



WELCOME TO SANT CUGAT CITY HALL

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Sharing experiences with the MIKE project participants.

Discussion about strategic management

Sant Cugat del Vallès. 5th September, 2007



Agenda

- 1) Introduction. Building the future together (7 min. Film). General framework about relations between politics and public management
- 2) Linking politics with management. Developed Strategic Innovation Experiences in Sant Cugat
- 3) A step forward: Strategic maps for all the scopes of the City Council

Conclusions and Future Lines: The Analytical Budget and The Code of Ethics



IN GOD WE TRUST.

**THE REST, PLEASE, BRING NUMBERS
AND YOUR STRATEGIC MAP**



POLITICS AND THE UPDATED “ZOON POLITIKON”

- **What is that called “politics” ?**
- **Wich role the politicians play ?**
- **The management of caos. The major number of political problems are caused by a management mess.**
- **World of increasing complexity**
- **The growing gap between complexity and the political system**

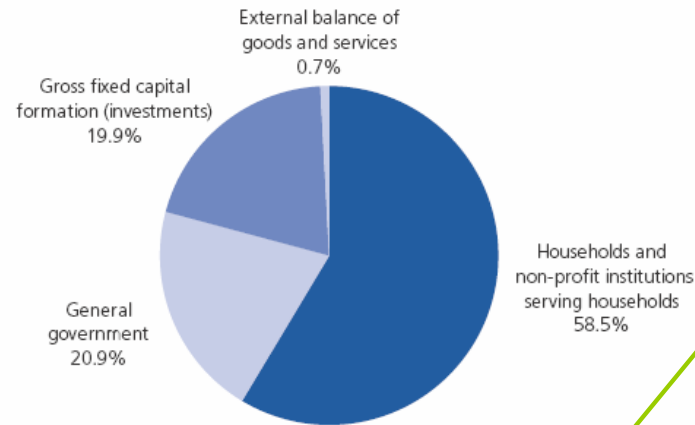


THE GAP BETWEEN COMPLEXITY AND GOVERNABILITY: A KEY ISSUE

A significant share of total average Europe's GDP is expenditure from general government

+ its direct influence over the rest of stakeholders

The GAP must be closed through continuous innovation and change adaptation from public institutions, administrations and policymakers.



COMPLEXITY

Research – Technology – Business - Economy

Public Administration and Institutions

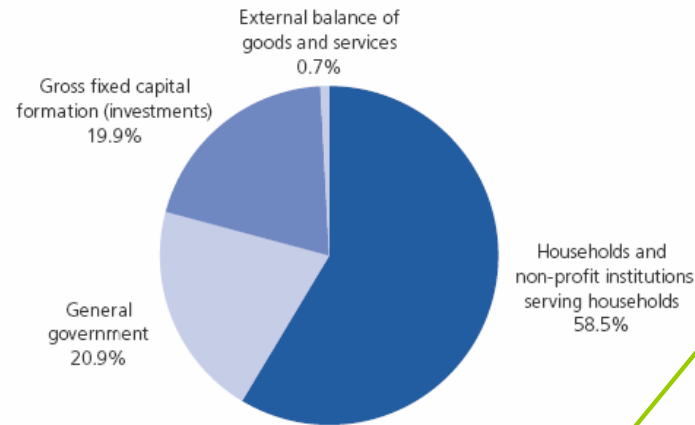
GAP

TIME

A significant share of total average Europe's GDP is expenditure from general government

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COMPLEXITY

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GAP

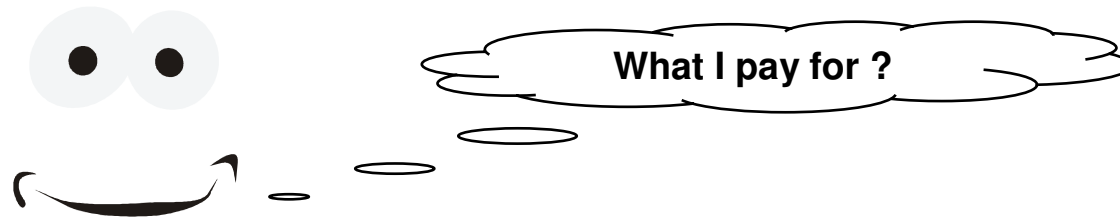
TIME

SOME KEY CONCEPTS

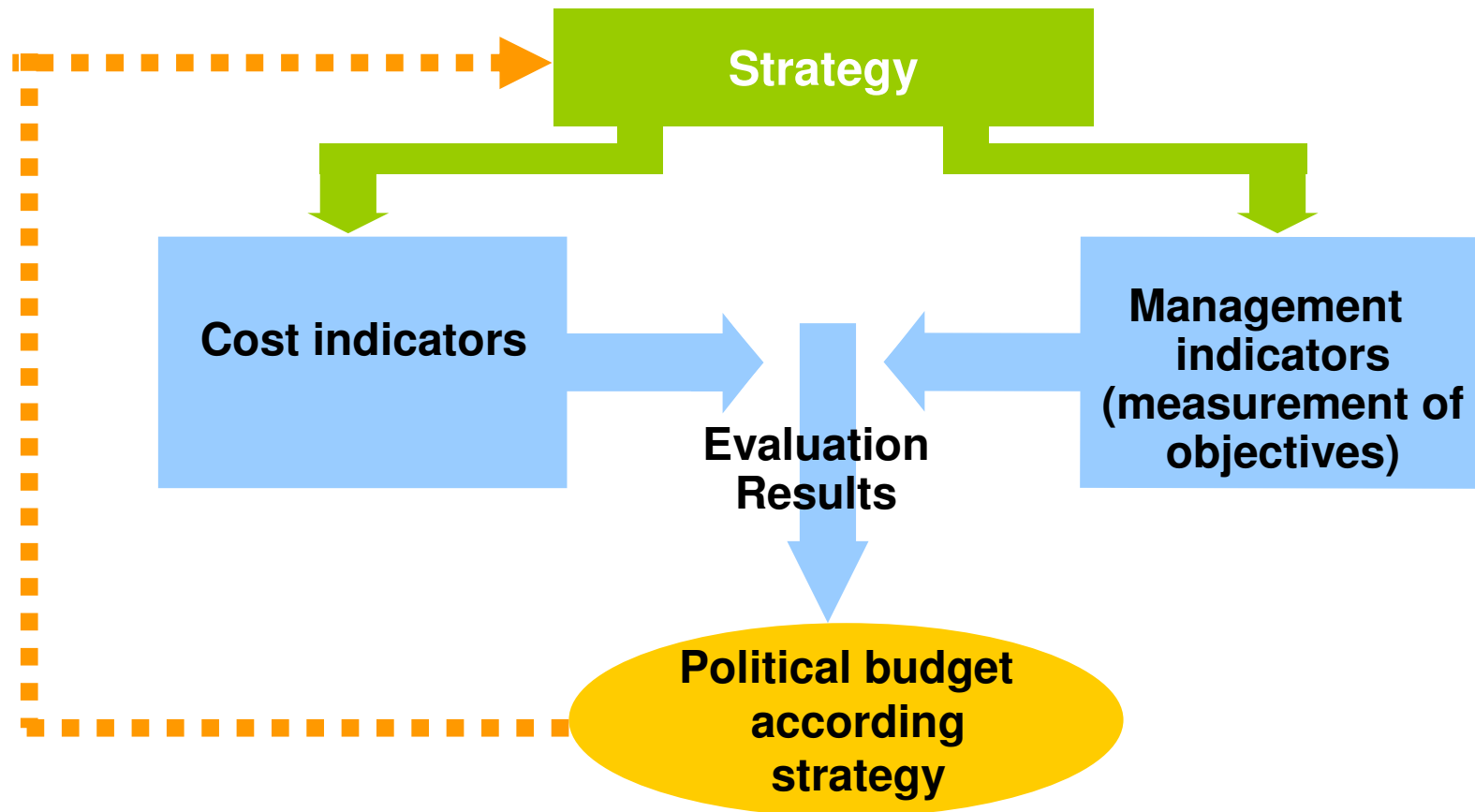
- EFFICACY and EFFICIENCY
- From the ambiguity to the rational environment
- TOOLS:
 1. Monitoring the management (OUTCOMES AND OUTPUTS)
 2. Monitoring the costs. Economy in the public management
- From the *expenditure culture* to the *cost culture*



WE FEEL BEFORE WE THINK ! BE AWARE OF THE ORZANIZATION FEELINGS !



	Euros
Sports	28,08
Education	74,92
Attention to the citizen	51,26
Security	68,86
Mobility	35,63
Health	11,57
Public streets	191,62
Green areas	43,42
Culture	81,82
Environment	14,30
Social services	68,34
Urban planning	35,61
Economy	54,07
Inter-administrative cooperation	56,15
	815,66



Conclusions about the role of politics

Politics is something that hardly affects us as a citizens



Politics must be closer to management

People should demand accountability and efective management of public services

Ideology is a key factor for politics, but ideology without efficient management is just useful for demagogues

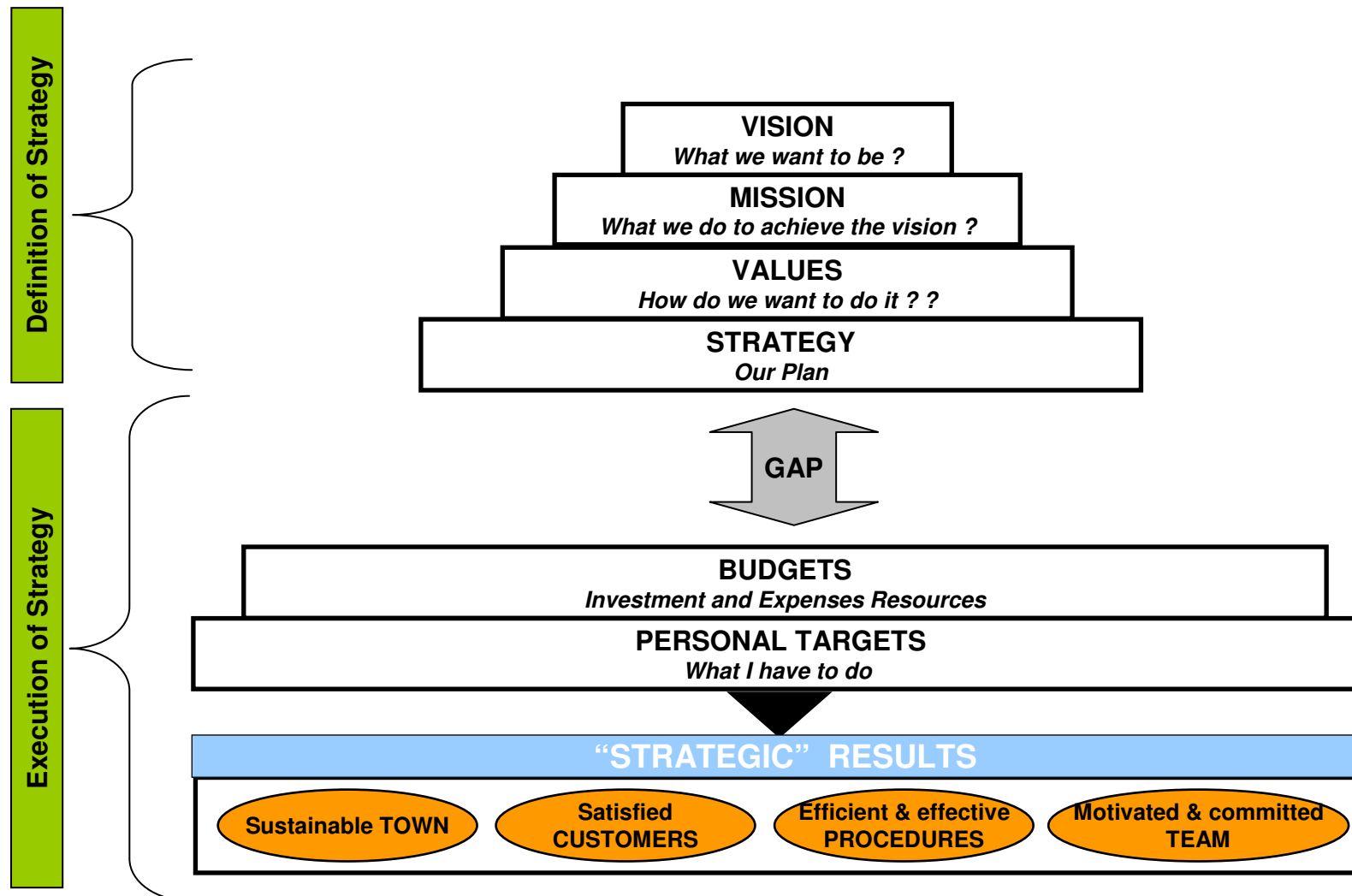
Execution is relevant ...

The Execution has a “multiplying effect “...

-  It is possible to overcome the expectations with an excellent execution of a poor strategy
-  It is possible that the expectations are not achieved through a poor execution of an excellent strategy

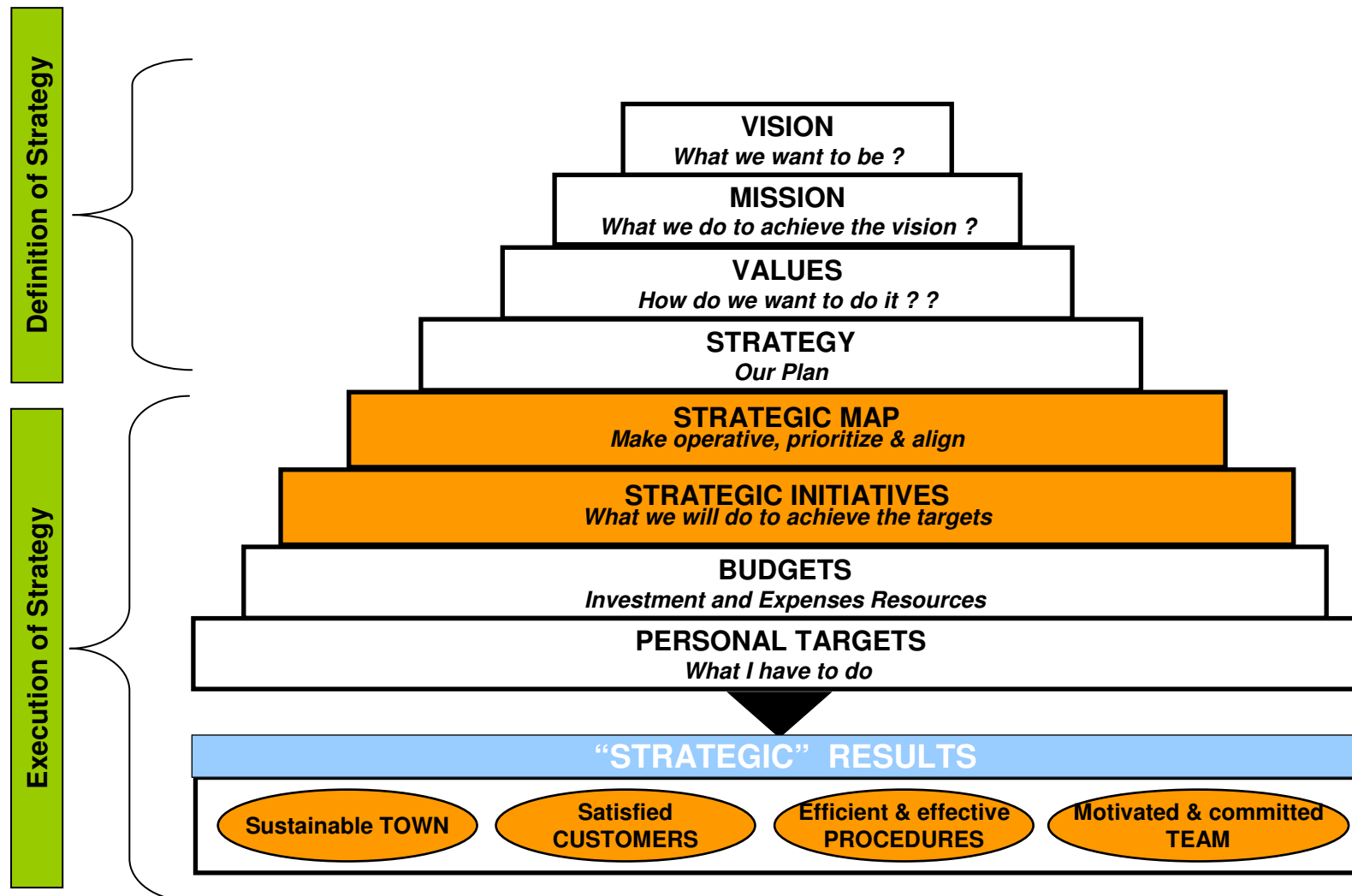
Balanced Scorecard in the Sant Cugat del Vallès City Council. Introduction.

Base Methodology of the project



Balanced Scorecard in the Sant Cugat del Vallès City Council. Strategic map, Targets and Indicators.

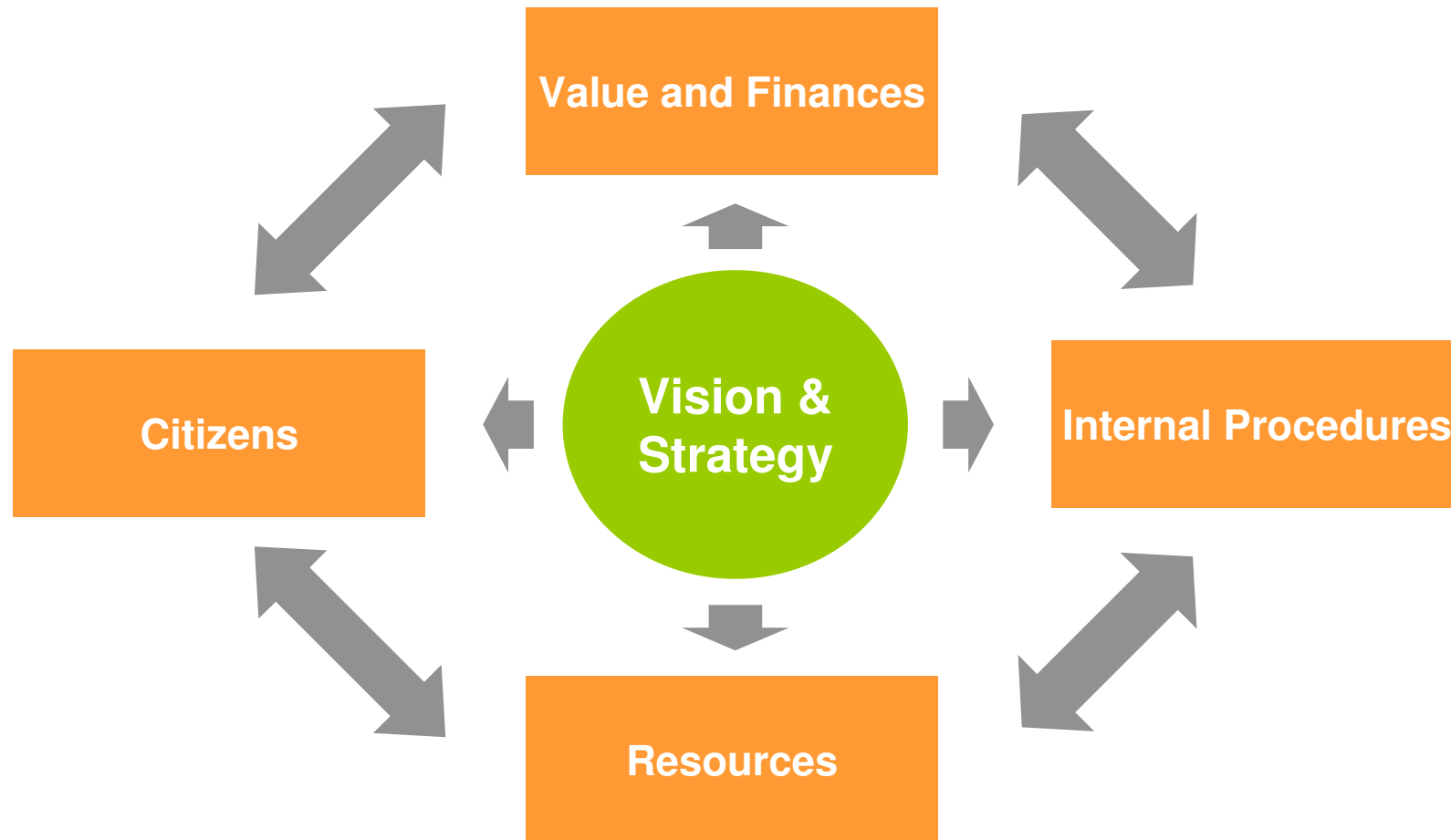
Base Methodology of the project



Execution is relevant ...

- *Less than 10% of the effectively formulated strategies are executed effectively.*

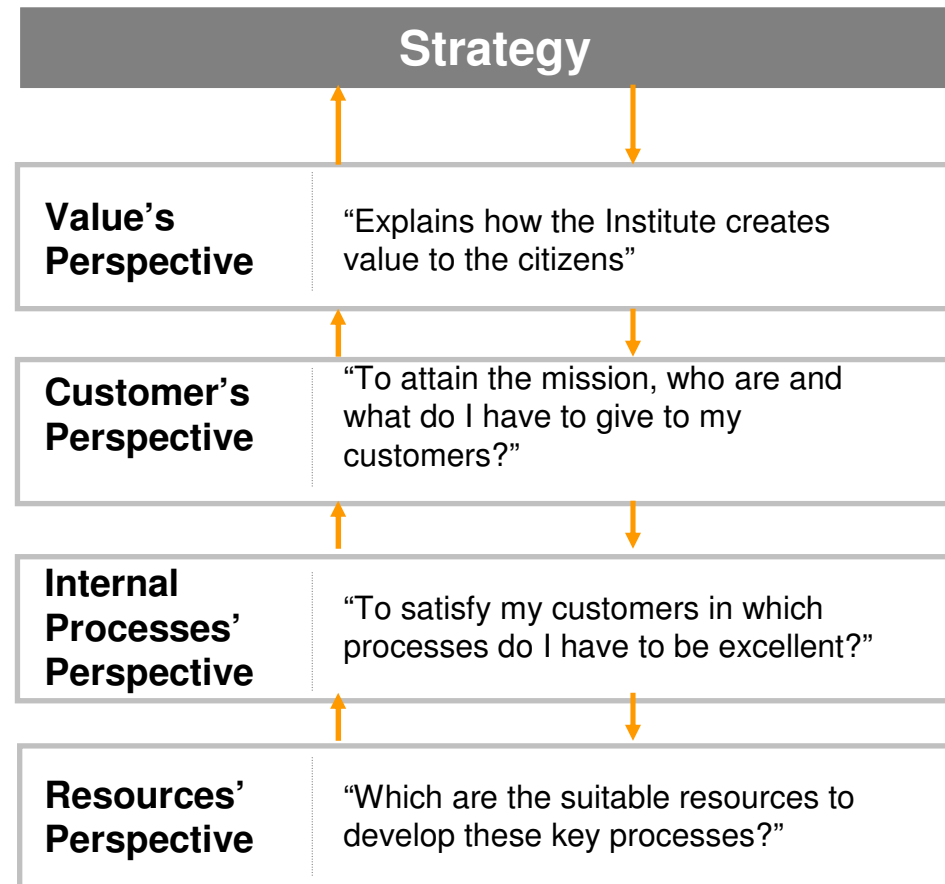
Fortune Magazine



Structure of the Strategic Map.

The Strategic Map gives a visual representation of the organization's strategy

The strategy describes how to transform the intangible assets in tangible results.



Differential aspects between the Balanced Scorecard and the Traditional Scorecard

- Generalitation of the financial indicators
- Removal of the obsession for the “short term” concept
- The analysis of the cause-effect relations among indicators: relations within/between perspectives.

The Balanced Scorecard in the public management.

- Meaning to break the determinist planning that the political mandates represent.
- Linking goverment programmes to the attainment of objectives.
- Changing of culture with regards to the information.

Advantages of the Balanced Scorecard

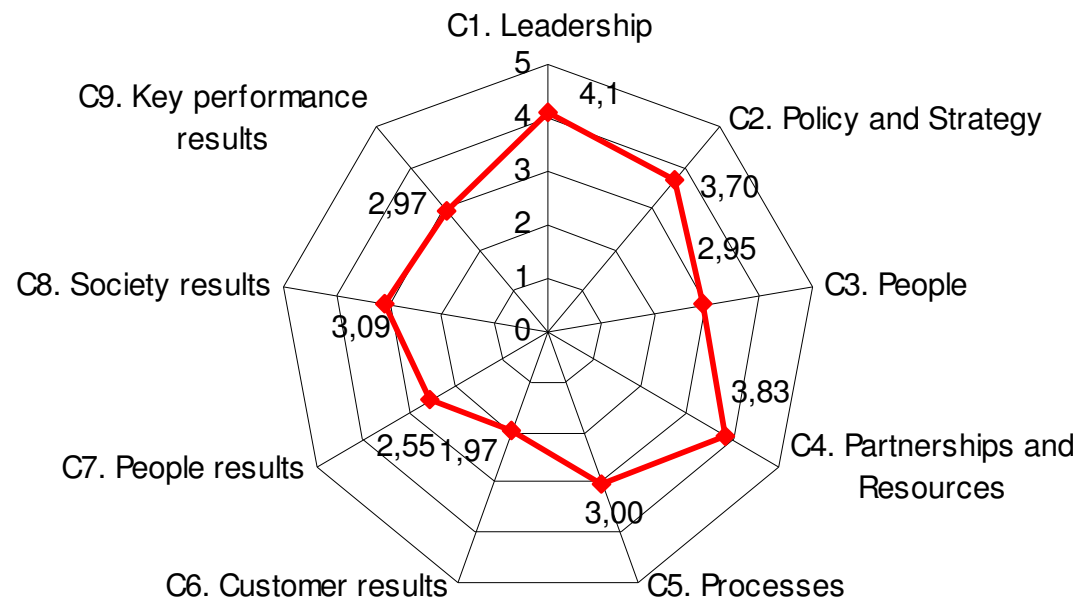
- It focus the organization in the strategic targets.
- It aids to the transparency of the public management.
- It is a useful communication and motivation tool.
- It implies to develop a culture of continuous improvement.

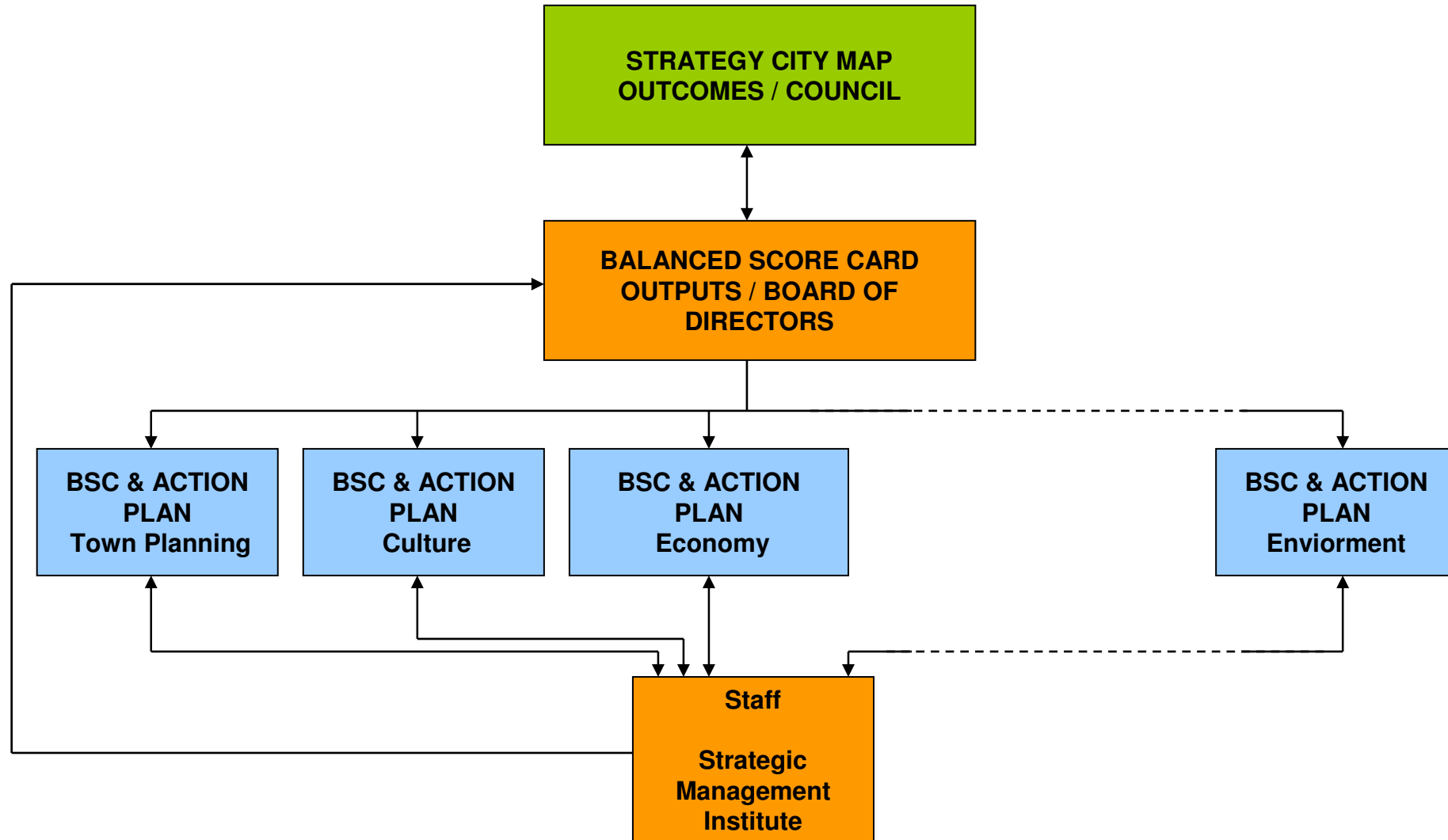
FROM THE BSC TO THE SFO

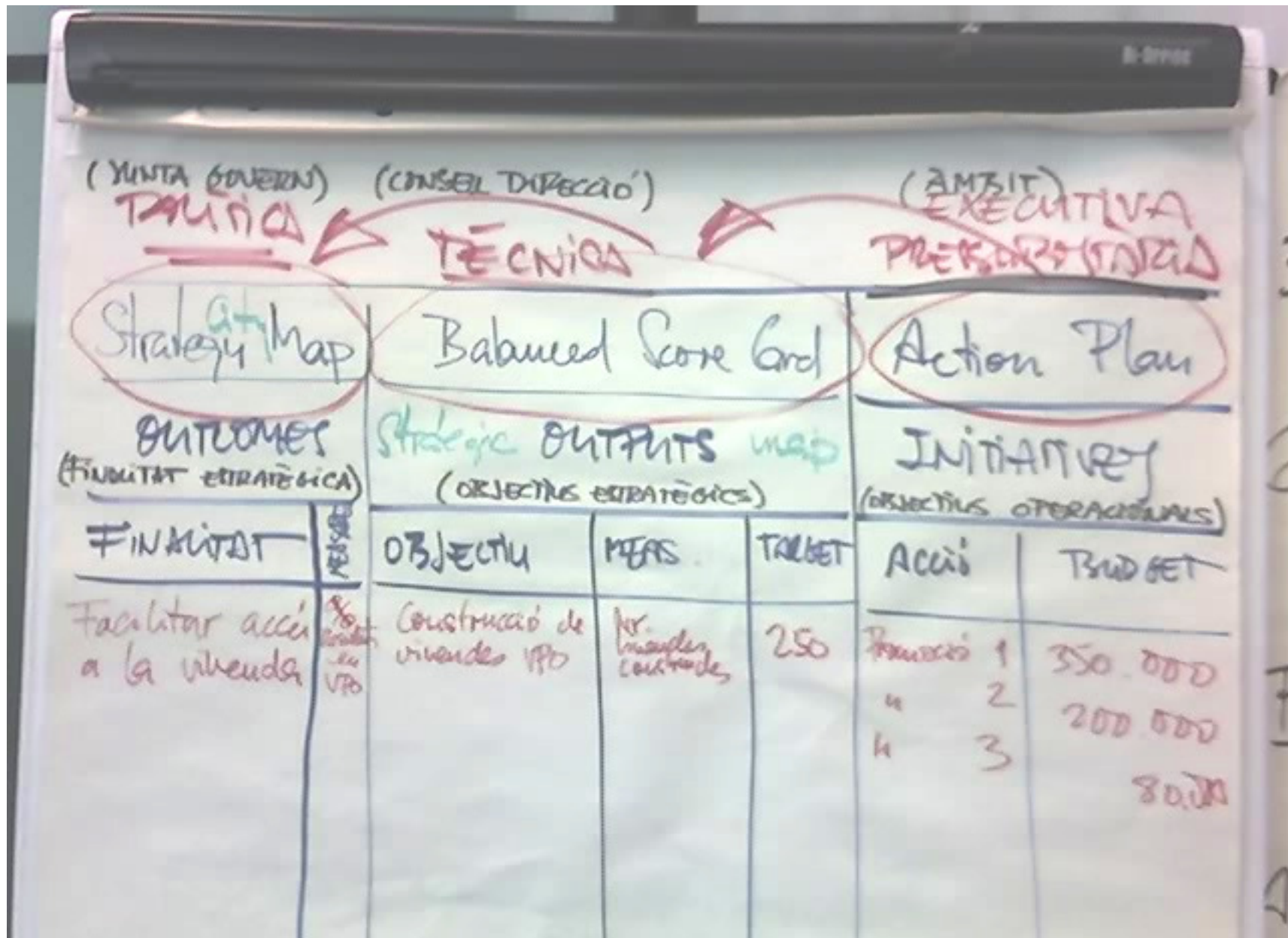
THE STRATEGIC FOCUSSED ORGANIZATION

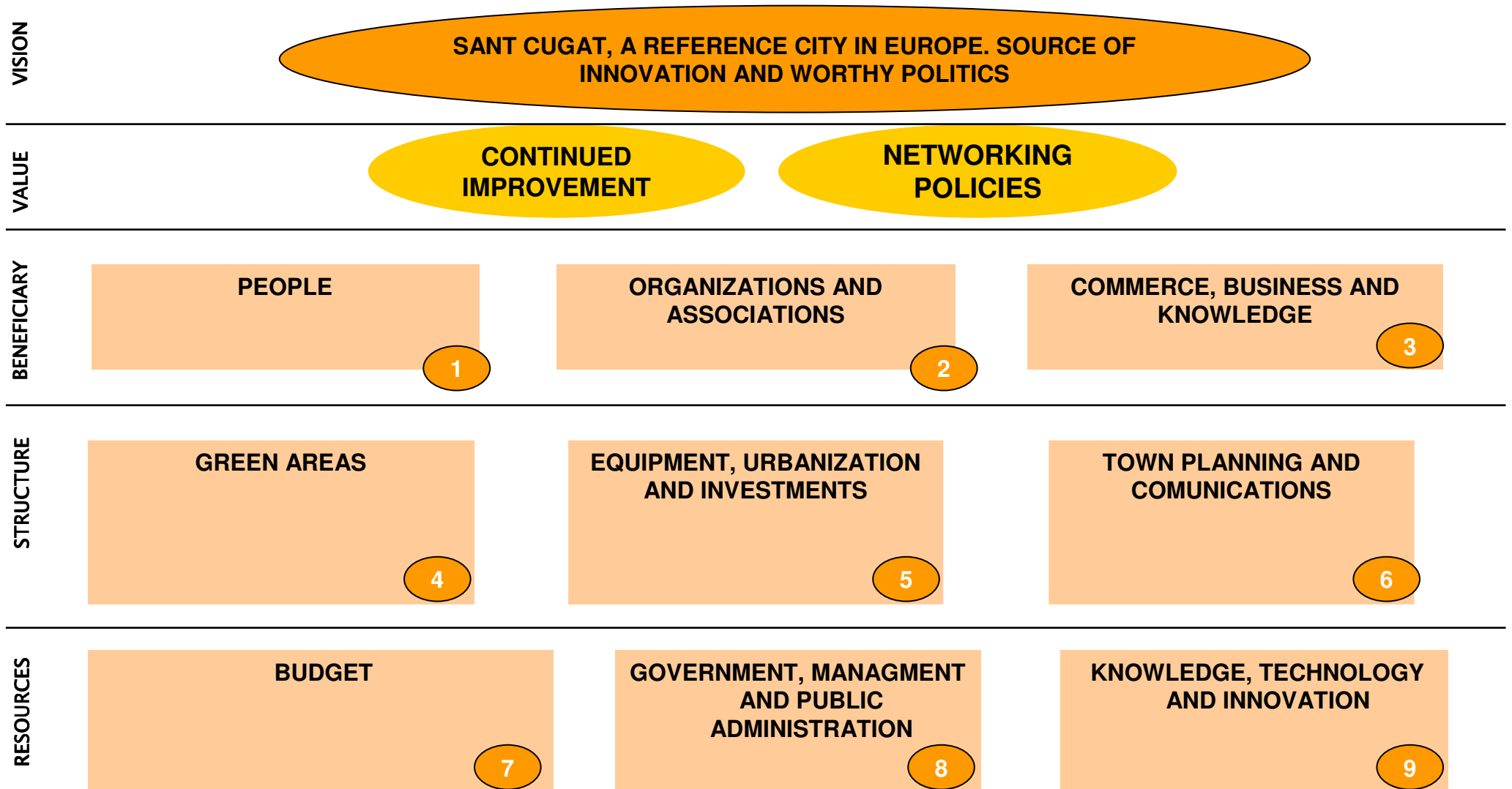
- Strategy maps in cascade
- The alignment
- Monitoring the organization: Useful auto-evaluation through EFQM

Auto-evaluation results for every EFQM criterion
Date: June 2007
Strategic Management Office
Sant Cugat del Vallès City Hall









The Strategic Mangement Office. Targets of the project

- Ensuring a **good and viable integration** within the whole Organization.
- Consolidating the Methodology of the Balanced Scorecard towards the SFO (Strategy Focused Organizations).

Mission



Contributing in a decisive way to the achievement of the continued innovation and the excellence in public management.

Vision: Key lines to achieve the mission.

Contributing in a decisive way to the achievement of the continued innovation and the excellence in public management

RESEARCH OF ALIGNMENT WITH TARGETS

- To plan the strategy
- To evaluate the impact of short term decisions and rebuild the strategy
- Constant adjustment of the strategy

EFFICIENT ECONOMIC MANAGEMENT

- To foment the economic sustainability of the municipality
- To promote the investment capacity
- To link the budget with the management indicators

INFORMATION FOR THE MANAGEMENT

- To develop the tools for the decision making of politicians and directors
- Global vision of the execution of the government programme
- To facilitate the improvement, the responsibility and the transparency

CHANGE MOTOR

- To boost the economic growth
- To develop the ITs (Information Technologies) within the public administration
- To boost ITs to the society
- Constant research of the best practices

Values: The way we will work to achieve the Mission and the Vision.

Contributing in a decisive way to the achievement of the continued innovation and the excellence in public management

**RESEARCH OF
ALIGNEMENT WITH
TARGETS**

**EFFICIENT ECONOMIC
MANAGEMENT**

**INFORMATION FOR THE
MANAGEMENT**

CHANGE MOTOR

Team Work

Within the Institute and with the rest of the organization

Innovating

With the will of constant improvement and overcoming

With transparency

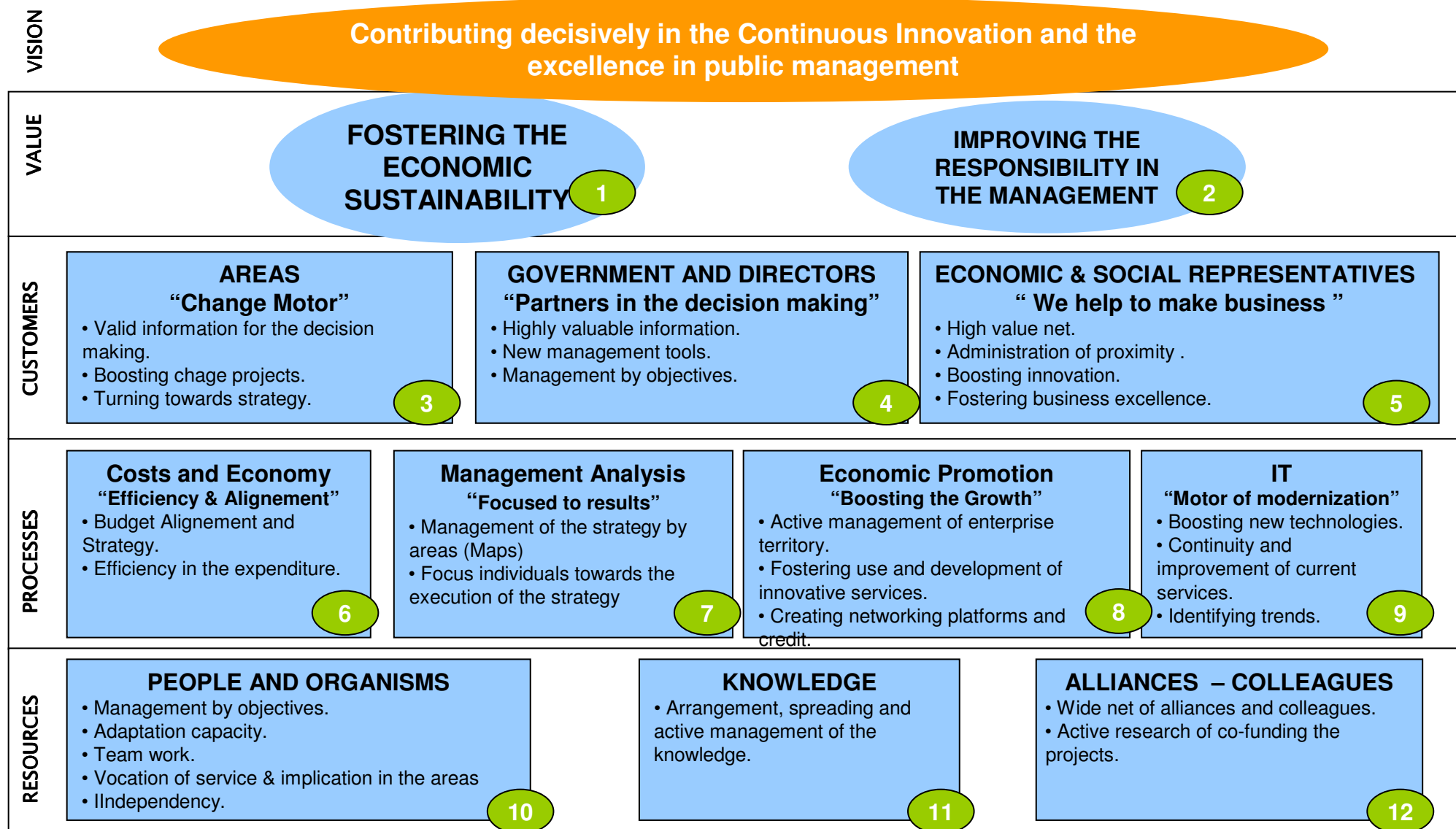
Presenting objective data and indicators



With vocation of service

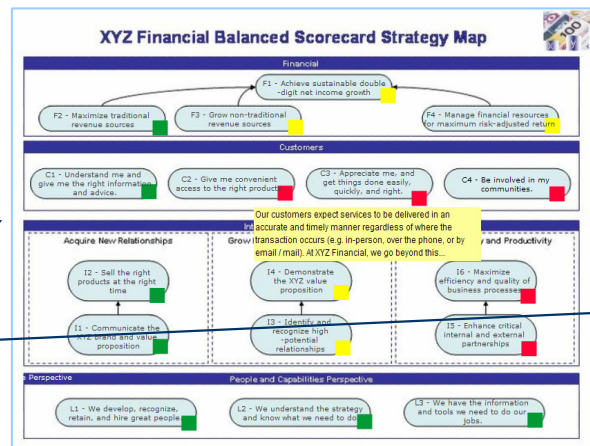
It is clear that our customers are the politicians, the directors and the whole of the organization

Institute's Map Structure.





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Reporting Period: Q1 2004

Objectives

Perspective	Objective(s)	Status
Financial	F1 - Achieve sustainable double-digit net income growth	Caution
	F2 - Maximize traditional revenue sources	At or Above Plan
	F3 - Grow non-traditional revenue sources	Caution
	F4 - Manage financial resources for maximum risk-adjusted return	Caution
Customer	C1 - Understand me and give me the right information and advice.	At or Above Plan
	C2 - Give me convenient access to the right products.	Below Plan
	C3 - Appreciate me, and get things done easily, quickly, and right.	Below Plan
	C4 - Be involved in my communities.	Below Plan
	11 - Communicate the XYZ brand and value proposition	At or Above Plan

Financial Performance Summary:

Net Income Growth: Caution

Traditional Revenue Growth: At or Above Plan

Non-Traditional Revenue Growth: Caution

NIACC: Not Defined

Productivity: Caution

Reporting Period: Q1 2004

Initiative	Intent	Status
K1: Free Checking	Program to enhance community involvement through employee incentives. Enhanced participation among our employees expected to add at least \$75M to the...	At or Above Plan
K2: Internet-Based Testing	Internet strategy includes utilizing the internet for registration, communication, and testing in an integrated fashion rather than as separate projec...	Not Defined

[Quick update of status for this reporting period](#)

Measures

Perspective	Objective(s)	Measure(s)	Status
Financial	F1 - Achieve sustainable double-digit net income growth	M1: Net Income Growth	Below Plan
	F2 - Maximize traditional revenue sources	M2: Traditional Revenue Growth	At or Above Plan
	F3 - Grow non-traditional revenue sources	M3: Non-Traditional Revenue Growth	Below Plan
	F4 - Manage financial resources for maximum risk-adjusted return	M4: NIACC	Not Defined
		M5: Productivity	Caution
Customer	C1 - Understand me and give me the right information and advice.	M6: Customer Satisfaction	At or Above Plan
	C2 - Give me convenient access to the right products.	M7: Relationship Revenue Growth	Caution
	C3 - Appreciate me, and get things done easily, quickly, and right.	M8: Product Migration and Churn	Below Plan
	C4 - Be involved in my communities.	M10: Customer Retention	Caution
		M9: Complaints and Problem Resolution	Below Plan
		M11: Community Investment	Below Plan
		M12: Community Involvement	Below Plan
	11 - Communicate the XYZ brand	M13: Brand Awareness	At or Above Plan

MAIN STAKEHOLDERS

- **From Strategy to Execution**



- **Evaluation, improvement, motivation and fostering shared knowledge**

- **Outcomes definition and closely work with CEO and Board of Directors**

Future lines; The analytical budget and the organization ethics code

**Linking budget to the strategy
Involving investment and current
expenditure**

**No way to pass the budget bill
without previous strategy
definition with its action plan**

**Formal approval by the Council
of the ethics code involving
Politics and civil servants**

**Developing an
SFO and EFQM integrated model**



Thank you very much for your attention.

**Please, don't hesitate to contact us again
to share experiences and improve the
management of our organizations**

Sant Cugat City Council

CATALONIA

