



Implementing the
Australian Business Excellence framework
in
Australian Local Government

Summary of Survey Responses
from Eighteen Councils in the
Local Government
Business Excellence Network

Prepared by the
UTS Centre for Local Government
on behalf of the
Australian Centre of Excellence for Local Government

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ACELG – An Introduction

The Australian Government is contributing \$8 million in funding for a Centre for Excellence in Local Government to enhance professionalism and skills, showcase innovation and best practice, and facilitate a better informed policy debate. The new centre was announced by the Prime Minister at the inaugural Australian Council of Local Government meeting on 18 November 2008.

A consortium led by the University of Technology, Sydney (UTS) has been selected to establish the centre following a competitive process. The consortium partners are the University of Canberra, Australia and New Zealand School of Government, Local Government Managers Australia, and the Institute of Public Works Engineering Australia Limited. Other program partners will include the Australian National University, Charles Darwin University and Edith Cowan University.

The Centre will:

- build on existing local government programs and networks;
- encourage innovation and best practice across local government;
- foster good governance and strategic leadership
- support action to improve local government workforce capability to address skill shortages and attract and retain skilled staff;
- promote new and improved training and development programs; and
- stimulate and inform debate on key issues for local government in coming decades.

Activities will be grouped in six program areas:

- Research and policy foresight
- Innovation and best practice
- Governance and strategic leadership
- Organisation capacity building
- Rural, remote and Indigenous Australia
- Workforce development.

About the Business Excellence Network Survey

In recognition of a mutual commitment to excellence in local government, the newly formed Australian Centre of Excellence for Local Government (ACELG) has responded to a request to explore future collaboration opportunities with the Local Government Business Excellence Network (LGBEN). ACELG has commissioned the UTS Centre for Local Government to undertake a review of the implementation of excellence frameworks in local government, including the Australian Business Excellence Framework (ABEF).

LGBEN councils were invited to participate in some preliminary exploration of issues and options in implementing the ABEF in local government in Australia. The aims of this preliminary research were to:

1. Canvass the benefits and issues of implementing the ABEF in local government;
2. Report this information back to the broader local government community to further promote the adoption of excellence frameworks; and
3. Feed this information back to LGBEN, ACELG and SAI Global to assist them in designing future support for promoting excellence in local government.



General Managers within the LGBEN Councils were sent the survey by email in early December 2009, with returns due in late January 2010. Eighteen of the surveys were returned, and a full list of the survey questions is included in Appendix One.

In recognition of the collaborative nature of the implementation of the ABEF within Councils, it was suggested that this survey be completed in consultation with each of the LGBEN participants within their councils.

The following summary of responses maintains the anonymity of individual councils, with an occasional exception where councils have provided useful factual information about the implementation of the ABEF in their own council. Anonymous direct quotes are presented and italicised in the summary as the most faithful record of the councils' thoughts, experiences, opinions and intentions.

Profiling ABEF Implementation

Why Councils adopted the ABEF

Most of the surveyed councils use the ABEF as a structured means for achieving continuous improvement across their organisations. The ABEF is seen as:

An umbrella under which a number of initiatives could be integrated to form one coherent organization improvement strategy; and

A proven framework for continuous improvement of Council processes and organisational culture which could elicit, motivate and capture the participation of all Council staff.

Transformations which the councils hoped that ABEF might deliver once adopted included

Influencing the organisation's culture to be a strong execution culture;

Efficiencies in processes, relationship building and staff empowerment;

A 'team based' approach that would deliver process improvement, team building, and communication efficiencies; and

We wanted to be recognised by our community as a leading local government authority and an employer of choice.

The degree to which ABEF was used by other organisations, including other councils and within the private sector was also an important factor. The ABEF was seen as

A tool with existing participation from other Australian local governments;

Enabling systems and processes to be compared across all sectors; and

Leading to benchmarking, support and shared development within our industry.

Length of Time

Around half of the surveyed LGBEN councils have had the ABEF in place for less than two years:

| Less than one year | One-two years | 3-5 years | 5-10 years |
|--------------------|--|-------------------------------|---|
| Newcastle | Ararat Brimbank Broken Hill Campbelltown Port Macquarie Hastings Warringah Yarra Ranges | Barossa - 3 Surf Coast - 3 | Baw Baw - 5 Hobart - 10 Holroyd - 9 Marion - 5 Mildura - 6 Port Stephens - 8 Rockdale - 10 Wagga Wagga - 6 |

Resources Required for Implementation

Implementation of the ABEF has required significant resources within the surveyed LGBEN councils, including consultancy services and allocation of specialist staff. These costs vary from council to council – one of the councils estimated the total expense of implementing the ABEF over six years at around \$400,000 including training, consulting fees, travel and disbursements.

Consulting services from SAI Global are more commonly used at the beginning of the implementation process, with in-house facilitators and trainers eventually taking over this role in most councils, however a couple of councils continue to use external facilitators. Costs vary from council to council, ranging from \$10,000 to \$100,000 spent on consultants in the first year. One of the councils spent \$50,000 on consulting services for the first year, \$40,000 for the second year, \$30,000 for the third year and \$25,000 for each subsequent year.

Many councils recruit or re-allocate internal staff to co-ordinate the implementation of business excellence. This position may either be part time or full time, and is commonly located within the human resources or organization development unit:

We have located our Business Excellence specialist in the Organisational Development unit, due to the strong linkages with Culture, and our focus on Service Quality, which has been integral.

Other costs mentioned in the survey associated with implementing the ABEF include resource materials, software, SAI publications, venue hire and travel to LGBEN meetings. Council staff, managers and Councillors also spend time to participate in the training and improvement initiatives.

Tailoring Content for In-house Needs

Only three of the eighteen surveys returned stated that they had not substantially tailored the ABEF materials to suit their own councils. More commonly the materials are progressively tailored through the implementation process:

Much of our material has been rewritten to reflect local government language and culture. We have also redesigned the self assessment and PDSA process to align with our business planning process.

The following case studies from contributing councils demonstrate the breadth of innovation within the councils in tailoring and adapting the ABEF to suit their own organisations.

Ararat Council uses the ABEF as the basis for their tools and implementation, but have modified these to suit their own needs. The council has in place:

- In-house development of various templates to assist staff to understand, utilise and implement the ABEF eg Systems views templates, self assessment templates;
- Inclusion of a *Business Excellence* statement in all position descriptions and various other documents;
- Inclusion of a *Councillors' Governance Systems View* in the Council Plan;
- Fortnightly *Business Excellence* support workshops, open to all staff on a voluntary attendance basis; and

- *Business Excellence* induction workshops for new employees.

Port Stephens Council has adopted a five element *Driving Organisational Excellence* Model:

- Understand and live the principles of business excellence;
- Develop a systems view of the organization;
- Self assess the current state;
- Improve using PDSA improvement tools; and
- Capture the memory.

The council has in place an *Organisational Excellence Manual* which provides the philosophy, processes and templates, and have also developed a comprehensive set of training modules for staff covering various aspects of business excellence. An intranet site on business excellence also provides staff with easy access to information.

At **Rockdale City Council** the ABEF has been customised around other integrated quality management systems (ISO:9001, ISO:14001 and AS:4801). It has been implemented in a team based approach, which they call the *Team Based Appraisal* process which replaced an individual employee based staff appraisal process.

As they have mapped all processes via the *Quality Management System* approach, they have used the ABEF as a change management tool using the rigor and focus of its seven guiding categories and principles as the framework that drives the corporate directions or focus for the year. They have developed policies, framework, training and assessment methodology materials in-house to support the *Team Based Appraisal* process that the ABEF underpins.

Involving Managers

Among all of the local government stakeholder groups, the implementation of the ABEF most closely involved managers within the surveyed councils:

Managers in our organisation drive BE and are responsible for completing annual self assessments with their teams and supporting PDSAs; and

The predominant group of employees involved in the initial implementation process was Council's Leadership Group (Managers and Directors).

Involving Councillors

The involvement of councillors in surveyed councils varied from none at all to a little, and it seems that this group is not systematically engaged by the ABEF. Only four of the eighteen councils have actively engaged their councillors:

Councillors have a Systems View and have undertaken a self assessment against the categories.

Half of the surveyed councils have not engaged their councillors at all:

It is our intent to involve all areas of the council over time including councillors. We have opted for a 'building blocks' approach to implementation which at this reasonably early stage, has engaged a number of staff across the organisation

Three of the surveyed councils have attempted to engage councillors with limited success:

Councillors (all nine) were invited to a number of briefing sessions to receive information about ABEF, however only approximately half attended. Since the last general election (November 2008) no Councillor training or information sessions have been provided.

Involving Outdoor/Field Staff

Some of the surveyed councils organized processes for involving all staff members, and others designed ways of involving outdoor staff specifically. The following is a description from Holroyd Council of their *Driving Organisational Excellence (DOE)* Program:

To date up to 60% of staff have been directly involved in the Driving Organisational Excellence program, including both office and field staff. The program takes a group of twenty staff, consisting of four cross functional teams of five staff, through a formal workshop program linked to a project dedicated to each team.

The team's responsibility is to utilise the program skills through a practical situation of resolving their defined project. The teams are supported by a Director as their team 'sponsor' and build on their leadership skills by providing monthly updates to the Senior Management Team.

At the end of each DOE program a formal report is provided as well as a presentation at a breakfast briefing to their work colleagues, generally attended by up to 100 staff. In assessing the strengths and areas of improvement of the program a debrief of staff is undertaken and adjustments made as required.

The depot version of DOE is an abbreviated form of four workshops over a two month period and projects that are depot staff based.

Benefits and Limitations of Implementing the ABEF

Benefits of the ABEF

All of the surveyed councils derived benefits from adopting the ABEF, as summarized by one council:

Other than being instrumental in introducing a continuous improvement culture, the tangible benefits have been substantial and long standing from both strategic and operational viewpoints. A shared understanding of future direction, understanding community expectations, employee empowerment and understanding and improving processes gives a confidence in the organisation's ability to adapt to changing circumstances.

In addition they described the ABEF as providing a structured process for continuous improvement, a facilitator of better communication, a tool for team building and aligning the organization to corporate priorities, a catalyst for finding financial savings, and a vehicle for providing access to best practice.

Structured process for continuous improvement:

Staff have been developed and enabled to use the BEF as a lens to hold up against the organisation, enabling more critical and objective analysis to take place. Assessment processes (internal and external) have been very beneficial, complement internal assessment and auditing activities, and have assisted in setting priorities for improvement and funding.

Better communication and shared commitment to improvements:

Use of the BEF has facilitated awareness and discussion between staff and executive in a constructive manner. The BEF has prompted some research into, and analysis of staff feedback on issues and work practices that have not previously been the focus of executive attention.

Team building and alignment to corporate priorities:

Teams are working together to complete systems views which provide them with a clearer understanding of their business unit and where they fit in the bigger picture.

Financial savings:

Financial benefits demonstrated through the movement away from consistent 10% operating deficits to 4 consecutive operating surpluses. Savings have resulted in money being allocated to our Funding Community Priorities program (\$4.7m).

Access to best practice:

BEF has helped us access Best Practice in both Private and Public organisations, with the LGBEN providing a huge support at Systems, Process and Relationship levels.

Business Improvements and Efficiencies

The survey asked the councils if they had quantified any business improvements implemented from the ABEF, and most of the councils had not quantified these:

Much of the change has occurred culturally within our organisation and is difficult to quantify....

In reality it is difficult to monitor and absolutely attribute business improvements and efficiency gains to the BEF and this is probably something we can do better.

The measurement or quantification of the improvements has not yet occurred, however a second organisational self-assessment planned for 2010 should provide some measure of improvement once the results are known.

Many of the councils were able to describe and quantify the activities which had occurred as a result of implementation of the ABEF, and these included:

- Identification of council services and processes;
- Business excellence evaluations;
- Recommendations and action plans for process improvements; and
- Process improvements linked to personal development plans.

Some of the surveyed councils offered some quantified business improvements, for example at Hobart City Council:

The 3 external business excellence evaluations (2000, 2005, 2008) so far completed provide the overall core indicator of the organisation's continuous improvement maturity. Scoring against the ABEF has progressed from a score of 321/1000 (2000) to 856/1000 (2008).

and Warringah:

The establishment of a 'values based organisation' leading to a reduction in unplanned leave, staff turnover and in some areas increased productivity and teamwork; improvements in some reporting processes in terms of the capture and translation of data; improved linkages between the Strategic Community Plan, Quarterly and Annual Reports; improvements in internal referral processes; and the development of an Induction DVD for casual staff.

and City of Marion:

- *Operating deficits of 10% pre 2000 (\$3.6 million in 1998-1999) to moderate operating surpluses since 2005-2006 (4 years in a row);*
- *Expenditure on asset maintenance and replacement has been significantly increased from an actual spend of \$9,398,000 in 02/03 to a budget of \$16,330,000 in 09/10;*
- *Improvements using the BEF approach have resulted in \$4.7m of savings helping to meet targets developed to resource our "Funding Community Priorities" initiative;*
- *Development Assessment applications went from completion rates of 80-94% within statutory time and fluctuated considerably, but now are very consistent around 97-98%. Completion within one third of statutory time has gone from 40% to 80%;*
- *Employee retention has significantly improved falling from over 16% to remain around the 10% mark since commencing this approach. The reduction in turnover from 16% – 10% is an annual saving of between \$551,100 and \$1.65 million every year (actual cumulative saving since 2002 of between \$3.8 million and \$11.5 million).*

Customer Benefit and Community Value

As with identified business improvements discussed in the preceding section, surveyed councils were convinced of the benefits to customers and community of the value of their improvement program, however the quantification of these was problematic:

A better organisational culture, we believe, translates into better delivery of services. However, quantifying and measuring these improvements can be elusive.

Some councils did have clear improvements to list, and quantified benefits to customers and the community were cited either as improvements to customer service processes, or measured increase in community satisfaction:

Our customer satisfaction scores have increased since 2005 and much of the feedback we have received has indicated the improvements implemented have made a difference;

Several of the processes selected for improvement have been directly related to service to the customer or community with benefits of consistently more timely and accurate information flows in response to enquiries, requests and complaints;

The phone response target of 95% direct dial calls answered within 5 rings was first achieved in February 2004, and since that time has been substantially maintained. Similarly, customer service requests have been managed more effectively, with a target of 90% completed within time and rescheduled time. Following process improvement and significant response from staff, this target has now been achieved since July 2008;

Regular customer surveys are undertaken to align customer expectations with service delivery where possible. Each team has undertaken customer surveys to gauge the performance of their teams and also the alignment of their services to corporate directions and customer expectations and needs; and

There has been value in terms of an improved quality of service to customers and the community in general as a result of better recruitment processes, an improved induction process as stated above along with some of the tools such as e-Planning that have been made accessible.

Gaps and Disadvantages

Given an opportunity in the survey to identify gaps and disadvantages with the ABEF, ten of the eighteen LG BEN councils spoke only of the effort required rather than any deficiencies with the framework:

There are no disadvantages but some of the barriers include the difficulty of many staff in understanding that to improve the system you need be able to step outside of what you have always done and look at the system from outside. This means time away from doing the tasks to reviewing how the tasks are completed.

Some of the surveyed councils offered critical comments about the ABEF, mentioning the level of resources required over time, the lack of applicability of the framework language to the local government context, an insufficient coverage of community governance and political factors, and commercial copyright restrictions preventing better exchange of information.

Resources and commitment required over time:

Implementing the ABEF not only requires significant organisational resources – it requires significant and enduring executive support first, followed by the strong support of at least a majority of line managers. Without this, staff involvement and perception of the program will wane or falter. Next, a staff member capable of driving the program and the necessary resources to maintain and develop the program is vital – over reliance on outside consultants results in the program being driven externally and intermittently.

Language inappropriate to local government:

“The Leveraged Dynamic Empowerment Immersion Framework Paradigm.” Staff have a right to be dubious of buzzwords and phrases, and to link them with the ABEF. One of the most important psychological issues which should be solved is the translation of ABEF terminology into plain English terms known and used within your organisation. If this does not occur, staff begin to lose trust/interest/sincerity in the ABEF within the organisation.

Over-emphasis on assessment and quantifying improvements:

“How did we do?” Assessment – self done or externally contracted – is the major focus of the ABEF, as it is with Business Excellence programs in Europe and the US. While extremely valuable, overly focusing on assessment causes an imbalance, and the ABEF is not as helpful in providing front-end focus. Some of the other frameworks internationally have recognised this, and incorporated stronger project management and strategic planning components currently lacking in the ABEF.

A private sector focus which excludes the role of community and councillors:

The main area for improvement (gap) seems to be the recognition of the importance that community and Councillors play in the strategic and operational direction-setting for Councils. Rather than focussing on ‘competitive advantage’, ‘market share’ or ‘profit’, the BEF could demonstrate a greater emphasis on creating public value, a key driver for local government.

Turnover in leadership resulting in lack of organizational commitment:

Our journey has been somewhat fraught with sackings, investigations by the DLG, apathetic GM's etc etc so we are yet to see any real benefits of the ABEF despite the heavy investment.

Lack of information applicable to local government:

The major issue is that the framework is the intellectual property of a commercial enterprise rather than being aligned with national government standards as per for e.g. competency standards. This made it initially quite difficult to research much about ABEF in a meaningful way other than getting a copy of the Framework itself.

Support – Available Resources and Future Needs

Support from SAI Global

SAI Global provide a number of services, and the councils in the survey mentioned using the following:

- Purchase of documentation;
- Mentoring, support and advice;
- In-house training from SAI consultants;
- Public courses leading to qualifications eg Graduate Certificate; and
- External assessment for the Excellence Awards.

There were several positive comments about services from SAI Global, in particular about their mentoring role, network contacts and teaching methods:

Throughout the entire business excellence journey, SAI Global has provided an invaluable mentor role, which is complemented by provision of the occasional training program (such as Graduate Certificate in Business Excellence);

SAI Global have been supportive in providing a point of reference and network contacts; and

All of the external training received by Council has been provided by SAI Global. Their approach and teaching methods may not immediately appeal to all, but overall the experience Council has had with SAI Global has been positive.

There were also several negative comments:

Unfortunately, it does not appear that ABEF is a high priority within SAI Global and we initially found it difficult to access information about ABEF from them (e.g. their phone operator had no idea who to refer us to). There is a general view that SAI Global do not add much value and their cost structure is prohibitive for many councils.

We have struggled to find engaging facilitators for BE who can translate their learnings into language that is transferable into local government & our audiences.

The external providers tend to package the ABEF with other programs (e.g. FISH!) or materials (e.g. Tool Time) to the extent that they appear to be part of the ABEF – this obfuscates the ABEF, and in our organisation it has been a very difficult issue to rectify. If not rectified, then implementation of the ABEF becomes more costly. It would be better if the ABEF (or any follow on framework) stood on its own, with support tools being identified as such.

The services from SAI Global have been problematic for some councils, in particular their lack of availability, lack of focus on the local government sector and cost. There is also a perception that the products do not transfer to local government audiences, and one complained that other products are promoted to the council through ABEF training, thereby increasing the cost.

Support from the Local Government Business Excellence Network

LGBEN is a network of twenty-seven councils who are active in implementing the ABEF within their own councils. The group meets regularly throughout the year, involving both CEOs and practitioners. The group maintains a members only website which enables the sharing of documentation and information. Some councils build working relationships through the network, visiting and contacting each other between meetings to resolve issues relating to ABEF implementation.

Survey responses were overwhelmingly positive about the role of the LGBEN:

The network provides a very useful resource and vehicle for sharing “learnings” with other Councils and to assist them with implementing the ABEF;

The LGBEN have been a wealth of information in establishing an implementation plan. Support and advice is always available through phone calls and emails to network members. Documentation on the LGBEN website has been very useful and attendance at meetings provide valuable information, ideas and encouragement to move forward with our implementation;

The support has been one of sharing each others journey and approach, some education in relation to benchmarking and leadership but generally support of like minded organisations and individuals with a focus on quality and improving our industry; and

The LGBEN has been valuable through the networking opportunities with other Council's in a similar, or more advanced stage of BEF implementation, and through the case studies and other examples of BEF implementation shared by the other attendees. Without a networking body like the LGBEN it would be extremely difficult for a single Council to gain an awareness of the depth and breadth of BEF implementation in other LGA's, and extremely difficult to engage with other practitioners who are well advanced in their BEF journeys.

One council mentioned that the cost of travel to interstate meetings was difficult:

Translating regular interstate travel into measurable value within our own organisation is more difficult.

A couple of councils also mentioned that the administrative matters within meetings were disruptive:

Sometimes the network can get caught up in the little things which means that the network part of the meetings is reduced while we discuss who types minutes or other minimal stuff – this should just happen.

One council suggested that membership fees to employ administrative staff would resolve this problem:

The network is valuable, and there has been some discussion of how to improve its value to participants through employing administrative staff, and although this would raise the costs of participation, it really appears as if it is necessary.

Further Support Needed

The final question in the survey asked respondents about the additional support which would facilitate better implementation of the ABEF. Several organisations were referred

to in the survey, and suggestions were aimed at each of these – the councils themselves, SAI Global, the LGBEN, and also ACELG.

Comments seeking additional support from their own councils focused on the need for elected members, executive support and staff resources for the implementation of the ABEF:

The full support of Councillors, management and staff, and an ongoing commitment to continuous improvement.

A full time person dedicating 100% of their time to BEF. Time spent at other Councils who have it well bedded.

One council who were quite satisfied with services from SAI Global wanted to continue the current methods:

Continue with the same approach of having an SAI Global mentor and occasional training provider and to assist with the establishment of long term benchmarking partnerships.

Another council who was less satisfied with SAI Global wanted more cost effective products:

Support from SAI Global in providing training resources and more cost effective products.

Similarly there was one council quite satisfied with the services of LGBEN:

Support has been available for any issues that have arisen to date. The LGBEN network is particularly helpful in providing advice on strategies for dealing with road blocks that may occur from time to time.

Some councils expressed the desire that the ABEF would be adopted more widely:

If the BEF became a preferred model for Local Government it would go along way to influencing staff across the organisation that it is not just something a few Councils think is a good idea.

Greater focus on the ABEF throughout the industry, education programs, benchmarking opportunities and partners.

Elevation of the framework across both public and private sectors, and reverse the trend of the declining profile and use of the BEF in the private sector. (We would) like to see BEF have a similar profile that Baldridge and EQFM (have) overseas.

Several councils saw some opportunities flowing from the newly formed ACELG, requesting federal government funding for continuous improvement, the development of a new national framework and various forms of support and training:

Support from a not-for-profit government agency whose role is to disseminate information about what ABEF is, and provide case studies of how organisations have implemented it (and what a difference it's made) would be fantastic.

A centre of excellence as a point of reference for leadership development and mentoring programs/networks; communities of practice; funding for start ups, development and enhancements; facilitators to assist with implementation and to

provide coaching/mentoring; and a library of strategies, educational information, examples tools and templates.

Federal government funding for continuous improvement programs would be wonderful! A proper national framework would also be a major improvement, and would inject more academic rigour into continuous improvement programs. The framework should be standalone and “open source”, not requiring the purchase of ancillary proprietary products or services. The focus, use of language, and materials provided should be based around the local government industry. This tied with certification programs for practitioners would also weed out some of the cowboys of the industry;

Finally, some councils made requests for support which were not clearly targeting any particular organisation:

We would really benefit from further support in promoting BE and developing & presenting materials that would integrate seamlessly into the organisation;

Further support for CEO's/GM's/Councillors on truly understanding what the ABEF is so they can effectively lead it and not push it into the staff domain to lead. They need to know the right questions to ask their Executive so they are truly leading the change and the quest for excellence. GM's need to concentrate on the important things – building relationships with staff and the community and focus less on non-important things; and

A program for managers and executives that gave awareness and insight into the BEF with benefits of its implementation and use in a local government context.

Summary of Survey Responses

In recognition of a mutual commitment to excellence in local government, the newly formed Australian Centre of Excellence for Local Government (ACELG) has responded to a request to explore future collaboration opportunities with the Local Government Business Excellence Network (LGBEN). LGBEN councils were invited to participate in some preliminary exploration of issues and options in implementing the ABEF in local government in Australia, and a survey was emailed to LGBEN network councils with eighteen returns. Of the eighteen surveyed councils, half of these had been using the ABEF for two years or less, and eight councils had been using the ABEF for over five years.

Profiling Implementation

Most of the surveyed councils use the ABEF primarily as a structured means of involving all of their organisation in a continuous improvement program. They seek to transform their organisation's culture and processes to deliver process improvements, team building and efficiencies. ABEF is also seen as a framework which enables councils to compare their performance against each other, and also against other industries, sectors and organisations.

Implementation of the ABEF has required significant resources within the surveyed councils, particularly on consultancy services, appointment of in-house staff and time taken for staff and managers to undertake improvement activities. Other costs incurred include resource materials, software, SAI publications, venue hire and travel to LGBEN meetings. These costs vary significantly between councils, with estimates of costs for consultants ranging from \$10,000 to \$100,000 in the first year.

The implementation of the ABEF requires tailoring the materials to suit the needs of each council language, culture and internal processes. There was a wide range of tailoring amongst surveyed councils, with only three out of eighteen not substantially tailored materials for their own purposes. Some examples were the preparation of in-house templates; design of a *Councillor's Systems View*; induction workshops for new employees; an organization excellence manual containing philosophy, processes and templates; training modules for staff; an intranet site for access to information; and a team-based appraisal process.

Implementation seems to involve firstly managers and selected staff, with processes in place over time to involve other staff including outdoor staff. Councillors were a difficult group to involve, with half of surveyed councils not having any councillor participation at all.

ABEF: Benefits and Disadvantages

One council described the benefits that the ABEF could provide as:

A shared understanding of future direction, understanding community expectations, employee empowerment and understanding and improving processes gives a confidence in the organisation's ability to adapt to changing circumstances.

The ABEF was described as providing a structured process for continuous improvement, a facilitator of better communication, a tool for team building and aligning the organization to corporate priorities, a catalyst for finding financial savings, and a vehicle for providing access to best practice. The activities which delivered these benefits were undertaken by the organization, and included:

- Identification of council services and processes;
- Business excellence evaluations;
- Recommendations and action plans for process improvements; and
- Process improvements linked to personal development plans.

When asked about the gaps and disadvantages in implementing the ABEF, half of the surveyed councils mentioned the effort and leadership required across the organisation. Other critical comments about the ABEF mentioned the lack of applicability of the framework language to the local government context, an insufficient coverage of community governance and political factors, and commercial copyright restrictions preventing better exchange of information.

Available Support and Future Needs

SAI Global provide a number of services, and the councils in the survey mentioned using the following:

- Purchase of documentation;
- Mentoring, support and advice;
- In-house training from SAI consultants;
- Public courses leading to qualifications eg Graduate Certificate; and
- External assessment for the Excellence Awards.

There were several positive comments about services from SAI Global, in particular about their mentoring role, network contacts and teaching methods, however they have been problematic for some councils, in particular their lack of availability, lack of focus on the local government sector and cost.

Surveys were overwhelmingly supportive of the role of the LGBEN:

The LGBEN have been a wealth of information in establishing an implementation plan. Support and advice is always available through phone calls and emails to network members. Documentation on the LGBEN website has been very useful and attendance at meetings provide valuable information, ideas and encouragement to move forward with our implementation.

The final question in the survey asked respondents about their additional support needs, and suggestions were aimed at each of these – the councils themselves, SAI Global, the LGBEN, and also ACELG. Some ideas from respondents included:

The full support of Councillors, management and staff, and an ongoing commitment to continuous improvement;

Support from SAI Global in providing training resources and more cost effective products;

Greater focus on the ABEF throughout the industry, education programs, benchmarking opportunities and partners;

Support from a not-for-profit government agency whose role is to disseminate information about what ABEF is, and provide case studies of how organisations have implemented it;

A proper national framework would also be a major improvement, and would inject more academic rigour into continuous improvement programs. The framework should be standalone and “open source”, not requiring the purchase of

ancillary proprietary products or services. The focus, use of language, and materials provided should be based around the local government industry; and

A program for managers and executives that gave awareness and insight into the BEF with benefits of its implementation and use in a local government context.

Further ACELG Research

According to SAI Global there are around 70 councils in Australia are currently using the ABEF framework, and ACELG is interested in finding out whether the framework has wider potential. ACELG has committed funds through its Governance and Strategic Leadership Program which has as its objective:

To increase understanding of effective strategic leadership, and to build the capacity of local government to achieve consistently high standards in leadership and governance.

Adopted milestones within this program include:

2010 - Review existing frameworks for business excellence in local government and determine future needs; and

2011 - Upgrade/promote frameworks for local government excellence

Other models in use elsewhere will also be reviewed as part of this research, in order to frame any content or process modifications to the ABEF which may be considered. Future options will be explored collaboratively in relation to possible alliances or initiatives between ACELG, the LGBEN and SAI Global.

Outputs and outcomes of this project will be in accordance with the ACELG guiding principles, which are:

- To be effective, the Centre must be grounded in and serve the local government system: it must not be seen as an 'outsider' organisation or one pursuing esoteric academic interests
- The Centre should be practice-oriented: whilst research is essential to promote innovation and inform policy, it should be designed to lead to practical outcomes
- The Centre should focus on adding value, filling gaps and seeding new initiatives: as a general rule it should not duplicate or compete with existing programs
- The Centre should be inclusive: it should seek the active involvement of all those with expertise and ideas to contribute
- Given limited resources, the Centre must focus on a limited number of strategic interventions.

Appendix – Survey Questions

Profiling ABEF Implementation in your Council

1. What was your Council seeking when it decided to adopt the Australian Business Excellence Framework (ABEF)?

2. How long has your Council been working with the ABEF?

3. What resources has it taken to implement the ABEF? (\$, specialist staff, consulting services etc)

4. How much have you tailored the ABEF for implementation in your Council? What kinds of materials and processes have you developed in-house?

5. Do you involve (and if so how) your Councillors? your outdoor staff? your professional staff? your managers?

Benefits and Limitations of Implementing the ABEF

6. What have been the main benefits to your Council in adopting the ABEF?

7. Have you identified and/or quantified business improvements and efficiencies resulting from implementing the ABEF? If so, what are they?

8. Have you been able to identify and/or quantify any customer benefit or community value from implementing the ABEF? If so, what are they?

9. Have you identified any gaps or disadvantages to implementing the ABEF? If so, what are they?

Support – Available Resources and Future Needs

10. What support have you received from SAI Global in implementing the ABEF? Any comments?

11. What support have you received from the Local Government Business Excellence Network (LGBEN) in implementing the ABEF? Any comments?

12. What further support would assist you in implementing the ABEF in your Council?

Thankyou for completing this survey. Your confidential and anonymous responses will assist ACELG in working with LGBEN for the promotion of excellence in local government.