

Organizational Excellence Specialists



THE CURRENT STATE OF MUNICIPAL EXCELLENCE IN ALBERTA



October 2022

Table of Contents

1	EXECUTIVE SUMMARY.....	3
2	INTRODUCTION	8
2.1	Background.....	8
2.2	Assessment Tool.....	9
3	FINDINGS.....	12
3.1	GLOBAL RESEARCH STUDY	14
3.1.1	GOVERNMENT FINDINGS.....	14
3.2	FULL ASSESSMENT.....	15
3.2.1	OVERALL PRINCIPLES	17
3.2.2	OVERALL KEY MANAGEMENT AREAS.....	19
3.2.3	KEY MANAGEMENT AREAS AND RELATED PRACTICES	21
3.3	INTERRELATIONSHIPS BETWEEN PRINCIPLES AND PRACTICES	42
3.4	SUMMARY.....	44
4	CONCLUSIONS, INSIGHTS AND RECOMMENDATIONS	46
	APPENDIX 1 – International Standard Industrial Classification	49
	APPENDIX 2 – Interrelationships Chart – Alberta municipalities.....	51

1 EXECUTIVE SUMMARY

The Current State of Municipal Excellence in Alberta is the first of its kind for Alberta municipalities and provides a high-level snapshot of the current state of excellence in municipalities.

The aggregated results from the pre-conference survey conducted on the current state of municipal excellence in Alberta suggest a promising future for local government.

This report is the result of a larger Organizational Excellence Initiative conducted in collaboration with GFOA for the ***Energizing the Future Conference 2022***. This initiative began with a pre-conference assessment using the Organizational Excellence Framework. Each municipality that participated received a complimentary Teaser Report with their results. Conference participants were invited to review their results and learn more about Organizational Excellence at a conference breakout session.

Finally, all the results gathered were aggregated and **The Current State of Municipal Excellence in Alberta Report** was developed.

Methodology

The Organizational Excellence Framework assessment tool allows respondents to self-assess against the principles and best management practices common to high performing organizations.

50 municipalities completed the survey, representing approximately 15% of all municipal organizations in Alberta (N=333).

These local responses were benchmarked against the results collected by Organizational Excellence Specialists (OES) from 64 government organizations across the globe.

This initiative, as well as other Public Sector initiatives OES is leading will help increase participation in and add more data to our Global Research Study.

Findings: How do Alberta municipalities measure up?

The Principles of the Organizational Excellence Framework describe the degree to which the organization has a culture of excellence.

The total overall average rating on the Principles for Alberta municipalities was 6.86 compared to 6.57 for All Government Organizations (scale of 1-10).

'Data-based decision making' was the lowest rated principle. 'Leadership Involvement', 'Focus on the Customer' and 'Societal Commitment' with similar ratings were at the high end.

"Not sure how to collect data on performance measurement in relation to municipal government duties"

Average results for Alberta municipalities were slightly higher than the overall ratings for All Government Organizations for most Principles. This indicates that Alberta municipalities have a slightly stronger culture committed to excellence than the global governmental counterparts.

The Key Management Areas assess the degree to which the organization has deployed the best management practices common to high performing organizations. The overall average rating on the Key Management Areas was 4.23 for Alberta municipalities compared to 4.79 for All Government

Organizations (scale of 1-10). So, Alberta municipal results reflect a slightly lower result than the global comparators when it comes to implementing the best management practices.

It should come as little surprise that the 'Governance' Key Management Area was rated highest. And while all Key Management Areas were rated in the 'good start' and 'doing well' ranges, 'Planning', 'Work Processes' and 'Suppliers and Partners' were rated lowest by Alberta municipalities.

The overall Key Management Areas and the degree to which best practices have been deployed were rated lower, in general, by Alberta municipal respondents than the global government respondents.

Generally, the level of the best practice ratings in the 'good start' category reflects the maturity of municipal organizations in Alberta with respect to excellence. A 'good start' in best practice deployment indicates the beginning of a systematic approach, effective deployment in some major areas, work processes that are stable and understood, some good results and a focus on 'prevention'. The open-ended comments added narrative around these characterizations.

"I notice that we are putting out a lot of fires and not necessarily putting processes in place to not let the fire occur all the time."

For a community of organizations only marginally aware of excellence and most respondents participating for the first time in this type of assessment, these results are quite good.

While there is plenty of room for improvement in a number of areas, the results point to a relatively strong culture of excellence which is an important building block to implementing best practice and achieving exceptional results across a balanced system of measurement.

Insights

Below are some key insights gleaned from the results and open-ended comments:

First, it is not surprising that ‘Governance’ was the highest rated Key Management Area. As one respondent commented, “Governance is the foundation of government”. Likewise, some of the highest rated practices link closely to governance such as: ‘Ensure governance system meets obligations’, ‘Establish governance processes at all appropriate levels’, ‘Financial Performance’, ‘Performance accomplishments and program outcomes’, ‘Act as a model of good practice for the community’, ‘Align employees on the importance of the customer’, ‘Manage security of resources’, and ‘Demonstrate responsibility to society and the environment’. It is logical and reassuring to see higher performance by municipal organizations in these areas.

Risk management is identified as an area of opportunity for municipalities. While this subject area is a relatively new focus for municipal leaders, its use in assessing strategic goals and objectives, and to address other areas of low performance such as gap analysis and resource allocation could have a significant impact on advancing municipal performance.

Alberta municipalities do a great job of supporting professional development of their senior management and leaders. This may reflect a creative approach to bolstering compensation packages which are historically less attractive in government than in private industry. This same creative

“As a management team we are looking at ways to engage, educate, partner and/or involve stakeholders in some strategies.”

and innovative approach could be used to tackle the dilemma of linking senior management rewards and recognition to performance. As custodians of the public purse, municipalities generally avoid individual financial rewards for performance. However, perhaps there is an opportunity to seek more innovative ideas around this historical dilemma.

Though the rating for the ‘Focus on customer’ principle was one of the highest, government organizations could improve how they define and segment customers. This links to the lower-rated practices of allocating resources and engaging stakeholders. Establishing a very clear understanding of the municipal customer and defining segments can help the municipality to adjust service delivery to meet expectations and target resources with the maximum effect. Seeking to learn about municipal customers could also include more involvement with suppliers and partners when designing and analyzing processes and developing new products and services. Such collaboration will help move municipal government away from a ‘one size fits all’ mentality regarding service delivery.

The open-ended comments included a key challenge faced by municipal government which is the need for more time and capacity and limited financial resources to allocate to improvement activities. The National Quality Institute¹ did a study on the cost of quality with small and medium size organizations in Canada and found that 32% of payroll in small and medium-sized organizations in Canada was being spent on non-value adding activity and this cost was higher for service organizations as opposed to manufacturing. There is a real opportunity for municipalities to study the extent of such non-value adding activity so that resources can be reallocated and aligned like a laser with strategic imperatives.

“The organization can be better aligned by putting more emphasis on developing and improving current plans more frequently to update them to the changing environment.”

The assessment ratings and comments have identified opportunities for municipalities to seek support in implementing a more robust balanced system of measurement and to use key performance measures to drive performance in key management areas such as Work Processes, Suppliers and Partners and Resource Management.

Recommendations

The following are recommendations for Alberta municipal finance leaders wishing to create sustainability and increase trust in government with an inside out approach beginning with specific improvements to finance-related practices:

1. Aligning leadership on what is important – risk management, rewards and recognition
2. Conducting more in-depth planning – alignment, risk, contingency plans, capability gap analysis, communication
3. Understanding customers better – research, responding to feedback, presence in marketplace
4. Capitalizing on employee talent – HR planning, communication, innovation
5. Working collaboratively with stakeholders – plans, processes, products and services, standards

When implementing improvements, it is best to identify a few items that your organization has the capacity to work on. One tactic to use in prioritizing the opportunities for improvement is to review the organization’s core business processes and strategic direction to find opportunities which will create value and help accelerate achievement of priority outcomes.

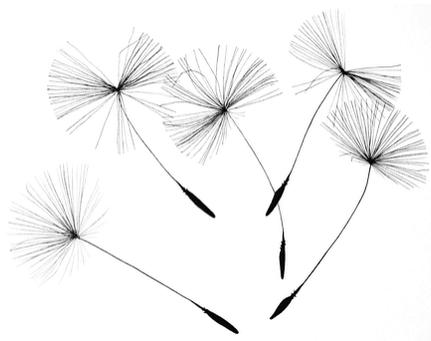
The assessment results show optimism that Alberta municipalities have a continuous improvement mindset and are perpetually striving for higher performance. As municipalities engage more intentionally in improvement activities, they will develop a sound systematic approach to each Key

¹ Founded in 1992 by Industry Canada as the National Quality Institute (NQI) and rebranded as Excellence Canada in 2011

Management Area, there will be more effective deployment of the best practices common to high performing organizations, positive results will be sustainable, and the outcome will be higher performance across the organization.

“More could be done to ensure the value provided by the organization is communicated to customers and to also ensure all voices are heard in a respectful manner.”

“Intermunicipal collaboration - never ending opportunities for reassessment and improvement.”



2 INTRODUCTION

Organization Excellence Specialists has collaborated with the Government Finance Officers Association of Alberta (GFOA) to assess the ***Current State of Municipal Excellence in Alberta*** using the Organizational Excellence Framework (OEF). The OEF is a publication based on the best management practices found in leading global excellence models that have been validated to work by over three decades of research. The OEF is unique in that it ‘integrates’ these models and provides ‘implementation guidelines’ used by seasoned management consultants and excellence professionals.

The assessment with Albertan municipalities was conducted in conjunction with the GFOA ***Energizing the Future Conference***. Municipal organizations in Alberta and GFOA members were invited to participate in the OEF Full Assessment which gauges the culture of excellence and deployment of best management practices in the organization.

Assessment results were aggregated and are presented in this report alongside the aggregated assessment results for Government organizations across the globe which have been collected through the *Global Research Study* led by Organizational Excellence Specialists over the past 7 years and supported by global quality organizations <https://organizationalexcellencespecialists.ca/workshops-events/global-oe-index/>.

This special report, produced exclusively for Alberta municipal organizations and GFOA Members, endeavors to deliver valuable insights into the state of excellence and level of performance for municipal government in Alberta and compare assessment results with similar organizations in the global public sector.

2.1 Background

Over three decades of global research has validated the positive relationship between implementing an excellence model and developing a culture committed to excellence and improving organizational performance across a balanced system of measurement. Much of this research has focused on the organizations that have successfully applied excellence models such as EFQM and Baldrige.

The aggregate findings of the global study have continued to provide value for the excellence community in general and for the working population at large:

- Creating awareness about excellence models
- Providing dashboard results on the aggregate ratings
- Sharing reports on the webpage <https://organizationalexcellencespecialists.ca/workshops-events/global-oe-index/>, at numerous international conferences and with various LinkedIn groups
- Encouraging organizations to compare their current state and share best practice with others

The potential long-term benefits of this type of work are envisioned to make a profound contribution. As organizations learn about excellence models, participate in the excellence initiatives, and strive for better performance, these organizations will improve performance and ultimately contribute to their local economy, trade and resident quality of life. Over the long term, such an undertaking ultimately allows more organizations to participate sustainably in the global economy and make the world a better place for future generations.

This report focuses on the assessment results for local government in Alberta and compares these results against the data gathered from government organizations all over the world.

2.2 Assessment Tool

The assessment tool used in the research was based on the Organizational Excellence Framework publication depicted by the illustration in Figure 1 (© 2010 Dawn Ringrose). The publication ‘integrates the leading global excellence models’ that define the Principles and Best Management Practices of high performing organizations and is unique in that it ‘provides implementation guidelines’ used by management consulting professionals. The publication is available for download at no charge at <https://organizationalexcellencespecialists.ca/> and a high-level version of the assessment tool is found in Appendix 3 of the publication. There is also a listing of Principles and Best Management Practices, with applicability to Micro-size and Larger-size organizations, found in Appendix 3 and provided here <https://organizationalexcellencespecialists.ca/wp-content/uploads/2014/11/Overview-of-the-Organizational-Excellence-Framework.pdf>

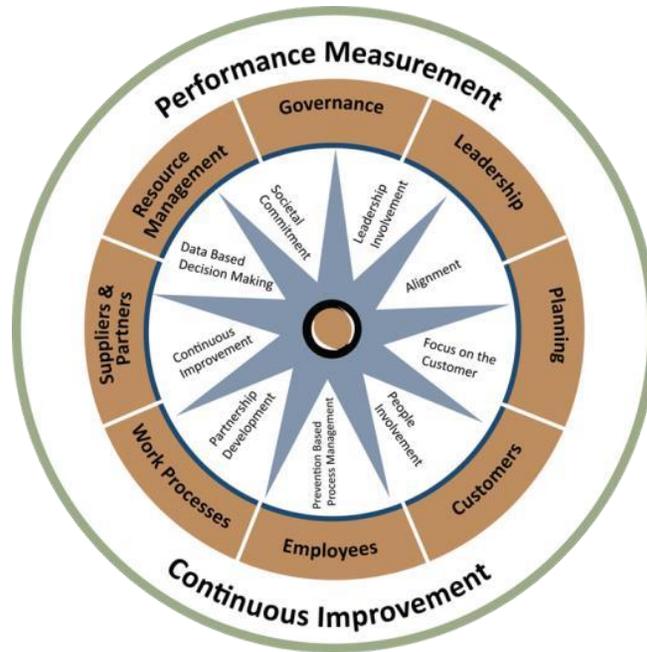


Figure 1. Organizational Excellence Framework (©2010 Dawn Ringrose)

The automated assessment tool allowed respondents to self-assess against the Principles and Best Management Practices. The Assessment on the Principles (n=9) used a subjective rating scale (e.g. observation, experience) and the Assessment on the Best Management Practices (micro size n=51 practices, larger size n=102 practices), used an objective rating scale (i.e. approach, deployment, results).

Assessment on Principles:

Principle	Low	Low-Medium	Medium	Medium-High	High
Assessment	0%-20%	21%-40%	41%-60%	61%- 80%	81%-100%
Chart	0.0 - 2.0	2.1 - 4.0	4.1 - 6.0	6.1 - 8.0	8.1 - 10.0

Assessment on the Best Management Practices:

Practice	Just Beginning	Good Start	Doing Well	High Performance
Assessment	0%-25%	26%-50%	51%-75%	76%-100%
Chart	0.0 - 2.5	2.6 - 5.0	5.1 - 7.5	7.6 - 10.0

Special Assessment for GFOA

Building on this global research study, a special assessment was carried out for GFOA members. Survey instruments were available to Alberta municipal administrative personnel through direct invitation, member email distribution and social media channels.

The Full Assessment required between 40 and 60 minutes depending on organization size.

As a thank-you for participating in the pre-conference Survey, respondents were provided several incentives including: downloading a copy of the Organizational Excellence Framework publication (240 pages), comparing their ratings to others when reports were published and receiving a short feedback report on the Full Assessment. All respondents who completed the pre-conference survey and who also attended the GFOA ***Energizing the Future Conference*** were entered to win an Organizational Excellence Prize Package valued at \$1,500. The prize included:

- A detailed assessment results report with individual action plans to address low rated practices
- 5 hours of consulting time with Licensed Professional at Organizational Excellence Specialists
- The Organizational Excellence Framework© and tools

Respondents were promised that individual organization data would be held in strict confidence and only aggregate data would be reported.

3 FINDINGS

Findings included aggregate results for the Full Assessment completed by Micro and Small/Medium/Large municipalities in Alberta. The Alberta municipal findings have been compared to the Organizational Excellence Specialists Global Research Study findings for the Government sector (See section 3.2 below).

The Assessment asked respondents to self-assess against nine Principles that described the culture of excellence in their organization:

1. Leadership involvement – ensuring senior management is committed and actively involved in establishing and communicating direction.
2. Alignment – understanding the organization is a system of interrelated and interconnected work processes and all activities need to be aligned with the established direction.
3. Focus on the customer – ensuring the primary aim of everyone in the organization is to understand and meet the needs of the customer.
4. People involvement – nurturing and reinforcing cooperation and teamwork and giving employees the opportunity to develop their full potential.
5. Prevention based process management – establishing consistency in work processes and developing a mindset of prevention.
6. Partnership development – developing and maintaining value-adding relationships with suppliers and partners.
7. Continuous improvement – harnessing the collective knowledge, skills, and creativity of stakeholders to relentlessly pursue improvement.
8. Data based decision making – basing decisions on performance measurement findings.
9. Societal commitment – striving to understand and demonstrate corporate commitment to society.

The Assessment also had respondents rate the Best Management Practices across nine Key Management Areas for their organization. Each of the Key Management Areas is described below:

1. Governance – focuses on defining and implementing good governance practices: identifying governance responsibility to stakeholders, implementing an effective governance system and acting as a model of good practice to internal and external stakeholders.

2. Leadership – focuses on defining and implementing strong leadership practices: creating a culture committed to excellence, developing a strategic plan and communicating it to stakeholders, sharing responsibility and accountability throughout the organization, communicating openly about organizational performance, and removing barriers to organizational effectiveness.
3. Planning – focuses on defining and implementing solid planning practices: creating a business plan that aligns with strategic direction, communicating the plan to stakeholders, allocating resources to ensure effective implementation, monitoring and reviewing the plan regularly and making changes as required.
4. Customers – focuses on defining and implementing good customer practices: understanding the customer, aligning employees on the importance of the customer, making it easy for the customer to do business and provide feedback, and reaffirming the organization’s presence and approach in the marketplace.
5. Employees – focuses on defining and implementing strong employee practices: undertaking human resource planning that supports organizational plans, recruiting, selecting, training, and developing employees, encouraging employees to share suggestions and ideas aimed at improvement, rewarding and recognizing strong performance of individuals and teams, and ensuring a healthy workplace environment.
6. Work Processes – focuses on defining and implementing solid work process practices: designing, documenting, and managing work processes, analyzing and improving work processes, taking corrective action when problems occur, preventing recurrence of problems by making changes to work processes, and using benchmarking to evaluate performance.
7. Suppliers & Partners – focuses on defining and implementing mutually beneficial supplier and partner practices: using criteria to select suppliers and partners, developing win-win relationships, sharing information about strategic and business plans, and working together to develop products, services and standards.
8. Resource Management – focuses on defining and implementing solid resource management practices: defining resource requirements, developing a strategy to manage resources wisely, managing the adverse impact of operations on the environment and society, and preparing for resource interruptions.
9. Continuous Improvement and Performance Measurement - focuses on evaluating and improving the approach to each management area, measuring performance in each management area, and measuring overall organizational performance.

3.1 GLOBAL RESEARCH STUDY

First of its kind

On March 31, 2015, the Organizational Excellence Technical Committee QMD, ASQ (OETC) launched the ‘first global assessment on the current state of organizational excellence’. This research was supported by global quality organizations such as the Global Benchmarking Network, International Academy for Quality and ISO Technical Committee 176 and voluntarily led by Organizational Excellence Specialists (OES). The project was intended to provide data on the extent to which organizations are characterized by the Principles and have deployed the best management practices of high performing organizations and that are found in leading excellence models (e.g. EFQM, Baldrige, Canadian Framework for Excellence, Australian Business Excellence Framework).

Since 1990, global research has validated the positive relationship between implementing an excellence model and developing a culture committed to excellence and improving organizational performance. Much of this research has focused on the organizations that have successfully applied an excellence model.

Out of the 1,963 respondents (second report published 2021), data is available for 64 Government type organizations in 14 government-related industry sectors. The aggregate findings for these organizations provide a snapshot on the current state of organizational excellence for government around the world and that we can use to compare against the results of participating municipalities (50) in Alberta. In addition to the ratings, open-ended comments will provide further feedback on strengths and opportunities for improvement.

3.1.1 GOVERNMENT FINDINGS

All Government responses have been selected from the Global Research Study data to provide a comparison to the Alberta municipal data.

The Global Research Study included 64 responses from all size of organizations of Government type and within 14 government-related industry sectors, across the 7 regions of the world.

These findings offer relevant comparative information to illustrate the current state of municipal excellence and how Alberta municipalities measure up to other governmental organizations globally.

3.2 FULL ASSESSMENT

Table 1. Full Assessment Statistics

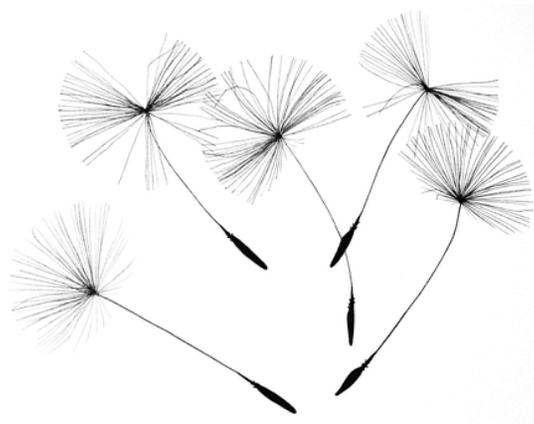
	Alberta municipalities	Global Government Organizations	Total Respondents		Alberta municipalities	Global Government Organizations	Total Respondents
ORGANIZATIONS	52	64	116	ROLE:			
INDUSTRY SECTORS	1	14	n/a	Leadership	25	10	35
REGIONS	1	7	n/a	Management	22	31	53
				Staff	5	15	20
				Other	0	8	8
TYPE:				SIZE:			
Business	0	0	0	Micro (1-25 employees)	20	3	23
Non-Profit	0	0	0	Small (26-100 employees)	13	5	18
Government	52	64	116	Medium (101 – 999 employees)	14	18	32
				Large (1000+ employees)	5	38	43

In total, 50 Alberta municipal respondents completed the Full Assessment and represented different types and sizes of municipalities across Alberta.

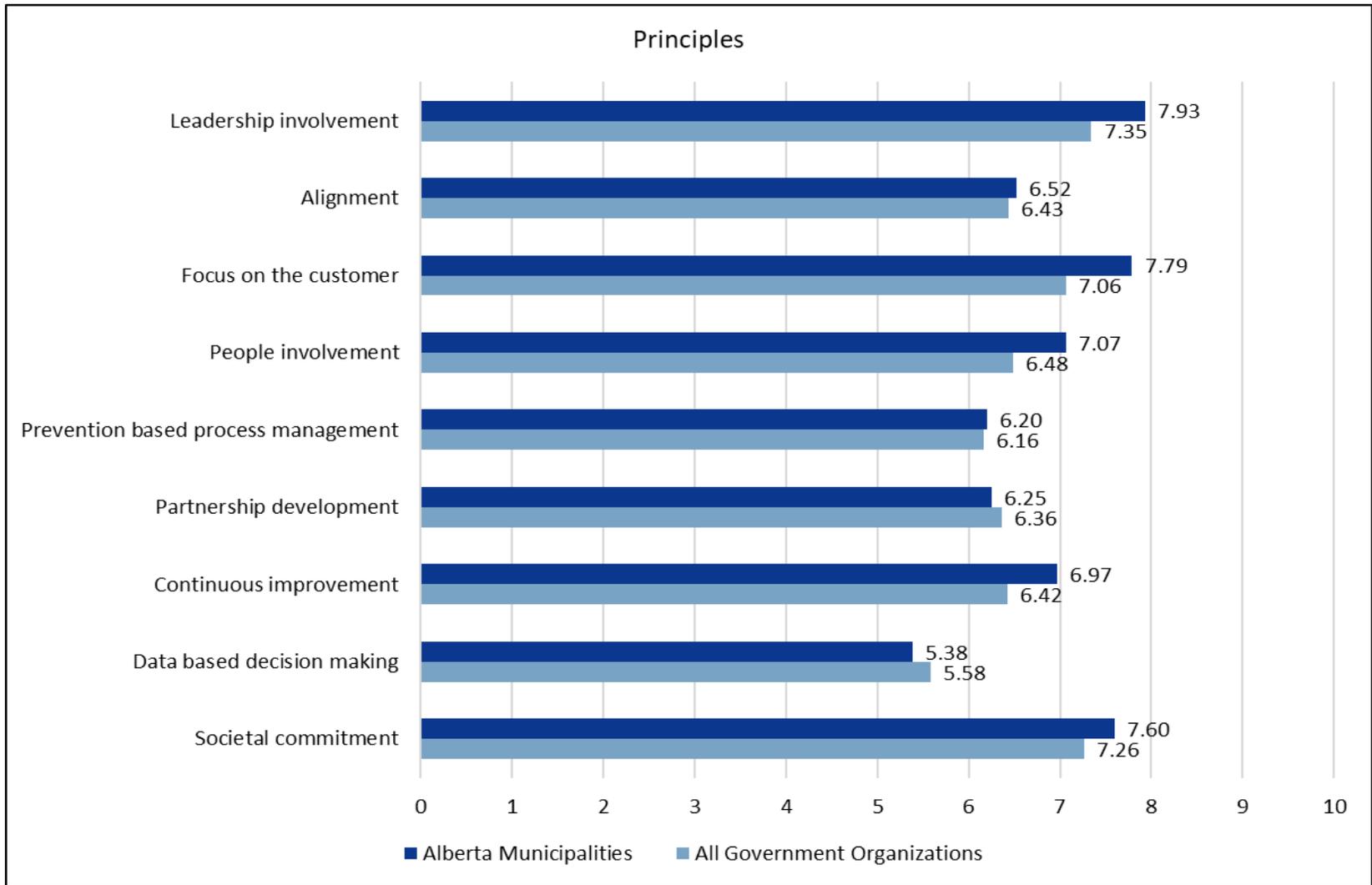
Most respondents:

- Held Management and Leadership roles with a few respondents in Staff roles
- Worked with a good cross-section of organizations:
 - Micro size organizations followed by medium, small, and large size
 - Mix of Villages (10), Towns (17), Counties/Municipal Districts (16) and Cities (9)

Overall, the response rate was positive representing approximately 15% of all municipalities in Alberta (N=333).



3.2.1 OVERALL PRINCIPLES



Alberta municipalities (N = 52); All Government Organizations (N = 116)

Figure 2. Overall Average Ratings on the Principles

Average ratings on the Principles for the Assessment were in the medium-high- range (6.1 to 8.0), except for 'Data-based decision making' which was the lowest rated principle. 'Leadership Involvement', 'Focus on the Customer' and 'Societal Commitment' were the highest rated.

Average results for Alberta municipalities were slightly higher than the overall ratings for most Principles with only 'Partnership development and 'Data-based decision making' falling slightly below the overall average.

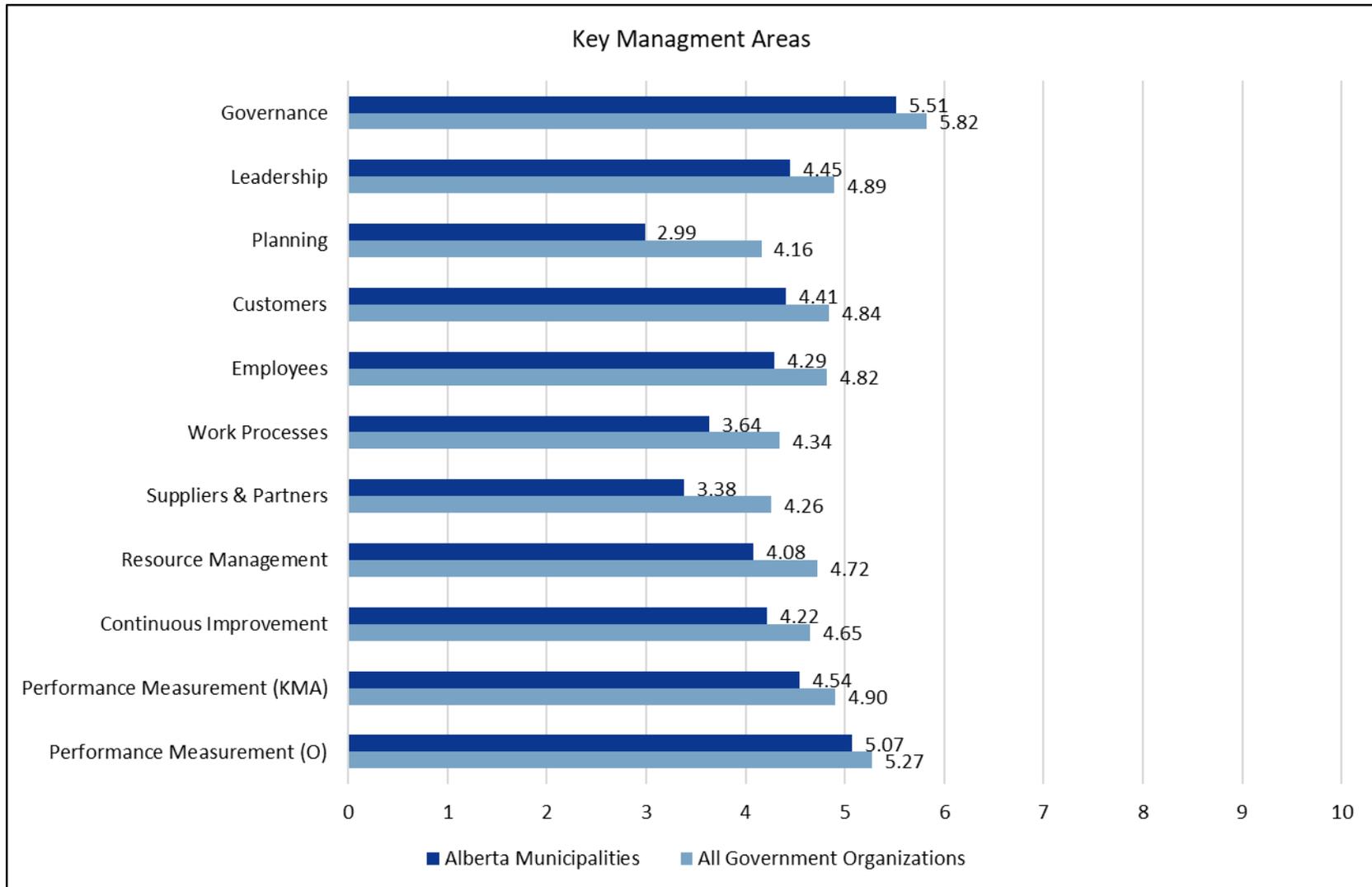
The total overall average rating on the Principles for Alberta municipalities was 6.86 compared to 6.57 for All Government Organizations.

The open-ended comments were similar and reinforced strength in leadership commitment, customer focus, and societal commitment. Most opportunities focused on using data to make decisions and improving the management of work processes.

Comments that stood out illustrate the awareness and understanding about a culture committed to excellence, both in organizations that are succeeding and with organizations who recognize the opportunity for improvement:

- *"Our organization has a strong culture of innovation and interdepartmental cooperation. We have a strong strategic direction and processes in place to ensure the work is aligned with the strategy."*
- *"Everybody works together and makes up a team environment. We have great communication and leadership. We work as a team, and the environment is always great"*
- *"I notice that we are putting out a lot of fires and not necessarily putting processes in place to not let the fire occur all the time. We have room for improvement. This leads to other priorities falling behind while fighting rapid response fires."*
- *"There are opportunities to improve principles within our organization by continuing to use technology to make our organization more interconnected and streamlined in addition to utilizing newer technology where possible."*

3.2.2 OVERALL KEY MANAGEMENT AREAS



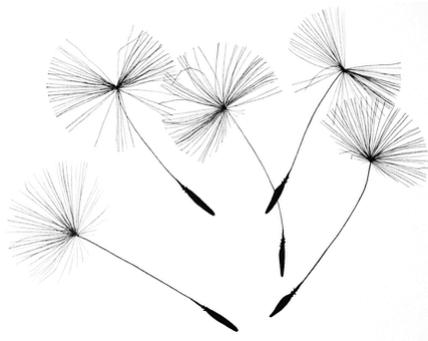
Alberta municipalities (N = 52); All Government Organizations (N = 116)

Figure 3. Overall Average Ratings on Key Management Areas

For All Government Organizations in the sample, most average ratings for the Key Management Areas were at the higher end of the 'good start' range (2.6 to 5.0) except for 'Governance' and 'Performance Measurement (overall Organization)' that had ratings in the 'doing well' range (5.1 to 7.5) and were the highest rated Key Management Areas. The overall average rating on the Key Management Areas for All Government Organizations was 4.79 which was significantly lower than the Principles, which averaged 6.57.

The Alberta municipalities average rating for the Key Management Areas were slightly lower than All Government Organizations. However, these ratings mirrored the ratings of All Government Organizations with all ratings in the 'good start' range (2.6 to 5.0) with the exception of 'Governance' and 'Performance Measurement (overall Organization)' that had ratings in the 'doing well' range (5.1 to 7.5) and were the highest rated Key Management Areas. The overall average rating on the Key Management Areas for Alberta municipalities was 4.23 which was significantly lower than the Principles, which averaged 6.86.

The 'Planning' Key Management Area was rated lowest for both the Alberta municipalities and All Government Organizations.



3.2.3 KEY MANAGEMENT AREAS AND RELATED PRACTICES

3.2.3.1 Governance

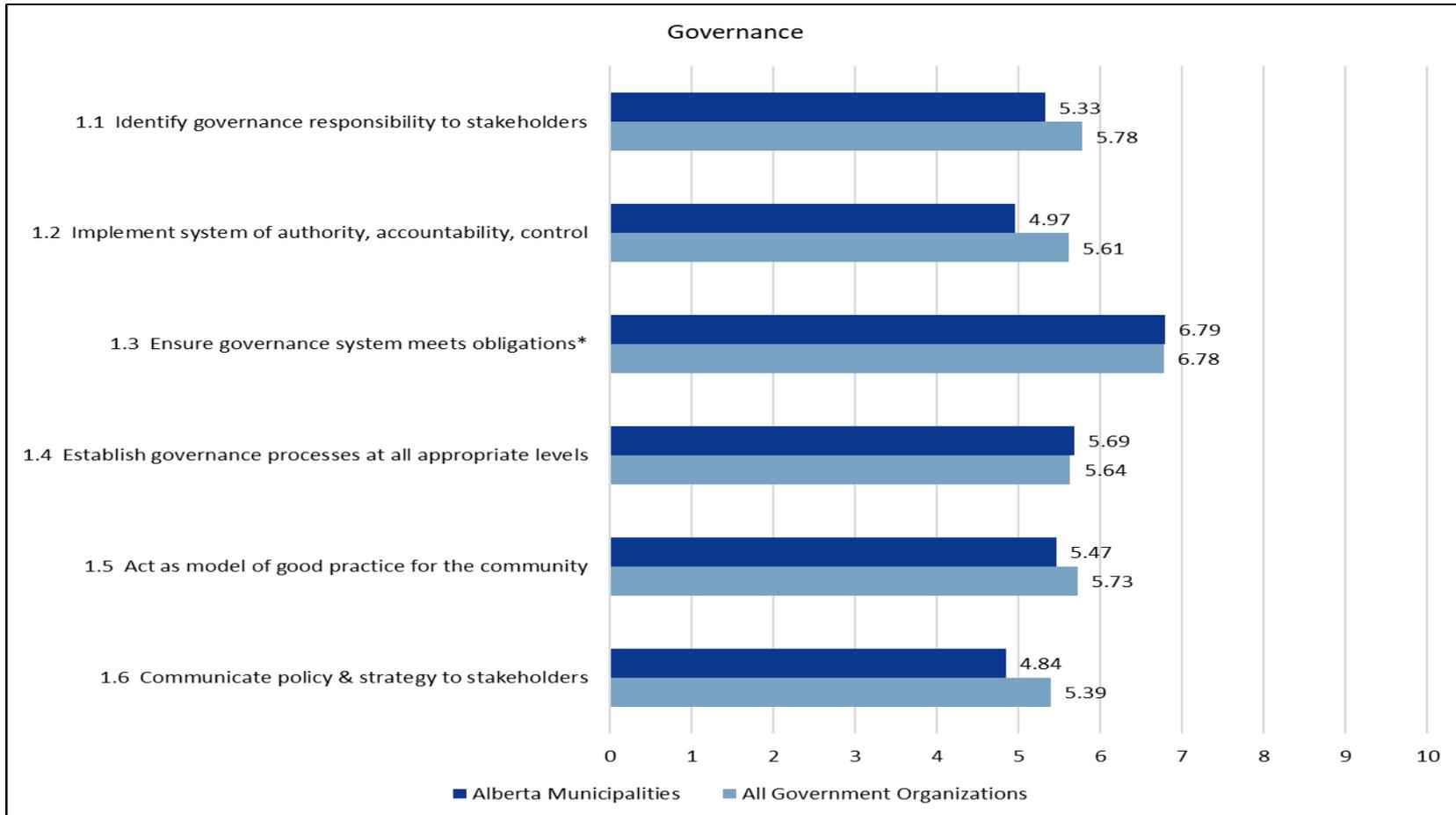


Figure 4. Governance

The 'Governance' area was the highest rated Key Management Area for both Alberta municipalities (5.51) and All Government Organizations (5.82). All practices in the 'Governance' area had average ratings in the 'good start' (2.6 to 5.0) to 'doing well' (5.1 to 7.5) ranges. It was comforting to see the highest rated practice, 'Ensure governance system meets legal, financial, ethical and reporting obligations' as this is a practice applicable to every size organization.

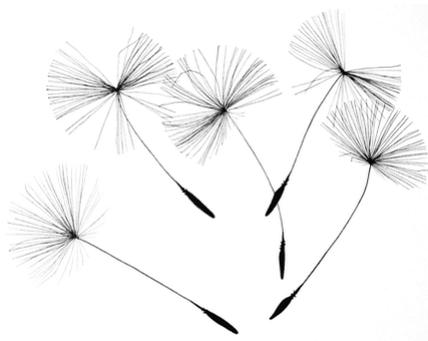
Most open-ended comments with respect to strengths focused on the foregoing practice. However, when considering opportunities most comments were directed toward improving communication, engagement, and clarity on roles.

There were a few comments from respondents that showed a clear understanding with respect to governance:

- *"Governance is the foundation of government. We have lot of good process behind our governance structure. Our leadership supports the required governance."*
- *"Municipality has firm policies on a variety of practices and processes so that all staff have clear guidance from Council"*

There were also comments that reinforced the opportunity to improve the communication of policy and strategy to stakeholders:

- *"As a management team we are looking at ways to engage, educate, partner and/or involve stakeholders in some strategies."*
- *"Members of public do not seem to understand policies in place, nor pay attention to changes to them"*



3.2.3.2 Leadership

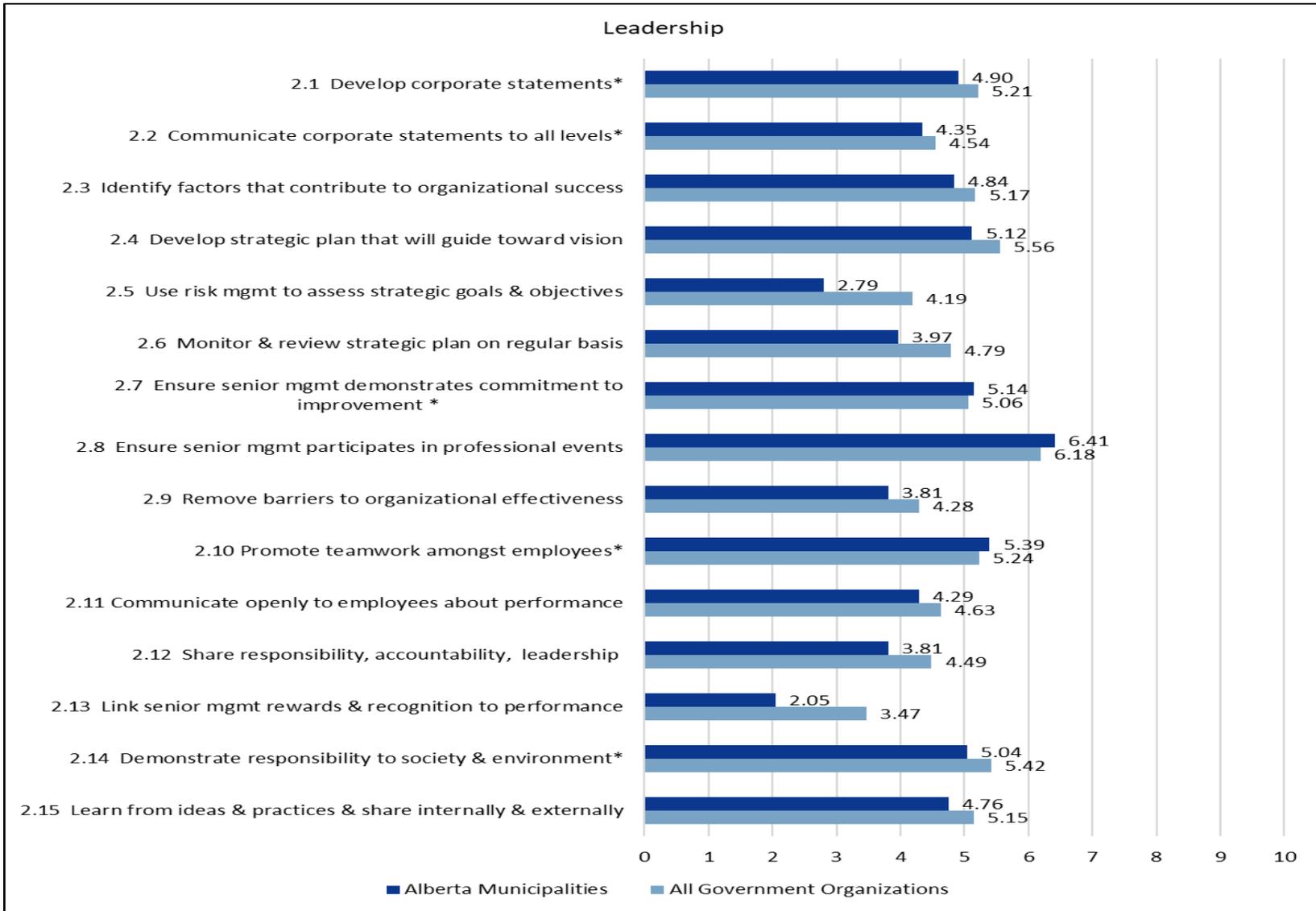


Figure 5. Leadership

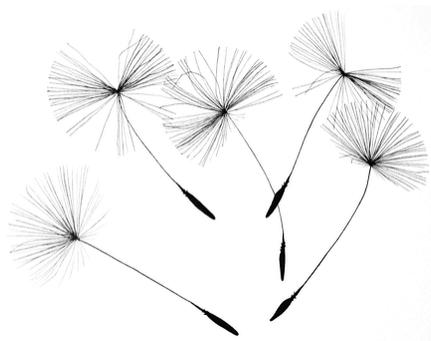
Most 'Leadership' practices were rated in the 'good start' range (2.6 to 5.0) for Alberta municipalities with the exception of five practices in the 'doing well' range (5.1 to 7.5). Overall, the 'Leadership' area received an average rating of 4.45 for Alberta municipalities and 4.89 for All Government Organizations. The highest rated practices for Alberta municipalities were 'Ensure senior management participates in professional events' and 'Promote teamwork amongst employees' while the lowest rated practices were 'Link senior management rewards and recognition to performance', 'Remove barriers to organizational effectiveness' and 'Share responsibility, accountability and leadership throughout the organization'.

The following open-ended comments stood out in the 'Leadership' area and reinforced the strengths of municipal government:

- *"Council just approved a new strategic plan in mid-2022 with staff involvement throughout the organization and senior management involvement in the compilation of the goals, objectives, and action items. Total organizational buy in."*
- *"Collaboratively developed a strategic plan with council for the next 4 years - we have good clarity on council's priorities and are just beginning the work to action those priorities."*
- *"We perform strong strategic alignment with all that we do. Our strategic plan is created every 4 years and updated annually."*

A few comments that stood out and exemplified the lower rated practices were:

- *"Not always clear on what improvements should be made and to have the time to develop and implement them."*
- *"There are still some communication challenges between some departments with the flow of information not coming at the right time to the right people"*
- *"There is an opportunity to have the organization have a dedicated mission and vision. While we do have a mission for our community there is potential to create more of a culture defined by a common goal. There is potential to increase integration between departments so the organization can run more smoothly and cut out some of the unnecessary bottlenecks that slow up processes."*



3.2.3.3 Planning

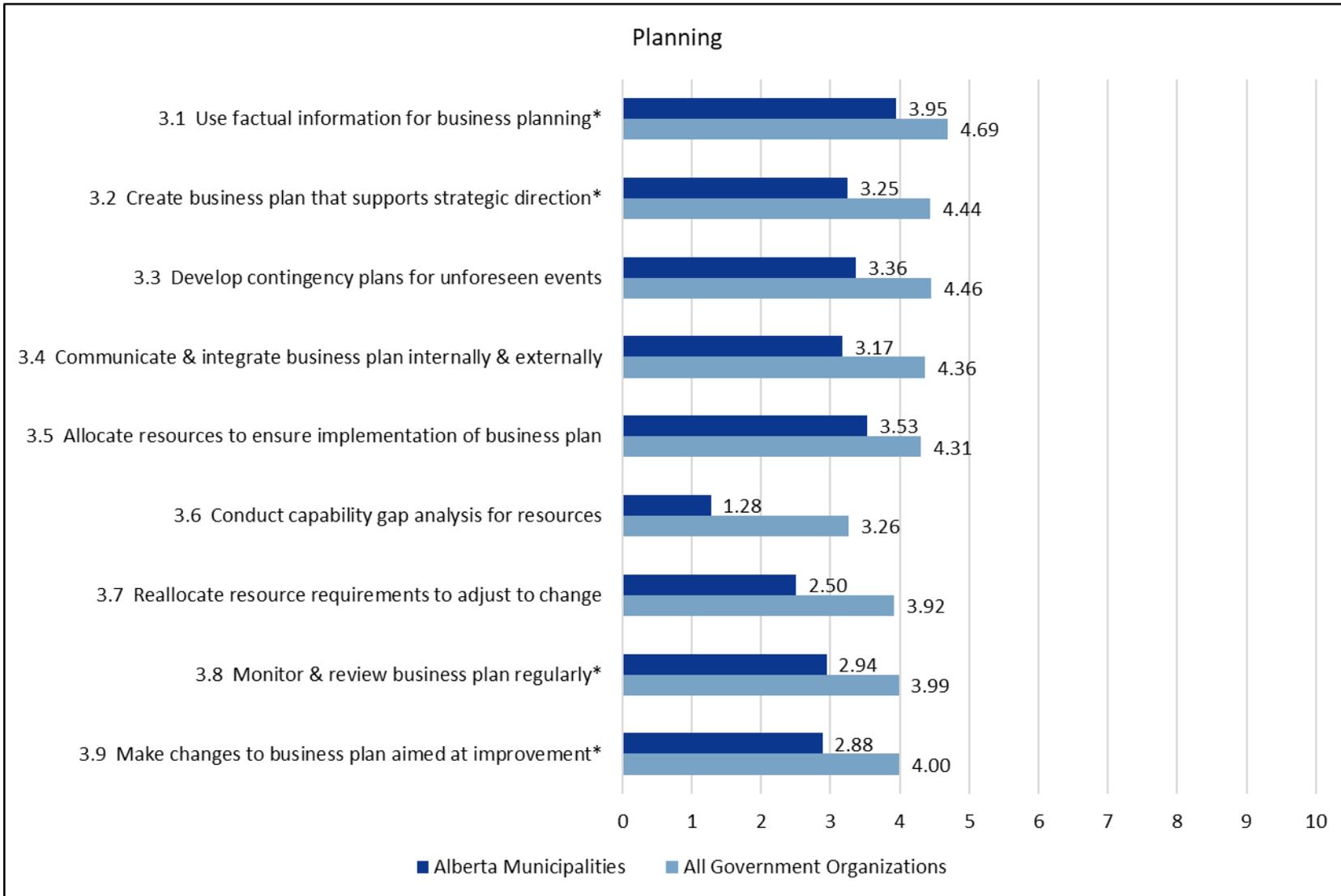


Figure 6. Planning

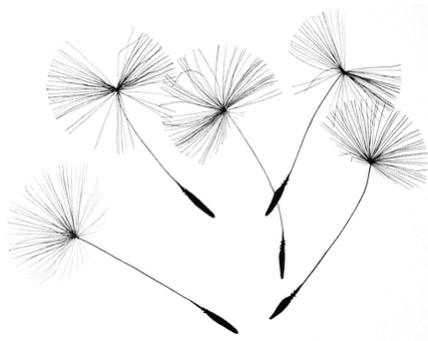
The 'Planning' area was the lowest rated of the Key Management Areas with an average rating of 2.99 for Alberta municipalities and 4.16 for All Government Organizations. Most ratings for the practices were in the 'good start' range (2.6 to 5.0) with the exception of the two lowest rated practices in the 'just beginning' (0.0 to 2.5) range: 'Conduct capability gap analysis for resources' and 'Reallocate resource requirements to adjust to change'. The highest rated practice was 'Use factual information for business planning'.

A few open-ended comments stood out in the 'Planning' area. The first comments emphasized the difference between public and private industry from a planning perspective and the approach municipal government takes in responding to the differences:

- *"Municipal Government is not like a private business as far as a Business Plan goes. Council has developed Strategic Priorities that they refer to and review every 3 years."*
- *"Our plan moving forward is to link performance measures to our planning, review and then link back to inform the new plan."*

These comments reinforced the opportunities in the practices of 'Conducting gap analysis' and 'Reallocating resources to adjust to change':

- *"Business planning only done during department budget preparations, rather than on an initiative or project basis. This leads to complicated decision making for unexpected events and no method of evaluation."*
- *"The organization can be better aligned by putting more emphasis on developing and improving current plans more frequently to update them to the changing environment."*
- *"Our opportunities consist of gap analysis and contingency. These both stem from a risk perspective and again fairly new for us."*



3.2.3.4 Customers

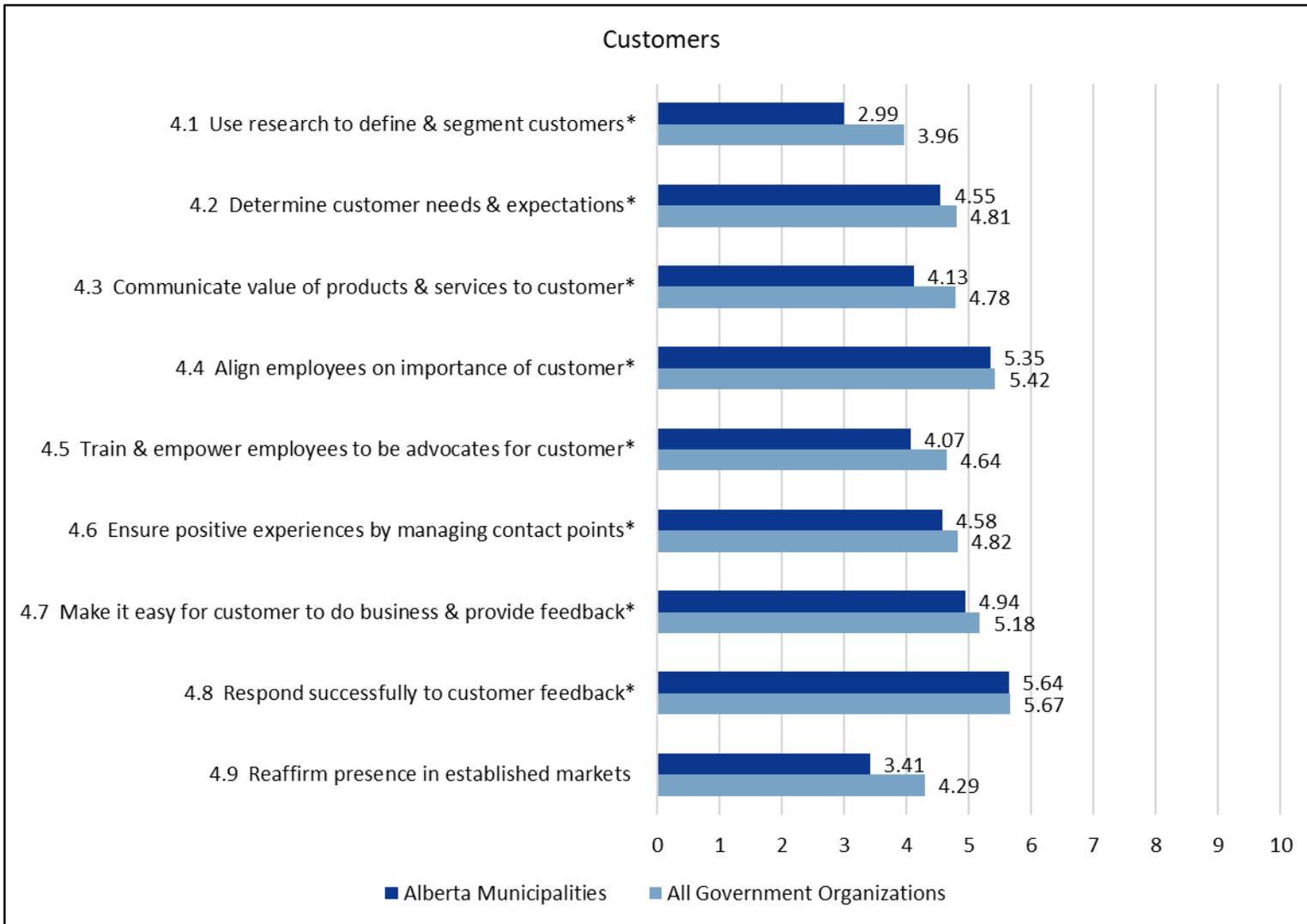


Figure 7. Customers

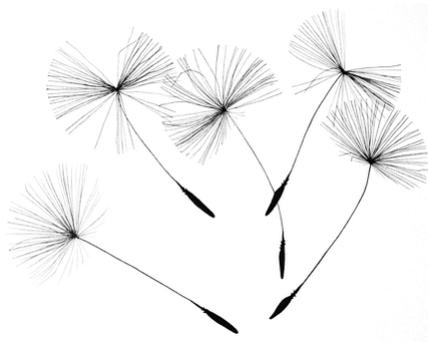
'Customers' had an overall average rating of 4.41 for Alberta municipalities and 4.84 for All Government Organizations. All practices were rated in the 'good start' (2.6 to 5.0) and 'doing well' (5.1 to 7.5) ranges. The highest rated practice was 'Respond successfully to customer feedback' and the lowest rated was 'Use research to define and segment customers'.

Open-ended comments really emphasized the strengths in 'Responding successfully to customer feedback':

- *"Employees are continually willing to provide a high level of service."*
- *"Response time is typically less than 24 hours - that is a dedicated target."*
- *"Municipalities are ratepayer focused so our strength is customer focus. We actively reach out to user groups to gather information to help us improve or understand needs. "*

Other comments that stood out and point to a need to 'Use research to define and segment customers' were:

- *"Identifying and measuring the customer type and feedback"*
- *"There is the opportunity to take more customer feedback and use it to improve how procedures currently are to better fit the customers' needs."*
- *"More could be done to ensure the value provided by the organization is communicated to customers and to also ensure all voices are heard in a respectful manner."*



Employees

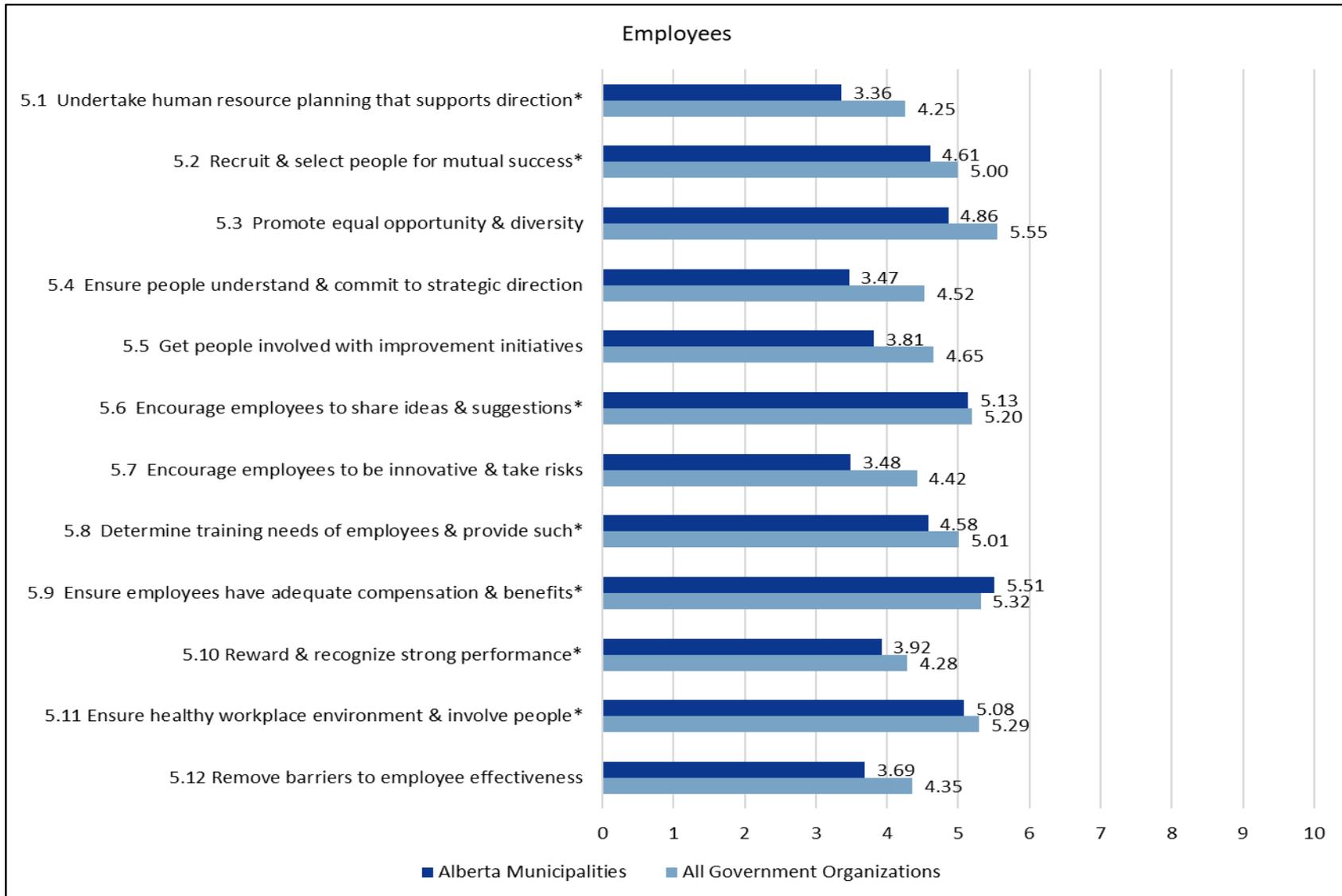
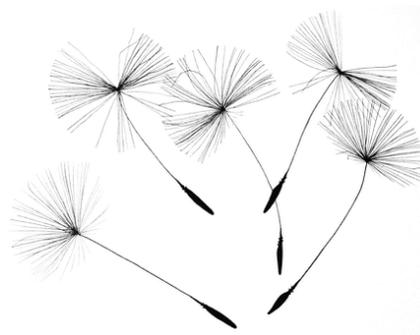


Figure 8. Employees

The 'Employees' area received an overall average rating of 4.29 for Alberta municipalities and 4.82 for All Government Organizations. Most ratings were in the 'good start' range (2.6 to 5.0) with the exception of three practices that were in the 'doing well' range (5.1 to 7.5): 'Encourage employees to share ideas and suggestions', 'Ensure healthy workplace environment and involve people in addressing issues related to health and wellness' and 'Ensure employees have adequate compensation' which was the highest rated practice. The lowest rated practice was 'Undertaking human resource planning that supports direction'.

The open-ended comments in this area underscored a general awareness of value and appreciation for the employees as a major asset in municipal government. The opportunities for improvement highlight the challenge municipal government has in recruiting which likely contributes to the lower rating on the 'Undertaking human resource planning that supports direction' practice:

- *"Our employees are our strong suit."*
- *"Generally, high performing employees. Well qualified and eager to do well."*
- *"Just finalizing a comprehensive compensation review to get clarity on our employee value proposition and adjusting compensation policy and philosophies to support this."*
- *"Affordability in our community is a real challenge and is impacting recruitment and retention despite the other good things we are working on."*



3.2.3.5 Work Processes

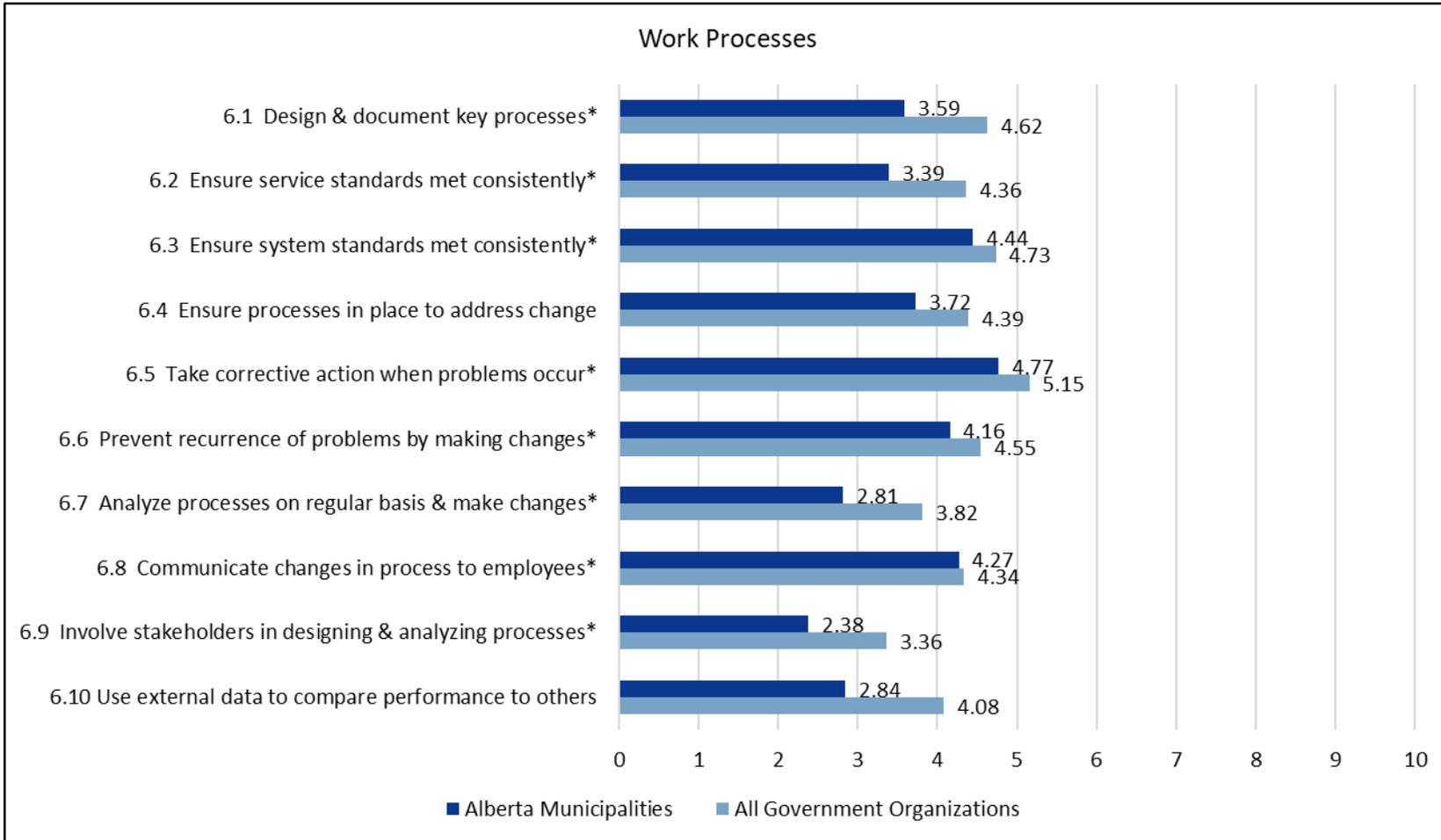


Figure 9. Work Processes

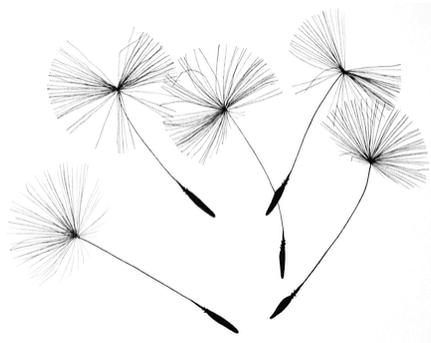
'Work Processes' had an overall average rating of 3.64 for Alberta municipalities and 4.34 for All Government Organizations. Most practices were rated in the 'good start' range (2.6-5.0) with the exception of the lowest rated practice which was rated in the 'just beginning' range (0.0 to 2.5): 'Involve stakeholders in designing and analyzing processes'. The highest rated practice was 'Take corrective action when problems occur'.

The Work Processes Key Management Area was amongst the lower rated and the open-ended comments acknowledge an overall opportunity to make improvements. A few comments that stood out highlighted the strengths in taking corrective action and improving efficiency:

- *"We are very strong at responding and correcting. We also have a lot of documented processes and live by those process which is a strength as it provides consistency."*
- *"Open communication between staff and management, brainstorming on more efficient ways to conduct business, those "doing" are consulted."*

These comments support the need to involve stakeholders and generally make improvements:

- *"We could do better at engaging others before making new processes."*
- *"(We) Are at the early stages of documenting and analyzing our processes - we see value in this, it just takes time."*



3.2.3.6 Suppliers & Partners

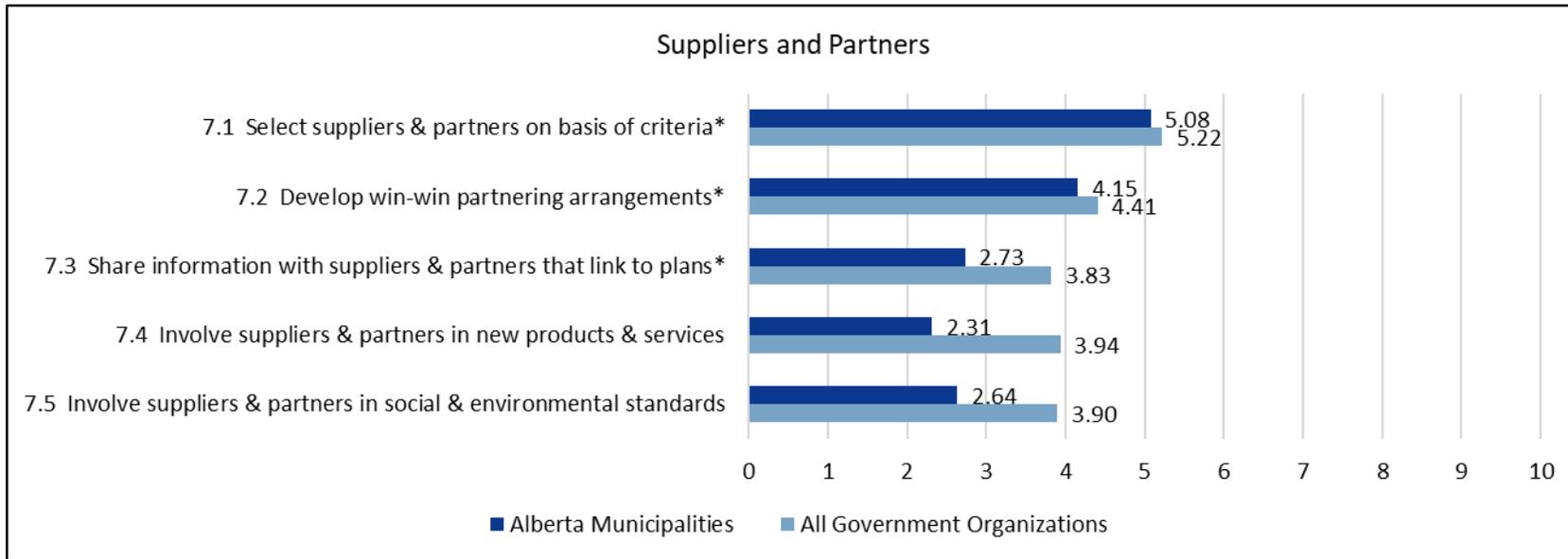


Figure 10. Suppliers & Partners

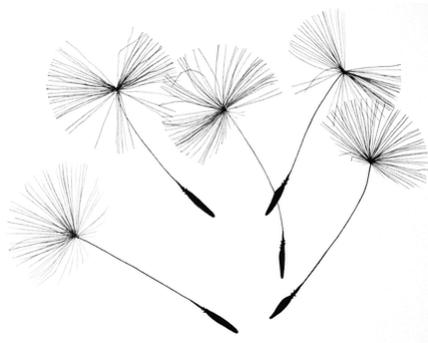
The ‘Suppliers & Partners’ area received an overall average rating of 3.38 by Alberta municipalities and 4.26 for All Government Organizations and was also amongst the lowest rated key management areas. Three practices were rated in the ‘good start’ range (2.6 to 5.0). The highest rated practice, ‘Select suppliers and partners on basis of criteria’ was rated as ‘doing well’ and the lowest rated practice, ‘Involve suppliers and partners in the development of new products and services’ was rated in the ‘just beginning’ (0.0 to 2.5) range.

Open-ended comments drew attention to the strict compliance environment within which municipalities and government, in general, operate with respect to selection of suppliers and thus explains the higher rating for this practice.

- *“There is a good emphasis placed on doing RFPs and selecting the best supplier based on multiple criteria.”*
- *“An area to note in this section is that municipalities are required to follow specific procurement rules as a result some of the above can be missed.”*

The biggest opportunity for improvement lies in sharing with and involving suppliers and partners in municipal activities. These comments support this opportunity:

- *“Intermunicipal collaboration - never ending opportunities for reassessment and improvement.”*
- *“There is a possibility to work with suppliers more to get products that are developed to work best for the organization rather than looking at what is available.”*
- *“Currently working on some innovative initiatives that will build on many of the above aspects.”*



Resource Management

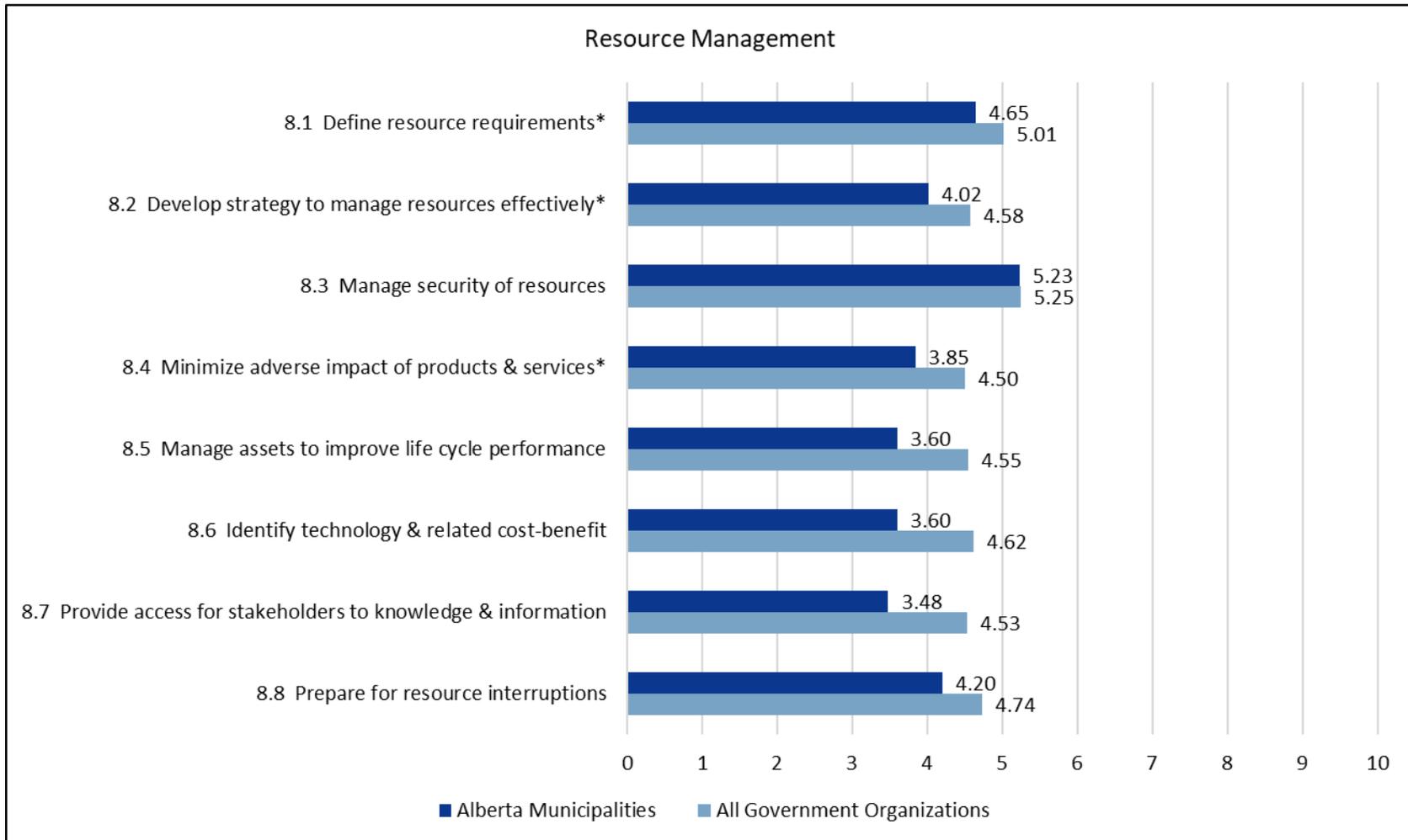
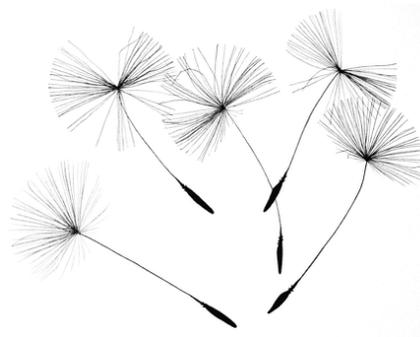


Figure 11. Resource Management

'Resource Management' had an overall rating of 4.08 for Alberta municipalities and 4.72 for All Government Organizations. Most practices were rated in the 'good start' range (2.6 to 5.0) with the exception of the highest rated practice which was rated in the 'doing well' range (5.1 to 7.5): 'Manage security of resources'. The lowest rated practice was 'Provide access for stakeholders to knowledge and information'.

The comments really highlighted the diversity of resources that municipal government is responsible for managing and the challenges that come with this:

- *"More processes and procedures need to be drawn and implemented in order to have a better resource management."*
- *"Difficult to access enough funding to improve resource management."*
- *"Asset management is ongoing challenge"*



3.2.3.7 Continuous Improvement & Performance Measurement

The 'Continuous Improvement & Performance Measurement' area is comprised of three sub-areas: 'Continuous Improvement' evaluates and improves the approach to each Key Management Area, 'Performance Measurement (KMA)' measures performance in each Key Management Area and 'Performance Measurement (O)' measures overall organizational performance.

Continuous Improvement

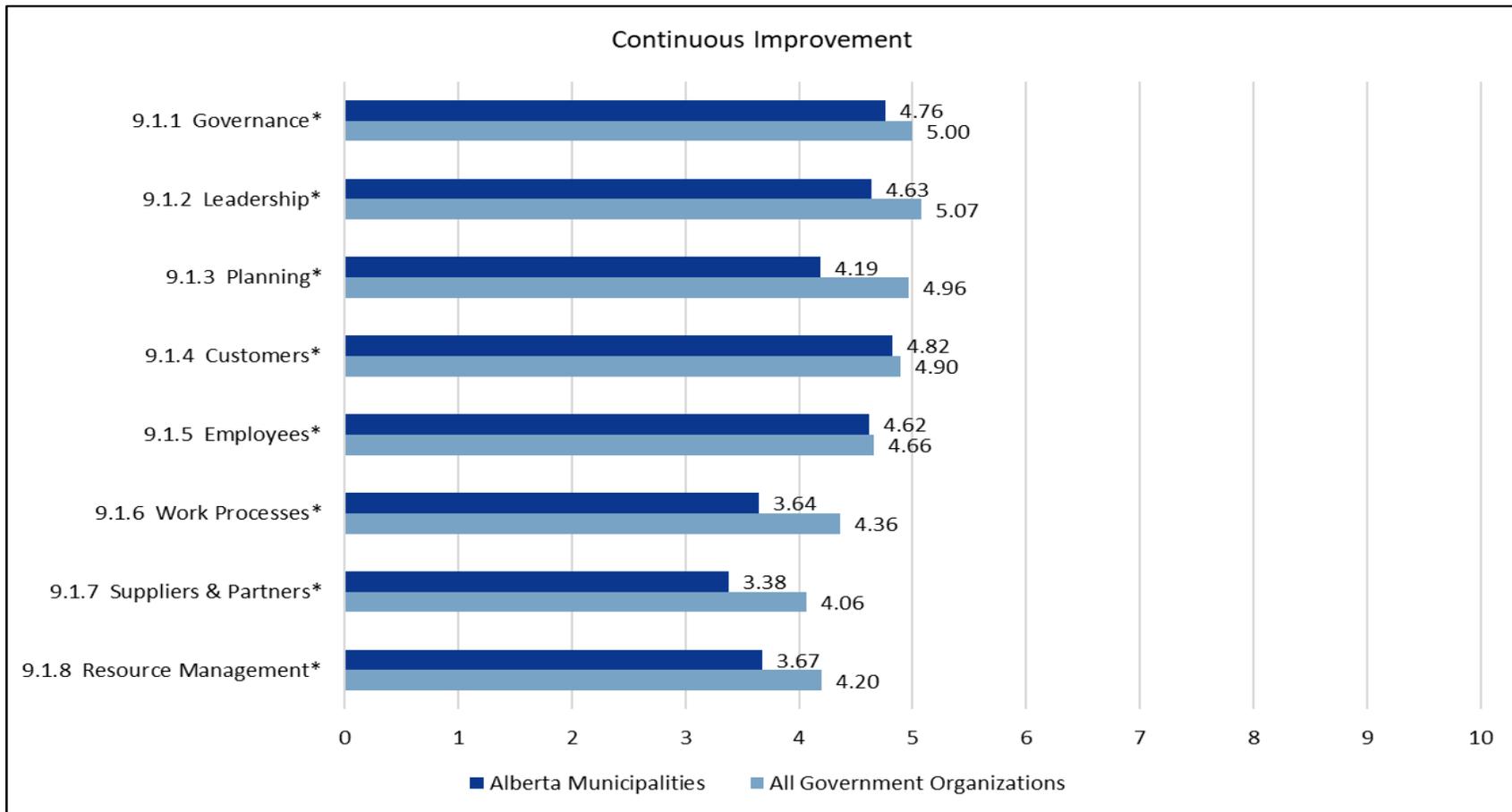
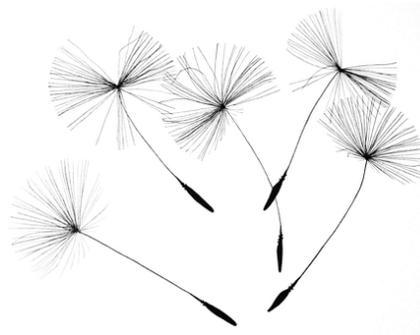


Figure 12. Continuous Improvement

'Continuous Improvement' by Key Management Area had an overall average rating of 4.22 for Alberta municipalities and 4.65 for All Government Organizations. All areas were rated in the 'good start' range (2.6 to 5.0). The highest rated area was 'Customers' and the lowest rated area was 'Suppliers and Partners'.

Open-ended comments included a desire for continuous improvement:

- *"Continuously look to improve processes."*
- *"Just completed a complete performance measurement exercise to link to strategic plan."*
- *"Opportunity to include more measurement criteria."*



Performance Measurement (KMA)

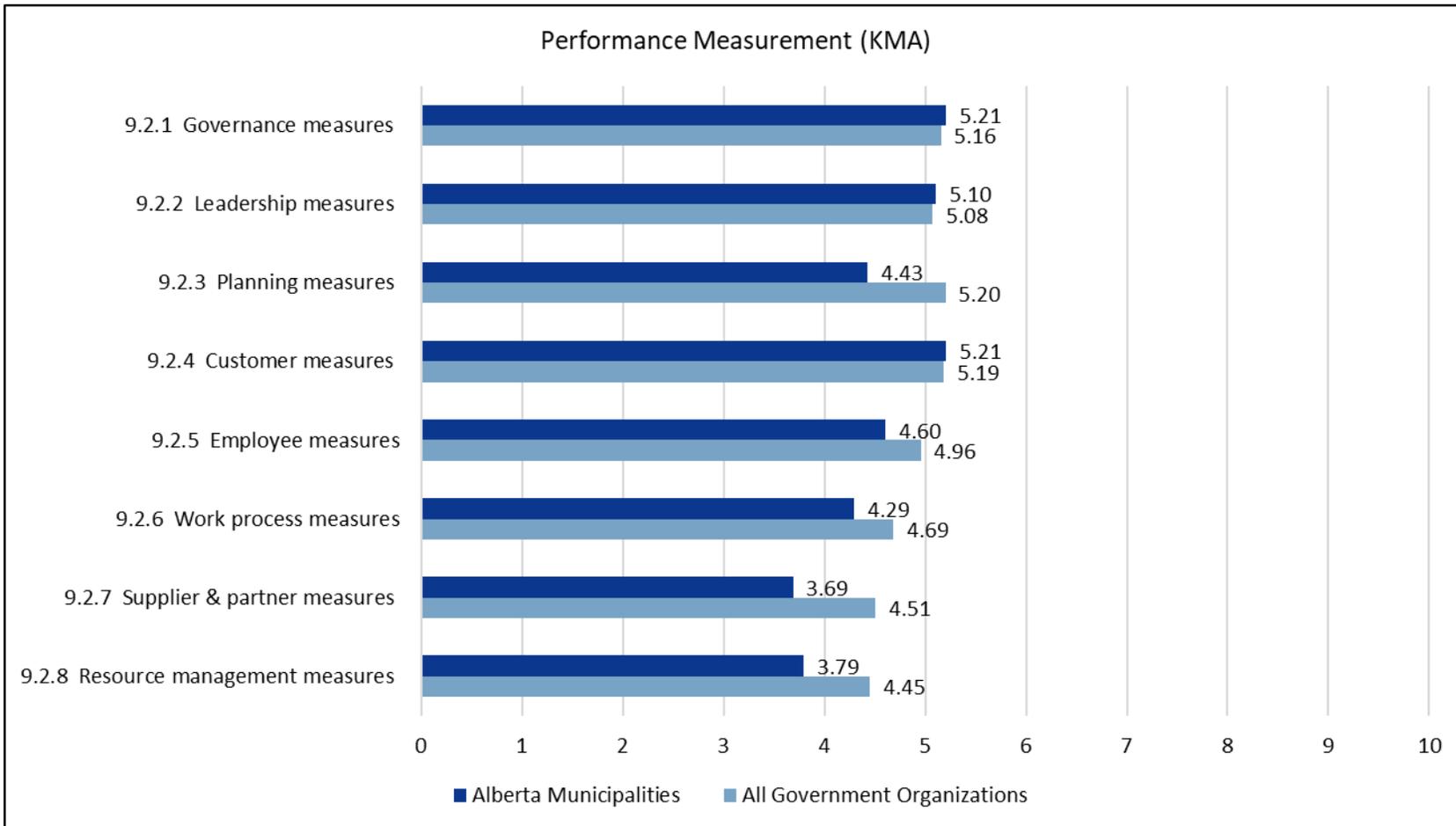


Figure 13. Performance Measurement (Key Management Area)

The 'Performance Measurement (KMA)' had an average rating of 4.54 for Alberta municipalities and 4.90 for All Government Organizations. Most ratings on measures were in the 'good start' range (2.6 to 5.0) with the exception of the Governance, Leadership and Customer measures which were in the 'doing well' range (5.1 to 7.5). The highest ratings were provided for 'Governance' and 'Customer' measures and the lowest rating was provided for 'Supplier and Partner' measures.

Performance Measurement (O)

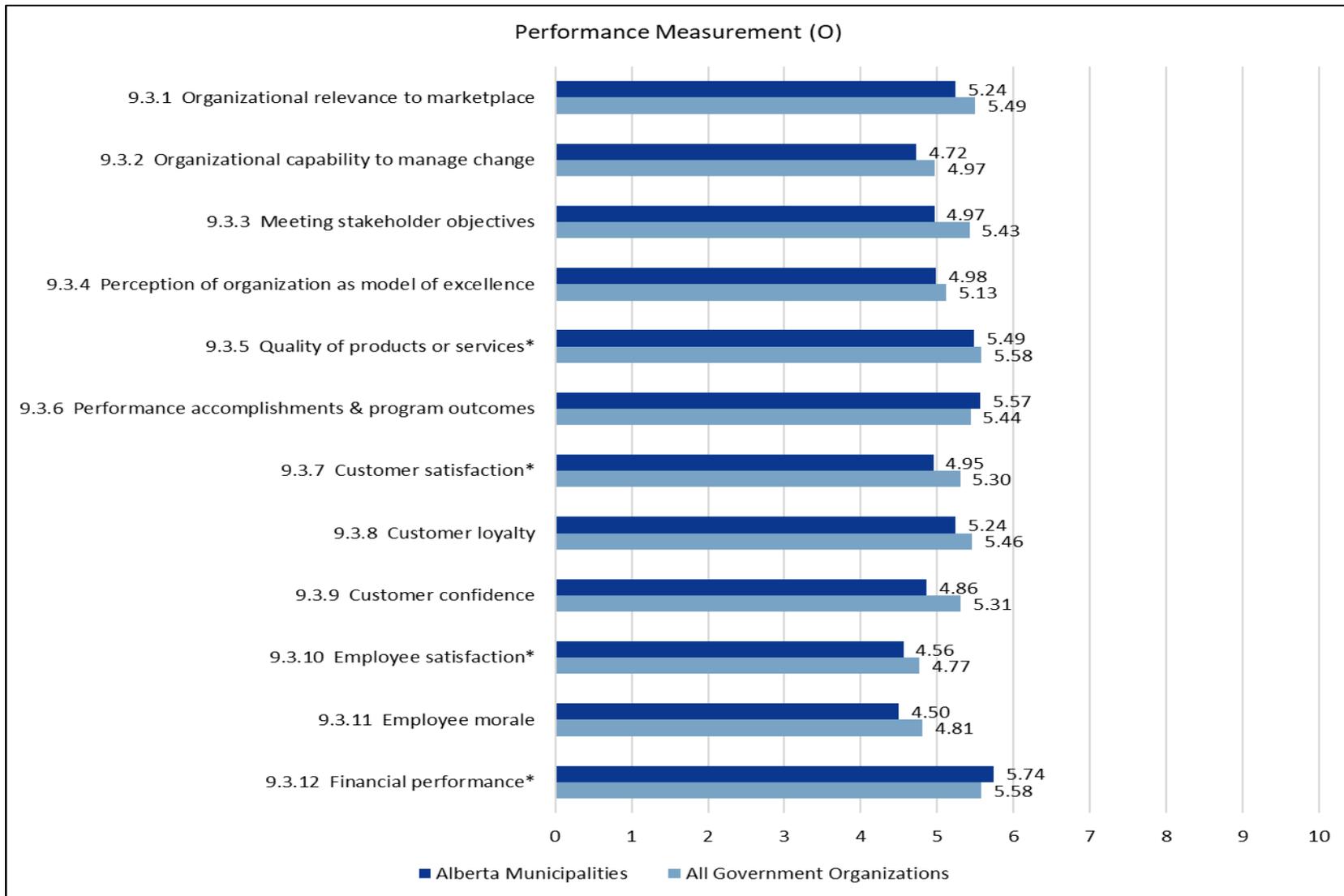


Figure 14. Performance Measurement (Organization)

'Performance Measurement (O)' had an average rating of 5.07 for Alberta municipalities and 5.27 for All Government Organizations and was amongst the highest rated Key Management Areas. The highest rated measure was 'Financial Performance' and the lowest rated measure was 'Employee morale'. Of these 12 measures, it is important to note that Micro-size organizations should be using at least four measures (Quality of product / service, Customer satisfaction, Employee satisfaction, Financial performance). Overall, the findings in this sub-area suggested that organizations were using a balanced system of measurement.

Open-ended comments in the 'Performance Measurement' sub-areas (KMA, Organization) reinforced that many respondents recognized the need for a balanced system of measurement but could use more support in implementation:

- *"Not sure how this works."*
- *"Not sure how to collect data on performance measurement in relation to municipal government duties"*
- *"Performance management in our gov't organization is actually quite difficult. Without clear KPI's from Council, it is hard to analyze this on each level"*
- *"The organization sees the need but has not been able to put any financial resources aside."*

The following comments highlight an understanding of the holistic essence of implementing an excellence model and how many practices are interrelated and interconnected. Specifically, these remarks identify opportunities for the use of key performance measures to drive performance in the other key management areas:

- *"Strengthen strategic plan through enhanced goal setting with key performance indicators. This will enable administrative leadership to more effectively communicate it to other levels of employees and clarify a direction forward."*
- *"Focus on key performance indicators to evaluate effectiveness of programs/initiatives/projects. Hard to analyze effectiveness with no other metrics than budget vs actual."*
- *"Identifying KPIs, proper resource allocation within business plans."*

3.3 INTERRELATIONSHIPS BETWEEN PRINCIPLES AND PRACTICES

The Full Assessment allows for an examination of the interrelationships between the Principles and Best Management Practices.

In the Organizational Excellence Framework publication, the direct relationships are highlighted in detail, Principle to Practice and Practice to Practice. The document at this link provides a high-level snapshot of the touch points https://organizationalexcellencespecialists.ca/wp-content/uploads/2018/03/OES_RelationshipDocument_March28.pdf

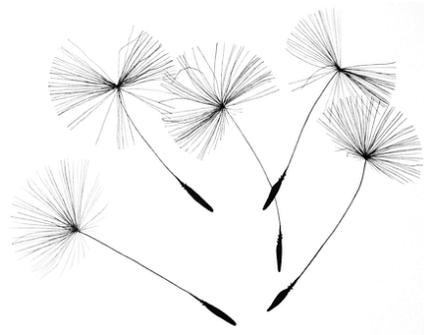
Considering these direct relationships, the respondent ratings for an entity (e.g. organization, industry sector, country) can be aggregated and a chart can be used to show a snapshot of excellence at a glance. The chart provides the ratings for the Principles running horizontally along the top and the ratings for the directly related Best Management Practices running vertically. Such a high-level summary shows the current state of the management system at a glance – what is going well, what needs to improve.

Using this approach with the aggregate ratings for the Alberta municipal assessment, we can identify how to improve the Principle with the lowest rating, ‘Data Based Decision Making’ (5.38), by looking at the rating on directly related Best Management Practices. Appendix 2 shows how this high-level assessment quickly captures where to focus effort. Thus, the most critical Best Management Practices (<3.5) related to this Principle were:

- ‘Data Based Decision Making’:
 - Leadership:
 - Practice 2.13 ‘Link senior management rewards and recognition to organizational performance’ (2.05)
 - Planning:
 - Practice 3.2 ‘Create business plan that supports strategic direction’ (3.25)
 - Practice 3.3 ‘Develop contingency plans for unforeseen events’ (3.36)
 - Customers
 - Practice 4.1 ‘Use research to define and segment customers’ (2.99)
 - Practice 4.9 ‘Reaffirm presence in established markets’ (3.41)
 - Work Processes:
 - Practice 6.2 ‘Ensure service standards met consistently’ (3.39)
 - Practice 6.7 ‘Analyze processes on regular basis and make changes aimed at continual improvement’ (2.81)
 - Practice 6.9 ‘Involve customers, suppliers and/or partners in designing and analyzing processes’ (2.38)
 - Practice 6.10 ‘Use external data to compare performance to other organizations’ (2.84)

- Continuous Improvement:
 - Practice 9.1.7 'Suppliers and Partners' (3.38)

In essence, there are 10 Practices to focus on.



3.4 SUMMARY

The results for the Alberta municipalities closely mirror the results of All Government Organizations for the Principles, Key Management Areas and Best Management Practices. For Alberta municipalities, 'Leadership Involvement', 'Focus on the Customer' and 'Societal Commitment' were rated the highest and 'Data Based Decision Making' was rated the lowest. The results were the same for All Government Organizations with the exception of the highest rated Principle of 'Leadership Involvement'.

On the Assessment, there was a significant drop in the ratings between the Principles and the Key Management Areas which is typical of most organizations.

Of the Key Management Areas, 'Governance' was rated the highest and 'Planning' and 'Suppliers and Partners' were rated the lowest.

The highest rated Best Management Practices (5.50 to 6.79) across the Key Management Areas were:

- 'Governance':
 - Practice 1.3 'Ensure governance system meets obligations' (6.79)
 - Practice 1.4 'Establish governance processes at all appropriate levels' (5.69)
- 'Leadership':
 - Practice 2.8 'Ensure senior management participates in professional bodies, conferences and seminars' (6.41)
- 'Customers':
 - Practice 4.8 'Respond successfully to customer feedback' (5.64)
- 'Employees':
 - Practice 5.9 'Ensure employees have adequate compensation and benefits' (5.51)
- 'Performance Measurement (O)':
 - Practice 9.3.6 'Performance accomplishments and Program outcomes' (5.57)
 - Practice 9.3.12 'Financial Performance' (5.74)

The lowest rated practices (1.28 to 3.5) across the Key Management Areas were:

- 'Leadership':
 - Practice 2.5 'Use risk management to assess strategic goals and objectives' (2.79)
 - Practice 2.13 'Link senior management rewards and recognition to performance' (2.05)

- Planning:
 - Practice 3.2 'Create business plan that supports strategic direction' (3.25)
 - Practice 3.3 'Develop contingency plans for unforeseen events' (3.36)
 - Practice 3.4 'Communicate and integrate business plan internally and externally' (3.17)
 - Practice 3.6 'Conduct a capability gap for resources' (1.28)
 - Practice 3.7 'Reallocate resource requirements to adjust to change' (2.50)
 - Practice 3.8 'Monitor and review business plan regularly' (2.94)
 - Practice 3.9 'Make changes to business plan aimed at improvement' (2.88)
- Customers
 - Practice 4.1 'Use research to define and segment customers' (2.99)
 - Practice 4.9 'Reaffirm presence in established markets' (3.41)
- Employees
 - Practice 5.1 'Undertake human resource planning that supports direction' (3.36)
 - Practice 5.4 'Ensure people understand and commit to strategic direction' (3.47)
 - Practice 5.7 'Encourage employees to innovative and take risks' (3.48)
- Work Processes:
 - Practice 6.2 'Ensure service standards met consistently' (3.39)
 - Practice 6.7 'Analyze processes on regular basis and make changes aimed at continual improvement' (2.81)
 - Practice 6.9 'Involve customers, suppliers and/or partners in designing and analyzing processes' (2.38)
 - Practice 6.10 'Use external data to compare performance to other organizations' (2.84)
- 'Suppliers and Partners':
 - Practice 7.3 'Share information with suppliers and partners that link to plans' (2.73)
 - Practice 7.4 'Involve suppliers and partners in the development of new products and services' (2.31)
 - Practice 7.5 'Involve suppliers and partners in social and environmental standards' (2.64)
- Resource Management:
 - Practice 8.7 'Provide access for stakeholders to knowledge and information' (3.48)
- Continuous Improvement:
 - Practice 9.1.7 'Suppliers and Partners' (3.38)

4 CONCLUSIONS, INSIGHTS AND RECOMMENDATIONS

This report is the first of its kind for Alberta municipalities and provides a high-level snapshot of the current state of excellence in municipalities.

Though indications are that the municipal community in Alberta has a similar level of awareness of excellence models as the rest of the world (10-20% of working population), the assessment data collected through the pre-GFOA conference survey shows Alberta municipalities are faring quite well, showing signs of a strong culture committed to excellence and a very good start on the deployment of the best management practices common to high performing organizations.

Alberta municipal respondents have rated the Principles higher than their global counterparts however the reverse was true for the key management areas. This may be related to the size of Alberta municipalities (majority in the Micro to Small size) compared to the global counterparts (majority in the Medium to Large size). 47% of employees at small companies (0-10 employees) say they have an “Awesome” company culture while employees at larger companies rank their culture lower².

The slightly lower ratings in the ‘Data-based Decision Making’ principle were reinforced with the open-ended comments and begin to point to opportunities for municipal government to further build on this aspect of the culture.

The overall Key Management Areas and the degree to which best practices have been deployed were rated lower, in general, by Alberta municipal respondents as compared to their global government counterparts.

Generally, the level of the best practice ratings in the ‘good start’ category reflects the maturity of municipal organizations in Alberta with respect to excellence. A ‘good start’ in best practice deployment indicates the beginning of a systematic approach, effective deployment in some major areas, work processes that are stable and understood, some good results and a focus on ‘prevention’. The open-ended comments added narrative around these characterizations.

² Culture at Work Report, 2019 Paper, Hi5

Below are some key insights gleaned from the results and comments:

First, it is not surprising that 'Governance' was the highest rated Key Management Area. As one respondent commented, "Governance is the foundation of government". Likewise, some of the highest rated practices link closely to governance such as: 'Ensure governance system meets obligations', 'Establish governance processes at all appropriate levels', 'Financial Performance', 'Performance accomplishments and program outcomes', 'Act as a model of good practice for the community', 'Align employees on the importance of the customer', 'Manage security of resources', and 'Demonstrate responsibility to society and the environment'. It is logical and reassuring to see higher performance by municipal organizations in these areas.

Risk management is identified as an area of opportunity for municipalities. While this subject area is a relatively new focus for municipal leaders, its use in assessing strategic goals and objectives, and to address other areas of low performance such as gap analysis and resource allocation could have a significant impact on advancing municipal performance.

Alberta municipalities do a great job of supporting professional development of their senior management and leaders. This may reflect a creative approach to bolstering compensation packages which are historically less attractive in government than in private industry. This same creative and innovative approach could be used to tackle the dilemma of linking senior management rewards and recognition to performance. As custodians of the public purse, municipalities generally avoid individual financial rewards for performance. However, perhaps there is an opportunity to seek more innovative ideas around this historical dilemma.

Though the government rating for the 'Focus on customer' principle was one of the highest, government organizations could improve how they define and segment their customers and reaffirm presence in established markets. Establishing a very clear understanding of the municipal customer and defining segments can help the municipality to adjust service delivery to meet expectations with the maximum effect. Seeking to learn about municipal customers could also include more involvement with suppliers and partners when designing and analyzing processes and developing new products and services. Such collaboration will help move municipal government away from a 'one size fits all' mentality regarding service delivery.

The open-ended comments included a key challenge faced by municipal government which is the need for more time and capacity and limited financial resources to allocate to improvement activities. The National Quality Institute¹ did a study on the cost of quality with small and medium size organizations in Canada and found that 32% of payroll in small and medium-sized organizations in Canada is being spent on non-value adding activity (i.e. no alignment with strategic imperatives such as vision, mission, goals and objectives) and this cost is higher for service organizations as opposed to manufacturing. There is a real opportunity for municipalities to study the extent of such non-value adding activity so that resources

can be reallocated and aligned like a laser with strategic imperatives.

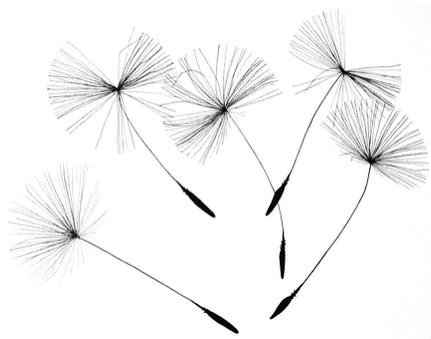
The assessment ratings and comments have identified opportunities for municipalities to seek support in implementing a more robust balanced system of measurement and to use key performance measures to drive performance in key management areas such as Work Processes, Suppliers and Partners and Resource Management.

The following are recommendations for Alberta municipal finance leaders wishing to create sustainability and increase trust in government with an inside out approach beginning with specific improvements to finance-related practices:

1. Aligning leadership on what is important – risk management, rewards and recognition
2. Conducting more in-depth planning – alignment, risk, contingency plans, capability gap analysis, communication
3. Understanding customers better – research, responding to feedback, presence in marketplace
4. Capitalizing on employee talent – HR planning, communication, innovation
5. Working collaboratively with stakeholders – plans, processes, products and services, standards

When implementing improvements, it is best to identify a few items that your organization has the capacity to work on. One tactic to use in prioritizing the opportunities for improvement is to review the organization's core business processes and strategic direction to find opportunities which will create value and help accelerate achievement of priority outcomes.

In closing, the assessment results show optimism that Alberta municipalities have a continuous improvement mindset and are perpetually striving for higher performance. As municipalities engage more intentionally in improvement activities, they will develop a sound systematic approach to each Key Management Area, there will be more effective deployment of the best practices common to high performing organizations, positive results will be sustainable, and the outcome will be higher performance across the organization.



APPENDIX 1 – International Standard Industrial Classification

ISIC Overview

- A. Agriculture, Forestry, & Fishing – crop, animal production, hunting; forestry and logging; fishing and aquaculture
- B. Mining and Quarrying – coals and lignite; crude petroleum, natural gas; metal ores; other mining and quarrying; mining support
- C. Manufacturing – food; beverage; tobacco; textile; wearing apparel; leather and related; wood, cork, straw, plaiting; paper and related; printing, recorded media; coke, refined petroleum; chemical and related; pharmaceuticals, medicinal, botanical; rubber, plastics; other non-metallic mineral; basic metals; fabricated metal; computer, electronic, optical; electrical equipment; machinery and equipment; motor vehicles, trailers, semi- trailers; other transport equipment; furniture; other manufacturing; repair and installation machinery and equipment
- D. Electricity, Gas, Steam and Air Conditioning Supply – electricity, gas, steam, air conditioning
- E. Water Supply, Sewerage, Waste Management and Remediation Activities - water collection, treatment, supply; sewerage; waste collection, treatment, disposal; remediation, waste management
- F. Construction – construction of buildings; civil engineering; specialized construction
- G. Wholesale and Retail Trade, Repair of Motor Vehicles and Motorcycles – wholesale, retail, -repair of motor vehicles, motorcycles; other wholesale trade; other retail trade
- H. Transportation and Storage – land, pipelines; water; air; warehousing and support; postal and courier
- I. Accommodation and Food Service Activities – accommodation; food and beverage
- J. Information and Communication – publishing; film, video, television, sound, music; programming, broadcasting; telecommunications; computer programming and consulting; information
- K. Financial and Insurance Activities – financial; insurance, pension funding; auxiliary activities
- L. Real Estate Activities – real estate activities
- M. Professional, Scientific and Technical Activities – legal, accounting; management consulting; architectural, engineering, technical testing; scientific research and development; advertising and market research; other professional; veterinary
- N. Administrative and Support Service Activities – rental, leasing; employment; travel agency, tour operator, reservation; security, investigation; services to buildings and landscape; office administrative, support
- O. Public Administration and Defence and Compulsory Social Security – public administration, defence, social security
- P. Education – education
- Q. Human Health and Social Work Activities – human health; residential care; social work without accommodation
- R. Arts Entertainment and Recreation – creative, arts, entertainment; libraries, archives, museums, cultural; gambling, betting; sports, amusement, recreation
- S. Other Service Activities –membership organizations; repair computers and household goods; other personal service
- T. Households as Employers and Producers of Goods-And-Services for Own Use -employers of domestic personnel; producers of goods and services
- U. Activities of Extraterritorial Organizations and Bodies – extraterritorial organizations, bodies

APPENDIX 2 - Interrelationships Chart - Alberta municipalities

	A	B	C	D	E	F	G	H	I	J	K
1	INTERRELATIONSHIPS		Leadership Involvement	Alignment	Focus on the Customer	People Involvement	Prevention Based Process Mgmt	Partnership Development	Continuous Improvement	Data Based Decision Making	Societal Commitment
2	PRINCIPLES										
3	Alberta Municipalities		7.93	6.52	7.79	7.07	6.20	6.25	6.97	5.38	7.60
4	KEY MANAGEMENT AREAS WITH BEST MANAGEMENT PRACTICES										
5	1.0 Governance										
6	1.1 Identify governance responsibility to stakeholders	5.33			5.33					5.33	5.33
7	1.2 Implement system of authority, accountability, control	4.97									
8	1.3 Ensure governance system meets obligations*	6.79								6.79	6.79
9	1.4 Establish governance processes at all appropriate levels	5.69		5.69		5.69	5.69				5.69
10	1.5 Act as model of good practice for the community	5.47									
11	1.6 Communicate policy & strategy to stakeholders	4.84	4.84								
12		5.51									
13	2.0 Leadership										
14	2.1 Develop corporate statements*	4.90	4.90			4.90					
15	2.2 Communicate corporate statements to all levels*	4.35	4.35			4.35					
16	2.3 Identify factors that contribute to organizational success	4.84	4.84			4.84					
17	2.4 Develop strategic plan that will guide toward vision	5.12	5.12	5.12							
18	2.5 Use risk mgmt to assess strategic goals & objectives	2.79					2.79				
19	2.6 Monitor & review strategic plan on regular basis	3.97							3.97		
20	2.7 Ensure senior mgmt demonstrates commitment to improvement *	5.14	5.14						5.14		
21	2.8 Ensure senior mgmt participates in professional events	6.41									6.41
22	2.9 Remove barriers to organizational effectiveness	3.81					3.81		3.81		
23	2.10 Promote teamwork amongst employees*	5.39				5.39					
24	2.11 Communicate openly to employees about performance	4.29	4.29								
25	2.12 Share responsibility, accountability, leadership	3.81		3.81	3.81						
26	2.13 Link senior mgmt rewards & recognition to performance	2.05	2.05			2.05				2.05	
27	2.14 Demonstrate responsibility to society & environment*	5.04									5.04
28	2.15 Learn from ideas & practices & share internally & externally	4.76							4.76		4.76
29		4.45									
30	3.0 Planning										
31	3.1 Use factual information for business planning*	3.95								3.95	
32	3.2 Create business plan that supports strategic direction*	3.25	3.25	3.25		3.25				3.25	
33	3.3 Develop contingency plans for unforeseen events	3.36					3.36			3.36	3.36
34	3.4 Communicate & integrate business plan internally & externally	3.17	3.17					3.17			
35	3.5 Allocate resources to ensure implementation of business plan	3.53	3.53	3.53		3.53					
36	3.6 Conduct capability gap analysis for resources	1.28	1.28				1.28				
37	3.7 Reallocate resource requirements to adjust to change	2.50	2.50				2.50				
38	3.8 Monitor & review business plan regularly*	2.94							2.94		
39	3.9 Make changes to business plan aimed at improvement*	2.88							2.88		
40		2.99									
41	4.0 Customers										
42	4.1 Use research to define & segment customers*	2.99			2.99					2.99	
43	4.2 Determine customer needs & expectations*	4.55			4.55						
44	4.3 Communicate value of products & services to customer*	4.13			4.13						
45	4.4 Align employees on importance of customer*	5.35		5.35	5.35	5.35					
46	4.5 Train & empower employees to be advocates for customer*	4.07			4.07	4.07					
47	4.6 Ensure positive experiences by managing contact points*	4.58			4.58						
48	4.7 Make it easy for customer to do business & provide feedback*	4.94			4.94		4.94				
49	4.8 Respond successfully to customer feedback*	5.64			5.64		5.64			5.64	
50	4.9 Reaffirm presence in established markets	3.41	3.41		3.41			3.41	3.41	3.41	3.41
51		4.41									
52	5.0 Employees										
53	5.1 Undertake human resource planning that supports direction *	3.36				3.36					
54	5.2 Recruit & select people for mutual success*	4.61				4.61					
55	5.3 Promote equal opportunity & diversity	4.86				4.86					4.86

	A	B	C	D	E	F	G	H	I	J	K
56	5.4 Ensure people understand & commit to strategic direction	3.47	3.47	3.47		3.47					
57	5.5 Get people involved with improvement initiatives	3.81				3.81	3.81		3.81		
58	5.6 Encourage employees to share ideas & suggestions*	5.13			5.13	5.13	5.13		5.13		
59	5.7 Encourage employees to be innovative & take risks	3.48				3.48			3.48		
60	5.8 Determine training needs of employees & provide such*	4.58		4.58		4.58					
61	5.9 Ensure employees have adequate compensation & benefits*	5.51				5.51				5.51	
62	5.10 Reward & recognize strong performance*	3.92				3.92				3.92	
63	5.11 Ensure healthy workplace environment & involve people*	5.08				5.08					5.08
64	5.12 Remove barriers to employee effectiveness	3.69				3.69	3.69		3.69		
65		4.29									
66	6.0 Work Processes										
67	6.1 Design & document key processes*	3.59		3.59		3.59	3.59				
68	6.2 Ensure service standards met consistently*	3.39		3.39			3.39			3.39	
69	6.3 Ensure system standards met consistently*	4.44		4.44			4.44			4.44	4.44
70	6.4 Ensure processes in place to address change	3.72					3.72			3.72	3.72
71	6.5 Take corrective action when problems occur*	4.77					4.77		4.77	4.77	
72	6.6 Prevent recurrence of problems by making changes*	4.16					4.16		4.16	4.16	
73	6.7 Analyze processes on regular basis & make changes*	2.81	2.81			2.81	2.81		2.81	2.81	
74	6.8 Communicate changes in process to employees*	4.27				4.27	4.27		4.27	4.27	
75	6.9 Involve stakeholders in designing & analyzing processes*	2.38			2.38		2.38	2.38	2.38	2.38	
76	6.10 Use external data to compare performance to others	2.84					2.84		2.84	2.84	
77		3.64									
78	7.0 Suppliers & Partners										
79	7.1 Select suppliers & partners on basis of criteria*	5.08						5.08		5.08	
80	7.2 Develop win-win partnering arrangements*	4.15						4.15			
81	7.3 Share information with suppliers & partners that link to plans*	2.73	2.73	2.73		2.73					
82	7.4 Involve suppliers & partners in new products & services	2.31			2.31			2.31	2.31		2.31
83	7.5 Involve suppliers & partners in social & environmental standards	2.64						2.64	2.64		2.64
84		3.38									
85	8.0 Resource Management										
86	8.1 Define resource requirements*	4.65	4.65	4.65		4.65				4.65	
87	8.2 Develop strategy to manage resources effectively*	4.02	4.02								
88	8.3 Manage security of resources	5.23					5.23				
89	8.4 Minimize adverse impact of products & services*	3.85					3.85		3.85	3.85	3.85
90	8.5 Manage assets to improve life cycle performance	3.60							3.60	3.60	
91	8.6 Identify technology & related cost-benefit	3.60						3.60	3.60	3.60	3.60
92	8.7 Provide access for stakeholders to knowledge & information	3.48				3.48		3.48			3.48
93	8.8 Prepare for resource interruptions	4.20	4.20				4.20			4.20	
94		4.08									
95	9.0 Continuous Improvement and Performance Measurement										
96	9.1 Continuous Improvement - evaluate and improve the approach to each management area										
97	9.1.1 Governance *	4.76	4.76						4.76	4.76	
98	9.1.2 Leadership *	4.63	4.63						4.63	4.63	
99	9.1.3 Planning *	4.19		4.19					4.19	4.19	
100	9.1.4 Customers *	4.82			4.82				4.82	4.82	
101	9.1.5 Employees *	4.62				4.62			4.62	4.62	
102	9.1.6 Work Processes *	3.64					3.64		3.64	3.64	
103	9.1.7 Suppliers and Partners *	3.38						3.38	3.38	3.38	
104	9.1.8 Resource Management *	3.67							3.67	3.67	
105		4.22									
106	9.2 Performance Measurement (Management Areas) – measure performance in each management area										
107	9.2.1 Governance measures	5.21	5.21						5.21	5.21	
108	9.2.2 Leadership measures	5.10	5.10						5.10	5.10	
109	9.2.3 Planning measures	4.43		4.43					4.43	4.43	
110	9.2.4 Customer measures	5.21			5.21				5.21	5.21	
111	9.2.5 Employee measures	4.60				4.60			4.60	4.60	

	A	B	C	D	E	F	G	H	I	J	K
112	9.2.6 Work process measures	4.29					4.29		4.29	4.29	
113	9.2.7 Supplier and partner measures	3.69						3.69	3.69	3.69	
114	9.2.8 Resource management measures	3.79							3.79	3.79	
115		4.54									
116	9.3 Performance Measurement (Organization) – measure overall organization performance										
117	9.3.1 Organizational relevance to marketplace	5.24		5.24	5.24				5.24	5.24	
118	9.3.2 Organizational capability to manage change	4.72	4.72				4.72		4.72	4.72	
119	9.3.3 Meeting stakeholder objectives	4.97		4.97			4.97	4.97	4.97	4.97	4.97
120	9.3.4 Perception of organization as model of excellence	4.98							4.98	4.98	4.98
121	9.3.5 Quality of products or services*	5.49			5.49		5.49	5.49	5.49	5.49	
122	9.3.6 Performance accomplishments & program outcomes	5.57							5.57	5.57	5.57
123	9.3.7 Customer satisfaction*	4.95			4.95				4.95	4.95	
124	9.3.8 Customer loyalty	5.24			5.24				5.24	5.24	
125	9.3.9 Customer confidence	4.86			4.86				4.86	4.86	
126	9.3.10 Employee satisfaction*	4.56				4.56			4.56	4.56	
127	9.3.11 Employee morale	4.50				4.50			4.50	4.50	
128	9.3.12 Financial performance*	5.74							5.74	5.74	
129		5.07									
130	* applies to micro size organizations										