and information for this research.

1.3.3.2 Case Study (Stage II)

The next stage of the research will involve doing a case study on a PSO. A local authority was chosen and Salford City Council (SCC) agreed to assist and allow their organization as a case study for this research. SCC is a typical local authority in Britain as defined from the literature (Chapter 2.7 provides a detailed description on local authorities in Britain). The case study approach was taken to capitalise on the fact that it would provide rich and deep insights into the issues being investigated.

PSOs encompass a large and varied range of organizations - from hospitals, fire departments, police, schools, and so forth. Within each of these sectors there exist a lot of differences in set-up, structures and other elements. Each PSO is unique making it difficult

for researchers to cover all PSOs and at the end of the day say that the result is reflective and representative; there are no two city councils that are alike. Historical, political, geographical and local factors are among the reasons that contribute to the uniqueness of each PSO across the country (Kelly, 1996). With such a scenario, it is extremely difficult to conduct research which will be valid, reliable and at the end of the research claims made that the findings can be generalised to all PSOs.

For the purpose of this study, the researcher adopts the case study approach to enable deep insights into the views of management, staff and customers on quality management practices, performance measurement and CCT in a local government setting. A quantitative research approach such as doing a survey is good for probing the general patterns and common properties as a whole, but would not be effective in generating the explanation behind what, why and how things are done. Blackman (1993) stresses that quantitative research is excellent for providing knowledge on percentages and figures for decision making and more “reportage” in nature but is weak in explaining or evaluating the figures. A further discussion on choosing the case study as an approach is presented in Chapter 4.

1.4 Significance and Intended Contributions of the Study

The intention of this study is to contribute to the enrichment of knowledge on quality management in PSOs. This research seeks to find out what is happening with respect to quality management in PSOs particularly on issues of what, how and why things are being done with regards to it.

Related to the implementation of a quality management system is the issue of measuring progress. With the outcry of the public that demanded better value for their money, PSOs were forced to evaluate their operation as to whether public money was indeed being spent efficiently and effectively. PSOs are forced to have a performance measurement approach that is truly meaningful and useful not just to the government but to the public too. Thus, another intended contribution of this study is to provide an in-depth and better understanding of performance measurement in a public sector setting. For managers that are active in the field of government services, these inputs would be disseminated for them in such a way that they could cope with similar developments, that they are facing.

An important tool to make PSOs more business-like was to instill competition in these PSOs. Another intended contribution of this research is thus to generate an in-depth knowledge on the impact of competition on a PSO.

1.5 The Structure of the Thesis

This thesis is divided into seven chapters. Chapter Two gives a comprehensive review of the literature on quality, quality management systems, total quality management, services, performance measurement and city councils.

Chapter Three contains a detailed description about Salford City Council, the city council used for the case study.

Chapter Four covers the research methodology. It discusses the issues related to research design, the rationale for choosing the case study technique and the set of research questions related to the aim and objectives of this research.

Chapter Five presented the results of the study. Chapter Six provides a discussion of the results, its implication and comparison to the theory and literature. Recommendations for future work are also presented in Chapter 6.

The final chapter, Chapter Seven, provides the conclusions of the research and a summary of suggestions for future research.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

The literature review was conducted to locate and critique the current knowledge on quality management, performance measurement and key issues in public sector organisations (PSOs) and local government in particular. The literature review also serves to identify gaps in previous research and literature on quality management, performance measurement and competition in local government so that this research can contribute. The literature review was also intended to enable the author to develop the relevant research questions for this research.

2.2 Quality: Definitions and Concepts

The English dictionary defines quality as something that is essential or of distinguishing characteristic, good moral, mental or aesthetic characteristic. It also states that it is related to something of virtue, and having a degree of goodness or value. It equates quality to excellence (Hawkins and Allen, 1991; Simpson and Weiner, 1989; Brown, 1993; and Swannell, 1993).

Galloway and Ho (1996) considers quality as “an unusually slippery concept, which is easy to visualise yet exasperatingly difficult to define”. Quality has been traditionally associated with describing attributes of a product such as its beauty, goodness, freshness and luxury. It also means different things to different people.

The British Standard (BS4778: Part 2: 1991) defines quality as the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs. In 1995, British Standard changed the definition of quality. Quality is defined as the totality of characteristics of an entity that bear on its ability to satisfy stated and implied needs (British Standard BS 8402: 1995).

In management, quality can be defined in basically two ways: conformance to specifications (Crosby, 1984) and meeting customer requirements (Juran, 1988). The first definition addresses quality more from the service provider perspective while the second definition is more inclined towards the customer's perspective.

According to Crosby (1984), quality is not goodness, luxury, or excellence. His argument is that no one can agree on what is considered good or excellent. Thus quality should be better defined as integrity which means doing or providing what is promised. According to Boghassian (1988), Crosby's basic quality concepts can be outlined as follows:

- (i) Quality means conformance to requirements
- (ii) Quality can be measured by its costs
- (iii) The goal of quality is to meet the requirements 100 percent - no defects
- (iv) Quality is the responsibility of all

In a Question and Answer section of his website on the internet (Crosby, 1998a), Crosby summarises his four absolutes to quality as:

- (i) Quality means conformance to requirements and not goodness.
- (ii) Quality comes from prevention not detection
- (iii) Quality has a performance standard of zero defect, not acceptable levels.
- (iv) Quality is measured by the price of non-conformance (PONC) not indexes.

Crosby considered the role of the organisation is to deliver what it promised. This should be done by having zero defects as a standard for performance and disagrees that an error is inevitable or the idea that there should be an Acceptable Quality Level (AQL).

The second definition of quality as put forward by Juran (1988) looks at quality from the customer's perspective. This definition addresses the issue of "fitness for purpose or use" as seen by the customer. It is concerned with customer utility and satisfaction. It is the customer who decides what services or goods to buy. Put simply quality is achieved when the requirements of the customer are met. Thus quality is not used to signify the "excellence" of the product or service or how expensive it is but it must be associated with the reliability of the product. Quality is defined by the customer. Juran's definition of quality reflects his strong orientation towards meeting customer expectations.

Deming (1986), like Juran, considers quality from the customer definition. According to Deming, quality is a relative term that will change in meaning depending on the customer's needs. He emphasized the importance of consumer research to determine customer needs and the use of statistical tools to ascertain that every process is effective and efficient. If statistical tools are used then uniformity, lower cost and suitability can be acquired. Deming popularised the seven statistical tools namely the control chart, pareto chart, fishbone diagrams, run chart, histogram, and flow chart which he suggested can be used to

accomplish the quality goal of an organisation. Deming also made popular the Plan-Do-Check-Act cycle which he believed will enable management to improve its production and services continuously. He also believed that poor quality is generally 85 percent a management (or systems) problem and only 15 percent a worker problem.

Juran proposes three basic processes for quality management (quality planning, quality improvement and quality control) while Deming recommended 14 principles to effectively manage quality in organisations (Saraph *et al*, 1989). The 14 principles are outlined in Appendix 2.1.

To resolve the confusion in the usage of the word quality, the British Standard (EN ISO 8402: 1995) suggest the use of the term “grade” to reflect a planned or recognised difference in the requirements for quality. Thus quality can then be associated with the class that the particular product or service is in and therefore avoiding the instances of comparing any particular product or services with one that is not in its class. The services of a two-star hotel, for example, should not be compared with that of a five-star hotel.

According to Garvin (1988), there are eight dimensions of quality as defined from the customer’s perspective namely performance, features, reliability, conformance, durability, serviceability, aesthetics, perceived quality. Organisations must meet one or more of these dimensions and it needs to determine which of these dimensions are crucial to the organisation as seen by the customer. The organisation must take continuous steps to solicit feedback on these dimensions particularly the one that is critical to the organisation to enable it to response and serve the customer better.

Carlzon (1987) introduces the concept of “moment of truth” and suggests that customer satisfaction be based on the quality of each interaction with either the physical or human resources of the organisation. This interaction can generate a lasting impact on the customers’ perception of the organisation.

Townsend (1986) defines quality in two perspectives: quality in perception (how well the service or product meets customer requirements) and quality in fact (the expertise is present in the development of the service or product). It is important for an organisation to meet

both types of quality. Townsend (1986) criticises Crosby's and Juran's definition of quality as vague. If quality is defined as "meeting specification"(Crosby's) then whose specification is it that needs to be met? Similarly if quality is defined as "fitness for purpose" then whose purpose needs to be fulfilled? Is it the customer or manufacturer? He quoted two examples to support his point. The first one is the Coca-Cola Company which introduced "New Coke" that met the exact specifications of its proud parent but failed to meet the needs of the market. The second example given was the Sara Lee Company that introduced a top-quality frozen cheesecake at a low-price. Sales were poor even though the product was of high quality. Sara Lee focused on "Quality in Fact" and ignored efforts towards "Quality in Perception". The public perceived a high quality product must not have a low price.

A survey conducted by the General Systems Company found that when a global market consumer is satisfied with quality, he or she will tell six other people about the product or service. If the consumer is dissatisfied with the organisation, he or she will inform an average of 22 other people about it. A satisfied industrial customer is seven to eight times more likely to repurchase products from the same supplier than from its competitors (Feigenbaum, 1998).

Thus from the analysis of the various literature it is observed that quality is a multidimensional phenomena. Quality of a product or service is considered part of a complete package of the product or service offered to the market. It is also accepted as an important source for competitive advantage and recognised as a basic requirement for continuous existence for organisations competing in today's dynamic and challenging environment.

2.3 Quality Management System

Deming in his, "System of Profound Knowledge" encourages people to appreciate the system. A system can be defined as a collection of interrelated parts, materials, or even abstract entities, that function together to achieve a common purpose (Lim, 1998).

A Quality Management System (QMS) is the formal management system which defines the quality environment within an organisation (Munro-Faure and Munro-Faure, 1992). Quality management is the way in which an organisation determines and implements systems to

ensure that quality, in the sense that specifications are met, is achieved (Freeman-Bell and Grover, 1994a).

British Standards (BS EN ISO 8402: 1995) define quality management as all activities of the overall management function that determine the quality policy, objectives and responsibilities, and implement them by means such as quality planning, quality control, quality assurance and quality improvement within the quality system.

The emergence of a single quality standard which is in use today (BS 5750/ISO 9000/ EN 2900) started with the US Military which introduces the MIL STD 9858A for its operation. NATO later adopted this 1963 standard (entitled Military Specification, Quality Program Requirements) with a similar standard in 1968 which it called NATO AQAP-1 Standard. The UK Ministry of Defence followed in 1973 with its version of this standard called Def. Stan 05/21. In 1974, the British Standards Institution introduced BS 5179, a guide to nonmilitary quality assurance systems. This led to the introduction in 1979 of the BS 5750, the quality standard which became the main foundation of the standard used in many parts of the world today. The ISO 9000 standard, an internationally agreed method for implementing quality assurance, introduced in 1987 (Drummond, 1992; Sadgrove, 1995 and Sullivan-Taylor and Wilson, 1996).

The American Society of Quality Control (ASQC, 1998) on their website states the following:

“ISO 9000 series standards: a set of five individual but related international standards on QUALITY management and QUALITY assurance developed to help companies effectively document the QUALITY system elements to be implemented to maintain an efficient QUALITY system. The standards, initially published in 1987, are not specific to any particular industry, product, or service. The standards were developed by the International Organisation for Standardization (ISO), a specialized international agency for standardization composed of the national standards bodies of 91 countries”

Rothery (1991) cites that the standards contained six separate documents numbered ISO 8402, 9000, 9001, 9002, 9003 and 9004 as shown in Figure 2.1.

Organisations that have implemented the quality management systems based on the ISO 9000 standards are required to maintain their respective systems based on the requirements set out in Clause 4 of the standard (Pheng, 1998). Appendix 2.2 outlines the twenty technical requirements of the standard.

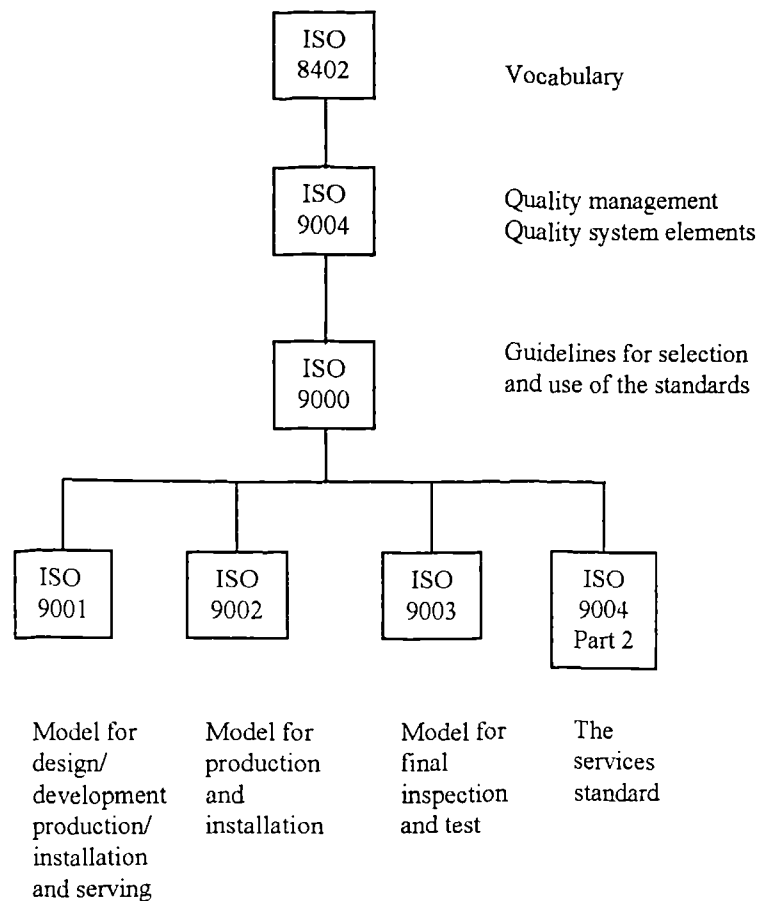


FIGURE 2.1 ISO 9000 Series
Source: Rothery, 1991.

Sadgrove (1995) states that quality can be managed in three ways namely: prevention, inspection, and failure. Organisations that use the prevention strategy usually employ the quality assurance (ISO 9000) method to manage quality. Quality assurance (QA) approach requires the need to have a plan for what is to be done. This system ensures what is planned is done. The main causes of quality problems are first identified and then a system is created to overcome this problem. The ISO 9000 (BS 5750) system requires work processes to be documented and work needs to be done as documented to eliminate variation. An audit is then conducted internally and externally to ensure what is said to have been done (as documented) has actually been carried out by this organisation.

The second strategy to manage quality according to Sadgrove (1995) is through inspection. The inspection approach is however not an effective method to manage quality. Here checks for defective products are done after the products are made. Thus, this system does not stop defective products from being manufactured. The presence of inspectors discourage workers from checking and inspecting their work before it passes on to the next process. To the workers, inspection is not their job. There are people, the inspectors, that have been specially hired to do this job.

The failure strategy is a method where no check on quality is done at all. Here a defective product reaches the customer regularly and action is only taken when the customer complains about it.

Bailey (1998) states that:

“Quality assurance assumes that the quality or effectiveness of the final output is crucially dependent upon the quality of the initial inputs and the production process. Hence, it is necessary to design procedures that will avert problems which would otherwise reduce the quality of output. This is a more general approach than ‘quality control’ (which simply checks products’ conformance to specification after production), but is more restricted in approach than ‘total quality management’ (which contains elements of all of the foregoing but requires a major change in the culture of an organisation, making maintenance and improvement of quality the purpose and responsibility of every member of an organisation)”

The ISO 9000 standard was developed to enable an organisation to assure their customers of their ability to supply products or services. Internally, it is also designed as a tool for measurement and improvement (Tague, 1994).

Sadgrove (1995) makes an excellent summary of what an ISO 9000 quality management system is by stating that it comprises of three elements:

- (i) You say what you are going to do
- (ii) You do it
- (iii) You prove that you have done it.

Gore (1998) provides a quick overview of what a documented quality management system

would do. A documented quality management system would provide answers to six basic questions:

- (i) What is to be done?
- (ii) Why is it to be done?
- (iii) How is it to be done?
- (iv) When is it to be done?
- (v) Where is it to be done?
- (vi) Who is to do it?

ISO 9000 should be viewed as a system to prove that an organisation is practising quality services. It provides a guarantee to the customer that the organisation is operating to the level and quality criteria in the ISO 9000 elements. Basically the objective of ISO 9000 is to ensure that the work processes in the organisation are in order, consistent, systematic and straight forward.

More and more organisations are now registering themselves to BS EN ISO 9000 standard. To these organisations, QA certification creates a climate of confidence in the procedures and practices of the organisation besides adding value to the products and services provided. Registration is seen as evidence to their customers that the organisation can deliver consistent quality to the agreed specifications. The certification by an independent third party enhances the competitiveness of the organisation and is a means of telling the world that you can meet customers' quality needs. This is a powerful tool to provide the marketing edge against competitors (National Quality Assurance, 1996).

QA certification is not just beneficial for large organisations. The evidence presented by a study of 200 mechanical engineering companies certified by Lloyds Register Quality Assurance reveals that small firms can improve their performance even more than larger firms through the implementation of an ISO 9000 management system (National Quality Assurance, 1996).

The British Standard (BS EN ISO 8402: 1995) acknowledges that there are many confusions about the terms: quality control, quality assurance, quality management, and total quality management. The Standard defines quality control as the operational techniques and activities that are used to fulfil requirements for quality. QA is defined as all those planned and systematic actions necessary to provide adequate confidence that a product or service

will satisfy given requirements for quality. In Ousley and Barnwell (1993) QA is defined as the compliance with predetermined standards.

Although initially QA was designed for manufacturing organisations, it proved useful to those in the non-manufacturing sector who have practised it. To adapt the manufacturing-based ISO 9000 system to a service organisation, Fletcher *et al* (1998) suggested that service organisations need to pay special attention to five key elements of the system: management, customers, policy and procedures, and resources.

Lau and Anderson (1998) note that the design and implementation of quality programmes used today has its roots in the USA. Before the 1980s, US companies focused on productivity as a strategy to meet the market demand. As competition became stiffer in the 1980s, offering high quality was regarded as the strategy to counter foreign competition particularly from Japan. Ultimately, in an effort to narrow the gap US companies adopted the Japanese quality principles. These initiatives eventually evolved into Total Quality Management (TQM) and also have major influences in designing the criteria for the Baldrige Awards and the ISO 9000 series of standards.

Malhi (1995) states that ISO 9000 registration is an important step towards Total Quality Management (TQM) and stresses that TQM goes beyond ISO 9000. In Mahli (1995) it was said that:

“You do not become a quality organisation by achieving ISO 9000. To become a real quality organisation, you have to focus more strategically on the open market and the customer.”

This statement is in line with Crosby’s view on quality assurance. According to Crosby (1998b), quality assurance is all about documentation while quality control is about measurement. Quality assurance is like the operator’s manual of a car. Quality control can be likened to the dashboard instrument on a car. Quality management goes beyond that. It is about the philosophy of operating the organisation. It can be described as how you operate and manage the car. It is about management philosophy, and not a gathering of procedures and techniques. It is a philosophy of preventive management and having an organisation that has integrity or in other words an organisation that produced what it has promised. Quality management is about constructing an organisational culture where

transactions are accomplished correctly and there is a successful relationship with the suppliers, employees and customers of the organisation. Quality management is about having clear requirements and conforming to these requirements where things need to be accomplished right the first time it is done.

In Mahli (1995) it was said that:

“Being ISO registered means you have a licence to drive, but it does not mean the bearer is a good driver. Indeed, an ISO 9000 registered company does not necessarily have better product or service quality than non-registered companies”

Based on these notions, organisations can therefore implement quality without spending a fortune on registration and hiring competent consultants. What is important is that these organisations should be aware of the quality concepts and practise it the way the philosophy is prescribed to make it workable.

2.4 Total Quality Management (TQM)

2.4.1 Introduction

The word “total” means without compromise. It requires that every activity must be included, and everyone involved. There are no agreed definitions of what Total Quality Management (TQM) is supposed to be. Lau and Anderson (1998) state that the July 1995 special issue of the magazine “Quality Progress” carries 13 articles on TQM and these articles gave 12 different definitions of TQM.

Mears and Voehl (1995) argue that quality is not a management program (since there are other non-management personnel involved) and therefore an appropriate way to refer to TQM according to them would be to call it Continuous Quality Improvement (CQI). The word “management” in TQM they believe, would make employees regard improvement as a management problem and thus make employees reluctant to commit fully to the improvement initiatives. Sullivan-Taylor and Wilson (1996) mention that the US military were the first to use the phrase “TQM” and adopt a “TQM programme” which later became the prototype used by other organisations. Martinez-Lorente et al (1998) mention that TQM is said to have its roots from the Japanese Total Quality Control.

A clearer insight of what TQM or CQI is can be obtained by looking at various authors' definitions and comments on TQM. Oakland (1996) provided the most comprehensive definition of TQM. He considered TQM as an approach to improving the effectiveness and flexibility of businesses as a whole. It is essentially a way of organizing and involving the whole organisation (every department, every activity, every single person at every level) in striving for quality. According to Oakland for an organisation to be truly effective, each part of it must work properly together, recognizing that every person and every activity affects, and in turn is affected by others.

British Standard EN ISO 8402: 1995 defines TQM as a management approach of an organisation, centred on quality, based on the participation of all the members and aiming at long-term success through customer satisfaction, and benefits to all members of the organisation and the society. The Standard stresses that TQM is a long-term global management strategy that involves everybody in the organisation.

Bohan (1995) in a discussion of what TQM is and what TQM is not, concluded that TQM is the process of setting targets for improvement, developing a yardstick for measuring improvement, formulating and implementing actions to achieve improvement, and checking the yardstick to see whether the actions worked. Cluckman and Roome (1993) stress the importance of continuously fixing and improving things immediately. If organisations do not fix it now, even though it may not be broken, competitors can take over the lead by offering superior products. In today's dynamic world, doing okay is no longer good enough. Improvement must be continuous.

According to Tobin (1990), TQM is defined as a totally integrated effort for getting competitive advantage by continuously improving every facet of the organisational culture. The Federal Quality Institute (FQI) mentions that in TQM, customer needs are addressed through the multi-faceted concept of "quality" which includes such elements as performance, conformance, accuracy, reliability, and timeliness (Berman and West, 1995).

TQM comprises of a group of ideas and techniques for enhancing competitive performance by improving the quality of products and processes. TQM works because it creates a goal directed connection between customers, managers, and workers (Grant *et al*, 1994).

Equipping the employees with the various tools will assist them in brainstorming systematically and analyse problems critically. From the Japanese experience, 95 percent of the problems in the workshop can be solved with simple quality control methods such as the seven tools of quality circles (Ho and Fung, 1995).

The goals of TQM are to improve systems, reduce the cost of goods and services, produce higher quality material goods/services that satisfy customers better, improve decision making and better communication. Peter (1992) reinforced this point and mentioned that if introduced and managed correctly, TQM offers the promise of waste elimination, reduced inventories, improved customer satisfaction, and enhanced profitability. Productivity gains of between 10 percent and 14 percent have been reported from the introduction of organisation-wide “management of quality”.

Munro-Faure and Munro-Faure (1992) defined TQM as meeting customer requirements at minimum cost and the components of TQM should include understanding customers (external and internal), understanding the business (functional analysis and quality cost), Quality Management Systems (such as BS5750 and ISO9000), Continuous Quality Improvement (management commitment, employee involvement, education, teamwork, measurement, and error prevention), and Quality tools (Statistical Process Control, Quality Function Deployment, benchmarking, and problem solving). British Deming Association (1992) considers Shewhart’s Plan-Do-Check-Action Cycle as a key component of TQM activities.

Irani *et al* (1997) describe total quality as:

“an organisation’s ability to continuously meet agreed internal/external customer requirements at the lowest possible cost, through releasing the potential of all employees”.

From the various definitions made by the popular exponents of TQM, several principal elements have been derived by the author as the main features that described TQM. TQM must involve:

- (i) TQM is a process that seeks continuous improvements in the quality of performance of all the processes, products and services in the organisation (*Mears and Voehl, 1995; Oakland, 1996; British Standard 8402 , 1995; Bohan, 1995; Tobin, 1990; and Munro-Faure and Munro-Faure, 1992*)

- (ii) TQM requires commitment from the top (*Mears and Voehl, 1995; and Oakland, 1996*)
- (iii) A focus on a chain of customer - supplier relationships involving “internal” and “external” customers (*Oakland, 1996; Munro-Faure and Munro-Faure, 1992; and Grant et al, 1994*)
- (iv) Involvement of employees and empowerment (*Munro-Faure and Munro-Faure, 1992; Grant et al, 1994; British Standard, 1995; and Irani et al, 1997*)
- (v) Management by Fact (*Oakland, 1996; Bohan, 1995; and Peter, 1992*)
- (vi) Training (*Ho and Fung, 1995; Oakland, 1996; and British Standard, 1995*)
- (vii) Right First Time and Every Time (*Oakland, 1996; & FQI in Berman & West, 1995*)
- (viii) Customer Focus Versus Organisation-Driven (*British Standard, 1995; FQI in Berman and West, 1995 and Munro-Faure and Munro-Faure, 1992*)
- (ix) Focus on Prevention not Inspection (*Munro-Faure & Munro-Faure, 1992; Bohan, 1995; & Peter, 1992*)
- (x) Long-Term Strategy (*Mears & Voehl, 1995; Oakland, 1996 & British Standard, 1995*)
- (xi) *Development of culture (Tobin, 1990)*

2.4.2 Implementation of TQM

Dale (1991) describes research conducted at University of Manchester Institute of Science and Technology (UMIST) in which identified six main factors which motivates organisations to start TQM. These six factors are:

- (i) The need to reduce costs/improve profitability/improve performance
- (ii) Demanding customers
- (iii) Chief executive officer
- (iv) Pressure from competitors
- (v) Restart situation
- (vi) Greenfield venture (site)

Ho and Fung (1995) note that although Deming (1996), Juran (1992) and various other renowned authors on TQM offer various views on TQM, there is little mention of the steps required to implement TQM. It is not mentioned too which steps the organisation needs to take once they have achieved some form of improvement such as certification to ISO 9000 or its equivalent.

Silvestro (1998) states that the absence of a cohesive model of TQM has resulted in many different perspectives about how TQM should be implemented and even some of those forwarded differ from one another. An examination of the literature on TQM however identified a couple of authors that have attempted to introduce some model to implement TQM. They believe that if certain steps are followed, TQM can be effectively implemented in any organisation.

Weeks *et al* (1995) states that it is very important for organisations that want to install TQM to implement it properly because it takes between 2-3 years and a cost of between US \$30,000-US \$300,000 to have it fully operational. According to Mizaur (1992) experts believe that it takes between 6-12 years before an organisation can say that its TQM is fully in place.

In another survey conducted in 1992 by SGS Yarsley, in the UK, found that the average cost for a company of seven employees to achieve ISO 9000 certification was estimated to be about £70,000 (Freeman-Bell and Grover, 1994b). In a survey of small and medium-sized firms, it was found that 70 percent of the respondents said that the principal benefit of achieving certification is to use it as a marketing tool (Freeman-Bell and Grover, 1994b).

Asher (1992) suggests that TQM can be installed effectively by first creating management structures that focus solely on looking at quality in the organisation. A coordinator is then appointed and a steering group created to oversee the whole operation of TQM activities at the organisation. Secondly all the employees in the organisation need to be educated and trained about TQM. Finally, Quality Improvement Plans (QIPs) are formulated to chart the quality journey.

Munro-Faure and Munro-Faure (1992) suggested that to produce a TQM environment three key elements are required. First, a strong framework is necessary to retain order and control. Secondly, the organisation must continuously strive for improvement. Thirdly, the organisation must be able to adapt itself to changes to ensure that it can respond to customer changing needs and requirements. Munro-Faure and Munro-Faure (1992) added that the following are vital in the implementation of a quality system: management understanding and commitment; the involvement of all employees; an action plan to outline the steps that will be taken; and the monitoring of progress.

Oakland (1996) however believes that to implement TQM in any organisation senior management should not focus on initiating change on the formal structures and systems of the organisation but rather concentrate on setting up process-management teams that are formed to solve real business or organisation problems. Change should not begin with effort to alter the knowledge, attitudes and beliefs of individuals in the organisation.

According to Oakland, the implementation of TQM would be successful if an alignment is made between the employees of the business, their roles and responsibilities within the organisation and its processes. The approach that he recommended is to start by writing a mission statement, followed by an analysis of the critical success factors and then moving on to looking at the critical processes, sub-process, activities and tasks. Certain tools, techniques and interpersonal skills are also required to support this approach to enable good communication to happen that will facilitate process improvement. An organisation must focus on its key processes rather than on abstract issues such as “culture” and “participation”. A new situation which focuses on employees’ attention and work processes will automatically be developed if managers create new responsibilities, team roles and a process driven environment.

Goetsch & Davis (1995) suggest twenty steps that organisations can take to implement quality. These twenty steps are outlined in Appendix 2.3.

Dale (1991) identified that organisations introduced the concept and principles of TQM by using five main approaches. These main approaches, listed in the order of importance, are provided below:

- (i) Designing their own quality objectives and strategy by referring to published literature, discussions with other practitioners, visits to other companies, etc.
- (ii) Adopting the teachings of one of the quality management gurus (Crosby, Juran, Deming, Feigenbaum, and others)
- (iii) Being registered to BS5750
- (iv) Hiring the services of a major quality management consultant
- (v) Introducing statistical process control (SPC)

Some organisations use the various award model as an approach to implement TQM. Award models such as European Foundation for Quality Management (EFQM), and Malcomn Baldrige Awards provide a useful tool for doing a self-assessment of a firm effort in installing TQM (Cangas, 1996).

Leicester Business School developed a model called LETQMEX for implementing TQM (See Figure 2.2). This model work on six stages divided into two types of management. The Japanese 5-S practices of housekeeping, and the marketing, production and purchasing control are the first two stages which are classified as operations management. The next

four stages comprising of Quality Control Circles, ISO 9000 series, Total Productive Maintenance, and Total Quality Management are classified as Quality Management. Depending on, at what stage the organisation is already in, the organisation according to this model can proceed its TQM implementation effort by entering at any of the six stages (Ho and Fung, 1994 and Ho and Fung, 1995).

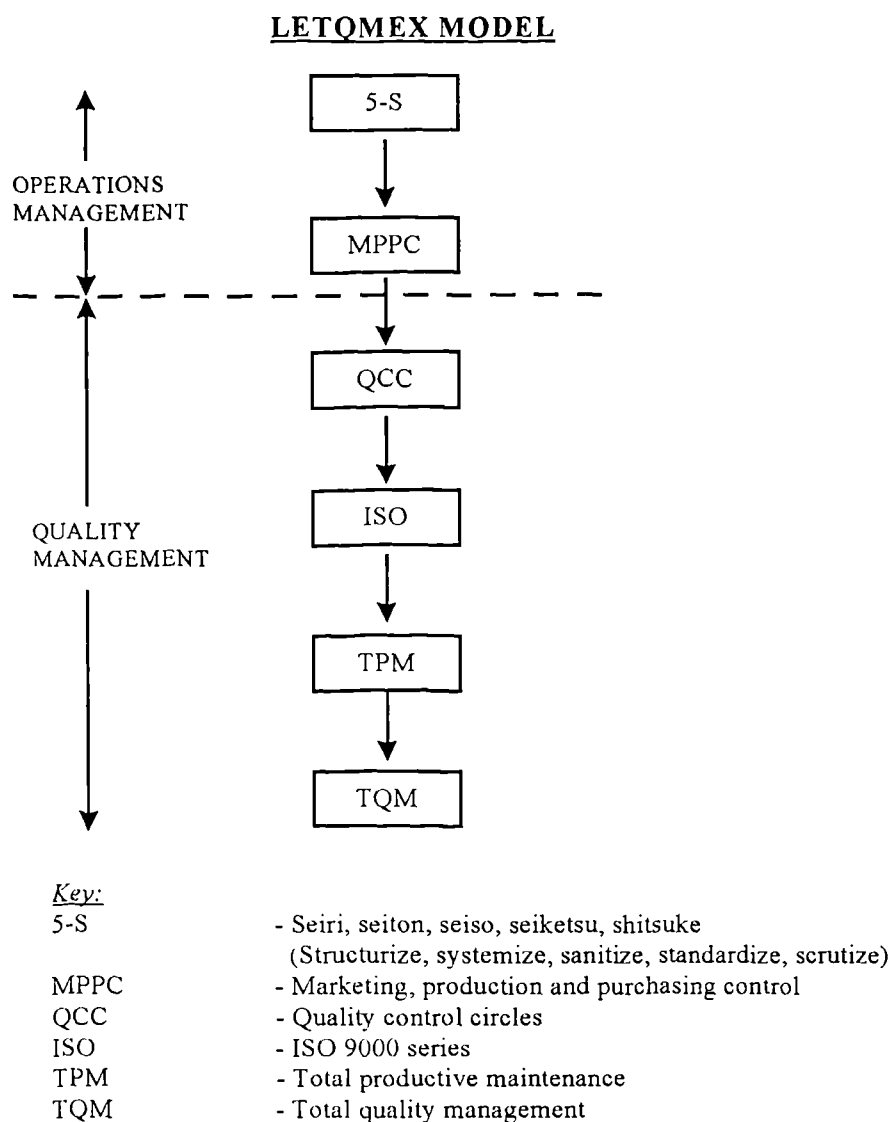
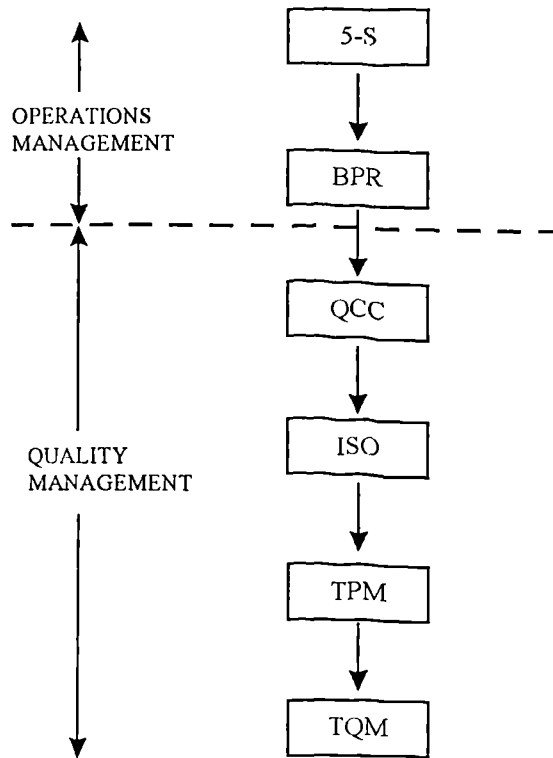


FIGURE 2.2 LETQMEX Model
Source: Ho and Fung, 1994

Farrell (1996) reports that the MPPC element in Ho and Fung's original model was later replaced with Business Process Reengineering (See Figure 2.3).

TQMEX MODEL



Key:

5-S	- Seiri, seiton, seiso, seiketsu, shitsuke (Structurize, systemize, sanitize, standardize, scrutize)
BPR	- Business process re-engineering
QCC	- Quality control circles
ISO	- ISO 9000 series
TPM	- Total productive maintenance
TQM	- Total quality management

FIGURE 2.3 TQMEX Model
Source: Ho , 1995

According to Guimaraes (1997), the first step in a workable TQM methodology is to define the process that is to be performed. The relevant measurement points are then located which will consequently reveal the opportunity for improvement.

Motorola, a Malcomm Baldrige Award winner, introduces what they call the Six Sigma methodology of implementation of TQM (McFadden, 1993). Basically it comprises of six main steps:

- Step 1: Identification of product or service that the organisation is involved in.
- Step 2: Identification of who the customers are and what is important to them.
- Step 3: Identification of what is required to satisfy customers.
- Step 4: Identification of the work process including drawing up a detailed

- systems map that highlight the key tasks.
- Step 5: To mistake-proof processes and eliminate waste. Mistakes at each key task are identified with the objective of preventing it from recurring.
- Step 6: To ensure that there is continuous improvement in measurement, analysis and control.

Before implementing TQM, Weeks *et al* (1995) suggest organisation should conduct a pre-test to analyse whether they are ready for TQM. Weeks *et al* (1995) recommended that organisations should assess their strengths and weaknesses in seven key characteristics: the level of employees' influence or receptiveness to new ideas or suggestions; employees' ability to accept responsibility and autonomy; employees' satisfaction level; employees' desire to change or their ability to adapt to change; the degree to which the organisation encourages, listens to and gives serious consideration to new ideas; the ability of employees and management to work as a team; and finally the clarity of the organisation's vision to the employee particularly on where it currently stands and the gaps that exist between where it wants to go and where it is now.

Mears and Voehl (1995) stress the need to instill the sense of urgency in all the employees if TQM is to be successfully implemented. They argue that change would not happen if employees do not perceive the need to change. They also advocate the need to establish clear direction, the setting of a quality council, the empowerment of employees and the setting up of a measurement system to monitor progress.

Saraph *et al* (1989) conducted a literature review on how quality should be managed and concluded that many authors (including Deming, Juran and Crosby) agree that generally there are eight critical factors of quality management. Appendix 2.4 shows the eight critical factors and its brief definition. Crosby introduces a 14 step approach to implement a quality improvement programme for an organisation. Crosby believes that organisations can be changed by following these 14 steps (Appendix 2.5). According to Dale *et al* (1994a), Juran's approach to quality can be summarised into a ten-point plan. This ten-point plan is outlined in Appendix 2.6.

2.4.3 Assessing TQM Implementation

According to Van der Wiele *et al* (1996), there are three main ways to assess the level of quality management implementation in an organisation. The first approach is to use

Crosby's quality management grid which classifies implementation into five phases. Respondents in the organisation were asked which statement best reflect the state of TQM maturity of their organisation:

Phase 1	<i>uncertainty</i> : "we do not know why we have problems with quality"
Phase 2	<i>awaking</i> : "is it absolutely necessary always to have problems with quality?"
Phase 3	<i>enlightenment</i> : "through management commitment and quality improvement we are identifying and resolving our problems"
Phase 4	<i>wisdom</i> : "defect prevention is a routine part of our operation"
Phase 5	<i>certainty</i> : "we know why we do not have problems with quality"

The second way to assess the quality management of an organisation is by scoring the organisation against the criteria of a recognised quality award such as the Malcolm Baldrige National Quality Award or the European Quality Award. The third approach to determine the level of quality implementation in an organisation is by examining their views on the ISO 9000 series of quality management system standards. Respondents were asked how they would rate on a scale of one (total disagreement) to five (total agreement) their agreement with regards to a number of statements about ISO 9000 series:

- (i) ISO 9000 series registration is a useful step towards Total Quality Management
- (ii) Registration was deemed to be worthwhile
- (iii) There was an internal drive for registration
- (iv) Clear benefits have emerged from registration
- (v) There was an external stimulus for registration
- (vi) The costs of implementation were low

Lascelles and Dale (1991) suggested a six level model of TQM Adoption (or lack of it). It can be used to gauge the organisation's commitment towards TQM implementation. A brief description of each level is provided in Table 2. 1 (Dale *et al*, 1994b).

Dale and Smith (1997) developed a grid they called a spectrum of quality implementation. This grid is based on the Lascelles and Dale's TQM Adoption model. According to Dale and Smith, this diagnostic grid (which can fit on one sheet of A4 paper) can provide managers and directors with a quick road map of their TQM implementation journey. Firstly, it helps the users to discover, categorise and prioritise problems. Secondly, it helps to determine and apply solutions. See Appendix 2.7 for a description of this grid.

2.4.4 Barriers to implementation of TQM

Harrington (1997) cites that between 15 and 50 percent of all TQM efforts undertaken in

the USA failed. Lau and Anderson (1998) referred to several authors who said that 60 to 80 percent of all TQM programmes attempted in the USA have failed to meet their objectives. Lau and Anderson (1998) also discussed where actual TQM implementation failures had been examined and suggested that these companies failed because they implemented “partial” (rather than total) quality management.

Table 2.1 : Six Level Adoption Model

<p>Level 1 - <i>Uncommitted:</i> No formal process of quality improvement. Quality management initiatives are usually limited to gaining ISO 9000 quality management system series registration and applying a few management tools and techniques. Quality initiatives are as a response to customer pressure and regarded as an added cost.</p>	<p>Level 4- <i>Improvers:</i> An organisation at this level has been engaged with quality improvement for between five and eight years. They understood that TQM is a long-term issue involving cultural change and continuous improvement. Although they have well-structured TQM initiatives where employees’ participation is recognised, there is still dependent on a few key individuals to sustain and direct the initiatives.</p>
<p>Level 2 - <i>Drifters:</i> The organisation has started quality improvement for up to three years. Quality improvement is perceived as a “programme”. There is no plan to deploy TQM philosophy throughout the organisation. Quality improvement activities are considered as cosmetic, “off-line” motivation programmes. The quality department has a low status. There is a gap in the staff’s understanding of TQM.</p>	<p>Level 5- <i>Award winners:</i> Unlike the case in level 4 where quality initiatives are dependent on the effort and commitment of a few key individuals, the employees of an organisation at level 5 are involved with quality improvement. Employees viewed TQM as a way of managing business to satisfy and delight internal and external customers. Organisations at this level have all the competitive requirements (culture, values, trust, capabilities, relationship and employee involvement) to win any major quality awards. Quality improvement of organisations at level 5 is at a point where it is achieved Total in perspective.</p>
<p>Level 3 - <i>Tool Pushers:</i> The organisation in this category has been involved with quality improvement between three and five years and is usually registered to the ISO 9000 series. They normally employ a selection of quality management tools and techniques. They buy techniques and tools, training packages, programmes and so forth and discard them once the novelty has worn off. They are always on the lookout for the latest “quick fix” for their organisation’s problem. Management style is normally reactionary in nature.</p>	<p>Level 6- <i>World-class:</i> The main characteristics of an organisation at this level are the total integration of quality improvement and business strategy to delight the customer. The integral concept of quality improvement for an organisation at level 6 is “quality that fascinates”. They are in constant effort to enhance the customer’s perception and the attractiveness of the product and services of the organisation. The personal goal of everyone in the organisation is the never-ending pursuit of complete customer satisfaction. Total quality is regarded as the way of life for the organisation.</p>

Whalen and Rahim (1994) cite poor planning, lack of management commitment, resistance of the work force, lack of proper training, teamwork complacency, the use of an off-the-

shelf programme, failure to change organisational philosophy, lack of resources provided, and lack of effective measurement of quality improvement as the common implementation and development barriers of TQM.

TQM failed in some organisations because these organisations focus wrongly on results rather than process when they implemented TQM. TQM is a long-term organisational improvement strategy therefore quick results would not be apparent within a short period. Managers in these organisations are fixed to the typical mind set that short-term financial results are the indicators of success of a change programme. They focus their effort on trying to achieve these short-term outcomes versus spending their resources on activities that produce long-term gains in quality and customer satisfaction (Brown *et al*, 1994).

Sayle (1994) cites six causes of quality problems namely: lack of organisation, lack of training, lack of discipline, lack of resources, lack of time, and lack of top management support. Taylor and Meegan (1997) mention Cocheu (1995) who concluded that the resistance of senior managers to educate themselves as the most “stubborn” barriers to continuous improvement and TQM.

Brown *et al* (1994) further point out that failure of implementing TQM can occur at any of the following three phases: Start-Up, Alignment, and Integration. *Start-Up stage*: Failure can be attributed to lack of management commitment, having the wrong reasons and poor timing in implementing it, the wrong types of training being provided, and the focus on activity rather than result of the TQM initiatives.

Alignment stage: The treatment of TQM as a separate agenda rather than as part and parcel of the day to day management operation was considered the culprit for failure at the alignment stage. Failure occurs because TQM is treated as a programme rather than a system that is integrated into the organisational structure. Focusing on measuring what is not critical is also another source of failure that can happen at this stage. An organisation tends to concentrate on what is easy to measure rather than on what should be measured. The usual outcome of this action is the generation of data that is either too much, too little or misleading. Another factor that contributes to the failure at this level is the approach in appraising performance of the employees. Appraisals are based on individual performance

rather than on teamwork, cooperation, and empowerment as preached by the TQM principles.

Integration stage: At the integration stage, failures can happen because of management inability to transfer power to the teams that they created for TQM. The lack of authority given to employees to initiate changes that these employees have identified resulted in frustration and thus their ultimate disillusion towards TQM.

Dale (1991) conducted a study that asked organisations what are the factors that they considered as the main difficulties that they experienced when introducing and sustaining TQM. The following reasons were given as the main difficulties faced when introducing TQM (in the order of importance):

- (i) Lack of top management commitment and vision
- (ii) Company culture and management style
- (iii) 'Flavour of the month' type attitude
- (iv) Department-based thinking and actions
- (v) Poor appreciation of the concept and principles of TQM
- (vi) Lack of structure
- (vii) Deciding how to start
- (viii) Gaining the involvement of non-manufacturing departments
- (ix) Ineffective leadership

As for the difficulties faced in sustaining TQM, Dale's study reveals the followings:

- (i) Time pressure, workload and resources
- (ii) Lack of top management commitment
- (iii) Company culture
- (iv) Departmental boundaries
- (v) Organisational restructuring
- (vi) Managing the process of improvement
- (vii) Complacent with the progress being made
- (viii) Coping with the rate of change
- (ix) Union resistance
- (x) Promotion of individuals

MacDonald (1992) summarises, from his experience and research into failures of quality improvement initiatives, there are nine key reasons for failures: lack of management commitment, lack of vision and planning, satisfaction with the quick fix, the process became tools bound, quality too constraining, culture change versus project approach, quality management became institutionalised, the people were not really involved, and lack of real

“business measurables” (term used by MacDonald, 1992 which means criteria for success).

2.5 Quality Management in the Public Sector Organisation (PSO)

2.5.1 Public Sector Organisations and Trends

Public Sector Organisations (PSOs) range from government departments, schools to local authorities. It involves a complex range of services and it usually employs the most number of people in many countries.

In the US for example, the federal government is the largest employer in the country providing jobs to more than two million people (Sunoo, 1998). Fox (1996) quotes Carroll (1995) which said that the government did more than serving the citizen. It also regulates, mediates, commands and invests. Lawton and Rose (1991) state that PSOs are unique in the sense that they are not traditionally exposed to competition and thus lack the incentives to reduce costs or operate efficiently. They are funded by taxation and usually no or minimal charges are set for their services. Its functions are also limited by statutes.

Ackroyd (1995) comments that since 1980 or so the public services in Britain have been changing even though there are criticisms that the levels and standard of provision are declining. The developments are seen as more of a piecemeal fashion rather than an integrated approach. Little attention is given to the economic and social functions of provision and effectiveness of services. Three stages of development were noted:

- (i) Local public administration (1870-1950)
- (ii) Centralised welfare state (1950-1980)
- (iii) Decentralized managed provision (1980-1995)

Briefly the above periods can be described as follows. The first stage is characterised by provision of services conducted by local notables in towns and shires. In the second stage, provision and administration of services were shifted to central government. The third stage saw the central government begin to detach itself from the provision of services to the public and encourage local authorities to have the autonomy to provide these services instead. The reasons for this were due to increasing cost and demand of services. This situation has forced the government to disassemble the welfare state and in this period it has been observed that a lot of British public service are beginning to look more like private companies rather than their traditional outlook.

The traditional outlook of PSOs is now fast changing to one which is more “businesslike”. The public are demanding better returns from the use of public funds. They want to know how efficiently and effectively the funds are used (Kerley, 1994).

The Government Accounting Office of the US (GAO) cites three reasons why fundamental change is occurring in government services (Kamensky, 1996):

- (i) A desire or need to achieve “competitive advantage”
- (ii) Long-term revenue or budget constraints
- (iii) Mandates required by law or regulations

Consequently, GAO observed these factors forced organisations to review and change four major areas of their organisation: culture, mission, structure and process.

Many initiatives are being taken by the governments of various countries (primarily the United States, United Kingdom, Australia and New Zealand) to transform the way PSOs are operating in their countries. A very remarkable effort taken by these governments was adopting quality management as their answer to a better run PSO. President Clinton of the USA, using his experience in implementing TQM while Governor of Arkansas, takes the lead in using TQM as a means to reinvent government services in the USA (Kamensky, 1996). Young (1996) notes the popularity of quality management as a tool to change how the government organisation operates in Britain.

Faucett and Kleiner (1994) mentioned that the public sector is faced with increasing demands for services without the increasing revenue base. Generally, governments when confronted with providing additional services or attempting to maintain existing services, will either charge more or provide less. Alternatives are to increase productivity and to produce more with less.

The British and United States’s government lead the world in the effort to change the way government organisations are managed. The rest of the world is looking at these two countries for approaches in developing government organisations in their countries. According to Miller (1998), who reviewed the book “Banishing Bureaucracy” by Osborne and Plastrik (1997), interpreted that these authors summarised that most of the methods

used to reinvent government were to either abolish, corporatised or privatised government departments to make it better and cost less.

In the UK, PSOs have undergone major reforms since 1979 under Prime Minister Thatcher. Some of the strategies used to reform the PSO by the Thatcher administration were the privatisation scheme, competitive tendering and contracting out, and the use of transfer payments and vouchers instead of providing the services itself to the public. The most radical reform is the privatisation scheme where certain organisations that typically provided services to the public were sold to the private sector with the objective that if these organisations are privately run, then because of the competition, they are forced to provide better services to the public. With this scheme tax payer liability is also eliminated. Among the earliest organisations to be privatised were British Aerospace, British Telecom, British Gas and British Airways (Kerley, 1994; Cole and Boyne, 1995; Pollitt, 1993; Cowper, 1996; Turner, 1996; and Lowndes, 1997).

Among the earliest official and well-planned initiatives to reform PSOs in the UK was the Financial Management Initiative (FMI) launched in 1988. The FMI was intended to ensure that in each department an organisation and a system existed where all managers of these departments must have: a clear view of their objectives and a means to measure outputs in relation to those objectives, a defined responsibility on the efficient use of resources, and an information system and training with regards to the implementation of the stated responsibility.

Another initiative called the Next Steps programme was launched on February 1988 by the Thatcher government. The main objective of this program was to create PSOs that provided services that were market-like and to streamline the government by cutting operating cost and work force. The Next Steps approach was done on the basis that no major restructuring of government departments was carried out. It was done more on an evolution rather than revolution basis where governments' service delivery functions were broken down into discrete management units that are performance based and that worked as unifunctional agencies. These Next Steps Agencies, as they are commonly called, are separated from the parent department that formerly provided the services. They are headed by a Chief Executive Officer (CEO) who is personally responsible to the relevant minister for agency

performance and the CEO's salary is linked to the performance on the target set. The role of the CEO is to manage the daily operations, propose plans, budget and target, and report on performance.

A very significant change that happened during this period was the UK government decision to have a Next Steps Team working within the cabinet-level Office of Public Service, directed by the Deputy Prime Minister, to take the responsibility of leading the reform movement of some PSOs in the UK. The Treasury which had been assigned this role before has proved to have been ineffective in performing what is expected. In 1991, the Competing for Quality and Citizen's Charter initiatives were launched to complement the earlier efforts at reforming the UK PSO (Cowper, 1996).

Hunt (1994) cites the privatisation programmes in the 1980s as the start of the reform process in PSOs in the United Kingdom. The government was in 1979 a steel maker, a car maker, and a gas company. With the withdrawal of the government from these businesses, services became cheaper and more efficient. The customer, the ordinary citizens, were the one who benefited from this transformation.

According to Corrigan and Joyce (1997) the Conservative Government's responses to reforming the PSOs were to marketize and managerialise public services.

Pollitt (1993) observes that a twin track strategy was used by the central government in the UK in dealing with reinventing the PSO. One approach was by *replacing* the public sector where possible, and the other was by *reforming* what could not be replaced.

Another interesting development in UK PSO is the presence of Quasi-Autonomous Non-Governmental Organisation (QUANGO) or non-departmental public body (NDPB) that exist alongside elected local government bodies. These QUANGOs are unelected bodies which operate public services for the government. Basically it was created in an attempt to increase private sector involvement in policy making and implementation, to move power closer to the people, and to ensure some other organisations can spend public money more efficiently than Whitehall or local councils. It was also established because some government services need to be carried out at "arms length" from the Ministers to avoid

political considerations from interfering with the decisions on allocation of scarce resources in PSOs. QUANGOs were also created with the objective of providing expert advice to Ministers particularly on technical and specialised issues (Turner, 1996; Dawe, 1995; Rouse, 1997; Davis, 1996; Cabinet Office, 1997; and Cabinet Office, 1998).

However, many criticisms were received with the mushrooming of these QUANGOs. The directors that sit on the board of these QUANGOs were drawn from people from the local business community who were appointed rather than elected to do this unpaid job. Thus, the criticism was on the absence of democratic elections to the board. Being unelected these directors were not accountable for their activity and they are independent from the minister thus resulting in many quarters questioning whether public money was actually efficient and effectively spent.

Pollitt (1993) summarises the reforms in the public sector in Britain as a process of eliminating “big government”. The 1980s Thatcher administration’s policies were largely continued by the Major government into the 1990s. The obvious reforms observed were the continuous effort in trying to reduce the size and scope of the public sector. These were done through expenditure control, privatisation, contracting out and the introduction of competition and management reforms to increase productivity.

In the USA, the beginning of change initiatives in PSOs can be tracked down to Executive Order (No. 12552) issued by President Ronald Reagan in 1986 which called for a 20 percent improvement in the productivity of federal government (Williamson and Schwarzkopf, 1995).

Smyth (1997) and Nathan (1995) attribute the book by Osborne and Gaebler “Re-inventing the Government” published in 1993 as the spark that contributed to a rapid reform process in the way government services are run both in the UK and the US in the 90's. From this book it is concluded that provision of government services would be more efficient, effective and responsive to the people’s need if more effective citizen involvement, contracting out, quality assurance and competition are present.

Kamensky (1996) believes that most of the problems facing government institutions today

are because of the way effective government is defined. The classic definitions of effective government, according to Kamensky is mostly defined by academics. The academics' definition of effective government encourage the following: hierarchical control, specialization, efficiency, reduced duplication, and clearly defined rules and procedures. Current definitions of effective government are defined by practitioners rather than academics alone. These new definitions work on the theme of "let the managers manage" and "managing for results".

Osborne and Gaebler (1992) propose the role of government organisations should be:

- (i) Catalytic Government: Steering Rather Than Rowing
- (ii) Community-Owned Government: Empowering Rather Than serving
- (iii) Competitive Government: Injecting Competition into Service Delivery
- (iv) Mission-Driven Government: Transforming Rule-Driven Organisations
- (v) Results-Oriented Government: Funding Outcomes, Not Inputs
- (vi) Customer-Driven Government: Meeting the Needs of the Customer, Not the Bureaucracy
- (vii) Enterprising Government: Earning Rather Than Spending
- (viii) Anticipatory Government: Prevention Rather Than Cure
- (ix) Decentralized Government: Moving From Hierarchy to Participating and Teamwork
- (x) Market-Oriented Government: Leveraging Change Through the Market

Several authors have examined the work done by Osborne and Gaebler. For example, Nathan (1995) summarises that Osborne and Gaebler portray reinvention as a movement that empowers citizens, promote mission-driven entrepreneurial leadership, enhance competition and reducing red tape, foster "TQM", decentralisation of government, require performance budgeting, advocates civil service reform and stresses the need for privatization of government activities. According to Jenkins (1997), Osborne and Gaebler advocate a paradigm shift from "bureaucratic government" to government departments that are innovative and responsive. They suggested a new set of dynamics is needed which centre around the use of competition, the measurement of results, the decentralization of authority and the creation of real consequences for success and failure.

2.5.2 Quality Management in PSOs

Swiss (1992) and Mani (1995) argue that some principles of TQM such as emphasizing the importance of data collection and responding to customer feedback; defining, measuring, and tracking performance; continuous improvement of work processes; and employee participation and empowerment can be applied and adjusted to PSOs.

Smith (1993a) believes that since many government processes are by nature repetitive, standardized, error-prone, and customer-hostile it is therefore suitable for TQM philosophy and methodology.

Feigenbaum (1993) states that TQM is durable because it connects organisations with their customers, service receivers, employees, and suppliers in difficult times. TQM can be successful in government institutions if the following five characteristics are present (Feigenbaum, 1993):

- (i) Leadership with a clear improvement vision
- (ii) A relentless focus on identifying goals which is done based on analysis and planning by people from the bottom to the top of the organisation.
- (iii) Superior use of human resources.
- (iv) Teamwork
- (v) Insistence that what is measured correctly will be managed correctly for improvement (particularly terms related to user service quality satisfaction, cost effectiveness, and human resource utilization).

Redman *et al* (1995) attribute the sudden affection towards quality management in the public sector to be due to a number of factors: legislation giving more choice to the customers; Compulsory Competitive Tendering (CCT); increasing pressures on cost restraint; the demands of value for money reforms; more demanding customer requirements; and Citizen's charter programme.

The US Government Accounting Office reveals that private companies that scored high on the Malcomn Baldrige National Quality Award (MBNQA) reported improved quality, customers' satisfaction, excellent employee relations and increased market share and profitability as the major benefits of TQM (Cupello, 1994).

2.5.3 Development of Quality Management in PSO in the United States

The public sector organisations (PSOs) have only recently, in the past 10 years or so, introduced TQM as their management strategy. Kim *et al* (1995) cited Executive Order (No. 12637) issued by the Reagan and Bush administrations which direct all federal agencies in the US to develop programs to improve quality of service and productivity in their areas of responsibility, as the start of the effort to introduce TQM in US PSOs.

A formal authority to encourage and monitor TQM implementation in the US's PSO was

started in 1988 with the establishment of the Federal Quality Institute (FQI) as an arm of the Executive Office of the President in June of that year (Brockman, 1992). As the main body that administered the implementation of TQM in the US government, the FQI was designed to achieve three main aims: to introduce senior officials to the concepts of TQM; to establish a vehicle to help agencies implement TQM in a timely manner; and to provide information on TQM through its Resource Centre. Five principal ways that the FQI used to assist federal organisations in the US to improve their services were through: awareness seminars; start-up services; model projects; quality awards; and other incentives like sponsorship to conferences so that personnel can acquire and share their experiences on TQM with other personnel from other federal departments.

The Clinton-Gore Administration introduced the National Performance Review (NPR) in March 1993, as an initiative to reform the way federal government works. Its goal was to create a government that “works better and costs less”. To show the seriousness of this effort, President Clinton appointed Vice President Al Gore to be personally in-charge of this programme. In 1998, NPR adopted a new name called National Partnership for Reinventing Government (NPRG) to reflect improvement and changes in the role it is supposed to play. The NPR focuses on the following four main areas in its effort to reform PSO in the US (National Partnership for Reinventing Government, 1998):

- (i) Cutting red tape
- (ii) Putting customers first
- (iii) Empowering employees to achieve results
- (iv) Cutting back to basics (eliminating unnecessary activities)

An Executive Order was passed by President Clinton calling for all government agencies to develop a comprehensive program of customer surveys, training, standard setting, and benchmarking with a goal that will make government service as “equal to the best in business”. The result of this directive (Executive Order No.12862), the NPR was able to publish, in 1994, the US’s government first set of customer service standards covering 150 agencies and bureaus (National Performance Review, 1997; and National Partnership for Reinventing Government, 1998).

Lewis (1995) mentions a report published by the Council of State Governments (CSG) which reveal that TQM initiatives were taken in the US’s government due to the following

main reasons (in the order of frequency mention):

- (i) To reduce cost of management and delivery of state services
- (ii) To use the talent of front-line employees in management and decision-making
- (iii) To enhance images of the state or agency
- (iv) To improve employee morale, skills, and productivity
- (v) To change traditional management style
- (vi) To deal with complaints from customers
- (vii) To be part of strategic planning

The CSG's survey also revealed that of the 40 states identified to have conducted TQM, 26 states conducted them due to some form of "legislation" (13 states under gubernatorial executive orders, 2 states under special legislation, and 11 states under agencies' head directives).

Results of case studies on twenty Quality Improvement Prototypes and an analysis of the Presidential Award winners (quality awards' programme administered by the US Office of Personnel Management to recognise federal organisations that practised high-performance management systems and approaches) over the past five years in the American PSO reveals that improved services, cost saving, improved communication, and increased morale of the staff as the major benefits of implementing TQM (Mizaur, 1992).

2.5.4 Development of Quality Management in PSO in the United Kingdom

Freeman-Bell and Grover (1994b) pointed out that little information is available on quality management systems, particularly the benefits it has contributed to local authorities. Chaston (1995) also confirms that literature on quality in the service sector in the UK is inadequate and mentioned the fact that quality management is a recent development as the probable cause.

The available literature suggests that there is no overall or integrated approach to implement quality in PSOs in the United Kingdom. The approaches taken to embrace quality are fragmented with no initiatives to make quality management as a long term master plan. Most PSOs started with a quality assurance programme or some project teams without including these initiatives as part of a comprehensive effort to implement a quality system that is total or organisation-wide (Thomson, 1992; and Brockman, 1992). Ousley and Barnwell (1993) points out that the reason why quality assurance has a root in PSOs is

because of the fact that many of the services are provided by professionals.

Morgan and Murgatroyd (1994) revealed the fact about quality management in PSOs in the UK. They found that the introduction of quality management in PSOs is either “legislated” by higher authority in the government or management of these PSOs themselves that have initiated it, because they have heard and believed about its potential.

A literature review by Appleby and Clark (1997) reveal that quality management in local government in Britain is driven by the following “change-drivers”:

- (i) *Customer expectation*
 - increase in customer expectations particularly in the recent decades where customers are inclined to compare public sector services with that of the private sector.
- (ii) *Constraints on spending*
 - which forces local authorities to focus on value-for-money and continuous improvement of their operations through eliminating waste.
- (iii) *Government policy*
 - which open up government services to competition and market testing.
- (iv) *Politicization of quality*
 - all major political parties demand an improvement of quality in public services.

In the United Kingdom, a formal acceptance of TQM in the PSO can be traced to the introduction of the Prime Minister’s Citizen Charter in 1991. TQM in the public sector is more reactive in nature rather than proactive. In June 1996, the Conservative government experimented on implementing quality management at a more comprehensive level by having a number of Next Steps Agencies in some pilot projects using the European Quality Model (Business Excellence Model) to compare their performance with the best in the public and private sectors (Erridge *et al*, 1998).

According to Davison and Grievies (1996) four issues - CCT, Citizen’s Charter, Investor in People, and ISO EN 9000 (formerly BS 5750)- have forced local authorities in the United Kingdom to think further about quality and service provision. These all represent external, politically driven initiatives from central government to implement quality. Various authors (Smyth, 1997; Paddon, 1992; and Erridge *et al*, 1998) confirmed that quality management was introduced into the UK’s PSO through “legislation” which is through the introduction of Citizen Charters, Compulsory Competitive Tendering and other government initiatives. The PSOs in order to cope with the requirements of these initiatives were forced to reform

their services and quality management was chosen as their response to this change.

2.5.4.1 Citizen's Charter

The Citizen's Charter (CC) was launched in July 1991 as a programme to improve public services. Under the CC, PSOs were requested to consult their customers and from this, standards of services were set after taking into account what the customers want. This standard is then published and displayed to the public. The PSO concerned then strove to achieve the target that they had promised in the standard. The CC is a proclamation of what the public can expect from public services. It is a statement of the services that the public are entitled to (Anon, 1997a). The government Charter Unit's office in London monitors and administers the CC initiatives including the running of the annual Charter Mark Award.

2.5.4.2 Compulsory Competitive Tendering

Compulsory Competitive Tendering (CCT) was introduced in 1980 through the Local Government, Planning and Land Use Act 1980 mainly for the construction, maintenance and highways work before it was later extended to other services (Kane, 1996). The Local Government Act 1988 extended the services subjected to CCT to include manual blue collar works such as office cleaning and street cleaning. In 1992, more legislation was introduced which subjected white collar work such as legal services, computing services, financial services, personnel and corporate administration services to CCT (Fenwick *et al*, 1994 and Robbie and Wright, 1996).

The purpose of CCT is to stimulate PSO to operate in a more efficient manner. The aims of CCT were to reduce the size of the public sector, increase efficiency, encourage competition and provide opportunities for private enterprises (Abbott *et al*, 1996). In-house units of PSOs are expected to compete with at least three companies from the private sector for the tender (three private companies must be invited to submit their tender for the work). In-house contractors must also show that they can achieve at least 5 percent rate of return on capital employed. Capital employed is measured on a current cost accounting basis. The calculation of the rate of return is done on the basis of the current year operating surplus as a percentage of the current value of capital employed to fulfill the contract. Whoever can show that they are able to perform the work most efficiently is awarded the contract. Selection was made based on not just cost but other factors such as speed and reliability.

Being forced to compete with other providers has transformed the way PSO operates and it also brings benefits to the community at large in the form of better use of public money (Anon, 1997b; Adonis, 1992; and Kerley, 1994).

CCT has changed the way in which managers of PSOs work. The existence of a 'contractual relationship' forces managers to have different expectations of service level, quality and cost as compared to a time before CCT was imposed. CCT has also generated structural changes in many PSOs where roles within the organisation have been divided into a '*policy*' function (deciding overall policy and resource allocation), a '*buyer*' function (writing technical specifications in compliance with the policies), '*contractor*' functions (carrying out the work) and some *central support* people and mechanisms (Flynn, 1990). Fenwick *et al* (1994) summarised this by saying that CCT has created the three C's in PSOs: client, contractor and corporate management.

2.5.4.3 Investors in People

Investors in People (IIP) is a United Kingdom's national standard to encourage organisations to train and develop their employees. This is a government backed accreditation scheme which was introduced in 1991 and is administered by the Training and Enterprise Councils (TECs) in England and Wales and the Local Enterprise Councils (LECs) in Scotland. The IIP award assesses and recognises organisational contribution to training in four main areas namely commitment, planning, action and evaluation (Ashton, 1993).

To achieve the IIP standard, organisations must show that top level management are committed to developing every single employee in the organisation. Efforts must be taken to train and develop individuals in the organisation from the day they are recruited and throughout their employment. Evaluation must be made as to the effectiveness of the investment in training and development. The IIP standard requires an organisation to conduct a regular assessment to determine what skills and training is required for the employees to prepare them for the future (Ashton, 1993; Anon, 1994; and Anon, 1997c).

2.5.4.4 Best Value

A lot of criticism was thrown on the effectiveness of CCT in reforming government services. Coleman (1997) summarised CCT as bureaucratic, rigid and costly. Anon (1997d)

considered CCT as a way of removing the in-house provision of services, a complex piece of legislation, is wasteful of resources if no competition is received, and the preparation costs outweigh the potential and actual savings. CCT was a Conservative Party's initiative to reform the services offered by local authorities. When the Labour Party won the election in 1997, steps were taken to replace CCT with best value. Its manifesto for the 1997 election said councils should not be forced to put their services out to tender, but will be required to obtain best value (Cook and Hardisty, 1997).

The Labour Party do not believe that services must be privatised to be of high quality. Unlike CCT where councils can sit back after the work has been tendered out until the next tender is due, best value will force councils to constantly monitor its work performance. Best value will empower employees and will have performance indicators that are adjusted to the local setting rather than strictly tailored to the national requirement. Best Value will require city councils to benchmark their performance against other councils, publish performance targets and answer to the public if targets are not met (Anon, 1997e).

To avoid the mistake of the previous government where new programmes of reform were introduced hastily, the Labour government invited councils to participate in a best value pilot project. Although only thirty councils were required for the pilot project more than one hundred and fifty councils submitted their bids to be on the pilot project (Arnold-Forster, 1997).

The councils that bid for the pilot scheme were required to show five key features in their proposal namely a corporate view of objectives and resources, a rolling performance review of all services over a four to five-year period, performance and efficiency targets, publication and reports on performance written in a simple and straightforward manner, and lastly an audit and certification of the council's performance.

In Anon (1997f) 12 principles of Best Value were formulated following consultation with civil service unions and the Confederation of British Industry:

- (i) To develop modernised, high quality, efficient, responsive, customer-focused central government services
- (ii) To work in partnership with the private sector, extending the circle of those involved in public service

- (iii) To use market testing and contracting out in individual cases when it can offer better quality services at optimum cost.
- (iv) Existing plans for market testing and contracting out will proceed unless the minister considers better value for money can be achieved by other means which will enable the department to live within its running-costs' ceiling
- (v) Ministers will remain accountable for services contracted out to the private sector
- (vi) The energy, skill and commitment of staff are the best asset for modernising public services
- (vii) The concerns of those affected by change should be taken into account and addressed.
- (viii) Relations with the private sector should rest on two-way openness and trust
- (ix) Unsuccessful bidders should know why they were unsuccessful and how they could succeed next time
- (x) The public should know how much central government services cost, whoever provides them
- (xi) Commercial confidentiality must not be used to deny the public's right to know
- (xii) Senior departmental managers must lead in all these areas and encourage innovation and continuous improvement

The central government expects local authorities through the Best Value philosophy to demonstrate that all their services are efficient, effective and economic through a rigorous programme of service review. The review must cover what the central government called "the four C's" (DETR, 1998a):

- (i) *Challenge*
 - to ask why the particular service is needed, what is its purpose and if needed to be provided, can it be provided in any particular form
- (ii) *Compare*
 - to compare the cost and performance with other providers (both private and public), and to obtain views of users and potential suppliers
- (iii) *Consult*
 - consulting local taxpayers, service users and the business community when setting targets and planning activities
- (iv) *Compete*
 - to strive for a more competitive way of providing the services to the public but without jeopardising quality

The legislation to officially enforce Best Value in local authorities is expected to be tabled in summer 1999 and will be in effect by July 2000 (Salford City Council, 1998a). In the central government consultation paper "Improving Local Services through Best Value" issued by DETR on 3 March, 1998 states that to demonstrate Best Value to the public, local authorities must have a broad but rigorous performance framework which must be consistently followed. The framework must incorporate the following (Local Government Association, 1998a):

- (i) Reviewing of all council services and activities
- (ii) Setting, publishing a Local Performance Plan and to report progress made against performance targets
- (iii) To be subjected to an independent check
- (iv) Local authorities can be referred to the Secretary of State if serious or persistent failure occurs

2.5.5 Problems of Implementing Quality Management in PSO

Loomba and Spencer (1997) cited the greatest barrier to successful TQM implementation lies in the organisation's culture, structure and policies. For TQM to be institutionalised, employees need to be trained, empowered, and rewarded for teamwork. The environment that is crucial to TQM implementation is the one that fosters learning and existence of open communication.

Many organisations that attempt to implement TQM fail because management failed to adopt a new set of beliefs. It is practically impossible to make TQM work when management hangs on to old "top-down", "meet-the-quota-or-else" mentality, and believes that the best way to make production quotas is to tell everyone what to do and if they don't do it, finds someone who will do what they are told (Koehler and Pankowski, 1996).

Mizaur (1992) mentioned that TQM in PSOs is difficult to implement due to: lack of discipline or competition to push the initiatives of TQM (top management are being appointed and elected and most of their efforts were focused on political issues rather than the effective running of the organisation); the short duration of officials who hold the top posts (on average is about eighteen months) conflicting with many long term effort of the organisation; the existence of centralised government control which limit the flexibility and responsiveness of PSOs to changes; and the existence of different customer groups and even the same customer groups that are in opposition with one another such as the environmentalists and loggers which makes it difficult for the PSO to please or delight its clients.

A major problem, that is seen as a factor that inhibits change in PSOs, is the lack of competition that can pressure government managers to change the way it does business. Another characteristic that is said to be common with PSOs is that its top managers enjoy the power of controlling people rather than processes. Instead of customer-driven, most

government organisations are management-driven. The old management by objective approach is still heavily used where people at the top set the overall objective, then the rest of the organisations will align themselves with these objectives and each month, quarter and year various statistics are generated to show that these objectives were achieved (Koehler and Pankowski, 1996).

Smith (1993a) attributes the failure of many PSOs' TQM efforts to the "canned" improvement model that is being adopted by these organisations which stresses the use of teams and tools rather than incorporating the necessary planning to manage the implementation at every level of the organisation.

Lin and Ogunyemi (1996) mention a 1990's report made by the Department of Defence, USA which states that the common mistakes in implementing TQM are due to:

- (i) Conducting mass training before support systems for TQM have been set up
- (ii) Overemphasis on the technical tools at the expense of leadership and management issues
- (iii) Applying the tools before the needs are determined

Swiss (1992) mentioned government organisations would face four major problems when implementing TQM:

- (i) Defining the government customers
- (ii) The issue of evaluating the services offered. This is problematic because unlike manufacturing, government services are labour intensive and lack uniformity and evaluations are done not on results but rather on the behaviour and even appearance of the person providing the service
- (iii) The focus on inputs and processes such as abiding to procedural rules rather than on result and outcome
- (iv) The existence of government culture (the high turnover rate of top management which makes it difficult to establish continuity of initiatives that were started by the person who left the government service for greener pastures).

The public sector has clients, customers, consumers and citizens, making definition difficult, whereas the private sector has a clearer idea of its customers (Redman *et al*, 1995). Unlike in the private sector, the public sector have multiple and diverse customers (Freeman-Bell and Grover, 1994a; and Bendell *et al*, 1994). Thus, it is often difficult for management of a PSO to know who actually defines quality - is it the citizen, politicians, professionals, councils, tax payers who are not immediate-users of the services, immediate customers that use the services or all of the above.

Another issue that makes the problem of implementing quality management in the PSO unique is the issue of size. PSOs normally involve a large number of people spread over various large departments and most of the times these departments are not located at one central place. It is very difficult and it takes extra effort to disseminate any ideas over a large organisation like most PSOs (Bendell *et al*, 1994).

Failure of any new initiatives such as quality management is because of people's natural resistant towards change. King and Anderson (1995) said that it is natural for people to resist change although the change is supposed to result in increased efficiency and effectiveness. Hussey (1995) remarks that humans always resists change because of the fear that change might bring about adverse effect to the individual such as being made redundant, have to modify individual's responsibility, the need to learn new skills, increase workloads, loss of personal standing and prestige or altering things valued about jobs. People might resist change due to the lack of faith in those making the changes. When change is introduced, it is important for those involved in initiating the change to show that improvement is actually achieved. According to Ward (1994) change without results is no change at all. Sadler (1995) highlights that fundamental change and radical change tends to be planned, discussed, published and started but unfortunately it is rare that it is carried through and sustained.

2.5.6 How to make it work

Three winners of the Presidential Award for Quality, the Naval Air Systems Command which won it in 1989, the Air Force Logistics Command (the 1991 winner), and the Internal Revenue Service (IRS) Ogden Service Centre (the 1992 winner) proved that TQM can work in a PSO (Bemowski, 1993).

Government will become successful if its organisations shift from organizing around functions to organizing around processes, shift from using the principles of division of labour to the principles of team work and continual process improvement; shift from focusing only on output (production) to outcomes (customer satisfaction and society benefit); and finally shift from individual competition and incentives to team incentives and recognition (Koehler and Pankowski, 1996).

Brough (1992) suggests six rules for TQM to work in any organisation but added two extra rules for TQM to work in PSO. The six common rules are:

- Rule 1 Quality is everyone's job
- Rule 2 Quality comes from prevention, not inspection.
- Rule 3 Quality means meeting the needs of the customers
- Rule 4 Quality demands teamwork
- Rule 5 Quality requires continuous improvement
- Rule 6 Quality involves strategic planning

The two additional rules required for TQM in PSO are:

- Rule 7 Quality means results (managing and achieving goals and objectives)
- Rule 8 Quality must have explicit measures of success.

A study by a National Productivity Review (NPR) team that was assigned to gather information on problems concerning federal government (including those in UK, New Zealand, Australia, Sweden, and other states in the US) found that organisations that were successful in reinventing itself have four common characteristics: cutting red tape, putting customers first, empowering employees to get results, and cutting backs to basics - producing better government for less (Stratton, 1993).

2.6 Performance Measurement

2.6.1 Introduction

Rose (1995) states that performance measurement is the language of progress for the organisation. It indicates where the organisation is and where it is heading. It functions as a guide to whether the organisation is en route to achieving its goal or otherwise. It is also a powerful behavioural tool since it communicates to the employee what is important and what matters for the achievement of the organisation's goal. "Unless you are keeping a score, it is difficult to know whether you are winning or losing" (Hatry, 1978). "When you measure performance, you get performance. And making the whole process public helps a lot" (The National Productivity Review staff, 1996).

Measurement is a process of collecting data and determining its meaning. In TQM it is vital that the organisation is managed by facts (Koehler and Pankowski, 1996). Davidow and Uttal (1990) consider measurement as both the last and the first step in producing superior service quality. Companies that stressed and measured their service performance are the ones that will emerge winners if they were to compete with competitors that are roughly

matched. According to them, “the ultimate weapon” to be used to ensure that the company can win is by maximising customer satisfaction through quality customer service.

If organisations do not effectively measure themselves, they would not be able to tell whether they are improving or otherwise. Peters and Waterman (1982) provide a powerful statement which stresses why performance measurement is important for organisations: “What gets measured gets done”

Das (1994) quotes a statement made by Daniel Goldin, head of National Aeronautics and Space Administration (NASA) which highlight the importance of performance measurement, “ If you cannot measure it, you cannot manage it”.

Measuring is different from counting. Counting is the subset of measuring. Measuring is required to determine the path and the progress that is being made. Performance measurement is the process of evaluating performance relative to a defined goal (Rose, 1995).

Webster and Hung (1994) state that measurement is a key management activity that provides management with information necessary for decision making, monitoring performance and effective allocation of resources. Chenhall (1997) reports various literature that provide evidence of TQM potentials in improving organisational performance.

2.6.2 The Importance of Performance Measurement and Criteria of an Excellent Performance Measurement System

Atkinson *et al* (1997) state that performance measurement serves three basic functions which is to coordinate, to monitor and to diagnose. Cupello (1994) provides four reasons why organisations need to conduct measurement. The purposes of measurement are for planning, screening, control and diagnosing. Planning measures, which are the responsibility of top management, are measures that address issues related to whether the organisation is achieving its strategic plan or otherwise. Screening measures on the other hand are targeted at measuring whether the functional areas of the organisation are in support of the organisation’s strategic plan. These measures are the responsibility of middle management. The performance of individual employees, machines, products, services and processes are

classified as control measures. The purpose of diagnostic measures are to determine whether the organisation's quality initiatives are achieving the desired result. The types of measure that comes under this category are customer satisfaction measures, employee satisfaction measures, project performance measures and supplier performance measures.

Oakland (1996) suggests that an appropriate performance measurement will result in the following:

- (i) Enable the organisation to see whether it is meeting customer requirements
- (ii) Highlight problems and priority areas
- (iii) Generate standards for comparing performance with other organisations
- (iv) Result in creating visibility and baseline for employees to judge their performance
- (v) Provide the justification of resource utilisation
- (vi) Act as a feedback system for improvement initiatives undertaken
- (viii) Becomes an indicator for cost of poor quality

Gordon (1992) expresses the importance of having a measurement system that can detect real and measurable improvements that have been made by the organisations. He shares the experience of Federal Express, a major player in the service business, that has been successful in creating what they called the service quality indicators (SQI) that identified three critical satisfaction factors (Federal Express's terminology) as the main components of the SQI. These critical satisfaction factors for all of its customers are loss and damage, timeliness and error. The importance of these critical satisfaction factors varies according to the different types of customers. It is, thus, important for organisations to find the kind of critical satisfaction factor for the kind of business or environment that they are in so as to ensure that they are tracking the right factors that are fundamental to the organisational performance as determined by their customers.

Struebing (1996) also cites performance measurement conducted by Federal Express. At Federal Express, a lot of things are measured - from measurement of things that are not running smoothly to things that it wants to change. It also keeps a close look at things that are performing well. Prioritization is done to determine which one must be given special focuses. They carried out both internal "how" surveys and external "why" surveys. Internal "how" surveys provide them with quantitative data while its external "why" surveys generate the qualitative perspective to data collected. Brown *et al* (1994) mention that the performance measurement process must not be just an exercise to collect data but it must

be used as an important source for decision making, for motivating staff, and it must be linked to corporate strategy. Every organisation regardless of type should have six types of measures (Brown *et al*, 1994):

- (i) Customer satisfaction measures
- (ii) Financial measures
- (iii) Product/service quality measures
- (iv) Employee satisfaction measures
- (v) Operational measures
- (vi) Public responsibility measures

From the literature review, various authors (Oakland, 1996; Ovretveit, 1993; Edvardsson *et al*, 1994; and others) suggested that these following questions must be answered if an effective performance measurement is to be developed:

- (i) Why measurement is required? (Purpose)
- (ii) What should be measured? (Finding factors that are important)
- (iii) How it should be measured? (Methods)
- (iv) When should it be measured? (Timing and time frames)
- (v) Who should measure it? (Owner of the process versus independent party)
- (vi) How should the result be used? (Assessment, improvement purposes)

The various literatures above also mentioned the need to have the following elements in any performance measurement system that is to be installed:

- (i) It must be linked to the organisation's strategy
- (ii) It must be made up of multiple measures
- (iii) It must be simple and easy to administer
- (iv) It must not be too expensive
- (v) It must involve employees to ensure that it gets their support

An excellent performance measurement system therefore must project a proper balance of things measured in the organisation. It must include activities that measure input, activity, outputs, and outcomes generated by the organisation. Whatever performance measures are initiated, they must also be relevant, accurate, timely, complete, cost effective and presentable.

Sinclair and Zairi (1996) highlight and support the need to involve employees in the development of performance measurement. Employees are the individuals who operate the processes and who know the task best. Involvement of the employees will result in, not only commitment towards efficient performance measurement but also influence the actual

performance too.

Butt and Palmers (1985) suggest that in order to measure success, the following questions need to be addressed:

- (i) Exactly what is to be measured?
- (ii) What scale or “yardstick” is to be used?
- (iii) What margin of error “tolerance” is to be allowed?
- (iv) Who is to measure it?
- (v) Who is interested in the answer to the measurement and what will they do with these results?

If there is no direct yardstick to measure things then an indicator can be used to track performance. However, it is important to establish first what is the objective of the activity or venture before the appropriate indicators can be selected (Butt and Palmer, 1985).

A national survey of senior executives in US companies conducted by Wm. Schiemann & Associates, Inc. revealed that senior executives were better able to manage and lead their organisation by establishing measures for six key business areas (Struebing, 1996):

- (i) Customer satisfaction
- (ii) Financial performance
- (iii) Operating efficiency
- (iv) Employee performance
- (v) Community relations and environment
- (vi) Innovation and change

Kaplan and Norton (1996) suggest that measurement needs to be conducted at two levels: diagnostic measures (performance measurement of day-to-day operation) and strategic measures (measurement that probed into the long term aspects of the organisation’s performance particularly tracking on whether it is making the progress as intentionally planned).

Dale (1991) found that in order for organisations to stay focused in terms of satisfying customer needs and expectations, it is important for the organisations to have some positive quantifiable measures of product and service quality. In Dale’s study, the respondents considered the following as the main positive quality measures as seen by their customer:

- (i) Customer feedback
- (ii) Quality system registration and customer quality audits
- (iii) Field failure, product reliability performance, customer returns and complaints

- (iv) Delivery on time
- (v) Product and service performance measures

The National Performance Review (1997) in their study concluded that performance measurement must possess the following criteria:

- (i) Acceptable and meaningful
- (ii) Tells how well goals and objectives are accomplished
- (iii) Simple, understandable, logical and repeatable
- (iv) Show trends
- (v) Unambiguously defined
- (vi) Economical data collection/ reasonable cost
- (vii) Timely
- (viii) Sensitive

In Wholey and Hatry (1992) various authors (Millar *et al*, 1981; Carter, 1983; Neves *et al*, 1986; Levitt and Joyce, 1987; US Department of Labour, 1991) suggest that performance monitoring systems should compare the performance of different units, compare current performance with prior performance and compare actual results to targeted performance levels.

Meekings (1995) believes that performance measurement if implemented and used properly, can actually change the lives of people and organisations. It is believed that a future performance measurement system should include the following considerations:

- (i) the role of measurement is changed from backward-looking record-keeping to forward-looking prediction and insight
- (ii) measures are used to provide feedback, build understanding and encourage intrinsic motivation rather than as tool for top-down management control
- (iii) the focus is on systematic thinking, fundamental structural change and organisational learning instead of mindless target-setting, continual fire-fighting or the rigorous allocation of blame
- (iv) measures become the framework for everyone to understand and align with top-level objectives of the organisation and enable them to actively and enthusiastically participate in continuous improvement

A study involving 14 US Federal Agencies, 6 Canadian government agencies, 2 US local governments and 32 private sectors (drawn from 100 organisations considered being the best-in-the class) reveal the following findings. For performance measurement to be effective it needs (National Performance Review, 1997):

- (i) Leadership (clear, consistent and visible involvement by top management)
- (ii) A conceptual Framework (which is clear and cohesive and understood by everyone

- in the organisations and it must support the objectives and collection of results)
- (iii) Communication (effective internal and external communications which enable everyone related to the organisation to understand how success is defined and what is their role in achieving that success)
 - (iv) Accountability for result (must be clearly assigned and well understood)
 - (v) Design for decision making (not just a mere exercise of data compilation - it must be able to project the organisation's performance, direction and accomplishment)
 - (vi) Link to rewards, compensation and recognition
 - (vii) Positive not punitive (identifying what works and what does not rather than finding who to blame for faults and problems)
 - (viii) Results and progress must be openly shared with employees, customers and stakeholders (efforts must be made to disseminate information related to performance - through newsletters, notice board, and other means including utilising the latest technological medias such as the internet)

When designing a performance measurement system it is important to take note of the above factors. However, it is important to note that any organisation and particularly PSOs cannot afford to measure everything as they do not have the time and resources to do so. The literature recommends that these PSOs focus on measuring only a few measurements that are critical and can actually reflect their performance. It is impossible and costly to measure everything. Performance measures must be linked to strategic and operational plans. It must also be focused on achievement and goal rather than on measurement alone. The target or baseline that is to be achieved must also be realistic rather than philosophical.

Rummler and Brache (1995) suggest that performance needs to be tracked at three levels:

- (i) Organisation Level
- (ii) Process Level
- (iii) Job/Performer Level

At the Organisation Level, measurement of performance is done to determine how the organisation fare in relationship to its markets. The variables that can affect performance at this level are the organisation's strategies, goals, objectives, organisational structure, and the deployment of its resources.

The Process Level is concerned with looking at how well work is done. Here the performance of the various departments, divisions or units and their relationship with each other are monitored in terms of how efficient and effective the processes are performed in meeting customer needs and requirements. An organisation's performance depends on its ability to manage its goods as well as its processes.

The performance of the individuals who performed and managed processes are the issue that need to be addressed at the Job/Performer Level. Performances at this level are greatly affected by the following factors: rewards system practised, training, standard set, job responsibility, people hired and promotion system practised. Besides these three levels of performance, Rummler and Brache (1995) suggested another dimension to their framework, the three performance needs, to form what they called the Nine Performance Variables as shown in Table 2.2.

Table 2.2: The Nine Performance Variables

	GOALS	DESIGN	MANAGEMENT
ORGANISATION LEVEL	Organisation Goals	Organisation Design	Organisation Management
PROCESS LEVEL	Process Goals	Process Design	Process Management
JOB LEVEL	Job Goals	Job Design	Job Management

Source: Rummler and Brache, 1995

The three factors (the three performance needs) that they believe determine the effectiveness of the three levels described earlier are:

- (i) *Goals*: specific standards required at each of the three levels to reflect customers' expectations for the product and service quality, quantity, timeliness, and cost.
- (ii) *Design*: structure required at all of the three levels to enable goals to be achieved efficiently. Here the functional components are designed to enable the attainment of goals at the three levels.
- (iii) *Management*: the proper management practices needed to ensure goals are achieved as scheduled. These include issues such as the management of goal, performance, resources and interface.

By combining the two dimensions, nine performance variables are formed. Performance can be detected at any of three levels with regards to how they are faring in terms of organisational goals, process goals, job goals, organisational design, process design, job design, organisational management, process management and job management. The detail issues pertaining to each of the nine variables are explained in Appendix 2.8.

Performance measurement systems should have three elements: performance criteria, performance measures and performance standards. Performance criteria are classified as the relative elements that are used to evaluate performance. Performance measures are the actual values of performance criteria over some specified time period while performance standards refer to the accepted levels of performance for each criteria (Lockamy, 1998). According to Lockamy (1998), a performance measurement system is very important because it provides a means for:

- (i) maintaining alignment between strategic objectives and market requirements
- (ii) coordinating the effective use of company resources
- (iii) monitoring progress towards the achievement of predetermined strategic objectives

A performance measurement system is without doubt a major requirement for any organisation; without it, it would not be able to keep in touch with customers. It is a prerequisite for survival and prosperity since it enables the organisation to compare results with actual targets in order to assess whether it is achieving its objectives. A literature review by Lockamy (1998) on the works of various authors indicate the essentials of quality performance measurement as a competitive weapon in providing quality services.

2.6.3 Performance Measurement in the Service Sector

2.6.3.1 Nature of Services

Service is defined as the result generated by activities at the interface between the supplier and the customer and by supplier internal activities to meet the customer needs (British Standard BS EN ISO 9000-1: 1994). In Lin and Ogunyemi (1996) service is defined as a social act involving direct contact between the customer and the representatives of the service organisation. According to Lin and Ogunyemi (1996), to the customer of service providers, services are experiential in that they are felt, lived through and sensed.

There are various characteristics that distinguish a service from a product. A service is very difficult to measure and the provider of the service(s) has significant input establishing whether a service is of quality or otherwise. According to the British Standard BS EN ISO 9000-1: 1994, the characteristics of a service can differ from those of other products and can include such aspects as personnel, waiting time, delivery time, hygiene, credibility or communication delivered directly to the final customer. Customer assessment, which is often very subjective, is the ultimate measure of the quality of a service.

Rounthwaite (1994) states that services differ from manufacturing in the nature of the product being supplied and the way it is being supplied. Services are different from manufactured products in that they cannot be stored and must be used immediately or otherwise lost. An example of this is the booking of an airline seat. It also involves a series of moments of truth where multiple encounters occur between the service provider and the recipient where perception of the quality of the service is formed not by the machines used but by the individuals who performed this service.

Quality of service, including those in the public sector, is characterised by intangibility and inseparability. Thus, it is very difficult to describe the product to the customer. Service is also a product that cannot be stored and then a final check made on its quality. Since services are intangible, improvement is difficult to measure, monitor and control. Unlike the tangible products, quality of service is judged not just on the service itself but on the personnel and premises that delivered the service (Flood, 1994).

Being inseparable, there exists no time gap for a service to be checked before it is delivered. Getting it right the first time is extremely important when an organisation is in the business of providing services. Service is produced as it is delivered and it is used up as it is delivered. It cannot be demonstrated, tested, tasted and stored. It cannot be returned and repaired. It is an experience to the customer.

Jessome (1988) highlights the following points about service:

“Service industries, by their nature, have less control over factors which affect quality: because services cannot be stored for later use, and because of participation by the customer in the process, there is a much higher level of external uncertainty than in manufacturing industries. The intangibility of services makes it difficult to set standards, to conform to them and to measure them. Good service is an expectation of individual customers, which may vary from customer to customer. The customer himself participates in the process, to a greater or lesser extent, and therefore has impact on the quality of services. Finally, service quality is difficult to measure because of its subjective nature”

To install quality in the service sector, demands a different approach to quality in other sectors. Priority must be given to leadership, motivation, consultation, and human resource

utilisation (Flood, 1994). Bitran and Hoech (1990) mention a 1988 Gallup survey which asked 1,005 customers the question what quality in services meant to them and the result was one-third of the respondents (the largest group) named the contact skills (such as courtesy, attitude and helpfulness) of the employees of an organisation as the most important.

2.6.3.2 Perceived Service Quality Versus Satisfaction

Ghobadian *et al* (1994) cite that despite the increasing importance of the service sector and the importance of quality as a competitive tool, service quality concepts are not well developed. The service sector when compared to the manufacturing sector is also found to lag behind in adopting philosophies such as TQM and continuous improvement. Ghobadian *et al* (1994) also quote a study by Coulson-Thomas and Brown (1990) who say that respondents from the companies being studied regard “quality”, “customer satisfaction” and “identification of what constituted value to the customer” as either “important” or “very important”.

From the literature review there is no consensus with regards to the definition of quality in the service sector. Liljander and Strandvik (1995) quote Parasuraman *et al* (1988) who debated on the issue of how quality should be determined; should it be a description of performance of a service over time or measurement of a specific incident of a service?

The current literature on the measurement of service with regards to the definition of quality in the service sector is still split on which definition is to be used. However, the two popular theories are the measurement of performance of a specific service over time which is better known as the perceived service quality. The alternative theory relates quality with customer satisfaction over a specific service at a specific time. Perceived quality can be defined as the difference between expectations and performance of the service (Gronross, 1984; and Parasuraman *et al*, 1988). If performance, when measured, is greater or equal to expectations, then the perceived service quality is satisfactory. Perceived service quality is said to be unsatisfactory when performance is lower than expectation.

Parasuraman *et al* (1985, 1988) consider that customers assess the overall service quality of an organisation based on the “gap” between what they expect and what they perceived

has happened from the service that they have encountered. Basically service quality is measured by identifying the gaps experienced by the various service quality dimensions identified in the Parasuraman *et al*'s study (See Figure 2.4). Zeithaml *et al* (1990) cite that there five mains quality gaps identified in Parasuraman *et al*'s study:

- Gap 1 - The gap between customers' expectations and management's perceptions of their expectations
- Gap 2 - This exists between management's perceptions of customers' expectations and service quality specifications
- Gap 3 - The gap between service quality expectations and the process of service delivery
- Gap 4 - This exists between the process of delivery and external communications affecting customers' expectations
- Gap 5 - This is the main quality gap which is the result of all the other four gaps indicated above

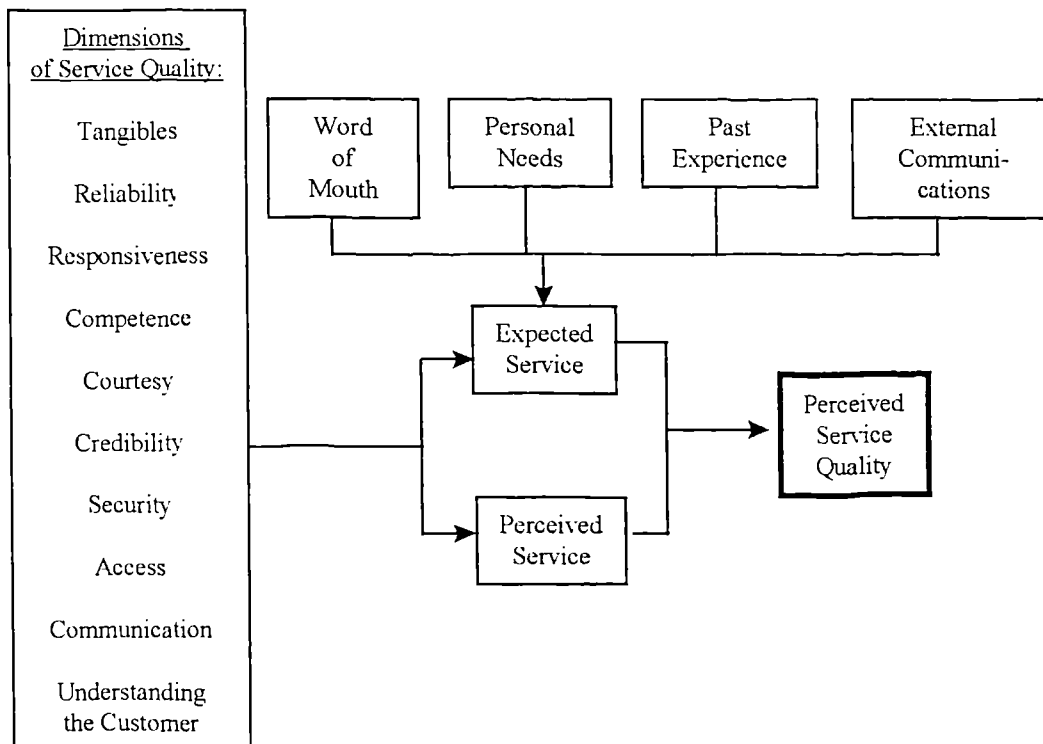


FIGURE 2. 4 Customer Assessment of Service Quality
Source: Zeithaml *et al*, 1990

Figure 2.5 illustrates the relationships between the various gaps. Parasuraman *et al* (1988) developed a model called SERVQUAL to demonstrate their view on the perceived service quality theory. A detail description of SERVQUAL is discussed in Section 2.6.4 of this chapter.

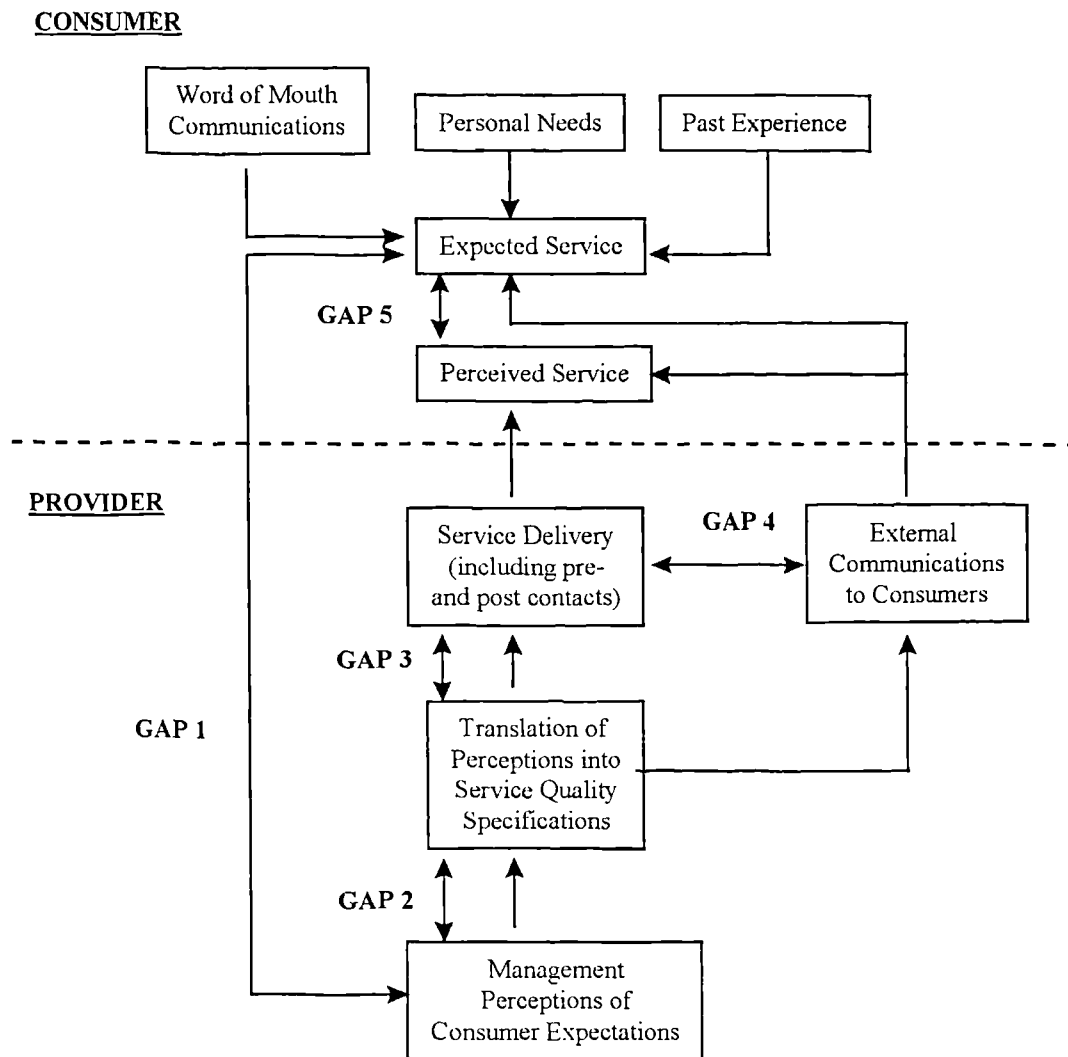


FIGURE 2.5 The Gap Model
Source: Zeithaml *et al*, 1990

According to Bolton and Drew (1991), Parasuraman *et al* (1985,1988) suggest that expectations are influenced by personal needs, word-of-mouth communication and past experiences. The model did not however, specify what influences perception making Bolton and Drew (1991) suggest that it is influenced by the attributes of the service-delivery process.

An extended version of the SERVQUAL model that incorporates elements found in a follow-up study by Parasuraman and his team is shown in Figure 2.6 (Zeithaml *et al*, 1990).

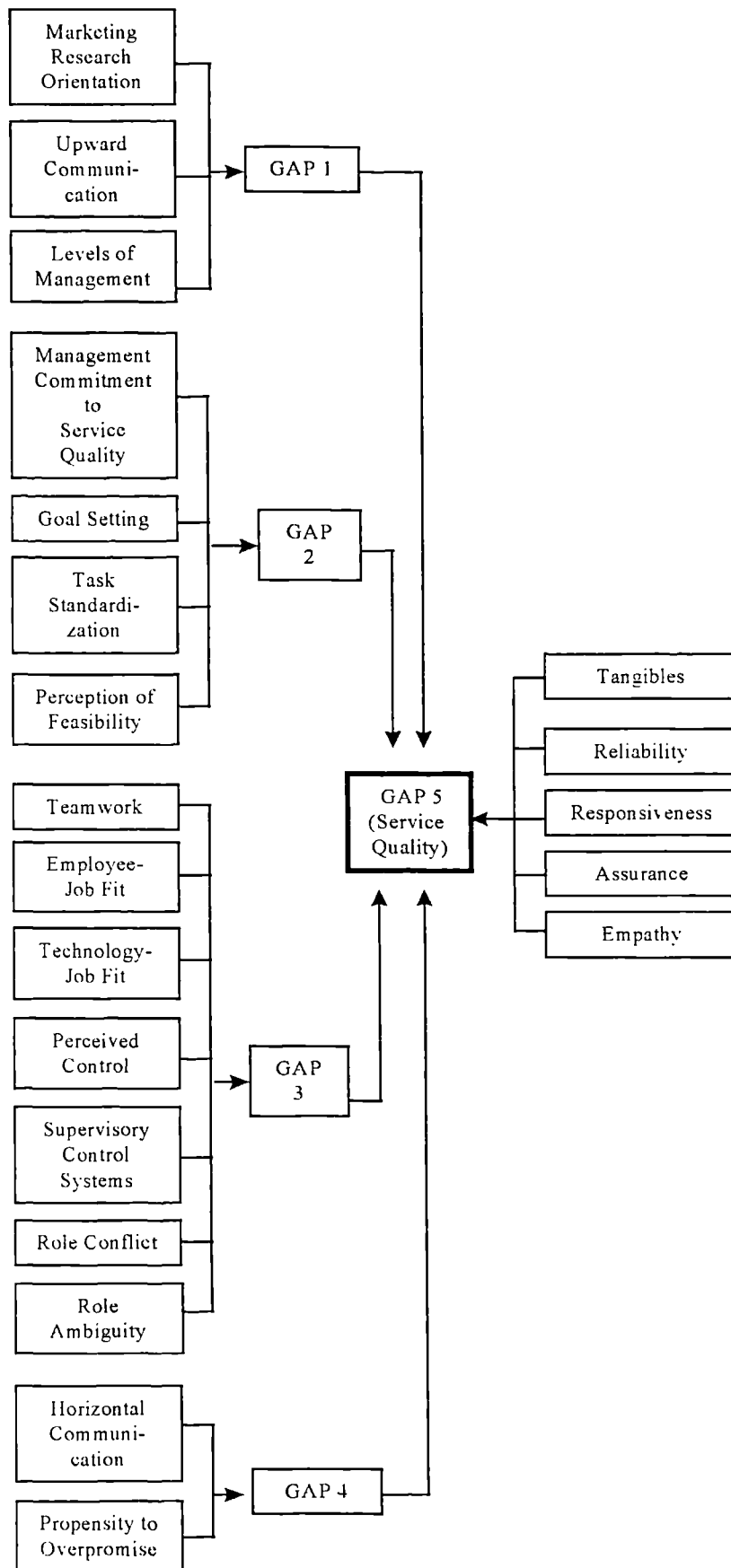


FIGURE 2.6
Source:

The Extended Gaps Model of Service Quality
Zeithaml *et al.*, 1990

Perceived service quality is different from satisfaction in that service quality is the customer's attitude or global judgement of a service superiority over time while satisfaction is considered to be connected to a specific transaction (Bitner, 1990; Bolton and Drew, 1991; Parasuraman *et al*, 1988). Bitner (1990) agrees that satisfaction and the customer's general attitude towards a service are closely related but disagrees that these two are similar.

Perceived service quality is the consumer's judgement about a firm's overall excellence or superiority. It is an individual consumer's general attitude towards an organisation or their services. Satisfaction, on the other hand, is the customers' judgement on an individual transaction.

Bolton and Drew (1991) cite Oliver (1981) who argues that satisfaction is characterised by the surprise a customer experiences after a purchase (a service encounter). These surprises later transform as input that form attitude and eventually influences the customer's evaluation of service quality, purchase intentions and behaviour. Ghobadian *et al* (1994) consider perceived quality can be represented as follows:

$$\begin{array}{ccccccc} \text{Prior Customer} & + & \text{Actual Process} & + & \text{Actual Outcome} & = & \text{Perceived} \\ \text{Expectation} & & \text{Quality} & & \text{Quality} & & \text{Quality} \end{array}$$

The above implies that quality is formed based on the customers' expectation and also what they experience during and after receiving the service. Khan (1993) concludes, deriving from the literature of various authors, that perceived service quality is the result of the customer's view of a bundle of service attributes, some of which are technical whilst others are functional in nature.

When this perceived service is compared with the service that the customer is expecting, then this leads to perceived service quality. It is noted too that the customer's expectation of a service is affected by his previous experience. Perceived service, on the other hand, is the customer's perception of the service he is experiencing.

2.6.3.3 Key issues and development on assessment of quality in the public sector

Most PSOs have a variety of "customers" for their different services. Some of these are similar to the private sector customer paying directly or indirectly for services provided and

received. Others are the recipients or users of services - sometimes unwillingly - but make little or no financial contribution towards their provision. Yet another type of customer may pay for a particular public service but do not experience its benefits through direct use (Donnelly *et al*, 1995). Services in the public sector are usually provided, based on need and cost is, usually, not a factor. It is mandatory for the PSO to offer certain services to the public whatever the cost.

Most government agencies have a responsibility to ensure compliance with laws and regulations. This compliance such as issues related to entitlements (welfare), capability (drivers' licence), equity (affirmative action), and societal goals (vehicle emission control inspections) can contribute to a negative effect on the customer's overall perception of the service (Smith, 1993a). Kelly (1996) mentions that local government is a natural monopoly where citizens, if they are not happy are unable to take their money to another provider. The best that they can do, if dissatisfied, is to move to another community and hopefully a better service can be experienced.

The most common characteristics that are associated with a government service are that it is too complex, political, emotional, amorphous, labour-intensive, and services are produced and consumed simultaneously (Battle and Nayak, 1994). Lin and Ogunyemi (1996) mention Hawkins *et al*, (1980) who says that the consumer of government services cannot shop around for providers of superior services but rather must accept whatever is being offered. Although the customer has no choice, they do expect a certain level of performance to be present.

Despite the many differences between private and public sector services, there are many similarities between them. Speller and Ghobadian (1993) comment that customers basically used similar criteria when evaluating service quality. The service quality determinants include access, communication, courtesy, responsiveness and security however it varies depending on the service involved.

According to Goulden and Pass (1993) private sector organisations and PSOs are basically the same since both are involved in business process. A business process converts inputs (raw materials, human resources or data) into output (finished products, services or

information) that meet customer's requirements. Thus both are in the business of improving processes so that it is done in the most effective and efficient manner. This notion is supported by Rago (1994) who said that although there are obvious differences between private and public sector organisations, but when organisation practices TQM, both (private and public) would focus their effort on the customer, inputs and processes.

There are also various initiatives popular in the private sector that are now being adopted by the public sector. Smith (1993a) notices that the common trends of PSOs today are to provide new and enhanced service delivery systems in the form of weekend service, extended hours, telephone service, and the high volume of transactions that can be settled by using automated teller machines. Smith (1993b) described one model that was created in a large public contact government agency that uses the seven C's of customer service. The seven customer service behaviours that were identified were: courteous, clear, concise, correct, complete, concerned, and clean. See Appendix 2.9 for a detailed description of this model.

Research on service quality in general is quite dated. A literature review conducted by Parasuraman *et al* (1985) found that most of the work related to this subject can be traced to basically the following researchers: Gronross (1982); Lehtinen and Lehtinen (1982); Lewis and Booms (1983); and Sasser *et al* (1978). There is little published literature since then. Lewis (1993) cites that much of the research into service quality has been carried out within the framework of the service quality gap model developed from the extensive research of Parasuraman *et al* (1985, 1988). The number of research papers especially focused on service quality in PSOs is very limited. Das *et al* (1996) confirmed that academic researchers gave less attention to the topic related to service quality in public services. The reasons for this were firstly, evaluating service quality in the public sector poses special problems because of the unique features of services (intangibility, inseparability, heterogeneity and perishability). Secondly, public sector services are qualitatively different from the private sector. Thirdly, reforms happening in the private sector tend to catch on rather slowly in the public sector.

Jordan (1994) states that there are remarkably few criticisms from academic sources about British public administration. The public administration academic community is found to

be uncritical of PSOs in the UK. Redman *et al* (1995) analyse that much of the literature on TQM practices in the service sector concentrated on private sector profit generating services such as high street services, financial services, hotels and fast food outlets. Silvestro (1998) remarks that the service quality literature over the past 15 years has evolved mainly in the fields of service marketing and operations management. Milakovich (1995) reveals that limited literature can be traced to discussing service quality in local government in the USA.

2.6.3.4 Measuring Performance of Services

Assessing the performance of an organisation in the private sector, whether it is doing well or not, can be done by looking at the profit or loss that the organisation is experiencing. There is a strong correlation between quality and profitability. This is manifested by the result of the Profit Impact of Marketing Strategies (PIMS) studies in the US sponsored by the US Strategic Planning Institute in 1972 (Buzzell and Gale, 1987).

Buzzell & Gale (1987) note that there is a strong relationship between relative perceived quality and profitability. Whether the profit measure is return on sales or return on investment, businesses with a superior product/service offering, outperform those with inferior quality. In the long run, quality of a business organisation's products and services, relative to those of its competitors is found to be the most important single factor affecting a business unit's performance.

Bank (1992) states that there are seven generic ways in addition to cost of quality in which the quality of outputs can be measured: defects (work not to specification); reworks (work requiring correction); scrap (work thrown away); lost items (work done again); backlogs (work behind schedule); late deliveries (work after agreed time); and surplus items (work not required). These measurements apply to office "output" such as paper, electronic data, telephone calls and production outputs such as parts, tools and finished products.

According to Rosen and Karwan (1994) the leading measure of performance in the service sector is quality. To access the quality of any service, the first step that needs to be taken is to develop a set of attributes/dimensions that can measure the quality of the service which includes both quantifiable measures and intangible factors.

Collier (1994) when discussing service/quality performance introduces a concept called Consumer Benefit Package (CBP). A CBP is defined as set of tangible (goods-content) and intangible (service-content) attributes (features) that the customer recognizes, pay for, utilises or experiences. The CBP concept stresses that purchases involve a primary (core) good with peripheral goods and/or services or a primary (core) service with peripheral goods and/or services. To the consumer these two components of CBP are intermingled and are dependent of each other. The third element of CBP is called variant. This is the CBP attribute that acknowledges the uniqueness of a particular circumstance, situation or place that the marketer must consider when offering any products or services.

Swiss (1992) believes that consumers judge a service based on two aspects: their reaction to the person who delivers the service and their reaction to what is being delivered. Rago (1994) points out that quality is judged based on the following key variables: access, communication, competence, courtesy, creativity, reliability, responsiveness, security and understanding.

Attributes associated with quality differ according to products. For most manufactured goods, quality is normally judged by such factors as reliability, fitness for purpose and finish. For service industries, quality is judged by promptness, thoroughness and courtesy (Boghossian, 1988). The measurement of performance in the manufacturing sector is very straightforward where “physical measures” could be used to determine conformance to specification. These technical qualities such as size, shape, and deviation from standard are easily monitored and measured. Product-oriented methods are insufficient for use to measure service performance. The customers regard the measurable quality features of a physical product as only part of a product’s total quality or performance. Consumers’ perception such as the prestige and reputation of the product exert a powerful influence on the final performance of the product. The taste of a meal served, for example, could outweigh other physical attributes like volume, weight, and nutritive value of the meal.

When quality was defined, two possible ways were mentioned. Similarly to address service quality, two possible approaches can be utilised. First it is from the service provider’s perspective and secondly it is from the customer’s perspective which is also known as perceived service quality. Perceived service quality is the result of the customers’ view of

a composite of service attributes that a service provider provides.

Gronroos (1984) suggested that perceived service quality is determined by both technical quality and functional quality. Technical quality is the “what” that the consumer receives as a result of his interaction with the service provider while functional quality is the “how” that the service has been delivered to the customer. Functional quality includes things like accessibility of facilities, appearance and behaviour of employees performing the service such as what they say, how they say it and on the overall nature of how the customer has been treated. Thus functional quality is the subjective portion of the package while technical quality is more objective. So excellent organisations need to perform well in both “know-how” (technical quality) and “buyer-seller interaction/contact” (functional quality) portions.

Edvardsson *et al* (1994) suggested that quality measurement should be covered both by quantitative and qualitative methods. These two methods complement each another. The quantitative method measures performance in terms of figures, tables or diagrams while the qualitative measurement presented results in the form of verbal descriptions. Quantitative methods aim for “objective facts” and unambiguous measures such as waiting time, service availability, and precision (for example number of errors per 100 units or delays and so on). Qualitative measurements on the other hand provide management with information that cannot be obtained from a quantitative approach. Qualitative measurements help managers to understand people’s expectation and requirements. The data obtained from measuring performance using the qualitative method are “meaning-rich” and can direct management’s attention to causes of or solutions to quality problems. Stone and Banks (1997) highlight the importance of having a more comprehensive performance measurement approach. They commented that conventional measures did not present a complete picture of corporate performance. It is necessary to use “softer” non-financial issues to complement the traditional “hard” measures.

Ovretveit (1993) mentioned that there are three popular methods for measuring service quality: complaint measures, satisfaction measures and SERVQUAL. Complaint measure is the simplest form where all that is required is to count the number of complaints received over a period of time. It does provide some indication of the organisation’s performance but this approach depends on how easy it is to complain and that everyone who is not happy

about the service does come forward to complain. Satisfaction measures invite customers to express their judgement of the different attributes or features of an organisation's services after they have experienced them by using a rating scale. Questionnaires, comment cards and interviews are normally used to capture this information.

Erwin (1998) believes that whatever the organisation is, there must be processes involved. What needs to be done, is track these processes with simple tools like Pareto charts, cause-and effect diagrams, and then benchmark them with others. Surveys should identify gaps between customers' needs and a company's current performance level. Then through benchmarking, the core processes can be benchmarked with the best-in-class performer. Concluding from the various literature, it can be said that most services can be measured along three dimensions namely:

- (I) Inputs: resources, cost or capital employed
- (ii) Outputs: service actually delivered/activity
- (iii) Outcomes: benefits obtained by users or customers of services

The various literature revealed that there are three types of area that can be measured and monitored over time and compared with targets:

- (I) Economy: minimal cost of providing services/minimal cost of input
- (ii) Efficiency: output per volume of input/value for money
- (iii) Effectiveness: objectives attainment/final outcome in relation to its outputs

2.6.4 Models of Performance Measurement in The Service Sector

The review of various literature suggested a couple of models and approaches commonly used by an organisation in the service sector to assess their performance:

2.6.4.1 SERVQUAL

Parasuraman *et al* (1985) in their study involving in-depth interviews of executives and twelve focus groups consisting of current and recent customers (three for each sector) of four nationally recognised service firms in America (retail banking; credit card; securities brokerage; and product repair and maintenance) concluded that customers normally use ten dimensions when evaluating perceived service quality. A subsequent study by Parasuraman *et al* (1990) however reduces the dimensions to five namely: tangibles, reliability, responsiveness, assurance, and empathy after observing that there was an overlap of criteria from the original ten dimensions.

Tangibles are physical facilities, equipment and appearance of personnel. Reliability is the ability of the organisation to perform the promised service dependably and accurately. Responsiveness is related to the willingness of the organisation to help customers and to provide a prompt service. The assurance dimension involved the level of knowledge and courtesy of employees and their ability to inspire trust and confidence. Empathy refers to the caring and individualised attention aspect given to the customers. Based on these factors, a scale called “SERVQUAL” was developed (Parasuraman *et al*, 1988), which measures customer perceptions within the service industry. This model works on the philosophy that customers typically assess service quality by comparing the service they have actually experienced (the perceived service quality) with the service they desire or expect (their expected service quality).

Basically what the SERVQUAL model is all about is that it measures the gap between customer expectation and customer perception of a firm’s service. A set of statements in questionnaire format is designed for each of the five dimensions of the service (22 item statements, 4-5 statements per dimensions). Respondents are asked questions on this 22-item statement with regard to their expectation of the level of service for a firm within that industry should offer (See Appendix 2.10). After the respondents have experienced the actual service of the firm being measured, they are asked the same 22 item statements as to how they perceive the firm have performed.

For each statement, a seven-point Likert scale is provided. Customers answering the questionnaires were also asked to allocate weights to each dimension of a particular service. This model enables the user to assess for each service which dimension is more important than others. It also enables the user to identify the dimension with the largest gap in terms of customer perceptions and expectations. Organisations using this assessment tool will therefore be able to determine which sections of the services that they should focus on. The tool can indicate which aspects of their services are considered important to the customer. It also highlights to the users which section of their service are experiencing problems. An overall picture of how the firm has performed on all the attributes can also be obtained by averaging out the scores.

This model can be used to measure service quality over time and also to compare service quality between units in an organisation. It also can be used to measure service quality between organisations.

2.6.4.2 SERVPERF

Various authors criticise the appropriateness of SERVQUAL in measuring performance of firms in the service sector particularly those that are not covered by Parasuraman *et al* (1985 and 1990) in the original study (Carman, 1990; Cronin and Taylor, 1992 and 1994; Teas, 1994; Webster and Hung, 1994; Baggs and Kleiner, 1996; Galloway and Ho, 1996; and Swan and Bowers, 1998).

Among the criticisms about SERVQUAL is that it was developed from 12 focus groups drawn from four specific industries therefore this would generate results that have bias to these individuals in these focus groups and the specific industry concerned. The measurement of expectation and perception is not conducted simultaneously thus this is said to invite opportunity for capturing an inaccurate picture of these two factors. Another source of concern about SERVQUAL is that the questionnaires are too long and not easy to use. It is particularly unrealistic and problematic to ask customers to fill up the 22 item questionnaires twice (before and after/expectation and perception measurement) as suggested by the SERVQUAL approach.

Swan and Bowers (1998) criticise SERVQUAL as a performance measurement model that placed customers as “attribute accountants” because customers are asked to assess how a service scores on a set of predetermined attributes. They consider the five dimensions in the SERVQUAL model as not universal and not applicable for measuring a certain industry because customers might interpret their experience with a service based on something else more than just the attributes put forward by the SERVQUAL model.

Cronin and Taylor (1992) developed the SERVPERF model to try to overcome some problems associated with SERVQUAL. This model is based on the presumptions that service quality is an antecedent to customer satisfaction. Customer satisfaction is said to have a significant effect on purchase intention compared to service quality. Managers must figure out whether customers are buying from firms that are having a high level of service

quality or from those with which they are most satisfied.

Basically SERVPERF is about service quality which is said to equal performance. Perceived service quality is said to be a reflection of the firm's performance. On using the firm's service, customers are said to form an attitude (service quality perception). This satisfaction level with regard to the product/service indicates how the firm performs. Therefore the SERVPERF model believes that to find the performance of a firm (its service quality) all that is required is to collect data concerning this by directly asking the customer through simple survey and questionnaire.

Unlike SERVQUAL, SERVPERF does not differentiate service quality from customer satisfaction. SERVQUAL measures performance based on the gap between expectation and perception while SERVPERF measures actual performance based on customer satisfaction.

2.6.4.3 Disconfirmation Model

Cadotte *et al* (1987) introduce, from their work on assessing the restaurant service in the United States, what they call the disconfirmation model. This model evaluates customer satisfaction by comparing actual service performance of a firm with that of a standard or base line service. Performances are then judged based on whether it is equal to, better than, or worse than the stated standard.

The first stage is the preconsumption measure. Respondents are asked to establish a typical or average attribute of all service within the category being measured. This measure is called the *product type norm* where a bipolar 5-point rating scale is used to rate selected attributes (for the restaurant business nine attributes after an extensive literature review was done: food quality, speed of service, employee friendliness, atmosphere/decor, cleanliness, price/value, and quality of employee service). Next, respondents are asked to select the best firm or product within the related category above. This is called the *best brand norm* measurement. Finally a *brand expectation's* measurement is conducted where respondents are asked to answer the same nine attributes 5-point rating scales with regard to their previous experience, their friend and relative's opinion plus brand's advertising on the focal service.

The second stage is the postconsumption measure where respondents, after actually

experiencing the service, were asked to rate the performance based on the selected attributes on the 5-point bipolar scale. Respondents were asked to compare the actual service with the three perspectives mentioned above: *product type norm* (to compare with a typical performance of a service within that category), *best brand norm* (to assess how the firm performs as compared to the best in the class), and *brand expectation* (comparing expectation with actual performance). Thus the possible responses for each of these three perspectives are either the firm performs better than, equal to, or worse off when compared to the preconsumption measures.

The final stage of this measurement tool requires the respondents to register their feelings about the whole experience. A ten-attribute bipolar 5-point scale was used to capture these feelings: happy/angry, good/bad, pleasant/unpleasant, contented/frustrated, warm glow/cold feeling, uplifted/down, impressed/unimpressed, elated/tense, fulfilled/disappointed, and pleased/displeased.

2.6.4.4 Balanced Scorecard

Kaplan and Norton (1992) developed what they call the Balanced Scorecard - a performance measurement apparatus that they believe would provide top managers with a fast and comprehensive view of their business. The balanced scorecard incorporates financial measures (which tell the results of actions already taken) and other operational measures on customer satisfaction, internal process, and the organisation's innovation and improvement activities (operational measures that are the drivers of future financial performance). The balanced scorecard enables managers to look at the performance of the business from four perspectives' namely customer perspectives (how the customer sees the firm), internal perspective (what area should the firm excel), innovation and learning perspectives (measurement of whether the firm is able to continue to improve and create value), and financial perspective (measurement which is of concern to shareholders).

These four perspectives are considered important and sufficient as any other measures will result in an information overload. All the perspectives are designed to translate the general mission statement of the organisation into specific measurable factors (See Figure 2.7). Appendix 2.11 provides a detailed illustration of the model.

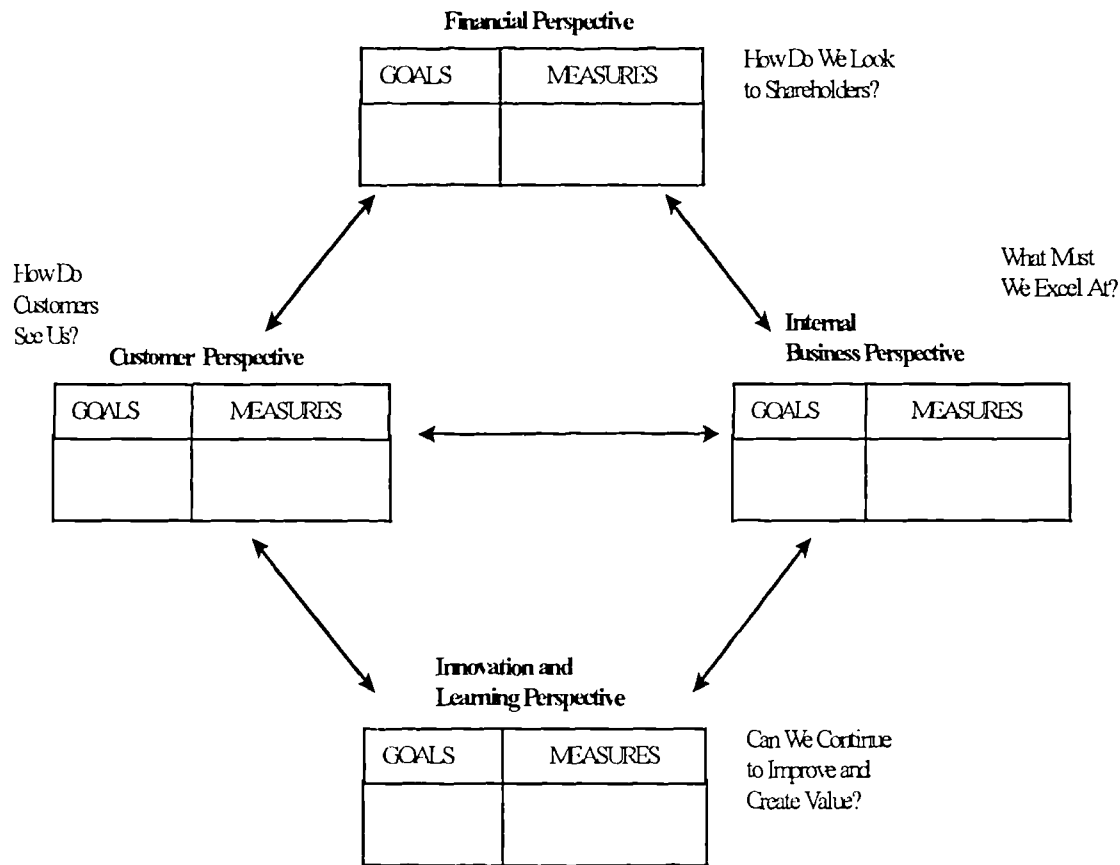


FIGURE 2.7 The Balance Scorecard
Source: Kaplan and Norton, 1992

Customer perspectives measure how the firm is doing with regard to a broad corporate statement like “To be number one in customer service”. This objective is translated into smaller measurable factors like assessing the firm’s performance on delivery time, quality (defect level), cost, and service.

Internal perspective assesses how the firm is doing on the business processes that have a profound impact on customer satisfaction. Goals on factors like cycle time, quality, employee skills, and productivity should be specifically measured. Innovation and learning

perspective take care of how the firm is performing in terms of innovation and initiatives that have been taken towards continuous improvement. Assessing these efforts is important to ensure that these activities generate positive outcomes to the organisations.

Financial measures of this balanced scorecard track whether the organisation's strategy, implementation and execution are contributing to bottom-line improvement. Financial measures should at least be examined through the organisation's ability to survive (measured by cash flow), succeed (observed through sales growth and operating income), and prosper (through increased market share and return on equity). Financial measures should not be backward-looking (reporting on what has happened) but rather become documents that are forward looking which have the ability to forecast future cash flows (on activities and processes that is anticipated to drive cash flow).

Dinesh and Palmer (1998) criticize the effectiveness of the Balanced Scorecard. Although the Balanced Scorecard promised to provide a balanced look at an organisational performance, it is however a very complex and time-consuming tool to develop. Many scorecards need to be developed for different levels and individuals if the intended projection is to be achieved. The cost of such a process might well outweigh the effort (Dinesh and Palmer, 1998).

2.6.4.5 Shostack Model

Shostack (1977) introduces a model which can be used by any organisation to gauge their overall performance. This model incorporates the service quality dimensions identified by Parasuraman *et al* (1988). The service quality dimensions for the specific organisation are determined through the process of brainstorming conducted by the organisation. These service quality dimensions are then separated into tangible and intangible dimensions. A molecular model is then constructed displaying all the service quality dimensions that have been identified. The size of each service's quality dimensions differ according to its importance to the customers. Customer feedbacks through interviews and questionnaires are used to determine the size of the service quality dimensions. Figure 2.8 illustrates an example by Harte and Dale (1995) of the Shostack model in the dental care business.

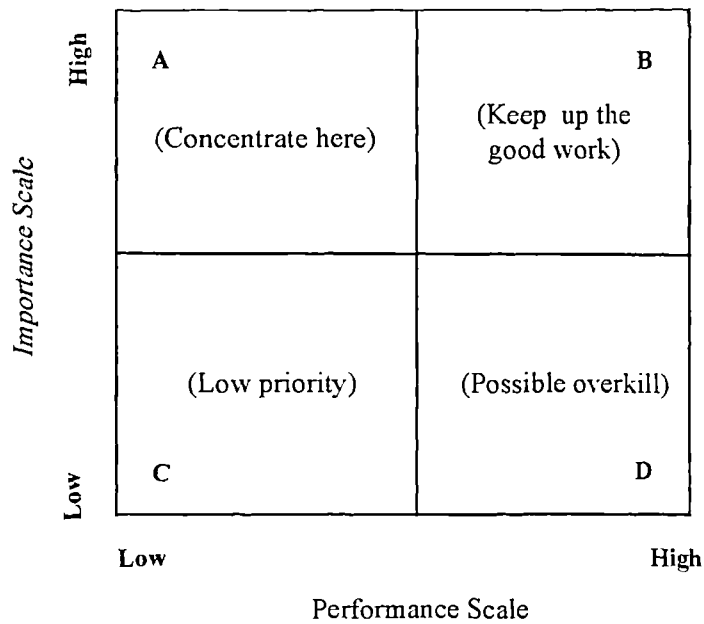


FIGURE 2.9 IP Chart (Importance/Performance Chart)
Source: Hom (1997)

2.6.4.7 Total Quality Index

Edvardsson *et al* (1994) emphasized the importance of assessing and measuring performance from three different perspectives' namely customers, staff, and owners. The Total Quality Index (TQIX) developed by Telia (Swedish Telecom) is designed based on six factors that are related to these groups. Two factors, return on capital and income, are measured that probed into the aspect of economy which obviously is the concern of the owners. Two other factors, customer service and network performance, looked into how the customer evaluates the firm's performance while the last two factors, leadership and involvement, probed into how the employees view the firm and is an indicator of job satisfaction.

Each of the factors is then divided into a number of performance indicators. These thirty-six performance indicators are then given a weight of 1 to 12 and a maximum number of points (points and weight allocated according to priority given to each indicator). The total number of points of the indicators under each area (economy, service and job satisfaction) gives the total value for that area. The weight of each area is thus the total number of awardable quality points for that area. The objective of Telia is to ensure that they are doing

gives the total value for that area. The weight of each area is thus the total number of awardable quality points for that area. The objective of Telia is to ensure that they are doing well in the three areas that they are measuring or in other words to ensure that they have been able to fully satisfy the owners, customers and staff.

2.6.4.8 Mystery Shopper

This technique involves the use of an inspector disguised as a customer. The inspector evaluates all the aspects of the organisation's service from responsiveness and friendliness of the employee, knowledge and general ability to help with the transaction to observing the physical environment like decor, lighting and overall atmosphere of the organisation (Baggs and Kleiner, 1996). The advantage with this type of performance measurement is that it keeps the employee on their toes and it forces them to provide an excellent service every time because they never know when they are being assessed. They have to remain alert all the time. This approach can single out top performers and management can encourage all employees to be top performers by rewarding those who have done exceptionally well.

2.6.4.9 Complaints

Complaints management can be a very powerful tool as an initial or general indicator of the organisation's performance. Unfortunately not many organisations are capitalising on the benefits of this technique. Complaints should be considered as a means to rectify problems and plan for the future. Cook and Macaulay (1997) suggest an overhaul of the way organisation's handle complaints and describe how organisations like The Automobile Association, WH Smith and others have benefited from an effective complaint management system. According to them employees should be empowered and given the authority to handle complaints.

An old-fashioned complaint management approach comes in the form of a defensive attitude towards everything that is being complained about. Customers would usually have difficulty contacting the person in charge of complaints. The complaint procedures are normally time consuming and the response to the complaints are normally in writing. Front-line staff also have difficulty contacting the personnel who have the authority and who can make decision to resolve complaints. An efficient complaint management system can result in a phenomenon called "complaint fatigue" - a situation whereby people are tired and fed-up of

Simmerman (1993) reports the result of research by The Forum Corporation which revealed that the reasons almost 70 percent of customers who stopped doing business with a company had nothing to do with the product but due to the fact that they were not happy with the way they were being treated. Twenty percent of these customers said they left because they perceived they received too little contact and individual attention from the organisation and 45 percent left because they felt that the attention that they received was of poor quality. Simmerman also reported another study, which focused on complaint behaviour of customers and revealed that 50 percent of the customers surveyed that encounter a problem do not complain, they just left and never came back. For those who do complain, 45 percent of them directed their complaint to frontline personnel and only 5 percent would go to management with their complaint.

An effective complaint management system must consist of an efficient way of recording the complaint. It is important to identify the actual number of people who complained and separate this from cases where the same person complained a couple of times and these cases are treated as separate cases and thus would definitely distort the number of people who actually complained.

An empowered complaint management approach, according to Cook and Macaulay (1997) should be a fast and simple way to resolve a complaint and used as a means to spot trends. The first requisite for this approach to work is to have employees, that are assigned to handle this job, that have a positive behaviour towards complaints. Employees need to be trained and empowered to handle a complaint. They need to have an empathetic skill in dealing with complaints, have a good knowledge of the organisation's product/service, systems and procedures, be aware of the level of authority that they are given to resolve a complaint, and are able to use information gained from the complaint process as feedback for continuous improvement. Response towards a complaint is done over the phone rather than in writing. This not only generates the idea that the complaint is being taken care of fast but it also creates a personalised approach has been taken to rectify the problem.

2.6.4.10 Customer Surveys

A common approach to track performance is by conducting a customer survey. A set of questionnaires are constructed seeking customers' feedback on certain aspects of the

organisation's performance. Donnelly *et al* (1995) however caution the use of customer surveys as tools for performance measurement. It can be a very expensive exercise and bias can occur in terms of constructing and wording the questionnaire and selecting the sampling frame. The persons who construct the questionnaire might also choose issues that are important to them and filter matters that can challenge them. Customer surveys can become just a ritual because data collected are not utilised as feedback. It is therefore crucial to feed data collected from this exercise directly to a performance review system. Another caution about customer surveys is that they normally focus on customers' perception (what they think) instead of their expectation (what they want). So questionnaires should be designed to capture both of these perspectives.

2.6.4.11 Data Envelopment Analysis

According to Belton and Crowe (1996), Data Envelopment Analysis (DEA) was initially introduced by Farrell in 1957 which was then refined and made popular by Charnes *et al* in 1978. It is a mathematical programming technique to evaluate the relative efficiency of a collection of units of an organisation which Charnes *et al* called decision making units (DMU). DMUs are units that are homogenous and utilise multiple inputs to produce multiple outputs. They have the same goals and objectives and possessed common inputs and outputs. Examples of DMUs are branches, departments, division, and administrative units of organisations.

DEA works on calculating each DMU's use of its inputs and production of its output and comparing it with the other DMUs in the same organisation. Each DMU determines their own set of inputs and weight allocated for each input. A DMU that scores an efficiency rating of 1 (or 100 percent) is considered to be relatively efficient as compared to the other DMUs (Belton and Crowe, 1996; Soteriou *et al*, 1998; Al-Shammari and Salimi, 1998; and Weber, 1996). Put simply, DEA can be defined as (Boussofiane *et al*, 1991):

$$\text{Efficiency} = \frac{\text{weighted sums of outputs}}{\text{weighted sums of inputs}}$$

One criticism about DEA is that it measures only relative efficiency and not absolute efficiency of DMUs (Mathiyalakan and Chung, 1996). Belton and Crowe (1996) mention Sherman (1984) who states that the effectiveness of DEA depends heavily on the selection of relevant inputs and outputs used for measurement. If the relevant outputs and inputs are

excluded because they are too difficult to measure or unmeasurable or overlooked then the DEA results can be misleading and have bias. Belton and Crowe (1996) argue that DEA is not easy to use and organisations would require extensive training and familiarisation both in calculation and interpretation because they could adopt DEA as a reliable measurement tool.

2.6.4.12 Generic Performance Measurement System

Ghobadian and Ashworth (1994) describe an interesting performance measurement system designed by Fitzgerald *et al* (1991) called Generic Performance Measurement System for profit services business. A detail outline of this system is shown in Figure 2.10. This model basically categories measurement into two broad areas: end results, and means or determinants.

2.6.4.13 Six Sigmas

The Motorola Company introduced a performance measurement system that they called the six sigma system. Basically, the six sigma system measures the degree to which any business process deviates from its goal. The six sigma system recognises that there is a direct correlation between the number of product defects, wasted operating costs, and the level of customer satisfaction. It measures the capability of the process to perform works that are defect-free (Harry, 1998; Erwin, 1998 and Belohlav, 1993).

The measurement index is based on defects per unit of anything that an organisation is producing (components, material, and so forth). Products are measured based on a sigma value or level which indicates how often defects are likely to occur. The value ranges from one to six where one sigma is considered to be noncompetitive (690,000 defects per million) and six sigmas to be performance of the world class level (3.4 defects per million).

The higher the value of the sigma, the probability of the process encountering error diminishes resulting in less need for inspection and testing, cost and cycle time would go down too and ultimately customer satisfaction would go up. Table 2.3 outlines the detail information on the sigma values.

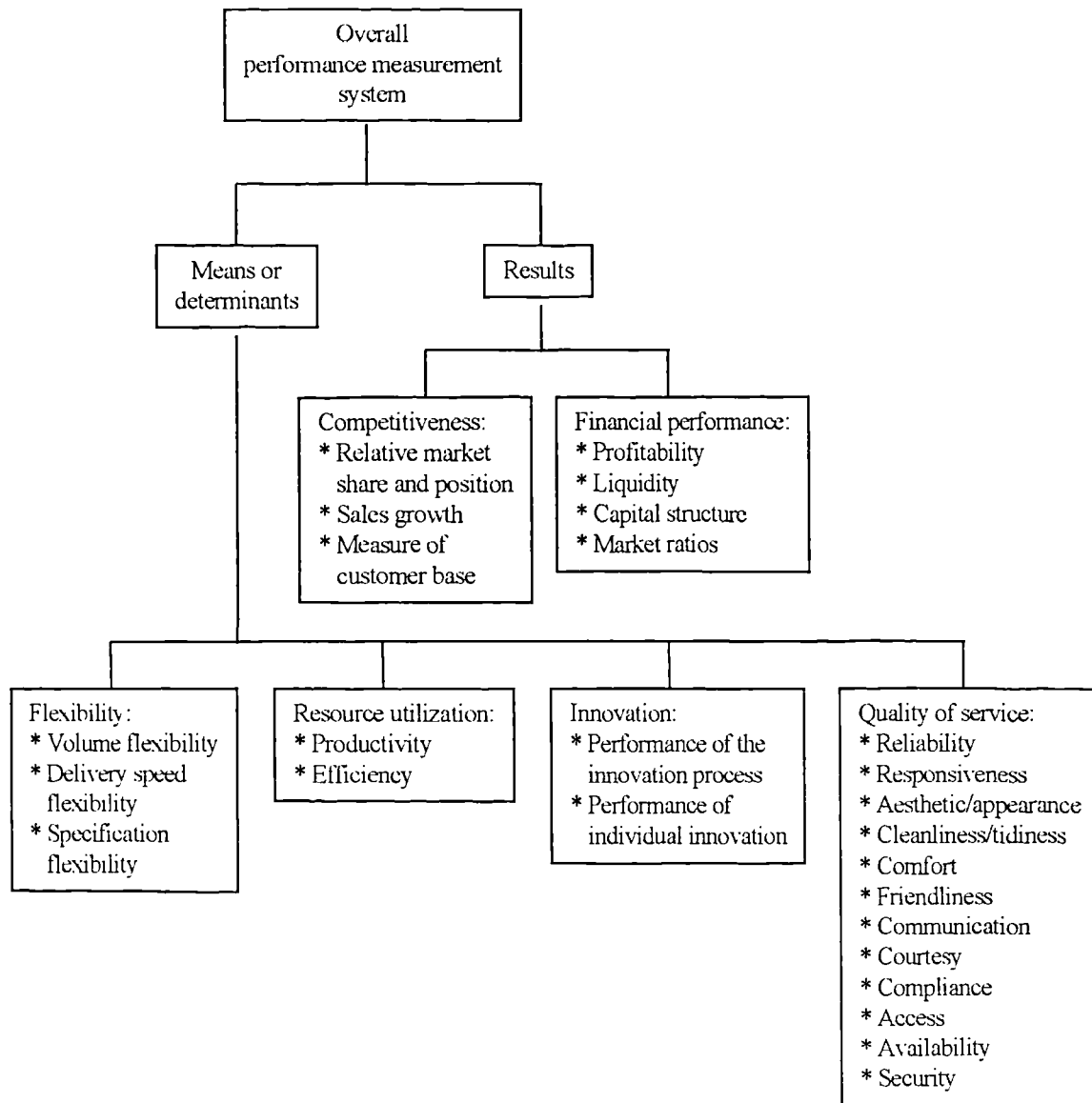


FIGURE 2.10 Generic Performance Measures
Source: Fitzgerald *et al*, 1991 (in Ghobadian and Ashworth, 1993).

Table 2.3: Six Sigma Values

SIGMA	PARTS PER MILLION	COST OF POOR QUALITY	STATUS
6 sigma	3.4 defects per million	< 10 % of sales	World class
5 sigma	233 defects per million	10-15 % of sales	Industry average
4 sigma	6,210 defects per million	15-20 % of sales	
3 sigma	66,807 defects per million	20-30 % of sales	
2 sigma	308,537 defects per million	30-40 % of sales	Noncompetitive
1 sigma	690,000 defects per million		

Source: Harry (1998)

2.6.5 Development of Performance Measurement and Approaches Currently in use in PSO

In business it is very easy to gauge the performance of the firm. A quick calculation on the financial status of the firm and its profitability would reveal how the firm performed.

However, it is difficult to determine the performance of PSOs since most PSOs are involved with services that are intangibles and inseparable. Service cannot be stored and then checked later on with regards to its quality (Flood, 1994).

Martin and Kettner (1997) define performance measurement as the regular collection and reporting of information on the efficiency, quality, and effectiveness of government programs. Faucett and Kliener (1994) state that performance measures in government are basic to good management and accountability. As a rule, performance measures are linked to the budgetary process.

Hatry (1978) reports that citizen rating was used as a very popular approach to measure performance of local government services on various characteristics and to obtain “factual” information such as the extent of citizen use of various government programs (recreation, libraries, and transit). Because of the complexities of government services, there is also a need to have a comprehensive measurement system.

A PSO is judged against goals of its programmes. It is said to be successful if the desired results or outcomes of the programmes have been achieved. Success is viewed from multiple perspectives: legislatures, regulators, supplier, customers, general public, other government agencies and bodies (National Performance Review, 1997).

Halachmi and Bouckaert (1994) observe that there is an absence of well-developed performance measurement systems in PSO. They noticed that great importance is placed on tracking cost savings and usually performance reporting is tied up with political issues. Halachmi and Bouckaert believe that efficiency (cost saving) should not be the most important factor in evaluating the performance of PSO.

Most approaches to performance measurement in the public sector take a quality control

approach, focusing on conformance, and emphasising the extent to which behaviour conforms with organisational procedures and controls (Walsh, 1991). Stewart (1995) cites that to develop perfect measures of performance is not easy and it is acknowledged that:

- (i) Measurement of input is easy compared to measurement of output.
- (ii) Output measurement is easier than impact measurement.
- (iii) It is difficult to separate the impact made by an organisation from other factors that influence the performance.
- (iv) Measurement of quantity is easier than measurement of quality.
- (v) Some aspects of service can be measured easily as compared to others.
- (vi) Different weights can be given to different aspects of the service thus leading to different assessments of performance.

Faucett and Kleiner (1994) highlight the growing importance of performance auditing as one mechanism to evaluate public programmes. There are two types of performance audits: economy/efficiency audits and the second, programme audits. Economy and efficiency audits involve the following actions: determining whether resources are acquired, protected, and used economically and effectively; probing into why inefficiencies and uneconomical practices occur; and a check as to whether all the activities are operated in compliance with laws and regulations. Programme audits compare actual performance of a planned programme with its desired result. It thus measures whether results are achieved, their impact and effectiveness and also whether compliance to laws and regulations has been observed.

Jackson and Palmer (1989) outline the following as the most common “tools of the trade” in designing a set of measures around economy, efficiency and effectiveness in PSOs:

- (i) Cost indicators
- (ii) Productivity indicators (Performance per resource used)
- (iii) Time targets
- (iv) Volume of service (Total number or rate)
- (v) Quality of service indicators (Percentage of satisfied customers, number of complaints, speed)
- (vi) Demands (take-up rates) for service indicators
- (vii) Availability of services
- (viii) Outcomes (or impact) of policy indicators

PSOs, as is the case in the private sector, also acknowledged the need to have a more comprehensive performance measurement system. There is a radical shift from considering financial measures as the only indicator of performance to treating it as one among a broader set of measures. Current performance measures are said to be too focused on monitoring

indicators for local authorities, a lot of criticism was thrown by local authorities about these indicators. They argue about the effectiveness of these indicators in projecting the real performance of the local authorities. The main complaint about these indicators was that it measures the wrong things. Thus this resulted in the wrong picture of how the local authorities are actually performing. It was also critical of the data reported which was easily manipulated to the advantage of the local authority reporting them. Figures were commonly presented to project a positive well being of the PSOs and thus this sort of exercise resulted in the measurement activity as a total waste of effort and of no real use (Kelly, 1996).

Rogerson (1995) quotes Grasso and Epstein (1987) who provide evidence that the emphasis of performance measurement in the local authorities has been on quantitative measures and warned of the danger of having a biased system such as that. They cited an example of a flaw in the system where the police authorities for instance, when asked to submit reports on activities against criminals, end up submitting all activities, including low grade information, about criminal activities that have occurred. Data such as these can bring about a distorted interpretation about the actual situation being monitored.

The Local Government Association (LGA) commented that the performance indicators required by the Audit Commission for all local authorities to publish is not a true indicator of the performance of these authorities. LGA suggested that there is a need to explore this area and investigate what are the indicators that can be a better measurement of performance (Local Government Association, 1998b).

2.6.5.2 Development of Performance Measurement in PSO in the USA

In the USA, the development of performance measurement can be associated with a number of initiatives. One of the earliest initiative related to this was the Senator William Roth's bill (Federal Program Performance Standards and Goals Act of 1991). This bill calls for each federal agency to come up with a plan to establish performance indicators to monitor outputs and results of each major expenditure category and to submit an annual performance report to the President and the Congress. This bill recognises that it is not feasible to use quantitative performance indicators for all programs and therefore allows the use of narrative statements for program results. The Government Accounting Standard Board (GASB) since 1980 have encouraged state and local government to report service quality

and outcomes not just by using financial data alone (Wholey and Hatry, 1992).

Martin and Kettner (1997) attribute the development of performance measurement in the US government to five major factors namely: the Government Performance and Results Act (GRPA); the National Productivity Review (NPR); the total quality management movement; managed care; and the “service efforts and accomplishments” reporting initiatives of the GASB. The GRPA was passed in 1993 requiring that by the beginning of the fiscal year 1998, all federal departments in the US must begin reporting on effectiveness (outcome) performance measures.

The formation of the NPR was considered the most significant effort towards “reinventing government” in the US. Two major agendas of the NPR were the beliefs that government should be market-based and performance oriented. The main role of NPR was to expedite the implementation of GPRA and one of the effort towards this was the establishment of more than seventy five performance measurement pilot projects in thirty different federal departments. TQM in the US is not only a response but also a force in promoting performance measurement. Government administrators are not only concerned with providing service of some quality standard but are also conscious of quality performance measures of this service.

Managed care, a term associated with a variety of different ideas about health care delivery is seen as one of the major proponents where outcome performance measurement is actively practised. Based on experimentation over several years, the GASB has been active in requiring state and local government to come up with a reporting approach that goes beyond the traditional accounting and financial format. A result of this was a reporting tool that the GASB refers to as “service efforts and accomplishments (SEA)”. SEA reporting is regarded as the most important of the five forces mentioned above in promoting performance measurement in the public sector and it is predicted that SEA reporting will become a GASB requirement to all PSOs by at least the year 2000 (Epstein, 1992). SEA reporting is based on reporting on inputs, outputs, and outcomes. SEA reporting is divided into three main elements: service efforts; service accomplishments; and measures or ratios that are related to service efforts and service accomplishments.

Service efforts or input measures are related to financial (cost of providing a service/product) and non financial information (number of personnel required to perform the service/product or number of full-time positions equivalent required, or number of employee hours needed). Service accomplishments track down aspects related to general efficiency (outputs) and general effectiveness (outcomes) of the service. Output measures include service volume (quantity of a product or service provided) and quality standard (quantity of a product or service provided that meets quality standard). Outcome measures look at result or accomplishment or impact because of the product or service that has been provided. Service Efforts and Accomplishments Ratios is also an efficiency and effectiveness measures. It looks at resources utilised per outputs achieved (cost per output, hours worked per output or employee per output) and resources consumed to outcomes that has been generated (cost per outcome, hours worked per outcome or personnel per outcome). The former is an efficiency measure while the latter is an effectiveness measure (Martin and Kettner, 1997).

2.6.6 Key Concerns About Performance Measurement in PSO

The reviews of the literature on performance in a PSO suggest that assessing PSO's performance is not as clear cut as that of the private sector. In PSO it is seen that outcome measures are often ignored because they are difficult to measure despite the fact that in a PSO measurement of outcomes is of primary importance. It is projected that the performance measurement system in PSOs is haphazard, unstructured and fails to form part of the overall management process. Halachmi and Bouckaert (1994) point out that it is difficult to determine what should constitute inputs and outputs.

Wholey and Hatry (1992) comment that most reports on government performance still focus on resource expenditure, the quantity of service delivered and numbers served. They also report that few government agencies provide timely information on quality outcomes of their major programme. Lawton and Rose (1991) argue that although a large amount of data can be collected based on the indicators such as cost, productivity, utilisation rates, time targets and volume of service it is however meaningless if it is not compared with other data; comparison with other data over time, standards, intra-service, private service and other authorities need to be made to make it more meaningful.

Allen *et al* (1987) argue that “the most fundamental criticism of performance indicators has been that they focus on inputs and processes, but say little about output. In other words performance indicators are seen to concentrate on efficiency rather than effectiveness”. An example given, related to the above comment, was performance measurement of a university where it is easy to measure the number of lectures given, fees collected, number of rooms occupied but it is difficult to ascertain the effectiveness of the university in developing the intellect of its students.

These phenomena are similar to what is happening in the private sector. The focus has always been on measuring activities rather than results. Brown *et al* (1994) reported that until recently even the two most credible frameworks for the implementation of TQM, the Baldrige Award criteria and the criteria for ISO 9000, both promoted the method of keeping score. Roughly 650 out of 1,000 possible points in the Baldrige Award criteria were based on the activities and approaches used in the organisation. Only 350 points were based on results. The criteria asked for data on activities such as the number of teams that were formed and the amount of money spent on training related to quality. It was only in 1993 that the Baldrige Award revised its focus and start looking for data that demonstrate effectiveness such as asking whether training had resulted in improved performance rather than asking for the number of training that was given and the amount invested in it.

Jackson and Palmer (1989) suggested that it is useful to make a distinction between performance measures and performance indicators. Performance measures should be related to matters that can be measured precisely and unambiguously such as economy, efficiency and effectiveness. Even it is not possible to arrive at a precise measure, then a performance indicator would be the next best alternative. Performance indicators alert managers as to the state of performance they are in and thus can assist in highlighting to them the particular areas that need improvement or attention.

Rummler and Brache (1995) also highlighted the tendency of most PSOs in using indirect indicators or proxies as measures of performance. Thus of major concern is the accuracy and validity of these indicators in reflecting how the PSOs are actually performing. The debates of whether the tools used to measure performance are accurate (reliable and measuring the correct things) and valid (does the instrument measure what it is supposed

to measure/measuring the things correctly) are among the main topics that concern most PSO managers.

Halachmi and Bouckaert (1994) highlight the issue of the kind of perception commonly related with PSOs. The public generally had negative perceptions of PSOs and normally any errors with regards to managing in the PSOs are blown out of proportion. According to Halachmi and Bouckaert, the negative perceptions of a PSO's performance are formed more easily and are harder to change than in private sectors. In the private sector any problem with a product can be easily corrected by either recalling, repairing, or replacing the product but in the PSO this is not possible.

Smith (1995) points out that there is no consensus on what is meant by "performance" in the public sector. There is no consensus on what is to be measured. Each sector seems to have its own preoccupations and approach with regards to what is to be measured. Performance measurement in the public sector is also more complicated than in the private sector because of factors such as involvement of various agencies in the production and achievement of certain goals for the community and the variations in organisational environments of one PSO from the other.

2.7 Local Authorities/City Councils

2.7.1 Local Authority Structure

In Britain, the local government is basically split into two structures. The first one is called the single tier authorities. A single tier authority is an all-purpose authority that provides all local authority functions. A single tier authority is also known as unitary authority, metropolitan authority, city councils or for the authorities around London it is commonly called London Boroughs. The other type of local government structure is called the two-tier authorities. Here two separate councils split responsibilities between district and county levels. Currently there are 400 local authorities in England and Wales (Local Government Association, 1998c):

Single Tier Authorities

Wales:	22 Unitary Authorities
England:	33 London Boroughs
	36 Metropolitan Authorities
	47 English Shire Unitary Authorities

Two-Tier Authorities

34 County Councils
238 District Councils

Local government constitute a significant part of UK's service sector employing about 2.25 million people with an annual budget of more than £60 billion (Ghobadian and Ashworth, 1994). By 1998, the local authorities in England and Wales spent about £65 billion annually and employ more than 2.1 million people. Fifteen percent of local authority revenues are from council tax collection while the main source of budget is from central government grants (Local Government Association, 1998d). Cole and Boyne (1995) quote (Norton, 1994) who stated that Britain's local authorities are the largest local authorities in western Europe. A feature that differentiates local authorities from other PSOs is the presence of elected council members. These council members of the local authorities are expected to perform three main roles as politicians, representatives and board members (Audit Commission, 1990). Currently there is a total of 22,000 elected councillors serving in the various local authorities in England and Wales (Local Government Association, 1998d).

In 1982, the central government created an independent body, the Audit Commission to monitor local authorities in England and Wales. District Audits were appointed by the Audit Commission to carry out audits on its behalf and operate as an arms-length agency. The Audit Commission operates independently of the government and is self-financing. It receives no subsidy from the government and generates income from fees charged to local authority and other government bodies for audit work. One of the main roles of the Audit Commission is to collect and publish annually a list of indicators on the performance of local authorities, police and fire authorities (Audit Commission, 1998).

2.7.2 Services Provided by Local Authorities

The services provided by local authorities such as city councils are varied and complex. They range from providing social care services to housing, road construction and maintenance, rubbish disposal, providing sport and recreation facilities, library services, training, education, policing and many more. Local government is a very significant and vital institution in the framework of any society. Literally the services and facilities provided by local authority cover the citizen from "the cradle to the grave" (Kerley, 1994).

Unlike the private sector, the city council cannot pick and choose which services it wishes to maintain and which particular services it can ignore. Many services must be provided by law. Thus, most of these services have to be provided despite the uneconomic nature of

offering these services. To provide these services the local authorities depended on three principal sources of income: local taxation, charges from certain goods and services (entrance charges for swimming pools, and other facilities), and the largest parts of the funding are grants from central government (Elcock, 1994).

Pollitt (1993) considers central government and local government as an organisation under the direct control of elected representatives of the public, with the mandate to deliver services (and take other initiatives). They should not be simply concerned with just the provision of services paid for out of tax revenue but more important than this is that it needs to ensure that the needs of the people in the area they are representing are met. Kerley (1994) mentions that there are many services that need to be provided by local authorities. Being democratically elected, members are accountable to the communities which they represent and thus placed them in a position where they have to face demands and influences that are of various and even competing forms.

2.7.3 Management of Local Authority

The way local authorities organise themselves varies from one authority to another. However, due to the requirement of the law some universally similar patterns, forms and procedures can be detected. Figure 2.11 shows a typical structure of the internal organisation of a local authority. Basically, the elected council members formed the full council which managed the local authority and is supported by a number of committees and sub-committees (comprising small group of elected councillors). The senior officers and various department heads aided these committees in executing the policy and decisions made by the committees. The functions of these committees is to (Byrne, 1994):

- (i) Take particular interest in one area of local authority's work
- (ii) Supervise the administration of that area
- (iii) Formulate policies and decision on action to be taken
- (iv) Deal initially with any problems related to this area

2.7.4 Local Authorities's Regulating Bodies and Regulations

Local authorities in Britain are under the supervision of the Department of the Environment, Transport and the Regions (DETR). There are a couple of bodies which operate independently from DETR that regulate the activities of local authorities:

2.7.4.1 Local Government Commission (LGC)

The Local Government Commission (LGC) was established by the government under the Local Government Act 1992. It is an independent body under the direction of the Secretary

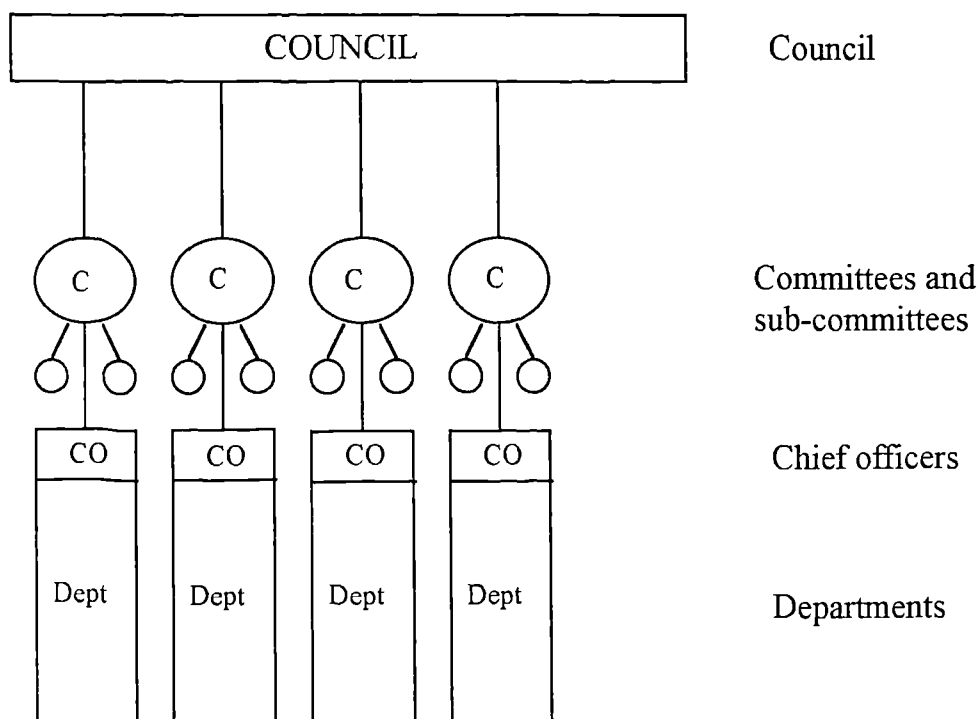


FIGURE 2.11: Basic Structure of a Local Authority
Source: Byrne (1994)

of State to review and make recommendations to the Government on whether there should be changes to the structure of local government, the boundaries of individual local authority areas, and their electoral arrangements. The main role of LGC is to undertake investigation and make recommendation for the development of local authorities in England (Leach *et al*, 1994; LGC, 1998a and LGC, 1998b).

2.7.4.2 Audit Commission (AC)

The Audit Commission (AC) is an independent body that looks into auditing local authorities in England and Wales (prior to this, local authorities were given the option of having their accounts audited by private accounting firms or the District Auditors). The AC

was established in 1982 but began work in April 1983. The Local Government Act 1992 extended the responsibilities of the AC to include reporting on an annual comparative performance indicator for all local authorities in England and Wales. The main functions of the AC are (Audit Commission, 1998):

- * to appoint auditors to all local government and National Health Service (NHS) bodies in England and Wales.
- * to set standards for those auditors through the “Code of Audit Practice”
- * to carry out national studies designed to promote economy, efficiency and effectiveness in the provision of local authority and NHS services
- * to define comparative indicators of local authority performance that are published annually

2.7.4.3 Local Government Association

Established in April 1997 the Local Government Association (LGA) with a membership from nearly 500 local authorities aims to achieve the following (Local Government Association, 1997):

- * enable all local authorities to speak with one voice
- * provide a national democratic leadership for local government
- * increase the role and influence of local government
- * establish better and more effective relationships with Government and Europe
- * seek more control for local government over its own affairs

2.7.4.4 Transfer of Undertakings Protection of Employment Regulations (TUPE)

The Transfer of Undertakings Protection of Employment Regulations (TUPE) is a European Community (EC) legislation which also affects the operation of local authorities particularly those activities with regards to CCT. TUPE ensures that employment protection exists to cover employees that would be considered redundant due to an organisation’s failure to win contracts. It allows for an economic entity capable of operating as a going concern to transfer from one employer to another (Robbie and Wright, 1996).

2.7.4.5 The Public Services Contracts Regulations 1993

The European Community Services Directive implemented in July 1993 in the UK (also known as The Public Services Contracts Regulations 1993) regulates the award of contracts for the public services and it also covers contracts awarded by local authorities. The aim of this regulation is to ensure that enterprises throughout the EC have an opportunity to

compete for such contracts on fair and level terms (Robbie and Wright, 1996).

2.7.5 Development in City Councils

Norris (1997) points out that four major government reorganisations have occurred in Britain over the past 35 years. The first one happened in 1965 when the Greater London Council and 32 London boroughs were established. The second wave of reorganisation occurred in 1974 when the overall number of local governments was reduced when those in the metropolitan areas were consolidated and new local government boundaries were drawn. The third stage of change occurred in 1986 when the Greater London Council and the six metropolitan counties established in 1974 were abolished. The latest change occurred recently (1991-1996) where a few unitary authorities were formed but on the whole no major changes have happened to the whole of the local government structure.

Elcock (1994) attributes some of these reorganisations to be due to the population movements experienced in most parts of the UK. Smaller authorities were unable to cope with the increased demand for their services while larger authorities expected that they should be given more power to absorb these smaller authorities under their control so that a much larger authority could be formed to enable more funds to be made available thus resulting in more services to be offered.

Elcock (1994) also observes that many functions that were traditionally performed by local authorities are slowly being taken and transferred elsewhere. Three main periods of removal of functions were detected. The first happened after the Second World War where functions such as the supply of gas and electricity was transferred to nationalised industries. The second major change occurred around early 1970s the role of providing water supply, sewage and related services were given to regional water authorities. During this time, local authorities also lost their health care functions. The third changes occurred in the 1980s where local authorities lost their function over providing public transport services.

City councils are also forced to change because of pressure on resources and on the increased expectation of the population on services to be provided to them as is the case in other PSOs. Due to the changing expectations of the service users and the constraint on resources to provide these services, local authorities are forced to make major changes in

both their organisational structure and working practices in order to cope. There exists a shift from the concept of administering public services to managing these services. Most local authorities are adopting current management approaches used in the private sector in the hope that similar successes, as experienced in the private sector, can happen in the public sector (Asquith, 1998 and Kerley, 1994).

Local authorities in the UK experience what is called the 'new public management (NPM)' of local government. There is a shift away from using the word "administration" to "management" when associating reform in local government. Lowndes (1997) cites that NPM promotes "direct accountability" to the users of public services through tools widely used in the private sector such as "service promises", "clients' charters" and "consumer choice". Walsh (1989) observes the following characteristics had emerged out of this NPM concept:

- (i) *Responsive*: local authorities are adapting their services to the changing and varied need of the communities.
- (ii) *Smaller and decentralised*: a shift of authority and responsibility from central government to the people who deliver the services and the creation of smaller units within large organisations to ensure that services can be provided faster.
- (iii) *Cooperative*: the involvement of other agencies and private sector in providing the services to the public.
- (iv) *Consumer-controlled*: the consumers/clients/citizens's opinion and influences were frequently obtained before the services are provided to them.
- (v) *Concerned with process*: attentions are given to the culture, system and process as compared to before where the concern was more on structure of the organisation.

According to Sanderson and Foreman (1996), Pollitt (1993) believes that as the scope for privatisation and spending cuts diminished over time, the emphasis of the reform turn to the management aspect. This is particularly so when seen with its connection to the introduction of the Citizen's Charter initiatives. A couple of themes were observed with regards to the development of managerialism:

- (i) Tighter control of spending (the introduction of 'cash limits' and the search of economies especially through staffing cuts
- (ii) Management responsibilities and functions have been decentralised and devolved with an increasing emphasis on 'cost centre management'
- (iii) Line management control is increasingly focused on results through setting standards and targets, performance indicators and performance-related pay.
- (iv) Increasing emphasis on improving service quality involving a focus on the wishes of individual 'consumers'

Sanderson (1992a) mentions that the Audit Commission (1988) consider a “well-managed” authority as the one which possesses the following attributes:

- (i) Understand the customers
- (ii) Respond to the electorate
- (iii) Set and pursue consistent and achievable objectives
- (iv) Assign clear management responsibilities
- (v) Train and motivate people
- (vi) Communicate effectively
- (vii) Monitor results
- (viii) Adapt to change

Lowndes (1997) cites that British local government has been subjected to a programme of radical restructuring since 1979 involving several hundred pieces of legislation. In responding to the various central government legislation, different strategies were observed ranging from resisting, undermining and adapting the changes introduced. For those who choose to adapt it, the common approach taken ranges from a focus on quality of service to market emphasis and to growth in multi-agency partnership.

Kawashima (1997) mentions Stewart and Stoker (1995) who cite that local government in Britain has been undergoing a major “revolution” which includes the tightening of budget, the reorganisation of local government and the reassessment of services that are provided (including charging for certain services that used to be free, contracting-out of works that used to be traditionally provided by the council themselves, and the increasing emphasis on assessing the performance of the city council through performance indicators as set by the Audit Commission). Appleby and Clark (1997) believe that changes in local government in Britain over the recent decades is driven by a combination of three main factors:

- (i) Legislative changes
- (ii) Government policy (moving away from traditional bureaucratic management models towards more enabling and responsive structures)
- (iii) Consumer demands for improved service quality

In response to the various initiatives such as Citizens Charter, Compulsory Competitive Tendering, Community Care and others introduced by central government, many local authorities adopted various forms of quality management into their organisations (Paddon, 1992; Redman *et al*, 1995; Sanderson, 1992b; Kerley, 1994; Chaston, 1995; Freeman-Bell and Grover, 1994a; Freeman-Bell and Grover, 1994b; Erridge *et al*, 1998 and Williams, 1998).

Brisco (1997) identifies that among the various PSOs, the implementation of quality management within the public sector is being spearheaded by local government. Nearly ninety nine percent of councils have introduced quality initiatives which range across all departments. According to Redman *et al* (1995) there is an increasing public statement from chief executives and consultants of local authorities proclaiming organisational transformation as a result of quality initiatives.

Many PSOs are now using ISO 9000 standards to define and improve their quality management systems particularly in formalizing many facets of their business that were previously informal. Previously there was no formal system to review what they were doing and how it can be done better. With a properly documented management system they believe their services can become more consistent. It also projects accountability and responsibility since ownership of the tasks are identifiable.

Freeman-Bell and Grover (1994a) found that as of autumn 1992 there were seventy authorities that have been awarded a total of 106 quality management certificates by third party auditors such as BSI QA, Construction Quality Assurance, SGS Yarsley Quality Assured Firms, and Lloyds Register Quality Assurance. However, this certification is for individual services rather than for an authority's quality management activities across a wide range of functions. The majority of the certificates (82 percent) were for quality management systems that meet the requirements of BS 5750 part 2 which deals with issues related to production and installation. Two-thirds of the certificates that were awarded were related to construction and civil engineering activities. Thirty two percent of the certificates were awarded to services that are subjected to CCT.

A survey conducted by Freeman-Bell and Grover in 1993 (Freeman-Bell and Grover, 1994a) on all local authorities in England and Wales where 23 percent responses were received from district councils (36 percent from county council and 15 percent from London boroughs and metropolitan councils) revealed that 55 percent of the respondents stated that they either had, or were in the course of developing, a quality management policy. Most respondents claimed to have some form of quality activity even though they stated that they did not have a quality management strategy. This survey also revealed that only 8 percent of the

respondents stated that they had a TQM system for at least one service.

The principal reasons for quality management certification in local authorities were (Freeman-Bell and Grover, 1994b):

- (i) To secure a marketing advantage particularly where a service is subject to CCT
- (ii) Conducted in response to client pressure
- (iii) To improve the service provided
- (iv) To improve organisation of services
- (v) To improve cost-effectiveness

Appleby and Clark (1997) quoted Leach *et al* (1994) and Stewart (1988) who reminded researchers that when considering quality management in local government it is important to remember the distinctive purposes, conditions and tasks of local government. Local authorities are different from other organisations by a number of features:

- (i) They are local election based which thus subjects them to public accountability.
- (ii) They are multipurpose organisations which require them to balance the different choices and needs of the local population.
- (iii) They are multi-contact organisations within the area of their responsibility.
- (iv) Their identity is gained from the area they are responsible for.

Ghobadian and Ashworth (1994) mention that performance measurement and review became popular in the local government in the early 1980s due to five primary reasons:

- (i) Pressure from the central government and the Audit Commission
- (ii) Greater public expectation and consumerism
- (iii) Compulsive competitive tendering
- (iv) Changing culture and attitudes among local authority managers; and
- (v) Loss of confidence

The importance of performance measurement became more apparent when the Local Government Act 1992 was introduced. The Local Government Act 1992 requires every local government to publish information in the local newspapers on their performance on certain performance indicators as determined by the Audit Commission. The Audit Commission then compiled this data and published a report that compared the local authorities' performance with one another (Audit Commission, 1998 and Bailey, 1998).

CCT was designed to ensure that PSOs undertake certain activities only if they can do so competitively. If city councils wish to continue providing services directly through their own employees, they must submit an in-house bid and compete with other bidders from the

private sector to offer the best value for money to the city council (Ogden, 1995).

Kerley (1994) cites that when the Conservative Government took office in 1979, they introduced three basic policies affecting PSOs in the UK. They wanted to see a reduction in expenditure, an improvement in efficiency and to limit the trade union influence on PSOs. This led to the introduction of the Local Government Planning and Land Use Act 1980. This Act was introduced to force most local authority's works (building constructions, major engineering and maintenance) to some form of market testing through competitive tendering. The 1980 Act requires local authorities to create Direct Labour Organisations (DLOs) so that a distinct separation can be made between the contracting arm of the authority and the client arm of the department that require the works to be done. DLOs are required to submit a tender and compete with other providers in the open market.

The introduction of the Local Government Planning and Land Act 1980 require local authorities to present separate annual reports and accounts for the activities of direct labour organisations (DLO). The idea behind this move was to ensure DLOs are operated efficiently through increased competition, by pre-estimating for work that is to be done, and by setting a required rate of return (Sparrow and Kirwan, 1983). When manual blue collar services such as building cleaning, street cleaning, refuse collection, catering (schools, hospitals, canteen, and welfare), and ground maintenance was subjected to CCT (Local Government Act 1988), local authorities responded by creating Direct Service Organisations (DSOs) as the entity to play the contracting role that would compete with private sectors.

In 1994, CCT was extended to cover non-industrial/professional/corporate service sections of local government thus imposing CCT compliance for services such as property management, architectural services, corporate and administrative services, legal services, financial services, personnel services and computing services (Putt, 1994). Sanderson and Foreman (1996) mention Stoker (1989) which gave a very comprehensive summary of the key characteristics of change in local government. Changes are said to have come in the form of competitive tendering and the development of contractual relations; devolved management; enabling rather than direct service provision; and inclination towards customer-orientation.

Hambleton (1996) observes that there is a considerable amount of exchange between Britain and America on urban policy and local government over the past 25 years. The social and economic problems faced by local authorities in Britain and USA are said to be similar. Both countries experienced an uneven impact of economic change and social problems (such outbreaks of urban violence and destruction). There are however some striking differences which provide plenty of opportunity for transferring and adapting approaches between these two countries.

2.7.6 Current Issues in Local Authorities

A review of the literature on local government highlighted a couple of issues pertaining to initiatives currently practised. In Britain, reforms of local government in Britain were initiated and carried out by central government. This is different from what is happening in the USA where the US's federal government has no direct role in local government. Local government are governed by the respective 50 states and thus the reforms and development are slow and not uniform when compared to the UK. However, Thomson (1992) mentioned that the United Kingdom has the most highly centralised political systems in Europe where many council leaders see themselves as little more than administrators of centrally determined local services.

Hambleton (1996) criticises the existing service committee system of local authority management as sacrosanct and slow and suggested that two models currently practiced by the US city government could be the answer to this problem: mayor-council form, in which the elected mayor has an executive power, and the council-manager form, where the council appoint a professional manager to run the council. In the British Government's White Paper "Modern Local Government - In Touch with the People" proposed three options to replace the 160-year-old local government committee system. It is believed that these new options would result in major improvements particularly with regards to speed in the council decision making process. The suggested choices are (DETR, 1998b and Arnold-Forster, 1998):

- (i) *A directly elected executive mayor with a cabinet*
The mayor will be elected by the local public and will appoint a cabinet from among the councillors.
- (ii) *Cabinet with a leader.*
The leader will be elected by the council, and the cabinet will be made up of councillors either appointed by the leader or elected by the council.

(iii) *A directly elected mayor and council manager.*

The mayor will be elected by the local public to give the political lead while the manager would deal with the administration aspect of the local authority.

Option 1 and 3 above are based on the US local government. Arnold-Forster (1998) argues that a directly elected mayoral system would result in making chief executives of local government forced into becoming backroom advisors. The option of having a city manager is attractive because it would make top officials more powerful. They would have greater powers over the management of the council's finances and staff.

With the introduction of CCT, the monitoring of the performance of DLOs and DSOs intensified and management of local authorities need to operate on a split system or use two hats where on the one end they need to play the role as the competitor for the service while on the other hand they have to act as the client who requests the service (Kane, 1996).

In a Local Government Management Board's (LGMB) report published in 1994, it is estimated the total value of local authority work under CCT contracts is about £2,150 million per annum, of which DSOs have won about 82 percent by value (Abbott *et al*, 1996). In research funded and managed by DETR, which runs from Autumn 1995 to the end of 1996 on the effect of CCT on blue collar services of local authorities, it was found that (DETR, 1997):

- (i) Annual cost savings
 - First round tendering - 6.5 percent
 - Second round tendering - 9 percent
 - Third round tendering - no saving
- (ii) Contracts were awarded to the lowest bidder in 85 percent of cases
- (iii) Three-quarters of local authorities believe that CCT resulted in producing a much clearer and more comprehensive service specifications.
- (iv) There is limited use of performance indicators among local authorities and these local authorities acknowledge that there is scope for considerable development of performance indicators.

With the various initiatives introduced there seem to be an inclination to judge the performance of managers of local authorities with their ability to bring down the cost of operating a local authority. According to Kerley (1994), the norm is to associate good managers with those who can do more with less. This is indeed a very inhibiting view of reforms in local government because all initiatives that were taken are ultimately judged by

the cost savings that can be generated rather than looking at the other aspect of performance such as customer satisfaction and effectiveness of the services provided.

Smyth (1997) cites that there is a tendency among government policy makers to assume that private sectors are more efficient than PSOs. There is also a tendency to believe that by applying management models commonly practised in the private sector, services could be improved and increased without any increase in spending when providing services to the public. The LGA believes that over the years the local government's standing has fallen. Many of the powers that local authority has enjoyed are now being taken away and passed to central government and Quangos. It feels that local authorities have lost the freedom to raise and spend money according to local needs (Local Government Association, 1997).

Elcock (1994) claims that local authorities are dogged by political and administrative resistance to change from powerful people and groups both within local government and on the national political stage. This politicking has hindered initiatives by management of these authorities.

Another issue currently facing local authorities is the use of performance indicators as required by the Audit Commission. Most local authorities are not happy with the performance indicators used by the Audit Commission to compare them with one another because they claim that they are not similar to one another thus making the comparison made by the Audit Commission unfair and unjustified. Smith (1995) quotes Carter *et al* (1992) who said that most commentaries on performance indicators note that the chosen indicators can only be proxies for the achievements of the public sector.

With regards to Best Value, White (1997) argues that the proposal of extending Best Value to many services not previously covered by CCT would result in an increased central government's interference and bureaucracy than CCT. It is argued also that Best Value would force local government to devote more time and money monitoring and weighing up the costs of services and less time and money on the actual services themselves.

Another critical issue facing local authorities in Britain today is the challenge of having the staff with the appropriate skills to match the changes that are happening. The LGMB

reports those local authorities (Sanderson and Foreman, 1996):

“require competent and skilled managers who cannot only inspire and lead their teams but can deliver quality and performance targets in a quasi-commercial environment”.

In a study recently conducted by the LGMB (Sanderson and Foreman, 1996) which sought to identify the emerging competences, skills and qualities required in local government found that many of the identified competences are of generic nature: leadership; strategic and change management; managing people and relationships; analytical skills and problem-solving; integrity, resilience and flexibility; decision making; communication, negotiation and influencing skills.

Sanderson and Foreman (1996) also found that other related studies, such as Leach *et al* (1993) on characteristics of good management in local government, arrived at similar findings. Staff in local authorities are expected to have the capacity to think creatively and critically and to be innovative. They must have a commitment to continuously improve and learn.

A very disturbing issue currently faced by many local authorities in Britain is the low turnout at local government elections. On average the turnout for Britain is between 39 percent and 53 percent in recent years (Hambleton, 1996). The interest in participating in local government is also low. In a study in Warwickshire for the County Council it was shown that just 18 percent of the local population would like to attend local meetings with Councillors to discuss local issues. A study that tracked actual participation in local government reveals that just 6 percent of the local population participated in local authorities' activities (Page, 1996). Rallings and Thrasher (1998) report that the average turnout for 45 contests in the July's 1998 by-elections was just 28 percent. A similar outcome was experienced for the October 1998 by-election (See Appendix 2.14).

Anon (1998) highlight another issue pertaining to local authorities in Britain. A report by Steve Leach, a professor of local government from De Montfort University, reveals that 90 UK councils (about a fifth of UK's local authorities) are 80 percent or more dominated by one political party. This raises the issue of viability of local democracy and whether public choice is adequately reflected in election. “One party” councils are said

to have the tendency to rubber stamp decisions, discourage debate and have no interest in innovation.

CHAPTER 3

SALFORD CITY COUNCIL

3.0 Introduction

This chapter provides an overview of SCC. SCC was chosen firstly because it fitted the description of a typical PSO that is actively practising QMS, CCT and performance measurement. Secondly, SCC was ideal for this research because the senior management of SCC were very willing and positive about subjecting SCC to research conducted by a postgraduate student who is independent to the organisation. SCC has also been supportive of many collaborative projects with the University of Salford. Thirdly, the Quality Assurance Officer, who is in charge of the QMS initiative at SCC, was very enthusiastic and constructive about this research. He believes that the findings from this research can assist SCC in improving its QMS initiative. Finally, SCC was chosen because SCC was located very close to the University of Salford which greatly facilitates the conduct of this research. The next chapter will describe the detailed methodology of this research and will provide further explanation why the two departments in SCC, namely PMD and PDPR, were used as a case study in this research.

3.1 Background

Salford City Council (SCC) was part of a group of ten councils collectively known as Greater Manchester (UK second largest city region and the home to more than 2.5 million people). The other city councils in this group are Bolton, Bury, Rochdale, Oldham, Tameside, Stockport, Trafford, Wigan and Manchester. Each city council is however, run exclusively by its own management structure. The Greater Manchester set up was created just to facilitate works and projects that would involve cross-council involvement or partnership (Salford City Council, 1997a). Figure 3.1 shows the local authorities that make up the Greater Manchester grouping.

The City of Salford lies at the heart of the largest and one the fastest growing areas in the UK outside London. It is located at the heart of North West England and is easily accessible to Britain's major cities; the City of London, Birmingham, Glasgow and Edinburgh are only

a few hours' drive from Salford. The City of Salford is linked with an excellent road, rail and public transport network which makes getting and going from the city very convenient. In terms of areas, Salford covers about 9,723 hectares and comprises of an estimated population of about 230,510 people in 1997 with a split of roughly 52 percent male and 48 percent female. Sixty one percent of the population are in the 18-64 age group (Salford City Council, 1997a; Salford City Council, 1997b and Greater Manchester Association, 1997).

Salford houses 6,300 businesses with about 85 percent of these employing 25 people or less. Textile manufacturing and the service sector are the key industries in the city with the banking and finance sector recording a considerable increase over the last 12 years.

Historically, Salford has some remarkable firsts. In 1889 for example, it was the first county borough to be established in the country. In the 1840s, Joseph Brotherton, Salford's Member of Parliament, was instrumental in the creation of the first Public Libraries Act of 1850. Salford was the first municipal authority in the country to establish a library, museum and art gallery (Salford City Council, 1996a). SCC is also proud to be involved with the English Partnership in a Physical Regeneration Strategy Development. This project is the first of its kind in England (Salford City Council, 1997c).

The new City of Salford was born on the first of April 1974. On April 1997, an extensive restructuring was carried out in order to keep pace with the changing needs of its community and customers. This was done after lengthy consultations with staff and Trade Unions. With these changes it is hoped that there would be more focus in its effort to provide an excellent service to the community and customers. Instead of having eleven departments in the old structure the council now have eight. These eight are now called directorates instead of departments. Currently there are 11,200 employees working for the council.

The services provided by SCC include education, public housing, social care, development control, highway maintenance and so forth. These are depicted by the name of the eight directorates in SCC: Chief Executive Directorates, Development Services Directorates,

Community and Social Services Directorates, Corporate Services Directorates, Education and Leisure Directorates, Environmental Services Directorates, Housing Services Directorate, and Personnel Services Directorates (Figure 3.2).

Like any other local authorities in Britain, the public involvement is represented by the elected members. As of June 1, 1997 the political make up of the SCC is 57 councillors from the Labour Party and 3 from the Liberal Democrats. SCC comprises of 20 wards which are grouped into 11 service delivery areas (See Figure 3.3). Each of these wards is represented by an elected council member. Appendix 3.1 and 3.2 show some other general statistics about SCC.

Various committees comprising of the elected council members and officers from SCC are formed to coordinate the various activities conducted by SCC. The formation of these committees is intended to ensure that the public opinions and aspirations are considered when activities are planned or carried out. Currently there are nine committees headed by an elected member. All the major decisions made by officers of the council must go through these committees for approval. The committees are:

- (i) Policy
- (ii) Planning and Development
- (iii) Education
- (iv) Environmental Services
- (v) Arts and Leisure
- (vi) Corporate Services
- (vii) Housing
- (viii) Personnel and Equal Opportunities
- (ix) Social Services

3.2 Strategic Plan

In 1997, SCC produced its first strategic plan to provide a framework for it to plan the overall direction of the city for the next 10 years (1997-2007). SCC believes that by developing this strategic plan it can remain focused in its effort to render quality services which benefit local people. The strategic plan would help to provide a common set of aims and objectives for SCC to achieve its mission statement which is written as “to create the best possible quality of life for the people of Salford” (Salford City Council, 1996b).

District Profiles



FIGURE 3.1 Map of Greater Manchester
Source: Greater Manchester Association of Metropolitan Treasurers (1997)

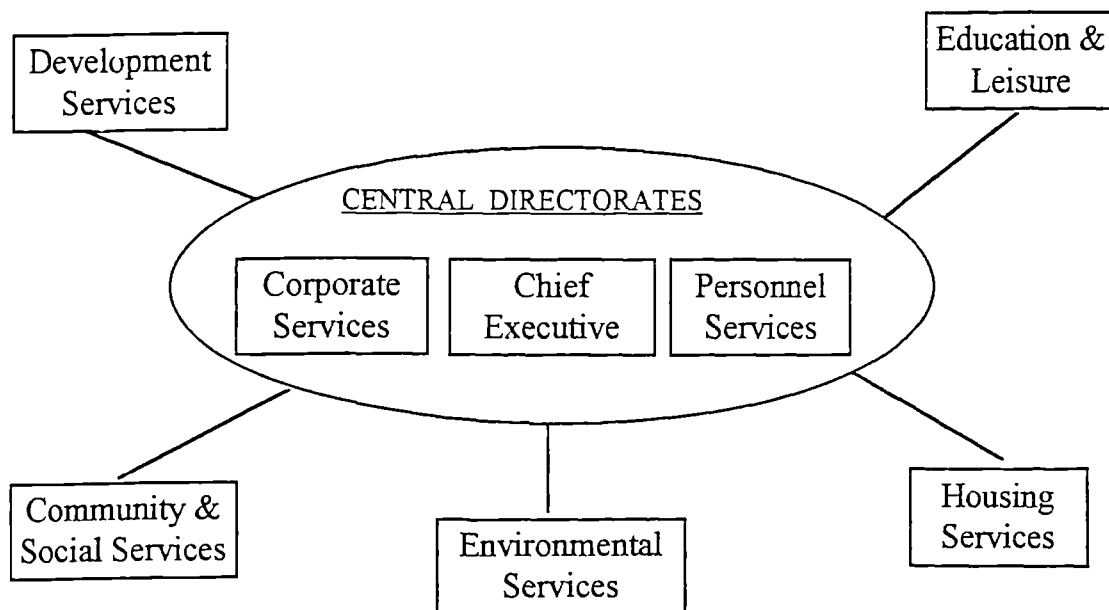


FIGURE 3.2 Salford City Council's Directorates

WARD BOUNDARY'S AND SERVICE DELIVERY AREAS



FIGURE 3.3 Ward Boundary's and Service Delivery Areas
Source: Salford City Council (1996b)

Appendix 3.3 shows the detailed description of SCC's strategic plan. Three broad aims were identified focusing around people, the city and the services it is providing.

3.2.1 People Issues

The broad aim centring around people issues is:

- * to work towards balanced sustainable communities by encouraging good citizenship
- * to develop equal opportunity
- * to ensure the best standard in personal and social care
- * to provide the highest quality in learning and development
- * to ensure excellent employment prospects and
- * to ensure that recreation, leisure and cultural enhancement opportunities are available.

3.2.2 The City

SCC aims to make Salford a place where people want to live and work. To make this aim achievable, SCC works towards making Salford a safer place and environmentally clean, healthy and sustainable. Efforts are also initiated to maximise investment in the city and to exploit new ideas that can benefit the people. By working together with the private sectors, other agencies and communities, SCC strives to achieve all of the above but at the same time ensuring that there is a balance between development needs and environmental quality in the city. SCC also aspires to make Salford a city of national importance.

3.2.3 Service

With regards to service, its aim to deliver quality service that meet the needs of the people in the best possible way through ensuring the provision of services that are accessible, welcoming, caring, affordable, responsive and meet the needs of the people. It wants to involve the community and citizens through consultation and participation in defining, planning and delivery of services. SCC identified ten corporate objectives out of the three broad aims to guide it into achieving its plan:

- (i) Ensuring the best possible standards of personal health and social care for individuals, families and communities in the City.
- (ii) Giving the people within the City the opportunity to live in a good quality home.
- (iii) Continuing to raise aspirations and achievements by providing learning and development opportunities of the highest quality.
- (iv) Ensuring excellent employment prospects and high quality job opportunities for the people of Salford.

- (v) Ensuring the City provides opportunities for recreation, leisure and cultural enhancement.
- (vi) Making Salford a safer place.
- (vii) Ensuring the City has a clean, healthy and sustainable environment.
- (viii) Ensuring maximisation of investment.
- (ix) Balancing development needs and environment quality within the City.
- (x) Promoting Salford as a City of national importance.

Each directorate within SCC has its own detailed plan called a Service Plan (SP) that outlines each of the respective directorate's role in achieving its main strategic plan. The Service Plan, which is reviewed annually, contains the key service objectives and targets for the year. It also describes how the specific services within each directorate would be delivered. Appendix 3.4 shows Development Services Directorate's Service Plan for 1998/1999.

The views of the local public are also considered. SCC consulted the public by creating various committees involving the public and the various directorates. Each Service Delivery Area has a Community Committee which is required to produce what is called the Community Action Plans (CAPs) containing the public's aspirations and needs.

The council itself has in each directorate a Strategic Development Team (SDT) consisting of key officers in the respective directorates. These SDTs are a vital element because they provide SCC with an outlook into the development and progress of each respective directorate in achieving the overall strategic plan of SCC.

Besides these, SCC also formed various performance review subcommittees to monitor progress made concerning its strategic plan. Each directorate has a performance review subcommittee comprising of the elected members and the officers from the city council. SCC considers these performance reviews important because they provide them the opportunity to revise and restructure its strategy to meet the dynamic nature of the environment. These committees meet every quarter to monitor progress at four levels:

- (i) Strategic: To ensure that SCC is heading in the right overall direction.
- (ii) Service: To check whether services are delivered in the appropriate manner.
- (iii) Area: To determine that the desirable local impact is achieved.

- (iv) Individual: To ensure that employees of SCC obtain the appropriate support and direction.

3.3 Development Services Directorate

The Development Services Directorates is a multi-disciplinary directorate consisting of mainly professionals such as planners, engineers, architects, and valuers. There are about 480 staff in these directorates that provide services which can generally be classified as activities associated with the development and well-being of the city. The services range from regulating the development and use of land and buildings to highway maintenance and services (Salford City Council, 1997c).

Five sections under the Directorate of Development Services are officially adhering to CCT requirements. The sections that are subjected to CCT are Engineering Design, Architectural Services, Engineering and Highway Administration, Property Management, Property and Development Administration, and Architectural and Landscape Design. Even though the other sections in the directorate are not subjected to CCT, they use operating procedures which are based on CCT even though it is not officially required to do so. The management believes that having all of its units complying with CCT guidelines will make it more efficient and effective. A third party audit will provide an independent review of what is done and whether it complies with what is documented. An audit by an outside organisation according to SCC will also help in initiating new ideas since they provide inputs and comments from a different angle. This is a vital process for continuous improvement efforts.

3.3.1 Management Structure

This directorate is headed by a Director who is also the Deputy Chief Executive of SCC. There are four divisions in these directorates namely: Engineering and Highway Division, Property and Development Division, Planning and Building Control Division, and Business and Support Services Division (See Figure 3.4). The leaders of each division are called Head of Profession.

Within these divisions, the numerous services offered by the directorate are organised into the following 12 sections:

- | | |
|---------------------------------|---|
| (i) Development Control | (vii) Property Management Department |
| (ii) Building Control | (viii) Property Development and Property Review |
| (iii) Forward Planning | (ix) Architectural and Landscape Design |
| (iv) Development Section East | (x) Engineering Design |
| (v) Development Section West | (xi) Highway Maintenance |
| (vi) Traffic and Transportation | (xii) Business Services |

This research will focus on comparing the Property Management Department (PMD) with the Property Development and Property Review Department (PDPR) of the Property and Development Division (P&D). The P&D Division is responsible for estate management, property development and valuation advice relating to SCC's commercial property portfolio (generating an annual rent in excess of £4.5 million). This division also provides a full estate management service for Greater Manchester Police Authority (GMPA). This division is divided into four sections: Property Management Department (PMD), Property Development and and Property Review Department (PDPR), Architectural and Landscape Design Department, Property and Development Administration and Development Department (See Figure 3.5).

3.3.2 Property Management Department (PMD)

PMD is one of the earliest departments in the Development Services Directorate to be subjected to CCT. The main function of this department is to provide a comprehensive valuation and estate management service for the SCC. This department manages a wide range of land and property including industrial, retail, office and markets. The main areas of work include the following:

- * Disposal of surplus land and property (including valuation of the council's and GMPA's housing stock)
- * Letting and management of land and property
- * Negotiating rent reviews and lease renewals
- * In-charge of building repair and maintenance (excluding residential properties)

Figure 3.6 shows the set up for Property Management Department. This department is headed by a manager and assisted by a principal surveyor and two team leaders. There are 6 people in Management Team (North), 5 people in Management Team (South), 4 in Corporate Unit, and 3 in Property Unit making a total of 18 staff. This department contains

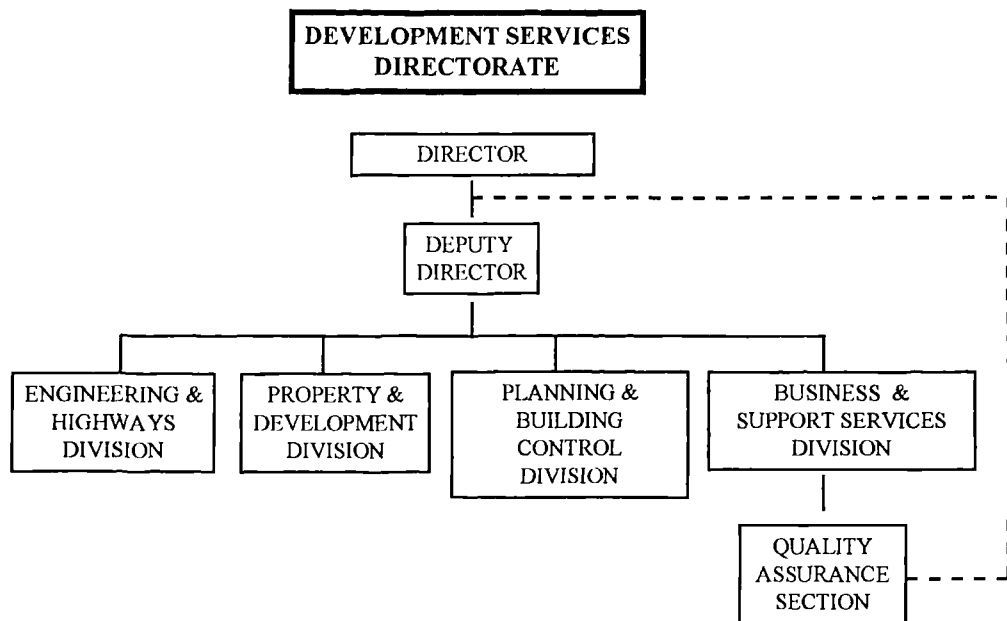


FIGURE 3.4 Development Services Directorate

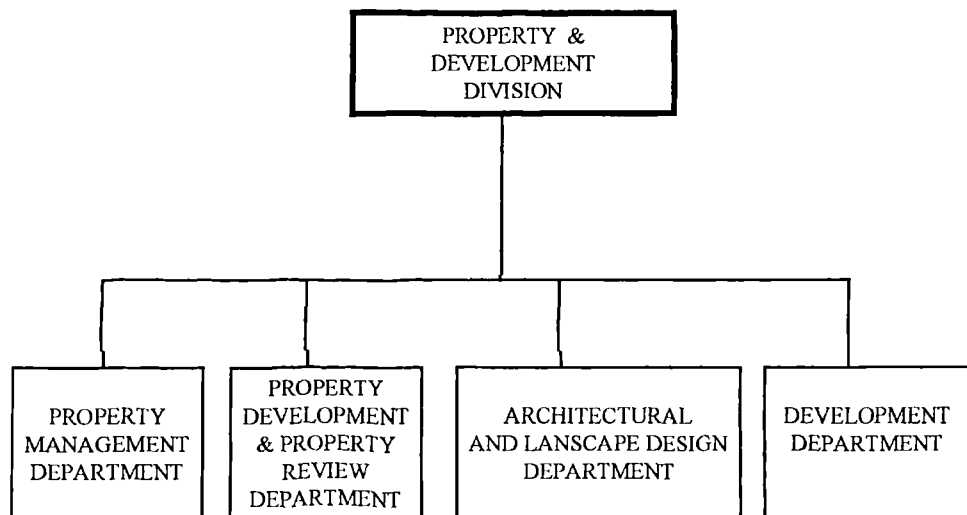


FIGURE 3.5 Property & Development Division

two other units, the Premises Unit and Education Unit, which however, is not subjected to CCT. All the work carried out by the PMD is certified to a quality assurance standard of BS EN ISO 9002.

3.3.3 Property Development and Property Review Department (PDPR)

The key role of the PDPR Department is to maximise the effective use of land and property of SCC. The aims of this department are to generate capital and revenue income through the development of land and buildings while at the same time it attempts to minimise expenditure through the effective use of property. Currently this department is marketing a number of sites for commercial or residential purposes. The main activities of this department can be characterised by the following:

- * Property review of SCC's land and buildings with the aim of maximising utilisation and releasing as surplus, which when disposed, can generate income for the city
- * Property development through correct, proper and beneficial development (sale or lease) of surplus land and buildings
- * Valuation and acquisition service of all land and property of SCC
- * Property Information (maintaining records of all land and property with SCC)

PDPR is led by a manager and assisted by a principal development and property review surveyor and three team leaders/assistant managers. The staff in this department are divided into four teams as seen from Figure 3.7.

One group specialises on the development issues, another group is assigned with property review work, another team is in charge of property information and a special unit is assigned to take care of council property at the Salford Quays. The total numbers of staff is 13 with 4 in the Development Unit, 2 in the Property Review Unit, 5 in Property Information and 2 in Quays Estate Unit. The PDPR Department is not subjected to CCT and does not practise a quality assurance system.

3.3.4 Quality Assurance Section

SCC has initiated its quality journey by having a Quality Assurance system in place five years ago through the Development Services Directorates. The Quality Assurance Section is managed under the Business and Support Services Division. The Development Services

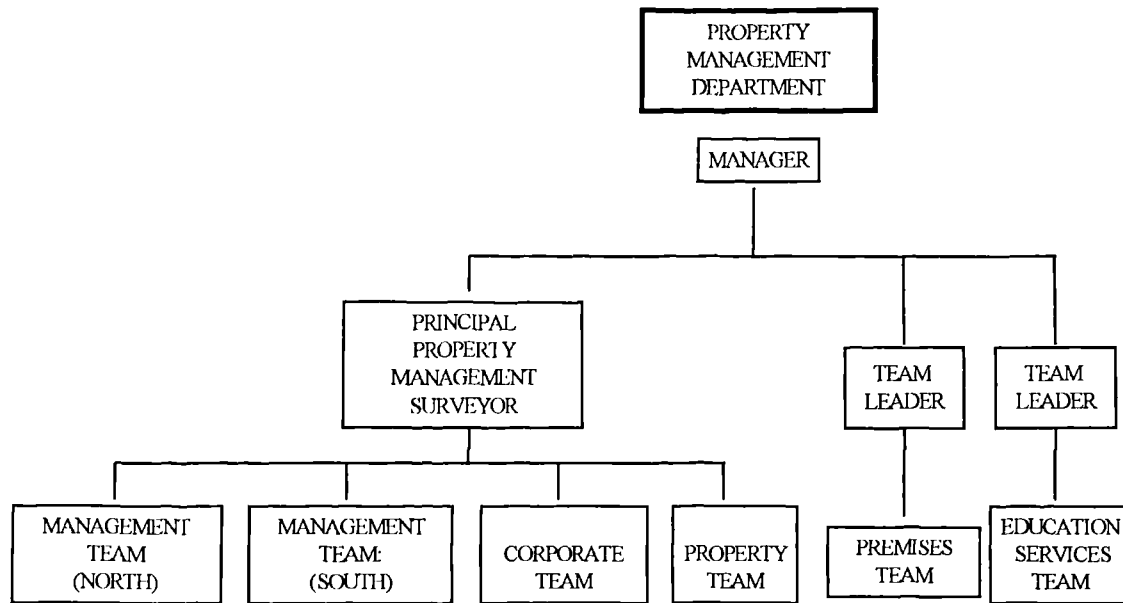


FIGURE 3.6 Property Management Department

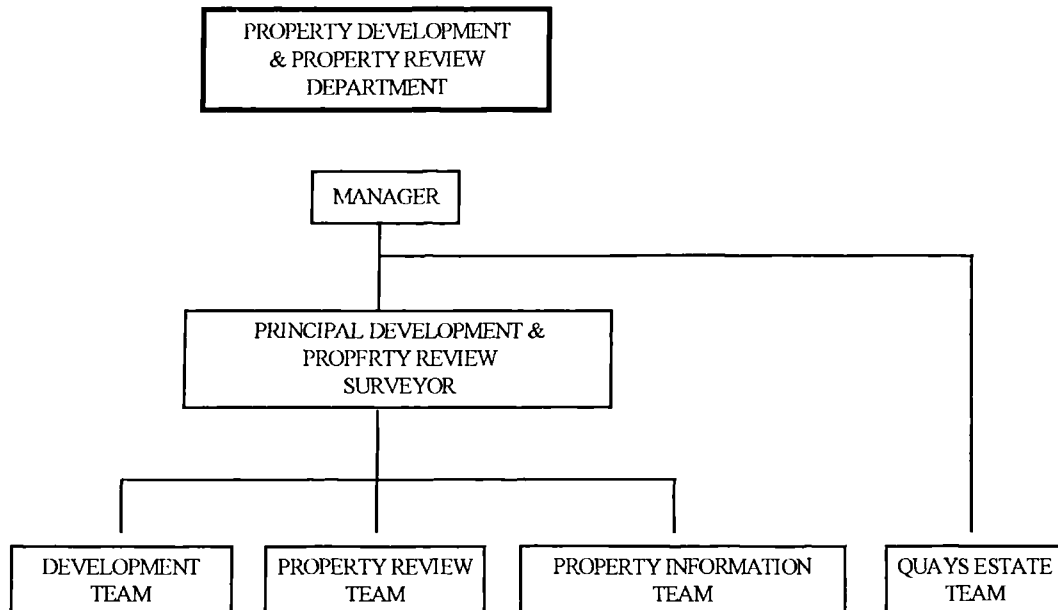


FIGURE 3.7 Property Review & Property Development Department

Directorate is the only directorate in SCC that has an official quality assurance system in place.

The quality assurance system was introduced in SCC due to the need to equip SCC with the requirements of Compulsory Competitive Tendering (CCT). It was first implemented in the Engineering Division of Technical Services Department (now known as Development Services Directorate).

As more units were subjected to CCT's requirements, a Quality Assurance Unit was formed to ensue that the quality assurance's initiatives were more organised and coordinated. A Quality Assurance Officer, who has a vast experience in implementing quality assurance in the private sector, was appointed to head this section. A Graduate Quality Assurance Officer was hired in September 1997 to assist the Quality Assurance Officer in developing and maintaining the Quality Assurance initiatives at the directorate. Although currently there are only two staff in the Quality Assurance Unit, this unit is supported by numerous internal auditors comprising of the various officers in the directorate trained by the Quality Assurance Unit.

The Quality System practised was initially based on the British Standard for Quality Systems BS 5750 (Part 1) which later was changed to BS EN ISO 9001. Appendix 3.5 provides a detailed description of the quality management systems at the directorate. As of October 1997, the Quality Assurance Unit has been successful in getting seven units certified by an independent third party auditor, National Quality Assurance (NQA). The Quality Assurance Unit plan to have all the units in Development Services Directorate to be certified by NQA by the year 2000.

3.3.5 Development Services Directorate's Performance Review Sub-Committee

Development Services Directorate assign a special officer to look into the monitoring of performance with regards to the Audit Commission requirements in the directorate. This officer, the Contract Validation Officer, compiled all the reports submitted by the various sections and units in the directorates and presented them in the quarterly meeting of the

Performance Review Sub-Committee. The elements that are currently being monitored are factors such as planning applications, building applications, landscape schemes, bridges, roads, sewers and buildings.

3.4 Quality and Competitive Services Unit

A special unit under Chief Executive Directorate called the Quality and Competitive Services Unit was formed to monitor SCC's performance with regards to requirement for quality and competitiveness. This unit was originally formed in response to CCT but later its roles were extended to look into the requirement of Best Value. The main objectives of this unit as stated in its SP are:

- (i) To develop, monitor and review the Performance Review Process to enable Elected Council Members to make informed decisions regarding priorities, particularly with regard to the budget process.
- (ii) To investigate and make recommendations regarding the demonstration of "best value" in close liaison with Officers, Elected Members, trade unions, staff and the District Auditor.
- (iii) To comply with 100 percent of all statutory and contractual requirements for the letting of CCT contracts; and ensure that there are no successful claims of anti-competitive behaviour against the City Council.

3.5 Other Initiatives

The council is also involved in Community Strategy, Investors In People program (IIP) and Business Excellence Model. Like many other local authorities, SCC is gearing itself up in tune with the government plan to introduce Best Value to replace CCT.

The major focus of the directorate is to prepare itself for Best Value. The directorate is also actively developing itself in fulfilling the government aims of sustainable growth. A Regeneration Strategy was produced in 1998 which encompassed the sustainable growth issues and design with collaboration from many other agencies in the city (Salford City Council, 1998b).

CHAPTER 4

RESEARCH METHODOLOGY

4.0 Introduction

A research methodology is a systematic and orderly approach taken towards the collection of data. There are four basic methods in research: case study, historical review, experiment and survey. There is no definite rule as to which one to select when doing research. It all depends on the nature and scope of the thesis, the sources of the data, the research questions and hypotheses or proposal, and constraints and scope of the research (Jankowicz, 1993; Yin, 1994; Robson, 1994; and Bell, 1993).

4.1 Methodological Rationale

This study is exploratory, explanatory and descriptive in perspective. As has been mentioned in chapter 1, this research seeks to probe the link between a quality management system and performance in a PSO. A local authority is used as a case study in an attempt to investigate this link. This research is interested in knowing the “what,” “why” and “how” issues related to quality management and performance. Yin (1994) and Robson (1994) recommend that for research projects that are of this nature and that focus on the “what”, “why” and “how” questions, then the case study approach would be ideal. Bell (1993) quotes Bassey (1981 and 1985) who stress the relatability of a case study is more important than its generalisability.

The author is aware of other research approaches that can be employed. As has been acknowledged in Chapter 1, quantitative research would be able to project the general pattern and common properties in the sample being studied. This research was however not focused on finding that sort of data but was focused on acquiring in depth data and evidence on explaining what is currently happening in PSOs using a city council as a case. Gummeson (1991) cites that while quantitative research is concerned with issues such as how much, how often and how many, qualitative research on the other hand is concerned with identifying certain phenomena based on an in-depth exhaustive investigation and analysis.

Jankowicz (1993) cites that the advantage of case study research is that it will enable comprehensive and informative data to be generated. Bell (1993) states that:

“Researchers adopting a qualitative perspective are more concerned to understand individuals’ perceptions of the world. They seek insight rather than statistical analysis”

A case study on a city council was chosen because a local authority is a key sector in the public sector and is one of the few PSOs that is actively experimenting on implementing a quality management system and performance measurement. Local authorities, police and fire authorities are the three main UK PSOs that are subjected to mandatory reporting of their performance from year to year based on a list of indicators as set by the Audit Commission (Audit Commission, 1998).

4.2 Conceptual Framework

A research design (or a plan) is the logic that links the data to be collected (and the conclusions to be drawn) to the initial questions of a study. A research design is an action plan for getting from here to there, where *here* may be defined as the initial set of questions to be answered, and *there* is some set of conclusions (answers) about these questions (Yin, 1994). Research design provides the link between the questions that the study is asking, the data that is to be collected and the conclusions drawn (Robson, 1994).

According to Yin (1994), a leading expert on case study type research, unlike other research strategies, a comprehensive “catalogue” of research design for case studies has yet to be developed. He endorsed that for case studies, the following five components of a research design are especially important: a study’s questions, its propositions/purpose (if any), its unit(s) of analysis, the logic linking the data to the propositions, and the criteria for interpreting the findings. It is also stated that the last two components are the least well developed in case studies.

For this research, the five components of the conceptual framework will be dealt within the following sections. The study’s questions will be dealt within Section 4.3. Yin (1994) stresses that for an explanatory type case study the requirements to state the purpose or

propositions for the case study research are not necessary. However, for this research the author would like to recall the reader's attention to Section 1.3.1 and 1.3.2 (Aims and Objectives) which touch on this matter. The unit of analysis will be explained in Section 4.4. Section 4.5 will discuss the method of data collection and research instrument and how it links to the research questions. Section 4.6 will explain the criteria used for interpreting the findings and analysis of data.

Yin (1994) quotes Kidder and Judd (1986) who state four tests that are commonly used to judge the quality of research design:

Construct validity:	establishing correct operational measures for the concepts being studied
Internal validity:	establishing a causal relationship, whereby certain conditions exist which leads to other conditions, as distinguished from spurious relationships
External validity:	establishing the domain to which a study's findings can be generalized
Reliability:	demonstrating that the operations of a study if repeated - such as the data collection procedures can be repeated, with the same result

Generally, validity can be summarised as the accuracy with which the survey measures what it is supposed to. Reliability can be defined as the precision, or consistency, of measurements from interview to interview of the data collected by each interview mode (Frey and Oishi, 1995). To achieve the requirement for the validity and reliability, this research employed the use of the multiple source of evidence approach in collecting the data. This is in line with the recommendation made by Yin (1994). The detailed process with regards to the validity and reliability questions to this research will be discussed in detail in Section 4.5. As has been indicated, the conceptual framework for this research was guided by the principles stated in the cited literature in this chapter. The diagram showing the overall framework of this research is available in Appendix 1.1.

4.3 Research Questions

The broad aim of this research was to investigate the link between performance and quality management system/quality of service in a public sector setting. A list of research questions was developed from the literature. These research questions were then used as the basic

questions, asked in the interviews, with the various groups. Table 4.1 shows the list of research question and its link to the objectives of this research.

Table 4.1 Link between research objectives and research questions

Objectives	Research Questions	References
1. Investigate the effect a quality management system has on performance in a PSO 2. Study how a quality management system was implemented in a PSO	<i>How a quality management system is implemented?</i>	(Weeks <i>et al</i> , 1995; Asher, 1992, Munro-Faure and Munro-Faure, 1992; Oakland, 1996; Goetsch and Davis, 1995; Ho and Fung, 1994; Ho and Fung, 1995; Dale <i>et al</i> , 1994, Deming, 1986; Juran, 1988; and Crosby, 1984)
	<i>What are the critical success factors to quality management implementation?</i>	(Oakland, 1996; Deming, 1986; Juran, 1988; and Crosby, 1994)
	<i>What are the common problems faced in establishing quality management?</i>	(Dale, 1991; Crosby, 1994; Sadgrove, 1995; Mears and Voehl, 1995; Whalen and Rahim, 1994, Lau and Anderson, 1998; Mizaur, 1992; Koehler and Pankowski, 1996; Smith, 1993a; Lin and Ogunyemi, 1996; Swiss, 1992; and Sayle, 1994)
	<i>What are the forces that drive the need for implementing quality management?</i>	(Dale, 1991; Dale <i>et al</i> , 1994; Morgan and Murgatroyd, 1994; Crosby, 1994; Smyth, 1997; Paddon, 1992; and Eddridge <i>et al</i> , 1998)
	<i>What are the views of the top management, employees, and customers with regards to quality management systems?</i>	(Bohan, 1995; Munro-Faure and Munro-Faure, 1992; Berman and West, 1995; Deming, 1986; Juran, 1988; van der Wiele, 1996; and Crosby, 1994)
	<i>What are the effects of a quality management system?</i>	(Deming, 1986; Juran, 1988; Crosby, 1994; Peter, 1992; Grant <i>et al</i> , 1994; and Dale <i>et al</i> , 1994)
3. Study the impact of CCT on performance	<i>What is the impact of CCT on the organisation?</i>	(White, 1997; Smyth, 1997; Kane, 1996; Elcock, 1994; Sanderson and Foreman, 1996, Kerley, 1994; Abbott <i>et al</i> , 1996; Anon, 1997b; Adonis, 1992; Young, 1996; and Fenwick <i>et al</i> , 1994)

Objectives	Research Questions	References
4. Identify the key performance measures used in a PSO	<i>How does the organisation measure its performance?</i>	(Parasuraman, 1988; Oakland, 1996, Ovretveit, 1993; Edvardsson <i>et al</i> , 1994; Wholey and Hatry, 1992; Zairi, 1994; Butt and Palmer, 1985; Meckings, 1995; Crawford <i>et al</i> , 1988; and National Performance Review, 1997)
	<i>What sorts of factors/information are collected?</i>	(Oakland, 1996, Ovretveit, 1993; Edvardsson <i>et al</i> , 1994; Diamond <i>et al</i> , 1997; Flood, 1994; Rogerson, 1995 and Brown <i>et al</i> , 1994)
	<i>Why are performance measurements taken?</i>	(Atkinson <i>et al</i> , 1997; Cupello, 1994; Oakland, 1996; Gordon, 1992; and Brown <i>et al</i> , 1994)
	<i>Who determines these performance criteria?</i>	(Oakland, 1996, Ovretveit, 1993; and Edvardsson <i>et al</i> , 1994)
	<i>What are the mechanisms used by these PSOs to record customer satisfaction and employee satisfaction?</i>	(Oakland, 1996, Ovretveit, 1993; Edvardsson <i>et al</i> , 1994; and Zairi, 1994)
	<i>Are there any relationships between customer satisfaction and performance?</i>	(Rummler and Brache, 1995; Butt and Palmer, 1985; Oakland, 1996, Ovretveit, 1993; Edvardsson <i>et al</i> , 1994; and Zairi, 1994)
	<i>What are the management, employee, and customers' views on the public's perception and expectation of the city council?</i>	(Hambleton, 1996; Thomson, 1992; Kane, 1996; Arnold-Forster, 1998; Smyth, 1997; Elcock, 1994; Sanderson and Foreman, 1996, Redman <i>et al</i> , 1995; and Anon, 1998)
	<i>What is the opinion of management, staff, and immediate customers on how the public judge the performance of a city council?</i>	(Anon, 1998; White, 1997; Hambleton, 1996; Kerley, 1994; Local Government association, 1997; Kane, 1996; Arnold-Forster, 1998; Smyth, 1997; Elcock, 1994; Sanderson and Foreman, 1996, Freeman-Bell and Grover, 1994a; Freeman-Bell and Grover, 1994b; and Redman <i>et al</i> , 1995)

4.4 Unit of Analysis/Sampling Strategy

The subjects of this study are the two sections, the Property Management Department (PMD) and the Property Development and Property Review (PDPR), in the Development Services Directorates (DSD) of the Salford City Council (SCC), England. The PMD consisted of 18 staff distributed into four teams: Management Team (North), Management Team (South), Corporate Unit, and Property Unit. The PDPR has 22 management and staff located into the following units: Development Unit, Property Review Unit, Property Information Unit, and Quays Estate Unit. See Table 4.2 and 4.3.

Table 4.2: Property Management Department

Units:	Total Number of employees
Management Team (North)	6
Management Team (South)	5
Corporate Unit	4
Property Unit	3
<i>Plus:</i> Manager & Assistant Managers/Team Leaders	4
TOTAL	22

Table 4.3: Property Development and Property Review Department

Units:	Total Number of employees
Development Unit	4
Property Review Unit	2
Property Information Unit	5
Quays Estate Unit	2
<i>Plus:</i> Manager & Assistant Manager/Team Leaders	5
TOTAL	18

The PMD was chosen because it was the first section to establish a quality management system in the council and it is also subjected to CCT. PDPR Section was selected due to several reasons. Firstly, it performs a similar function to the PMD. Secondly, the number

of staff in this department is similar to PMD. Thirdly, PDPR does not practise a quality management system and finally it is not subjected to CCT.

All the management of the departments being studied were interviewed. For the staff, a simple sampling strategy was used to identify those staff in these two sections that were to be interviewed. It was not necessary to interview all the staff since the simple sampling strategy would be sufficient to represent the data required for this study. Consideration was made that those selected to be interviewed would represent a fair distribution of employees in these two sections. Selection of the respondents was based on the number of years they have been working with the council, their age and gender. By not interviewing all the staff would enhance the anonymity of the staff cooperating in this research. If some staff were interviewed and some were not, then it would be difficult for management to identify who actually cooperated in this research. To further protect the identity of the respondents, each respondent was allocated a code number. In PMD, a total of 17 people was interviewed (four members of management and thirteen staff). Table 4.4 shows the breakdown of staff interviewed in the PMD. For the PDPR, 14 out of 18 personnel were interviewed (five members of management and nine staff members). Table 4.5 shows the distribution of staff interviewed in the PDPR. Table 4.6 summarises the number of respondents for each of the department being studied.

Table 4.4: Number of management and staff interviewed in Property Management Department

Units:	Total Number	Number of respondents
Management Team (North)	6	3
Management Team (South)	5	5
Corporate Unit	4	2
Property Unit	3	3
<i>Plus:</i> Manager & Assistant Managers/Team Leaders	4	4
TOTAL	22	17

To further evaluate the link of quality management systems with performance and the impact of CCT, the views of the immediate customers of these two departments were conducted. These immediate customers consisted of the other seven directorates in

SCC. A representative from each of the directorates was identified and selected based on two sources: feedback from top management of the various officers mentioned above and feedback from management and staff of the two departments being studied (personnel that they considered as the persons that they frequently dealt with).

Table 4.5: Number of management and staff interviewed in Property Development and Property Review Department

Units:	Total Number	Number of respondents
Development Unit	4	3
Property Review Unit	2	2
Property Information Unit	5	3
Quays Estate Unit	2	1
<i>Plus:</i> Manager & Assistant Manager	5	5
TOTAL	18	14

Table 4.6: Unit of Analysis

Units:	PMD	PDPR
Management	4	5
Other staff	13	9
TOTAL	17	14

To obtain a general perspective on quality management and performance measurement initiatives in general, the top management of the various directorates were interviewed.

Opinions and views of officers who were assigned with specific important roles with regards to quality management systems, performance measurement, and other initiatives seen as related to quality management and performance were also solicited.

4.5 Methods and Instrument of Data Collection/ Research Instrument

A case study was undertaken as a means of accomplishing the stated objectives of this research. To satisfy the requirements for the research's validity and reliability, this research employed the use of multiple sources of evidence when collecting data. Yin (1994) quoted

Marshall & Rossman (1989) who suggested that a researcher using the case study approach can use six major sources of evidence: documentation, archival records, interviews, direct observations, participant-observation and physical artifacts. For this research, three basic sources were used namely interviews, documentation, and observation.

The interviews involved using a structured interviewing technique that consisted of open ended and closed questions. The open-ended questions were necessary to ensure that the exact opinions and views of the respondents were captured. The series of questions used in the interviews was developed based on the information from the literature review and from initial interviews with key personnel at the SCC. The questions were designed to gather the required data related to the aims, objectives and research questions as listed in Section 2.3.

To further ensure that the validity and reliability issues were addressed completely, the draft of the semi-structured interview was submitted to the head of the quality management system of the council. On the basis of his comments and suggestions, some inputs were included.

In an effort to develop a more reliable instrument and to render the instrument operationally valid, pilot tests of the interviews were also conducted. Management and staff of the Engineering and Highway Division were used to pilot the questions that were to be asked during the interviews. The Engineering and Highway Division consisted of departments that matched similar criteria to PMD and PDPR. Management from the Architectural Services, Landscape Group, and Development Section of Property Development and Development Division (who are immediate customers of PMD and PDPR) were used as pilots to test the questions intended for immediate customers of PMD and PDPR. Feedback and experiences from the pilot tests resulted in some of the questions being modified and changed.

To enhance the validity and reliability of the responses, the data collected was also triangulated by seeking responses from different groups of respondents. For example, opinion on QMS was solicited from the department practising QMS (PMD), competitors or non-users (PDPR), and immediate customers of department practising QMS. According

to Marshall and Rossman (1995), triangulation is the act of bringing more than one source of data to bear on a single point with the objective of using data retrieved from the different sources to corroborate, elaborate or illuminate the research.

Some of the closed questions involved respondents ranking their opinion. Based on feedback from the literature, a 4-point scale was used for respondents to rate their opinion. Jacoby and Mattell (1971) suggested that 3-point scales are sufficient to meet the criteria of test-retest reliability. In general, smaller scales place less burden on the respondents. Bigger scales, however will make the responses more reliable. Thus, when choosing a scale, it is a matter of trade off between brevity and reliability. A 4-point scale will avoid respondents providing “middle of the road” answers which would not reflect which direction (positive or negative) their stand is on the elements being asked.

The interviewing process was conducted from June through December 1998. Before the respondents answered the questions, at the beginning of the interview, the researcher explained the purpose of the study and requested the cooperation of the respondents to give their sincere answers to the questions stressing that all answers were treated with the strictness confidence. In order to ensure consistency of respondents’ understanding of the questions asked, the researcher explained and elaborated any terms that the respondents asked and were unsure about. The interviews took between 30-45 minutes to complete.

Documents such as memorandums, newsletters, manuals and procedures were investigated. Special attention was given to documents related to initiatives and activities that were carried out as actions to embark on quality management systems. Data related to past performance of two departments was also collected. The review of these documents would assist the author in analysing and interpreting the data collected from the interviews (See Appendix 1.1 for details).

The researcher was also involved with various workshop sessions and meetings involving the two departments being studied. The author was also given the opportunity to observe a number of internal and external audits conducted at SCC and to observe the various

committee and subcommittee meetings involving the SCC with the elected councillors and the public who were invited to attend these meetings.

4.6 Methods of Data Analysis

According to Yin (1994), data analysis involves examining, categorising, tabulating or rearranging the evidence obtained from a study. Again, for case study research, there are no well developed strategies and techniques for analysing case study evidence suggested in the past. There are, however, various techniques on how to solve this problem. Yin (1994) quotes Miles and Huberman (1984) who suggested the following:

- * Putting information into different arrays
- * Making a matrix category and placing the evidence within such categories
- * Creating data displays, flowcharts and other devices, for examining the data
- * Tabulating the frequency of different events
- * Examining the complexity of such tabulations and their relationships by calculating second-order numbers such as means and variances
- * Putting information in chronological order or using some other temporal scheme

Since the interviews involved asking various open-ended questions, the responses were analysed and then categorised into distinct groupings. After these were carried out, frequency counts were then conducted. All the data from either the open ended or closed questions, were coded and frequency counts were calculated and then converted into percentages, tables and other formats. The main type of analysis carried out was descriptive and comparative in nature. Pattern analysis was conducted on the responses obtained from the interviews. Tables related to specific areas of this research were created by grouping responses that were similar in nature and by capturing responses that were different from one another.

4.7 Limitations of the Study

As has been indicated earlier, this research involved the study of quality management and performance measurement in the public sector setting by using a city council as a case study. Two sections within a large directorate were selected for comparison. Thus, the scope of this study was limited to exploring the nature of quality management and performance within these two departments.

A city council like SCC is a very large organization which consisted of many directorates employing a large number of people and which deals with many other organizations from the private, statutory and voluntary sectors, as well as community. It is beyond the time, physical and financial ability of the researcher to cover such a wide and varied area. The scope of this research, as stated in the aim and objectives, is to investigate the link of quality management system and performance. The performance of a department in a PSO that is using a quality management system is compared with one which does not implement such a system. This comparison is made to determine if a quality management system has any impact on the performance of the department. This research also attempts to investigate the impact of PSO subjected to CCT as compared to those that are not subjected to it. Therefore, based on these perspectives, there are sufficient avenues for this research to arrive at major specific conclusions.

In the process of interviewing the respondents from the various groups in this research, a lot of questions were used as prompts to get the respondents to answer the questions that the author was actually interested in. Indirectly this resulted in a lot of data being collected. However, for this research only the relevant information related to the aim, objectives and research questions of this research have been presented.

Chapter 4 has addressed the issue related to research methodology of this project. As has been stressed in this chapter, this research is concerned with extracting rich data through exhaustive investigations and analysis. The next chapter will present the findings with regards to the aim, objectives and research questions highlighted in this chapter.

CHAPTER 5

RESEARCH FINDINGS

The interviews conducted with all the targeted respondents as outlined in Chapter 4 is the main source of data for this case study. Documents such as minutes of meetings, newsletters, and reports were also used to substantiate the interviews. The findings will be presented in relation to the aims, objectives and research questions as set forth in Chapter 1 and Chapter 4. Appendices 5A.1, 5A.2, 5B.1, 5B.2, 5C.1, 5C.2, 5D and 5E show the list of questions used as a guide in the interviews for the different groups.

5.1 Forces that drive the need for implementing QMS

The reason a Quality Management System (QMS) that meets the need of the BS 5750 requirements (later changed to ISO 9000) was started in Salford City Council (SCC), was to enable SCC to prepare for Compulsory Competitive Tendering (CCT). It was decided that the system was to be implemented throughout the whole of the Engineering Division which during that time included the Traffic & Transportation Department, Engineering Design Department, Main Drainage & Highway Maintenance Department.

In a presentation given by the Quality Assurance Section (QAS) on August 4, 1998 the reasons for the introduction of the QMS were presented. This presentation was one of the typical training sessions given to staff. The reasons given were:

- (a) To prepare for CCT and Best Value
- (b) The accredited QMS act as a guaranteed system
- (c) To enable SCC to identify ineffective practices
- (d) To avoid duplication of efforts (especially between sections)
- (e) To increase customer satisfaction through better service (both internal and external)
- (f) As a marketing tool (to attract potential customers to the services of the SCC)
- (g) To decrease quality costs
- (h) To keep pace with modern rapid changes
- (i) Overcome the Taylor System "It's not my job"
- (j) To increase communication between sections and organization

It was stressed in this session that the QMS was not intended to complicate people's lives or to run things more costly but was to make life easier, with the ultimate goal of satisfying the customers of the departments. The customers of the departments could include colleagues from the other departments and the public in general. The QMS was installed as a commitment to make SCC a high flying organisation. There was a need to change its

image from a dirty old city and a rundown organization to one that is efficient and effective.

5.2 Implementation of Quality Management System (QMS) at Development Services Directorate (DSD)

The information describing the implementation of the QMS at SCC is based on the various interviews conducted with the QAS of SCC who started and implemented the system about 10 years ago. The approach taken by SCC to implement its QMS was through the following steps:

- Step 1: Awareness training for all staff
- Step 2: Setting up of Management Review Board Team (MRBT)
- Step 3: Audit training for internal auditors
- Step 4: Management Review Board Meeting (MRBM) conducted monthly
- Step 5: Appointment of Quality Representative in each department or section
- Step 6: Engaging an independent third party to conduct audits
- Step 7: A continual process of training and reassessment of the procedures.

5.2.1 Awareness Training

A series of introductory lectures was given to all members of staff. The staff were briefed on what the system is all about, what it would mean, how it would affect their work, what is the benefit it would bring and why it was being implemented.

Similar training is conducted for all new staff to the Development Services Directorate (DSD). Awareness training is also conducted by the Quality Assurance Section as and when needed, including requests from departments from other directorates.

5.2.2 Management Review Board Team (MRBT)

After the initial training session, a Management Review Board Team (MRBT) was set up consisting of the Chief Engineer, 4 Assistant Chief Engineers, Principal Administration Officer and the Quality Assurance Officer. The purpose of the MRBT was to decide on the programme of implementation that was to be carried out. The first activity of the MRBT was to instruct all sections and group leaders of the directorate to prepare a list containing all the activities carried out in their respective sections or groups. Each section and group were required to identify the work that was done in their respective sections or groups. They were also asked to indicate the number of people who usually perform this work. The aim of the MRBT was to create an atmosphere that the initial activities related to the QMS

implementation originated from the staff. It was said that it is important to convey the idea that QMS was implemented in this manner (“bottom-up”) rather than “top-down” (instructions or directives from the top) in nature. The MRBT believes that it is important to instill this atmosphere so that the staff can have ownership of the work processes that is to be documented.

The Quality Assurance Section then produced a draft of the Quality Assurance (QA) procedures written based on the activities actually carried out at the respective departments and sections. This draft procedure, which was named as Draft A, was written based on the information from the originator (the person who actually performed the work). Draft A was then passed to the originators for their comments & amendments. A new version of the procedure, Draft B, incorporating the comments and amendment made by the originator was then issued. Draft B once accepted, was then passed to another member of staff that performed the same work for their comments. These steps were considered very important to ensure that the procedures that were written and used incorporated the best practice pertaining to that particular work. After this stage, Draft C was then written. Draft C was then submitted to the Section Managers for their comments and amended as necessary. If Draft C was accepted, then the procedure was named as Issue 1 and placed on the section for a period of at least 3 months (for use, comments and amendments as necessary).

There are cases however where the draft goes up to Draft D, E or F before it becomes Issue 1. This normally happens if the procedures are too complicated or the opinions of many parties are required to be satisfied. The speed of writing up the procedures also depend a lot on the amount of time the staff who owned the procedure can devote towards it.

Once Issue 1 was signed it was then audited and assessed to ensure that the procedures were practical and were adhered to. All the necessary corrective actions that arose were discussed and implemented. Issue 1 was then signed by three individuals: the originator, the QA Officer and the Section Manager (to verify that the requirements of ISO 9000 have been met). The procedure was then formally issued and staff were required to work to its requirements.

5.2.3 Audit programmes

The next crucial step in the implementation of the QMS at SCC was the development of the internal audit programme. A team of internal auditors were selected and trained. The internal auditing course was conducted by trainers from the University of Salford on the fundamental skills and requirements of auditing. They were trained on what the QMS is all about, why audits were to be conducted and also on how to make a person feel relaxed during an audit session. The team was reminded of their role which was to carry out positive reporting and not act as policemen. They were to criticise the procedure and not the person involved with the procedure. The team were also to coach on how to plan and prepare for audits, how to carry out the actual audit (through role play), how to ask questions (direct and indirect questions), how to record information, how to write reports, and how to develop corrective action.

A further training session was also conducted to show all the internal auditors how procedures were stored, how it was to be used, and how amendments are made. This was to provide the auditors with an overall picture of the QMS.

5.2.4 Management Review Board Meeting (MRBM)

The MRBMs were conducted monthly to establish, maintain and discuss corrective action with regards to the QMS. The first Management Review Board meeting was held on June 18, 1990. A typical agenda of the MRBM is shown below:

- (a) Matters arising from the last meeting
- (b) Review of the Quality Policy
- (c) Internal Quality System Audit reports
- (d) Review of Documented Quality System resulting from Audit Reports
- (e) Review of Documented Quality System as a result of external factors
- (f) Customer complaints received and actioned
- (g) Corrective Actions
- (h) Training Needs and Actions
- (i) Contractor/Consultant performance reports
- (j) Any other business

The meeting was considered to be an important tool for monitoring the progress of the QMS. It provides an opportunity for management to assess the effectiveness of the QMS, to solicit feedback and to analyse its impact on the Development Services Directorate (DSD).

5.2.5 Appointment of Quality Representative

A helpful step in the QMS is the appointment of the Quality Representative in each department or section. These individuals are appointed on a voluntary basis. Their function is to help coordinate the QMS at their departments or sections. They also provide the QAS with the vital support in terms of a link person to that department.

The appointment of the Quality Representative is actually considered to be a crucial step in establishing a QMS. It helps project an image that the QMS is an internal initiative and not an initiative by an outside party such as the Quality Assurance Section. The Quality Representatives facilitate the implementing of the QMS because they become the source that the QA Section would refer to if it wishes to find out anything regarding the specific departments or sections.

5.2.6 Independent Third Party Audit

It was said that an important element of an accredited quality management system was the engagement of an independent third party to certify that works done in DSD were actually performed to the said standard. For this purpose, the QAS approached the National Accreditation Council for Certification Bodies and the Department of Transport to seek their recommendation on which organizations would be able to provide such services.

A decision was made to approach three companies namely British Standards (BS), Lloyds Register (LR) and National Quality Assurance (NQA) to establish whether they have the facilities to carry out assessment for local government and civil engineering specific type procedures. All three companies were invited to look at the documented quality system at SCC.

Finally it was decided to appoint NQA to perform the third party audit for SCC. The criterion for selecting the third party auditor was basically done based on the confidence and capability shown by these companies when presenting themselves to SCC.

5.2.7 Continual Process

To ensure that the staff remain focused on the QMS initiative, the QAS conducted refresher courses as and when required. Staff were also informed of progress made in the other

sections through the DSD's newsletter. Booklets on the QMS were also published and distributed to all staff for their reference. All new staff into the directorate were briefed on the QMS and were also given a booklet on the QMS.

The departments or sections that have been audited were re-audited every six months. These surveillance visits in the form of a short check were to determine whether the procedures were maintained and to detect any improvements made. The third party audit certificate is valid for only three years. The departments or sections that have obtained the third party certification will undergo a main audit again after the three years have elapsed.

The QAS claimed that a unique feature of the QMS at SCC is the creation of a document change request form. This form acts as a constant reminder to staff that improvement can be made to the procedure by simply submitting the document change request forms. The QAS believes that this is one of the ways to make the QMS dynamic and to incorporate continuous improvement.

5.2.8 Day to day running of the QAS

In implementing and maintaining the QMS at the DSD, the following were listed as the main day to day activities:

- (a) Planning Audit/preparation
- (b) Carrying out audits
- (c) Discussion on amendment to procedures
- (d) Management Review Board Meeting
- (e) Documentation of new procedures
- (f) Amending procedures
- (g) Implementing new law & requirements
- (h) Assisting other local authorities regarding QMS
- (i) Implementing Business Excellence Model
- (j) Continuing training of new staff in the requirements of ISO 9000
- (k) Developing new storage system to increase efficiency of the directorate

5.2.9 Progress of the QMS

As of July 1999, ten sections have been certified to the ISO 9000 system. The Engineering Division was the first to have a QMS. This was mainly because this division was the first to be subjected to the CCT requirements. The other departments that followed were the Landscape Group, Architectural Services, the depot and the Development Control (Planning) Department. A schedule of the sections to be certified up to the year 2000 is

given in Table 5.1.

Table 5.1: DSD's Schedule Accreditation to ISO 9000

SECTION	SCHEDULE DATE
Forward Planning	November 1999
Geological Unit	July 1999
Graphics Unit	July 1999
Business Services	February 2000
IT Services	February 2000
Highway Services Depot	December 1999
Highway Services Depot Administration	December 1999
Property and Development Administration	September 1999

5.3 The critical factors in the implementation of the QMS

This research reveals that the QAS identified five critical factors for successful implementation of QMS. On the other hand, the top management of SCC cited another four factors they considered as critical when implementing QMS. These critical factors are displayed in Table 5.2. Appendix 5F.1 shows the detailed responses of the top management regarding the critical factors to QMS implementation.

Table 5.2: Critical Success Factors

QAS	Top Management
The need for a "Bottom-up" approach	Full awareness on the benefits of the system is a necessity, everyone needs to be trained sufficiently
To be clear on the work processes to be documented	Management commitment
QA documentation must be made as simple as possible	QMS must not be seen as a "one-off" programme
The need to convey to the staff that the staff were the experts in the work processes to be documented	Allowing the staff to be totally involved and committed
QMS must be treated beyond going for certification, it must be build-in as part-and-parcel of the everyday work of the organisation	

5.4 Problems faced at the initial stage of establishing QMS

According to the QAS, one of the problems initially faced when starting the QMS was the lack of commitment shown by the staff. The staff believed that the QMS would mean extra work for them. A typical comment heard was: "Why document it when we know what we

are doing?”

Thus staff time (the originator’s time) to sit down and develop the procedure was the main obstacle. Getting people “available” was a major hurdle. Writing the procedure and setting up the QMS was not seen as part and parcel of work but regarded as an add on activity that they have to do. The staff consider the QAS to be there to do the work for them.

The Property Management Department (PMD)’s management, the department that practices QMS used in this study, were of the opinion that the main problems faced initially, when trying to implement QMS, was finding time to document the procedure. It was said that it was quite a challenge to get the staff to sit down and write what they had been doing. Secondly, another major problem encountered was the effort of getting the staff to accept the system. Most of the time the staff regarded the system as an additional task on top of their day-to-day work (Appendix 5F.2).

The management were also asked what problem they currently faced now that the QMS was fully implemented. Two members of the PMD management did not find any problem with the system and were quite happy with it. Two other members of PMD’s management however highlighted that QMS is merely a lot of activity involving checking paperwork and therefore is not a true measure of quality. They considered QMS as just a matter of tidying up procedures, making it nicely organised, and having excellent files. It was said that the QMS fails to reflect people’s quality and ability in performing work.

5.5 Views on QMS

Collectively the top management of SCC have a positive view about QMS at SCC. The PMD’s management despite citing some problems with QMS, however collectively have a favourable view about QMS at SCC. Eleven out of 13 PMD’s staff were in favour of QMS while the remaining two were not in favour of QMS. The summary of each group’s positive views is presented in Table 5.3. The detailed responses are presented in Appendix 5F.1, 5F.2 and 5F.3.

To substantiate the findings from the open-ended questions of this research, the management and staff of PMD were asked to rank their opinion on a series of statements related to QMS.

These statements were asked to assess the management and staff thinking on the effect of QMS in the department. Their opinions on each statement were ranked on the scale of 1 for strongly agree, 2 for agree, 3 for disagree and 4 for strongly disagree. The detailed score for each respondent is available in Appendix 5G.1 and Appendix 5G.2. The comparative analysis of the responses of the management and staff on the statements is presented in Table 5.4. The implications of these results will be discussed in detail in Chapter 6.

The management were specifically asked what major difference has QMS brought to the department as compared to prior to QMS with a particular reference to performance. Two members of the management mentioned there were no outstanding differences brought about by QMS. They do, however, admit that QMS made work more organised and consistent. A member of the management believed that QMS has affected the performance of the department by creating the pressure that the staff have always to be at their best in order to maintain accreditation.

Table 5.3: Views on QMS

Top management	PMD's management	PMD's staff
I has made the staff more disciplined and more consistent.	Made staff more consistent in their work.	Provides an excellent source or reference for the work
It is a good foundation for developing a systematic system within a public sector organisation like SCC	As a means to review how work was done in the department	It enabled the staff to be more consistent in doing their work
A good basis for Business Excellence Model	Provides the staff with a clear understanding of their work	It allows them to review what they were doing
Forces staff to work to a procedure and help in establishing a clear standard to achieve.	It allows for staff to continuously questioned how work can be improved	It instilled "fear" onto them to make sure that works are done seriously and perfectly.
Provides the department with an opportunity to reorganise work	It makes training of new staff easy	It makes them clearer about their job and has given them a clear target to achieve.
Allow staff to conduct self-monitoring		It makes them more systematic and organised in performing the work

Another respondent noticed the difference QMS produced is the existence of formal inspection. This respondent however did not think that fault or performance can be detected

from paperwork. An example was quoted to substantiate his claim by saying that the system would not be able to detect or differentiate between a bad and good designer. QMS was also believed to be unable to determine how the department were performing because there is no instrument that captured the feedback of the client.

Table 5.4: Property Management Department's management and staff's opinion on selected statements concerning QMS compared

	Statements	Management	Staff	Comparison
		Status	Status	
1	QMS helps make jobs easier	<i>Uncertain</i>	<i>Uncertain</i>	<i>Similar</i>
2	QMS has reduced volume of work	<i>Strongly disagree</i>	<i>Disagree</i>	<i>Broad agreement</i>
3	QMS makes staff more stressful	<i>Strongly disagree</i>	<i>Disagree</i>	<i>Broad agreement</i>
4	QMS makes work more organised	<i>Agree</i>	<i>Strongly Agree</i>	<i>Broad agreement</i>
5	Job can be accomplished faster	<i>Uncertain</i>	<i>Uncertain</i>	<i>Similar</i>
6	QMS helps to improve quality	<i>Agree</i>	<i>Agree</i>	<i>Similar</i>
7	QA helps to improve teamwork	<i>Uncertain</i>	<i>Uncertain</i>	<i>Similar</i>
8	QMS helps us to achieve our mission and vision	<i>Uncertain</i>	<i>Uncertain</i>	<i>Similar</i>
9	QA procedure are easily available	<i>Strongly agree</i>	<i>Strongly agree</i>	<i>Similar</i>
10	QA procedure can be changed	<i>Strongly agree</i>	<i>Strongly agree</i>	<i>Similar</i>
11	QMS improves performance of the department	<i>Agree</i>	<i>Strongly agree</i>	<i>Broad agreement</i>
12	QMS save time	<i>Disagree</i>	<i>Agree</i>	<i>Differs</i>
13	QMS reduces mistakes/error	<i>Uncertain</i>	<i>Agree</i>	<i>Slightly different</i>
14	QMS eliminates duplication	<i>Uncertain</i>	<i>Agree</i>	<i>Slightly different</i>
15	Overall, QMS has been successful in achieving its goals in this department	<i>Agree</i>	<i>Agree</i>	<i>Similar</i>

A further analysis was made on 13 of the 15 statements originally used in Table 5.4. Statements No. 9 and 10 were dropped because it was not seen that the statements would reflect respondents' inclination towards QMS. This analysis was made to determine

whether the responses of the management and staff of PMD on the issues of the effect of QMS on performance during the interviews match with that of the selected statements.

Table 5.5 summarises the individual management opinion on QMS based on these 12 statements. All of them, with the exception of one, were positive about the effect of QMS on their department. Table 5.6 shows the individual staff opinion on those twelve statements. It can be seen from that table that nine of PMD staff have a positive view of QMS, three were uncertain and one was negative about QMS. A detailed discussion on the implications of the results in Table 5.5 and 5.6 will be presented in Chapter 6.

Table 5.5: Summary of individual opinion of Property Management Department's management on statements reflecting favourability to QMS

Respondents	PM 1	PM 2	PM 3	PM4
Average:	1.67	2.33	3.5	1.58
Status:	Positive (Agree)	Positive (Agree)	Negative (Disagree)	Positive (Agree)

Notes:

1.00-1.49 Strongly Agree
1.50-2.24 Agree

2.25-2.74 Uncertain
2.75-3.49 Disagree

3.50-4.00 Strongly Disagree

Table 5.6: Summary of Property Management Department's staff individual opinion on selected statements concerning QMS

A	PM 11	PM 14	PM 12	PM 15	PM 22	PM 21	PM 16	PM 8	PM 7	PM 17	PM 13	PM 20	PM 6
B	2.00	1.70	2.30	2.20	1.70	1.80	3.00	1.90	1.80	2.20	1.90	2.30	1.60
C	P	P	U	P	P	P	N	P	P	U	P	U	P

Notes:

A - Respondents (number denotes code for each respondent)

B - Average Score

C - Status (P: Positive, N: Negative and U: Uncertain)

To explore further into the extent of management views on QMS, they were asked to provide their opinion on a series of statements. These statements were adapted from Van der Wiele *et al* (1996) that conducted a study looking at the progress of Europe's leading organisations in quality management practices. Table 5.7 shows the result of the responses of PMD's management to these statements.

Table 5.7: Property Management Department's management opinion on registration to ISO 9000

	Statements:	PM 1	PM 2	PM 3	PM 4	Ave.	Status
1	ISO 9000 series registration is a useful step towards Total Quality Management	3	3	3	3	3.00	Agree
2	Registration was deemed to be worthwhile	3	3	3	4	3.25	Agree
3	There was an internal drive for registration	3	2	3	4	3.00	Agree
4	Clear benefits have emerged from registration	3	3	3	4	3.25	Agree
5	There was an external stimulus for registration	3	3	3	4	3.25	Agree
6	The costs of implementation were low	3	3	2	4	3.00	Agree
7	Dept/unit that are certified to ISO 9000 has a better performance than those that were not	3	2	2	3	2.50	Uncertain

Notes:

1.00-1.49 Strongly Disagree

2.25-2.74 Uncertain

3.50-4.00 Strongly Agree

1.50-2.24 Disagree

2.75-3.49 Agree

Table 5.8 Major concerns about QMS

Top management	PMD's management	PMD's staff
Formalising bad work processes, it is a "rubbish in, rubbish out" system	Require a lot of time in designing the procedures	Extra paperwork
Questioned the needs to engage and pay a third party to certify work processes.	QMS lack the instrument to capture the feedback of immediate customers	Difficulty in catching up with datelines to get work processes documented
Lack of time and resources to fully establish QMS in all the directorates	Questioned the ability of QMS to detect fault or excellence in staff's performance (detection was said not to be possible just by looking at paperwork)	No guarantee that bad processes would not be documented, it is a "rubbish system", it does not questions why you do work
QMS said to be inadequate to monitor progress and improvement of the departments practising it	QMS does not measure improvement made by the department	Auditing seen as a stressful exercise
		It subjected the staff to more control and detection

An observation is made on statement number 2, 4 and 7, the statements that can provide some clue on the impact of QMS, reveals that the management is favourable of QMS. It can be concluded therefore:

- (i) The registration was a worthwhile process
- (ii) Clear benefits were obtained from being registered
- (iii) The performance of the department has been improved due to registration

With regards to the problems presently encountered with the QMS, the top management of SCC, management of PMD, and staff of PMD highlighted several concerns. Table 5.8 outlines these concerns. The detailed responses of each of these groups are presented in Appendix 5F.1, 5F.2 and 5F.3. The discussion on the implication of these problems will be conducted in Chapter 6.

5.6 Managing a department that does not practised QMS

In the interview with the management of Property Development and Property Review (PDPR), the department that were not practising QMS used in this study, they were asked how they managed their department by not practising a quality management system. The staff of PDPR, who do not use a QMS, were asked how do they cope with the current management system practised. The detailed responses can be found in Appendix 5H.1 and 5H.2.

5.6.1 PDPR' s management opinion

According to the management, they do have some form of procedures for work in the department. They confessed that it was not as sophisticated as a QA procedure. It was believed that it would be difficult to subject their work to any standardised procedure such as a QA procedure. Three of the members of management believed it would be impossible to standardise the work in their department. This is because the nature of their work varies from one to the other. Some work is too complicated, compared to others, and can take as long as ten years to complete. This happens when the projects involve tasks such as planning for major roads and bridges. To ensure that efficiencies were achieved in a system like this, the management stressed that they have to rely heavily on a stable workforce. Frequent shifts of staff from one department to another would make this system difficult.

When asked whether the procedures that they had were fully documented, most of the management said it was not documented. The basic system that they have was some form of checklists on how work was to be performed. The procedures that they claimed they had, were written by the staff or management or both. It was kept by the staff or person who performed it. There was no common procedure for department wide usage. It was found that there was no proper recording of changes or improvements made. Basically it was up to the person who performs the work to record any changes. Generally changes were

recorded by writing some note in the work file or by sharing these changes during an informal discussion. A member of the management claimed that changes were disseminated through frequent review and update sessions that the department had.

To a question that asked whether any form of audits were conducted, the management responded by saying they do have some audits which basically are in the form of checking progress made compared to a stated plan. There is usually an unwritten target or dateline set for each task. It was claimed that it is difficult to make a standard audit since the nature of the job varies. It was said to vary like “the nature of books in the library, different books for a different job”.

If staff have to be away from the office, basically no arrangement was made to ensure continuity of work. The standard approach taken was to wait for the staff to come back from their holiday or for them to schedule their work ahead of time. The management confessed that there was no proper source that they refer to for tasks that they infrequently performed to ensure that the standard was maintained the last time it was performed. Only one of the management said that they had to resort to digging into the old files to familiarise themselves with that task

5.6.2 PDPR's staff opinion

The PDPR's staff confirmed that there was no clear set of procedures available for all tasks in their department. Similar to their management's response, most of the staff consider it would be difficult to have a standard procedure for their work. It takes years for some tasks to be completed and some tasks were unique and not repeated. The Trafford Park Project, the biggest retail park in the North West, was quoted as an example. Some staff claimed that they do have some kind of procedure practised. It was however not as comprehensive as the QA procedures. The procedures were not documented and most of the time tasks were done based on memory. The closest that they had to a documented procedure was some simple checklist of what they are doing. These checklists were normally written by the staff themselves or written after consultation with their superior. Most of the checklists were not centrally kept for other people to use. It is up to the person to either keep it in the files or paste it up somewhere close to the desk of the person using that checklist. It was found that changes or improvements to work procedures were not

properly documented. The main approach currently used, was to record any changes by writing some simple note in the work file or notifying those concerned about these changes. It was up to the individual whether they want to write these changes down. From the interviews it was revealed that there was no standard procedure for tasks that were similar. Each member of the staff was given the freedom to perform their task in the way they wanted. There was however some form of unwritten understanding as to the standard in which the tasks were performed among those involved with similar tasks.

The PDPR's staff confirmed that there is no proper audit conducted on their work. There was no stringent audit similar to a QA audit. They only have some simple checks on the status of their task basically with regards to progress made and discussion on problems faced. The staff were asked how was work organised if they have to be away from the office. The response was there was no arrangement made to ensure work continues when they are not around. It was said that most jobs in the department were personal to holders so it is difficult to assign somebody to take over. The best that could be done was to ask a favour from another colleague to do it for them and briefing them on how it should be done. Otherwise, most work has to stop until the person returns. Most staff resort to completing the task ahead of time before going off for a holiday. For emergency cases such as sickness the management would normally assign someone who is familiar with the job to take over if the task is urgent. Otherwise the work would remain undisturbed until the staff comes back. The staff were also asked, in the absence of a documented procedure, what source does the staff refer to for performing tasks that were unfrequently performed to maintain the same standard as before? All of the staff mentioned the previous work files as the source of information for a task infrequently done to achieve similar standards as before. One member of the staff added that he would ask another colleague or his boss about it. The staff were asked in the absence of a documented procedure, how do they go about assisting new colleagues to the department. The staff mentioned that they get around this problem by simply coaching the person, telling and showing them how to do it.

5.6.3 PDPR's opinion on QMS

The management and staff of PDPR have been exposed to few seminars on QMS by the Quality Assurance Officer. These talks were part of the plan to introduce QMS into every department in the Development Services Directorate. In this research, the management and

staff were asked for their view on QMS based on what they have heard so far about it. From the interviews, it was gathered that two out of the five PDPR's management have a positive view about QMS. Six out of nine of the staff within PDPR think that QMS is a good system. Table 5.9 shows the summary of the PDPR's management and staff positive views on QMS. Table 5.10 shows the summary of the responses of three members of PDPR's management and three members of staff that were not in favour of QMS (See Appendices 5I.1 and 5I.2 for the detailed responses of each individual respondents).

Table 5.9: PDPR's positive views on QMS

PDPR's management	PDPR's staff
A tool that would enable them to know what and how things are done	The documented procedures act as excellent record of what they are doing
It was perceived as a useful tool for training	Most of the staff think that QMS would enable them to analyse their current practices and maintain uniformity in performing their tasks
	QMS was said to be nothing to be scared off. It is all about documenting "what you are doing and having somebody else confirm that you are doing what you said you are doing"

Table 5.10: PDPR's negative views on QMS

PDPR's management	PDPR's staff
Taking too much time and there was a concern as to whether they can afford to devote so much time to it since that resources were currently stretched.	A lot of time needs to be spent to have QMS up and running.
Unable to guarantee "good professional advice".	QMS was perceived as a rigid system that would restrict them to preset procedures when performing work.
QMS was just a practice whereby things are documented and then signed off to see that it complies with what is said. It does not, according to them determine whether "quality decisions" were made or explain reasons why problems occurred.	QMS was seen a system that could authorise bad practices

The management were asked two further questions on QMS. To a question that asked whether they would be any probable advantage having a QMS, all of the management said that it could be ideal for some processes in the department particularly in those sections that involve tasks that are frequently repeated. Another question asked was whether the performance of the department would be improved if they were to install a QMS. Two

members of the management believed that QMS would not improve performance. The reason given was some loss of productivity would occur because times have to be allocated to the maintenance of the system. The second reason given was QMS would hinder improvement because bad procedures were certified. On the other hand, three members of management thought that QMS would probably contribute to the improvement of performance of the department. It was said that the QA procedures would probably make work more standardised. It was also said that performance would improve because the QMS would minimise or eliminate errors.

The staff were asked whether they thought they should have a QMS in their department. Seven out of nine did not oppose having one installed in their department. They would welcome QMS if it could help in improving the way things are done in the department. The ability of QMS to standardise work and make output more uniform was mentioned as the main factor that would make QMS attractive to their department.

One respondent said that if the government want them to implement it, what choice do they have. Two staff opposed having the QMS in place. The first was not sure that he wanted to be subjected to a system that was too rigid and wondered if the department would be productive if they were bound to some strict set of procedures. The second was a bit sceptical about QMS. He asked “why do they need to pay an outside authority to check what we are doing when we are the experts in what we are doing?”

5.7 Immediate Customers’ Views on PMD’s and PDPR’s Performance

The immediate customers of both PMD and PDPR were asked to compare the performance of these two departments. The respondents (consisting of the directors or their representatives from the other directorates) were asked whether the performance of PMD has been affected by QMS as compared to PDPR that do not practise QMS. They were asked to rank on a scale of 1 (PMD better than PDPR), 2 (Similar performance) and 3 (PMD worst than PDPR) PMD’s performance compared to PDPR. The result in Table 5.11 shows that six respondents think that the performance of PMD and PDPR were similar while two people think that the performance of PMD is better.

Table 5.11: Comparing PMD with PDPR (based on effect of QMS)

X1*	X2	X3	X4	X5	X6	X7	X8
1	2	2	2	2	2	2	1

Notes:

1 - PMD better than PDPR

2 - Similar

3 - PMD worse than PDPR

* denotes code for each respondent

The case study approach enables researchers to probe further into asking the reason why the performance of these departments were rated as such. Appendix 5.J presents the answers of the immediate customers to this question. The effect of QMS on PMD is a very important element of this research. The analysis of the immediate customer answers and its implications will be addressed in Chapter 6.

5.8 Views on Compulsory Competitive Tendering (CCT)

A comparative study was made on the opinion of top management of SCC, management of PMD and staff of PMD on the impact of CCT on Property Management Department (PMD). Table 5.12 shows the summary of the views of all three groups on CCT (Appendices 5K.1, 5K.2 and 5K.3 show the individual responses from each group to questions related to CCT).

Table 5.12: Views on CCT

Top management of SCC	Management of PMD	Staff of PMD
CCT has made the organisation more conscious about cost	It has been successful in making PMD become more effective (forced PMD to be more concerned about cost and staff output)	It forces the staff to examine closely how resources were used
CCT has put pressure on the department to review and sharpen their current processes.	CCT was credited in making them review their services and having in-depth look at what they are doing	CCT resulted in the department to be better organised
CCT has changed the attitude of the staff towards work. It has made them more accountable and responsible.	It has made them become more businesslike in their approach	CCT makes the staff more accountable
CCT was said to have made the organisation become more aware of the services they are delivering (becoming more concerned of what the customer wanted).	CCT was attributed to making the department more concerned about performance (the requirements to comply with CCT makes its mandatory for the department to show proof that it is performing before it can compete)	It makes the staff take notice of how the staff were performing or should be performing
		It makes the staff more serious about the time required to complete tasks

The management and staff of PMD were asked whether CCT has any significant impact on the performance and the way PMD operates. The result to this query is shown in Table 5.13. An attempt was also made to determine what was the problem encountered in complying with CCT. The findings of this research pertaining to this issue are displayed in Table 5.14. The discussion and the implications with regards to the views, impact and concerns pertaining to CCT will be discussed in more detailed in Chapter 6.

Table 5.13: PMD's management and staff opinion on the impact of CCT on the department's performance

Respondents Groups	Opinion on CCT impact			Total
	Yes	No Impact	Unsure	
Management of PMD	1	3	0	4
Staff of PMD	8	2	3	13

Table 5.14: Major Concerns about CCT

Top management of SCC	Management of PMD	Staff of PMD
Critical about the cost involved in inviting the external organisations to compete.	It was commented that the cost of inviting outside parties to tender, such as advertising cost and the necessary paperwork, cost more than the actual gain from winning the tender.	More administrative work.
Find it unfair to be judged just based on cost to win a contract	It was claimed that most of the time, the contract was won in-house.	Result in a lot of unnecessary additional work
It was said to be too bureaucratic	There was an absence of real competition as the number of competitors for the tender from the private sector was small.	Greater level of monitoring
It requires a lot of monitoring effort to determine the department has actually complied with CCT.	Were forced to play a split role as client and customer.	Makes work more regimented
	CCT was not universal since it did not cover every service resulting in the feeling of unfairness between the various departments.	

During the interview the staff of PMD were asked whether CCT has any effect on their individual work performance. Most of the staff (12 out of 13) responded by saying that CCT has no effect or makes no difference to their work. Most of the staff feel that CCT did

not bring out any dramatic change in the way they work.

To determine the extent of top management views on CCT, they were asked eight statements that related to their opinion on CCT. Some of these statements were adapted from Young (1996). The opinions of the PMD's management were also solicited on these similar statements with regards to CCT. Appendix 5L.1 and 5L.2 show the detailed responses of each respondents in these groups. Table 5.15 shows the comparative responses of these two groups. The discussion of the result of this findings and its implication will be presented in Chapter 6.

Table 5.15: Salford City Council's top management and PMD's management opinion on impact of CCT (based on selected statements concerning CCT)

	Statements:	Top management	PMD management
		Status	Status
1	The impact of competition has been limited to those services subjected to CCT	<i>Disagree</i>	<i>Uncertain</i>
2	Managing competition has required the development of new staff skills	<i>Strongly agree</i>	<i>Agree</i>
3	Competition has reduced morale of the dept/unit affected by it	<i>Uncertain</i>	<i>Agree</i>
4	Responding to competition has changed management processes of the dept/unit affected by it	<i>Strongly agree</i>	<i>Agree</i>
5	Responding to competition has changed the culture of the dept/unit affected by it	<i>Strongly agree</i>	<i>Agree</i>
6	Managing competition is encouraging cross-department working	<i>Uncertain</i>	<i>Uncertain</i>
7	Managing competition is leading staff to take a long-term view	<i>Disagree</i>	<i>Agree</i>
8	The benefits of CCT outweigh the effort to comply with it	<i>Uncertain</i>	<i>Uncertain</i>

To a question that asked whether their department should be subjected to CCT in the first place and continue to be subjected to it, seven staff said yes. Four staff objected to being subjected to CCT while two others believe it does matter whether they are subjected or not. Those that supported CCT think that CCT would bring about faster decision making since it is the market that detects what should be done instead of a bunch of politicians. They also think that CCT should be kept because it is a way that would guarantee public sectors are run with the public concern in mind. It was also thought that professionals such as those in

the PMD should be subjected to some sort of rigorous monitoring to ensure that they can maintain a high level of professionalism in their work.

The group that opposed CCT quoted high cost of implementation as a factor that makes CCT unattractive to them. It was said that the preparation cost for CCT does not justify the benefits obtained from competing. One staff from this group mentioned that CCT is believed to be a politically motivated move to weaken local government power. The “cutting on waste” theme of CCT was perceived to be a camouflage by the Conservative Party to defend itself from attack by the Labour Party.

The immediate customers of PMD were asked specifically as to whether CCT has any impact on PMD’s performance. They were asked to rate PMD on a scale of 1 (Great improvement), 2 (Slight improvement), 3 (No change) and 4 (Deterioration). The result displayed on Table 5.16 shows that 2 respondents said PMD had achieved a great improvement, 4 said that it had achieved just a slight improvement while another 2 said there was no change in performance. When the average score was calculated, PMD performance was registered as a slight improvement.

Table 5.16: Opinion on the effect of CCT on PMD’s performance

Respondents	X 1	X 2	X 3	X 4	X 5	X 6	X 7	X 8	Ave.	Status
Score	1	2	3	2	2	3	1	2	2.00	Slight improvement

Notes:

1 - Great improvement 2 - Slight improvement 3 - No change 4 - Deterioration

Table 5.17: Comparing PMD with PDPR (based on effect of CCT)

Respondents	X 1	X 2	X 3	X 4	X 5	X 6	X 7	X 8	Ave.	Status
Score	1	2	2	2	2	2	2	1	1.75	Between better than PDPR and similar performance to PDPR

Notes:

1 - PMD better than PDPR 2 - Similar performance 3 - PMD worse than PDPR

In an attempt to gather a more specific view on CCT impact on PMD as compared to other departments that were not subjected to CCT, the respondents were asked to compare PMD

performance with PDPR. They were asked to indicate on a scale of 1 (PMD better than PDPR), 2 (Similar performance) and 3 (PMD worst than PDPR) PMD's performance compared PDPR on the effect of CCT.

The result as indicated in Table 5.17, six of the respondents think that PMD's performance is similar to PDPR because of CCT. Two respondents think that PMD's performance is better than PDPR.

5.9 Performance Measurement

As has been mentioned in Chapter 4, this research attempts to address the following research questions that are specifically targetted to performance measurement in public sector organisation (PSO) like SCC:

- (i) How does the organisation measure its performance?
- (ii) What sort of factors are measured and why?
- (iii) Who determines the performance criteria?
- (iv) What are the mechanisms used by PSO to record customer satisfaction and employee satisfaction?
- (v) Are there any relationships between customer satisfaction and performance?

Through the interviews and analysis of the documents related to performance measurement it was found performance measurement at Development Services Directorate (DSD), the directorate where PMD and PDPR is located, is at an infancy stage. There was no structured performance measurement system in DSD prior to 1995 when the government required that all local authorities need to submit an annual report on a predetermined set of performance indicators. Thus for both PMD and PDPR which are under DSD, there was no structured performance measurement system practised. Therefore whether a department is subjected to CCT or otherwise, no performance measurement system was in use prior to 1995.

The performance measurement process at DSD can be described as follows. Each department and section were asked to determine the set of variables which they want to report. These include performance indicators required by the Audit Commission (AC). It is up to these departments and sections themselves to set the target that they want to achieve. The departments and sections are then required to submit a quarterly report to the Business Services Manager on the attainment of the target that was set. The Business Services

Manager then compiles this data and then a report is presented to the Performance Review Sub-Committee of SCC.

Every year at around May, the AC supplies a blank disk to SCC, containing the format of information or performance indicators that the AC required. SCC is supposed to return this disk with the required data within a stipulated date to the District Auditor. After the information has been audited by the District Auditor, it is then returned to SCC where it is then cleared for publication. The local authorities are required by law to publish their performance in the local newspapers. The AC publish the performance indicators comparing the performance of all the local authorities each November.

5.9.1 Performance Measurement at PMD

The management and staff of PMD were asked their opinion with regards to various aspects of performance measurement at PMD. Appendix 5M.1 and 5M.2 show the individual responses of the management and staff of PMD respectively.

The management mentioned that the tools used to measure performance in the department were basically job sheets, time sheets and reports. There were measurements that keep track of what was done, the time it took to do and various information related to the PMD's work such as reports on occupancy rate, rent collected and capital receipts. The reports also consisted of feedback on whether projects were done within the allocated budget (overspent or underspent) and time, the number of projects done, its value and the standard of the work done.

The variables measured were basically determined by the three main parties: the department themselves, the Performance Review Committee (PRC) and the top management. These measurements were reported quarterly to the PRC. The basic approach used to determine how well the department was progressing was to examine the actual performance with the stipulated target set by the department. The main factors noted was the achievement in reaching the deadline and operating within the budget. The instrument used to measure immediate customer satisfaction was to rely on complaints received. It was observed that the number of complaints received was minimal. According to the management of PMD, the main complaint that they received was usually associated with how fast they can react

to their immediate customer's request for work. When asked how the department should be judged, all of the management of PMD think that the department should be judged on how efficient it is when reacting to their immediate customer needs. It was, however, highlighted that these judgements must be made by considering the number of staff and resources available to provide these services. With regards to how the department can be improved, all of the members of PMD's management believe that the services in PMD can be improved if they had more staff to perform the work.

All of the PMD's management believe that the Audit Commission Performance Indicators does not reflect the actual performance of the department. It was suggested that more work needs to be done to improve the indicators so that it can be more objective. When asked whether they were satisfied with the current performance measurement undertaken at PMD, 3 out of 4 members of management were not satisfied with the current performance measurement at PMD. They believed that the performance measurement that they have to do was unfair and not reflective of the overall performance of the department. It was said that it is difficult to compare the performance of SCC with other local authorities because they were not similar. It was thought that it is possible to compare services subjected to CCT with that of the private sector based on cost, quality and how it is done. A suggestion was made to group local authorities into a specific category or band to make comparison more meaningful.

The current performance measurements practised were criticised for being just a report of the departmental activities rather than an indicator of target achievement. It fails to measure the department's effectiveness and efficiency. It was also seen as just a series of ridiculous questions that they have to answer. The measurement was thought to be very subjective and does not measure quality. Another critical factor highlighted was that the current performance measurement can be easily manipulated. These are so because the variables and targets were set by the department themselves. Data and targets can be adjusted to project a favourable picture for the initiator of the performance report.

To a question that asked how the department should be judged, the following suggestions were made. One suggestion was that the department should be judged on the actual work done that is based on the quality and response time of the work. In light of best value, it was

proposed that a performance measurement should incorporate best value principles. Another suggestion made was to have the department's performance be judged based on outcomes and results. Measurement should be made on how well property was managed instead of how many properties were managed. It should also measure how much income was generated and quality of the decisions made. There was a need, it was suggested, to design an instrument that is more sophisticated and can measure the quality of decisions made. Current performance measurement was seen as just a simple checklist and it does not measure the quality of decisions made. An example was given whereby in the situation of a client wanting to have a sports dressing room building, an easy but poor solution would be to build a prefabricated building. It can be built fast and have a low cost and thus can satisfy the client. However, this decision does not put into the picture the client's satisfaction 3 to 4 years down the road. The building would not be as good by that time and would incur huge maintenance costs as compared to if a proper building was initially built.

Almost all of the staff of PMD considered the job sheet as the basic tool that their management use to measure their individual performance. One person said that he had no clue as to what tool is being used in measuring his performance. Another person thinks that there is actually no real measurement of individual performance done at their department.

The majority of the staff were not satisfied with the performance measurement approach used to assess staff. Most think that there was no actual staff appraisal system done at PMD. Two people said that the job sheet system did not provide an overall impression of how they are performing individually. It does not tell them whether they are doing well or otherwise. One person commented it was difficult to measure their performance. Most of the staff believe that the department need to have a proper performance measurement system to assess them individually. The staff were asked how their performance should be measured. A variety of responses were received from this question. Some think they should be judged on how well they perform based on their immediate boss's expectation of them. There were some who thought that they should be assessed based on how fast and efficient they performed their work. Others thought that they should be judged on quality rather than speed. Three people admitted that it is not easy to measure individual performance in a department such as PMD. The reasons quoted for this was, their work varies and requires a different approach each time. Their output is also controlled by factors outside the

department which is beyond their control. One person suggested that their performance should be judged based on achievement of targets set. Another suggestion was to have a set of indicators as guidelines to measure individual performance.

When asked what tools were used to measure the department's performance, most cited the Audit Commission's performance indicators (coordinated by the Performance Review Sub-Committee in PMD) as the tool used. Three members of staff mentioned the job sheet as the tool to measure progress of the department. Two people responded that they have no clue as to how the department's performances are measured.

To a question that asked whether they are satisfied with the performance measurement of the department, four people clearly indicated that they were not satisfied. Another four people indicated that they have no comment about this or cannot comment because they do not know how they are performing. The remaining five people however think that the department is doing all right.

An array of responses was given when the staff were asked how their department should be judged. These ranged from judging them on speed, on quality, on number of complaints, on achievement of expectation of their bosses, on comparing their services with the private sector doing similar services to evaluating them based on a general set of criteria or critical indicators that can reflect the departmental performance.

The staff were asked what improvement can be made in their department. Various responses were received to this question. Most staff thought that more funding is needed so that work can be performed better and faster. Some of the staff mentioned that a feedback system is required particularly on capturing immediate customer satisfaction with their services. One staff member mentioned that the department needs to reexamine the function of the job sheet system. In this response it was repeated that there is a need to have an individual performance system established. It was thought that this system would help in identifying areas for staff to improve personally so that they can help contribute to improving the services of the department in general.

Sixteen main variables were measured every quarter by PMD. Table 5.18 outlines the

factors measured in PMD. For each of the variables the following were monitored: number of services provided; performance achieved as compared to target set; and performance achieved compared to the last quarter.

Table 5.18: Property Management's Performance Indicators

No.	Performance Indicators
1	Rental income to be maximised
2	Managing partners to sign all letters outlining the terms and conditions of disposal, acquisition, lease and letting of land and property
3	All valuations and valuation reports to be approved by appropriate Portfolio Manager and the Estate Manager and Managing Partner
4	All reports to the Councils Committees to be supervised and approved by the Estates Manager and Managing Partner
5	All letters concerning the management of the Council's portfolio to be signed at a level no lower than Portfolio Manager
6	Check notices are served not more than 12 months or less than 6 months before the appropriate date
7	Check site inspection and insurance and safety certificates for all rides before fairs
8	Lease Renewal/Rent Renewal Dates: Check all entered in the "bring forward" system to ensure retrieval 9-12 months before due dates
9	Attendance at all Committee meetings and other specified meetings to be attended by the Managing Partners' and/or the Estates Manager
10	Check list of rent arrears debtors are issued to the City Treasurer every 6 weeks
11	Non-CCT Areas: To carry out all valuations for Right to Buy within statutory periods
12	To achieve capital Receipt Targets from Council House sales
13	To achieve capital Receipt Target for Police House sales for Greater Manchester Police Authority
14	Markets: Rental Income to be maximised at the Council's Markets (Salford, Pendlebury and Eccles)
15	To maintain current occupancy levels at the Council's Markets (Salford, Pendlebury and Eccles)
16	To prepare a market strategy including refurbishment/redevelopment proposals

5.9.2 Performance Measurement at PDPR

The PDPR's management and staff were asked a set of questions on performance measurement similar to that asked to the PMD's management and staff. The individual responses of the PDPR's management and staff are documented in Appendix 5M.3 and 5M.4.

According to the member of the management of PDPR, the performance of the department is measured by basically using the job sheet and the performance indicators submitted quarterly to the Performance Review Sub-Committee. Performance was monitored on cost, achievement of preset targets, and on the quality of the delivery of the services.

The variables and target to be achieved were basically determined by the PDPR department itself. The performances on these variables were monitored quarterly. Most of the management believed that an indicator of “general health” of their department was by looking at the how well they achieved targets and the number of complaints received. Most of them believed that to ascertain whether people are satisfied or otherwise with their services, the analysis of the complaint letters is an excellent source. However when asked what sort of complaint the department normally received, the management said that they did not receive many and some thought that the reason for this is because there is no proper mechanism to capture customer complaints. Most of the complaints received were on things that were beyond their control such as response time and site related matters. How fast the department can react depends on the approval of the committee involving elected councillors.

When asked how the department should be judged, all of the management think that they should be judged on the quality of their service (including how happy people are with the services), on speed (completing work within targeted time) and on cost (within the allocated budget). The management of PDPR is in the opinion that improvement at the department can happen if the following were to take place. They think that more budget is needed so that more staff can be hired and the latest technology can be used. By having more staff, more work can be accomplished and this would cut-down the waiting list on certain services and avoid staff to cut corners to cope with demand for services.

Most of the staff of PDPR considered the performance indicators collected every quarter as the only performance measurement system in the department. One staff member even responded that he wonders if there is any performance measurement done in the department. Most of the staff were either not satisfied or unaware of the current performance measurement system in the department. The majority of the staff mentioned that they are not well informed of how the department is performing.

To a question that asked how they would like the department to be judged, most of the staff of PDPR preferred to be judged on how well they deliver the services. They want to be judged on cost, speed, achievement of target, and quality.

The staff think that the following could improve the services in the department. Performance of the department can be better if they become more businesslike, more focused on their job, and be informed of how the customers evaluate their performance. Most believed that if they have some feedback from the customer through some form of customer satisfaction census then they would be able to react correctly to improve themselves.

As for personal appraisals, most of the staff believed that this is one area where the department needs to improve. The current systems was said by the staff to be more concerned with tracking what people do instead of how well they do it. All of the staff were not happy with the system used in evaluating personal performance. One member of the staff even suspects that the management are actually unaware of how the staff are performing. An example was cited where unfairness or proof of management failure to establish one was the case with the distribution of work through the mail basket system. The staff can pick and choose which job he or she wants to take, resulting in most of the time the tasks that are difficult and not popular to be left behind to whoever are unlucky enough to be forced to take it. There is an admission by one of the staff that it is not easy to measure individual performance in the department because of the nature of the work they are doing. The tasks in PDPR were said to be not the same each time making it impossible for measuring and comparing individual performance.

The staff suggested the following way on how individual performance should be judged. The majority of the staff think that they should be judged based on the quality of the work done and on speed. It was suggested that management should provide some feedback on how competent and capable the staff are and information such as this was thought to be a more objective way of evaluating them. Another member of the staff thinks that their individual performance should be determined based on how much revenue the individual staff can bring in for the city council.

The PDPR department measures eight variables every quarter. These variables are shown in Table 5. 19. The PDPR monitors similar factors to PMD for each variable (number of services provided; performance against the target set; and performance against the preceding quarter).

Table 5. 19: Property Development and Property Review's Performance Indicators

No.	Performance Indicators
1	Value of capital receipts received from land and property transactions (excluding Right to Buys)
2	Provision of property information to the planning group within the required time limits
3	Transactions/acquisitions and disposals completed within 10% of budget figure
4	Success of the submission of rating appeals on all properties where it is believed a reduction in the R.V. can be achieved
5	Achieve a reduction in the total rateable values for properties where appeals submitted
6	Transactions completed without complaints from clients/customer
7	To maintain a clean, safe environment for the public and tenants in Salford Quays
8	To maintain water quality within the EC bathing directive in Salford Quays

5.9.3 PM and PDPR's performance compared based on selected service factors

The literature review identified several service factors that were said to affect the performance of an organisation. In this research, the respondents were asked their opinion on these service factors and later were asked to judge the performance of PMD and PDPR based on these service factors.

Table 5.20 shows the result of the opinion of the top management of SCC, management of PMD and management of PDPR on the selected service factors. All the respondents in these three groups were asked to rank on a scale of 1 (very important), 2 (important), 3 (not important) to 4 (not very important) their opinion on the importance of the service factors towards the performance of a department.

To determine whether QMS has any impact on the performance of PMD, the top management or their representative who deals with PMD and PDPR was asked to compare the performance of these two departments based on the selected service factors. They were asked to rate the performance of the two departments on a scale of 1 (excellent), 2 (good), 3 (average) to 4 (poor) on each of the service factors. Table 5.21 presents the actual

performance of PMD and PDPR respectively as seen by top management or their representatives based on the selected service factors.

Table 5.20 Opinion on the importance of the selected service factors

	Factors:	Top management	PMD management	PDPR management
		Status	Status	Status
1	<i>Reliability (accurateness)</i>	<i>V. Important</i>	<i>Very important</i>	<i>Very important</i>
2	<i>Responsiveness (promptness/timeliness)</i>	<i>V. Important</i>	<i>Very important</i>	<i>Very important</i>
3	<i>Competence (skill & knowledge of staff)</i>	<i>V. Important</i>	<i>Very important</i>	<i>Very important</i>
4	<i>Courtesy (politeness, respect, consideration, friendliness)</i>	<i>V. Important</i>	<i>Very important</i>	<i>Very important</i>
5	<u><i>Tangibles</i></u>	<i>Important</i>	<i>Important</i>	<i>Very Important</i>
	<i>i. Excellent physical facilities</i>			
	<i>ii. staff's appearance</i>	<i>Important</i>	<i>Important</i>	<i>Very Important</i>
6	<i>Accessibility (ease of getting to the person)</i>	<i>V. Important</i>	<i>Very important</i>	<i>Very important</i>

Table 5.21: Top management's rating of PMD and PDPR's performance on the selected service factors

	Factors:	PMD	PDPR
		Status	Status
1	<i>Reliability (accurateness)</i>	<i>Good</i>	<i>Average</i>
2	<i>Responsiveness (promptness/timeliness)</i>	<i>Good</i>	<i>Average</i>
3	<i>Competence (skill & knowledge of staff)</i>	<i>Good</i>	<i>Excellent</i>
4	<i>Courtesy (politeness, respect, consideration, friendliness)</i>	<i>Good</i>	<i>Good</i>
5	<u><i>Tangibles</i></u>	<i>Average</i>	<i>Average</i>
	<i>i. Excellent physical facilities</i>		
	<i>ii. staff's appearance</i>	<i>Good</i>	<i>Good</i>
6	<i>Accessibility (ease of getting to the person)</i>	<i>Good</i>	<i>Good</i>

At the end of the questions that asked the immediate customers' opinion on how PMD and PDPR performed on the selected factors, the respondents were asked to judge these two departments' performance on an overall basis. The directors or their representative were

asked to rate the overall performance of PMD and PDPR on a scale of 1 (Highly satisfied), 2 (satisfied), 3 (Not satisfied) and 4 (Highly not satisfied). The outcome is depicted in Table 5.22. It was that observed that on average these group of respondents rate PMD's performance as satisfactory while the PDPR's performance was rated as between satisfactory and not satisfactory. Further discussions on the implications of this result will be provided in Chapter 6.

Table 5.22: Overall Satisfaction with PMD and PDPR

	X 1	X 2	X 3	X 4	X 5	X 6	X 7	X 8	Ave.	Status
PMD	1	1	3	2	2	3	2	2	2.00	<i>Satisfied</i>
PDPR	1	1	3	2	2	3	3	3	2.25	<i>Satisfied/Not satisfied</i>

Notes:

1 - *Highly satisfied* 2 - *Satisfied* 3 - *Not satisfied* 4 - *Highly not satisfied*

5.9.4 Performance Review Committee's View

According to the representative of the Performance Review Committee (PRC), the current performance is basically tailored towards AC's requirements. SCC started preparing for complying to AC's performance indicators (PI) requirements in November 1995 and eventually practised it in April 1996.

The PRC felt that the AC's PIs were not reflective of the actual performance of the departments. It was found not to be comprehensive. It does not measure the root of the problem which is the measurement of the quality of services. However, it does provide section managers with some views of how their sections are performing. The AC's performance indicators perform the acts of accountants. It tracks time and cost and makes sure that certain things are done. The AC's PIs were seen as a good practice but was regarded as unfair. It tracks work performance and financial performance only and was not extended to all departments.

According to the PRC, DSD is now preparing and developing a performance measurement system that would include outcome measurement rather than just input measurement. Outcome measures would track things like people's views as to whether the jobs are done on time and the quality of services. There is a need to design a performance measurement system that can trigger and challenge section managers to perform well. It was thought that

PI should be not for the sake of reporting but it needs to be used for planning and setting priority. The performance measurement system must function as an indicator to staff on how they are doing as a department and can also provide feedback to senior management on the department's performance. It was admitted that PSO like SCC was weak in the area of rewarding people for performance. It was also thought that DSD has not done enough to explain the meaning of PI to its staff.

With regard to the opinion on how departments in DSD are judged, the PRC's representative thought that the departments would be judged on bottom line issues. They would be evaluated based on visible things like: how quickly repairs were done; how fast the reaction was to a complaint; the speed and quality of processing application; fair treatment on consultation; being informed; and in the case of road repair, the guarantee of minimal disruption and delay.

The PRC's representative was also asked on the effect of QMS on performance. It was said that QMS enables the departments to perform work on a consistent basis. However, QMS was said to fail in reflecting how the departmental performance compared to others. It documents what is done without changing current practices. There was a need to have a QMS that includes continuous improvement, benchmarking and the measurement of performance. It was thought that QA procedures need to be able to demonstrate how to do things effectively.

The PRC's representative was also asked his opinion on the effect of CCT on the performance of the departments in DSD generally. It was observed that CCT forces DSD to be more caring or seen to be caring. It identifies poor performance and forces DSD to correct weaknesses. DSD's departments were said to become customer focused. Now the departments are asking what the customer wanted as compared to before where customers were never consulted.

5.10 Problems in providing quality services

One of the research questions in Chapter 4 asked what are the problems that PSO faced in providing quality services that might affect its performance. Both the management and staff of PMD and PDPR were asked what was the biggest problem they faced in providing quality

services in their department. This question was asked to determine what factors hinder the performance of these departments.

5.10.1 PMD perspectives

Seven problems were cited by the PMD's management that hinders them from providing quality services in PMD. The staff of PMD highlighted eight problems with providing quality services in their department. Table 5.23 outlines the summary of the factors that the management and staff of PMD consider as hindrance to their ability in providing quality services in the department. Appendices 5N.1 and 5N.2 outline the detailed response of these two groups to this question. A detailed discussion of this issue will be presented in Chapter 6.

Table 5.23: PMD's perspectives of barriers to providing quality services

PMD's management	PMD's staff
Speed at which other departments react to their request.	Benchmarking was not taken seriously and a lot of time was spent on "firefighting" instead of looking at where the department should be heading
Difficulty in changing things if it is not politically acceptable.	Lack of communication with other departments affected their ability to perform better
Unrealistic timescale that the department have to work to.	Unable to specialise in their chosen field.
	Lack of funding
Lack of funding and resources.	The absence of feedback from management and other departments on how they are performing
The way funding was acquired.	Lack of administrative support received
The attitude of the public	Lack of public understanding
The inability of the public sector to reward individuals for performance	Slow decision making process

5.10.2 PDPR perspectives

Similarly, the management and staff of PDPR were asked what was the problem that they encountered in providing quality services. Table 5.24 presents the findings on PDPR's management and staff response to this question.

The management of PDPR cited eight problems that they considered as the biggest hindrance to providing quality services in the department. As shown by Table 5.24, eight

factors were highlighted by the staff that they believed as the barrier to providing quality services. Detailed responses from each of these two groups on this issue can be found in Appendices 5P.1 and 5P.2.

Table 5.24: PDPR's perspectives of barriers to providing quality services

PDPR's management	PDPR's staff
The staff in the department is overworked and under staffed	The red tape in seeking approval.
Responses from other departments	The frustration of seeing professional decision made by staff overturned by individual council members
The absence of a feedback mechanism that would assist them in determining what improvement can be done to their services.	Lack of control in the way things are run allowing vested interest to set in
Maintaining the correct attitude of the staff towards work.	No feedback on how staff are performing.
Slow decision making process	Uninterested public
Problems with the time sheet system.	The frustration of pleasing too many government rulings.
Inappropriate work culture	Lack of support staff
Policy on utilisation of funds.	Difficulty in accessing background information on certain jobs.
	Lack of funding

5.11 Performance of a city council in general

An important issue identified in the literature related to quality and performance measurement was the issue of customer perception and expectation. Two research questions related to addressing these issues were listed in Chapter 4:

- (i) What are the management, staff and immediate customers' views of the departments being studied on the public's perception and expectation of the city council?
- (ii) What is the opinion of management, staff, and immediate customers of the departments being studied on how the public judge the performance of a city council?

In this research the top management, management and staff of the PMD and PDPR were asked their opinion on how the public perceive and expect them to perform. They were also asked on how does the public judge the city council in general and what needs to be done to improve SCC's performance.

5.11.1 Perception and Expectation

Table 5.25 shows the opinion of top management of SCC, management of PMD, management of PDPR, staff of PMD and staff of PDPR on the perception of the public

Table 5.25: Public's perception of SCC

Respondents' Groups		High Perception	Low Perception	Undecided	Total
Top management		2	4	2	8
PMD:	Management	2	0	2	4
	Staff	1	11	1	13
PDPR:	Management	3	0	1	4
	Staff	0	8	1	9

towards SCC. Table 5.26 provides a summary of these groups' comments with regards to these perceptions. Appendices 5Q.1, 5Q.2, 5Q.3, 5Q.4 and 5Q.5 show the individual responses of each respondent in these groups with regards to their opinion on the public perception and expectation. Detailed descriptions and discussion of these responses will be presented in Chapter 6.

Table 5.27 shows the summary of the opinion of the top management of SCC, management of PMD, management of PDPR, staff of PMD and staff of PDPR with regards to the public expectation of SCC.

During the course of the interviews with the top management, the author was informed by the top management of a study commissioned by SCC in 1998 that attempts to gather information from the community. Information from the study was intended for SCC to improve its services and plan for the future. The study which was based on the main theme of "What can be done to improve the quality of the lives of the people of Salford?" was conducted by a private company. Table 5.28 shows the main findings of the study, listed in the order of priority, concerning the public expectation of SCC (based on 1024 questionnaires). The study is done on a door-to-door and focus group approach.

Table 5.26: Comments with regards to public's perception

Top management	PMD		PDPR	
	Management	Staff	Management	Staff
SCC perceived as a big organisation that is inefficient and ineffective.	Perceived as huge and inefficient.	The public perceives SCC as inefficient, big and bureaucratic	The public are not impressed with what the city council is doing.	City councils' employees were perceived as lazy, not doing anything and wasting public money.
The perception of the public has changed over the past 30 years, the city council is perceived better than it was 30 years back.	The public actually do not care about the city council	Perceived to be working faster if pressured.	Perceived as lazy, bureaucratic, underwork, slow and big.	The public perceived they are paying too much council tax.
The perception of the public on the city council differs and depends on which area of the city the public live.	The perception of public varies depending on how extensively the members of the public use their city council's services	Perceived as an organisation that is overstaffed, full of time wasters, and people that are not working or doing anything.	The public cannot be bothered with what is happening with the city council.	The perception of the public varies depending on whether the public is an "informed" public or otherwise.
	The public have a tendency to generalise that all services of the city council were poor.	The perception is getting better especially due to the existence of the Labour Party that brought changes to SCC.	Public perception is influenced by the negative publicity received by the city council.	The private sector has a better perception of the city council than the public in general.

5.11.2 How the city council should be judged and ideas on improvement

The top management of SCC, the management and staff of both PMD and PDPR were asked how they think the public judged the city council. They were also asked what improvements SCC need to make if it wants to improve itself. Table 5.29 shows the results of the findings on the opinion of the respondents from all these various groups with regards to the way the public judged the city council (the detailed individual responses are available in Appendices 5R.1, 5R.2, 5R.3, 5R.4 and 5R.5).

The top management of SCC think that SCC can be improved by introducing the following actions:

- (i) SCC needs to be more focused on what it is doing.
- (ii) SCC needs to prioritise the services offered to the public.
- (iii) Improvement required with the decision making process.

Table 5.27: Public's expectation as perceived by top management of SCC, management and staff of PMD and PDPR

Top management	PMD		PDPR	
	Management	Staff	Management	Staff
The public want everything and at minimal cost.	The public expect the best from the city council.	The public expect everything for nothing.	The public expect the city council to provide them with services of equal value to the taxes they paid.	The public want a lot of services to be provided to them.
The public expect the city council to solve all their problems.	They expect the city council to solve all their problems.	Expect SCC to spent public money wisely and to deliver services effectively.		Expectation of the public differs with location of where they live.
The public expect services of high quality and with some choices.	The public expect SCC to provide more and better facilities.	The public want SCC to be operated like the business sector.	The public was thought to be expecting the city council to provide them with everything that they wanted.	The public expect services to be provided at the highest quality and at the lowest cost.
They want services to be fast and friendly.	The expectation of the public differs according to the locality of where they reside.			
The public expect the city council to place city cleanliness, solving social problems, and road maintenance as priority issues.		The public could not be bothered about the city council as long as their bins are emptied, decent schools are run, and other basic services provided.	The public want all their problems to be solved with the tax money they have paid.	The public were also thought to expect the city council to be highly concerned about basic services such as rubbish collection, street cleaning, and traffic problems.

The management of PMD suggested seven ways on how SCC's services can be improved. It was thought that SCC can improve if:

- (i) It can tackle the crime and community problems.
- (ii) More funds needed so that more and better services can be provided to please the community.
- (iii) A change in decision making process.
- (iv) Some committees need new chairman so that new ideas can be introduced.
- (v) Less talk and more action needed.
- (vi) SCC should embark on benchmarking and networking exercises.

Table 5.28: Findings on public expectation (research conducted by Priority Search Limited)

No.	Expectations
1.	More police about (visibility)
2.	Safe places for young people to go that they can afford
3.	More discipline in local schools
4.	Slow down the speeding traffic
5.	Improve education standards
6.	More training and support to help people into work
7.	Somewhere for the kids to go after school
8.	Better health care
9.	Improve the physical environment
10.	Improve the condition of the roads and pavements

Source: Priority Search Limited (1998)

The following suggestion was suggested by the staff of PMD on how SCC's services can be improved:

- (i) It was suggested that senior management should be more visible and aware of problems at the ground level.
- (ii) SCC needs to carry out an image building campaign.
- (iii) Need to have a city council without politicians.
- (iv) Need to have a balanced representation of elected council members in SCC.
- (v) QMS should be extended to every department in SCC.
- (vi) SCC should implement whatever ideas identified, discussed and agreed.
- (vii) Need to allocate more funds to SCC.
- (viii) The needs to eradicate the "blaming others" culture in SCC.
- (ix) Need to have all the processes to be reexamined so that efficiency and effectiveness can be achieved
- (x) Specialists seconded from central government.
- (xi) SCC needs to listen more to the public.
- (xii) The need to promote SCC to be more "businesslike".

An analysis of the responses of the management of PDPR reveals the following as the ways on how the services at SCC can be improved:

- (i) A change in the mentality of solving problems.
- (ii) It was suggested that the working culture in SCC need to be more confrontational (tight discipline and more accountability)
- (iii) SCC needs to appreciate the contribution of the staff (staff performance appraisal required).
- (iv) A need in the management style of SCC (more employee centred style expected).
- (v) A change in decision making process.

Table 5.29: Comments with regards to the way the public judged SCC

Top management	PMD		PDPR	
	Management	Staff	Management	Staff
Judged on how well these front ended services such as street cleaning, grass cutting, bin collection, road maintenance, and park maintenance were delivered.	Based on the frontline services that SCC is providing.	Based on services that were dear to the public (services such as street cleaning, the quality of the school, emptying of bins and cleanliness of the park) and were evaluated in relation with the amount of tax paid.	The public judged SCC based on direct contact services delivery (how well bins were emptied, streets repaired, parks maintained, adequate sports and social facilities, schools in good condition and public libraries well maintained)	The public judged the performance of SCC based on services that are of direct contact with the public.
The knowledgeable public would extend their judgement of the city council based on what they read about the council.	Public not interested with what happens behind the scene or performance of the department, they are only concerned with services that matter most to them (the quality of the roads, the libraries, schools, parks, and rubbish bin collection)	The public judgement was influenced by what they read and hear from the media. The public have a bad impression of the city council because of the poor or inadequate publicity it received.	Based on one or few contacts with SCC thus resulting in an incorrect generalised judgement of SCC.	The performance of SCC in general is determined by the kind of population who make the judgement (SCC would receive better rating from a more affluent society)
Based on activities involving the point of contact with the public.		Locality influence the public's judgement of SCC (those staying in an area that was free of crimes and other social problems have a better opinion of the city council)	The public would only think and judged the council when something goes wrong with any of its services.	The public made an unfair judgement of the city council. The public used the limited experience that they had with some of the SCC's services to generalise the overall performance of SCC.

- (vi) The need to improve the performance measurement approach at SCC.
- (vii) A need to re-examine the distribution of workloads in SCC (an even distributed workload that utilises all the resources and the potential of all staff is expected).
- (viii) SCC should increase the council tax so that more services can be provided
- (ix) SCC to promote itself (the public need to be informed of what SCC is doing and what it cannot do and why it is not done).
- (x) SCC needs to increase its involvement with the public in general (the public need to be frequently invited to contribute ideas for improvement)

Ten suggestions were recommended by the staff of PDPR on how the services at SCC can be improved:

- (i) SCC needs to embark on a lot of publicity and advertising to inform and make the public realised what SCC is doing.
- (ii) More consultation needed with the public.
- (iii) SCC needs to take steps to identify the priorities of Salford's population.
- (iv) Council taxes need to be lowered and the public have to pay so that they would appreciate the services provided.
- (v) SCC was suggested to look for other means to run the city and not to depend on government budget.
- (vii) Frequent citizen surveys needed to gauge the general satisfaction level of the population with the city council.
- (viii) SCC needs to have a more sophisticated system to track its performance with regards to delivering specific high priority services to the public.
- (ix) It was suggested that the management of the department need to undergo training in how to manage people and office.
- (xi) More funds are needed for SCC to improve its services.
- (xii) SCC's services to be more users' friendly (services such as sport facilities and libraries in particular need to be users friendly and improved since these services have a lot of impact in projecting the whole image of the city council)

5.12 Business Excellence Model and Best Value

At the time this research was conducted, the local authorities in the UK were at the stage of introducing the Labour Government's Best Value (BV) initiative. The management of SCC believes that the Business Excellence Model (BEM) was an ideal tool to instill BV's elements into SCC. The top management, management and staff of both PMD and PDPR were asked their views about BEM and how it should be implemented. The purpose of asking all the respondents these questions was to see how BEM would affect the performance of SCC, what problems it encounters in implementing a quality model like BEM, and to see how QMS fits into this new initiative. Currently, according to one of the top management, on a scale of 1 to 10 (1 being the lowest and 10 the highest), SCC scored between 1-2 in most areas of the BEM. It was said that the ultimate objective of SCC was to move from this model once it is successfully established and to go next to implement the

European Foundation Quality Model.

All the top management were impressed with BEM. They commented that BEM was an excellent, workable, and a model that involves commonsense. Most of the PMD's management were also positive about BEM. Most of the PDPR's management considered BEM as excellent, superb, and a good model. It was however criticised to be a massive model. Table 5.30 shows the summary of the views of these three management groups on BEM. Appendices 5S.1, 5S.2, 5S.3, 5S.4 and 5S.5 show the responses of each respondent from each groups.

Table 5.30: Views on Business Excellence Model

Top management	PMD's management	PDPR's management
A framework for SCC to identify its strengths and weaknesses.	It determines the direction of the department.	It assisted them in reassessing their department and figuring out ways on how improvements can be made.
The model enables SCC to conduct an annual self-assessment of its performance and the management believe that this model can be incorporated into SCC's current performance review practices.	It enables the department to focus on their current practices more objectively and to work out an improvement strategy from there.	It was regarded as an excellent tool in preparation for Best Value.
It allows for assessment to be made at various levels at SCC.	The model was also said to have made them more accountable.	Unlike previous initiatives, BEM was viewed as a structured model that is based on evidence and the approach is very disciplined.
It is not a "one-off" programme. The model supports continuous improvement.	It was believed that the principles of this model would support Best Value.	
It allows for tangible improvement to be seen and shared since assessment are done on a weighted measure.		
The model also caters for issues like teamwork, management change, relationship and cross-departmental working.		

There was one negative comment received from the top management. BEM was said to be not well adapted to the public sector. An example was quoted with regards to the section of the model that assess SCC's impact on society. It was claimed that when the actual assessment was made, it was quite surprising to find that SCC receives a very low score for

that section. It was considered to be awkward because SCC should score high for that section since the major role of a local authority like SCC is to serve the public. A member of PMD's management was sceptical about BEM. The model involves too much paper work. There were too many forms to fill in. Change according to this respondent is not about filling up forms.

There were some complaints from PDPR's management that the model was introduced poorly. It was seen as a big jump and the one day talk was not sufficient to introduce the management to the model. Some of the management despite admitting it is an excellent model, were sceptical about whether the model can be implemented successfully in the department. One comment was that they were hired to value property and not to devote their time on management systems or issues. The model was claimed to have caused a conflict in staff's time. Staff have to neglect their task to spend time to attend improvement team meetings.

Another comment was the score could be easily manipulated. It was said that the assessment exercise could be used as a "a rosy picture" campaign to promote ones department. The model was also reputed to be taking a lot of effort and the benefits were unclear. One member of management was doubtful as to whether BEM is practical for local government considering the sort of situation all local government presently is in (a lot of red tape, cannot cope with public demand due to limited funds, and conflicting objective of expecting the city council to operate at low cost but at the same time to achieve the best possible service). Table 5.31 shows the various suggestions made by three management groups on how BEM should be implemented.

Collectively there seem to be no clear indication on which side the PMD's staff view is on the BEM. Although six staff were positive about the model, five staff were seen as uncertain while two others were very negative about it. Most of those that were having positive views about the model think that the model allows them to re-examine their current practices and help them to trigger improvement. Those that were either sceptical or negative about BEM provide the following reasons:

- (i) Most believed that it is just another initiative and will fade away with time.
- (ii) It is seen as the same initiative that was introduced into the department before but now it is given a different name.

Table 5.31: Suggestions on how BEM should be implemented in SCC

Top management	PMD's management	PDPR's management
The employees of SCC must be made to be fully aware of the objective and benefits of BEM.	BEM should not be implemented on a "piece meal" basis. It needs to be integrated into the day to day activities of the department.	Frequent and immediate follow-up required to maintain the interest with the model.
BEM must be treated as an integral approach of the department where responsibility must be identified and changes expected.	The model must receive the support of every individual in the department and there must be somebody that needs to be identified as the head or champion to lead the initiative.	BEM must be driven by top management.
BEM must not be seen as a separate and detached programme.	Total commitment of top management is required.	Emphasis must be made to convey to every employee that it is a directorate-wide or council-wide initiative and not as a one department initiative.
BEM must not be implemented in a rush. (It must not be seen as something that is introduced too much and too fast).	The department need to re-examine its priority. Previous initiatives need to be dropped and the focus should be on just this model (too many initiatives were thought might confuse the staff).	BEM needs to be introduced steadily rather than rushing to see results.
The model needs to be cascaded down to involve lower level staff (the staff must be regarded and treated as the vital component that form the whole big picture of the BEM initiative).		

- (iii) BEM made them feel they can change but the recent restructuring of the department complicated things (the departmental restructuring means a different boss to answer to and this requires a different working relationship).
- (iv) BEM is unnecessary (it is just the government's way of instilling quality in the public sector)

According to the staff of PMD, BEM can be implemented successfully if the following were observed:

- (i) Management need to be fully committed. Management should not just talk about it but need to ensure that whatever were discussed and recommended were implemented.
- (ii) Management need to convince the staff that real change can happen.
- (iii) Management need to be trained on how to manage the department. (It was said that if management have the necessary management skills then they would be able to handle people and implement BEM successfully).

All the staff of PDPR supported the model. It was regarded as a good, wonderful and practical model because:

- (i) It gave them a clear view of what they are doing.
- (ii) The model gave them the opportunity to examine how they are doing and to measure how they are progressing.

There were some comments from the staff of PDPR that after the training on BEM, they did not receive any feedback on what has been done to the things that they have suggested, discussed and decided during the training. The PDPR's staff were concerned about whether they have the time to focus on the model since there were too many things and initiatives currently going on in the directorate. Eight recommendations were identified from the analysis of the PDPR's staff responses:

- (i) Successful implementation requires management commitment.
- (ii) It requires total involvement of everybody in the department.
- (iii) A clear understanding and awareness of the model must be present.
- (iv) Various follow-up must be made to sustain the interest towards the model.
- (v) There is a need to design a well-organised implementation step (a plan must be designed to indicate to everyone what is to be achieved and what has been achieved with the model).
- (vi) It was suggested that steps need to be taken to avoid turning the model into just another programme (BEM must gel into the everyday activities of the department).
- (vii) Some campaigns need to be done to disseminate some success stories from other city councils that have been successful in using BEM.
- (viii) The last recommendation made was the model could only work if somebody was appointed as the person to coordinate and sustain the staff interest in the model.

5.13 The effect of age, gender and years of service

As has been stated in the previous chapters, this research is not concerned about quantitative issues such as how many respondents responded in a particular way to questions asked in this research. An attempt was however made to analyse whether age, gender and the number of years the respondents have been in service with SCC have any influence in the way they responded. This analysis was done to highlight if there was any overall patterns that were established with regards to the respondents' views on QMS and the other issues asked in this research. It was found that there was no particular pattern established with regards to these three factors on the respondents that were randomly selected for this study.

This chapter has presented the findings with regards to aim, objectives and research questions of this research. It has presented the responses of the management and staff of PMD with regards to the effect of practising QMS and being subjected to CCT. This chapter also presented the feedback of PDPR, the department that was not practising QMS and not

subjected to CCT, on issues comparing PDPR with PMD pertaining to performance, quality management and service delivery. This chapter has also presented the responses of immediate customers of PMD and PDPR with regards to the two departments' performance. The next chapter will discuss the implications of all the findings in Chapter 5 and its comparison with the literature.

CHAPTER 6

DISCUSSION

6.1 Discussion of results, implications and comparison with literature

This chapter will discuss the results of this research, its implication and comparison with the literature. The discussion presented in this chapter will centre around the three main objectives and research questions identified in this research.

6.1.1 Quality Management Systems (QMS)

This research has highlighted several issues pertaining to Quality Assurance (QA) based Quality Management Systems (QMS) in the public sector. The steps taken by the Quality Assurance Section (QAS) of Salford City Council (SCC) to implement a QA-based QMS is no different from the way it is implemented in the private sector as described by the literature. Basically the approach taken was to start with an awareness programme, followed by the setting up of a formalised structure to coordinate the initiatives, then the QA procedures were designed and documented, and finally internal and external audits were conducted. With regard to the implementation of this QMS, nine critical factors were identified by the top management and the QAS during the interview:

1. The need for a “Bottom-up” approach
2. To be clear on the process to be documented
3. QA documentation must be made as simple as possible
4. The need to convey to the staff that they were the experts in the work processes to be documented.
5. Full awareness on the benefits of the system is a necessity
6. Management commitment
7. QMS must not be seen as a “one off” programme
8. Allowing the staff to be totally involved
9. QMS must be treated as part-and-parcel of the everyday work of the organisation.

These findings are consistent with what is written in the literature about the critical factors for quality management implementation. Munro-Faure and Munro-Faure (1992) asserted the importance of management commitment and employees’ involvement. These findings are also consistent with Goetsch and Davies (1995) who advocate the need to publicize and communicate the benefits of the system. This finding is in consonance with the analysis made by Saraph *et al* (1989) and Dale *et al* (1994a) that discuss the steps in implementing quality management in organisations. Various other authors (Whalen and Rahim, 1994;

Sayle, 1994; Brown *et al*, 1994; and MacDonald, 1992) highlighted the lack of management commitment and employee participation as the barriers to successful implementation of quality initiatives. Thus it can be implied that there were no differences in approach in implementing quality management in the public sector as compared to the private sector. From the review of the literature, the author is in the view that for TQM to be implemented successfully, it requires the involvement of everyone in the organisation. Everyone in the organisation must have a shared vision of what needs to be done and must know what role is expected of them. The management group must take the lead to champion the effort to install TQM. Proper planning in TQM implementation needs to be undertaken and progress made needs to be monitored to create a sense of achievement that can excite everyone to remain committed to the efforts of establishing TQM in the organisation.

With regards to the forces that drive the implementation of QMS, the feedback from the interviews with the QAS and top management and management of Property Development Department (PMD) indicate QMS was introduced basically in preparation for Compulsory Competitive Tendering (CCT) and Best Value (BV). This finding is consistent with Davison and Grieves (1996) who said that QMS was introduced into local authorities because of CCT. This finding also supported various other authors' findings (Smyth, 1997; Redman *et al*, 1995; Paddon, 1992; and Erridge *et al*, 1998) which said that quality related initiatives were introduced into the UK's public sector organisations (PSO) using the "legislated" approach such as the CCT.

Both the management of PMD and the QAS identified two main problems associated with QMS implementation at the initial stage. These two problems were:

- (i) Availability of staff's time
- (ii) Staff's acceptance of the system

There is an implication here that the staff were overloaded with work and that they regard QMS as not a priority. This idea is made worse by the attitude that QMS is not regarded as part and parcel of their daily work. The documentation of the QA procedures was treated as extra work to the staff. By virtue of this viewpoint, the implementation of QMS in a public sector setting like SCC requires extra effort. The staff need to be convinced that QMS is an integral part of work and it is not about tidying up paperwork and excellent filing systems. Management can help make QMS an integral part of the staff's work by allowing

them to allocate time in their daily time sheet as time that can be devoted to QMS activities. By recognising it this way particularly at the initial stage of implementing QMS, QMS would be accepted as part of the job.

In general, a significant number of people at SCC have positive views about QMS (Table 5.3, Table 5.9 and Appendices 5F.1, 5F.2, 5F.3, 5I.1 and 5I.2). The views of the management and staff of PMD can be summarised as follows:

- (i) It has made staff more disciplined and consistent
- (ii) It provides staff the opportunity to re-examine their work and to be better organised
- (iii) It resulted in staff having a better understanding of their work
- (iv) It is a good foundation for introducing the public sector to working to a system
- (v) It allows staff to conduct self-monitoring
- (vi) The external audits create a useful independent view of public sector work
- (viii) QA procedures become valuable documents for record and reference purposes

During the analysis of the data, an issue which was significant and uniquely associated with the staff of PMD was that the QA procedures were said to be helpful in providing them with a clear target of what to do and how work should be done. The auditing process associated with monitoring this target helps in instilling in them the sense that their work was important. It was said that the accomplishment of the target and being successful in passing the audits provides the staff with a sense of achievement. On the other hand, a factor that was identified uniquely to the management group was that QMS was seen as a useful tool for training new staff.

There was one strikingly differing opinion between staff and management on QMS. Some members of the staff see QMS as a tool by management for monitoring them while management treat QMS as a management tool to produce consistency and quality.

Despite the significant number of people having positive views about QMS, there were some questions raised which need some attention. There were some concerns with regards to these two issues:

- (i) Documentation and certification of standard
- (ii) Monitoring and measurement of quality

There was feedback from this research that claimed QA does not prevent a low standard from being certified. The QMS was said to be unable to prevent bad procedures or work

processes from being documented. It was said that the originator of the process can manipulate the standard to suit themselves. It does not question what the staff does. This echoed Mahli (1995) quoting Professor Michael Kaye who said that an organisation did not become a quality organisation by becoming accredited to a QMS. The second concern was that the QMS was inadequate in monitoring and measuring quality. The auditing process was criticised to be just an exercise of checking whether work done conforms to the standard that was set. It did not measure the quality of the service and performance. This viewpoint matches Crosby's (1998b) criticism about QA-based QMS. Crosby is of the opinion that quality assurance is all about documentation, having clear requirements and conforming to it. It does not, according to him, involve measurement of quality. Thus would be implementors of QMS must be aware of these two issues and design a QMS that can handle these problems. Some of the respondents suggested that the QMS system must include benchmarking features to make it more appealing.

One of the main issues highlighted by the respondents from PDPR was that QMS might not be applicable to their department because of the differing nature of the jobs performed in the department. This is not a valid excuse for rejecting QMS because QMS is not about standardising jobs but rather it is about standardising processes. Although the management and staff of PMD admitted that QMS has significantly helped the department, there were some negative responses about QMS. It can be implied that these negative responses are natural resistance towards change. As stated by Hussey (1995); King and Anderson (1995); Ward (1994); and Sadler (1995) in the literature, the probable reason for rejecting things that can make the organisation efficient and effective is because the staff fear that change might affect them adversely. Change might cause the staff to lose their job, lose control of things that they usually do and are forced to learn new skills and take new responsibility. The logical thinking, that the staff might have, could be that if the department is becoming more efficient due to the QMS's procedure, then less people are required and thus lead to the some of the staff being made redundant. Webster and Sherman (1999) reported in *The Times* (July 7, 1999) that Tony Blair, the British Prime Minister, considered the public employees as the hardest to convince that modernisation is necessary. The Prime Minister continued by saying that people in the public sector were more rooted to the concept that "if it has always been done this way it must always be done this way".

A unique feature about QMS at PMD was the availability of the document change request form. This form was designed by the QA Section to allow for any improvement made to procedures to be updated and formally documented. When the management and staff were asked whether QA procedures can be changed (item 10 in the selected statements asked), both management and staff strongly agree that the QA procedures can be changed. It was quite surprising to find that some respondents find that QMS does not allow for continuous improvement to be made when in actuality there is a mechanism such as this document change request form that cater for it. Thus it is seen that the idea that QMS can bring about continuous change and improvement is not well disseminated to the department practising it. Although the document is available it is not used as intended. Probably if the document change request form is renamed to say something that reflects its usage (such as including the word “improvement”) would solve this problem. It can be suggested also that greater effort needs to be done to highlight the usage of this form. At the end of any audit process, for example, a question can be added that asked the person being audited what improvement can be made or suggested for the process being audited.

Another interesting comment found in this research was whether there is a need to engage and pay a third party to certify the system. It was implied that the QMS objective can be achieved without investing a fortune on external certification. This supports Mahli (1995) who stated that an ISO 9000 registered company does not necessarily have better product or service quality compared to that of non-registered companies. The management of PMD were asked questions related to this issue. As has been shown in Table 5.6, the management think that being registered to ISO 9000 was indeed a worthwhile process and that clear benefits were obtained from being registered.

To determine that the management and staff's views on QMS were consistent, they were asked selected statements about QMS in PMD. The findings shown in Chapter 5 proved that the management and staff respectively do have a favourable view on QMS at PMD. Although this research is not quantitative research, a comparative analysis on the result of the responses of the management and staff on the selected statements can trigger some debate on a couple of fundamental issues with regards to QMS. To determine which issues they collectively agree on, the average responses of the management and staff opinion on the 15 statements were conducted. It was found in Table 5.4 that the responses of

management and staff of PMD on the 15 statements were generally similar. Thus it can be concluded from this data that the staff and management agree that QMS:

- (a) Does help make jobs easier
- (b) Does not reduce the volume of work
- (c) Does not make staff more stressful
- (d) Makes work more organised
- (e) Helps improve quality
- (f) Helps to improve teamwork
- (g) Helps to achieve mission and vision
- (h) QA procedures were easily available
- (i) QA procedures can be changed
- (j) Improves performance of the department
- (k) Reduces mistakes and error

Both the management and staff agree that QMS has been successful in achieving its objectives in the department. The differing responses are with regard to the statement that QMS saves time, QMS reduces mistakes and error, and QMS eliminates duplication. Management disagrees that QA saves time, while the staff agree that it does. The management is uncertain whether QMS reduces mistakes and errors while the staff agree that QMS has reduced errors or mistakes. It was revealed that management is uncertain that QMS reduces duplication while the staff think that QMS does eliminate duplication. When these three statements were examined in context with that of the other statements in Table 5.4, it can be implied that management and staff have a differing opinion on QMS statements pertaining to statements that investigate the operative nature of QMS. The staff who operate and experience the actual usage of QMS agree to all three statements while the management who probably do not have enough evidence as to QMS operative capability tends to disagree or be unsure about it. The management did not agree that QMS saves time because they might associate the large amount of overall time required to have the system up and running as their reason. The staff might not have included this attribute in their decision of saying QMS saved time. It thus can be said that the staff relate time saved based on purely looking at the effect of QMS on the operative work that they performed.

It was also revealed from Table 5.5 that when the responses on all these statements were summarised, three out of four members of PMD's management were positive about QMS. Table 5.6 shows summaries of the staff's overall inclination toward QMS. It was found that nine of the staff were positive about QMS while only one was negative about it. Three other members of the staff were however uncertain about QMS.

One of the key elements of this research was to investigate the effect of QMS on performance. Thus items No.6 and No.11 of Table 5.4 were major concerns of this research to see whether the QMS has any effect on quality and whether it has any impact on performance. The responses from both groups confirmed that QMS has contributed to improving quality and performance. However, this is just the opinion of the management and staff on these issues. There is no data collected in PMD to prove that increased performance has actually been experienced. An attempt was made to use the data collected by the Performance Review Committee to determine the impact of QMS. Unfortunately the data collected was either unavailable (it does not exist) or incomplete as different types of data were collected each time. The feedback from the selected statements support this and is consistent with the responses of the open-ended questions on this matter. The responses from the interviews implied that QMS has an impact on PMD's performance (See Appendices 5F.1, 5F.2 and 5F.3 and Chapter 5.5). Two main themes were observed from the management and staff's views on QMS with regards to performance. Both agree that QMS has improved the department's performance by making work to be performed more consistent and carried out to certain standards. However, it was quite awkward to discover that when the immediate customers of PMD were asked whether QMS has affected PMD's performance as compared to Property Development and Property Review (PDPR), six out of eight respondents thought that the performance was similar (Table 5.11 in Chapter 5.7). Upon analysing in-depth the responses of the immediate customers of both PMD and PDPR on why the performance of these two departments were rated as such, it was implied that PMD was slightly better than PDPR (See Appendix 5J). It was said that PMD were more consistent, more calculative, more accountable, more responsive and committed to their customers. It was said that PMD has a better working relationship with their customers, are more organised, and have a clear understanding of what the customers wanted.

This research has indicated that QMS has not resulted in conclusive evidence that it has brought about an improvement in performance. The problem here is that it is not because there is no improvement. The issue here is that there is no instrument that measures what improvement has been made due to practising of the system. Further discussion on performance measurement and QMS will be discussed in Section 6.1.3 of this chapter.

PDPR was said to have problems with meeting deadlines on work to be done. It was

commented too that PDPR do not have a clear description of the services they were providing. It was suggested that PDPR need to have a better “brief” (services to be provided) of work to be done. Another area that PDPR need to improve was the need to be more focused and conscious about what its immediate customers expected. Both PMD and PDPR were however criticised for having a low level of interaction with their immediate customers. It was suggested that there is a need to increase the level of communication between these departments and their immediate customers particularly with regards to updating the customers on the progress of work done.

Interestingly, the analysis of the interviews with the management of PDPR (the department that do not practice QMS) reveals that the management do find problems with achieving consistency in work performance. The management have to rely on a very stable workforce to attempt to achieve consistency in work. Any changes in staff would jeopardise this effort of establishing consistency in work in the department and believe that a system like QMS would help.

By virtue of the significant number of top management, management and staff of PMD that viewed QMS positively plus PDPR’s management testimony that QMS would be helpful, it is implied that QMS is important and required in a PSO’s departments such as PMD and PDPR. QMS has been proven to be beneficial in assisting performance of the department by establishing consistency and accountability. The literature reviews on QMS found little mention of discussion on the impact of QMS on performance. Most of the authors concluded that QMS is about achieving quality by fulfilling the standard set (Freeman-Bell and Grover, 1994b; Pheng, 1998; Sadgrove, 1995; Bailey, 1998; British Standard, 1995; and Ousley and Barnwell, 1993). Based on this notion, QMS in PMD appears to be successful in achieving its objectives. For the QMS to achieve some of the other concerns raised by some respondents in this research (measuring quality and avoiding documentation of bad procedures), the literature suggested that the QMS needed to be expanded further to embrace the concepts of total quality management (Crosby, 1998b; Mahli, 1995; Oakland, 1996; Bohan, 1995; Munro-Faure and Munro-Faure, 1992; and Berman and West, 1995).

QMS was a tool designed to establish standards and conformance of these standards in an organisation. The respondents agreed that QMS provides good foundation for total quality

management initiatives such as the Business Excellence Model (BEM) that the central government is keen to establish. Ho and Fung (1994 and 1995) suggested in their model that QMS is one of the stages towards establishing total quality management in the organisation. Based on the findings of this research and inputs from the literature, it is recommended that QMS be extended to the other directorates. It was seen that departments in a PSO such as PMD and PDPR require QMS if it wants to achieve consistency in performance.

A Quality Assurance Section could be formed in each directorate and a central body should be established to coordinate all these QMS initiatives. This control coordinating body should also take the lead in establishing a network with other local authorities so that experiences from other local authorities can be introduced to improve services at SCC.

6.1.2 The impact of Compulsory Competitive Tendering (CCT)

When the responses of the top management, management and staff of PMD were reviewed, all three groups of respondents said that CCT had brought about either all or most of the following impacts:

- (i) Make the department more conscious about cost
- (ii) Forced to overhaul their work processes to cope with CCT's requirements
- (ii) Change the attitude of the staff towards work (more accountable and conscious about completion time of the task)
- (iv) Take notice of how the department is performing
- (v) More concern on what the customer wants

To determine further the impact of CCT, a comparative analysis was made of the top management and management of PMD responses to the selected statement that specifically tested their opinion on CCT. The outcome of this analysis was presented in Table 5.15. There was broad agreement between the top management and management of PMD that CCT has brought about the following impact to PMD:

- (i) It has resulted in the development of new skills
- (ii) It changed work processes
- (iii) It has changed the culture of the department using CCT

There were uncertainties from both groups that CCT has done the following:

- (i) Encourage cross-department working
- (ii) Benefits outweigh the effort to comply

With regard to whether CCT has any “rub-on” effect to the other services that are not subjected to CCT, the top management and management of PMD seem to have a differing opinion on this matter. The top management think that CCT has affected the other departments while management of PMD is uncertain that it has affected the other services. On the issue of whether CCT has reduced the morale of staff subjected to it, the management of PMD think it does while the top management is not sure it did. These two groups also have a differing opinion on statement seven where the top management disagree that staff were taking a long term view on ways things are conducted in the department. They believed that staff were concerned only with winning the contract just for that time. The management of PMD however believed that this is not the case. They think the staff were performing work with a long term view of winning the contract again in the future.

During the interview the management and staff of PMD were asked whether CCT has any impact on the performance of the department. As reported in Chapter 5.8 (Table 5.8), three out of four members of management do not think that CCT has any impact on the departmental performance. As indicated in Appendix 5K.2, one of the management thinks that the performance of the department is not influenced by CCT. It was said that performance of the department depends on staff quality and how good the work procedure was concerning that task. Another member of staff commented that jobs got done irrespectively of whether the department is subjected to CCT or otherwise. The staff however believe that CCT has an impact on the performance of the department. About sixty two percent of the staff (eight people) said yes, fifteen percent (two people) said no while the remaining twenty three percent (three people) were unsure that CCT has any impact on the department’s performance. Basically, as has been described earlier (Chapter 6.1.2 and see also Appendix 5K.3), CCT has affected the performance of PMD through making the department more conscious about cost, more focused about its work processes, changed the attitude of the staff towards work, taking notice of how it is performing and more concerned about what the customers wanted. On the contrary, twelve out of thirteen staff of PMD said that CCT had no effect or makes no difference to their individual work. It can be implied from this finding that the impact of CCT on performance is not clear. The feedback from Table 5.16 (immediate customers feedback on PMD’s performance based on CCT practices) also indicates that CCT does not have a great impact on the performance of the PMD. Four of the immediate customers believed that CCT has brought about only

a slight improvement to PMD, two respondents state that CCT has brought about no change in PMD's performance while only two respondents said that CCT had resulted in a great improvement to PMD. When the average was calculated for this response, the outcome was CCT has brought about a slight improvement to PMD. Table 5.17 compares the performance of PMD and PDPR based on the effect of CCT. It was found that six out of eight immediate customers of these two departments think that the performance of PMD (practising CCT) was similar to PDPR (that does not practise CCT). Thus from all these findings, there is no concrete indication that performance has improved because of CCT. This finding is contrary to Osborne and Gaebler (1992) who claim that competition would result in increased performance in government services. Both groups also highlighted these main problems with CCT:

- (i) Too bureaucratic
- (ii) Increased paperwork (more administrative work)
- (iii) Requires increased monitoring

The management cited two extra problems with CCT. They think that CCT is unfair because it does not cover all services thus subjecting the staff in PMD to a different working environment. Another concern was the management have to play a split role (as client and provider of the service) when enforcing CCT. This they thought was unrealistic and a very difficult act to perform. Thus it is implied here from these responses that any effort to instill competitive values in a PSO like SCC must be done on a universal basis. It must cover all services and must not be limited to just a few services. It was implied that getting the management to play a split role is not an effective way to instill competition in a PSO. The client and provider element must be totally detached to enable the competitive values to be more productive and effective.

The top management and management of PMD raised one important issue about CCT. The cost of inviting outside parties to tender does not justify the probable saving gained from competition. It was said that most of the time there was the absence of real competition for the contract. The number competing was too small and frequently the contract was won in-house. This finding is in line with Smyth (1997) who states that the cost to the government of running a tender competition is usually considerable (cost of producing, distributing and then adjudicating the tender). These costs were usually absorbed as part of central government overhead and very often are not accounted for towards the service that was

tendered out. All of these findings mirror Coleman (1997) which summarised that CCT as bureaucratic, rigid and costly. One respondent highlighted that CCT is indeed a costly affair because as for the case of SCC, an entire new department had to be created (The Quality and Competitive Services Unit as described in Chapter 3.4) to monitor SCC compliance to CCT's requirements.

The staff of PMD were asked whether their department should in the first place be subjected to CCT or continue to be subjected to CCT. The response to this question was quite interesting. Seven out of thirteen responded yes that they should or be continued to be subjected to CCT. Two staff members were unsure while four objected to being subjected to CCT. This implies that there were certain qualities of CCT that should be maintained and incorporated into Best Value. It was said that being subjected to CCT allows decision making to be made faster. This is possible because the open markets determine what should be done instead of politicians. CCT was welcomed because it brought with it an element of public accountability into the public sector.

6.1.3 Performance Measurement

PMD and PDPR were found to be actively experimenting and improving their performance measurement system. The research however reveals that in both of these departments there was no well structured performance measurement system available that conforms to the standard or models described in the literature (Gronroos, 1984; Edvardsson *et al*, 1994; Stone and Banks, 1997; Ovretveit, 1993; Rummeler and Brache, 1995; Epstein, 1992; Parasuraman *et al*, 1985; Erwin, 1998; and many others). This finding is consistent with Halachmi and Bouckaert (1994) who observed that there is an absence of well-developed performance measurement systems in PSO. Both PMD and PDPR basically conducted the same types of performance measurement. The departments were asked by the Performance Review Committee (PRC) to determine what they should measure and then collect information with regard to it. This information is then submitted to the PRC on a quarterly basis. From the responses of the respondents and an analysis of the data collected by the departments on performance, it can be concluded that the performance measurement exercise was generally a quarterly report on activities in the departments. It tracks information on what was done, when it was done, its duration, and indicators of whether it was done within the budgeted allocation for it. There is a lack of data monitoring issues

related to output and outcome. This finding confirmed the finding of Wholey and Hatry (1992) who state that performance measurements of PSO were usually linked with reports on expenditure, quantity of service delivered and numbers served. It also supported the finding of Lawton and Rose (1991) and Allen *et al* (1987) on this issue.

There seems to be a tendency among the departments to equate the Audit Commission's Performance Indicators as the ultimate performance measurement of the departments. Jackson and Palmer (1989) cautioned organisations to make the distinction between performance measures and performance indicators. Performance indicators were said to be tools that alert managers to the state of performance of the organisations while performance measures involve measuring things that can be measured directly such as economy, efficiency and effectiveness. Most of the data collected in PMD and PDPR was needed to comply with the Audit Commission's Performance Indicators requirements. It was not collected with the prime objective of using it for decision making. Butt and Palmers (1985) stress the need to establish the objective of why performance measurements were undertaken. Wholey and Hatry (1992) advocate the need to have measures that can compare the performance with different units, with different periods, and can track actual with targeted performance. Performance measurement at PMD and PDPR fails to incorporate most of these. There was evidence to suggest that in PMD and PDPR there is a lack of an appropriate attitude towards performance measurement as mentioned in most literature about performance measurement. Some of the management of these two departments perceived performance measurement as not their main role. Performance measurement was regarded as an extra duty to them. They believed that their role in the department is to perform work that should correspond with their qualification. They perceived that they were hired to manage and review property and do not think they should be bogged down with management issues.

Most of the management and staff interviewed were unsatisfied with the performance measurement of the department. They concluded that the performance measurements in both PMD and PDPR do not reflect the actual performance of the departments. It was claimed that the data can only reflect what is going on rather than how well things are going. It does not measure achievement and effectiveness. It was also claimed that the performance measurements were subjected to some degree of manipulation by the

department who report them. This was believed to be so because variables were determined and data was collected by the respective departments themselves. It thus allows the department to pick and report only matters that were advantageous to them. It implies that there is a need to have an independent body within the council that looks into what variables need to be measured and how the data is to be collected.

The response of some of the staff of PMD and PDPR suggested that they were unaware about how their departments were judged. This implies that not enough information is available about performance measurement and how the departments are performing in SCC. Sinclair and Zairi (1996) stressed the importance of involving employees in determining what and how performances were to be measured. National Performance Review (1997) advocates that results and progress must be openly shared with employees, customers and stakeholders. It is thus recommended for departments in SCC to have more effort in informing those concerned through notice boards and other media on how the departments are performing. It was observed that both PMD and PDPR rely mainly on complaints as feedback to determine how the departments are doing. As has been described by Simmerman (1993), complaints are not an effective instrument as a source for obtaining feedback on performance.

The feedback from the interviews suggested that there is an absence of personal performance appraisals in both departments. There were a lot of moaning and complaints about the job sheet and time sheet system currently practised. It was said that these tools do not measure how well the staff were performing. It was even labelled as a “weekly liar” by the staff. There were also some general comments that say the management did not provide enough feedback to the staff on how they were performing. It is implied that there is no structured instrument available in PMD and PDPR that capture employee satisfaction. It can be concluded that there is no real performance measurement of staff performance at PMD and PDPR. Rummler and Brache (1995) recommended that organisations must conduct measurement of their staff’s performance as part of a comprehensive performance measurement system. Kolb (1991) states that staff’s performance appraisal is the most unfavourable activities of a manager. It must however be frequently conducted as a tool that can assist in maintaining and improving performance. Although performance appraisal might not be totally objective, it is still required to indicate to the staff that they are

attempting to measure performance fairly and that management are concerned about individual contributions in shaping the performance of the organisation as a whole.

It was found also that the performance measurement was not comprehensive. It covers just a few elements which basically were to enable the departments to comply with central government requirements. This is contrary to Rummler and Brache (1995) who state that performance measurement must comprise of three levels: organisational level; process level; and job/performer level. Struebing (1996) suggested that organisations must have performance measurement in six key areas: customer satisfaction; financial performance; operating efficiency; employee performance; community relations and environment; innovation and change.

The performance measurement approach at PMD and PDPR does not measure the aspect of service quality. This was proven when most of the management admitted that the current performance measurement system and the QMS do not measure progress in terms of the quality aspect of services. It was also seen that the QMS and the performance measurement exercise were treated as two separate initiatives. When the staff of both departments were asked how they want their departments to be judged, the general answer given was they should be judged on the quality of work that they deliver, speed or response time, cost, number of complaints and achievement of targets. In addition, the feedback from the immediate customers of PMD and PDPR show that reliability, responsiveness, competence, and accessibility are very important elements in providing quality service (These factors will be discussed in more detail in Section 6.1.4). Therefore, these findings are in support of Parasuraman *et al* (1985) and Rago's (1994) finding which mentioned these key variables as factors that customers would use to judge the performance of an organisation. Thus to be more effective, the performance measurement system in SCC must include these factors.

To a question that asked "what improvement would result in better performance of the department", the staff of both departments provide the following main answers: more funds were required to hire more people; there is a need to solicit customer feedback; and improvement in methods in appraising staff. The PDPR department however mentioned two distinct factors that they believed would improve their department's performance: the need to be more businesslike and the need to be more focused in their job. This implies that the

department that does not practise QMS and were not subjected to CCT requires initiatives such as QMS and CCT to make them perform better. On the whole, it was observed that both the staff of PMD and PDPR feel that the lack of funds has really affected the ability of the staff in the departments in providing quality services. A response from one of the immediate customers of PDPR confirmed that this claim is justified (Appendix 5J). This is quite ironic particularly for PMD because if QMS was to be implemented efficiently the department would not need more funds to acquire more staff. QMS should help departments practising it to solve its manpower problems by organising and utilising fully whatever resources it has. It was also implied that these departments need to conduct more customer satisfaction surveys to determine where they stand in delivery of these services.

Based on the discussions of all these findings, it can be recommended that performance measurement in PSO needs to include a balanced measure of performance. The performance measurement system must be built on a correct objective that treats performance measurement as an instrument that can measure the true performance of the department. The data must be able to be used to assist the departments in identifying ways on how improvements can be made. The attitude towards performance measurement must also change. Performance measurement must not be treated as extra work. It must be regarded as a vital management tool. There is also a need to address the issue of what to measure, how to conduct performance measurement and who determines what to measure.

It is recommended that performance measurement in a PSO like SCC needs to measure performance from basically two perspectives. The first is to measure the internal performance of the departments with regard to issues such as effectiveness, efficiency and economy. It needs to look at matters such as: quality of delivery; cost; speed; target achievement; general satisfaction of the immediate customers with the service; and the comparison of these performances with different departments/units, time and target set. The second perspective involves the external element of looking at how the local authority as a whole is pleasing the public in matters that the public regard as a major priority. The research shows that one of the secrets of performing well in managing a local authority is to be efficient in emptying bins, to have well-maintained roads, to ensure a safe and conducive living environment, to ensure grass is cut in parks and recreational facilities are adequately provided. Besides looking at how well these direct contact services were

delivered, effort must be made to manage the image of the city council. The findings imply that image measurement is a key factor for a local authority's performance. Effort must be initiated to gauge and correct the public perception of the council.

With regards to the relationship between customer satisfaction and performance it was noticed from Table 5.21 and Table 5.22 that the results suggest there is a direct correlation between customer satisfaction and performance. This correlation is particularly clear with regards to two service factors: reliability and responsiveness. Table 5.22 shows on an overall basis the immediate customers of both PMD and PDPR believe that on the selected service factors, they are more satisfied with PMD as compared to PDPR. Table 5.22 shows that PMD scored a better rating in reliability and responsiveness as compared to PDPR. If this discussion was to be tied with the issue of QMS in Section 6.1.1 of this chapter, it can be implied that PMD is more reliable and responsive because of practising a QMS.

6.1.3.1 Quality of Service

The synthesis of the answers of the management and staff of both PMD and PDPR on the question of what was the biggest problem they faced in delivering quality service in the public sector indicate three main problems:

- (i) Political interferences
- (ii) Lack of feedback from customers
- (iii) Perceived lack of funds

There was ample evidence to suggest that political interferences were really affecting the ability of these two departments in delivering quality services. Most of the times decision making was slowed down (normally by the number of days that decisions have to wait before the next committee meeting is in session) because most matters have to go through to a committee or sometimes various committees before it can be approved. The staff and management strongly feel that some issues do not have to be decided by committees. They feel that they have the professional ability to decide and determine what is correct and proper for the public. They considered that the elected council members should stick to designing policy and monitor that work done by the management and staff is carried out according to these policies made.

Some of the management felt that they spent too much time pleasing elected members rather

than thinking how services to the public can be improved. This point is consistent with Osborne and Gaebler (1993) that a PSO should be moving towards being a customer-driven government: government that meets the needs of the customer rather than the bureaucracy. Kamensky (1996) emphasized the need of a paradigm shift in managing PSO. The new way at looking at effective PSO should be based on the themes “let the managers manage” and “managing for results”. Thus it is recommended that one of the key factors in improving government services is to re-look and redefine the roles of elected members and officers of the local authorities. There were some comments made by the staff that their immediate superior was an ineffective manager. Thus it is recommended that individuals promoted to head any departments or sections must be trained on how to manage. It is also suggested that SCC need to conduct a comprehensive training needs analysis of all its employees. It is important to equip all the employees with the appropriate skills and knowledge so that they could perform their tasks efficiently. A recent case reported on the July 6, 1999 issue of The Daily Telegraph where a Birmingham City Council’s officer was awarded more than £67,000 compensation for stress caused by having to move to a job for which she had no experience or training is an excellent example of the need to have proper training and skills for the staff (Weaver, 1999).

The second most common response was the lack of feedback from the immediate customer of how well services were delivered. It can be gathered from these responses that conducting customer surveys is a foreign thing in PSO. Both PMD and PDPR do not conduct any surveys to see how their colleagues in other departments rated them. In general there was also a lack of effort in soliciting the opinion of the public on evaluating the effectiveness of the services of these two departments. It was however observed during this research that PMD is beginning to conduct some simple customer feedback surveys on projects that it has completed.

Reference was made to the lack of funds as one of the main problems that hinder the management and staff of both departments from providing quality services. The lack of funds was said to cause most services not to be able to be offered or if offered would be provided at a level lower than what is desired by these groups. The lack of funds resulted in insufficient staff to be hired to perform work. In most cases these cause staff to be overworked and jobs done in a rush. Faucett and Kleiner (1994) noticed this phenomenon

where in most cases most PSO would offer fewer services to cope with reducing funds. PMD and PDPR also encountered insufficient support staff to complete most of their work. These cause delays in most instances. This finding is contrary with popular beliefs that the PSO is overstaffed.

An observation of the seven main responses of PMD's management on how services can be improved indicates that these suggestions can be categories into three main areas based on the cost (high, medium and low). Lack of funds and tackling crimes/community problems are two solutions that might involve high cost. Embarking on benchmarking and networking would result in medium amounts of investment. The three remaining suggestions however can be implemented at a very low cost. Thus it is suggested that SCC should concentrate on implementing these three suggestions (a change in decision making process; new chairmen for some committees to ensure fresh new ideas can be generated; and more action and less talk).

In this research, the management of PMD and PDPR and the immediate customers of these two departments were asked to rate the importance of several service factors identified from the literature. Overall, when all the responses of these groups were analysed it was revealed that reliability (accurateness of tasks performed), responsiveness (promptness/timeliness), competence (skill and knowledge on the work), courtesy (politeness, respect, consideration and friendliness), and accessibility (ease of getting to the service providers) were very important elements in service delivery. These findings confirmed the findings of Parasuraman *et al* (1990), Boghossian (1988) and Rago (1994) who state that these are crucial elements in service delivery. Thus in PSO like SCC, care should be taken to ensure that these factors received the most attention. These factors, as have been proven by this research in Chapter 5, are important in determining customer satisfaction and should be considered as the basic requirements of SCC performance measurement system. Steps should be taken to identify how much of these factors are currently measured in SCC.

6.1.3.2 Perception, Expectation, Judgement and Improvement

According to all the groups that were interviewed (top management and both management and staff of PMD and PDPR), the public have a low perception of the city council. Most think that the public regards the council as an organisation that is bureaucratic, big,

inefficient and ineffective. However, there were some respondents that think the perception is much better now compared to 30 years ago. In the case of public expectation, most of the respondents think that the public expects everything. The public want them to solve all of their problems. The public were perceived to be demanding not just better services but choices too. This information on perception and expectation, show that it is necessary for the city council to do an image building effort to correct its image. To avoid the public making the wrong perception of the city council, the public need to be informed too, of what the city council can do and what it cannot. Failure to explain that some services need to be cut or downgraded because of the lack of funds can be misinterpreted as a sign of inefficiency on the part of the city council.

Almost all of the respondents think that the public judged them based on what they know about the city council and on how well direct services such as street cleaning, grass cutting, and emptying bins were performed. The public were not interested on how much money were saved by the city council because of competition and other benefits from the various initiatives. The bottom line is how well services of direct interest to them were delivered. The performance of the city council as proven by these responses depended on the perception of how efficient these services were provided. This finding supported the earlier findings discussed in Section 6.1.3 that ultimately the city council's overall performance is judged by its effectiveness in providing these front end services. Thus it is important for SCC to ensure that these services are delivered efficiently. Since the public also judged the city council based on whatever information they have about the city council, it is thus of paramount importance that the public are updated on how the city council is performing with regards to these direct services. The public must be frequently reminded that the city council is working hard to improve its services in making the city a better place to live.

With regards to the questions on how SCC can improve itself, four main suggestions were detected:

- (i) Need to improve its image
- (ii) More consultation with the public
- (iii) Faster decision making
- (iv) Need to prioritise issues/matters the public perceived as important

6.1.3.3 Business Excellence Model (BEM) and Best Value (BV)

When the responses of top management and both management and staff of PMD and PDPR were analysed with regard to their opinion on BEM, most think that it is an excellent model (Chapter 5.12 and Appendices 5S.1-5S.5). Most believe that BEM would be the appropriate tool to instill best values in PSO services. There were however some concerns as to whether it could be implemented effectively. Quite a significant number of respondents think that there were too many initiatives introduced in their department. From their answers it was observed that some of the respondents were frustrated with these initiatives. They claimed that they tried hard to make it successful but at the end of the day there was no improvement made because all the suggestions that they have made to improve things in the department did not get the support of top management. Some even think that BEM would experience the same fate as all these other initiatives. It would become the flavour of the month and would just fade away when new initiatives were introduced. Apparently the staff in both departments experienced “initiatives overload”. Thus SCC needs to reconsider some of these initiatives and stick to one that is important. Initiatives must not be introduced for the sake of being trendy or trying to please central government. Instead, it must be seriously implemented with the objectives of improving the services of the department.

There were some doubts about whether a quality management model like BEM can be applied to local government because of the red tape, limited funds and the conflicting objectives of providing the best service at the lowest cost possible. This reasoning cannot be valid to classifying BEM as a model that is not practical for PSO. These problems are no different from problems typically faced in the private sector. In the private sector, there are issues such as limited capital, conflicting objectives of providing the best service but keeping the price low, and difficulty of getting decisions made.

In general, BEM is accepted in SCC but a couple of issues must be addressed when implementing it. It was suggested that BEM should be implemented by considering some of these factors:

- (i) The need to have somebody to champion the initiative
- (ii) An appropriate plan of implementation which can show what progress has been made
- (iii) A compilation of success stories that need to be shared with all the staff.
- (iv) Preventing departmental self-assessments from being manipulated
- (v) Management commitment must be present

- (vi) Management need to convince staff that real changes happen
- (vii) Management need to be trained on how to manage the department

Although from these responses it seems that BEM would be ideal to prepare SCC for Best Value, QMS is still relevant because BEM lacks the documentation and rigorous auditing properties that QMS possesses. Through self-assessment BEM might be able to identify what standard is required but it still needs QMS to prove that these standards are consistently abided to and maintained.

6.2 Recommendations for Salford City Council (Summary)

Based on the findings of this research, it was suggested that Salford City Council (SCC) should consider conducting the following:

- * To expand the current QMS to cover all the directorates in SCC. A Quality Assurance Section should be established in each directorate with one central department that coordinates all the quality initiatives in SCC.
- * The current performance measurement exercise should incorporate various forms of measurement. SCC should conduct a study to find out what are the key measurements that are simple, inexpensive, balanced and reflective of the actual performance of the departments and limited to a few that are useful for decision making. The performance measurements need to include some elements of input, output and outcome measures.
- * Elected councillors and top management of SCC need to redefine their role in running SCC. The various committees should act as bodies that decide on policy and check compliance to these policies rather than engaging in decision making. Some level of delegation and empowerment is needed to ensure that SCC can react fast to public demands for services.
- * Results of how each department is performing should be displayed publicly so as to inform the staff on how their department is doing. This should be in the form of charts or other attractive displays that are placed in strategic areas in the departments. This would indirectly motivate the department to perform better.
- * Efforts need to be made on improving the image of the city council. Greater amounts of promotion and publicity are needed to achieve this.
- * SCC needs to conduct more feedback on how the public evaluate their services.
- * Since most of the people promoted to hold management jobs come from the technical route, it is suggested these individuals could benefit if SCC could expose them to more training in management. There is need to have a comprehensive training needs analysis for all the staff.
- * Benchmarking and networking with other local authorities and other suitable organisations must be initiated so that the staff can learn from outside entities on how to improve SCC.
- * Management need to reconsider some of the previous initiatives introduced in their departments and established which initiatives should be pursued.
- * There is a great need to link quality initiatives and performance measurement. Thus it was suggested that performance measurement efforts must include more measures of showing evidence that improvement in quality has been achieved.

6.3 Recommendations for further work

As the findings of this study are by no means conclusive, it is recommended that future research be conducted in the following areas:

It was observed that this local authority is still struggling with the appropriateness of performance measurements that it could use. The idea of having a comprehensive performance measurement system is a new concept to local authorities. It is thus recommended that research needs to be carried out to determine what is the best performance measure that incorporates input, output and outcome measures for local authorities.

To ascertain the impact of QMS on the performance of departments practising it, analysis needs to be made based on quantitative evidence. This study reveals that insufficient data was collected by a local authority like SCC with regards to input and output figures. It is suggested that this data needs to be collected over an extended period of about three to five years and a study made to compare the performance of a department practising QMS to those that are not.

This research shows that the perception and expectation of the public, according to the management and staff of a local authority like SCC, differs with locality and level of knowledge about the local authority. It is thus suggested a further study needs to be conducted to determine the actual disparity between the public perceptions and expectations in this different locality.

It was also found that one of the issues disturbing local authorities is the level of interest and public participation in managing their own city council. The average voter's turnout for the current main local government election in May 1999 for SCC was 21.85 percent (Salford City Council, 1999). It is thus suggested that a study needs to be initiated to investigate why the voters' turnout for the local government election was low. This study would assist in identifying ways on how these problems can be addressed.

The literature review has shown that most local authorities have embarked on adopting the QMS as a strategy to cope with the changing nature of managing in local government. A

national study needs to be conducted to examine the impact of QMS on local authorities.

A unique feature that differentiates local government from other public sectors is the existence of elected council members. In this research, it was revealed that there were certain issues pertaining to the role of elected members in enabling local government to operate efficiently. Some officers of SCC believe that there is no need to have politicians in managing a city council. It is thus suggested that a study needs to be initiated to investigate this opinion and to examine the problems and issues facing elected councillors in managing a local authority.

Research could be conducted to compare quality management system implementation in local government with other countries. Similarly, a research could be initiated to investigate the practice of performance measurement and the effect of competition among local governments from various countries.

6.4 Contribution of the research

The novelty of this research lies in the fact that there is no case study research in the general body of published literature that looks into comparing the effect of a department practising QMS and those that do not practise a QMS in a local authority setting.

This research is also unique deriving from the fact that it is the only case study research that investigates the effect of CCT, on an in-depth study basis, on departments in local government. Most prior research, as has been described in the literature, focuses on providing generalised views on the impact of CCT.

Another feature that makes this research novel is that it has an in-depth look into the performance measurement system of departments in a local authority.

The major findings that emerge from this study strengthen the existing literature on QMS in the public sector. It brings into focus the implementation approach and the critical success factors of QMS in a public sector like SCC. It also highlights the views of management and staff with regards to QMS. The study also provides valuable information on the issue of the link between QMS and performance. This research reveals that there

is a confusion with regards to the audit role of QMS and performance measurement in local authority. This study highlights how QMS can be improved to adapt to the needs of a local authority environment.

This research contributed in the production of rich data on performance measurement in public sectors like local authorities. It describes the practices currently taken, the problems faced, and issues encountered. This research also provides an in-depth look at how the performance measurement can be improved. The research also highlights the views of management and staff on how quality service can be provided and their perception of how the public judged their performance. This research also details the perception of the management and staff of a local authority with regards to what the public expects from a typical local authority. It was found from this research that the performance of a local authority is judged based on a few important services that the authority is providing. This research brings into contact the relevance of performance measurement in the private sector to the public sector.

Another contribution of this research is the development of a better understanding about the impact of competition in a public sector. It provides an overview of how CCT has affected the department subjected to it and the local authority in general. This research highlights the issue of competition and its impact on the public sector such as a local authority. It also discusses how Best Value was perceived with regards to its role in replacing CCT in the local government. This research highlights the role of BEM in injecting quality into a public sector. This study captures the views of management and staff on the best way on how BEM should be implemented.

CHAPTER 7 CONCLUSION

7.1 Conclusions

The aim of this research was to investigate and identify the relationship between performance measurement and quality management systems/quality of service in a public sector organisation (PSO). The three objectives of this research as stated in Chapter 1 were:

- (i) To investigate how a quality management system is implemented in a PSO
- (ii) To study how a quality management system was implemented in a PSO
- (ii) To study the impact of Compulsory Competitive Tendering (CCT) on performance
- (iii) To identify the key performance measures used in a PSO

From the literature review, the author has identified the gap in the literature related to these objectives. The research questions were then designed from the literature for this research. This research has described how QMS is implemented in a PSO like SCC and its relationships to performance measurement. This research has been successful in comparing the performance of a department subjected to CCT with another department that was not subjected to CCT. The author has also been successful in identifying the key performance measurement conducted by a PSO like SCC.

This research has shown that the implementation of QMS in SCC is no different from that in the private sector. The findings have shown that QMS is well accepted in the public sector like SCC and has contributed a lot of benefits to them. The major impact of QMS was that it has made the organisation more consistent and disciplined in performing their tasks. It was however suggested that some improvements need to be introduced to the current QMS practice. A very dominant issue was the need to have measurement mechanisms to supplement the auditing process. It was interesting to observe that a department practising QMS want the QMS to possess the ability to show progress made in the department. It can be concluded from the findings that an ideal QMS in a PSO like SCC requires a measurement mechanism that is built-in to the QMS to track how far progress has been achieved due to practising the system.

It was found that QMS in a local government setting was perceived to lack the criterion that addresses the departmental initiatives towards continuous improvement. QMS was perceived as merely a tool that provides strength in establishing technical requirements,

specification and guidelines that enable departments to perform consistent and reliable work. QMS does show the quality and ability of the provider of the services but it did not address the issue of whether the quality of the services is what the immediate customers wanted. There is a need to address the issue of customer satisfaction. It is thus necessary for a local government like SCC to adopt a total quality management system that can take care of this issue.

Although there was a lot of criticism about CCT, it can be concluded from the finding of this research that there was some benefit brought about by it. When CCT was analysed at the micro level (from the perspectives of the staff of the department affected by CCT), CCT does have a significant contribution to the work performance. However, when it was seen from the macro level (from the perspectives of the managers) CCT's contribution was less significant. In replacing CCT with Best Value, the public sector must not discard CCT totally. Some of the CCT values and practices must be incorporated into Best Value to enhance the effort in improving public sector services. The research shows that being conscious about cost, the client and the quality of the services delivered were three of the needed ingredients for managing public sectors successfully. This research shows that the theories that competition would bring about instant improvements in the public sector are not a true phenomena. There is a lot of hidden cost that was sacrificed to get public sectors competitive. It was discussed in Chapter 6 that there is need to have a re-look at how competition is to be instilled in a PSO. The current approach as perceived by the respondents in this study does not indicate that the efforts outweigh the benefits brought about by competition.

Performance measurement in a public sector organisation like SCC is still at an infancy. The research reveals that performance measurement at SCC can be concluded as basically the exercise of complying with the Audit Commission's regulations. There is a need to regard performance measurement as a vital tool for assisting public sectors in developing and improving itself. It was observed that the current performance measurements in local government were merely quarterly reports of activities. There is a need to develop the performance measurement approach to include not just measurement of input. It must measure outputs and also outcomes to make the performance measurement exercise meaningful and useful. Performance measurement must reflect the actual performance of

the organisation. It must however be made simple and inexpensive and free from being subjected to any manipulation. The variable measured must be reliable, timely, useful and can eventually be used as Best Value indicators. Local authorities if they desired to become high performing organisations must consistently seek customer feedback to consistently improve themselves.

It was shown in this research that the performance measurement of a PSO is not an easy task and as direct as what the literature described about performance measurement in the private sector. Performance measurement in a PSO requires the PSO to embrace other measurement factors that can project the overall society satisfaction with the organisation.

A very striking finding of this research was the way the management and staff perceived how a city council like SCC was judged. It was found that the respondents in this study think that a city council is judged basically on how it performs in providing direct contact services such as emptying bins, street cleaning, and grass cutting to name a few.

This research has shown that the management and staff of a PSO confessed that they cannot afford to provide everything for the public. With the lack of funds available to PSOs there is a need to prioritise the services offered to the public. It was found in this study that a manageable strategy was to offer less variety of services and concentrate on services that the PSO should provide based on what the public considered as important and what the PSO can afford. This strategy of doing less, to a better standard, seems to be the preferable approach of management and staff of a PSO being studied.

It was found in this study that PSOs must make an extra effort in informing and communicating with the public. The public perception and expectation of a PSO like SCC depends on what information they have about the organisation. It was concluded as important for a PSO to inform the public what it has done and what it cannot do. Failure to do this would result in the public having the wrong perception of the performance of the organisation.

From the literature review and evidence from this research, it was portrayed that local authorities were increasingly under pressure to embrace quality and performance

measurement. Local authorities however need to realise that the issue of quality and performance measurement must not be treated as a central government agenda. Local authorities must accept that quality and performance measurement are two paramount requisites of a high performing organisation. The author is in the opinion that performance measurement of any organisation must incorporate all the performance measurement techniques described in the literature review in Chapter 2. The performance measurement techniques used by any organisation must be capable of measuring at least three vital factors of the organisation: input measurement (resource utilisation, output (productivity) and outcome (impact).

This research looks at the quality management systems, competition and performance in one particular PSO. There are a lot of local authorities that have a similar set up with SCC. A lot of other PSOs are also practising or trying to introduce a quality management system, competition and performance measurement in their organisations. The results of this research can significantly contribute to the policy and practices of similar initiatives of PSOs having the same circumstances as SCC.

7.2 Recommendations for further work (Summary)

- (i) Research needs to be carried out to determine what are the best performance measures in terms of input, output and outcome for local authorities.
- (ii) To conduct research that tracks the performance of a department practising QMS compared to those that do not, based on data that measures output and outcome. The research should study the impact of performance on an extended period of about three to five years.
- (iii) To carry out research to determine the public perceptions and expectations of the local authorities.
- (iv) To initiate a study to investigate why the voters' turnout for the local government election is low and how this problem can be addressed.
- (v) To conduct a study that looks into the impact of QMS on local authorities nationwide.
- (vi) To initiate a study that investigates the need to have elected members in city councils and to examine the problems and issues facing elected councillors in managing a local authority.
- (vii) To conduct a study that compares quality management practice, performance measurement approaches and effort in instilling competition in local government between various countries.

APPENDIX 1.1: Research Design

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graph TD
    Start([Research start]) --> IDN[Identification of research needs]
    IDN --> IPSA[Identification of pertinent subject areas]
    IPSA --> LR[Literature review]
    LR --> IPRP[/Interim Report & Presentation/]
    IPRP --> IDSM[Identification & selection of research methods]
    IDSM --> IAS[Identification of appropriate research strategy]
    IAS --> IPSA
    IAS --> FSCO[Finalise selection of case study organisation]
    FSCO --> IM[Introductory meetings with chief executive of potential case study organisations]
    IM --> SCSO[Search for case study organisations and gather general information on organisation]
    SCSO --> DRQ[Development of research questions]
    DRQ --> DIQ[Design interview questions]
    DIQ --> FCS[Finalise a case study strategy]
    FCS --> UCS[Undertake Case Study]
    UCS --> GDB[ Gather detail background information on case study organisation ]
    GDB --> FQI[Finalise questions for interviews]
    FQI --> CPI[Conduct pilot interviews]
    CPI --> UDF[Use the data & feedback from pilot interviews to improve questions asked during interviews]
    UDF --> RQI[Refine questions used for interviews]
    RQI --> I[Interviews]
    I --> CID[Collected information/ review documents]
    CID --> AI[Analysis & interpretation of data collected]
    AI --> WUP[Write up research: presentation and discussion of findings, recommendation for Salford City Council, and recommendation for future work]
    WUP --> Submit([Submit thesis])
    IPRP --> DRP[/Documentation of literature review/]
    DRP --> WUP
  
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The flowchart illustrates the research design process, starting with 'Research start' and ending with 'Submit thesis'. The process is divided into several stages: Identification of research needs, Identification of pertinent subject areas, Literature review, Interim Report & Presentation, Identification & selection of research methods, Identification of appropriate research strategy, Finalise selection of case study organisation, Introductory meetings with chief executive of potential case study organisations, Search for case study organisations and gather general information on organisation, Development of research questions, Design interview questions, Finalise a case study strategy, Undertake Case Study, Gather detail background information on case study organisation, Finalise questions for interviews, Conduct pilot interviews, Use the data & feedback from pilot interviews to improve questions asked during interviews, Refine questions used for interviews, Interviews, Collected information/ review documents, Analysis & interpretation of data collected, Write up research: presentation and discussion of findings, recommendation for Salford City Council, and recommendation for future work, and finally Submit thesis.

APPENDICES

APPENDIX 2.1: Deming's 14 principles

1. Create constancy of purpose toward improvement of product and service	8. Eliminate numerical goals
2. Adopt the new philosophy. We are in a new economic age.	9. Eliminate work standards (quotas)
3. Cease dependence on mass inspection to achieve quality	10. Institute modern methods of supervision
4. Constantly and forever improve the system	11. Institute modern method of training
5. Remove barriers	12. Institute a program of education and retraining
6. Drive out fear	13. End the practice of awarding business on price tag
7. Break down barriers between departments	14. Put everybody in the company to work to accomplish the transformation

Source: American Society for Quality (1999)

APPENDIX 2.2: ISO 9000 Standards (Twenty Requirements)

<p>1. <i>Management Responsibility</i></p> <ul style="list-style-type: none"> a) Quality Policy d) Management Representative b) Responsibility and Authority e) Management Review c) Verification Resources and Personnel 	<p>11. <i>Control of inspection, measuring, and test equipment</i></p> <ul style="list-style-type: none"> a) Measurement Control including: <ul style="list-style-type: none"> (i) correct specifications for test methods and equipment (ii) initial calibration of equipment (iii) continual update of calibration status (iv) documentation of measurement control (v) traceability to higher standard b) Supplier measurement control c) Corrective action procedures d) Outside testing
<p>2. <i>Quality System</i></p> <ul style="list-style-type: none"> a) Organization <p>Part of Management Systems Fully Documented and Recorded To Take Account of:</p> <ul style="list-style-type: none"> (i) the suppliers needs and interest (ii) the customers needs and interests <p>b) Quality Plan</p> <p>Can be used as a model for the Quality Assurance activities</p> <p>c) Quality Manual</p> <p>The recording and documentation of the system.</p> <p>Used as a check that:</p> <ul style="list-style-type: none"> (i) the system exists (ii) it is operating (iii) it is fit for the purpose 	<p>12. <i>Inspections and test status</i></p> <p>The inspection status of products or services at <u>any</u> stage should be clearly and easily available.</p>

<p>3. Contract review Contract between suppliers and customers Review that:</p> <ul style="list-style-type: none"> (i) requirements are clearly understood (ii) discussions concerning non-conformities (iii) ensure necessary resources are available 	<p>13. Control of nonconforming product a) Documentation accompanying non-conforming products should contain the following information:</p> <ul style="list-style-type: none"> (i) material or product identification (ii) stage in process (iii) quantity involved (iv) nature and extent of non-conformance (v) assessment and disposition decision (vi) action to resolve root cause (vii) distribution of corrective action (viii) controlling authority <p>b) Documentation of concessions c) Documentation of production permits</p>
<p>4. Design control Specifications should be such that the product or service is producible, verifiable and controllable in production, installation and operation.</p> <p>Define the project Design change control Design test and measurement Design review Design qualification and validation</p>	<p>14. Corrective and preventive action Elimination of the root cause of error</p> <ul style="list-style-type: none"> a) Assignment of responsibility b) Evaluate the importance c) Investigate the possible causes d) Analyse the problem e) Preventive action f) Process controls g) Disposition of non-conforming items h) Permanent changes
<p>5. Documents and data control Changes and updates should be documented Examples of documents requiring control:</p> <ul style="list-style-type: none"> Drawings Work instructions Specifications Operations sheets Blueprints Quality manual Inspection instructions Operational procedures Test procedures Quality assurance procedures 	<p>15. Handling, storage, packing, preservation, and delivery a) Handling and storage should be planned b) Marking and labelling c) Cleaning and preserving d) Installation instructions e) Special conditions</p> <ul style="list-style-type: none"> (i) shelf life (ii) protection during transport <p>f) Recording and labelling</p>
<p>6. Purchasing a) Assessment of suppliers or sub-contractors</p> <ul style="list-style-type: none"> (i) assessment at suppliers site (ii) evaluation of product samples (iii) past history with similar supplies (iv) test result of similar supplies (v) published experience of other users <ul style="list-style-type: none"> b) Agreement on quality standards c) Agreement on verification methods d) Provision for settlement of disputes e) Receiving inspection controls and records 	<p>16. Control of quality records Quality records should include:</p> <ul style="list-style-type: none"> a) Audit system b) Calibration of test and measuring equipment c) Analysis of process control data d) Corrective actions e) Concessions f) Product test data
<p>7. Control of customer-supplied product Receipt, storage, control and recording of 'free-issue' materials</p>	<p>17. Internal quality audits a) To ensure:</p> <ul style="list-style-type: none"> (i) quality system documentation adequately defines the needs of the business (ii) document procedures are practical, understood and followed (iii) training is adequate

<p>8. Product identification and traceability In order to trace root causes of failure For identification of like parts To guard against wrongful liability</p>	<p>18. Training Analysis of training needs Planning and organising individual training Planning and organising quality awareness programmes Recording and review of training</p>
<p>9. Process control Planning of performance standards and process limits Written procedures Material control and traceability Storage procedures Identification procedures Verification of special processes</p>	<p>19. Servicing a) Design and validation of special purpose tools b) Control of field measure and test equipment c) Installation and servicing instructions d) Provision of logistic back-up e) Training of personnel</p>
<p>10. Inspection and testing Planned approach to: a) receipt of purchased goods b) during manufacture c) prior to final release</p>	<p>20. Statistical techniques Selection of statistical techniques should be planned Statistical applications: a) Market analysis b) Product design c) Reliability specification d) Process control e) Determination of quality levels f) Data analysis</p>

APPENDIX 2.3: Goetsch and Davies's Twenty Steps Implementation

1. Gain the Commitment of Top Management	11. Establish a Baseline for Customer Satisfaction
2. Create the Total Quality Steering Committee	12. Tailor the Implementation
3. Build the Steering Committee Team	13. Identify Projects
4. Train the Steering Committee in the Fundamental of Total Quality	14. Establish Team Composition
5. Develop the Vision Statement and Guiding Principles	15. Train the Teams
6. Set Broad Objectives	16. Activate the Teams
7. Publicize and Communicate	17. Provide Team Feedback to the Steering Committee
8. Identify Strengths and Weaknesses	18. Collect and Use Customer Feedback
9. Identify Advocates and Resisters	19. Collect and use Employee Feedback
10. Establish a Baseline for Employee Attitudes and Satisfaction	20. Change the Infrastructure

APPENDIX 2.4: Eight-Critical Factors

	Critical Factors of Quality Management	Explanation of Critical Factors
1.	The role of management leadership and quality policy	Acceptance of quality responsibility by top management. Evaluation of top management on quality. Participation by top management in quality improvement efforts. Specificity of quality goals. Importance attached to quality in relation to cost and schedule. Comprehensive quality planning.
2.	Role of quality department	Visibility and autonomy of the quality department. The quality department's access to top management. Use of quality staff for consultation. Coordination between quality department and other departments. Effectiveness of the quality department.
3.	Training	Provision of statistical training, trade training, and quality-related training for all employees.
4.	Product/service design	Thorough scrub-down process. Involvement of all affected departments in design reviews. Emphasis on productivity. Clarity of specifications. Emphasis on quality, not roll-out schedule. Avoidance of frequent redesigns.
5.	Supplier quality management	Fewer dependable suppliers. Reliance on supplier process control. Strong interdependence of supplier and customer. Purchasing policy emphasising quality rather than price. Supplier quality control. Supplier assistance in product development
6.	Process management	Clarity of process ownership, boundaries, and steps. Less reliance on inspection. Use of statistical process control. Selective automation. Fool-proof process design. Preventive maintenance. Employee self-inspection. Automated testing.
7.	Quality data and reporting	Use of quality cost data. Feedback of quality data to employees and managers for problem solving. Timely quality measurement. Evaluation of managers and employees based on quality performance. Availability of quality data
8.	Employee relations	Implementation of employee involvement and quality circles. Open employee participation in quality decisions. Responsibility of employees for quality. Employee recognition for superior quality performance. Effectiveness of supervision in handling quality issues. On-going quality awareness of all employees.

Source: Saraph *et al* (1989)

APPENDIX 2.5: Crosby's 14 Step Approach

1. Management commitment	8. Supervisor training
2. Quality improvement team	9. Zero defects day
3. Quality measurement	10. Goal-setting
4. Cost of quality evaluation	11. Error cause removal
5. Quality awareness	12. Recognition
6. Corrective action	13. Quality councils

7. Establish an ad hoc committee for the zero defects programme	14. Do it over again
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Source: Dale *et al* (1994a)

APPENDIX 2.6: Juran's Ten-point Plan

1. Build awareness of the need and opportunity for improvement	6. Report progress
2. Set goals for improvement	7. Give recognition
3. Organise to reach the goals	8. Communicate results
4. Provide training	9. Keep the score
5. Carry out projects to solve problems	10. Maintain momentum by making annual improvement part of the regular system and processes of the organization

Source: Dale *et al* (1994a)

APPENDIX 2.7: Spectrum of Quality Implementation

Stage (EFQM score)	Root causes	Issues being faced	Typical behaviours	Effective transitional action
Unaware (0-100)	Insular management team High staff attrition Lack of resources Acceptable income earned Poor TQM awareness	In adequate understanding of customer requirements “Fire fighting” problems Lack of clarity of purpose Lack of quality assurance	Performance root causals not known and/or understood Key managers overworked Employees not clear of their role in delivering success	Major internal or external threat External certification required New senior management Exposure to “better practices and behaviours”
Uncommitted (0-100)	Inward looking Poor TQM awareness Lack of “initiatives success” “Comfortable” operating conditions	Stakeholder imbalance Inefficient/ineffective ops Short-term decision making Declining or stagnant market share	Few systematic processes Management malaise Lack of strategic thinking Customer ignorance “Functional silos”	Major internal or external threat New senior management Strong leadership Exposure to best practices Managers adopt total quality
Initiators (0-300)	Major external or internal threat/accreditation perceived New management appointment Best in class calibration TQM awareness aroused	TQM misunderstood Resistance to change Overwhelmed by ineffective improvement activity Badged as an initiative	Many improvement groups Communication campaign Tools training initiated Sporadic problem solving Accreditation seeking	Promote initial success widely Implement strong infrastructures Benchmarking to raise awareness of poor performance Increased usage of quality tools
Drifters (100-300)	Lack of initial success Initial turbulence perceived as destructive Change of key personnel No leadership understanding	Quality approach discredited Widespread cynicism Improvement activity uncoordinated New initiatives launched	Tools abandoned or misused Disconnected business planning/appraisals Accreditation in disrepair Superficial team-working	Loss of accreditation Major internal or external threat Implement strong infrastructure Calibration against “Best in Class”

Stage (EFQM score)	Root causes	Issues being faced	Typical behaviours	Effective transitional action
Improvers (300-650)	Major threat recognised Management peer pressure New management appointment Calibration against "Best in Class"	Internal/external customer confusion Period of trial and error Rise of bureaucracy Key individuals overloaded Process misunderstanding	Endemic problem solving Business planning/appraisal Processes linked Processes not fully deployed Inconsistent results	Improve cross-functional team working Policy deployment introduction TQ seen as key business driver Functional benchmarking
Award winners (650-750)	Programme momentum Improvement intensification required External recognition sought/strategic marketing need	Process obsession Functional disintegration Management role inconsistent Capacity to improve operation In-process measurement	In-process problem solving Policy deployment in place External recognition Key processes identified Customer loyalty	Intensify policy deployment Introduce high performance teams Intense competition Process reorganization Competitive benchmarking
World class (750+)	Intensely competitive marketplace/demanding customers Programme momentum Quality as a "Way of Life" and basic marketplace qualifier	Managing the acclaim Inflexible data systems Complacency Career development/succession planning and pay	In-process problem avoidance Strong process allegiance and organizational alignment Management by leadership Employee loyalty	Flat organization structure Customer alliances Strong leadership Strategic benchmarking Academic collaboration

Source: Dale and Smith (1997)

APPENDIX 2.8: The Nine Performance Variables with Questions

	GOALS	DESIGN	MANAGEMENT
ORGANIZATIONAL LEVEL	<p>ORGANIZATION GOALS</p> <ul style="list-style-type: none"> * Has the organization's strategy/direction been articulated and communicated? * Does this strategy make sense, in terms of the external threats and opportunities and the internal strengths and weaknesses? * Given this strategy, have the required outputs of the organization and the level of performance expected from each output been determined and communicated? 	<p>ORGANIZATION DESIGN</p> <ul style="list-style-type: none"> * Are all relevant functions in place? * Are all functions necessary? * Is the current flow of inputs and outputs between functions appropriate? * Does the formal organization structure support the strategy and enhance the efficiency of the system? 	<p>ORGANIZATION MANAGEMENT</p> <ul style="list-style-type: none"> * have appropriate function goals been set? * Is relevant performance measured? * Are resources appropriately located? * Are the interfaces between functions being managed?
PROCESS LEVEL	<p>PROCESS GOALS</p> <ul style="list-style-type: none"> * Are goals for key processes linked to customer/organization requirements? 	<p>PROCESS DESIGN</p> <ul style="list-style-type: none"> * Is this the most efficient/effective process for accomplishing the Process Goals? 	<p>PROCESS MANAGEMENT</p> <ul style="list-style-type: none"> * I have appropriate process subgoals been set? * Is process performance managed? * Are sufficient resources allocated to each process? * Are the interfaces between the process steps being managed?

	GOALS	DESIGN	MANAGEMENT
JOB LEVEL	<p>JOB GOALS</p> <ul style="list-style-type: none"> * Are job outputs and standards linked to process requirements (which are in turn linked to customer and organization requirements)? 	<p>JOB DESIGN</p> <ul style="list-style-type: none"> * Are process requirements reflected in the appropriate jobs? * Are job steps in a logical sequence? * Have supportive policies and procedures been developed? * Is the job environment ergonomically sound? 	<p>JOB MANAGEMENT</p> <ul style="list-style-type: none"> * Do the performers understand the Job Goals (outputs they are expected to produce and standards they are expected to meet)? * Do the performers have sufficient resources, clear signals and priorities, and a logical Job Design? * Are the performers rewarded for achieving the Job Goals? * Do the performers know if they are meeting the Job Goals? * Do the performers have the necessary knowledge/skill to achieve the Job Goals? * If the performers were in an environment in which the five questions listed above were answered "yes", would they have the physical, mental, and emotional capacity to achieve the Job Goals?

SOURCE: Rummier and Brache, 1995

APPENDIX 2.9: The Seven C's

<u>Courteous</u> *Welcome customer *Acknowledge customers' presence *Make eye contact and smile *Use a pleasant tone of voice *Be polite and helpful *End on a friendly note	<u>Clean</u> *Look appropriately well-groomed *Maintain a neat, safe, and pleasant work area *Take responsibility to keep all areas clean and uncluttered	<u>Concerned</u> *Take time to listen *Give the customer your full attention *If you are unsure whether someone needs help, ask *If you can't help, find someone who can *Be willing to explain *Know where to direct customer for service
<u>Concise</u> *Respond quickly *Explain delays *Give concise explanations and instructions *Verify customer's understanding *Focus on the business issues	<u>Clear</u> *Clarify using questions *Give clear instructions *Use understandable explanations *Speak clearly *Do not use jargon *Use the customer's language if possible	
<u>Complete</u> *Provide complete service *Ensure complete documentation *Give complete instructions and answers *Understand policies and procedures *Do it all the first time	<u>Correct</u> *Ensure correct documents *Correctly enter data *Correctly answer questions *Learn from inevitable mistakes *Do it right the first time	

Source: Smith (1993b)

APPENDIX 2.10: The Servqual Instrument

DIRECTIONS: This survey deals with your opinions ofservices. Please show the extent to which you think firms offeringservices should possess the features described by each statement. Do this by picking one of the seven numbers next to each statement. If you strongly agree that these firms should possess a feature, circle the number 7. If you strongly disagree that these firms should possess a feature, circle 1. If your feelings are not strong, circle one of the numbers in the middle. There are no right or wrong answers--- all we are interested in is a number that best shows your expectations about firms offeringservices.

- E1. They should have up-to-date equipment.
- E2. Their physical facilities should be visually appealing.
- E3. Their employees should be well dressed and appear neat.
- E4. The appearance of the physical facilities of these firms should be in keeping with the type of services provided.
- E5. When these firms promise to do something by a certain time, they should do so.
- E6. When customers have problems, these firms should be sympathetic and reassuring.
- E7. These firms should be dependable.
- E8. They should provide their services at the time they promise to do so.
- E9. They should keep their records accurately.
- E10. They shouldn't be expected to tell customers exactly when services will be performed.**
- E11. It is not realistic for customers to expect prompt service from employees of these firms.**
- E12. Their customers don't have to be willing to help customers.**
- E13. It is okay if they are too busy to respond to customer requests promptly.**
- E14. Customers should be able to trust employees of these firms.
- E15. Customers should be able to feel safe in their transactions with these firms' employees.
- E16. Their employees should be polite.
- E17. Their employees should get adequate support from these firms to do their jobs well.
- E18. These firms should not be expected to give customers individual attention.**
- E19. Employees of these firms cannot be expected to give customers personal attention.**
- E20. It is unrealistic to expect employees to know what the needs of their customers are.**
- E21. It is unrealistic to expect these firms to have their customers' best interests at heart.**
- E22. They shouldn't be expected to have operating hours convenient to all their customers.**

DIRECTIONS: The following set of statements relate to your feelings about XYZ. For each statement, please show the extent to which you believe XYZ has the feature described by the statement. Once again, circling a 7 means that you strongly agree that XYZ has that feature, and circling a 1 means that you strongly disagree. You may circle any of the numbers in the middle that show how strong your feelings are. There are no right or wrong answers - all we are interested in is a number that best shows your perceptions about XYZ.

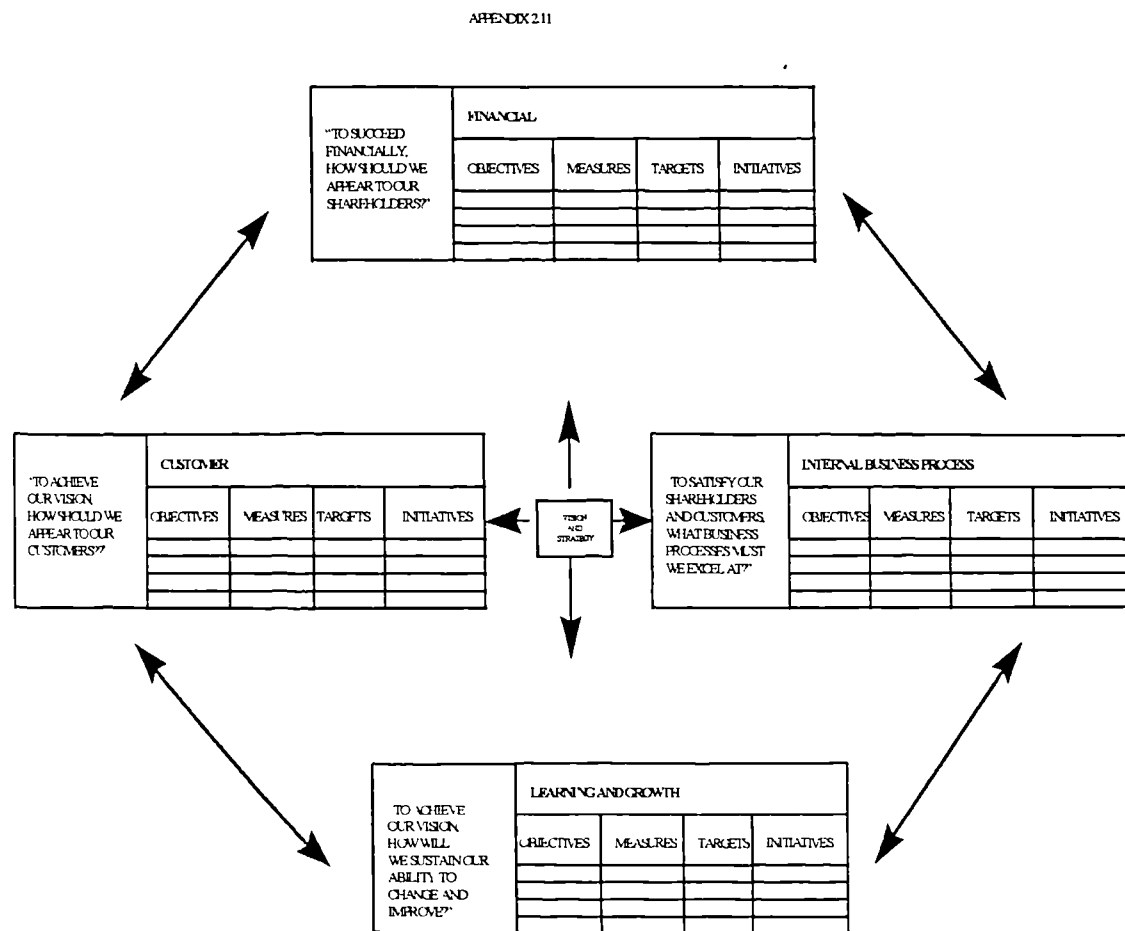
- P1. XYZ has up-to-date equipment.
- P2. XYZ's physical facilities are visually appealing.
- P3. XYZ's employees are well dressed and appear neat.
- P4. The appearance of the physical facilities of XYZ is in keeping with the type of services provided.
- P5. When XYZ promises to do something by a certain time, it does so.
- P6. When you have problems, XYZ is sympathetic and reassuring.
- P7. XYZ is dependable.
- P8. XYZ provides its services at the time it promises to do so.
- P9. XYZ keeps its records accurately.
- P10. XYZ does not tell customers exactly when services will be performed.**
- P11. You do not receive prompt service from XYZ's employees.**
- P12. Employees of XYZ are not always willing to help customers.**
- P13. Employees of XYZ are too busy to respond to customer requests promptly.**
- P14. You can trust employees of XYZ.
- P15. You feel safe in your transactions with XYZ's employees.
- P16. Employees of XYZ are polite
- P17. Employees get adequate support from XYZ to do their jobs well.
- P18. XYZ does not give you individual attention.**
- P19. Employees of XYZ do not give you personal attention.**
- P20. Employees of XYZ do not know what your needs are.**
- P21. XYZ does not have your best interests at heart.**
- P22. XYZ does not have operating hours convenient to all their customers.**

A seven-point scale ranging from “Strongly Agree” (7) to “Strongly Disagree” (1), with no verbal labels for the intermediate scale points (i.e., 2 through 6), accompanied each statement. Also, the statements were in random order in the questionnaire.

**Ratings on these statements were reverse-scored prior to data analysis.

Source: Parasuraman *et al* (1988)

APPENDIX 2.11: Balanced Scorecard



Source: Kaplan and Norton (1996)

APPENDIX 2.12: Customer Survey for Importance and Performance Data (PGCV Index)

Directions:

Before you begin writing your answers to the questions below, please scan the questions so that you know the set of service features you will rate. For each service feature, you will need to rate:

- * Its importance to you
- * How well we performed that service for you during your last experience with us

Simply place an "X" within the slot that most accurately reflects what you think for each service feature. For example, the more important a feature is to you, the closer you should mark your "X" to the left end of the "important....not important" scale. The less important a feature is to you, the closer you should mark your "X" to the right end of the scale. Be sure to rate every feature on its importance to you. Almost the same approach applies to the service feature scale of "performed well...performed poorly." If you do not know how well we performed a service feature or you did not experience that feature, place the "X" in the "don't know" slot on line (b).

1. Timeliness	(a) important	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	not important	
	(b) performed well	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	performed poorly	<input type="checkbox"/> don't know
2. Accuracy	(a) important	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	not important	
	(b) performed well	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	performed poorly	<input type="checkbox"/> don't know
3. Completeness	(a) important	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	not important	
	(b) performed well	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	performed poorly	<input type="checkbox"/> don't know
4. Knowledgeable Staff	(a) important	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	not important	
	(b) performed well	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	performed poorly	<input type="checkbox"/> don't know
5. Courteous Staff	(a) important	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	not important	
	(b) performed well	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	performed poorly	<input type="checkbox"/> don't know
6. Concerned Staff	(a) important	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	not important	
	(b) performed well	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	performed poorly	<input type="checkbox"/> don't know

Source: Hom (1997)

APPENDIX 2.13 Audit Commission's Performance Indicators

1	Dealing with the Public a. Answering the telephone b. Answering letters c. Handling complaints d. Public access to and public use of building e. Equal Opportunities f. Paying suppliers	10	Looking After the Local Environment a. Keeping land and highways clear of litter and refuse b. Providing public conveniences c. Environmental health and consumer protection
2	Providing Housing Accommodation a. Allocating and letting housing b. Repairing council homes c. Collecting rent d. Rents and cost	11	Providing an Educational Service a. Local authority maintained schools b. Educational achievement c. School meals d. Children with special educational needs e. Student awards f. Adult education g. Education spending
3	Housing the Homeless a. Using temporary accommodation b. Assessing homeless people	12	Providing Social Services a. Helping people to live at home b. Residential care c. Identifying needs and arranging services d. Looking after children e. Costs
4	Refuse Collection a. The service provided b. Reliability c. Waste recycling and reduction d. Costs	13	Providing a Public Library Service a. Use of libraries b. Stock c. Opening hours d. Costs
5	Waste Disposal a. Waste recycling and reduction b. Costs	14	Providing Police Services a. Answering 999 calls b. Incidents requiring immediate response c. Detecting crime d. Accidents involving alcohol e. Handling complaints f. Availability of police officers g. Public satisfaction with policing h. Costs
6	Planning and Land Searches a. Dealing with planning applications b. Planning appeals c. Establishing local and unitary plans d. Planning costs e. Searches of the local land register	15	Providing Fire Services a. Responding to calls b. Fire safety c. Costs
7	Paying Housing Benefit and Council Tax Benefit a. Time taken to deal with benefit application b. Costs	16	Maintaining Highways and Streetlights a. Maintaining roads, pavements and streetlights b. Pedestrian crossings c. Public rights of way d. Public transport
8	Collecting Council Tax a. Collecting the tax b. Costs	17	Spending and Income Generally a. Total Spending
9	Leisure and Recreation a. Providing recreational facilities b. Spending on recreational facilities		

Source: Audit Commission (1996)

APPENDIX 2.14: October 1998 Results

Council	Ward	Result	Majority	Turnout
1 October				
Buckinghamshire CC	Long Crendon & Brill	Con held	33.9 over Lib Dem	33.4
Aylesbury Vale DC	Oakley	Con held	25.7 over Lib Dem	37.0
Caradon DC	Essa	Lib Dem held	29.2 over Lab	25.0
Preston BC	St. Mathews	Lab held	15.7 over Lib Dem	30.2
Redbridge LBC	Aldborough	Con gain from Lab	3.4 over Lab	30.7
Thanet DC	Pier	Lab held	8.4 over Con	15.2
Waltham Forest LBC	Leytonstone	Lab held	1.5 over Lib Dem	28.0
8 October				
North Lanarkshire	Whinhall	Lab held	18.2 over SNP	39.1
Southampton City	Bassett	Con held	37.5 over Lab	14.5
Southampton City	Harefield	Lab held	0.1 over Con	19.3
15 October				
Southwark LBC	Consort	Lab held	28.9 over Lib Dem	34.0
22 October				
Amber Valley BC	Swanwick	Con gain from Lab	37.6 over Lab	22.9
Bromsgrove DC	Catshill	Con gain from Lab	28.8 over Lab	20.0
Castle Point BC	Canvey Island East	2 Lab held	0.3 over Lab	22.0
Epping Forest DC	Waltham Abbey East	Con gain from Lab	28.2 over Lab	18.2
Hackney LBC	Clissold	Lab held	3.0 over Lib Dem	31.9
Ribble Valley BC	Chipping	Ind gain from Con	12.2 over Con	47.0
Sandwell MBC	Rowley	Lab held	28.2 over Ind	15.3
South Lanarkshire	Cadzow	Lab held	12.2 over SNP	35.8
Stratford-on-Avon DC	Tredington	Con held	17.8 over Lib Dem	36.6
West Somerset DC	Porlock & Oare	Ind gain from Con	25.6 over Ind	42.8
29 October				
Caerphilly	St Martins	Lib Dem gain from Lab	5.6 over PC	27.6

Bromley BC	Bickley	Con held	22.6 over Lib Dem	30.6
Gosport BC	Leesland	Lib Dem held	28.4 over Con	24.5
Maidstone BC	Allington	Lib Dem held	56.7 over Lab	18.5
Maidstone BC	Boxley	Con gain from Ind	43.1 over Lib Dem	14.1
Maidstone BC	Hollingbourne	Con held	1.2 over Lib Dem	35.0
Neath and Port Talbot	Dyffrin	Lab gain from PC	41.8 over Lib Dem	17.5
North Cornwall DC	Trigg	Lib Dem gain from Ind	26.5 over Con	33.3
South Cambs DC	Arrington	Lib Dem gain from Con	11.2 over Con	48.0
Warrington BC	Grappenhall & Thelwell	Lib Dem held	42.1 over Con	21.8
Warrington DC	Great Sankey North	Lab held	2.7 over Ind	25.7
Summary of results				
	Gains	Held	Lost	Net
Conservative	5	6	3	+2
Labour	1	12	5	-2
Liberal Democrat	3	4	-	+3
Independent	2	-	2	-
Nationalist	-	-	1	-1

Source: Rallings and Thrasher, 1998

APPENDIX 3.1: Greater Manchester (General Statistic)

GENERAL STATISTICS									
District	Area (hectares)	Estimated population	Total SSA £000	Capping Limit £000	Total Budget Requirement £000	Total Budget Requirement per head £	Total External Support £000	External Support per head £	Council Tax levied (Band D equivalent)£.p
Bolton	13,973	265 8	198 955	213 274	213 274	812	158 656	577	783 49
Bury	9 914	182 67	126 353	125 773	125 773	67	9 443	477	710 78
Manchester	11 528	432 641	423 178	457 550	457 550	1 038	362 474	838	897 98
Oldham	14 115	222 600	182 100	174 788	194 688	877	15 440	676	815 60
Rochdale	15 577	217 71	161 952	173 788	173 87	837	13 211	627	773 63
Salford	9 723	230 710	185 777	222 344	222 344	878	156 911	655	874 25
Stockport	12 650	290 569	179 172	201 516	201 516	694	127 272	438	839 18
Tameside	10 314	221 527	161 986	175 194	175 194	791	128 685	578	814 50
Trafford	10 608	218 300	156 481	157 121	157 421	721	117 392	538	620 37
Wigan	18 818	313 000	211 735	224 680	224 680	707	165,226	527	748 06

Source: Greater Manchester Association (1997)

APPENDIX 3.2: Salford (General Statistic)

Population - Authority's Own Mid-1997 Estimate		
Age	Number	%
Under 5	16,062	7
5-17	37,883	16
18-64	139,242	61
65-74	20,457	9
74 and over	16,866	7
Total	230,510	100

Revenue Expenditure			
Objective	Total Net Expenditure £000	Band D Equivalent Expenditure £.p	Net Expenditure per head £.p
Education	89,562	1,381.58	388.54
Housing	830	12.80	3.60
Social Services	49,009	756.01	212.61
Recreation and Culture	10,846	167.31	47.05
Revenue Financing of Capital	2,145	33.09	9.31
Highways	6,050	93.33	26.25
Capital Charges	16,195	249.82	70.26
Contingencies	388	5.99	1.68
Other Services	18,807	290.11	81.59
Waste Disposal Levy	4,890	75.43	21.21
Passenger Transport Authority levy	7,983	123.15	34.63
TOTAL	206,705	3,188.62	896.73
Use of Reserves and Balances	(4,361)	(67.27)	(18.92)
TOTAL BUDGET REQUIREMENT	202,344	3,121.35	877.81
Less - Revenue Support Grant	100,575	1,551.46	436.32
- Receipts from NNDR Pool	50,325	776.31	218.32
TOTAL OF DISTRICT SERVICES	51,444	794	223
Add - Community Charge transactions	0	0.00	0.00
- Collection Fund Deficit/(Surplus)	0	0.00	0.00
TOTAL FOR BILLING AUTHORITY	51,444	793.58	223.17
GM Police Authority	3,507	54.10	15.21
GM Fire and Civil Defence Authority	1,723	26.57	7.47

Revenue Expenditure			
TOTAL TO BE MET FROM COUNCIL TAX LEVY	56,674	874.25	245.85
CAPITAL EXPENDITURE			
Objective Analysis	£000	%	per head £ p
Housing:			
HRA	13,053	37.28	56.63
Private Sector	2,677	7.64	11.61
Education	5,355	15.29	23.23
Social Services	820	2.34	3.55
Recreation and Culture	250	0.71	1.08
Highways	7,452	21.28	32.34
Other Services	5,414	15.46	23.49
TOTAL	35,021	100.00	151.93
Source Of Finance			
Loans	14,701	41.98	63.77
Revenue Financing of Capital	4,362	12.45	18.92
Leasing	0	0.00	0.00
Capital Receipts	1,645	4.70	7.14
Capital Grants	14,313	40.87	62.10
TOTAL	35,021	100.00	151.93

Source: Greater Manchester Association (1997)

APPENDIX 3.3: Salford City Council's Strategic Plan

CORPORATE OBJECTIVES	TARGETS (How we measure how well we are meeting our objectives) 1997-2007	CORPORATE STRATEGY (City-wide framework to assist achievement of targets)	ACTION (The lead directorate is identified but all directorates will contribute)
PEOPLE ♦ Ensuring the best possible standards of personal health and social care for individuals, families and communities in the City (objective 1)	♦ To maximise the health and welfare of the people of Salford by * reducing death rates for coronary heart disease, stroke and cancer, * reducing death rates from accidents particularly in the under 15's * reducing the number of under age pregnancies ♦ To reduce poverty levels in the City and improve our position with regard to the indices used in the Poverty Profile of Salford in 1995 (currently between 9th and 31st out of 366) ♦ To ensure a continued increase (up to 50% of new placements) in the number of individuals with social care needs who can live as independently as possible within the community rather than in institutional care.	Anti-Poverty Community Care/Children Services Health Authority Purchasing Plan IHP	CITY COUNCIL CO-ORDINATOR Community & Social Services Partners: Salford and Trafford Health Authority NHS Trusts Voluntary Sector
PEOPLE ♦ Giving all people within the City the opportunity to live in a good quality home (objective 2)	♦ To ensure the provision of sufficient housing which meets people's needs and is appropriate in terms of size, design and location, offers choice of tenure, is affordable, well heated and energy efficient. ♦ To carry out an annual assessment of homelessness, including unmet need and the quality of services and provide 100% of this figure with appropriate accommodation (both temporary and move-on) ♦ To increase to 60 % the number of tenants involved in tenants and residents associations in Salford (current level 26%) in order to maximise tenants actively involved in the development and improvement of services. ♦ To develop a minimum acceptable standard for housing in Salford and ensure all homes are maintained to this.	Housing (IHP) Environment UDP Anti-Poverty Community Care Equal Opportunity	CITY COUNCIL CO-ORDINATOR Housing Services Partners: Housing Corporation Housing Associations Private Sector Landlords Tenants Salford and Trafford Health Authority University of Salford

<p>PEOPLE</p> <ul style="list-style-type: none"> ◆ Continuing to raise aspirations and achievements by providing learning and development opportunities of the highest quality (objective 3) 	<ul style="list-style-type: none"> ◆ To improve GCSE A*-C results (currently 30.4%) and SATs result year on year to a level above the national average for metropolitan authorities initially (GCSE 5 A*-C results 35.8% and then nationally ◆ To improve the staying on rates post-16 (currently 51%) to a level above the average for FFCA area (56%) initially and then nationally (67.6%) ◆ To ensure that all pre-16 students receive a national qualification in the core subjects of numeracy, literacy, and information technology ◆ To ensure that no young person goes into a job post-16 without training as an integral part of the job ◆ To improve the levels of attendance at both primary and secondary schools to a level above the national average for metropolitan authorities initially, and then nationally 	<p>Education</p> <p>Economic Development</p> <p>Youth</p>	<p>CITY COUNCIL CO-ORDINATOR</p> <p>Education & Leisure</p> <p>Partners:</p> <p>Manchester TEC</p> <p>FE Colleges</p> <p>Salford COMPACT</p> <p>Schools</p> <p>Governing Bodies</p> <p>Employers</p> <p>University of Salford</p>
<p>PEOPLE</p> <ul style="list-style-type: none"> ◆ Ensuring excellent employment prospects and high quality job opportunities for the people of Salford (objective 4) 	<ul style="list-style-type: none"> ◆ To bring unemployment levels in localized areas down to the level of the City overall (6.9% as at November 1996) ◆ To bring unemployment levels in the City Overall to a level below the national average (6.7% as at November 1996) ◆ To reduce the number of long term unemployed (over 1 year) (33.2% as at July 1996) to a level below the national average ◆ To ensure all young people have the opportunity on leaving school of a job, training place or continuing in full-time education ◆ To ensure all jobs meet people needs in terms of security, levels of pay, work patterns and types of work 	<p>Economic Development</p> <p>Youth</p> <p>Education</p>	<p>CITY COUNCIL CO-ORDINATOR</p> <p>Chief Executive's Directorate</p> <p>Partners:</p> <p>Manchester TF-C</p> <p>Business Community</p> <p>Business Link</p> <p>University of Salford</p> <p>FE Colleges</p> <p>Employment Service</p> <p>MCCI</p> <p>TPDC</p> <p>English Partnerships</p> <p>Careers Service</p> <p>Voluntary Sector</p> <p>Enterprise</p>

<p>PEOPLE</p> <ul style="list-style-type: none"> ◆ Ensuring the City provides the opportunity for recreation, leisure and cultural enhancement (objective 5) 	<ul style="list-style-type: none"> ◆ To establish a baseline position (which has regard to national targets) through an assessment of demand for services and the way the demands are being met ◆ To assess performance, service provision and use against this baseline ◆ To ensure local facilities are used by local people and maximise community involvement in leisure and cultural activities ◆ To identify the range of barriers to use and develop and implement innovative approaches to overcome these ◆ To ensure that flagship projects, such as the Lowry Centre are accessible to, and used by, the people of Salford ◆ To ensure a child-centred approach to service provision by focusing on improving co-ordination of play provision and consulting with local communities with regard to priorities 	<p>Arts/Leisure Environment Education</p>	<p>CITY COUNCIL CO-ORDINATOR</p> <p>Education & Leisure</p> <p>Partners:</p> <p>Sports Council Countryside Commission Salford & Trafford Groundwork Trust Library Association North West Arts North West Museum Service English Heritage North West Regional Library Service FE Colleges University of Salford Voluntary Sector</p>
<p>CITY</p> <ul style="list-style-type: none"> ◆ Making Salford a safer place (objective 6) 	<ul style="list-style-type: none"> ◆ To reduce crime to a level at least consistent with national levels ◆ To establish baseline levels for fear of crime in Salford and then monitor on a regular basis ◆ To reduce the perception of Salford as an area of crime 	<p>Community Safety</p>	<p>CITY COUNCIL CO-ORDINATOR</p> <p>Community & Social Services, together with the Chief Executives Directorate</p> <p>Partners:</p> <p>Safer Salford GM Police Victim Support Probation Service Business Community Voluntary Sector Magistrates University of Salford</p>

<p>CITY</p> <ul style="list-style-type: none"> Ensuring the City has a clean, healthy and sustainable environment (objective 7) 	<ul style="list-style-type: none"> To ensure compliance with European and National standards on pollution, food safety and consumer and employee protection To ensure a 30% saving in domestic energy To be classed in the top 20 cleanest cities in the UK To ensure 25% of waste is recycled To ensure the achievement of the non land use based targets in the City Council's Environment Strategy 	<p>Environment</p> <p>Health</p> <p>UDP</p> <p>PPP</p> <p>Leisure</p> <p>Local Agenda</p>	<p>CITY COUNCIL CO-ORDINATOR</p> <p>Environmental Services</p> <p>Partners:</p> <p>Environment Agency</p> <p>GMWDA</p> <p>Industry</p> <p>MAFF</p> <p>Tidy Britain Group</p> <p>DTI</p>
<p>CITY</p> <ul style="list-style-type: none"> Ensuring we maximise investment in the City (objective 8) 	<ul style="list-style-type: none"> Establish the trends of investment in the City over the last three years and then annually monitor levels of investment against this To maintain our current success rate at attracting funds 	<p>Economic Development</p> <p>UDP</p>	<p>CITY COUNCIL CO-ORDINATOR</p> <p>Chief Executive's Directorate</p> <p>Partners:</p> <p>Public, Private & Voluntary Sectors</p>
<p>CITY</p> <ul style="list-style-type: none"> Balancing development needs and environment quality within the City (objective 9) 	<ul style="list-style-type: none"> To roll forward the Unitary Development Plan commencing in 1998 To ensure the policy objectives of Greater Manchester's PPP package bid within Salford To help achieve the objectives of the City's regeneration strategy by reducing by 50% (432 hectares to 216 hectares) the amount of derelict land To secure the physical heritage of the City by ensuring the protection and enhancement of the stock of historic buildings and Conservation areas To ensure the achievement of the land use based targets to be set in the City Council's Environment Strategy 	<p>Environment</p> <p>Economic Development</p> <p>UDP</p> <p>PPP</p> <p>Local Agenda 21</p> <p>Physical Regeneration Strategy</p>	<p>CITY COUNCIL CO-ORDINATOR</p> <p>Development Services</p> <p>Other Partners Include:</p> <p>English Partnerships</p> <p>Red Rose Forest</p> <p>GMPTF</p> <p>English Heritage</p> <p>Countryside Commission</p> <p>Mersey Basin Campaign</p> <p>Groundwork Trust</p> <p>Public, Private & Voluntary Sectors</p>

<p>CITY</p> <ul style="list-style-type: none"> ◆ Promoting Salford as a City of national importance (objective 10) 	<p>Within a ten year timescale Salford will be in a position where</p> <ul style="list-style-type: none"> ◆ residents of the city will have a strong and positive sense of civic pride ◆ existing residents will wish to continue living in the city and people will choose Salford as a place to which they want to move ◆ investors and businesses will place Salford at least alongside its national rivals ◆ Salford will be recognised nationally for its best practice in urban regeneration ◆ the Lowry Centre will be developed as an international centre for visual and performing arts. 	<p>Marketing/ Positioning Economic Development</p>	<p>CITY COUNCIL CO-ORDINATOR</p> <p>Chief Executive's Directorate</p> <p>Partners: Public, Private & Voluntary Sectors</p>
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Source: Salford City Council (1996b)

APPENDIX 3.4: Development Services Directorate's Service Plan

DEVELOPMENT SERVICES DIRECTORATE

SERVICE PLAN 1998/99

- ◆ All eight of the Council's Directorates have produced Service Plan 1997/2007 at the corporate level and the Community Action Plans at local level. This Service Plan effectively forms the Development Services Directorates priorities for the year.
- ◆ Development Services will contribute to all 10 of the corporate objectives set out in the Strategic Plan. We have also added 3 to ensure that all of our services are covered. We have the lead responsibility for one objective -
- ◆ **'balancing development needs and environmental quality within the city'**
- ◆ In addition we are providing guidance and support to other Directorates on the remaining objectives
- ◆ Performance against the Service Plan objectives will be analysed on a quarterly basis and reported to the Council's Performance Review Sub Committee. There are also plans underway to establish better links between the Council's priorities and budgets
- ◆ The citizens of Salford are our main Customers and their interests must be the driving force behind everything we do.

Tony Struthers
Director of Development Services
July 1998

MEETING SALFORD'S STATUTORY RESPONSIBILITIES

- ◆ B3 ensuring planning applications are approved in accordance with the UDP
- ◆ Through efficient and effective operation of the Development Control, Building Control and Road Safety Services

DELIVERING HIGH QUALITY IN OUR DESIGN, MANAGEMENT AND MAINTENANCE SERVICES

- ◆ Successfully designing and implementing construction projects to agreed timescales, on budget to customer requirements and to high quality standards following resident consultation meetings where appropriate.

ACHIEVING BEST VALUE AND CONTINUOUS IMPROVEMENT

- ◆ Through the production and analysis of quarterly reports for all services and Annual Service Appraisals
- ◆ Through improved communication
- ◆ Through the commencement of work on Best Value and the Business Excellence Model
- ◆ Through the achievement of Quality Assurance Accreditation for Development Control, Building Control, Property and Development Administration Services and the Forward Planning Section

- ◆ **For further information on any of the services contact Paul Mallinder, Business Services, Development Services Directorate, Civic Centre, Chorley Road, Swinton, Salford, M27 5BW. Or telephone direct on (0161) 793 3606.**

<p style="text-align: center;">OBJECTIVE 1</p> <p style="text-align: center;">IMPROVING HEALTH & SOCIAL CARE</p> <p>Reduce traffic accident casualties in the city by 305 from the 1766 annual total in 1997</p> <ul style="list-style-type: none"> * Through the implementation of Transport Policies and Programmes and the Road Safety Plan * Through the provision of Road Safety Education involving 120 schools and nurseries every year and Road Safety Cycle Training at 50 schools <p>Ensure the highest quality health care facilities by :</p> <ul style="list-style-type: none"> * Agreeing the strategy for the development of Hope Hospital with the Salford Royal Hospital Trust 	<p style="text-align: center;">OBJECTIVE 6</p> <p style="text-align: center;">MAKING SALFORD A SAFER PLACE</p> <p>Reducing crime and fear of crime in the city by :-</p> <ul style="list-style-type: none"> * Adherence to Greater Manchester Police's 'Secured by Design' Initiative * Improve management of the Council's corporate buildings to reduce the number of security incidents * Minimal number of non-working streetlights throughout the city by effective maintenance * Reduce levels of crime through management of the Quaywatch Scheme and the implementation of CCTV projects in Eccles Town Centre * Effective and efficient operation of Development Control, Building Control Services, Highway Maintenance, Traffic Management and Road Safety Services
<p style="text-align: center;">OBJECTIVE 2</p> <p style="text-align: center;">GIVING PEOPLE GOOD QUALITY HOUSING</p> <p>Meeting housing needs in number, design and location</p> <ul style="list-style-type: none"> * Ensuring sufficient land is available for Salford's 5 year housing requirements and maximising opportunities to provide new homes * Working with the Housing Directorate in their review of current housing stock and future market demand * Providing assistance in the production of Development Briefs, the marketing of land and buildings and design and contract management services 	<p style="text-align: center;">OBJECTIVE 7</p> <p style="text-align: center;">ENSURING THE CITY HAS A CLEAN, HEALTHY AND SUSTAINABLE ENVIRONMENT</p> <p>Raising awareness and promoting the conservation and sustainable use of natural resources and minimising environment pollution by :-</p> <ul style="list-style-type: none"> * Publishing a Local Agenda 21 Strategy to set out the City's approach to environmental, economic and social sustainability * Publishing for consultation an Environment Strategy which will set out key targets and actions to improve the environment of Salford * Commencing a site inspection survey of all contaminated land * Completing Phase 1 of the Environmental Stewardship process and acting to reduce the environmental impact of the Council's activities * Implementing a major water quality project by the year 2000 on the River Irwell and the Manchester Ship Canal

OBJECTIVE 3

PROVIDING LEARNING AND DEVELOPMENT OPPORTUNITIES

Ensuring our partners' land and estate development strategies are consistent with the Council's general land use and transportation objectives

- * Working with Salford University on its accommodation, estate and facilities strategy
- * Working with the Education & Leisure Directorate on its review of the City's educational needs

Supporting the Education & Leisure Directorate

- * Providing advice, design and management in the implementation of the capital programme to ensure the highest quality learning environment

OBJECTIVE 8

ENSURING WE MAXIMISE INVESTMENT IN THE CITY

Contributing to the creation of funding, development and employment opportunities in the city by :-

- * Contributing to high quality bids for resources
- * Securing the availability of land and buildings for economic and other developments
- * Helping other Directorates to achieve their objectives involving physical development or re-development
- * Continuing to secure partnerships with private, public and voluntary agencies
- * Securing new external customers through practice brochures detailing the Directorate's services

Ensuring the city's land is put to optimum use

- * Through the effective management of the City's own stock of buildings and land by :
 - *reducing the number of unoccupied non housing properties, reducing the value of rent arrears on them and maximising Council expenditure on improvements*
 - *reducing expenditure on rates*
 - *ensuring all repairs are carried out to specified standards and timescales*

OBJECTIVE 4

IMPROVING JOB OPPORTUNITIES

Meeting land requirements for existing business and new inward investment

- * Development of a new Commerce Park from derelict land at Agecroft
- * Production of feasibility studies and strategies to develop the most marketable sites

Supporting existing businesses by upgrading their environment

- * Implementing programmes of grant support work and business support measures in the city

OBJECTIVE 9

BALANCING DEVELOPMENT NEEDS AND ENVIRONMENTAL QUALITY WITHIN THE CITY

Favouring strategies are in place for plan and property use and transportation to balance development and environmental quality by :-

- * Commencing the review of Unitary Development Plan (UDP) in 1998
- * Implementing projects from the Transportation Plan and Policies during the year
- * Completing a Programme of Corporate Property Review work during 1998
- * Continuing work on a Strategy Document for the countryside, parks and other urban open space

- * Reviewing the City's Physical Re-generation Strategy by November 1998

- * Working with the Housing Services Directorate on

- *improving the Housing Renewal Areas*

- *implementing the Home Energy Conservation Act*

Implementing our strategies for land use, transportation and property development by :-

- * Helping to plan and implement regeneration and environmental programmes across the city

- * Ensuring that all planning applications approved conform with the overall policies of the UDP

- * Publish a Green Transport Strategy for the City Council, Salford University and Salford Royal Hospital Trust during the year

- * Ensuring specific re-generation targets are met

- *reducing derelict land within the city by 5%*

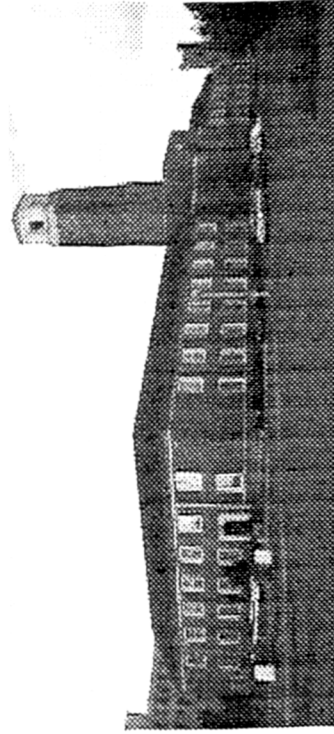
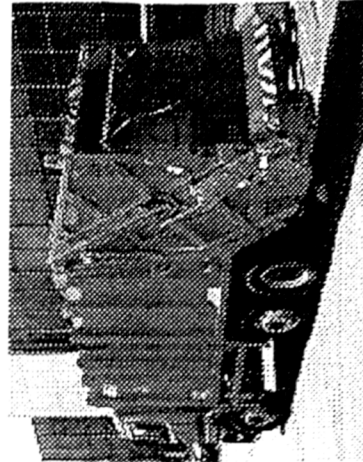
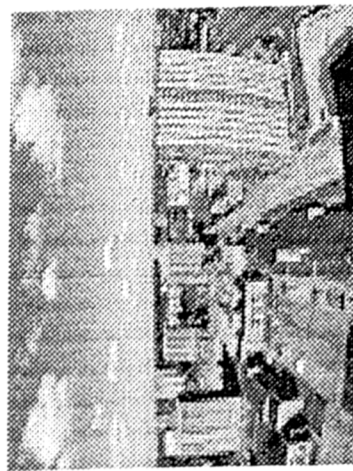
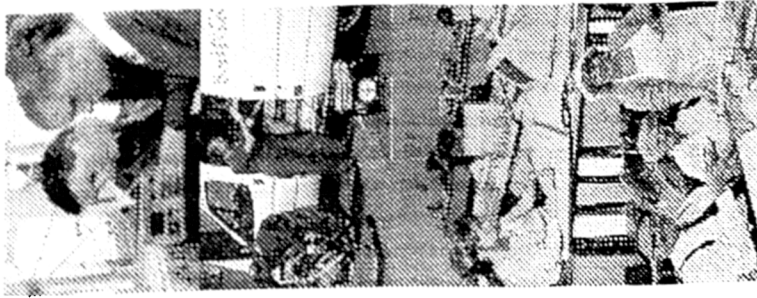
- *achieving our targets for the Chapel Street re-generation*

- *completing the City's loopline network*

<p>OBJECTIVE 5 PROVIDING RECREATION OPPORTUNITIES To ensure that all existing facilities are protected and new opportunities promoted</p> <ul style="list-style-type: none"> * continue strategic work for the development of urban spaces, countryside access and the publishing of Planning Guidance on recreation urban spaces and open space within new housing developments * Work with other Directorates to develop new facilities including the Steam coal and Canal project at the Bridgewater Canal improvements to Peel Park and the Red Rose Forest Initiative 	<p>OBJECTIVE 10 PROMOTING SALFORD AS A CITY OF NATIONAL IMPORTANCE Ensuring Salford is recognised nationally for its best practice in re-generation by :-</p> <ul style="list-style-type: none"> * Publishing and effectively communicating the City's best practice approach * Continuing to prepare strategies and implement schemes that win national recognition and enter them for national and regional awards
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Source: Development Services Directorate (1997)

Appendix 3.5
Development Services Directorate's
Quality Management Systems



Quality Systems

BS EN ISO 9001

Introduction

There are three factors considered when any organisation approaches a supplier of products or services:

PRICE - DELIVERY - QUALITY

Local Council organisations are no different from any other organisation in today's competitive market. With the increasing introduction of competitive tendering great importance is placed on:

QUALITY

This has stimulated the increased introduction of the British Standard for Quality Systems (BS EN ISO 9001) into Local Government Authorities.

Progressive Local Councils now recognise the benefits of being APPROVED TO BS EN ISO 9001.

<p>BS EN ISO 9001</p> <p>SPECIFICATION FOR Designs, Development, Production, Installation and Servicing</p> <p>BS EN ISO 9001 is now used throughout Britain as the standard specification for Quality Systems. All Quality Systems can be assessed to this standard and registered as:</p> <p>APPROVED OR CERTIFIED SYSTEMS</p> <p>We, the Development Services Directorate, need to gain approval because it is good for our business and in today's changing circumstances it will help us to keep our present work and seek and win additional external work. It is therefore good for our future prospects.</p> <p>How can we gain approval?</p> <p>We must satisfy an independent organisation such as British Standards and NQA that we have an effective quality system.</p> <p>Can we satisfy British Standards/NQA?</p> <p>This booklet briefly describes the requirements</p>	<p>Para 4.4 QUALITY POLICY</p> <p>A copy of the Engineering and Highways Division's Quality Policy is defined below. It mentions directorate procedures.</p> <p>Your section has written procedures, are you aware of them, and if so, do you work to them?</p> <p>Do you strive to improve the Quality of your work to improve the Quality System?</p> <p>Quality Policy</p> <p>The City of Salford Development Services Directorate, Engineering and Highways Division, shall through a defined Quality System which meets the requirements of national and international standards quoted in the Quality Manual, supply services which conform to contract specifications and customer requirements, also to the strict professional standards and policy of the City Council.</p> <p>It shall continually seek to improve the services and their delivery to ensure these requirements are met. It is essential that all personnel within the Division are totally committed to the maintenance of the Quality System.</p> <p>Divisional organisation and procedures are structured on BS EN ISO 9001 1994 and the procedures outlined in the Quality Manual form the basis of the system operated by the Division to ensure that this objective is met.</p>
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<p>Para 4.1.2 ORGANISATION</p> <p>We must have effective management within the Directorate to manage, perform and provide all services which affect the Quality of the product and services we supply. The products and services we supply are for example:</p> <p>The total service from project conception through to client acceptance of, planning applications, building regulations and control applications, landscape schemes, project and property management, bridges, roads, sewers and buildings management.</p> <p>The inspection, maintenance and recording, including all safety aspects of the scheme.</p> <p>Para 4.2 QUALITY SYSTEMS</p> <p style="text-align: center;">Quality Manual Quality Assurance Procedures Forms, Work Instructions, Specifications, etc.</p> <p>Our quality System includes the above. Are you aware of their existence?</p> <p>Para 4.3 CONTRACT REVIEW</p> <p>Contract Review in a Local Authority can be best described as the Project Review of the Client's Design Specification, order or request.</p> <p>We must BEFORE we accept a job ensure that we can provide the necessary skills and expertise, i.e. are we able to do it, and do it to the Client's specified requirements in the time allowed?</p>	<p>Para 4.4 DESIGN CONTROL</p> <p>This is a very complex requirement which ensures that the finished work meets all specified requirements.</p> <p>Designers shall have codes of practice... Use data from previous designs... Ensure safety and reliability... Carry out planned design reviews, design verifications and design validation..Check client's requirements...provide correct contract documentation...Study new techniques etc.</p> <p>However, designers are not infallible, everybody can help by providing feedback both in respect to errors, omissions, ambiguities etc., plus of course, reporting when 'we get it right'.</p>
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<p>Para 4.5 DOCUMENTATION AND CHANGE CONTROL</p> <p>All drawings, specifications, quality procedures etc , must be controlled. We must control any changes to ensure that everybody uses the latest standard which meets our and our client's requirements.</p> <p>We must destroy outdated and superseded copies.</p> <p>Are your section's documents up-to-date?</p> <p>Para 4.6 PURCHASING</p> <p>This section refers to the need for control in the issuing of instructions for the purchase of goods and services.</p> <p>We must only use approved suppliers/contractors, who we know are capable of providing a quality service or product.</p> <p>Para 4.7 CONTROL OF CONSUMER SUPPLIED PRODUCTS</p> <p>Sometimes the clients supply us with equipment or information for incorporation in the service we provide. We must ensure that this is correctly used, recorded and retained.</p>	<p>Para 4.8 IDENTIFICATION AND TRACEABILITY</p> <p>All the services we supply must be easily identifiable to the client. Appropriate records should be kept to provide the necessary traceability.</p> <p>Para 4.9 PROCESS CONTROL</p> <p>We must continue to ensure that all process documentation used is sufficient to allow the satisfactory completion of actions and work. Work instructions should be complete and unambiguous.</p> <p>Para 4.10 INSPECTION AND TEST</p> <p>Site supervision and inspection of Contractor's work for Contract Compliance to the client's requirements is carried out to the Contract Documentation.</p> <p>Inspection/test on services such as foundations, pavings, openings, sewers, lighting and road safety training is carried out to predetermined inspection procedures.</p>
--	---

<p>Para 4.11 INSPECTION, MEASURING AND TEST EQUIPMENT</p> <p>Any equipment used for test or checking must be demonstrated to be capable of checking and getting the correct results.</p> <p>We must ensure that no risks are taken by using equipment which is not calibrated. A system exists for checking most equipment on a regular basis, all checks should be traceable to the National or manufacturer's standard, as applicable.</p> <p>Before you use any equipment, check that it is calibrated and/or has been maintained in accordance with the relevant procedures.</p> <p>Para 4.12 INSPECTION AND TEST STATUS</p> <p>The inspection and test status of every asset must be identified by signing or dating the relevant paperwork when the measurement or performance is acceptable.</p> <p>ALWAYS DISTINGUISH BETWEEN ASSETS THAT HAVE OR HAVE NOT BEEN CHECKED.</p>	<p>Para 4.13 CONTROL OF NON CONFORMING SERVICES</p> <p>No matter how hard we or our contractors try, things may still go wrong, resulting in services, materials or processes which do not conform to requirements.</p> <p>Any such non-conformances must be identified and not repeated or incorporated into any further project or works.</p> <p>Para 4.14 CORRECTIVE & PREVENTIVE ACTION</p> <p>We must use our records as a basis for both corrective and preventive action when necessary and any future decision making. They should identify errors so that appropriate action can be taken.</p>
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<p>Para 4.15 HANDLING, STORAGE, PRESERVATION AND DELIVERY</p> <p>We must control our services throughout the entire process. We must protect any materials, drawings, documents and purchased goods. We must handle them correctly and ensure, where necessary, they are delivered to the client or contractor in satisfactory condition.</p>	<p>Para 4.16 QUALITY RECORDS</p> <p>We must provide records to demonstrate that systems are working effectively.</p> <p>Comprehensive records are necessary and provide a 'trigger' for corrective action.</p> <p>We need comprehensive records and so does the customer</p> <p>They provide, if filed and retained correctly, a readily available comprehensive history of the service/project in question.</p>
--	--

Para 4.1 & 4.17 INTERNAL AND SYSTEM AUDITING

None of the systems we have will work properly if we do not review and evaluate them frequently.

System and section audits provide a formal means of such reviews and/or evaluation.

The full quality system will be reviewed internally and externally to ensure that it is always up-to-date and correct.

Para 4.18 TRAINING

We must identify our training needs for all the sections of the Directorate. We must maintain records of all the training carried out.

Para 4.19 SERVICING

Where the servicing or maintenance of any asset is required, we must establish those procedures necessary for ensuring compliance with the servicing requirements.

Para 4.20 STATISTICAL TECHNIQUES

When we use statistical or sampling procedures we must be sure that they provide us with information totally representative of the job or system capabilities.

BS EN ISO 9001

Appendix 5A.1

Structured Interview A1 (Management: PM) ✓ CCT ✓ QA ✓ TP

General Information:

1. What are the main activities carried out in your department/unit?
.....
2. Are the works your staff are doing, part of a process from another dept/unit?
.....
- CCT
3. What changes does the dept experienced due to CCT?
.....
4. What benefits were experienced due to CCT?
.....
5. What problems do you encounter with regard to CCT:
.....
6. Given a choice, would you prefer your department to be **not** subjected to CCT?
☐ Yes
☐ No
 Why?

7. How far do you agree with the followings:

<u>Strongly Agree</u>	<u>Agree</u>	<u>Disagree</u>	<u>Strongly Disagree</u>	
1	2	3	4	
a)	The impact of competition has been limited to those services subject to CCT			<input type="checkbox"/>
b)	Managing competition has required the development of new staff skills			<input type="checkbox"/>
c)	Competition has reduce morale of the dept/unit affected by it			<input type="checkbox"/>
d)	Responding to competition has changed management processes of the dept/unit affected by it			<input type="checkbox"/>
e)	Responding to competition has changed the culture of the dept/unit affected by it			<input type="checkbox"/>
f)	Managing competition is encouraging cross-department working			<input type="checkbox"/>
g)	Managing competition is leading staffs to take long-term view			<input type="checkbox"/>

Quality Management System:

8. What is your view toward QA?
.....
9. What aspects of QA are most helpful
.....
10. What major differences has QA system contributed to your dept/unit as compared to when there was no QA?
.....
11. What was the major barrier faced when QA system was initially installed?
.....
12. Now that QA is fully installed, what problem(s) do find with QA?
.....
13. Indicate by circling the appropriate number next to the following statements your opinion with regards to Quality Assurance:

		<u>Strongly Agree</u>		<u>Strongly Disagree</u>	
		1	2	3	4
a)	QA helps make job easier	1	2	3	4
b)	Volume of work has reduced	1	2	3	4
c)	QA makes staff more stressful	1	2	3	4
d)	QA makes work more organized	1	2	3	4
e)	Job can be accomplish faster	1	2	3	4
f)	QA helps to improve quality	1	2	3	4
g)	QA helps to improve teamwork	1	2	3	4
h)	QA helps us achieve our mission and vision	1	2	3	4
i)	QA procedure are easily available	1	2	3	4
j)	QA procedure can be changed	1	2	3	4
k)	QA improve performance of the dept	1	2	3	4
l)	QA save time	1	2	3	4
m)	QA eliminates mistakes/error	1	2	3	4

- o) QA eliminates duplication 1 2 3 4
- p) Overall, QA has been successful in achieving its goals in this unit 1 2 3 4
14. Is there a section created in your dept (other than quality assurance) that specialises in looking at the implementation of quality management?
.....
15. Is there a named head of quality in your department/unit for this section?
.....
16. Your dept/unit have been audited by a third party, what benefits were experience due to such exercise?
.....
17. How do you rate the following statements based on this scale:
Totally Disagree 1 Disagree 2 Agree 3 Totally Disagree 4
- a. ISO 9000 series registration is a useful step towards Total Quality Management ☐
- b. Registration was deemed to be worthwhile ☐
- c. There was an internal drive for registration ☐
- d. Clear benefits have emerged from registration ☐
- e. There was an external stimulus for registration ☐
- f. The costs of implementation were low ☐

Performance Measurement:

18. What approach is use to identify strength and weaknesses in your department/unit?
.....
19. How do you measure the progress made by your department/unit?
.....
20. What aspects of progress is measured?
.....
21. What performance standard of services were set at your dept/unit?
.....
22. How frequent were the performance of your department/unit measured?
.....
23. What method is used to ascertain the satisfaction of these people ?
.....
24. When providing the services to the other dept/unit how important in your opinion these factors to them
- | | Very important | Not important |
|---|----------------|---------------|
| a) <i>Reliability(accurateness)</i> | 1 2 3 4 | |
| b) <i>Responsiveness (promptness/timeliness)</i> | 1 2 3 4 | |
| c) <i>Competence (skill & knowledge)</i> | 1 2 3 4 | |
| d) <i>Courtesy (politeness, respect, consideration, friendliness)</i> | 1 2 3 4 | |
| e) <i>Tangibles</i> | | |
| i. <i>Excellent phy.facilities</i> | 1 2 3 4 | |
| ii. <i>staff's appearance</i> | 1 2 3 4 | |
| f) <i>Accessibility: (ease of getting to the personnel)</i> | 1 2 3 4 | |

Audit Commission's Performance Indicators

25. What is your opinion of the performance indicator's used by the Audit Commission to measure your dept/unit's performance?
.....
26. In your opinion, how should the performance of your dept/unit be judged?
.....

Quality Services

27. In your opinion, how can services be improved at your dept/unit?
.....
28. What sort of complaints do your dept/unit receives?
.....
29. What do you consider to be the biggest hindrance in providing service quality in your department/unit?

30. In your opinion, what is the public's perception of the services provided by Salford City Council?

31. In your opinion, what do the public expect from by Salford City Council?

32. In your opinion, how does the public judge the performance of the council as a whole?

33. What actions are necessary by Salford City Council if it wants to perform as good or better than other city councils that you considered as the best city council in the UK?

36. What is your opinion about the British Quality Foundation Business Excellence Model?

37. In your opinion, how should this model should be implemented?

Appendix 5A.2

General Information:

1. What are the main task that you performed in your department/unit?

2. Who are the people you are dealing with?

External

☐ Chief Executive Directorates

❑ Corporate Services Directorates

☐ Personnel Services Directorates

☐ Education & Leisure Directorates

☐ Housing Services Directorates☐ Environmental Services Directorates☐ Community & Social Services Directorates☐ Others: _____☐ None

3. Are the works you are doing, part of a process from another dept/unit or staff?

4. Who do you pass on the work to once it is completed?

5. Who provides the information you require to perform your work?

6. What effect does Compulsory Competitive Tendering (CCT) has on your work?

7 What benefits do your dept/unit derived from being subjected to CCT?

8. In your opinion, should your department be subjected to CCT?

☐ Yes☐ No

Why?..

9. In your opinion, has the performance of your dept/unit been improved due to CCT?

☒ Yes☐ No

10. What efforts have been made toward work improvements in your dept/unit?

12. Which initiatives do you consider to be have been successful? Why?

13. What is your view on QA?

14.
What aspects of QA is most helpful?
.....
15.
What problem do you find with QA?
.....
16.
Indicate by circling the appropriate number next to the following statements your opinion with regards to Quality Assurance:

		<u>Strongly Agree</u>		<u>Strongly Disagree</u>	
a)	QA helps make our job easier	1	2	3	4
b)	Volume of work has reduced	1	2	3	4
c)	QA makes work more stressful	1	2	3	4
d)	QA makes work more organized	1	2	3	4
e)	Job can be accomplish faster	1	2	3	4
f)	QA helps to improve quality	1	2	3	4
g)	QA helps to improve teamwork	1	2	3	4
h)	QA helps us achieve our mission and vision	1	2	3	4
i)	QA procedure are easily available	1	2	3	4
j)	QA procedure can be changed	1	2	3	4
k)	Are you willing to work with an improvement team	1	2	3	4
l)	QA save time	1	2	3	4
m)	QA eliminates mistakes/error	1	2	3	4
o)	QA eliminates duplication	1	2	3	4
p)	Overall, QA has been successful in achieving its goals in this unit	1	2	3	4

17.
What were your experience during the department/unit third party audit?
.....

Performance Measurement:

18.
How do management measure your work's performance ?
.....
19.
Are satisfied with the way your work's performance is measured? Why?
.....
20.
How do you want your work's performance to be measured? (Criteria used to evaluate your work performance).
.....
21.
What tools are currently used to measure of progress of your department/unit?
.....
22.
Are you satisfied with the current approach used to measure the performance of your department/unit?
.....
23.
In your opinion, how should the performance of your dept/unit be judged?
.....

Quality Services

24.
What do you consider to be the biggest hindrance in providing service quality in your department/unit?
.....
25.
In your opinion, how can services be improved at your dept/unit?
.....

Perception and Expectation

26.
In your opinion, what is the public's perception of the services provided by Salford City Council?
.....
27.
In your opinion, what do the public expect from Salford City Council?
.....

Judgement and Improvement

28.
In your opinion, how do the public judge the performance of the council as a whole?
.....

29. What actions are necessary by Salford City Council if it wants to perform as good or better than other city councils that you considered as the best city council in the UK?
.....

BEM

30. What is your opinion about the British Quality Foundation Business Excellence Model?
.....
31. In your opinion, how should this model should be implemented?
.....

Appendix 5B.1

Structured Interview A2 (Management: Property Development & Property Review) X CCT X QA X TP

General Information:

1. What are the main activities carried out by your dept/unit?
.....
2. Are the works your staff are doing, part of a process from another dept/unit?
.....

Management System:

3. Is there a clear set of procedures or practices available for all the tasks that in your dept?
.....
4. Are these procedures or practices documented in your dept/unit?
.....
5. Who write these procedures?
.....
6. How are these procedures kept?
.....
7. How are changes to work processes recorded?
.....
8. Is similar work done by the different staffs subjected to any standard procedure?
.....
9. Is there any audit done to ensure that works are done according to some standard?
.....
10. If a staff have to be away from the office, what arrangements are made to ensure that there is continuity/no disruption of work?
.....
11. What source do the staff refer to for tasks that are infrequently performed to ensure that these tasks are performing is according to standard the last time it was performed it?
.....
12. If new staffs join the dept/unit, how are they introduced to the job?
.....

CCT and QA

13. Your dept/unit is **not** subjected to CCT, in your opinion would you foresee any benefits of being subjected to CCT with regards to the followings?
.....
14. What is your view towards QA?
.....
15. Do you foresee any probable advantages of having a QA system in place in your dept/unit?
.....
16. Is there any plan to install Quality Assurance (QA) system in your dept/unit?
.....
17. In your opinion, would the performance of your dept/unit be improved if a QA system is installed?
.....

Performance Measurement:

18. What approach is use to identify strength and weaknesses in your department/unit?
.....
19. How do you measure the progress made by your department/unit?
.....
20. What aspects of progress is measured?
.....

21. What performance standard of services were set at your dept/unit?
.....
22. How frequent were the performance of your department/unit measured?
.....
23. What method is used to ascertain the satisfaction of these people ?
.....
24. When providing the services to the other dept/unit how important in your opinion these factors to them:

	<u>Very important</u>		<u>Not important</u>	
a) <i>Reliability(accurateness)</i>	1	2	3	4
b) <i>Responsiveness (promptness/timeliness)</i>	1	2	3	4
c) <i>Competence (skill & knowledge)</i>	1	2	3	4
d) <i>Courtesy (politeness, respect, consideration, friendliness)</i>	1	2	3	4
e) <i>Tangibles</i>				
i. <i>Excellent phy facilities</i>	1	2	3	4
ii. <i>staff's appearance</i>	1	2	3	4
f) <i>Accessibility: (Ease of getting to the personnel)</i>	1	2	3	4

Audit Commission's Performance Indicators

25. What is your opinion of the performance indicator's used by the Audit Commission to measure your dept/unit's performance?
.....
26. In your opinion, how should the performance of your dept/unit be judged?
.....

Quality Services

27. In your opinion, how can services be improved at your dept/unit?
.....
28. What sort of complaints do your dept/unit receives?
.....
29. What do you consider to be the biggest hindrance in providing service quality in your department/unit?
.....

Perception and Expectation

30. In your opinion, what is the public's perception of the services provided by Salford City Council?
.....
31. In your opinion, what do the public expect from by Salford City Council?
.....

Judgement and Improvement

32. In your opinion, how does the public judge the performance of the council as a whole?
.....
33. What actions are necessary by Salford City Council if it wants to perform as good or better than other city councils that you considered as the best city council in the UK?
.....

BEM

36. What is your opinion about the British Quality Foundation Business Excellence Model?
.....
37. In your opinion, how should this model should be implemented?
.....

Thank you for your cooperation.

Appendix 5B.2

Structured Interview B2 (Staff: Property Development & Property Review)

✗ CCT ✗ QA ✗ TP

General Information:

1. What are the main task that you performed in your department/unit?
.....

2. Who are the people you are dealing with?

Internal

- ☐ Property Management
- ☐ Architectural Services
- ☐ Landscape Group
- ☐ Development Section

External

- ☐ Chief Executive Directorates
- ☐ Corporate Services Directorates
- ☐ Personnel Services Directorates
- ☐ Education & Leisure Directorates
- ☐ Housing Services Directorates
- ☐ Environmental Services Directorates
- ☐ Community & Social Services Directorates

☐ Others: _____

☐ None

3. Are the works you are doing, part of a process from another dept/unit or staff?

4. Who do you pass on the work to once it is completed?

5. Who provides the information you require to perform your work?

Quality Management System:

7. What efforts have been made toward work improvements in your dept/unit?

8. Which initiatives do you consider to be have been successful? Why?

9. Which initiatives are unsuccessful? Why?

10. Are you satisfied with the way work is organised in your dept/unit?

11. Is there a clear set of procedures or practices available for the task that your are doing?

12. Is there any duplication of work happening in your dept/unit?

13. Are all work processes fully documented and recorded?

14. What is your view on QA?

15. Would QA be helpful if it is install in your dept/unit?

Performance Measurement:

16. How do management measure your work's performance ?

17. Are satisfied with the way your work's performance is measured? Why?

18. How do you want your work's performance be measured?

19. What is your perception of the level of service provided by your dept/unit?

20. How are progress of your department/unit measured?

21. Are you satisfied with the current approach used to measure the performance of your department/unit?

Why?

22. In your opinion, how should the performance of your dept/unit be judged?

Audit Commission's Performance Indicators

23. What is your opinion of the performance indicator's used by the Audit Commission to measure your dept/unit's performance?

24. In your opinion, how should the performance of your dept/unit be judged?

Quality Services

25. In your opinion, how can services be improved at your dept/unit?
26. What sort of complaints do your dept/unit receives?
27. What do you consider to be the biggest hindrance in providing service quality in your department/unit?

Perception and Expectation

28. In your opinion, what is the public's perception of the services provided by Salford City Council?
29. In your opinion, what do the public expect from by Salford City Council?

Judgement and Improvement

30. In your opinion, how does the public judge the performance of the council as a whole?
31. What actions are necessary by Salford City Council if it wants to perform as good or better than other city councils that you considered as the best city council in the UK?

BEM

32. What is your opinion about the British Quality Foundation Business Excellence Model?
33. In your opinion, how should this model should be implemented?

Thank you for your cooperation.

Appendix 5C.1

Structured Interview (Top Management/Immediate Customer - General Perspectives)

Quality Assurance

1. What is your view on QA?
2. How do you rate the following statements based on this scale:
- | | Totally Disagree
1 | Disagree
2 | Agree
3 | Totally Disagree
4 | |
|----|-----------------------|---------------|--------------------------|-----------------------|---|
| 1. | | | | | ISO 9000 series registration is a useful step towards Total Quality Management <input type="checkbox"/> |
| 2. | | | <input type="checkbox"/> | | Registration was deemed to be worthwhile |
| 3. | | | <input type="checkbox"/> | | There was an internal drive for registration |
| 4. | | | <input type="checkbox"/> | | Clear benefits have emerged from registration |
| 5. | | | <input type="checkbox"/> | | There was an external stimulus for registration |
| 6. | | | <input type="checkbox"/> | | The costs of implementation were low |
3. What is your opinion on CCT?
4. How far do you agree with the followings:
- | | <u>Strongly Agree</u>
1 | <u>Agree</u>
2 | <u>Disagree</u>
3 | <u>Strongly Disagree</u>
4 | |
|----|----------------------------|-------------------|----------------------|-------------------------------|---|
| a) | | | | | The impact of competition has been limited to those services subject to CCT <input type="checkbox"/> |
| b) | | | | | Managing competition has required the development of new staff skills <input type="checkbox"/> |
| c) | | | | | Competition has reduce morale of the dept/unit affected by it <input type="checkbox"/> |
| d) | | | | | Responding to competition has changed management processes of the dept/unit affected by it <input type="checkbox"/> |
| e) | | | | | Responding to competition has changed the culture of the dept/unit affected by it <input type="checkbox"/> |
| f) | | | | | Managing competition is encouraging cross-department working <input type="checkbox"/> |
| g) | | | | | managing competition is leading members to take long-term view <input type="checkbox"/> |
5. What factors would you use to judge the performance of any departments/units in your directorate?

Audit Commission

The Audit Commission requires council to publish a set of indicators to inform the public on how they are performing.

6. In your opinion, has the indicators been able to reflect the actual performance of the Salford City Council?

7. In your opinion, what indicators should be used to judge the performance of city council as a whole?

8. In your opinion, what is the biggest problem of measuring the performance of city council? (Then go to Questionnaire C2, if applicable)

Council in General

9. In your opinion, what do the public expect of Salford City Council?

10. In your opinion, what is the public's perception of the services provided by Salford City Council?

11. In your opinion, how does the public judge the performance of a city council as a whole?

12. In your opinion, what actions are necessary by Salford City Council if it wants to improve itself?

Council Committee

13. What is your comment of the council committee systems?

14. What do you think of the role of the councillors?

BEM

15. There are plan to introduce the British Quality Foundation Excellence Model, why was this model chosen?

16. How should this model be implemented?

Thank you for your cooperation.

Appendix 5C.2

Structured Interview (Top Management/Immediate Customer - Specifics Questions/Statements)

1. Rank the important of the following factors in service delivery:

	<u>Very important</u>		<u>Not important</u>	
a) <i>Reliability(accurateness)</i>	1	2	3	4
b) <i>Responsiveness (promptness/timeliness)</i>	1	2	3	4
c) <i>Competence (skill & knowledge)</i>	1	2	3	4
d) <i>Courtesy (politeness, respect, consideration, friendliness)</i>	1	2	3	4
e) <u>Tangibles</u>				
i. <i>Excellent phy.facilities</i>	1	2	3	4
ii. <i>staff's appearance</i>	1	2	3	4
f) <u>Accessibility: (ease of getting to the personnel)</u>	1	2	3	4
2. How do you rate the services of these dept with regard to the followings:

	<u>Property Management</u>				<u>Prop Devt & Prop Review</u>			
	<u>Excellent</u>		<u>Poor</u>		<u>Excellent</u>		<u>Poor</u>	
a) <i>Reliability (accurateness)</i>	1	2	3	4	1	2	3	4
b) <i>Responsiveness (promptness/timeliness)</i>	1	2	3	4	1	2	3	4
c) <i>Competence (skill &</i>								

<i>knowledge of staff)</i>	1	2	3	4	1	2	3	4
d) <i>Courtesy (politeness, respect, consideration, friendliness)</i>	1	2	3	4	1	2	3	4
e) <u>Tangibles</u>								
i. <i>Excellent phy. facilities</i>	1	2	3	4	1	2	3	4
ii. <i>staff's appearance</i>	1	2	3	4	1	2	3	4
f) <u>Accessibility:</u>	1	2	3	4	1	2	3	4

3. Overall, how satisfied were you with the services provided:

	<u>Highly satisfied</u>	<u>Highly Dissatisfied</u>
Property Management	1 2 3 4	

4. Overall, how satisfied were you with the services provided:

	<u>Highly satisfied</u>	<u>Highly Dissatisfied</u>
Prop Devt & Prop Review	1 2 3 4	

5. In your opinion, what factors have influenced the performance of these two departments?

<u>Property Management</u>	<u>Prop Devt & Prop Review</u>
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6. In your opinion, has the performance of **Property Management** been improved because of CCT?

☐ Great improvement

☐ Slight improvement

☐ No change

☐ Deteriorate

7. Comparing **Property Management (PMD)** and **Property Development & Property Review (PDPR)**, in your opinion, has the performance of PMD been departments better than (PDPR) due to:

<u>CCT</u>	<u>QA</u>
<input type="checkbox"/> PMD better than PDPR	<input type="checkbox"/> PMD better than PDPR
<input type="checkbox"/> Similar	<input type="checkbox"/> Similar
<input type="checkbox"/> PM worst than PDPR	<input type="checkbox"/> PM worst than PDPR

8. In your opinion, what can these dept/unit do to improve their services.

<u>Property Management</u>	<u>Prop Devt & Prop Review</u>
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Thank you for your cooperation.

Appendix 5D

QUALITY MANAGEMENT SYSTEMS: Quality Assurance Section

1. Can you describe the history of QMS in SCC?
2. What approach do you use when implementing quality management system in SCC?
3. Can you describe the day to day process that you do with regards to installing (breakdown - percentages) QMS?
4. What are the critical success factors to QMS implementation?
5. What are the problems faced in establishing quality management initially?
6. What are the forces that drive the need for implementing quality management?
7. In your opinion, what are views of the top management, employees, and customers with regards to quality management systems?
8. From your observation, what are the effects of a quality management system?
9. What elements are required as feedback for the quality system that is in place?
10. How do you determine that a QMS is successful?
11. Do you find the implementation of QMS different in private sector than in SCC?
12. Given a chance to start all over, what approach would you take?
13. What is the biggest hurdle that you encounter now in implementing QMS?
14. What is the plan of the QA Section for the future?

2. Why are performance measurement taken?
3. What factors would you use to judge the performance of any departments/units in SCC?

Audit Commission

The Audit Commission requires council to publish a set of indicators to inform the public on how they are performing.

4. In your opinion, has the indicators been able to reflect the actual performance of the Salford City Council?
5. In your opinion, what indicators should be used to judge the performance of city council as a whole?
6. In your opinion, what is the biggest problem of measuring the performance of city council?
7. In your opinion, how do the public judge the performance of a city council as a whole?

Thank you for your cooperation.

APPENDIX 5F.1

Salford City Council top management's opinion on Quality Management Systems

Questions:	X1	X2	X3	X4	X5	X6	X7	X8
What is your view on QA?	<ul style="list-style-type: none"> - it makes staff more discipline and consistent - it is a good foundation for Business Excellence Model which we are trying to establish in line with government's best value strategy 	<ul style="list-style-type: none"> - "rubbish in, rubbish out" system -the system depends on the level of procedures documented, if one is not careful you could be standardising 	<ul style="list-style-type: none"> - it is a good practice, it enable the department practising it to have something to fall back on, they can check if there are working to a system or otherwise - it is a dynamic system which can ensure consistency 	<ul style="list-style-type: none"> - an excellent system but it depends on the standard that you set, so if you set a low standard than you would be consistently low 	<ul style="list-style-type: none"> - how good or bad the system is depends on the procedure that is designed, so if you have an exceptional procedure then that is alright but if you have a bad procedure then you formalising a low standard into your Q.1 system 	<ul style="list-style-type: none"> - it is an excellent system and you actually do not have to be certified to an outside independent third to enjoy the benefits of the system 	<ul style="list-style-type: none"> - I am a bit doubtful sceptical about the word quality, assuring whose quality? - quality to the customer would mean quick response, courteous and taking their view into account rather than documenting our view of how work should be done - we should not be concerned about getting excellent processes documented and neglecting what the customer wanted 	<ul style="list-style-type: none"> - it is necessary for local authority - it is essential and an excellent foundation for developing a systematic system within a public sector like local authority - it allows for staff to conduct self-monitoring

Questions:	X1	X2	X3	X4	X5	X6	X7	X8
What aspects of QA are most helpful	<ul style="list-style-type: none"> - it do not stand out compared to others but it is helpful in sense that it is rigorous and enforces discipline into work - so it is very helpful in ensuring that a standard is established and work are performed to conform to the set standard 	<ul style="list-style-type: none"> - it establishes clear procedures for doing things, it set the standard which makes consistency possible 	<ul style="list-style-type: none"> - it makes the department practising it focus at what they are doing, it places them on the right direction because the internal and external auditing process act as a monitoring system which check whether they are doing things in the way it was supposed to be done 	<ul style="list-style-type: none"> - it at least makes staff aware of the standard to be reached - it is very helpful in reorganising work processes 	<ul style="list-style-type: none"> - working to a system rather than to no system at all, it is a powerful system that can be use to check whether we are doing things as we intended to 	<ul style="list-style-type: none"> - it instill discipline and guarantee that work are done up to certain agreed standard 	<ul style="list-style-type: none"> - establishing standard for doing work which staff must follow to ensure work done are uniformed 	<ul style="list-style-type: none"> - it encourages discipline in doing work - it forces staff to fully understand what we are doing and thus continuously thinking of a better way to increase the standard or improve the current processes - the system can be used as part and parcel of training

Questions:	X1	X2	X3	X4	X5	X6	X7	X8
What problem do you find with QA?	<p>- we could be certifying bad practices</p>	<p>- we cannot measure our progress</p> <p>- it is quite practical for the manufacturing sector where we can measure progress but in the public sector this is a bit difficult to ascertain</p>	<p>- it takes a lot of time and effort to deliver</p> <p>- it is also resource intensive</p>	<p>- like I said the problem with Q1 is with the sort of standard that you are setting, how do you detect bad work procedures and stopping it from being documented?</p>	<p>- it does not allowed for examination of bad procedures</p>	<p>- could be trapped in the "doing the wrong things right" lock</p>	<p>- cost and time to have it up and running</p>	<p>- it is not a quick fix system, it takes time to develop and with limited budget and manpower in local authority I am a bit worried about whether system like this can survive here</p>

Questions:	X1	X2	X3	X4	X5	X6	X7	X8
What are the critical success factors to quality management-implementation?	<p>- people, although we have restructured the organization, the challenge is to get through to the heart and mind of the people to make them understand</p> <p>- need to build up the culture, it goes beyond giving free t-shirt thus what is required is a lot of training, consultation, proper training and improvement, people need to be made fully aware of what the system actually meant</p>	<p>- for any initiatives, management support is very important, top management of the department must be motivated themselves about improvement before we can expect any support from the lower level staff</p>	<p>- investment in training people, the real asset of the organisation</p> <p>- training need to be conducted to make people appreciate and be conceived of the system, these training should cover everybody from top level to the lowest level</p> <p>- the quality initiative must not be seen as a one off programme that has a start and end, it must be continuous, the goal is to make it as a way of life which build into the way things are done in the department</p>	<p>- human resource, their potential must be tapped, their support must be seek and the management of the department concern must show that they too are serious about it</p> <p>- it must not be treated as a "one-off" programme</p>	<p>- awareness and commitment from everybody</p> <p>- to get staff commitment, people at the higher level must show that there are committed</p> <p>- to appreciate Q.A the staff need to live and fully understand it</p> <p>- it goes beyond certification</p>	<p>- participation, contribution and commitment from all staff</p> <p>- it is very important to make each and everyone in the department to believe in the system, any system involves people, it is them who will make it successful or otherwise</p> <p>- thus it is very critical to win the heart and soul of everybody involve to accept and practice the system</p>	<p>- for a quality system to be successful, the first thing that need to be done is to explain to the staff why it is being done and benefits it is for them and the department</p> <p>- once this is achieved, the next critical thing to be done is to gain the commitment of each staff and management</p>	<p>- need to be discipline</p> <p>- commitment is important</p> <p>- training and retraining is also a very vital component</p> <p>- the key to successful implementation centred around the people factor in the department</p> <p>- it also need to be designed as part-and-parcel of the everyday work of the organisation.</p>

APPENDIX 5F.2

Property Management Department's management opinion on Quality Management Systems

Questions:	PM 1	PM 2	PM 3	PM 4
What is your view on QA?	<ul style="list-style-type: none"> -when first started it was seen as an additional work but now really an asset and we appreciate it - it gave us an opportunity to review our work procedure and then document it to be made as a standard 	<ul style="list-style-type: none"> - an excellent exercise - initially we were uncertain about what it might bring but after going through it, find it to be not a problem, it is just writing down what we are doing 	<ul style="list-style-type: none"> - its a paperwork exercise - helpful to a degree document however it does not improve quality - it is very subjective to call it a quality system 	<ul style="list-style-type: none"> - work quite well - a good way for us to review what we are doing
What aspects of QA are most helpful	<ul style="list-style-type: none"> - employee are able to understand the process - it can be continually reviewed through change request forms - it result in consistency and the establishment of standard - it is an excellent tool for training 	<ul style="list-style-type: none"> - look at everything that we do - when writing the procedure, it gave us the opportunity to see what is right or wrong and thus provides an opportunity for improvement - when start off: should we do it? versus how we do things 	<ul style="list-style-type: none"> - force to be formalised and reorganised - think about working to a system - QA procedures are useful tool for training - make clear what we are doing and thus more effective for certain services - ultimately we were able to produce a more consistent work 	<ul style="list-style-type: none"> - help a number of staff particularly filing, it is now more simplistic and consistent - just a matter of going through a checklist and focusing on hitting key areas - the documented procedures make training easy
What was the major barrier faced when QA system was initially installed?	<ul style="list-style-type: none"> - since it require a "black and white" (written form) it was initially a problem to translate, thus require a couple of attempts 	<ul style="list-style-type: none"> - getting the right concept - writing them as a perfect world - persuading people who use them, to get it done (to document and write it down) 	<ul style="list-style-type: none"> - time for staff to really focus on writing the procedure - most staff see this as an additional task on top of their existing work 	<ul style="list-style-type: none"> - a lot of paperwork but now alright

Questions:	PM 1	PM 2	PM 3	PM 4
Now that QA are fully installed, what problems/concerns do you have with QA?	None, quite happy with it now - the only concern that we had was the amount of time required to design and document the procedures	- it does not reflect people's quality and ability - there were essential development and paperwork added to existing approach - it is just a matter of tidying up procedures, making it nicely organised, excellently file	- Q1 involve checking paperwork and thus not a true measure petty check of paper work, reality not reflected	- it does tell us how we are actually performing particularly improvement made by the department, QMS must have some form of customer feedback
What major differences has QA system contributed to your department as compared to when QA was none existent? Does it has any impact on performance?	- no outstanding difference but the written procedures make us understand better what we are doing and this understanding might help in increasing the quality of services offered - continual improvement is possible - a documented system that one can refer to	- no major differences - however work are more organised and consistent than before	- the existence of formal inspection - however do not think that you can find fault in paper procedure - what matters cannot be detected; bad designer not highlighted - client response as to whether we are good or bad is not captured so it is difficult to determine how we are performing	- general day to day pressure to maintain accreditation - force to check to ensure to stick to procedure and check consistency - yes performance has been better than before

APPENDIX 5F.3

Property Management Department staff's opinion on Quality Management Systems (1/3)

Questions:	PM 16	PM 8	PM 7	PM 17	PM 13
What is your view on QA?	<ul style="list-style-type: none"> - its a "rubbish system" - formalised rubbish - it does not question why you do 	<ul style="list-style-type: none"> - good - procedures good for reference if we are unsure, can look up and therefore would not miss 	<ul style="list-style-type: none"> - initial view was "why do we have to do it" i.e. write down the detail about our work - in estate management we do many jobs at once therefore it is quite difficult - with Q.1, it give a basis to do work, for infrequent job, Q.1 manual becomes record 	<ul style="list-style-type: none"> - a good system 	<ul style="list-style-type: none"> - need to spend time and energy to set it up - it means more control and detection
What aspects of QA are most helpful	<ul style="list-style-type: none"> - generally it is useful particularly when we need to train new staff, we have something to refer to if we want to explain what we are doing 	<ul style="list-style-type: none"> - it provides us with a framework that ensure that we are consistent when performing out task 	<ul style="list-style-type: none"> - it makes our job clearer - we can also set target, and can do work more promptly, we can prioritise 	<ul style="list-style-type: none"> - documented and therefore can refer - reference and thus work are consistent - can improve since we can always ask ourself of a better way in doing the job 	<ul style="list-style-type: none"> - work are now more consistent - force to establish a system in doing work
What problem/ concerns do you have with QA?	<ul style="list-style-type: none"> - it does not post any problems to us 	<ul style="list-style-type: none"> - none 	<ul style="list-style-type: none"> - because of the variety of work therefore it is difficult to keep up with the deadline of developing the procedures 	<ul style="list-style-type: none"> - need to spend a lot of time initially 	<ul style="list-style-type: none"> - extra paperwork and administration - can lock bad practices into a system

Property Management Department staff's opinion on Quality Management Systems

continuation (2 3)

Questions:	PM 20	PM 6	PM 11	PM14
What is your view on QA?	<ul style="list-style-type: none"> - it is quite useful 	<ul style="list-style-type: none"> - establish a standard of procedure for work which is documented and thus make work more organised 	<ul style="list-style-type: none"> - do things based on what we said we want to do - to make sure we pick things up (follow and perform what is required) - force us to think on what we do versus what are suppose we do 	<ul style="list-style-type: none"> - helpful and allow us to be more focused on what we are doing
What aspects of QA are most helpful	<ul style="list-style-type: none"> - more uniformity - useful to have check - allow for improvement and correction 	<ul style="list-style-type: none"> - instill "fear" or we are now more cautious about our work - need to make sure that things are done according to the stated procedure (things are done properly) - there is no short cut - thus force to tidy up present work (which we did not have time to do if we were not force to) and better recording system 	<ul style="list-style-type: none"> - as a reminder - provide checklist 	<ul style="list-style-type: none"> - created a procedure or manual which act as reference for doing work
What problems/concerns do you have with QA?	<ul style="list-style-type: none"> - no problem 	<ul style="list-style-type: none"> - it is a waste of time writing up what is done 	<ul style="list-style-type: none"> - none 	<ul style="list-style-type: none"> - no problem

Property Management Department staff's opinion on Quality Management Systems *continuation (3 3)*

Questions:	PM 7	PM 15	PM 13	PM 21
What is your view on QA?	- not a bad thing	- no problem - it is just a system of documenting what you do	- a good system, it is quite useful	- very helpful system
What aspects of QA are most helpful?	- as a check that you are doing your work - nothing to hide - provide a sense of achievement if you pass the audit	- manual as valuable reference and record	- it establish a system for doing work	- indicate to us how the job is to be done especially if you have not done it before
What problem/ concerns do you find have QA?	- audit being a test can be stressful, cannot imagine what would happen if we fail the audit - procedures are audited at random and thus always keep us on our toes	- none, very happy with the system	- no problem	- excellent system, no problem

APPENDIX 5G.1

Property Management Department's management opinion on selected statements concerning Quality Management System

	Statements	P M 1	P M 2	P M 3	P M 4	Average	Status
1	QMS helps make jobs easier	2	2	3	2	2.25	Uncertain
2	QMS has reduced volume of work	4	4	4	3	3.75	Strongly disagree
3	QMS makes staff more stressful	4	4	3	3	3.50	Strongly disagree
4	QMS makes work more organised	1	2	2	1	1.50	Agree
5	Job can be accomplished faster	2	3	4	1	2.50	Uncertain
6	QMS helps to improve quality	1	2	3	1	1.75	Agree
7	QMS helps to improve teamwork	1	2	4	2	2.25	Uncertain
8	QMS helps us to achieve our mission and vision	1	2	4	2	2.25	Uncertain
9	QA procedures are easily available	1	1	2	1	1.25	Strongly Agree
10	QA procedure can be changed	1	1	1	1	1.00	Strongly Agree
11	QMS improves performance of the department	1	2	4	1	2.00	Agree
12	QMS save time	2	3	4	2	2.75	Disagree
13	QMS reduces mistakes/error	2	2	3	2	2.25	Uncertain
14	QMS reduces duplication	2	2	4	1	2.25	Uncertain
15	Overall, QMS has been successful in achieving its goal in this department	1	2	3	1	1.75	Agree

Notes:

1.00-1.49	Strongly Agree	2.75-3.49	Disagree
1.50-2.24	Agree	3.50-4.00	Strongly Disagree
2.25-2.74	Uncertain		

** The calculation of the average score for each statement was done to facilitate explaining the pattern or inclination of the group of respondents towards each of the statement above. The value of the overall score reflects the overall consensus of the respondents and allows the implied status to be reported.

APPENDIX 5G.2

	PM11	PM14	PM12	PM15	PM22	PM21	PM16	PM8	PM7	PM17	PM13	PM20	PM6	Average
1 QA helps make job easier	2	2	3	2	2	2	3	2	2	2	2	2	2	2.2
2 Volume of work has reduced	2	4	4	3	3	3	4	3	2	4	3	4	3	3.2
3 QA makes staff more stressful	3	4	3	3	4	4	4	3	3	3	2	4	3	3.3
4 QA makes work more organised	2	1	2	2	1	1	2	1	1	1	1	1	1	1.3
5 Job can be accomplished faster	3	1	3	3	2	2	4	2	2	2	2	4	2	2.5
6 QA helps to improve quality	1	1	2	2	2	1	2	1	2	1	2	1	1	1.5
7 QA helps to improve teamwork	2	3	2	2	2	2	4	3	2	2	2	4	1	2.4
8 QA helps us achieve our mission and vision	2	2	2	2	2	2	3	2	2	3	2	1	2	2.1
9 QA procedure are easily available	1	1	1	1	1	1	2	1	1	1	1	1	1	1.1
10 QA procedure can be changed	1	1	1	1	1	1	1	1	1	1	1	1	1	1.0
11 QA improve performance of the dept	1	1	1	1	1	3	3	1	1	1	1	1	1	1.3
12 QA save time	2	1	3	3	1	2	3	2	2	3	2	4	1	2.2
13 QA eliminates mistakes/error	2	1	3	2	1	1	3	1	2	2	2	3	3	2.0
14 QA eliminates duplication	3	2	2	2	2	2	2	3	2	3	2	2	1	2.2
15 Overall QA has been successful in achieving its goal in this unit	2	1	1	2	1	1	3	2	2	2	2	1	1	1.6
Average: 1.9 1.7 2.2 2.1 1.7 1.9 2.9 1.9 1.8 2.1 1.8 2.3 1.6														

Property Management Department's staff opinion on selected statements concerning Quality Management System

Note

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The calculation of the average score for each statement was done to facilitate explaining the pattern or inclination of the group of respondents towards each of the statement above. The value of the overall score reflects the overall consensus of the respondents and allows the implied status to be reported.

APPENDIX 5H.1

Property Development and Property Review Department's management opinion on management system

Questions	PDPR 1	PDPR 2	PDPR 3	PDPR 4	PDPR 5
Is there a clear set of procedures or practices available for all the tasks that in your dept?	Yes	Yes - checklist for rating - a bit difficult to standardise since nature of our job is unique - rely heavily on a stable workforce	Yes	- for the work that we are doing there is no standard set of procedure	- some - about 50-75 % - we are partially QA
Are these procedures or practices documented in your dept/unit?	Not really. If we however do refer to the file of previous or related work	Yes by referring to files on the job	Not really. Can refer to file	- No	-Yes - in the form of booklets
Who write these procedures?	Staff and HOD	Staff and HOD	Staff and HOD	- not applicable	Staff and HOD
How are these procedures kept?	Staff	Staff	Staff	- not applicable	- distributed to all
How are changes to work processes recorded?	Not recorded but pass on as and when required	Personally what I would do is to write a note about it in the latest file concerning that job	Through sharing our experiences, good practices are shared with our colleagues so that we can improve	- it is difficult to record your experiences with regards to reviewing property, each are different	- frequent review and update

Questions	PDPR 1	PDPR 2	PDPR 3	PDPR 4	PDPR 5
Is similar work done by the different staffs subjected to any standard procedure?	Impossible to standardise because it is influence by external factors & with a time scale eg. Basic disposal checklist	- a bit difficult, it is a struggle since work varies and complicated and unique, it run up to 10 years for some	- This is a gray area actually, I believe it is impossible to subject our work to any standard procedure but then again we have not try	- no	- yes
Is there any audit done to ensure that works are done according to some standard?	Some particularly checking on problems and capability plus target	- some - got to read file not the procedure - nature of the job, it varies so it like a book in the library, different book for different job	- simple checking of whether we are reasonably progressing okay	- management check our progress by asking as how are we doing with that job, usually a reasonable set of deadline is expected of us (the unwritten target)	Some
If a staff have to be away from the office, what arrangements are made to ensure that there is continuity/no disruption of work?	Wait till the staff comes back however if need be then the replacement staff will go through the file	- normally the staff will have to schedule the work to take into account of his absent - if another staff need to continue the work all that is required is to go through the file to check on the status of the work	- No proper approach taken - Usually it up to the person who is about to take leave to plan their work to take into consideration their absent - in cases of emergency or sickness, usually the practice is to wait for that person to return or assign somebody to take over	- no arrangement, just leave it to the boss to decide whether someone have to take over but usually we do make sure that our work are at certain level before we have a peace of mind to go off for a vacation for example	- none

Questions	PDPR 1	PDPR 2	PDPR 3	PDPR 4	PDPR 5
What source do the staff refer to for tasks that are infrequently performed to ensure that these tasks are performed according to standard the last time it was performed it?	None	None	- old files of related works	- no reference, such by recall or asking around	- none
If new staffs join the dept/unit, how are they introduced to the job?	Coaching	- asking them to talk to people who have done that job before	- by showing them how things are normally done	- show that guys how things are usually done and he or she needs to ask a lot of questions if they want to learn fast	- just train them on what they need to do, on the job

APPENDIX 5H.2

Property Development and Property Review Department's staff opinion on current management practices at the department (1/2)

Questions	PDPR 8	PDPR 9	PDPR 13	PDPR 12
Is there a clear set of procedures or practices available for all the tasks that in your dept?	- no because most of our work are one-off job and it varies (diverse) - it not repeated and take years to complete eg. Trafford Park Project	- no - QA could be helpful but then again our work are varied and deals with many different individuals and therefore difficult to stick to a strict guidelines	- no	- yes, we do have some reference or rather work instructions that we refer to when doing work but most of the time though it is based on memory

Questions	PDP 8	PDP 9	PDP 13	PDP 12
Are these procedures or practices documented in your dept/unit?	- some	- it is not documented	no	- yes
Who write these procedures?	- staff who perform it	- none	- not applicable	- own
How are these procedures kept?	- staff	- all kept in the head	- none kept	- placed in the files
How are changes to work processes recorded?	- just by making a report in the file and acknowledge people who is affected by it	- notify those concerned by writing them a note and a record in the file	- by writing a note in the file if necessary	- write a note about it
Is similar work done by the different staffs subjected to any standard procedure?	- no	- no, it is up to the individual creativity	- no, we are free to use our own approach in doing the job	- no
Is there any audit done to ensure that works are done according to some standard?	- just a simple check to see whether we are on target	- analysing the status whether it is going on as plan	- a check made on progress by comparing actual performance with its plan	- the boss will do a quick check to monitor whether things are going as plan

Questions	PDPR 8	PDPR 9	PDPR 13	PDPR 12
If a staff have to be away from the office, what arrangements are made to ensure that there is continuity/no disruption of work?	<ul style="list-style-type: none"> - if not urgent normally no arrangement is made for anyone to take over - the staff concerned would normally programme their work to consider their absent 	<ul style="list-style-type: none"> - no arrangement, would usually leave it to the staff concerned to organise their work 	<ul style="list-style-type: none"> - if need be, another staff would be brief about it otherwise need to wait till he/she is back 	<ul style="list-style-type: none"> - no standardisation
What source do the staff refer to for tasks that are infrequently performed to ensure that these tasks are performing is according to standard the last time it was performed it?	<ul style="list-style-type: none"> - looking through files on similar jobs 	<ul style="list-style-type: none"> - files of work 	<ul style="list-style-type: none"> - files 	<ul style="list-style-type: none"> - from the files that contained similar work or just ask who have done it before
If new staffs join the dept/unit, how are they introduced to the job?	<ul style="list-style-type: none"> - coached them 	<ul style="list-style-type: none"> - described to them what need to be done 	<ul style="list-style-type: none"> - spend time to show them what they are suppose to do 	<ul style="list-style-type: none"> - sit down and discuss with them what is expected of them

Property Development and Property Review Department's staff opinion on management practices at the department continuation (2 2)

Questions	PDPR 10	PDPR 11	PDPR 17	PDPR 6	PDPR 16
Is there a clear set of procedures or practices available for all the tasks that in your dept?	- no	- the process is clear - it is a "one-off" job	- no	-yes but not as comprehensive as a QA system	- no, probably we need to have things documented to a quality management systems
Are these procedures or practices documented in your dept/unit?	- no	- just checklist	- no formal documentation	- just some simple instructions for future reference or records	- no
Who write these procedures?	- not applicable	- individual who perform it plus their superior	- no formal procedures written, whatever ways we do work we normally based in on memory or some checklist	-usually the person who perform the tasks	- not applicable
How are these procedures kept?	- none kept	- the person who perform it	- if any, normally it is pasted somewhere for quick reference	- kept by the person concerned	- none kept
How are changes to work processes recorded?	- not recorded, just go on with the new approach	- describe in the files	- usually recorded, it is difficult to say that there are changes since each job is always different	- when there are new ways of doing things it is up to the person involved with the process to record in down somewhere, usually it is recorded in the work file	- not recorded

Questions	PDP 10	PDP 11	PDP 17	PDP 6	PDP 16
Is similar work done by the different staffs subjected to any standard procedure?	- none, staff are free to practice their own way	- none, freehand on what to do but the basic aspects are known to all	- no standardisation but the principles I believe are the same	- no, it is up to the discretion of the staff to come up with the approach that they think best in performing the work	- no - probably there are some unwritten understanding or system practised
Is there any audit done to ensure that works are done according to some standard?	- through checking with targeted datelines	- checklist on work completed (is it according to schedule)	- yes, normally discussion with our superior on how we are progressing, usually it is a check of whether we are reasonably making good progress or otherwise (based on time spent)	- definitely, but not as stringent as a QA audit, what we did is just a simple check that work are done as scheduled and there are no problems faced by the staff when they are doing the work	- simple check with targets set
If a staff have to be away from the office, what arrangements are made to ensure that there is continuity/no disruption of work?	- most job are personnel to holder so that person would normally either have the tasks done ahead of schedule of have plan to catch up when they are back. Otherwise a favour of a colleague to cover for him/her	- no arrangement, if need be somebody that are familiar with that task can be instructed to take over	- usually we make sure that somebody is assigned to take over - if the job is not urgent then it would wait until the staff is back	- usually the staff would make some allowance for his/her work to be completed before he/she goes off for breaks - for cases that involved urgent works while the staff is away, normally another staff who is experienced in doing similar task will be assigned to do the work	- normally the staff would plan their work so as their absent would not affect the target

Questions	PDPR 10	PDPR 11	PDPR 17	PDPR 6	PDPR 16
What source do the staff refer to for tasks that are infrequently performed to ensure that these tasks are performing is according to standard the last time it was performed it?	- files of similar tasks	- old files on the similar jobs - ask	- looking through old files or ask our superior	- ask another colleague or the boss or refer to previous files on similar works	- refer to the files that contained similar tasks
If new staffs join the dept/unit, how are they introduced to the job?	- explained to them what need to be done	- just teach them	- coaching them, ask them to do the job, trial and error approach	- briefing, show and tell	- show them the files on similar work and highlight to them the basic aspects of the tasks

Appendix 5L1

Property Development and Property Review Department's management opinion on Quality Management Systems

Questions	PDPR 1	PDPR 2	PDPR 3	PDPR 4	PDPR 5
What is your view on QA?	<ul style="list-style-type: none"> - take up a lot of time - resources already stretch - depends on the people who are doing the job - whether they can afford to accommodate time for it 	<ul style="list-style-type: none"> - It look at the process - Q.1 does not guarantee "good professional advice" - things are signed off & documented but for my dept the most important bit is "quality advice" on estimates, values which need to be accurate - time consuming, imposed upon the staff - not all procedures can be documented particularly on things that we are involved in 	<ul style="list-style-type: none"> - useful but not convenience - it is a management tool as check - it alone would not be able to explain reasons of problems eg. Why the delays 	<ul style="list-style-type: none"> - it is good, it tell you what and how to do things and particularly useful for training 	<ul style="list-style-type: none"> - benefits depends on the job - there is a lot processes, more worth in some than others
Do you see any probable advantage of having a QA system	<ul style="list-style-type: none"> - could be ideal for Design and evaluation subjective (acquisition and disposal) 	<ul style="list-style-type: none"> - might be worth it for some section i.e. valuation - it is a book of rules 	<ul style="list-style-type: none"> - probably the design and evaluation - subjective - (acquisition and disposal process maybe) 	<ul style="list-style-type: none"> - yes, but it would not be applicable to all procedures though, for those tasks that are performed repeatedly then it is good to have a QA procedure to refer to 	<ul style="list-style-type: none"> - could be ideal for Design and evaluation subjective (acquisition and disposal)
In your opinion, would the performance of your dept/unit be improved if a QA system is installed?	<ul style="list-style-type: none"> - no, there is the danger of certifying bad processes however we have not try though 	<ul style="list-style-type: none"> - No, rather I believe there could be loss in productivity because time are devoted toward it 	<ul style="list-style-type: none"> - maybe - if there are standard procedures in doing works, then the probability of making mistakes might decline and thus this helps I believe 	<ul style="list-style-type: none"> - for tasks that involved repeated work, yes...because it would standardised the way things are done and therefore minimised errors 	<ul style="list-style-type: none"> - probably

Appendix 5L2

(1 2)

Property Development and Property Review Department's staff opinion on Quality Management Systems

Questions	PDPR 8	PDPR 9	PDPR 13	PDPR 12
What is your views on Quality Assurance?	<ul style="list-style-type: none"> - we have experimented on some procedures and the documentation of these procedures act as record of how we do work and can standardised the way works are done 	<ul style="list-style-type: none"> - it will be a lot of paper work and I am not so sure whether we can devote our time to sit down and write all the procedures 	<ul style="list-style-type: none"> - it might be good for us - I understand that it will enable us to analyse my own work as to whether I am doing it right or not 	<ul style="list-style-type: none"> - we are lucky that we are not subjected to a Q.A systems - from what I hear it is a lot of paperwork
Do you think your dept/unit should have a QA system?	<ul style="list-style-type: none"> - yes if the advantages outweigh the efforts and expenditure 	<ul style="list-style-type: none"> - I am not so sure we want a system that is too rigid, I wonder whether we can be productivity if the way we work are bound by a set of procedures that we must compel to 	<ul style="list-style-type: none"> - why not, it can help improve the way things are usually done in this dept 	<ul style="list-style-type: none"> - well if the government want us to what can we do, I believe sooner or later we will have to be have a Q.A systems in place

Property Development and Property Review Department's staff opinion on Quality Management Systems.....continuation (2 2)

Questions	PDPR 10	PDPR 11	PDPR 17	PDPR 6	PDPR 16
What is your views on Quality Assurance?	<ul style="list-style-type: none"> - we have been brief about it and I think it all boils down to documenting what you are doing and having somebody else checking whether you are doing what you said you are doing 	<ul style="list-style-type: none"> - I have no problem with it 	<ul style="list-style-type: none"> - rigid - if you are not careful you could be creating a system that authorised had practices 	<ul style="list-style-type: none"> - it must be good if the private sectors have benefitted from it and we could explore how the system can work for us 	<ul style="list-style-type: none"> - a good system I think which make you figure out how best you should do your work and then maintain it to gain some uniformity

Questions	PDPR 10	PDPR 11	PDPR 17	PDPR 6	PDPR 16
Do you think your dept/unit should have a QA system?	- I am all for it if it can help us in the way we do our work	- yes if it can do us good	- a bit sceptical - do we need to pay somebody to heck how we are doing ..especially on things that I think we know better than them	- yes, it would help in standardising our processes and therefore help us to produce more uniformed output	- if it is good I do not see any reason for not implementing it

APPENDIX 5J

Comments on PMD and PDPR's performance

Departments/ Respondents	X1	X2	X3	X4	X5	X6	X7	X8
PMD	<ul style="list-style-type: none"> - work performed are more consistent - I think it is because that PMD was forced to be calculative due to CCT (they need to be accountable and committed) 	<ul style="list-style-type: none"> - PMD a bit more responsive, they seem to know what to do - better working relationship with clients, they were more committed of what the clients want 	<ul style="list-style-type: none"> - slightly consistent - need to have increase communication with client about decision making 	<ul style="list-style-type: none"> - both PMD and PDPR's performance are getting better, issues like CCT and Best Value does have an impact on both departments 	<ul style="list-style-type: none"> - do not interact with client - they are times we are taken for granted since we are their assured customers 	<ul style="list-style-type: none"> - okay but need to response a bit faster to customer request - a bit better with regards of performance in term of consistency 	<ul style="list-style-type: none"> - work are more organised - there are more clear on what to do, their approach is much more integrated 	<ul style="list-style-type: none"> - comparatively better but there is a need to have better record keeping, example is asset review exercise we were asked to tell PMD to update asset when by right it should be their job to be up to date about all the asset of SCC
PDPR	<ul style="list-style-type: none"> - lack on information (either by phone or correspondence) in keeping customer up to date of progress of work - always have to chase or make follow up 	<ul style="list-style-type: none"> - not as efficient as PMD but they do ultimately get work done - rather slow but I suspect it is because they do not have enough staff to react fast to our request 	<ul style="list-style-type: none"> - need to have more contact, more information 	<ul style="list-style-type: none"> - compared to PMD, I think PDPR need to improve the way they deal with their customer, they need to be more focused and conscious about what the customers expected 	<ul style="list-style-type: none"> - need to improve customer relationships, we are usually keep in the dark as to when work is to be completed, I think both PDPR and PMD need to be always be in touch with their customers, we as customers need to be informed of the progress of work we requested 	<ul style="list-style-type: none"> - do not have a clear description of services provided, need to provide a better "brief" of work to be done 	<ul style="list-style-type: none"> - need to be more proactive rather than reactive with government new agenda (property as asset in partnership) - need to come up with new ideas rather than waiting for one 	<ul style="list-style-type: none"> - problems with meeting datelines

APPENDIX 5K.1

Salford City Council top management's opinion on CCT

Questions	X1	X2	X3	X4	X5	X6	X7	X8
What is your opinion of CCT?	<ul style="list-style-type: none"> - more aware of the market - aware of how service is to be delivered - sharpen a number of our practices - price against private sector - provide the step forward - BI' bring in the equation of quality, being extensive in bench marking 	<ul style="list-style-type: none"> - it is good in the sense that it make us aware of cost and need to be effective too - however there are cases that the cost in inviting the market to compete (preparation and all) cost more than the actual saving from competition 	<ul style="list-style-type: none"> - it forces everybody to be focused in what they are doing - it makes us more conscious about cost - however CCT does not apply to everybody, this is not positive, it create the feeling that certain people in the organisation have to work more than others - CCT judge us just based on cost, thus this make CCT not an effective tool - probably Best Value would take care of this problem 	<ul style="list-style-type: none"> - it result in the department affected by it to rethink the way they offer their services so that it can be offered in the best possible way with minimal cost - it cultivate accountability and responsibility in the public sector - CCT however requires a lot of monitoring, a special department have to be set up for this purpose 	<ul style="list-style-type: none"> - it is not a "level playing field", what the customer want is quality and the way money is spent thus to force public sector like us to compete in term of cost alone is not fair, cheap things are not necessarily good, other factors need to be considered too 	<ul style="list-style-type: none"> - there are some positive impact like making us aware of how much does it cost for the services that we are going to offer - it has some positive impact on the staff too where it changes their attitude toward what they are doing 	<ul style="list-style-type: none"> - in general there are some good things that CCT introduces - one thing for sure is that it makes the department affected by it to overhaul the way they operate, they have to shape up in order to be able to compete, as for the other department which is not affected by it, it put them on their toes since they could be next 	<ul style="list-style-type: none"> - for those subjected to it, it put pressure onto them to improved their services into to win the contract, it is a matter of shape up or ship out - however I would be happy to replace CCT with Best Value because Best Value put quality into the picture when determining services for the public

APPENDIX 5K.2

Property Management Department's management opinion on CCT

Questions:	PM 1	PM 2	PM 3	PM 4
What is your opinion of CCT and what are the benefits of CCT?	<ul style="list-style-type: none"> - makes us more effective particularly in running cost and output of staff - forces us to indicate resources and costing - we need to show that we can make returns - we need to proof we are performing - it sharpens services - identify through specification what you are doing (which was never known before) 	<ul style="list-style-type: none"> - there is no great changes but it forces us to have an in-depth look at the tender - it makes us more aware of what we are doing - makes us more commercialised 	<ul style="list-style-type: none"> - it is a good idea because it makes local government more efficient (need to operate at lower cost) - it is a case of getting the idea "cheaper and better" into local government operation - it allows for us to rethink the usage of current resources (to maximise the usage) 	<ul style="list-style-type: none"> - it is good because it forces us to look at our performance, it forces us to look at our past otherwise we would be doing the same things over and over again without realising that there are better ways to do things
What problems do you encounter with CCT?	<ul style="list-style-type: none"> - it requires additional works - bureaucratic 	<ul style="list-style-type: none"> - no major problems except that we need to focus more time on monitoring 	<ul style="list-style-type: none"> - because of the soft split, we have to play split role as client and as provider 	<ul style="list-style-type: none"> - it is not universal, it covers some service only, thus it is unfair for those department that are being pressure to work to a CCT regime while their colleague in other department are not despite having more or less the same salary

Questions:	PM 1	PM 2	PM 3	PM 4
Does the benefits of CCT outweigh the effort?	<ul style="list-style-type: none"> - performance however does not depend on being CCT or otherwise, it all depends on staff quality - not because of CCT you are doing better, it all boils down to good procedure, specification, precise way of dealing, more management information, external assessment 	<ul style="list-style-type: none"> - no difference in performance, no real change - job are done irrespective of CCT 	<ul style="list-style-type: none"> - no because there is an absent of real competition, number of private companies competing are small and most of the time the contract are won in house - there is loss actually on part of the client side because of the preparation on calling for tender - thus I think a better way to get out of this problem is not to have all jobs tender out, instead the client should be allowed to ring up any particular service provider (from a list of reliable and experience provider) 	<ul style="list-style-type: none"> - yes because it result in a lot of changes particularly in the attitude of staff toward work, it also forces managers to be critical of the services that they are managing - managers are force to personally developed themselves, they have to undergo training and be formally qualified if they were to be able to offer excellence service

APPENDIX 5K 3

Property Management Department staff's opinion on CCT (13)

Questions:	PM 16	PM 8	PM 7	PM 17	PM13
What effect does CCT has on your work?	<ul style="list-style-type: none"> - makes us more aware - work still remain the same 	<ul style="list-style-type: none"> - no changes 	<ul style="list-style-type: none"> - make staff more organised in providing service - it makes us think whether we are cost effective although the council is not merely concern with cost effectiveness (we are to provide service at whatever cost to the public, it is our obligation) 	<ul style="list-style-type: none"> - greater degree of paperwork 	<ul style="list-style-type: none"> - not much different - more administration but work remain much the same
What benefits do your dept/unit derived from being subjected to CCT?	<ul style="list-style-type: none"> - no remarkable benefits 	<ul style="list-style-type: none"> - overall there is an increase in efficiency - we are now better organised 	<ul style="list-style-type: none"> - it force us to look at what we are doing and at our resources whether we are maximising it or otherwise) 	<ul style="list-style-type: none"> - forces us to be serious about time target and allocation 	<ul style="list-style-type: none"> - mixed opinion, it require a lot of time and energy to meet CCT requirement but it resulted in us becoming more organised, have more control on what we are doing and more detection of how we are performing

Questions:	PM 16	PM 8	PM 7	PM 17	PM 13
In your opinion, should your dept be subjected to CCT? Why?	- it does not matter	- yes because it can ensure best value to the public	- no - basically it is a political measures aim at weakening local government to split up local government power - "cutting on waste" is actually a camouflage to defend Conservative's Party from attack by Labour Party	- no	- it does not matter
In your opinion, has the performance of your dept been improved due to CCT?	- not so sure that there is any change in performance	- yes	- yes	- no	- probably yes

Property Management Department staff's opinion on CCT continuation (2 3)

Questions:	PM 20	PM 6	PM 11	PM 14
What effect does CCT has on your work?	- no different (same service like before) - however we are more focus but it does not means that we are good though - it does makes us more like the private sector	- not much (especially day to day activity) - our services are just like it was	- no dramatic change - no major different, before CCT no monitoring, but with CCT more monitoring	- no great change actually - the way we do work remain similar - however it makes things easy though now that things are in more visible

Questions:	PM 20	PM 6	PM 11	PM 14
What benefits do your dept/unit derived from being subjected to CCT?	<ul style="list-style-type: none"> - delegation - direct access to decision making (does not have to go through committee) 	<ul style="list-style-type: none"> - we are expected to be accountable and are subjected to performance review 	<ul style="list-style-type: none"> - workwise it resulted things to become more formalised - because of monitoring, we become more conscious of our work, we feel as if somebody is keeping an eye on what we are doing - it forces us to work on a timescale and cultivate good practises 	<ul style="list-style-type: none"> - more business-like - work to a timescale and are more accountable
In your opinion, should your dept be subjected to CCT? Why?	<ul style="list-style-type: none"> - yes due to quicker decision making which makes us able to respond faster to the public 	<ul style="list-style-type: none"> - yes - we need to prove that we are operating or spending public money wisely (value for money) 	<ul style="list-style-type: none"> - given a choice, no - it is not the right way although the aims were fair - it is the way it was implemented that we are not happy about, it cost a lot of money to implement 	<ul style="list-style-type: none"> - yes and it should cover all other works too
In your opinion, has the performance of your dept been improved due to CCT?	<ul style="list-style-type: none"> - yes 	<ul style="list-style-type: none"> - there is improvement but it is not because of CCT but because of qualified and trained personnel 	<ul style="list-style-type: none"> - yes 	<ul style="list-style-type: none"> - yes

Property Management Department staff's opinion on CCT.....continuation (3 3)

Questions:	PM 12	PM 15	PM 22	PM 21
What effect does CCT has on your work?	<ul style="list-style-type: none"> - no real differences - the real difference is that because of the requirement of CCT, we have to have a QA system which then requires us to be closely monitored and audited 	<ul style="list-style-type: none"> - more monitoring, more paperwork, more work in general, more regimented and more fear at the end 	<ul style="list-style-type: none"> - no effect I think, work are similar before we were CCT as compared to now 	<ul style="list-style-type: none"> - resulted in more work
What benefits do your dept/unit derived from being subjected to CCT?	<ul style="list-style-type: none"> - initially there were hard works due to the QA requirements related to CCT, we have to document the procedures of the way we do our work, now we can reap the benefits of that initial efforts, work are more standardised and we also have a record of how we do things 	<ul style="list-style-type: none"> - constantly forces us to think of a better way to do things 	<ul style="list-style-type: none"> - no real benefits 	<ul style="list-style-type: none"> - across the board (council wide) more monitoring is done thus this is a positive - public service should have been subjected to something like this a long time ago, it necessary to make public service staff more accountable with public money
In your opinion, should your dept be subjected to CCT? Why?	<ul style="list-style-type: none"> - yes - it makes us more disciplined and our section being a section consisting of professionals should be subjected to such a scheme 	<ul style="list-style-type: none"> - yes because it makes us more conscious of how we deliver our work 	<ul style="list-style-type: none"> - we should not be, it a waste of money 	<ul style="list-style-type: none"> - yes because it makes us become more cost effective - at the same time it makes us operate more like the private sector
In your opinion, has the performance of your dept been improved due to CCT?	<ul style="list-style-type: none"> - I am not so sure, probably management has a record of whether we are improving due to it 	<ul style="list-style-type: none"> - yes 	<ul style="list-style-type: none"> - no 	<ul style="list-style-type: none"> - yes, we should be improving

APPENDIX 5L.1

Salford City Council top management's opinion on impact of CCT

	Statements:	X 1	X 2	X 3	X 4	X 5	X 6	X 7	X 8	Ave.	Status
1	The impact of competition has been limited to those services subject to CCT	4	3	4	3	3	2	3	3	3.13	Disagree
2	Managing competition has required the development of new staff skills	1	1	1	1	1	1	1	1	1.00	Strongly agree
3	Competition has reduce morale of the dept/unit affected by it	2	3	3	2	4	2	2	3	2.63	Uncertain
4	Responding to competition has changed management processes of the dept/unit affected by it	1	1	1	2	1	2	1	2	1.38	Strongly agree
5	Responding to competition has changed the culture of the dept/unit affected by it	1	2	2	2	1	1	1	1	1.38	Strongly agree
6	Managing competition is encouraging cross-department working	2	3	1	4	4	3	1	3	2.63	Uncertain
7	Managing competition is leading staff to take long-term view	3	3	3	3	4	4	4	3	3.38	Disagree
8	The benefits of CCT outweigh the effort to comply with it	2	3	2	3	2	4	2	2	2.50	Uncertain

Notes:

1.00-1.49 Strongly Agree 2.25-2.74 Uncertain 3.50-4.00 Strongly Disagree
1.50-2.24 Agree 2.75-3.49 Disagree

APPENDIX 5L.2

Property Management Department's management opinion on impact of CCT

	Statements	P M 1	P M 2	P M 3	P M 4	Ave.	Status
1	The impact of competition has been limited to those services subject to CCT	2	3	2	3	2.50	Uncertain
2	Managing competition has required the development of new staff skills	2	2	3	1	2.00	Agree
3	Competition has reduced morale of the dept/unit affected by it	3	3	3	2	2.75	Agree
4	Responding to competition has changed management processes of the dept/unit affected by it	2	2	2	1	1.75	Agree
5	Responding to competition has changed the culture of the dept/unit affected by it	2	2	3	1	2.00	Agree
6	Managing competition is encouraging cross-department working	2	3	3	1	2.25	Uncertain
7	Managing competition is leading staff to take long-term view	2	2	3	1	2.00	Agree
8	The benefits of CCT outweigh the effort to comply with it	2	2	3	2	2.25	Uncertain

APPENDIX 5M.1

Property Management Department's management opinion on performance measurement

	PM 1	PM 2	PM 3	PM 4
What tools are currently used to measure progress of your dept/unit?	- job sheet, time sheet, and reports	- reports on occupancy, rent collected, and capital receipts	- job sheet and a couple of reports	- time sheet and reports
What aspects of progress are measured?	- to see whether we are meeting our set objectives in term of volume, time and cost	- basically progress in term of time and expenditure	- what we cost - what we produced - it report on whether we underspent or overspent - it shows whether we were able to complete all works as planned	- number of project - value of work - quality as seen by customer (completed on time, to a good standard and within financial allocation)
Who determines the variables to be measured?	- this department with consultation of top management and the Performance Review Committee	- basically this department and the Performance Review Committee	- variables decided by us with the approval of top management but the variables measured as mostly influenced by what the AC expects us to reports	- what to be measured in this department is determined by us with the assistance of the Performance Review Committee
How frequent were the performance of your department/unit measured?	- Quarterly	- Quarterly	- Quarterly	- Quarterly
What indicators do you used to determine that your department/unit is doing well?	- by looking back at how well we are meeting the specified objectives within the time and fund allocated	- based on our performance in meeting our stated objectives	- through examining our progress in achieving the target that we have planned to achieve	- by comparing our actual performance with the planned objectives

	PM 1	PM 2	PM 3	PM 4
What method is used to ascertain the satisfaction of the people that deal with your department/unit?	- no specific instrument, we rely on complaints but we plan to have some form of customer feedback in the future	- customer complaints	- complaints	- customer complaints
What sort of comments/complaint the other dept/unit has about your dept./unit?	- not many	- although not many but most of the time it is with the regards to how fast we can react to their requirements	- the comments that we usually received although not frequently is with regards to how fast we get the job done, sometimes our ability is restricted by the number of staff that we have to perform the task or the approval that we need to get from the various committees	- none, I cannot recall any complaints that were bad about us
In your opinion, how should the performance of your dept/unit be judged?	- based on how fast we response to our immediate customer needs	-based on our ability to please our immediate customers, it is a win-win situation actually, if we can assist them then it would enable them to proceed faster with their own work	- it need to reflect how well we are doing - this judgement must put into contact the number of staff that we have and the other resources available to perform the task expected of us	- the department need to judged based on factors such as our reliability and consistency
In your opinion, how can the services be improved in your dept/unit?	- we need more staff and better facilities	- I believed we can perform much better with more staff to do work	- more resources to hire more staff and to train existing one	- we need to have more feedback on how we are performing before we can expects to improve

	PM 1	PM 2	PM 3	PM 4
What is your opinion of the PI set by the AC?	<ul style="list-style-type: none"> - quite good but not adequate, lot of improvements need to be made - AC indicators is not fair, it is difficult to compare, it is unfair for example to compare us with Manchester City Council (large city) - it is possible to compare services subject to CCT with similar services in the private sector (cost, quality and how it is done) but it is not possible to compare local authority with another local authority, there is not similarity - need to have band or category of local authority 	<ul style="list-style-type: none"> - it is not reflective of the actual performance of the various departments, I believe more need to be done to improve the indicators 	<ul style="list-style-type: none"> - not happy with it, AC indicators are subjective, there is a need to establish performance indicators that are more reflective and can make a fair comparison between the various local authorities 	<ul style="list-style-type: none"> - it is a good start but more work need to be done, there is a lot of complaints among the various people in local government that the PI is not a very objective tools to compare local authorities
Are you satisfied with the current approach used to measure the performance of your dept/unit?	<ul style="list-style-type: none"> - no, we need to have performance measurement which is more sharper and reflect best value 	<ul style="list-style-type: none"> - no because it does not reflect all what that we are doing - it report on activity rather than on whether we are achieving out target or otherwise, it does not measure our effectiveness and efficiency 	<ul style="list-style-type: none"> - no, - current factors measured are easily manipulated since it is the department themselves who set the target - there is no measurement of quality, instead we are asked to answer a series of ridiculous questions 	<ul style="list-style-type: none"> - quite satisfied, although there are room for improvement such as measuring the quality of service that we are offering

	PM 1	PM 2	PM 3	PM 4
In your opinion, how should the performance of your dept be judged?	<ul style="list-style-type: none"> - Best value issues tied up with what public perceived but what we are doing at the office does not relate to general public so we need to be judged on work done - on the way we responded to request work as required by other department - on quality 	<ul style="list-style-type: none"> - it must measure outcome and result for example how well we managed property (maximum income and no empty shop) instead of how many property were managed 	<ul style="list-style-type: none"> - it must capture customer satisfaction, time scale, quality, attitude - there is need to have a more complex set of indicators that show how good our services and the quality of decision made, it goes beyond performing on a set of issues on a checklist, quality cannot be measured by using checklist, client need to be shown sample for example of what they are getting for each decision made - current performance measurement does not measure the quality of decision made for example if a client want us to build a dressing room for football we can take the easy and cheap step by building a prefab building versus a proper building. Prefab building can be build easily and fast too compared to a proper building that might cost more and takes longer time to build. So it is a case of easy money against bad solution. We provide the client with what they want but the decision was actually not a quality decision because three or four years down the road the prefab building would result 	<ul style="list-style-type: none"> - it need to show number of projects completed on time, result and what we do and achieve - it need to explain why things are achieved or not achieved - performance must reflect best value and provides information that would help central government in deciding whether to allocate more fund or otherwise (need to think the way, central government think

APPENDIX 5M.2

Property Management Department staff's opinion on performance measurement (13)

Questions	PM 16	PM 8	PM 7	PM 17	PM 13
How do management measure your work's performance?	- job sheets	- job sheet (number of work completed and problems encountered) - number of feedback	- computer printout on job done	- no clue	- based on number of jobs done for the month (job sheet)
Are you satisfied with the way your work's performance is measured?	- there is no staff appraisal in this department, we need to have one	- more can be done	- although the job sheet indicate what we have done, it does not tell us whether we are doing well	- no comment since I do not know how I am being assess	- no because we do not have an overall impression of how we are performing
How do you want your work's performance be measured?	- to tell me where improvement is needed - to indicate to me what my boss expects (his aims and objectives)	- difficult, it is not easy as general management	- based on what the person in-charge expects so the criteria should be to know everything about the job (as to the standard or volume of work expected)	- difficult to measure but based on response time would definitely be one criteria	- there should be some form of objective measurement as to how we are performing even though our job involve subjectivity
What tools are currently used to measure progress of your dept/unit?	- performance indicators as monitored by the Performance Review Committee every quarter tracking things such as number of safety incidents and so forth)	- group meetings and discussion with other departments (on speed at which we are doing our work and also for information feedback)	- specific target or indicator developed by the Performance Committee	- I have no idea	- based on indicators determined by Performance Committee

Questions	PM 16	PM 8	PM 7	PM 17	PM 13
Are you satisfied with the current approach used to measure the performance of your dept/unit?	- not really, a lot of improvement can be introduced	- no	- no	- no comment	- not aware of how we are performing
In your opinion, how should the performance of your dept be judged?	- based on what is expected of us and whether we are doing it over and above what is expected	- on speed and quality of information provided for the council and on investment generated	- there should be some general criteria of evaluating our services (not on fees collected or cost involved) and an indicator of what we are doing well or wrong (specific list of criticism would be useful)	- on response time and number of problem solved	- some critical indicators need to be established
In your opinion, how can services be improved in your department.	- need to help senior management come up with a better system but before this can happen senior management must be more visible and approachable, I bet there are some staff in here who have not met some of our senior managements (wonder if they know who they are)	- mission statement on our name tag need to be more specific	- should have a feedback system from customers particularly other departments on factors such as our response time, communication, and overall quality)	- provides 24 hours service - emergency call out to be extended	- need to distribute questionnaire to solicit feedback on how we are doing - our client need also to be made to understand and appreciate what we are doing

Property Management Department staff's opinion on performance measurement

....continuation (2/3)

Questions	PM 20	PM 6	PM 11	PM 14
How do management measure your work's performance?	- job sheet	- based on deal made (charge fees on new leases) and how much the property was bought - job sheet (time scale)	- from printouts of everybody's jobs (who is doing what, where are you up to on that date, etc.)	- letters and evaluation reports (volume) - job sheet (schedule progress)
Are you satisfied with the way your work's performance is measured?	- no satisfaction at the end of the week	- difficult to measure	- difficult to say because there is actually no individual performance measurement conducted	- there is no real assessment of individual performance
How do you want your work's performance be measured?	- need to have some indicators to inform us how we are doing	- difficult to measure our output and our performance are control by other factors	- based on how efficient we are in doing our work	- based on how I am actually performing as expected by my boss
What tools are currently used to measure progress of your dept/unit?	- specific target set by Performance Review Committee	- no idea	- job sheet	- Audit Commission's Performance Indicators
Are you satisfied with the current approach used to measure the performance of your dept/unit?	- should be doing okay since we have not heard of any problem so far	- no idea	- I believe improvement can be made	- I think we are doing okay
In your opinion, how should the performance of your dept be judged?	- on services delivered as to whether we have been helpful	- time sheet, job sheet	- based on how fast response and on the quality of decision made	- quick response and whether staff are helpful or not

Questions	PM 20	PM 6	PM 11	PM 14
In your opinion, how can services be improved in your department.	- need more funding so that we can deliver better and faster	- there is need to have quarterly report on individual performance which covers aspects such as work done, money generated and questionnaire to assess client feedback	- more resources so that we can speed up our work	- probably we need a system that monitor how we individually perform, to improve we need some feedback on how we are doing individually so that we can change for the better

Property Management Department staff's opinion on performance measurement

.... continuation(3/3)

Questions	PM 12	PM 15	PM 22	PM 21
How do management measure your work's performance?	- based on quality and quantity of works	- no formal procedure - job sheets were used to check the stage at which the work that we are doing	- no real measurement although what we are doing are being monitored	- based on job sheet and work completed (three months cycle)
Are you satisfied with the way your work's performance is measured?	- we are actually responsible for our own portfolio and thus there is no real measurement of how we are performing compared to others - probably not, restructuring we made which was supposed to improve performance but there was no real benefits that we received - restructuring is good only for management side but not us and the goal post are change and quality is from what I see is not a criteria	- not really satisfied, things can be better - more monitoring needed	- there should be some form of assessment to judge individual performance	- not happy

Questions	PM 12	PM 15	PM 22	PM 21
How do you want your work's performance be measured?	- based on the quality of output on work that has been assigned to you	- this is difficult because our work are not the same every time and each job requires different ways	- on result such as whether target are made or otherwise	- should not be on speed but quality of consultation - based on volume (how much received)
What tools are currently used to measure progress of your dept/unit?	- job sheet	- job sheet	- performance monitoring as required by Audit Commission	- performance indicators as coordinated by Performance Review Committee
Are you satisfied with the current approach used to measure the performance of your dept/unit?	- we are not really aware of how the department as a whole is doing - we do know though that we need to submit information for performing monitoring by central government	- there is no major problem so I believe we are doing alright	- yes	- okay
In your opinion, how should the performance of your dept be judged?	- based on real performance of the individual, details monitoring should be done - individuals performing quality works should be rewarded	- based on number of complaints received and whether we are providing best value services - by comparing bench marking with private firms who provides similar services (we are always treated as second class but when actually compared we are better off)	- number of complaints and feedback from other departments	- based on rental income and percentage of premises occupied

Questions	PM 12	PM 15	PM 22	PM 21
In your opinion, how can services be improved in your department.	- our department has always been a dumping ground for all sort of complaints therefore we need to improve our switchboard system to funnel these complaints to the right section	- by avoiding delays	- since the common complaints that we receive are there are many delays therefore more resources should be provided to hire more staff	- need to re-look at the job sheet system, sometimes I wonder how were the data that were collected used, probably we need to be informed or given feedback of how we performed based on this collected dat

APPENDIX 5M.3

Property Development and Property Review Department's management opinion on performance measurement

Questions	PDPR 1	PDPR 2	PDPR 3	PDPR 4	PDPR 5
What tools are currently used to measure progress of your dept/unit?	- Job sheet - Number of cases completed (but it is worthless) Eg. Lowry (one big project) vs Rating (300 rating works)	- 6 performance indicators: capital income, saving on rate payable, safety incident, number of occupied premises, rental income	- based on an agreed set of indicators which is in-line with the bit of the strategic plan that we are responsible for	- by comparing our performance based on pre-set target	- by performance monitoring on certain job

Questions	PDPR 1	PDPR 2	PDPR 3	PDPR 4	PDPR 5
What aspects of progress are measured?	See Performance Review Table	- number of services offered, cost	- ensuring that we maximise investment services, making the city a safer place	- cost, estimate fees, time sheet (time spent on job)	- on how well we are responding to inquiry - on list of things that we want improvement - not easy to measure performance - people asked regularly but we have no control on deadline
Who determine the variables to be measured?	This department. Edited by Performance Review Committee this becomes a joint indicator with management side (PM Section)	- this department itself and also based on feedback from committee	- top management	- management	- self
How frequent were the performance of your department/unit measured?	Quarterly	Quarterly	Quarterly	Quarterly	Quarterly
What indicators do you used to determine that your dept/unit is doing well?	- looking back at how we are doing based on the target that we have set	- absent of complaint - jobs are done as planned	- whether we are meeting our targets or not and based on the number of complaints received	- how well are we meeting the targets	- keeping on top of all the work particularly the routine one
What method is used to ascertain the satisfaction of the people that deal with your dept/unit?	- None - some Analysis from complaints	- complaints	- number of complaints	- none	- relying on complaint

Questions	PDPR 1	PDPR 2	PDPR 3	PDPR 4	PDPR 5
What sort of comments/complaint the other dept/unit has about your dept/unit?	<ul style="list-style-type: none"> - Not many probably due to no mechanism to measure it. - normally complaints are related to situations at a particular site (public) rather than related to work complaint about service - Except for complaint from Housing Chairman...a report was submitted indicating efficiency but it was criticised ...reason unknown 	<ul style="list-style-type: none"> - slow and unhappy with valuation 	<ul style="list-style-type: none"> - speed - not many actually, I am not so sure whether it is because we are good or people do not complaint 	<ul style="list-style-type: none"> - normally on petty issue such as response time which do not have any control on, we need to wait for approval 	<ul style="list-style-type: none"> - things have been positive and we experience no complaints - I hope we are really doing alright
In your opinion, how should the performance of your dept/unit be judged?	<ul style="list-style-type: none"> - Speed and quality 	<ul style="list-style-type: none"> - based on completion by specific dates and done within estimate provided - quality advice - work are however very difficult to standardised 	<ul style="list-style-type: none"> - judged on how well we completed our work, is it on target and cost wise is it within the limit 	<ul style="list-style-type: none"> - based on the area of works where some are quantifiable while others are not but ultimately based on how efficient we are and how happy people are with our services 	<ul style="list-style-type: none"> - response time versus quality (correct information) - providing information when they need it and up to date too

Questions	PDPR 1	PDPR 2	PDPR 3	PDPR 4	PDPR 5
In your opinion, how can services be improved at your dept/unit?	More budget	<ul style="list-style-type: none"> - allocating more time to deliver our work by not cutting corners - example: housing redevelopment schemes need to be accomplished faster than now - thus we require more staff to cut the long waiting list 	<ul style="list-style-type: none"> - by having more staff to do work 	<ul style="list-style-type: none"> - more budget 	<ul style="list-style-type: none"> - by constantly assessing the technology because technology change quickly, we need to keep on top of what we do - by constantly improving records (computerisation) - by having the right level of staff (attitude, skills, and knowledge)

Questions	PDPR 1	PDPR 2	PDPR 3	PDPR 4	PDPR 5
What is your opinion of the PI set by the Audit Commission?	<ul style="list-style-type: none"> - a good start for us to compare how we are doing as compared to others - but some improvement are needed to make the indicators more meaningful 	<ul style="list-style-type: none"> - it is just a hunch of statistic on pctv issues for example on our performing letters answering letters within 3 days - it can be important but the target set for certain indicators are unreal and thus makes this exercise not meaningful - it track activity (what we are doing) rather than assessing whether we are efficient and effective - it measures input versus output 	<ul style="list-style-type: none"> - quite useful but need to reflect local issues though 	<ul style="list-style-type: none"> - not practical because it assess selective aspects of the organisation 	<ul style="list-style-type: none"> - no reflective of the council performance

Questions	PDPR 1	PDPR 2	PDPR 3	PDPR 4	PDPR 5
Are you satisfied with the performance measurement in your department? How can be performance measurement be improved?	<ul style="list-style-type: none"> - not satisfied because performance can be easily manipulated - committee should determine what to achieve, they should set the target, external influence like this will result in higher target to be set - currently committee do not look and is not interested with report on performance - committee are only interested with uncomplicated issue like application for extension of garden versus multi-pound projects. Why? It is too complicated for them, they usually just agree ... garden extension it is quite simple to argue and discuss 	<ul style="list-style-type: none"> - not satisfied but we have no time actually to devote to measuring due to constraint in time and staff, just cannot afford to set aside time, we are hire to do the job not to manage - our main function is as surveyors and valuer, we are qualified and hire for that purpose and were are not hired as manager 	<ul style="list-style-type: none"> - compared to before we do not have any exercise in collecting data concerning performance, so it is a good start and quite happy with it but of course there are a lot of avenues for improvement, we need to have a system that really can really help us in showing how well we are doing - it would be ideal to have a system that can tell us how happy people are with our services 	<ul style="list-style-type: none"> - there is actually no proper performance system being practised here, I would not dare called our current practise a measurement system because it hardly measure anything, it is just a report that show what we are doing and not how we are doing 	<ul style="list-style-type: none"> - I find the performance system that we have to abide to a bit awkward, we should not be the one who set the target, we need to have an independent body that determine how we should performance, it is only then the performance measurement would be more meaningful, at the moment the system can be subjected to manipulation

Appendix 5M.4

Property Development and Property Review Department's staff opinion on performance measurement (1 2)

Questions	P DPR 8	P DPR 9	P DPR 13	P DPR 12
How do management measure your work's performance?	- through job sheet, information were compiled but rarely seen	- monitored through a monthly meeting with line manager - it is basically based on a record of when the job start and when it is suppose to finish (job sheet)	- job sheet	- job sheet
Are you satisfied with the way your work's performance is measured?	- no, there need to be some form of more complex way to determine how we are doing individually	- it is difficult to measure because our job are not consistent, it differs every month - better monitoring system could be designed since the way I see it the current system can be allow junk to be recorded	- there need to be some feedback on how we are doing	- no because with the current system I am doubtful whether management is aware of what people are doing, a good example is the mail basket where job are placed, staff can pick and choose which job he she wants and there is no tracking as to how long that person has been on a particular job
How do you want your work's performance be measured?	- based on some objectives measures that reflect how people are performing	- to be access on speed and feedback on how I am performing	- speed not just timescale - there must also be some measure of whether management are happy with what we are doing	- should be on how many job I can accomplished effectively
What tools are currently used to measure progress of your dept/unit?	- I am not aware of this, there is no assessment on section's performance, it is not happening	- certain performance indicators that are collected every quarter	- on measures in tracking our progress toward achieving our service plan	- on certain indicators required by the performing review committee

Questions	PDPR 8	PDPR 9	PDPR 13	PDPR 12
Are you satisfied with the current approach used to measure the performance of your dept/unit?	- there should be some form of measures that can indicate to us how we are performing	- I guess so, I do not a clue of how the department is being judged	- thing seem to be okay so I believe no news is good news then	- I am not aware of any problem with it, nobody actually care about how the department perform
In your opinion, how should the performance of your dept be judged?	- based on output and quality of the service that we are providing	- based on how well we are doing against specific target, on our reliability, responsiveness and competence	- on our reliability, how fast we can deliver, not just on time but done correctly too	- I guess we need to be measured on how efficient we are in doing what we were set to do
In your opinion, how can services be improved in your department.	- becoming more professional, more business-like	- being more focus on our job	- there need to be a job satisfaction census	- need to have some training to be effective and efficient

Property Development and Property Review Department's staff opinion on

performance measurement continuation (2 2)

Questions	PDPR 10	PDPR 11	PDPR 17	PDPR 6	PDPR 16
How do management measure your work's performance?	- there no appraisal system	- job sheet	- records of what we are doing on job sheet	- based on how well we performed our functions	- time sheet
Are you satisfied with the way your work's performance is measured?	- no, I think we should have one so that we could know how we are doing	- not fully satisfied, I do not have a clue how I am doing, we have now is very primitive	- no, I think this is one area that we need a lot of work on	- no, we do not have one actually	- no, we are monitor on what we do but not on how effective we perform that job

Questions	P DPR 10	P DPR 11	P DPR 17	P DPR 6	P DPR 16
How do you want your work's performance measured?	<ul style="list-style-type: none"> - delivery time - working relationship (effective networking teamwork) 	<ul style="list-style-type: none"> - based on my actual performance not just on record of what I have done for the month, we should be judged based on how well we do it, it need to be more detail 	<ul style="list-style-type: none"> - may be to improve the current system a bit by giving feedback to us on how we are doing based on things like our competence and capability 	<ul style="list-style-type: none"> - on reliability and efficiency - how excellent in terms of delivering the functions that we have been assigned to deliver 	<ul style="list-style-type: none"> - should be on how much money we are able to make for the city
What tools are currently used to measure progress of your dept/unit?	<ul style="list-style-type: none"> - indicators determined by Performance Review Sub-Committee 	<ul style="list-style-type: none"> - on some indicators established by management and reported quarterly to Performance Review Committee 	<ul style="list-style-type: none"> - indicators set by a central committee 	<ul style="list-style-type: none"> - progress on site maintenance, security, safety, water quality control, event management, promotion and property management 	<ul style="list-style-type: none"> - on some indicators submitted quarterly
Are you satisfied with the current approach used to measure the performance of your dept/unit?	<ul style="list-style-type: none"> - no, I think more can be done, we need to be informed on how the department is doing and how we can contribute 	<ul style="list-style-type: none"> - no comment about this because I do not have the opportunity to really have a look at any report from the committee 	<ul style="list-style-type: none"> - I have not much knowledge it, so cannot comment about it but I strongly believed we need to be make aware of how we are performing though as compared to previous years 	<ul style="list-style-type: none"> - no, we are not measuring what matters I think - we actually do not know how we are doing as a department 	<ul style="list-style-type: none"> - yes, I believe we are doing alright, nobody seem to be bothered about our performance
In your opinion, how should the performance of your dept be judged?	<ul style="list-style-type: none"> - I think we should be judged on how well we are doing as compared to others in term of achieving things fast and correctly at minimal cost 	<ul style="list-style-type: none"> - logically it should be on how well we are performing based on cost or money allocated to us and are we performing according to what we have plan to do 	<ul style="list-style-type: none"> - comparing us based on how well we deliver (fast with no defect) and whether our immediate customers are happy or otherwise 	<ul style="list-style-type: none"> - how fast we response to request - feedback from the public complaints 	<ul style="list-style-type: none"> - on quality of information and speed of processing application

Questions	P DPR 10	P DPR 11	P DPR 17	P DPR 6	P DPR 16
In your opinion, how can services be improved in your department.	- to be informed of how we are doing	- we need to be shape up a bit, need to have some form of pressure to make us more cost conscious	- to have some sort of feedback from people that we are dealing with so that we know what are our strength and weaknesses	- what we need are management that are trained to manage people, I believe technical people are not automatically ready to manage	- making staff more aware of their role and management need have a re-think on how work are distributed in this section

APPENDIX 5N.1

Property Management Department's management opinion on service quality

Question	PM 1	PM 2	PM 3	PM 4
In your opinion, how can services be improved in your department.	<ul style="list-style-type: none"> - by constant reviewing what we are doing 	<ul style="list-style-type: none"> - difficult, because our performance is influence by other factors outside our control (eg. Economic condition) - by giving discount and rent free period 	<ul style="list-style-type: none"> - recent reorganisation have decrease the emphasis on technical quality, it is now too dominated by professional - there is a move away from technical field and this does not reflect what we are doing, therefore there is need to correct this - lack of value place on person, a lot "yes man" mentality, this need to be changed 	<ul style="list-style-type: none"> - more funding and more manpower
What do you consider to be the biggest problem/ hindrance in providing quality service in your department?	<ul style="list-style-type: none"> - the way people behave, life have change, people need to be brought up to respect others and how to react to others 	<ul style="list-style-type: none"> - getting response from other department - lack of money 	<ul style="list-style-type: none"> - difficulty of changing things if there are not politically acceptable - priority list neglected 	<ul style="list-style-type: none"> - time scale unrealistic - lack of funding, there a lot of things that we want to do but lack of funding makes it impossible - another problem is the way funding comes in, we need to be good in the "bidding culture", there are pot of money at different time of the year that we need to compete to acquire and once successful we are allocated a short time scale to spend it and it is not easy to find people who would be able or rather willing to do the work for us given such a limited time scale

APPENDIX 5N.2

Property Management Department staff's opinion on biggest problem in providing quality service (1 3)

Questions	PM 16	PM 8	PM 7	PM 17	PM 13
What do you consider to be the biggest problem/ hindrance in providing quality service in your department?	- benchmarking not taken seriously, we spend a lot of time fire fighting rather than taking a serious look at where we should be heading	- lack of communication with other departments	- we cannot be specific in what we are doing, we need to specialise to reflect our professional qualification	- lack of funding which resulted in us not being able to provide all the service that is required in the way that we wanted	- lack of feedback from management and other department so we do not know how good or bad we are

Property Management Department staff's opinion on biggest problem in providing quality service.....continuation (2 3)

Questions	PM 20	PM 6	PM 11	PM 14
What do you consider to be the biggest problem/ hindrance in providing quality service in your department?	- lack of administration support, our typing pool is just too inadequate to accommodate the department needs	- inadequate communication particularly on how we are performing	- we cannot provide quality service if we do not have enough resources to improve our services, we need more fund so that we can provide better and more services	- the biggest problem with working in a public sector is getting the public to understand that we are working hard to provide the best service with the limited allocation

Property Management Department staff's opinion on biggest problem in providing quality service.....continuation (3 3)

Questions	PM 12	PM 15	PM 22	PM 21
What do you consider to be the biggest problem/ hindrance in providing quality service in your department?	- there are so many things to do but we do not have enough resources to cope	- insufficient manpower to cater for all the demands	- no problem actually, it all up to the individual as to whether he or she want to perform well - unfortunately the public sector is one organisation that cannot reward people enough for performance	- getting decision to be made fast, most of the time a lot things has to go through to committee, I think we should be empowered to decide on certain issue which I think we are capable of

APPENDIX 5P.1

Property Development and Property Review Department's management opinion on biggest problems in providing quality service

Questions	PDPR 1	PDPR 2	PDPR 3	PDPR 4	PDPR 5
What do you consider the biggest hindrance in providing service quality in your department/unit?	<ul style="list-style-type: none"> - Overwork, lack of resources, lack of time, the need to be more fair in budget allocation....since there are cases were the department are penalised for wrong doing (budget overspent) by other departments which resulted in delays of filling up vacant posts. - There is a phenomena of the rush to spend all the fund at year end - A culture of if you are excellent that you will be burden with work because people know you can deliver - Problems with getting feedback on how the dept is performing - Speed is governed by other depts/others - Time sheet.. ownership of the system, what happen to the data? What is the system for in the first place? It is useless if it cannot trigger alarm bell, it is just an exercise of data collection then 	<ul style="list-style-type: none"> - providing services with limited fund - we need more money and staff - ability to give enough time to certain job - most of the time have to rush, number of staff available are not enough 	<ul style="list-style-type: none"> - people, getting people excited about delivering quality service to the public - it is a great challenge to maintain the correct attitude of the staff 	<ul style="list-style-type: none"> - lack of delegation (decision made by officer versus committees) - committees should stick to policy issues and leave the managing of the details bits to us and reports send to committees should be for information only (not for decision making) 	<ul style="list-style-type: none"> - budget - with regards to day to day running, we do not have enough personnel

APPENDIX 5P.2

Property Development and Property Review Department's staff opinion on biggest problem in providing quality service (1 2)

Questions	PDPR 8	PDPR 9	PDPR 13	PDPR 12
What do you consider to be the biggest hindrance in providing service quality in your dept?	- red tape in seeking approval, we can get things done, there are too many committees to get through	- we are professionally qualified and it is frustrating when your decisions are overturned especially by individual councils exerting influence (rather than through committees)	- vested interest and no control - waiting for people outside the authority to question how we are doing, we could do more, we have the capability to provide other functions	- 4 licences and these are restrictions

Property Development and Property Review Department's staff opinion on biggest problem in providing quality service (2 2)

Questions	PDPR 10	PDPR 11	PDPR 17	PDPR 6	PDPR 16
What do you consider to be the biggest hindrance in providing service quality in your dept?	- delegation	- lack of support staff	- coming to term with working in a local authority; setting for example instances as when the committee voted yes there is no further argument possible, it is a matter of what the council want against what the officer does	- too many things to do with limited fund	- access to background information about the job (problems getting deeds etc)

APPENDIX 50.1

Salford City Council top management's opinion on the public's perception and expectation

Questions	X1	X2	X3	X4	X5	X6	X7	X8
In your opinion, what is the public's perception of the services provided by Salford City Council?	<p>- from feedback that we gather, the public have a positive perception of the city and want to live in Salford</p> <p>- they have however an incorrect perception of our role in crime prevention in the city, these are unfortunately beyond our control, it is covered under the Crime and Disorder Act which is done in partnership with the police</p> <p>- their expectation also differs from ours, to the public the current status of our school is okay but we do not think so, there is a lot that need to be done</p>	<p>- the perception differs according to the areas that the public is living, they perceives as good if they are staying in a well to do areas because there are less problems in these areas but for the deprived areas where there are all sort of problems from crime to social problems like vandalism and so on we are perceived as not doing not good and not doing anything about it</p>	<p>- not so high regards</p> <p>- they perceived us as a big organisation that are not doing anything for them</p>	<p>- it depends on what sort of information or experiences they encounter with us</p> <p>- for those that faces a lot of problems like crimes and social problems in the areas that they are living then the perception on us would not be good while areas that have less of such problems would have an opposite perception</p> <p>- their perception, good or bad also depends on what they read about us</p>	<p>- not so positive I think, there is this old imbedded beliefs that government offices are not efficient and effective</p> <p>- we are seen as big, inefficient and corrupt organisation</p>	<p>- they have a low perception and I believe two-third of the people are not fully satisfied out there with our services</p> <p>- we are perceives as slow and ineffective</p>	<p>- a wrong perception of SCC</p> <p>- they perceived the council as an organisation with a lot of public money that are not spending it well</p>	<p>- their perception us on is not bad, not as bad as probably 30 years ago</p>

Questions	X1	X2	X3	X4	X5	X6	X7	X8
In your opinion, what does the public expect from by Salford City Council?	<p>- the expectation differs, in the more affluent areas the concern is on excellent highway and the environment while in others they expects us to take care of crime and social problems</p> <p>- generally though the public want clean environment, clean street and to bring in more investment and businesses into the city</p>	<p>- to solve all their problems for them at minimal cost</p> <p>- they expects good clean road, balance between development and environment protection, and to generate employment in the city</p>	<p>- they expect us to be fast, friendly and offer all sort of services to solve their problems</p>	<p>- to offer them the best service possible, they expect basic things like city cleanliness, social problems, road maintenance, social problems to be our top priority</p>	<p>- to operates like the private sector and to offer first class services</p>	<p>- they have a high expectation and expects to have all the services offered to them without anyone paying for anything</p>	<p>- the public expect the council to provide them with everything</p> <p>- they do not understand that we are working hard to serve them with the numerous constraints that we are experiencing</p> <p>- they do not understand that there are things that we can do and things that we cannot</p> <p>- in term of speed of doing things they expect us to be fast but they are not aware that there some complex government requirement that we have to</p>	<p>- high expectation, not just as provider of all their needs but also to offer choices and quality services</p>

APPENDIX 5Q.2

Property Management Department's management opinion on the public's perception and expectation

Questions	PM 1	PM 2	PM 3	PM 4
In your opinion, what is the public's perception of the services provided by Salford City Council?	- comparatively good	- on the whole reasonably good	<ul style="list-style-type: none"> - actually they do not care - proven by the lowest turnout at the local election - they do not feel their opinion are taken into account - an organization that is difficult to change 	<ul style="list-style-type: none"> - it varies depending on how extensive the person use the service: people who use full range of our service consider us good while those that do not consider us not good - across the board, most consider us doing a good job overall
In your opinion, what does the public expect from by Salford City Council?	<ul style="list-style-type: none"> - expect the best - to solve all the problems for them 	- more and better facilities	- deliver good service	- expect more than what they pay for

APPENDIX 5Q.3

Property Management Department staff's opinion on the public's perception and expectation (1 3)

Questions	PM 16	PM 8	PM 7	PM 17	PM 13
In your opinion, what is the public's perception of the services provided by Salford City Council?	<ul style="list-style-type: none"> - good since it is seen as a strong Labour Council that makes a lot of positive efforts 	<ul style="list-style-type: none"> - dealing with the council is a waste of time - do not appreciate the services offered to them considering the amount of money paid for it - they do not realise that a lot of people doing an enormous effort to provide excellent service although the amount of money allocated is limited 	<ul style="list-style-type: none"> - poor - work faster if pressured 	<ul style="list-style-type: none"> - difficult but it is getting better especially from 1974 - now seen as an organisation that do like to waste public money and work faster to resolve problems 	<ul style="list-style-type: none"> - it varies and it depends on who you speak to - but the reputation is that it is a big organization that is full of problems

Questions	PM 16	PM 8	PM 7	PM 17	PM 13
In your opinion, what does the public expect from by Salford City Council?	<ul style="list-style-type: none"> - bins to be emptied - children to be educated 	<ul style="list-style-type: none"> - good service and value for money 	<ul style="list-style-type: none"> - every thing - interested with what affect them ("me self" related problems - does not see overall picture of what council does 	<ul style="list-style-type: none"> - efficient service and effective use of resources 	<ul style="list-style-type: none"> - actually they cannot be bother but do expect their bins to be emptied, decent schools and services are conducted in a fair way (no prejudice)

Property Management Department staff's opinion on the public's perception and expectation continuation(2 3)

Questions	PM 20	PM 6	PM 11	PM 14
In your opinion, what is the public's perception of the services provided by Salford City Council?	<ul style="list-style-type: none"> - inefficient (historical) - however most people do not come into contact with the council, there opinion are based on news report issue related eg. Closing of schools (educating the population)...the day to day problems the public are not aware 	<ul style="list-style-type: none"> - not so good, big and bureaucratic - "I pay you the wages therefore you should serve me" ...low class...a bunch of people who fail to find other jobs (they do not realise that we are actually highly qualified engineers, surveyors, professional who devote their life to the betterment of the society - public fail to recognise public sector professional, in business people can show their qualification through business card and other means but in the public sector there is little opportunity to do this - the public actually do not know what professional at the council does 'all they know it is a big bad council that fail to empty bins, repair roads etc. 	<ul style="list-style-type: none"> - big lumbering machine - regards city council the same everywhere (all city council are the same) 	<ul style="list-style-type: none"> - not positive - considered people working at the city council are not working....doing nothing

Questions	PM 20	PM 6	PM 11	PM 14
In your opinion, what does the public expect from by Salford City Council?	- first rate service at minor cost	- all services to be managed properly and public money well spent	- to be as good as the private sector	- job get done particularly physical things like street are lighted, grass cut, road in perfect condition etc. - they pay taxes therefore the council should do things for them

Property Management Department staff's opinion on the public's perception and expectation continuation (3 3)

Questions	PM 12	PM 15	PM 22	PM 21
In your opinion, what is the public's perception of the services provided by Salford City Council?	- poor opinion - can get hold of people when you need them, never there - time wasters - overstaff	- big and inefficient	- very low opinion	- SCC could provide better services
In your opinion, what does the public expect from by Salford City Council?	- expect things to change, expect public sector staff to work like their business counterparts	- be given whatever they wanted - want to be treated as individual rather than be given as an overall service	- everything and to be given or delivered NOW!!	- good public services and money well spent

APPENDIX 5Q.4

Property Development and Property Review Department's management opinion on the public's perception and expectation

Questions	P DPR 1	P DPR 2	P DPR 3	P DPR 4	P DPR 5
In your opinion, what is the public's perception of the services provided by Salford City Council?	- Low standard, lazy and bureaucratic	- accept what is there - adequate - not bothered	- big and bureaucratic, slow to respond and poor service, underwork	- the public are not impressed with the council and this has a lot to the negative publicity by the press - however I think the public are narrow minded, they equated the council with just a few services and conclude that we are bad	- low perception of the council - do not see the big picture
In your opinion, what does the public expect from by Salford City Council?	- Expect their problems to be solved and all the services to be provided	- expect value for money (i.e. council tax) - get services equivalent to what tax they pay (compared to other council)	- Expect better quality of life and their problems to be solved and all the services to be provided	- expect everything from the tax they pays	- what do they get in return of the tax paid - want all services to be provided

APPENDIX 5Q.5

Property Development and Property Review Department's staff opinion on the public's perception and expectation (1/2)

Questions	P DPR 8	P DPR 9	P DPR 13	P DPR 12
In your opinion, what is the public's perception of the services provided by Salford City Council?	- the public do not realise that there are different disciplines in the council, the public usually generalised that all city councils workers are responsible for the everything not right with the councils - we are pictured as a bunch of people who sat in the office all day doing nothing and wasting public money	- poor however private companies have a positive perception of the council - for the individual the council is an easy target blame for their problems which I think is not fair	- fair average	- the public do not like us - they do not think the city council do think for them - they are not fully aware of what we are doing

Questions	PDPR 8	PDPR 9	PDPR 13	PDPR 12
In your opinion, what does the public expect from by Salford City Council?	- they expect the council to empty the bins, solve traffic problems, clean street, adequate street lighting and anything else that convenient them	- the public expect from the taxes they pay, everything else in returns	- everything	- everything and it depends on the areas (deprived areas have different expectation compared to well to do areas)

Property Development and Property Review Department's staff opinion on the public's perception and expectation continuation (2 2)

Questions	PDPR 10	PDPR 11	PDPR 17	PDPR 6	PDPR 16
In your opinion, what is the public's perception of the services provided by Salford City Council?	- they have the perception that we are doing fairly easy job when actually there is a lot that need to be done because of an increase in population	- not so interesting, they think we are lazy and think we are people who are not doing anything and spending public money	- it depends on whether you are talking about the public that are informed or otherwise - the uninformed public would definitely have a poor perception of us	- not so wonderful	- they are paying too much council tax - they do not know that within the city council there are a lot of departments that are doing wonderful and important services to the public (hidden/indirectly affecting the public)
In your opinion, what does the public expect from by Salford City Council?	- expect us to be effective and to provide them with everything that they require	- to do a great job for them, to be as efficient as the private sector, to provide them with services that are value for money	- to give them everything under the sun	- wants the best service and everything to be provided	- everything for nothing

APPENDIX 5R.1

Salford City Council top management's opinion on performance and improvement in general

Questions	X1	X2	X3	X4	X5	X6	X7	X8
In your opinion, how do the public judge the performance of SCC as a whole?	<p>- judged on how well we do with regards to activities involving point of contact with the public, we are judged on front ended services involving the public</p>	<p>- the public judged us on things that we do which affect them like how well we empty their bins, how clean are the street, are grass cut in the parks</p> <p>- for the business public we are judged based on the investment and development that we can attract to the city</p>	<p>- they look at the way we respond to the services involving them</p> <p>- a knowledgeable public extends their judgement based on what they read about us, thus they need to be correctly informed about our effort to improve the quality of life in the city</p>	<p>- we are judged on things that matter most to them like the state of road, street lighting, well maintained parks, and so on</p>	<p>- judgement is made based on things that they come into contact with or things that affect their life</p>	<p>- they would not know what our targets are as an organisation so they would judge us on things that they observe like how excellent we are at providing services such as rubbish collection, street cleaning etc.</p>	<p>- they judged us on whether we are fulfilling what they expect us to provide, therefore we need to know these expectations</p>	<p>- based on the day to day operation involving the public from grass cutting, street cleaning to emptying bins</p>

Questions	X1	X2	X3	X4	X5	X6	X7	X8
What actions are necessary by Salford City Council if it wants to perform as good as or better than other city councils that you considered as the best city council in the UK?	<p>- to be more service focus (the danger with big organisation like us is to become too bureaucratic, to focus too much on internal working that we lose sight on our actual role which is to serve the public)</p> <p>- our focus should be to improving the day to day activities of the council not spending too much times with senior officers and committee members</p>	<p>- we need to tidy up our decision making process, not all decisions should go through to committee, professional staff should be given more delegated powers so that they can react fast to public request for services</p> <p>- we can still achieve the democratic process by making it clear on what are the role of the councillors and what are the role of the officers of the city council, the elected member should stick to establishing policy and leave the details to the qualified officers (engineers, surveyors and architects)</p>	<p>- there is need for us to keep public inform of what we are doing</p> <p>- we owe it to them to tell them what we can do and what we cannot afford to do with the allocation provided to us, we need to seek their opinion on what is their priorities and thus offer services based on these priorities</p>	<p>- to benchmark with other councils or the private sector that offer similar services</p>	<p>- we need to ask the public what they want and from here we need to sit down with them through consultation and research on what we can do together to make the city the way they want it</p>	<p>- we need to set our priority right, currently we are devoting to much more on education, I am not saying that education is not important but at the moment from what I see there are other things that we need to take care first</p> <p>- we need to consult the public more, we need to encourage the public to be involved with local democracy, the last election only attract 30 percent turnout, we need to change they way election are conducted as to the days, time and location of polling (mall and</p>	<p>- we need to concentrate on key services, we cannot afford to offer everything, we need to establish what are the public priorities and concentrate on doing well on these services and establish reasonable standard in delivering these services</p> <p>- the public I believed appreciate it with we can provide good school, decent housing as oppose to</p>	<p>- to streamline what we are doing, currently we are spending too much time seeking committee approval, we should be spending more time on our own respective work on how best we should be operating</p> <p>- there should also be more scrutiny conducted, this would make local authority's staff more serious, accountable and responsible, we need to have this</p>

APPENDIX 5R.2

Property Management Department's management opinion on performance and improvement in general

Questions	PM 1	PM 2	PM 3	PM 4
In your opinion, how do the public judge the performance of the council as a whole?	<ul style="list-style-type: none"> - based on the service provided (library; condition of the road) and compared them to other areas - cost of providing these service, i.e. how much they have to pay tax on 	<ul style="list-style-type: none"> - frontline services: bin collection, hole in the road, books in the library; schools - people are not interested what happen behind the scene, i.e at the dept level 	<ul style="list-style-type: none"> - based on services that are of their impact to them eg. When SCC closed half of the toilets there were a big outcry 	<ul style="list-style-type: none"> - basic services at a glance: empty bins, cutting grass, social services, quality of the library.
What actions are necessary by Salford City Council if it wants to perform as good as or better than other city councils that you considered as the best city council in the UK?	<ul style="list-style-type: none"> - to tackle the crime and community problems (which affect people and everyday life) - to address the large social problems (because of the unsocial attitude of the community) - vandalism - steps needed to eradicate these - improve quality of life 	<ul style="list-style-type: none"> - need more fund to enable SCC to please the community 	<ul style="list-style-type: none"> - make real change and stop talking about it - chairman of Housing Committee, no change for 20 years therefore no creative tension 	<ul style="list-style-type: none"> - our services need to be benchmark with others and compared with the best in the class - there must be some networking among local authority to achieve these - analyse the top 10 % of the local authority in the country and figure out what it takes to get there

APPENDIX 5R.3

Property Management Department staff's opinion on city council 's performance and improvement in general (1 3)

Questions	PM 16	PM 8	PM 7	PM 17	PM 13
In your opinion, how do the public judge the performance of the council as a whole?	- based on financial basis i.e. on tax that they have to pay whether it is worth it	- whether they are getting the services they wanted - judge based on amount of tax paid	- by looking at services related to housing, road, housing benefits and amount of tax paid	- depends on where you are and what services you are using - in areas that have lot of social problems that the issue would be different to an area that do not have these problems, could be that they are more concern about the cleanliness of the parks, streets and bins being emptied	- based on the services that are dear to them such as bins emptied, street cleaned, school are well managed and social services are well provided

Questions	PM 16	PM 8	PM 7	PM 17	PM 13
What actions are necessary by Salford City Council if it wants to perform as good as or better than other city councils that you considered as the best city council in the UK?	<ul style="list-style-type: none"> - senior management should be more visible - should be aware of problems at the ground level 	<ul style="list-style-type: none"> - carry on programmes like Q&A - implement what is identified - eradicate the culture of "blaming others" versus "self" 	<ul style="list-style-type: none"> - it is Labour run, thus one sided - no opposition- no check and balance- able to generate bit of new ideas - currently it is like a dictatorship system but then again undemocratic if we impose on the composition - different perspective required - need to be clear on the issue of getting bigger share of government grant versus how much rate council can bring in - social problems, councils not equip, not enough money - democratic system - is a good system - letting ordinary people to look at problem but need delegation though 	<ul style="list-style-type: none"> - a council without politician - should not have councillors - less interference from politicians (jumping queues, bending rules to accommodate certain individuals etc)- not to interfere with day to day work or projects - they should stick to setting up the policy and then delegate work! 	<ul style="list-style-type: none"> - need to seek more money so as to offer more services to the public - currently SCC is trying to do the right things with the limited fund available and it is difficult to please everybody - there is a lot of problems but no money to solve it

Property Management Department staff's opinion on performance and improvement in general.....continuation (2 3)

Questions	PM 20	PM 6	PM 11	PM 14
In your opinion, how do the public judge the performance of the council as a whole?	<ul style="list-style-type: none"> - based on what the media reported - publicity: bad versus good 	<ul style="list-style-type: none"> - based on services that they come into contact with 	<ul style="list-style-type: none"> - on end result, do not appreciate constraint and restriction faced in delivering those works - bureaucratic nightmare and red tape (public do not appreciate that public sector workers have to work and spend their time with it) 	<ul style="list-style-type: none"> - looking at how the council performed in delivering services such as emptying bins, street cleaning etc.

Questions	PM 20	PM 6	PM 11	PM 14
What actions are necessary by Salford City Council if it wants to perform as good as or better than other city councils that you considered as the best city council in the UK?	<ul style="list-style-type: none"> - image building - need to change the historical view of council (Salford 30 years back compared to now is different) before it was known to have poor housing condition, old dock - image cannot be change overnight - through advertising and publicity, it can be achieved 	<ul style="list-style-type: none"> - more press release to cover many goods things about services rendered (money spent on education, highways, safety, social services, facts and figures related to police effort to improve condition in Salford) 	<ul style="list-style-type: none"> - improvement in the way things are delivered (however getting things done quicker does not means better) 	<ul style="list-style-type: none"> - becomes more businesslike (more CCT)

Property Management Department staff's opinion on performance and improvement in general..... continuation (3 3)

Questions	PM 12	PM 15	PM 22	PM 21
In your opinion, how do the public judge the performance of the council as a whole?	- based on services delivered	- are based on what they see or read in the papers	- performance not based on effectiveness of various departments but based on things like whether bins are emptied, council houses are repaired and maintained	- based on services compared to taxes paid
What actions are necessary by Salford City Council if it wants to perform as good as or better than other city councils that you considered as the best city council in the UK?	<ul style="list-style-type: none"> - need to put things right, need to change public perception about city council's staff - public need to be informed of what city council can delivered within its budgets - internally things need to be improved...need to be on par with leading local authorities - a lot of procedures need to be change - officer level: more responsibility less bureaucracy - there is no need to report everything to committee: cause of delays - need to wait for outcome of committee meetings - most of the times it makes professional feel that they are unqualified...thus more delegation required - reports to committee should be for information only (reporting versus seeking approval decision making)...there are too many committees need to be satisfied 	<ul style="list-style-type: none"> - more specialist to be seconded to the council, for example solicitors from federal, land solicitors, account control expert etc. 	<ul style="list-style-type: none"> - listening more to what the public wanted and telling them how we are performing 	<ul style="list-style-type: none"> - need to ensure that services especially the ones that involved day to day contact with the public to be adequately funded

APPENDIX 5R.4

Property Development and Property Review Department's management opinion on performance and improvement in general

Questions	PDPR 1	PDPR 2	PDPR 3	PDPR 4	PDPR 5
In your opinion, how do the public judge the performance of the council as a whole?	<ul style="list-style-type: none"> - Based on service that are of direct contacts: bin empty, street repairs, parks well kept etc. 	<ul style="list-style-type: none"> - bin emptied - road repaired - school in good condition - good education provided - library, sport facilities 	<ul style="list-style-type: none"> - we are judged based on how well we deliver services that are of major concern to the public: bin empty, street repairs, well maintained park, excellent social facilities, etc. 	<ul style="list-style-type: none"> - as I have said, they narrowly focus their judgement of the city council based on basic things such as whether the city council did a good job in maintaining the street, emptying the bins, cutting the grass and so forth. 	<ul style="list-style-type: none"> - based on regular services - actually they do not think about the council, only do so when things went wrong

Questions	PDPR 1	PDPR 2	PDPR 3	PDPR 4	PDPR 5
What actions are necessary by Salford City Council if it wants to perform as good as or better than other city councils that you considered as the best city council in the UK?	<ul style="list-style-type: none"> - Change of Culture: currently non-confrontational working environment ..need to change - Change of management style - need to be more employee centred - Not to engineer saving cut cost to cope but to make sure services are provided eg. No money therefore no grass cutting - Appraisal of individuals need to be in place - management decision must not be on gut feelings but must be based on facts. - A case of painting pretty picture, to make it fit, to make the chart look nice rather than the reality - you are not pay according to what you do. - Workload not evenly distributed 	<ul style="list-style-type: none"> - cheap council tax is equivalent to less services, therefore more fund needed - more staff 	<ul style="list-style-type: none"> - Good days work not measured, need to highlight and appreciate the contribution of the guys down the chain - Need to change attitude of work...need tight discipline and accountability 	<ul style="list-style-type: none"> - more frequent consultations through local resident groups - keep the public informed of what we are doing or why we are not doing things that they expect us to do 	<ul style="list-style-type: none"> - more contact with community group involvement - asking public to contribute ideas - choice of candidates , democratic elected people are not necessary the right people (excellent and commitment is based on age factor and understanding)

APPENDIX 5R.5

Property Development and Property Review Department's staff opinion on performance and improvement in general (1 2)

Questions	PDPR 8	PDPR 9	PDPR 13	PDPR 12
In your opinion, how do the public judge the performance of the council as a whole?	<ul style="list-style-type: none"> - based on the taxes they are paying they expect services to be provided and performed well, therefore the city council is judged on how well these services are delivered 	<ul style="list-style-type: none"> - judged based on physical things such as whether things are delivered on time, how quickly we response to enquires and how quickly we deals with their problems 	<ul style="list-style-type: none"> - on tanglebles things: hole in the road, dirty drains, and depends on occasional contacts with the council 	<ul style="list-style-type: none"> - depends on type of public and depend on services provided - affluent areas judged us on our concern with the environment while deprived areas are concerned about things such as whether repairs to their council houses are done on time (through main contacts with us)
What actions are necessary by Salford City Council if it wants to perform as good as or better than other city councils that you considered as the best city council in the UK?	<ul style="list-style-type: none"> - more insights, more consultation with the public, more positive publicity 	<ul style="list-style-type: none"> - tackle the housing problems since this is the main root to the problems in Salford - the worst housing estate or areas in Salford are more prone to complaint compared to other areas (people in these areas though have a different agenda...environmental issues could be their main concerns) - steps need to be made to make people of Salford to have pride and loyalty to Salford - some actions need to be made to make people of Salford realised comparatively how well the city is doing and be proud of it 	<ul style="list-style-type: none"> - reduce the amount of tax that need to be paid and introduce other system to finance the city - need to have regular citizen satisfaction survey 	<ul style="list-style-type: none"> - make the public more aware of what we are doing and which departments can actually help them - reception such be trained to channel public queries to the correct departments

Property Development and Property Review Department's staff opinion on performance and improvement in generalcontinuation (2 2)

Questions	PDPR 10	PDPR 11	PDPR 17	PDPR 6	PDPR 16
In your opinion, how do the public judge the performance of the council as a whole?	<ul style="list-style-type: none"> - based on a whole range of services (which are many and varied) - they judged us on our response to letters, phone calls and enquires - broad measures need to be established put into consideration the ration between staff to population, staff to budget, staff to different services offered etc 	<ul style="list-style-type: none"> - on things that matters for them such as whether their bins are empty, they equates the council performance with how the front lines guys are performing 	<ul style="list-style-type: none"> - we are not fairly judged because the public judged us on specific services that they are in contact for example whether when they call we have been helpful, their bins have been emptied, road are clean, street lighting are fixed, grass are cut and so on 	<ul style="list-style-type: none"> - judge based on what matters to them i.e. whether it is accomplished or not (bins emptied, parks in order, environment are safe, etc) 	<ul style="list-style-type: none"> - on the services that we are providing - it is difficult to judge the city council overall performance since the public are only exposed to certain facilities or services that affect them - we need to be judged with other council too
What actions are necessary by Salford City Council if it wants to perform as good as or better than other city councils that you considered as the best city council in the UK?	<ul style="list-style-type: none"> - need to determine what is urgent and important to the public - a method need to be designed track our performance more accurately based on things that matter most to the public - a lot of our staff are professionals (engineers, surveyors, architects, etc.) and when they moved up into management post they need to be trained on how to managed 	<ul style="list-style-type: none"> - the council need to have a campaign to explain to the general public who and what we are doing particularly on services that they are not aware off and how much money is being spend on these services for the betterment of the public in general 	<ul style="list-style-type: none"> - show improvements that we have done over the years, the public need to be informed of what we are doing 	<ul style="list-style-type: none"> - to provide the community with want they want, listen to them - get feedback from them 	<ul style="list-style-type: none"> - more user friendly services - need to have more sport facilities, libraries, more fund for education and housing

APPENDIX 5S.1

Salford City Council top management's opinion on Business Excellence Model

Questions	X1	X2	X3	X4	X5	X6	X7	X8
<p>Opinion on Business Excellence Model and its implementation</p>	<ul style="list-style-type: none"> - it is an excellent model - the private sector has been successful in implementing it and I am confident that there are benefits that we can get by adopting it - on a scale of 1-10, we currently score 1 or 2 in most areas - ultimately our aim is to go for the European model - through self-assessment we would be able to find ways on how we can decrease cost and increase quality 	<ul style="list-style-type: none"> - it is a commonsense model actually, it is not a "one-off" thing - every year we need to monitor our self and find way on how we could do better - this model allow for tangible improvement that we can shared and we can see the benefits - to implement this model we need to go easy a bit, we do want to be seen to introduce things too much and too fast 	<ul style="list-style-type: none"> - I believe it is a workable model - we can adapt our current performance review practices to incorporate this model 	<ul style="list-style-type: none"> - I am quite impressed with it and it will be very helpful for us - it started with assessing where we are now and improvement can be worked out from there 	<ul style="list-style-type: none"> - it provides a framework for improvement - it caters for issues like teamwork, management change, dealing with relationship and cross-departmental issue 	<ul style="list-style-type: none"> - it almost similar to Kaplan's scorecard, it focus on continuous improvement and weighted measures, it enables us to identify what are the major areas and areas for improvement - the only weakness of this model it is not adapted to the public sector, for example, on impact on society we have a low score when if were to analyse it closely we should have the full score for this since our major role is to serve the public 	<ul style="list-style-type: none"> - it is an excellent model however it requires detail work - we need to have the right attitude and culture - it provides framework for us to be discipline and to observe some key principles for improvement - to implement it successfully, we need to break it down, we need to cascade it down - it must be designed as an integral approach of the department where responsibility are identified and change expected 	<ul style="list-style-type: none"> - it is a beautiful framework and it can work at a number of level - it is structured based on evidence - it is a very discipline approach that is not based on rubbish, it is based on looking at our strength and weaknesses

APPENDIX 5S.2

Property Management Department's management opinion on Business Excellence Model (BEM)

Questions	PM 1	PM 2	PM 3	PM 4
There are plan to install British Quality Foundation Business Excellence Model in the council, in your opinion, how would this system be helpful?	- it determine the direction	- it is fairly a good model because it focuses at looking at things that we should be looking at if we want to improve	- sensible and obvious, filling in forms - lots of forms - change is not about filling up forms	- I am in favour of it, it is an excellence model because it subject us to being accountable for whatever that we are doing - this model would make best value more achievable because the principles of the model support best value
How would you think this model should be implemented?	- should not be implemented as "piece meal" - must involve all (vertical down) - need somebody to head this initiatives	- it need to be implemented by integrating it with the dat to day things that we are doing	- do not mean anything; empty words, come up with change or proposed change but not acceptable to top management even though economic - policy decided but not implemented, only top management can change things	- to implement it successful we need to re-focus our priority, we need to re-examine our previous initiatives and probable concentrate on just this model, too many initiatives would makes the staff confuse

APPENDIX 5S.3

Property Development and Property Review Department's management opinion on Business Excellence Model (BEM)

Questions	P DPR 1	P DPR 2	P DPR 3	P DPR 4	P DPR 5
There are plan to install British Quality Foundation Business Excellence Model in the council, in your opinion, how would this system be implemented?	<ul style="list-style-type: none"> - excellent - tool to re-assess organizations particularly in face of Best value - a big jump though - introduced poorly - a day talk - need to have a lot of follow up- quick follow up to maintain momentum 	<ul style="list-style-type: none"> - it is a scoring system and detect way how we can improve - however it could be expensive 'cos need to allocate more fund for training - a bit sceptical because we come to work to value property rather than devote our time to a management system issue - on the other hand, the score or result can be manipulated - it causes conflict in time, task are neglected when staff have to go for improvement team meeting - a lot of effort and little unclear benefits - if need to be implemented then need to look at it in the long term perspective where a steady approach should be taken rather than rushing to see result 	<ul style="list-style-type: none"> Superb but massive. Unable to tell us where we are. Then again it is due to what we have not been doing all the years -Should be driven by next level of management - Hand-on approach not just a day talk 	<ul style="list-style-type: none"> - the principles are good but I am doubtful whether it is practical for local government due to the sort of organisation the council is (a lot of red tapes, cannot cope with public demand due to limited fund while at the same time the BEM expect us to be operating cheap and generate the best outcome) - in must be done professionally; reports submitted must be genuine, it must reflect the true standing of the organisation and should not be use as a case to campaign for reporting "rosy picture" of the department 	<ul style="list-style-type: none"> - sceptical - it should be directorate wise initiatives rather than one particular dept

APPENDIX 5S.4

Property Management Department staff's opinion on Business Excellence Model (1 3)

Question	PM 16	PM 8	PM 7	PM17	PM 13
Opinion on Business Excellence Model and its implementation	<ul style="list-style-type: none"> - it is like all the other initiatives which fails unless it is driven from the top - it is the same things but name differently (we had Stress Audit, Community Strategy, Internal Management training, Service Plan before) - we did a SWOT analysis and suggested recommendation but no action taken 	<ul style="list-style-type: none"> - a good initiatives but change is needed - is it just talk? Need to get on with it and have it implemented 	<ul style="list-style-type: none"> - it is a good system, I think a lot can be gained from it - it makes us re-examine what we are doing and make us think as a team how we can improve the department performance 	<ul style="list-style-type: none"> - laudable aims - seems to be lead from the top (visible) - it enable staff to respond and take initiative - it make you feel you can change - however departmental review make things a bit difficult...different boss means different working relationships - do hope it does not face similar fate to previous initiatives where there are no follow up and thus nothing change 	<ul style="list-style-type: none"> - from what I gather from the seminar that I have attended, it can be a useful tool to introduce improvement in our department but I hope management will take these initiatives seriously so that these effort would not face the same fate as previous initiatives

Property Management Department staff's opinion on Business Excellence Model.....continuation (2 3)

Question	PM 20	PM 6	PM 11	PM 14
Opinion on Business Excellence Model	<ul style="list-style-type: none"> - should not be of any worries - it an assessment for improvement model 	<ul style="list-style-type: none"> - sceptical because from experience with CCT there is no effect - it is the government way on instilling quality in PSO - many difference schemes related to quality have been introduced, our input we solicited and recommendation made but unfortunately it was at the end of the day ignored..there is no change - senior managements were send on course but there was no implementation of whatever they learn from the course - there is problem with management, there are professional in their area but do not have management skills 	<ul style="list-style-type: none"> - not a big fan and do not think it is necessary 	<ul style="list-style-type: none"> - good because it assess what you are doing and therefore encourage you to improve

Property Management Department staff's opinion on Business Excellence Model.....continuation (3 3)

Question	PM 12	PM 15	PM 22	PM 21
Opinion on Business Excellence Model	<ul style="list-style-type: none"> - if it can be successful in the business world as claim, it might work here but then again it depends on how serious people are about it 	<ul style="list-style-type: none"> - can be an excellent tool for SCC if implemented properly, do hope it would not become just another initiative that eventually fade away 	<ul style="list-style-type: none"> - do support it because it assess what you are doing least - it measure where you are now and thus provide you with an idea where you should be heading 	<ul style="list-style-type: none"> - three hours training from top management, it sound a good system because it allow for us to reassess what we are doing and strive for the best

APPENDIX 5S.5

Property Development and Property Review Department's staff opinion on Business Excellence Model (1 2)

Question	PDPR 8	PDPR 9	PDPR 13	PDPR 12
Opinion on Business Excellence Model and how it should be implemented?	<ul style="list-style-type: none"> - it is a good model - I believe it can help us - the advantage of this model is that it allow us to re-examine our current practices - however good a model is, it can only be useful if it is treated as a way to improve our services, it cannot be taken us as a programme that is detach from our day to day task 	<ul style="list-style-type: none"> - it seems to be a good model but after the training we were not given any feedback on what we have discussed and decided during that training, there need to be some follow-up - it need to be implemented through a well organised steps, there must be some plan to indicate how far we have achieve with it - it would not work if we are just excited about it 	<ul style="list-style-type: none"> - I have no problem with this model - I think if we are really serious about this model it can help us in a lot of ways - this model would only be successful if management are serious about it, I do not think it would be successful if management "delegate" this model to us, they must be totally involve with us so that together we can make it happen 	<ul style="list-style-type: none"> - from the way I see it, it is a practical model - unlike previous initiatives this model examine and measure progress - to implement it what is needed is total involvement from everybody particularly top management

Property Development and Property Review Department's staff opinion on Business Excellence Model (2 2)

Question	PDPR 10	PDPR 11	PDPR 17	PDPR 6	PDPR 16
Opinion on Business Excellence Model and how it should be implemented	<ul style="list-style-type: none"> - a good model that gives us an insight into what can be done, it is structured more for business - we need to have some success stories from other city council like ours before we can be convince that it would worked 	<ul style="list-style-type: none"> - a wonderful model but the problem is I wonder whether we have time to focus on it, there are just too many things and initiatives in this directorate - so to implement it successfully we need to drop all other initiatives and focus on this one 	<ul style="list-style-type: none"> - it gives us a clear view of what we are doing as a team and provide us with an opportunity to examine how we are doing - to successfully implement it, we need somebody to constantly sustain our interest otherwise this excellence model would not take off the ground 	<ul style="list-style-type: none"> - if it works in the private sector, I believe it can work in local government if implemented properly - through top management commitment - management must ensure that lower level staff believe that they are serious about this initiatives - top management need to convert staff into believers 	<ul style="list-style-type: none"> - look like a good model to me - from my observation, the strength of this model is it allow us to analyse our current practices and provoke us to think of ways we can improve these processes - this model would only be successful if everybody understand why it is being implemented, the objectives must be made clear to everybody

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