

Case Study



Scope data: This public sector organisation is responsible for all highways in a federal republic the size of France and Spain combined. The Highways Agency employs some 17,000 permanent personnel and up to 5,000 contract workers depending on the number of contracts. The General Manager, who reports directly to the deputy Prime Minister, has responsibility for an annual spend of \$300 million covering thirteen major highway construction projects, contracted through various international construction contractors and consortia (Chinese, Japanese, South African, Greek-Spanish, British amongst others). The agency is also responsible for infrastructure development and road maintenance via nine regional organisations.

The issue

The country is divided into nine ethnically based states and two self-governing administrations linked by some 34,000 kilometres (21,250 miles) of surfaced and unsurfaced roads. International aid programmes have provided the funding for a number of major road improvement projects.

Each of these projects involves major international construction companies, well versed in these types of programmes and well-rehearsed in planning, mobilising and contract management.

The Highways Agency, whilst experienced in the handling of its internal roads programme, has limited experience in working in turnkey projects on such a scale. In the early stages of programme inception, priority was not given to land compensation claims, for example, resulting in delays in mobilisation and subsequent claims for compensation. Similarly, management organisation and information systems were not adequate to handle the size of these projects and budget control and release of stage payments were major issues of concern. Added to this was the complexity of dealing with differing cultures and practices.

The key issue was, therefore, to provide capacity building assistance in a number of areas, both technical and management, to assist in improving management expertise and effectiveness in handling these major road building programmes.

The starting point for this was the senior management development programme involving the General Manager and his direct reports who were responsible for the key operational and service functions.

The solution

Each member of the senior management team was, technically, well qualified with an engineering degree from his or her national university with post-graduate education at a well-recognised European university. So, technical skills were not an area of major concern.

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The solution | continued

The development audit indicated that there was an urgent need to strengthen management performance in a number of key areas relating to organisation, planning and control as well as a need to address specific issues relating to local work practices and a highly social oriented culture.

The Skillogy programme was selected as the management capacity building tool due to it meeting all the development criteria and the fact that the learning and support processes were particular well suited to the challenges of the programme. In this latter regard, the processes had to be particularly effective in changing entrenched attitudes to work and cultural social pressures that often impeded productivity and the ability to meet deadlines.

Fourteen modules were selected for a two-year management development programme. The modules involved:

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| • Change Management | • Meeting Management |
| • Decision Making | • Objective Setting |
| • Delegation Management | • Personal Organisation |
| • Financial Control | • Priority Management |
| • Human Resource Management | • Teamwork |
| • Information Management | • Time Management |
| • Job Knowledge | • Transforming Leadership |
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The process

The Skillogy approach involves two main processes, one learning-driven and the other support-driven.

The learning-driven elements are integrated within each learning module and involve a cycle of assessment, knowledge acquisition, application of knowledge through job-focused actions and a review of outcomes.

The other process involves a blended learning approach. By this means the self-managed elements of the programme are balanced by peer group and learning adviser support, ensuring that individuals remain motivated and maintain a pace in accordance with their own developmental needs and that of the programme scheduling. The Learning Adviser is either from Skillogy or trained in-house.

In the case of this specific programme, the Learning Advisers were from Skillogy and managers were assigned to a learning set comprising 4 or 5 individuals working on the same module. The Learning Adviser supported the group through instructor-led workshops and one-to-one sessions, where required.

Normally, on-line delivery access to the programmes is provided via a learning management system hosted by Geolearning. However, in this particular instance the specific self-managed element of the programme was delivered on CD-ROM owing to local difficulties relating to reliable Internet access.

The instructor-led workshops involved one-day workshops covering launch and familiarisation at the outset of the programme, module introductions and review workshops at six-weekly intervals.

The process | continued

Crucial to the success of this and any other programme is how each individual interprets the knowledge gained from the module and applies this to their working environment.

Each module is divided into a number of tutorials aimed at providing relevant and practical knowledge to the individual who then develops job-based action plans specific to their needs and job responsibilities. By this means the learning issues address the needs of each member of the learning set who then exchange their views, ideas and progress in a mutually supportive environment. The Learning Adviser is both a facilitator and a coach in this process.

The presentation of the module is designed in a way that addresses individual learning styles and also aids learning retention. This is achieved through animations designed to link the subject matter to visual learning in an interactive and engaging style. Additional learning resources are provided via the learning management system, relevant to the subject area or customised to the particular programme.

Measurement of outcomes is achieved through discussion at the review stage as well as through the use of a five-stage analytics and metrics process integrated within the learning management system.

The results

Within this environment the scope for improvement was considerable. However, set against this was a culture that was strongly independent, adapting its approach to work based on a socially driven culture as opposed to results-driven.

This approach was completely opposite to the well structured, contract-driven and result orientated focus of the main contractors that the highways agency were 'managing'.

This presented a particularly difficult test for the programme and highlighted the importance of performance skills as a means of changing behaviour, attitudes and achieving measurable results for managers.

A fundamental issue that proved important in providing the catalyst for change were the significant compensation awards being made against the agency by the International Arbitration Court. This provided a degree of urgency and impetus within the programme and allowed the modules to be contextualised in illustrating potential areas for change and improvement. In essence, the modules and the action points contained within each tutorial acted as a catalyst for seeking improvements to management practice and performance.

This became a major measurement in gauging management performance. During the initial two-year period of the programme a 50% reduction in claims against the highways agency was achieved resulting in a saving in excess of \$1 million. During the subsequent two-year period up to 2004 this had been reduced to 20%.

So, how was this achieved?

Firstly, it is important to note that this had little to do with technical skills. There were no real technical issues other than to demonstrate, as part of other areas of the capacity building, the latest techniques in road-side drainage, kerbs, road surfacing, bridge construction and so forth designed to improve specification standards within the tender bid process, for example.

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The results | continued

The problem related to how to improve management performance. The answer lay in the underlying inefficiencies that caused the large claims against the highways agency in the first place; issues such as:

- delays in negotiating land compensation claims
- delays in access to sites for mobilisation
- poor organisation of the tender process and analysis of needs
- inadequate information management
- unclear roles and responsibilities
- low levels of productivity
- constant interruptions by contractor personnel
- no objective setting
- ineffective delegation
- time wasting, particular through unscheduled meetings
- poor communication internally and externally
- no prioritisation of tasks
- bad time management
- no understanding of personal organisation
- an absence of effective teamwork

Against this background it was not difficult to identify the relevance of the Skillogy modules and their potential impact in improving performance.

Significant results were achieved at a personal productivity level through a better understanding of *job knowledge*, improved *personal organisation* and *time management*, especially where social expediency had been seen as more important than work objectives.

A measure of individual productivity improvement indicated an average gain approaching 60%.

Teamwork was another area of major improvement due to better *delegation management* and *priority management* combining to improve work output and achieve deadlines. There was a considerable improvement in team motivation and a reduction in absenteeism of 75%.

The tender process was significantly improved through clearer specifications and instructions, better planning and control, proper scheduling, analysis and comparisons combined with more effective procedures for financial analysis and reporting.

Improvements were recognised in the *decision management* through a better understanding of the process and improvements in the quality and timing of *information management*.

Business planning was improved through clearer *objective setting*. The role of senior managers was clarified with a strong focus on *transforming leadership* and *change management*.

The meetings culture was radically overhauled with improvements in planning, organisation and control of meetings. Numbers, both in terms of meetings and attendees were significantly reduced as was the tendency for 'snap meetings'. This resulted in considerable savings in time through better *meetings management* (100 hours of management time per week)

The results | continued

A further point worth noting was the commitment and motivation displayed by the General Manager of the highways agency to the extent that he went on to complete fifteen modules, such was the benefit he obtained from the programme. The following comments are an illustration of the type of impact that the modules can have in making a significant contribution to business results. This is what the General Manager had to say:

“I was thinking about a particular problem I had with a regional government over the route for a new road in the north of the country. I had had a number of meetings in the regional capital to try to reach agreement but all attempts had failed. In this country, ‘no’ means ‘no’ once someone has made up their mind.”

“The regional government wanted the new road to be routed through a mountain region so as to attract votes from the highland populations. The cost implications were significant as opposed to the more direct route through the lowland region. The talks were deadlocked. The additional costs were in the region of \$5 million.”

“Later that afternoon I caught up with the management development programme and happened to see the module entitled Persuasion and Negotiation. As a matter of interest I started to work through the tutorials. What I found particularly interesting was the suggested process to be followed in attempting to reach an agreement and how to analyse the issues from both sides with the aim of trying to find common objectives and points of agreement.”

“The tutorials acted as a catalyst for developing my ideas. True, the approach was something that we would not normally consider within our culture but the method was worth considering, nonetheless.”

“By the end of the afternoon I had come up with a new strategy. I could show the regional government that by agreeing to the route of our choice, not their preferred option, we could offer to extend the road beyond the regional capital to an area with at least an equal number of voters as the highland region. At the same time we could offer to upgrade the road to the highlands (as opposed to blasting half a mountain in the name of progress) and attract votes for upgrading the mountain road.”

“This option went a considerable way in meeting the respective objectives of both parties. The result was an agreement. The module acted as a catalyst for ideas and options and the action plans in each tutorial were of considerable benefit in this respect.”

“The savings to the highways agency were estimated at \$3 million. The regional government improved road access to two key political areas and their voters as well making it easier for access to regional markets for the sale of agricultural products.”

“This was a very successful outcome and I doubt whether I would have found an acceptable solution had I not spent time on the module. It promoted a simple and effective approach. It was certainly worth the investment in time!”

This outcome reflects many of the comments made by managers who have worked through the performance skill modules. Peter Drucker, the American management consultant and author puts things this way “start with what is right rather than what is acceptable”.

At Skillogy we say ‘get the basics right and the results will follow’. We have proved this to be the case time and time again where management performance is concerned. These results speak for themselves.