

# Achieving & Sustaining Excellence in Public Services

Excellence in Government Services Adopting EFQM Model

By Sunil Thawani - May 2015

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Today, citizens (customers) have access to a wide array of products and services delivered consistently with a high level of service from the private sector, and they expect a similar level of service from the government. As seen in Figure 1, citizens have many expectations when it comes to government services.

**Figure-1 Citizens Expectations from the Government**

When dealing with the government, citizens expectations:

- *To be treated with courtesy and respect*
- *To have more and easier access to government services*
- *To be serviced faster.*
- *Services that are timely, efficient, and accurate*
- *Communications that are timely and easily understood*
- *Services at lower fees*
- *To partner with Governments to help improve their service experience*
- *Greater transparency, etc.*

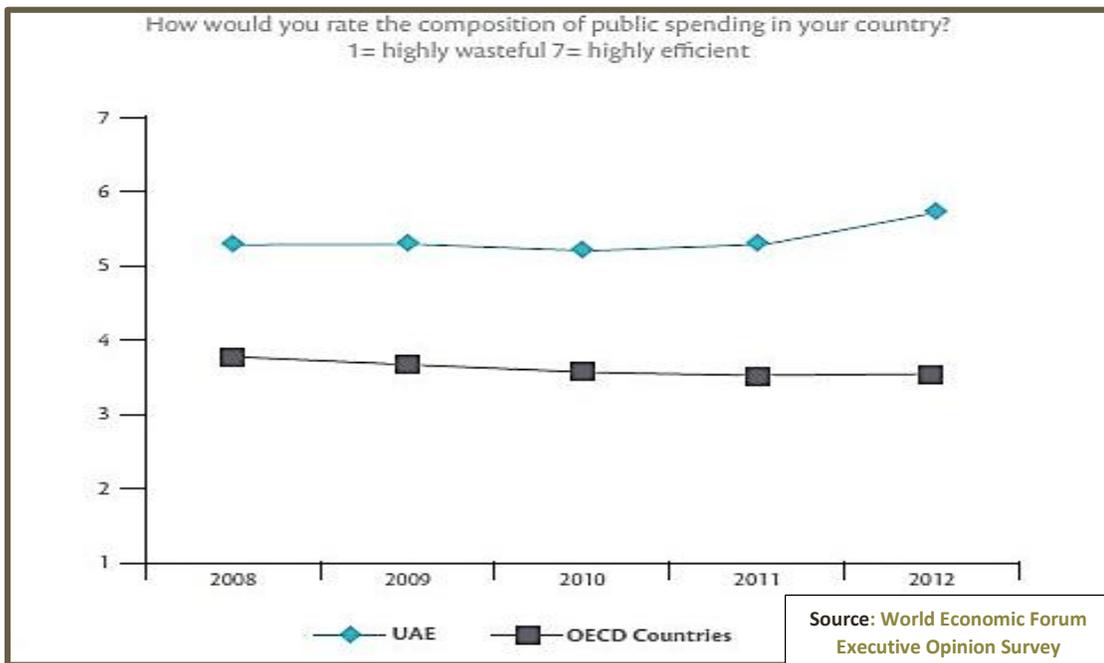
But too often, citizens experience high levels of inconvenience, inaccurate information and inconsistent delivery of services when dealing with government services, leading to low levels of satisfaction

*“When you are inspired by some great purpose, some extraordinary project, all your thoughts break their bounds. Your mind transcends limitations, your consciousness expands in every direction, and you find yourself in a new, great and wonderful world”*

*The Yoga Sutras of Patanjali.*

and confidence. According to the World Economic Forum Executive Opinion Survey, business leaders perceive that government efficiency has declined in most countries from 2008 to 2012, as seen in Figure 2. In addition to above, an earlier report from Pew Research Center, A United States-based non-partisan think tank, the percentage of U.S. citizens who agree, “When something is run by the Government, it is usually inefficient and wasteful,” increased from 53 percent in 2002 to 62 percent in 2007.

**Figure-2 Perceptions of Government Efficiency**



Governments need to deliver services accurately, quickly, consistently, timely, and securely with the convenience of anytime and anywhere with increased delivery options. And, of course, with a smile and a minimal cost.

Many governments around the world such as the U.S., United Kingdom, United Arab Emirates, Singapore, and Canada have embarked on major reforms to enhance performance by adopting various strategies such as technology investment, developing alternate delivery channels, and implementing excellence frameworks such as the Baldrige Criteria for Performance Excellence and the European Foundation for Quality Management (EFQM). However, few governments have an established record of accomplishment or reputation for managerial excellence.

Typically, Government reforms fall short. With few exceptions, reforms skim the surface, cover too little ground, take too long, and leave much of the public sector relatively untouched. The gains in

productivity have not been commensurate to the efforts – as per 2012 Deloitte research study “ Gov. on the Go – Boosting Public Sector Productivity by Going Mobile” indicates – From 1987 to 2011, while private sector productivity grew by 60 percent whereas productivity in the public sector dropped by more than 10 percent. Governments continue to be inefficient. Figure 3 provides a glimpse of What Does Inefficiency Look Like”.

**Figure-3 What does inefficiency look like?**

1. *Spending more than the necessary.*
2. *Senior managers are performing tasks that could easily be done by their subordinates.*
3. *Overlapping of roles and responsibilities among managers/functions.*
4. *Waiting for information, which leads to delays in performing work and decision-making.*
5. *Complex decision-making process (e.g. even for a simple low value procurement of goods, one can find too many committees holding up/delaying decision making).*
6. *Lack of appreciation of management system.*
7. *Lack of authority/empowerment to employees.*
8. *Inefficient processes – bureaucratic processes with built-in non-value adding tasks.*
9. *Ineffective processes – processes without any clear focus/end result.*
10. *Complex/fragmented business processes and lack of process ownership involving too much inter-department coordination.*
11. *Lack of standardization of work.*
12. *Excessive dependence on post-delivery audits rather than risk identification and mitigation.*

Below, please find examples of how governments around the world can adapt a proven and holistic management system model for increasing efficiencies and effectiveness and help create public service institutions (organizations) with a soul of service and deliver services to its citizen with a smile. Governments can seriously consider adopting proven models of excellence such as the Baldrige Award or the EFQM.

#### **EFQM Model (© EFQM)**

The EFQM Excellence Model was established in 1991 to increase the competitiveness of European businesses through a holistic framework that can be applied to any organization, regardless of size or sector, including governments. The model has adapted and evolved over time to reflect changes in the global market place. Thousands of organizations, from both the public and private sector, both inside and outside Europe, have adopted the model to improve their business performance.

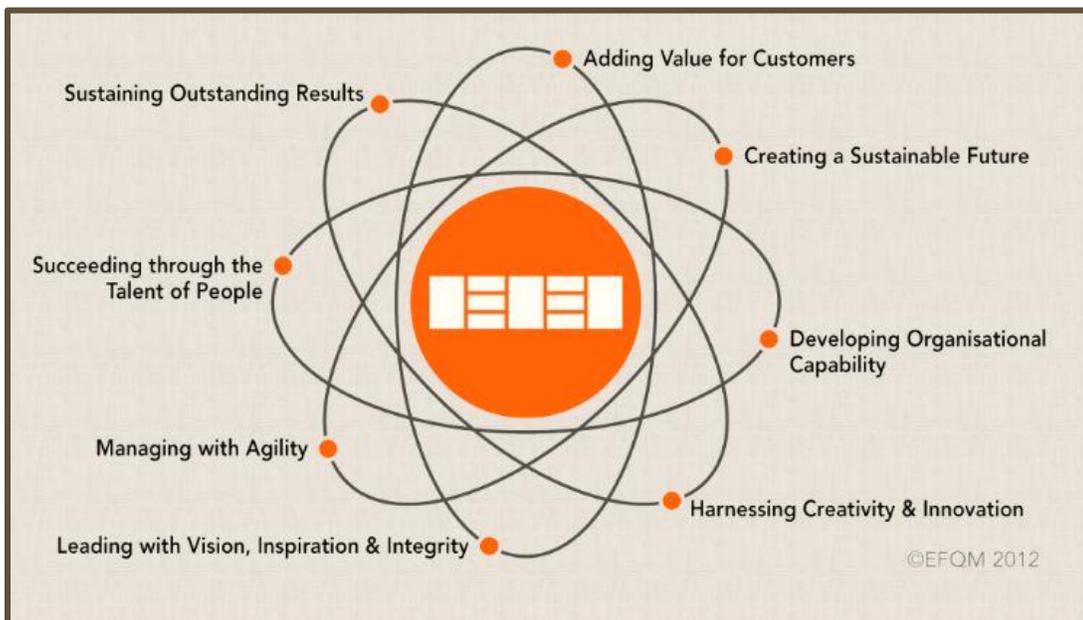
EFQM Excellence Model is an integrated model comprising of the following three components:

- a. The Fundamental Concepts of Excellence
- b. The Model Criteria
- c. The RADAR Logic

### The Fundamental Concepts of Excellence

The Fundamental concepts of Excellence (Figure-4) build foundations for organizations to achieve sustainable excellence, and can be used as the basis to describe the attributes of an excellent organizational culture. They also serve as a common language for top management. Each concept is important in its own right, but maximum benefit is achieved when an organization can integrate them all into its culture.

Figure-4 Fundamental Concepts of Excellence

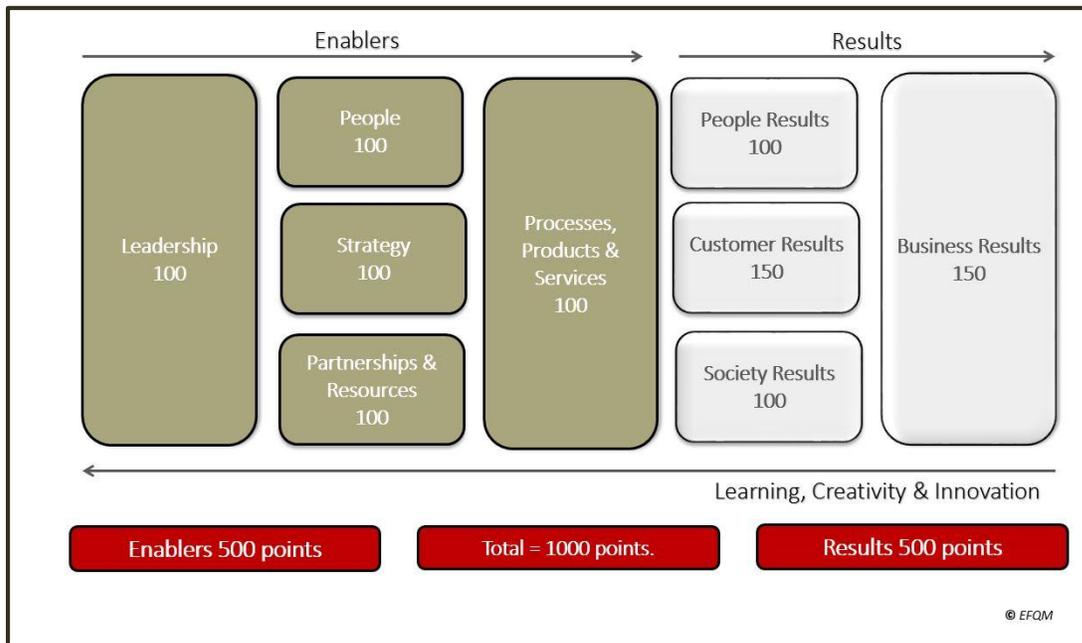


### The Model Criteria

The Model Criteria is non-prescriptive, provides a common language to all employees, and ensures that all of the management practices used by an organization form a coherent system that is continually improved and delivers the intended strategy.

The EFQM Excellence Model is based on nine criteria. Five of these are enablers and four are results. Enablers cover what an organization does and how it does it, while results cover what an organization achieves. Figure 5 is an illustration of the EFQM model, which can be applied by governments around the world.

Figure-5 – EFQM Excellence Model



*To achieve sustained success, an organization needs strong leadership and a clear strategic direction.*

**The RADAR Logic:** The RADAR logic is a dynamic assessment framework and powerful management tool that provides a structured approach to questioning the performance of an organization. It is based on Dr. W. Edwards Deming's Plan-Do-Check-Act cycle. For more information on RADAR logic, please refer to [www.efqm.org](http://www.efqm.org)

Implementing an excellence model helps an organization:

- Examine its practices.
- Benchmark against the best organizations and become role models.
- Improve performance and create a culture of continual improvement.
- Focus on quality and excellence – creating organizations with soul of service.
- Stay focused on stakeholder needs, expectations and satisfaction.

## Application of the EFQM Model to Governments

To demonstrate how the EFQM model can be deployed effectively in Government organizations, four out of eight fundamental concepts of excellence have been explained below with practical examples of implementation.

### 1. Leading with vision, inspiration and integrity

Excellent organizations have leaders who shape the future, acting as role models for its values and ethics. Government leaders should clearly demonstrate a strong commitment and visible involvement to quality and excellence by initiating actions such as:

- a. **Develop a vision and mission focused on service excellence, customers, and continual improvement.** To develop a shared vision, leaders should personally communicate the vision, mission, and values to employees, and external stakeholders such as customers. A good example can be seen from Disney World where the vision is, *“We create happiness by providing the finest in entertainment for people of all ages, everywhere.”* It is simple and easy to connect to, focused on its core purpose (*create happiness in entertainment*), with a benchmark (*providing the finest*), and customers (*everyone, everywhere*). It has imagination and inspirational perspective (*finest in entertainment*).

Similarly, its mission statement defines to all stakeholders of “What business we are in? Why/do we exist?” Governments should have a clearly defined mission. The Ritz-Carlton’s mission articulated as Credo is, “The Ritz-Carlton Hotel is a place where the genuine care and comfort of our guests is our highest mission. We pledge to provide the finest personal service and facilities for our guests who will always enjoy a warm, relaxed, yet refined ambience. The Ritz-Carlton experience enlivens the senses, instills well-being, and fulfills even the unexpressed wishes and needs of our guests.”

- b. **Establish and champion organization values.** Simply put, values are what the organization’s employees stand for and believe in. Per the 2014 American Society for Quality and Forbes research study, of about 2,300 executives and professionals globally, 1 in 2 (50 percent) reported values are not clearly understood throughout the organization. Values must be supported by actions and deeds, especially by leaders. Dr. Leonard Berry, author of the book *“Soul of Service,”* reported that to create and sustain a culture of service quality, leading service companies have established values such as joy, innovation, teamwork, respect, excellence, integrity, and social profit.
- c. **Create a dedicated excellence function reporting directly to top management** with quality and excellence topics as one of the agenda items in regular leadership meetings. Either

many governments do not have a quality and excellence function or do not employ quality professionals. What Governments typically have are “inspectors” who have a role of inspecting/enforcing compliance rather than building a culture of excellence, customer service and improvement. Contrast this to private sector businesses where quality as a profession has been recognized for more than 50 to 60 years, such as AT&T, Corning Incorporated, and Western Electric where quality gurus like Dr. Walter A. Shewhart, Dr. W. Edwards Deming worked.

However, during the last 15 to 20 years Governments have started creating a dedicated quality function. One outstanding example is the United Arab Emirates wherein visionary rulers have made it mandatory for government departments to implement excellence framework (Refer to article “UAE’s Journey towards Excellence” by Sunil Thawani). Though significant improvements have been made in this direction, positioning of the quality and excellence function within the organization is not in the right place. Its positioning varies from the strategy function to human resources to support services, etc. Ideally, it should be an independent function reporting directly to the Chairman/CEO.

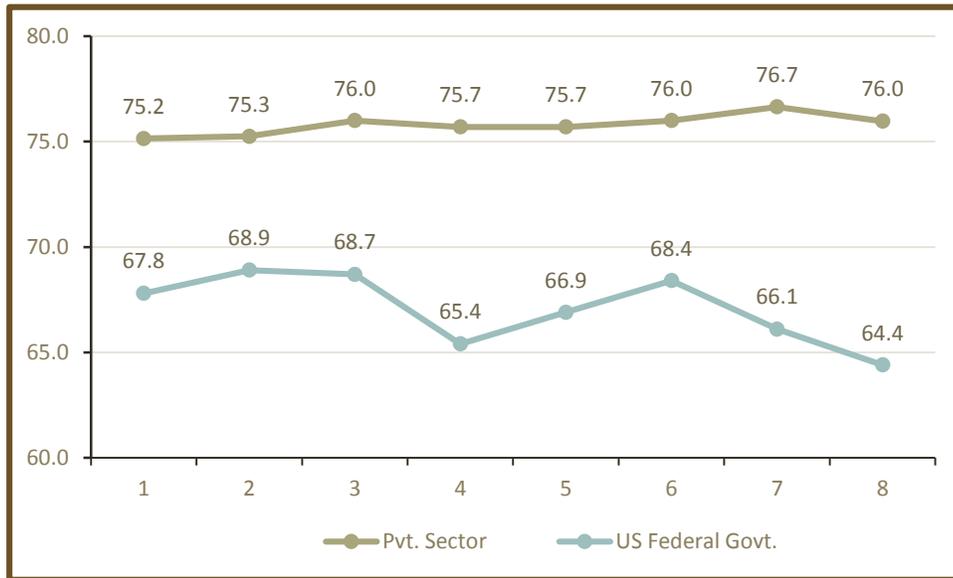
- d. **Lead and manage changes effectively:** Creating a culture of quality, service excellence is not easy. It calls for changing mindsets of people, especially in the service industry, which is all about people. However, adopting an excellence framework may not seem to be a transformation, and seem to be an easy “project,” but in the real sense, it is challenging and frustrating. Expect resistance at any of the levels, be it leadership, middle, or lower management levels. Leadership needs to adopt a change management strategy and manage the process of change effectively with minimal disruption to services and customer experience.

## 2. Adding Value for Customers

Excellent organizations consistently add value for customers by understanding, anticipating, and fulfilling needs, expectations, and opportunities.

“Customer centricity,” “customer focus,” and “customer first” are some of the most commonly used values and slogans we see in the governments. Yet customers frequently express their dissatisfaction with the service delivery and experience involving governments. The American Customer Satisfaction Index (ACSI) has been tracking and benchmarking citizen satisfaction for a multitude of U.S. federal agencies and departments for about 20 years. From 2007 to 2014, the citizens’ satisfaction rate with federal governments declined from 67.8 to 64.4 percent. Whereas the national weighted average customer satisfaction score for same period remained at about 75 percent (see Figure 6).

Figure - 6 - Customer Satisfaction - US Federal and Private Sector

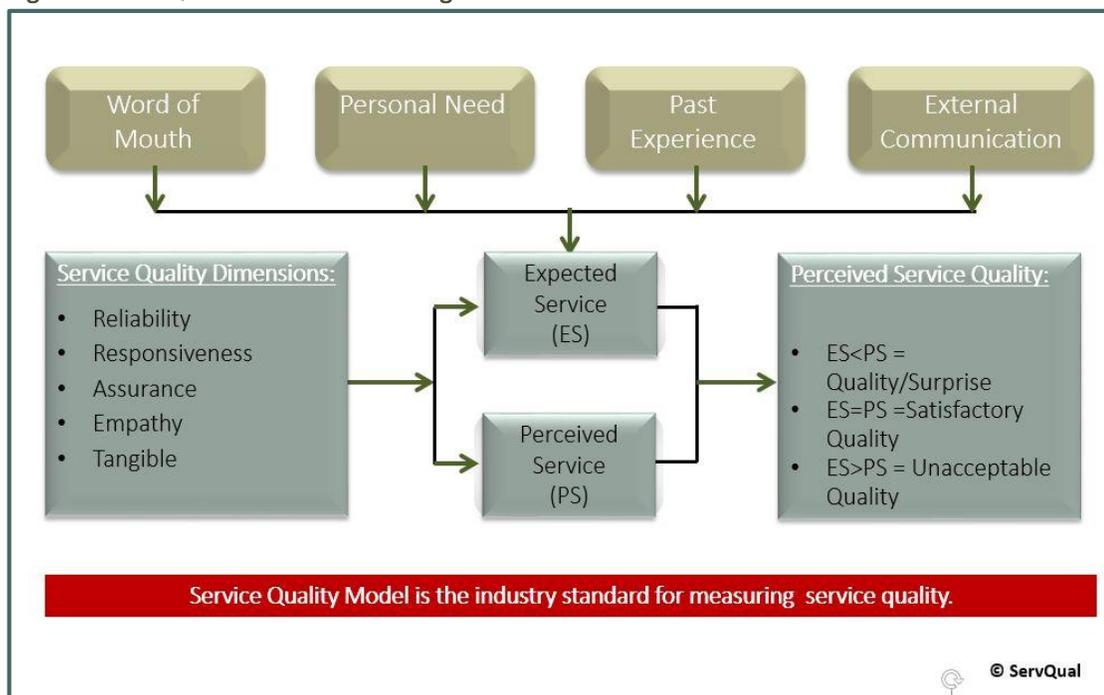


Governments seriously committed to improving customer experience need to establish and execute a clear and comprehensive customer service strategy and can consider the following:

- a. **Identify different customer groups/segments:** As different customer, (public) groups will have different needs and expectations, so governments need to identify different customer groups their departments are serving. This can be done by instituting market research studies and continually listening to customers through different channels. Customer segmentation will help service provider to design and deliver services for specific groups/segments. E.g. senior citizens seeking public services may not necessarily be technologically savvy as compared to the younger generation, thus senior citizens may prefer to use telephone or face-to-face channels rather than mobile applications.
- b. **Develop new and improved services:** Based on the needs and expectations of different customer groups, develop new and/or improve current public services, or retire services that are no longer needed/effective.
- c. **Listen to customers continually:** Customer satisfaction surveys, customer complaints, and mystery shopping are some of the most commonly used structured channels for listening to the voice of the customer. This is not enough. Governments need to establish comprehensive customer listening strategies and programs to include other channels, such as focus groups, service reviews, compliments analysis, etc. Customer listening strategies should clearly define what methods are used, when, how often, and why.

- d. **Establish service quality index:** Similar to financial or operational performance index/metrics, governments can consider developing a service quality index based on the outcomes/measures resulting from customer listening methods. These can be developed and implemented at each department level, and also aggregated at the entire government level.
- e. **Service standards:** Establish customer experience standards/ codes that shape and support every aspect of the customer experience. Standards can be set using the ServQual Framework developed by Dr. Valerie Zeithmal, Dr. A. Parasuraman, and Dr. Leonard Berry (see Figure 7), focusing on reliability, responsiveness, assurance, empathy of service design and delivery including tangibles.

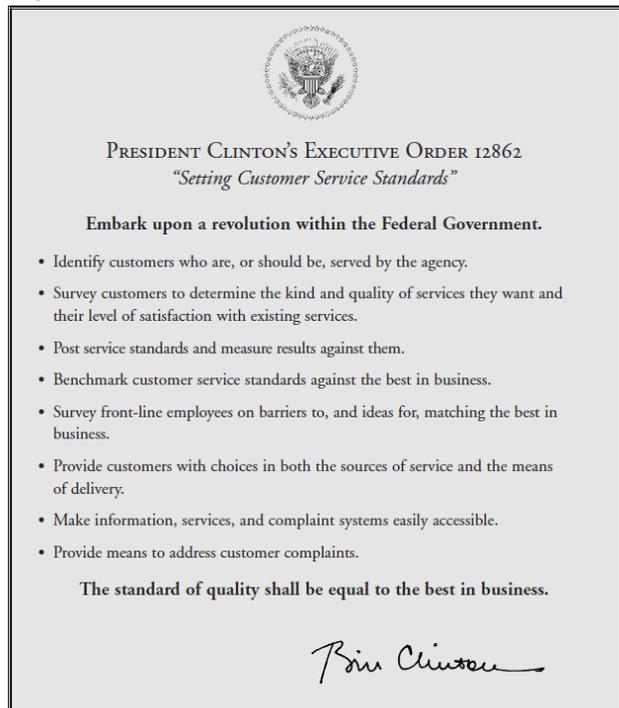
Figure -7 ServQual Model for Achieving Service Excellence



In another example, in 1993, U.S. President Bill Clinton issued an Executive Order setting Customer Services Standards (see Figure 8)

- f. **Outreach and education:** Reach out to various customer groups/segments to support service awareness and educate service users on how to derive maximum value from services. Focus should be on convenience to customer, reliability and availability of services, ease of doing business with the government, etc.
- g. **Service recovery:** Establish a process of responding to service delivery that did not meet or exceed the customer's original expectations. If done well, the service recovery process should often result in improved customer satisfaction due to the customer feeling valued by the public service provider.

**Figure- 8 Executive Order**



A good example is of the United Arab Emirates. With a vision to be among the best countries in the world by the year 2021, in March 2011, His Highness Sheikh Mohammed bin Rashid Al Maktoum, UAE Vice President, Prime Minister, and Ruler of Dubai launched Emirates Government Service Excellence Program aiming to raise the efficiency of government service delivery to 7 stars level by focusing on the customer and strengthening government efficiency. <http://www.moca.gov.ae/?lang=en>. This program considers many of the ideas listed above.

**3. Succeeding through the talent of the people**

Excellent organizations value their people and create a culture of empowerment for the achievement of both organizational and personal goals.

Typically, service delivery has a high people content. Creating and sustaining a successful and service oriented operation is unquestionably a difficult task, as maintaining the services

provider's energy, commitment, skills, and motivation, day after day, month after month, is a daunting task. Therefore, services are all about people and their motivation to deliver excellence. The people responsible for serving customers need to be continually inspired, encouraged, supported, trained, cared for, and respected. All this is possible only if leadership truly believes in people.

To unleash the creativity of employees, some of the key actions leadership can initiate are:

- a. **Drive out fear:** No employee can put in his/her best performance unless he/she feels secure. Fear takes on many faces in the organization, including an employee who is:
  1. *Afraid to express ideas*
  2. *Afraid to ask questions*
  3. *Afraid of learning something new*
  4. *Afraid of losing his/her job*
  5. *Afraid of not always having an answer when his/her boss asks a question*
  6. *Afraid of making a mistake*
  7. *Afraid of not achieving daily production quota/completing task on time*
  8. *Afraid of a low performance rating in annual performance appraisal etc.*

As per Dr. Deming, driving out fear among employees ([Principles of Transformation](#)) is one of first and foremost roles of leadership.

- b. **Attract the right human talent.** People are assets. Correct? No. The right people are assets. To attract the right talent, CEOs of many successful organizations ensure hiring of people is in line with organizational values, and are actively involved in the hiring process. Once new employees are hired, some leaders spend few hours with them to ensure they understand the organization's culture.
- c. **Build, maintain, and enhance people competencies and their performance:** Training people is an investment and not a cost. As a learning and development policy, many organizations ensure each employee receives a minimum of 40 hours of training per year. Others provide financial support to their employees to further their education. Governments such as Singapore have established and/or collaborated with schools/universities to build government employees' competencies.
- d. **Empower people:** Enable each person in the organization to take responsibility to solve problems and improve his/her own work.
- e. **Develop staff recognition and reward system for service performance:** To recognize performance, motivate others and create a culture of service excellence and performance, establish staff recognition and reward program that is based on principles of fairness, transparency, well defined criteria and is objective.

- f. **Genuinely care for your people:** It can include ensuring work-life balance, health care insurance, going beyond the minimum applicable legal/regulatory requirements such as annual leave and end of service benefits. Large government departments in the UAE such as Dubai Electricity and Water Authority (DEWA), Dubai Women's College campus have opened pre-nursery schools for employee's children during work hours.
- g. **Listen to your people:** Establish various practices of listening to your people, including staff suggestion schemes, town hall meetings, staff satisfaction/engagement surveys, etc. Use voice of staff to improve people policies, welfare, benefits, services, etc.
- h. **Sharing best practices:** Establish system of sharing best practices and knowledge among employees

#### 4. Sustaining Outstanding Results

Excellent organizations achieve sustained outstanding results that meet both the short-term and long-term needs of all their stakeholders, within the context of their operating environment.

To make informed decisions and choices, and predict future performances, decision makers need accurate and timely information and analysis on their operational performance and stakeholders. However, organizations, including the governments, are typically drowning in data and yet starving for information. Measures help manage risks effectively and in a timely manner.

Leaders need to ensure:

- a. **Establish comprehensive measurement and review system:** To achieve an organization's vision, mission, and strategic goals, leaders need to establish a qualitative and quantitative measurement framework covering performance of all the stakeholders (i.e. customers, employees, partners, society, regulators, etc.).

Public and private sector organizations are extensively using balanced scorecard (BSC) framework, a strategy performance measurement framework developed by Dr. David Norton and Dr. Robert Kaplan. It provides a "dashboard type" summary view of organizational performance on four perspectives, namely financial, customer, internal processes, and learning and growth.

- b. **Strategic measures linked to vision:** Ensure measures are linked to vision and mission, so that achievement/progress towards fulfillment of vision and mission can be measured and monitored.

- c. **Service Quality Index/Service Scorecard:** In addition to BSC, service organizations such as FedEx have also developed service quality index/service scorecards. Widely applicable service-related measures are:
- *Service performance*
  - *Quality improvement*
  - *Cost of poor quality*
  - *Performance of key business processes*
  - *Customer satisfaction and loyalty*

Another appropriate measurement framework for service quality is the SERVQUAL model developed by Dr. Valarie Zeithamal, Dr. A. Parasuraman, and Dr. Leonard Berry. The SERVQUAL model is a framework for determining and prioritizing critical factors in designing and delivering quality services. These critical factors are reliability, assurance; tangibles, empathy, and responsiveness (refer figure 7).

Organizations using the SERVQUAL model deploy a questionnaire that measures both the customer expectations of service quality in terms of these five dimensions, and their perceptions of the service they receive. When customer expectations are greater than their perceptions of received delivery, service quality is deemed low.

- d. **Establish lagging indicators and leading indicators :** Where feasible, establish lagging indicators based on leading indicators, such as customer satisfaction with on-time delivery of services (lagging indicator) with the time taken to deliver service (leading indicator).
- e. **Establish measures of effectiveness and efficiency:** Include measures of effectiveness and efficiency, such as customer satisfaction with the quality of resolution of complaint (measure of effectiveness) and time taken to resolve complaint (measure of efficiency).
- f. **Establish a mix of measures:** Consider establishing qualitative and quantitative measures of performance (refer figure 9).
- g. **Integrity of data:** Ensure integrity of data and results with timely performance reporting so that data and reports are reliable, timely decisions can be taken, and when needed, future performance can be predicted.

*Remember, do not measure anything and everything; measure only a vital few/small number of key measures rather than too many which can result in losing focus.*

With business intelligence applications/big data analytical tools and software available in markets, such as SAS, COGNOS etc., there is a huge opportunity for governments to analyze public services data to gain deeper insights into the performance of services/operations, and thereby make strategic decisions, develop policies to do the right things, significantly enhance business performance, attain higher efficiencies, etc. Governments in Canada, Singapore, the U.S., Australia, and the U.K. are a few examples wherein governments have effectively used data analytics.

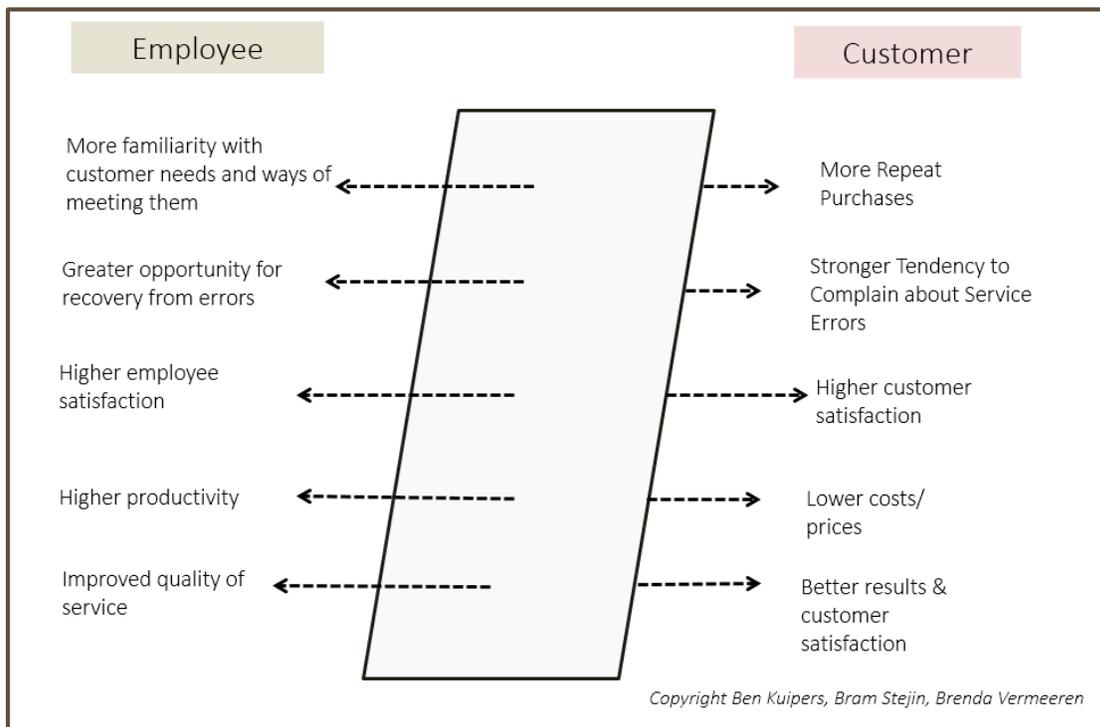
**Figure - 9 Sample Performance Measures**

Stakeholder	Qualitative	Quantitative
<b>Customers</b>	<ul style="list-style-type: none"> <li>Customer satisfaction.</li> </ul>	<ul style="list-style-type: none"> <li>On-time delivery of services.</li> <li>Accuracy in service delivery.</li> <li>Time taken to deliver service.</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>Employee engagement.</li> <li>Employee satisfaction.</li> </ul>	<ul style="list-style-type: none"> <li>Employee’s attrition rate.</li> <li>Investments in capacity and competence building.</li> </ul>
<b>Partners</b>	<ul style="list-style-type: none"> <li>Partners’ perception of services.</li> </ul>	<ul style="list-style-type: none"> <li>Supplier’s performance.</li> </ul>
<b>Society</b>	<ul style="list-style-type: none"> <li>Society’s perception of service provider in terms of trust, ethical working, care for environment.</li> </ul>	<ul style="list-style-type: none"> <li>Carbon footprint.</li> <li>Utilities consumption.</li> </ul>
<b>Regulators</b>	<ul style="list-style-type: none"> <li>Regulator’s perception of organization’s performance on compliance, integrity, fairness, and transparency.</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to applicable legal and regulatory requirements.</li> </ul>

**Challenges of improving government performance and creating organizations with a soul of service.**

Service industry is typically people intensive hence; quality of the service performers is integral to the quality of the customers' experience. (See The Satisfaction Mirror figure 10).

**Figure – 10 The Satisfaction Mirror**



Leaders of Public Service Provider need to appreciate the following aspects:

- a. Excellence in serving requires listening, helping, caring by service provider (e.g. education, community policing sectors).
- b. Many service jobs are low wage and low skill with limited career development opportunities.
- c. Service work can be demanding, exhaustive, and repetitive (e.g. call center employees).
- d. Some services have high emotional component for service provider (healthcare).
- e. People deliver a more variable service than machines.
- f. People differ from one another in their attitude, personalities, and skills.

In view of the above, leaders should continually motivate service providers, develop suitable strategies and initiatives to build people capabilities, competencies (behavioral aspects), establish motivational reward and recognition programs, support people with resources including required information, and above all, genuinely care for their employees.

Some of the other major challenges government experience are the lack of political will, support to reform government services, and financial resources limitations.

### Recommendations

For governments to stay relevant, accountable, and transparent, be responsive to rapidly changing conditions and citizens' expectations, making it easy to do business with, etc., governments can consider the following recommendations:

1. **Enhancing transparency of performance:** This is the first step toward improvement and building capability. Start measuring performance and productivity meaningful to customer/public and operational performance. Widely publicize performance with stakeholders. Adopt a balanced score card framework.
2. **Promote a shared vision** of service excellence and values.
3. **Drive out fear among employees**
4. **Promote long-term planning**
5. **Gain valuable insights from leading private sector firms** on what drives efficiency and customer services. Benchmark and match performance with best-in-class private sector organizations such as Toyota, The Ritz-Carlton, GE, and winners of Baldrige, EFQM Excellence Award, or Deming Prize.
6. **Recognize and reward quality service:** What gets rewarded and recognized gets repeated. Establish a service excellence improvement program and start recognizing and rewarding people for delivering quality services.
7. **Improve management practices to drive out inefficiencies.** Establish a program such as lean to continually improve efficiencies, customer service, and simplify procedures. Reengineer business processes to make it easy for citizens to deal with the government, especially wherein it requires people to interact with several departments to receive clearances.
8. **Adopt proven management system frameworks and standards** such as EFQM/ServQual/Quality (ISO: 9001)/customer complaints (ISO: 10002)/risk management (ISO: 31000), etc.
9. **Continually listen to customers and improve customer experience** using a variety of tools such as customer surveys, complaints management, focus groups, etc.
10. **Train staff on delivering quality customer service.** Not everyone is born knowing how to serve customers.
11. **Create flexibility in deploying people and resources.**

Conclusion:

Leadership's commitment and visible involvement to quality, customer service, and continual improvement is absolutely essential. If there is no leadership commitment, I strongly recommend to not even start their journey towards Excellence.

*"At every level the greatest obstacle to transforming the world is that we lack the clarity and imagination to conceive that it could be different." Dr. Roberto Unger, Harvard Law School.*

About the Author:



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