

Cultural Change and Process Improvements

City of San Angelo, TX, TechSolve & Innes Strategy Case Study

4 OCTOBER 2011 **The Challenge**

The elected leadership and City Manager Harold Dominguez set out to better coordinate the relationship and service delivery of the City's economic development and community development operations. Historically these functions were divided into two organizational departments having distinct cultures and questionable communication.

It was determined that the, at times, conflicting regulatory and development goals of the departments could best be addressed through merger of their operations. In January 2011, the departments were combined into one under the direction of Shawn Lewis.

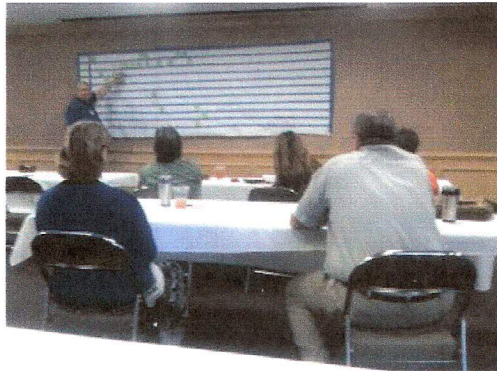
The new Community and Economic Development Department consists of six divisions (Engineering Services, Fire Prevention, Geographic Information System, Permits and Inspections, Planning, and Economic Development).

This created an opportunity to integrate San Angelo's economic and community development strategies into one effective streamlined, customer service focused effort. The City believed that the real and perceived concerns of the public regarding a development review process hindered short and long term economic development goals for the City. This integrated approach offered the potential of a stronger capacity to address the current economic recession. Furthermore, an action plan was needed for the cultural integration of the divisions which have historically functioned only in a regulatory environment (Planning, Permits, Engineering and Fire Protection) into a more integrated and entrepreneurial culture, critical for successful economic development.

Mr. Lewis and Mr. Dominguez understood that organizational and cultural change does not automatically flow from adjusting boxes on an organizational chart. They set out to find an approach which would result in both culture change and improved processes.

The Strategy

While attending various conferences, Mr. Lewis became acquainted with the process improvement work done by TechSolve, a not-for-profit process improvement firm based in Cincinnati, Ohio, and the cultural change work done by Innes Strategy, international specialists in local government cultural change based in Parua Bay, New Zealand. These two firms had already theorized through feedback from common clients that long term organizational change would be enhanced through the simultaneous addressing of both process and culture.



In order to secure funding for the improvement project, Lewis and Dominguez approached the City's economic development corporation (COSADC), made up of local business leaders. COSADC offered its enthusiastic support and funding for a TechSolve/Innes Strategy consulting contract.

With the contract in place, David Krings, Director of Non-Profit and Local Government Solutions for TechSolve and Greg Innes, President of Innes Strategies collaborated with Mr. Lewis in the development of a plan for the cultural and programmatic integration of the new department.

Proposed Strategy and Key Deliverables:

1. An action plan for the economic and community development functions within the City of San Angelo to operate more effectively in its entrepreneurial function; and
2. A community development process review to enable increased leanness that focuses on satisfying three objectives: cost, quality, and service delivery for the City of San Angelo.

The Process

The combined approach included the principles of engagement, understanding of realities of working at the front-line, the importance of customer/citizen perception. With this understanding, an action plan is developed with employee input to make a difference both immediately and strategically. Extensive surveys of line staff, management, and the development community took place as part of an analysis of the current processes and culture. This was followed by an on-site consulting engagement over a period of one week:

Day One - consisted of initial staff review of the coming process improvement activities and training in process analysis techniques. This was followed by a discussion of the survey results concerning the interests of both the staff and external stakeholder interests. Later in the day facilitated sessions with key economic development personnel and with key community development external stakeholders were held with much the same review and discussion as held with the staff.

Day Two - Innes conducted focus group sessions with non-supervisory employees regarding the "ideal culture" and how to get there. Krings facilitated an interdisciplinary team of managers, line staff from the various divisions of the new department in the mapping of current processes.

Day Three - Innes conducted similar focus group discussions with the supervisory employees while Krings concluded the facilitation of the mapping of the current processes and began the mapping of desired future processes.

Day Four - brought team members from both the focus groups and the process improvement team to prepare action plans for implementation of the plans. Included in this effort was the establishment of a permanent Action Team comprised of both supervisors and frontline staff.

Day Five - concluded with presentations of the proposed changes and implementation plans by Action Team members, and consultants to senior management staff, elected officials, and external stakeholders.

The Results

The Director of Community and Economic Development concluded that:

"The Development Process and Organizational Culture Improvement Plan have revitalized what was an often overly-bureaucratic, regulatory department. Through this process, we learned that staff was regularly required to defend inefficiencies of our system to the public and management. By inviting those same staff members to help design a new development process and address longstanding communication and coordination issues, the frontline, mid-management and upper management staff had full buy-in for the cultural change. The public, staff and even other City departments we work with have benefitted from the transformation.

As we went through surveys and culture change focus group results that provided us with an idea of where problem areas were, it was fascinating to see how much similarity there was between problems identified by staff, at all levels and those identified by the public. It was like everyone inherently knew what the problems were, but we had all become use to them and learned to work around them instead of getting to the root of the problems and fixing them.

The Action Team, a cross section of staff we created as part of the process continues to meet regularly. We have a very specific and achievable Action Plan that is quickly being implemented. This is due not only to the quality of the facilitation during the process, but also the fact that staff members know that every change we make is a direct result of a suggestion or problem identified by staff, primarily our frontline folks."

The underlying engagement process used for both cultural change and increasing leanness provided the City with

additional opportunities to identify areas where there could be increased savings, simplified processes. San Angelo has the option to use some of these savings to develop a stronger organizational capability for economic development and a desired "sense of place" for the City of San Angelo.

To learn more about the San Angelo cultural change and process improvements, contact Shawn Lewis, Director of Community and Economic Development at shawn.lewis@sanangelotexas.us or (325) 657-4210.

About San Angelo



San Angelo is a city of 93,000 residents located in west central Texas. It is the seat of Tom Green County. Angelo State University, frontier Fort Concho, and Goodfellow Air Force Base all call the City home. The City has a long history of fostering business growth. Numerous business publications have recognized its business friendly approach and the City has benefited from the diversity of its economy. San Angelo is the regional hub for medical services, agricultural research and product processing, and telecommunications. The City has not been immune from the national recession but its economy has remained stable.

About TechSolve



TechSolve's team of experienced management consultants help local governments, public agencies, and special purpose district managers overcome process challenges by examining situational inefficiencies and streamlining operations to better serve citizens. Learn more at <http://www.techsolve.org/> or call 800-345-4482.

About Innes Strategy



Innes Strategy provides a range of cultural tools from an understanding of organizational culture for senior management through to a full cultural change management program implemented across the entire organization. For more information visit their website at <http://www.innes-strategy.com/> or contact Greg Innes at <http://www.techsolve.org/> or call 800-345-4482