

# Measuring Performance in a DLO

## Workshop 2D

**Tuesday 22 January 2013 14.45**



# Measuring Performance in a DLO

- A practical session during which we will consider a range of measures that we would expect a DLO to put in place to enable them to demonstrate that they are providing a high quality, value for money service. This would include looking at procedures and systems to assist management to be effective in organising and managing service delivery and monitoring and reporting on efficiency, effectiveness, economy and satisfaction. We look at what tools can be employed to establish a baseline position from which to measure improvements year on year as well as comparing their performance with others.



## Measuring Performance in a DLO

- Jon Cross – Property Services Director – Hexagon Housing
- Tim Wilson – Partner M3 Consultancy LLP
- Nick Wood – Partner M3 Consultancy LLP
  
- Chairman David Miller



## Measuring Performance in a DLO

- Session lasts 75 minutes
- Interactive Workshop
- Presentation by Jon Cross followed by:
- Question and answer session with the panel



## DLO Management

- Paint a mental picture of 5 bums on a Rugby Goal Post
- Who
- What
- Why
- Where
- When
- How



## 5 Bums on a Rugby Post!

- WHO defines a high quality / VFM service
- WHAT type of procedures and systems to implement
- WHY organising and managing service matters
- WHERE monitoring adds value
- WHEN comparing like for like
- HOW.....



## WHO defines a high quality / VFM service?

- Is it the CEO & Board?
- Is it the Financial Director?
- Is it the Service Head?
- Is it the Customers?
- Is it the Operative?
- The answer is..... all of them.....



## High Quality & VFM

- **Strategy** is the “Golden Thread” that runs through the organisation and DLO’ s are not separate or immune from it.
- **Finance** is the critical factor that is behind the majority of DLO’ s. (Vat savings, control, buttons and levers)
- **Service Heads** are the champions who need emotional intelligence as well as a keen mind on quality service provision.
- **Customer** knowledge, satisfaction and understanding determine if you have achieved
- **Operatives** are the ambassadors who will significantly enhance the positive or negative reactions to your service offer



## What Procedures and Systems

- Policy
- Corporate Objectives
- Financial Business Plan
- Asset Management Strategy
- Maintenance Business Plan
- Local Offers
- Special Projects
- H&S
- Procedures
- Housing Management System
- Stand Alone System
- HCA / Audit Commission
- Peer Group / Localised
- Best practise / Evolved
- Call Centre / Diagnosis
- SOR
- Fixed Price



## Why Organising & Managing

- “Herding Kittens” or “Nailing Jelly to the Wall”
- Dynamic and demanding service provision requires keen management that is organised and in control.
- Knows its customers, in tune with the marketplace and delivers on time to an agreed standard, service and best internal cost



## Why Organising & Managing

- Communication, communication, communication!!!
- Appointment systems
- Pre and post inspections
- Mobile working – scheduling & skills
- Operative incentives or not?
- Customer involvement
- Feedback 3 x C' s
  - Compliments, Comments & Complaints



## Where monitoring matters?

- Management information system
- Trading Account Budget vs Actual (MxM)
- Performance Monitoring (KPI suite) tbd....
  - E,U,R & P - Void costs & Turnaround time
  - 1<sup>st</sup> time fix - Outstanding orders & value
  - Satisfaction (STAR) - End to end times
  - Invoices - Gas CP12' s
- Materials
- Human Resources
- Central and overhead costs



## When comparing like for like

- Benchmarking
- Not regulated but missed?
- Apples with apples!
- Performance league table or can opener?
- Peer Group
- Locality – Size – Aspirational
- Its what you do with it. ( customer role?)



## Benchmarking

- KPI's and PI's
- Financial
- Numerical
- Quality
- Hard and Soft measures
- Overview and detail
- User selected
- Audiences – Board, Managers, Residents?



## KPIs - Repairs

- Percentage of jobs completed on time
- Percentage of responsive orders Right First Time
- Priority target times
- Percentage appointments made and kept
- Responsive maintenance expenditure per dwelling per annum
- Average cost per responsive maintenance repair job
- Average number of responsive repair jobs per property per annum
- Number of jobs by category as a percentage of responsive repairs
- Average time for completing repairs (days)
- Value of planned and cyclical work as a percentage of all work
- Percentage of tenants satisfied with repairs service



## KPIs - Gas

- Number of gas check (CP12) certificates outstanding per unit with gas
- Average cost of gas servicing per property per annum

## KPIs - Voids

- Average contractor void period
- Void costs per dwelling pa
- Average cost per void property
- Voids per 1000 units pa





## KPIs - Business

- Average turnover per operative
- Average operative payroll costs
- Sub contract work as % total repair costs
- Operative payroll costs as % total costs excluding sub-contracting
- Overhead costs as % total costs excluding sub-contracting
- Management & Support costs as % total costs excl sub-contracting
- Material costs as % total costs excluding sub-contracting
- Plant & vehicle costs as % total costs excluding sub-contracting
- Overhead costs per unit maintained
- Management & Support costs per unit maintained
- Plant & vehicle costs per unit maintained
- Average materials cost per job
- Percentage of DLO turnover on work carried out for others



## KPIs - Personnel

- Average days sickness absence – workforce
- Average days sickness absence - Management & Support staff



## PIs

Over 200 PIs that supplement and give further detail to the KPIs



## How?

- Clear communication
- Set your stall out & keep it out in full view
- Bring your colleagues and team with you
- Independent Validation
- Annually scheduled
- Adequate resources
- Broken record technique
- Say what you do, do what you say
- Let your customers sing
- Be patient, don't be frightened to ask for help.
- Celebrate!



## Question Time

- The floor is yours

