

Surprise!

Analysis + Commitment = Real Results

by **Kathy Rice and Rebekka Hosken**

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hen the city of Surprise, Arizona, decided to improve its development review process (planning, engineering, and building) in 2006, it wasn't too surprising that the city hired a consulting firm to help with the analysis. The city knew it needed assistance. The "surprise in Surprise" was management's commitment to implementing the recommendations to ensure employees were involved, things got done, and that they had a little fun in the process, too. This winning combination of a well-executed analysis phase coupled with strong leadership focusing on implementation has resulted in an improved process for customers and a much stronger city staff team.

Surprise, Arizona, has been one of the top five fastest-growing suburbs in the United States for the past several years, almost tripling its population from 30,848 in 2000 to 101,000 in 2006. Large tracts of raw desert with no infrastructure have been incorporated into the city. Developers wanted to rapidly construct large-scale residential communities of thousands of homes, infrastructure, and lush amenities.

In 2005, the city processed more than 7,000 single-family permits for new homes. Naturally, this residential boom was accompanied by commercial interests and construction of strip malls, restaurants, and offices. As might be imagined, this level of growth put a tremendous strain on city staff. Not only was the sheer volume difficult to manage, but extremely complex types of projects were increasing.



Photo taken at the July 3, 2006, development center reopening. Shown left to right are Assistant City Manager Kathy Rice, Community Services Manager Berrin Nejad, Engineering Director Dr. Robert Maki, and Community Development Director Scott Chesney.

As a result, the city needed to develop new procedures for processing permits already filed while it needed to simultaneously keep up with what was coming in the door. Development was critical to the city's finances, and, basically, development review was the "process of focus." To further complicate matters, the private sector was rapidly recruiting planners, plan reviewers, and engineers from the city staff, resulting in ongoing vacancies and new employees who were unfamiliar with Surprise and its policies and procedures.

Feeling the strain, management hired a consultant with experience improving development review processes to do the same in Surprise. Work began in January 2006, and this article's author and city employee became the project manager, coordinating the effort with city departments. The consultant's team completed interviews with staff, policymakers, and customers; developed flowcharts of the key processes; conducted benchmarking with peer communities; and reviewed the city's data. These activities culminated in a written report with 57 specific recommendations for improvement.

But the improvement process didn't end with the report . . . it began there! The city, tasked with implementing the report recommendations, worked

with the consultant and department heads to identify creative ideas and provide leadership to ensure continuous, positive momentum to improve the process. And they all delivered, as you'll see from this article.

STEPS NEEDED

The report's finding that Surprise departments needed to coordinate more and act as a team for the process led to a management retreat with department and division heads from planning, building, engineering, fire, utilities, and other departments. A one-day retreat, facilitated by the con-

sultant's staff, was held in May 2006. Outcomes from the session included identifying ways to constructively resolve conflict, reaching agreement on performance standards for the development review process, and identifying solutions to key concerns such as communicating about development with the council.

This was followed by a two-day retreat in June 2006 using the GE Work-Out™ methodology with a representative group of employees from all disciplines involved in the development process. After an energetic introduction by City Manager Jim Rumpeltes to outline specific goals, city staff were involved in exercises designed to "build the team" and to work specifically on identifying process problems and bottlenecks and solutions, improving turnaround times, streamlining turnaround for commercial building permits, and setting up a different process for mom-and-pop businesses and residents with minor projects.

At the conclusion, staff made a presentation to the management team outlining their 21 suggested improvements and an action plan for accomplishing them. The city manager responded enthusiastically, thanked staff members for their hard work, and held an open forum to answer questions. Most important, he and his two assistant city managers gave support by allocating the time and resources



A bagpiper helps the Surprise development staff close out the old development process.

necessary to make the suggested improvements. Staff members—who had been skeptical that anything would come of all of this—listened and were buoyed by the commitment.

A clear break with the old gave staff the opportunity to do more training and problem solving and to make suggested physical improvements to the permit counter area. City management notified customers in advance that the development center would be closed for renovations for the last two days of June.

What they didn't explain was that they were really renovating the city's development review process! A bagpiper from the fire department played "Auld Lang Syne" to officially say good-bye to the old way of doing things.

During these two days, the front counter area was painted and reconfigured; staff members received training in the permit tracking software system that had been identified as a need during the retreats; checklists and forms were created; and staff roles were clarified. On July 3, 2006, management reopened the development center with a Happy New Year party to celebrate the birth of a new and improved development process, which also coincided with the start of a new fiscal year. This included a ribbon cutting to reopen the spruced-up development center, party hats, and cake.

Following the reopening, every recommendation from the employee retreat was assigned a champion—or person accountable—who reported weekly progress on the city's intranet site. Quarterly meetings of the development team also have been held to discuss progress and, most important, to celebrate success!

As of September 2006, employees had already created and revised checklists and forms, and approximately one recommendation per week was being implemented (due, in part, to a slowdown in the housing market). A salary survey and a human resources recruitment plan led to filling all vacancies. An orientation about the entire development process is now available to all new employees



Party hats and cake lighten the mood and allow staff to celebrate their hard work and kick off the new and improved process.

on the intranet. The city worked with a local community college to develop training for city staff that was called "Customer Service in a Regulated World—You Are Not Selling Socks."

Customers saw a difference, too. Now they are greeted by employees who understand the entire process; are confident that they will not be second-guessed by management; can communicate accurate turnaround times; and are consistent in responses to questions. One customer wrote, "I am in the Surprise office about one to two times a week, and employees constantly have a great attitude despite the hardship that has been handed to them from the changing of all the permit timeframes. I have heard several residents complain and be rude, yet staff members stay composed and keep an inviting smile for their next customer. I hope that you can pass this along to them."

As of August 2007, 61 of the 78 recommendations were fully implemented, with significant progress made on many others. Since many of the recommendations came from city staff, they were invested in implementation too. Reporting on a regular basis kept people on task. A communications mechanism was developed to keep all 125 employees informed about changes, concerns, and feedback on how the plan was working.

The consultant's process is still working. As soon as an issue arises, a team starts working to fix it. There

is consistent communication about changes and issues to be addressed. It hasn't stopped, and staff members acknowledge that they are getting better every day.

City management continues its positive efforts and is impressed with the team building and energy among staff that this upbeat and energetic improvement process has created. At a council presentation, Assistant City Manager Doug Sandstrom stated that this had been the best change process he'd ever seen. Manager Rumpeltes says, "I now have confidence that staff has a good handle on the system. They know what they are doing and how they interface with all parts of the process. That's a GREAT thing."

The city recently won *Foreign Direct Investment* magazine's "City of the Future" award as the most business friendly among smaller and lesser-known cities, in part because of its work on the development process. That honor exemplifies the fact that good analysis combined with creative and committed leaders who listen to employee input, involve employees in making changes, and also keep it fun results in real implementation and positive improvement. **PM**

Kathy Rice is assistant city manager, Surprise, Arizona (Kathy.Rice@surpriseaz.com), and Rebekka Hosken is senior management advisor, Management Partners, San Jose, California (rhosken@managementpartners.com).