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Case Study

The Dubai Municipality and the Excellence Award: Innovation in Procurement Management



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Abstract

The Dubai Government Excellence Program (DGEP), part of the General Secretariat of the Executive Council of Dubai, launched in late 2015 an initiative with the title “Dubai We Learn”. In collaboration with the Center of Organizational Excellence Research in New Zealand, (COER), the initiative strived to foster a culture of institutional learning and knowledge exchange within the governmental sector in Dubai, and consisted of a range of benchmarking activities. Thirteen projects from 13 different government departments took part in this award winning initiative. Dubai Municipality, with its project “to improve purchase procedures and channels”, made the most recognizable progress in this field. The municipality – along with all the other 13 participating projects – used the TRADE Best Practices Benchmarking methodology, and demonstrated remarkable developmental gallops in its procurement processes. It also became the first government department in the Emirate to introduce state-of-the-art procedures across its entire procurement cycle, which resulted in cutting down previously wasted time, cost, and resources. Consequently, the municipality celebrated a 7-star prize of innovation and excellence in 2016, granted by the DGEP, for its innovative best-practices contributions in the sector.

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Introduction

The Dubai Municipality was founded in 1954 and began with a total of seven employees tasked with cleaning the city. By 1957 it had grown to encompass more responsibilities including healthcare, architectural projects and construction. After a 1974 decree by His Highness Sheikh Rashid bin Saeed Al Maktoum, the municipality was reintroduced as the Dubai Municipality and was given a formal structure. Currently, the Municipality works in thirty-four departments under six sectors, namely: International Affairs & Partnership Sector, General Support Sector, Environment Health & Safety Control Sector, Environmental & Public Health Services Sector, Planning & Engineering Sector, and Corporate Support Sector. As such, the municipality is one of the largest governmental entities in terms of services and project load, closely related to the growth and development of Dubai.¹

Innovation can be an integral and indispensable component of all kinds of operations, from its smallest to its largest forms. With that outlook in mind, the municipality embarked on a holistic reform program, where the primary driving force was to enhance the efficiency and effectiveness of the institution's main procurement functions. The Dubai Municipality sought to find innovation within their procurement procedures, an integral part of the work they do. Working with products worth millions of dirhams in value, moving everything from tractors to fertilizer, the Municipality succeeded in streamlining their procurement system. Within a year of the program's commencement, they were able to save precious time and money, an achievement that was crowned with a 7-Star prize from the Dubai Government Excellence Program (DGEP). In addition to that, Dubai Municipality was nominated among 36 other international entities adopting best practices and was acknowledged as one of the top 5 Best International Best Practices in 2017. This clearly indicated how the Municipality was not willing to stop seeking excellence and innovation, any time soon.

¹ About Dubai Municipality. *Government of Dubai*. Retrieved from <https://www.dm.gov.ae/wps/portal/aboutdm>

The Dubai Government Excellence Program

The DGEP was established in 1997 as the first integrated program for governmental excellence in the world. It was created to serve as the driving force behind the development of the public sector in Dubai, and also to enable it to facilitate extraordinary services for all stakeholders involved. Recently, the DGEP succeeded in advancing and evolving the concepts, practices, performance and approaches adopted by the public sector. This successful enhancement goes back to the latter's collaboration with several government entities that committed to the DGEP's organizational and professional excellence standards. This Excellence Program is a stand-alone entity that ensures the development of the systems and methodologies used by the public sector in order to keep up with the state-of-the-art administration and quality domains. Its main concern lies in supporting the government sector institutions to efficiently meet the dynamics of the changing managerial and administrative world.²

The DGEP Excellence award was granted to the DM based on the latter's rigorous application of managerial excellence and organizational efficiency standards. The municipality sought to raise awareness among its employees on the standards and criteria of excellence. It also succeeded in aligning its strategy with Dubai's vision of a smart government and managed to endorse the concept of best practices in the performance of government departments in the emirate.³ A particular managerial and administrative benchmarking tool, known as the TRADE, was successfully incorporated by the municipality, from which all the innovative procurement management reforms and changes were inspired and eventually applied correctly. The TRADE Benchmarking is a certification system that provides the guiding framework and methodologies for applying benchmarking tools and achieving institutional improvement. Acknowledging the numerous challenges organizations face every day in our modern time is essential for any entity- be it private or public – to sustain its presence in a dynamically competitive environment.

What lessons can be learned from the success of the Dubai Municipality's project to improve purchase procedure? In achieving the 7 Star award from the Dubai Government Excellence Program, the Dubai Municipality proves that innovation in government is possible, and also necessary; and public sector procurement has a key role to play in achieving sustainable development.

² "Dubai Government Excellence Program". Emirates Government Excellence Program. Retrieved from www.egec.gov.ae/en/council-members/dubai-government-excellence.

³ "Dubai Municipality inspires employees for bigger win at Government Excellence Awards". MENA Herald. Retrieved from <https://menaherald.com/en/countries/uae/dubai-municipality>.

The Dubai Municipality Project: Innovation in Procurement Management

Over the last decade there has been significant developments in the field of procurement as companies and institutions alike focus on enhancing core-capabilities of suppliers, and achieving innovative approaches in sustainable development. Furthermore, the drive towards cutting costs and waste, while maintaining customer satisfaction requires ample initiatives in innovative supply chain management. Many organizations are also focusing on growth, which requires increased support from a supplier base. In the context of business, innovation is the application of a new process or approach that creates value in an attempt to seek continuous improvement, which can push competitive advantage.⁴

To identify a problem in need of an innovative approach, there are a few points to consider, namely, what are the key challenges that appear insurmountable within your organization? Secondly, what are your key incompetencies and how can they be transformed into advantages? Thirdly, attempt to anticipate future developments that will affect your institution and prepare to adapt to them before they impact you.⁵

Procurement processes are not often associated with innovation or creativity, but with terms like compliance, savings, and structure. However, in this day and age innovation is becoming a requirement for effective teams. Teams will be unable to simply focus on delivering goods, but move towards delivering ideas, services, and novel models of stakeholder engagement.⁶ The procurement terrain should be vastly different than it is today, as future developments alter existing assumptions and introduce new variables and risks. As a result, new skills, knowledge and tools are required to face new challenges and solve current issues more creatively. However, mastering the fundamentals of the procurement process has to be the first step to building new capabilities for the future.⁷ Public procurement offers an enormous potential market for innovative products and services. It also offers strategic opportunities for governments to boost innovation at local and national levels, improving overall productivity and efficiency.⁸ Additionally, it can go a long way to aiding in sustainable growth, supporting business, and integration of units of government⁹.

4 "Procurement innovation vital to growth". Bearing Point. 2013. Retrieved from <http://www.bearingpoint.com/>

5 Hamel, Gary. "The Why, What, and How of Management Innovation". Harvard Business Review. February, 2006. Retrieved from www.hbr.org/2006/02/the-why-what-and-how-of-management-innovation

6 Busch, Jason. "Procurement in 2020: Creativity and Innovation (Sourcing Ideas)". Spend Matters Network. 27 August, 2013. Retrieved from www.spendmatters.com/2013/08/27/procurement-in-2020-creativity-and-innovation-sourcing-ideas/

7 Umbenhauer, Bria. "Charting the course; Why procurement must transform itself by 2020". Deloitte. 2013. Retrieved from www2.deloitte.com/us/en/pages/operations/articles/procurement-transformation-charting-the-course.html?id=us:el:dp:chrt_crse:awa:cons:071813

8 "Public Procurement for Innovation: Good Practices and Strategies". OECD . Retrieved from <http://www.oecd.org/>

9 "Forum on Procurement for Innovation". OECD. 2016. Retrieved from <http://www.oecd.org/10> "Procurement innovation vital to growth". Bearing Point. 2013. Retrieved from <http://www.bearingpoint.com/>

As such, functions like procurement need to embrace innovation in order to facilitate top to bottom performance improvements.¹⁰ Traditionally, the departments tasked with innovation have worked separately from other departments, yet with the drive for innovation and progress in government there is a growing need for other departments to improve. The most common challenges countries face are related to risk aversion, management, personnel and skills capacity and political support.¹¹ Based on this logic, the Dubai Municipality started its project, “Improving Purchase Procedures and Channels” in September of 2015 in order to identify and adopt the best practices in purchasing activities. The primary goal was to reduce the average cycle of time consumed in processing purchase-requisitions (from 16 to 12 working days or less). This means an in-depth analysis of the municipality’s prevailing procurement system was conducted with considerable emphasis on workload and value stream analysis, influence-interest matrix design, segmentation of customers, process flowchart and waste analysis. The ultimate goal was to save valuable time and money that was otherwise being lost by improving purchasing procedures. These developments were aligned with the major projects that were being launched in Dubai, such as Expo2020, and Dubai 2021 Strategic Plan. The municipality’s initiatives fit into the broader national context within the UAE. In this roadmap the UAE aimed to transform its economy into a knowledge and innovation driven model, where productivity and competition were nurtured and developed. Legal frameworks, regulatory structures and government services were to support businesses in the growth and commercialization of innovation in the Emirates, particularly in terms of public and private sector cooperation, spurring growth and development.¹²

“If an organization is unable to effectively source and purchase materials or services for the right price, quality and on time then that organization will have created their own barriers to improved bottom-line performance”

Bearing Point

Based on the above, it was evident how the municipality acknowledged the importance of improving its procedures and embedding a “best-practices” culture within its structure. To do so, it resorted to the renowned cause-and-effect analytical tool, the fishbone analysis, to come up with a priority list of change actions that had to be implemented. It was crucial for

the municipality to clearly identify a scope of operations from which it was to take-off towards this reformatory upheaval. Some of the salient activities it embarked on involved:

1. The simplification and automation of the “Request for Information” (RFI) process, where information is gathered about the various capabilities of suppliers involved.
2. The development of measurable data on Key Performance Indicators (KPIs).
3. The elimination of up to 23 unnecessary steps in its business processes, which were to raise the percentage of completed purchase requisitions, thus meeting the stakeholders’ requirements and the municipality’s strategic goals and objectives.
4. The induction of awareness and orientation seminars that were to prepare all in-house employees and stakeholders for the agenda yet to come.

10 “Procurement innovation vital to growth”. BearingPoint. 2013. Retrieved from <http://www.bearingpoint.com/>

11 “Public Procurement for Innovation: Good Practices and Strategies”. OECD. Retrieved from <http://www.oecd.org/>

12 “Vision 2020, United Arab Emirates”. United Arab Emirates. Retrieved from www.vision2021.ae/en/our-vision/united-knowledge”

The journey towards this much needed overhaul of the municipality's system began with a series of workshops and numerous quality assessment tools. According to the data collected and analyzed, the whole purchase cycle, particularly the bid evaluation stage, had large deviations from their target goals. Using SWOT analysis exercises, the team was able to dig deeper and focus on areas to improve and exploit any opportunities found during the project as well as highlight the risks involved with the latter. They were able to identify several strengths such as their selection of operating systems, employee competence, budgetary support, frequent data management and key performance index measurements. Most importantly, the team had full top management support, which proved crucial to implementing the ambitious vision for reform.

Actions taken in the project

Extensive self-assessment tools were utilized prior to the implementation phase, and preceding the accurate problem identification exercise. The ultimate objective behind the quality tools used was to perform an in-depth exploration of the purchase cycle, and to investigate the bid-evaluation stage, where most of the discrepancies resided. Some of the assessment tools used were:

- a. SWOT analysis (strength – weaknesses – opportunities – threats).
- b. Workload analysis.
- c. Process flowchart analysis.
- d. Value stream analysis.
- e. Cost-Benefit Analysis.
- f. Influence-Interest Matrix, Stakeholder Management
- g. Risk Management
- h. Prioritization Matrix
- i. Fishbone Analysis

With reference to previously compiled data from earlier KPI reports and copious workshops held, it was found that the average number of purchase requests and procurement activities the municipality performed in one fiscal year amounted to a lump sum of approximately AED 231,000,000, covering a mean of roughly 2,000 purchase agreements.

Based on the data already made available and the self-assessment tools adopted, a variety of technical gaps were identified. Mainly, systems were not fully integrated with each other, and that issues with data insertion affected the purchase cycle significantly. Human errors were also found to delay the purchase process substantially. Furthermore, workload analysis helped highlight some ineffective processes used that hindered potential productivity, slowed down the pace of work-flow, and threatened accuracy standards. A detailed survey of the assessment results was as follows:

a. SWOT analysis:

This quality tool assisted the municipality to focus on potential areas of improvement and opportunities that can be taken advantage of, along with the identification of prospective risks, and how to avoid them during the project implementation phase.

Value Stream Analysis is a planning tool meant to optimize results of eliminating waste. It identifies the current state of work and describes it as-it-is at a certain point in time. It then applies lean techniques to reduce wastes, and creates future proposals which describe the ideal state based on lean principles.

b. Workload analysis:

The workload for all 10 buyers, based on their daily routine of processing purchase procedures was thoroughly analyzed. It helped the DM team pinpoint the exact processes and activities that consumed the most time and effort by the buyers. These time-consuming activities tended to negatively affect the latter's productivity levels, and their speed and accuracy in processing the purchase requisitions. The workload analysis was mainly done through breaking down all activities involved in the purchasing process flowchart.

c. Process flowchart:

A process flowchart is an algorithmic-type of diagram that shows the detailed processes using standard shapes and patterns. This tool mainly functions by presenting the whole job-process being analyzed in a detailed step-by-step fashion. It tends to record any important milestones and/or pivotal points in a particular procedure. This tool was used to identify wastes produced within the procurement processes (which had no added-value to the purchase cycle) and the exact time it took from each buyer. It also helped identify areas for improvement. The results of the process flow chart indicated that there were many processes that took time and effort without providing any value, a key point that needed to be addressed. Additionally, when the DM team analyzed the annual stakeholders' evaluation forms, which they had collected via questionnaires and reports, the results came back to further assert the notion that most complaints related to the long purchase cycle and the delays in approvals of purchase requisitions. Last, but not least, this tool helped the DM team better comprehend the potential areas of improvement that needed more work.

d. Value-stream analysis:

Value stream analysis played a vital role in assisting the DM team shed light on the prevailing purchase-processes and paved the way for predicting the impact of waste elimination on the procurement function. Brainstorming sessions were conducted with prospective buyers, and also the municipality's chief stakeholder: Tejari. The result of this analysis was the clear-cut categorization of all waste-producing processes in the purchase-cycle, which were eventually divided into three main sets:

1. Elimination of waste in the internal process within the municipality itself.
2. Elimination of waste with the Tejari operating system, and resorting to more automated business processes.
3. Elimination of waste with the GRPS system.

Tejari is a leading UAE provider of electronic contract systems, and procurement services operating within the BravoSolution network with a focus on the MENA region.¹ It was initially launched as a national company in accordance with the directives of H.H. Sheikh Mohammed bin Rashid, Vice President and Prime Minister of the UAE and Ruler of Dubai, that aimed at advancing electronic transformation and building an integrated knowledge-based economy. Tejari also efficient support-services for a proliferating customer base of government-related entities (GREs) and private sector ventures in the country.

e. Cost-Benefit analysis (CBA):

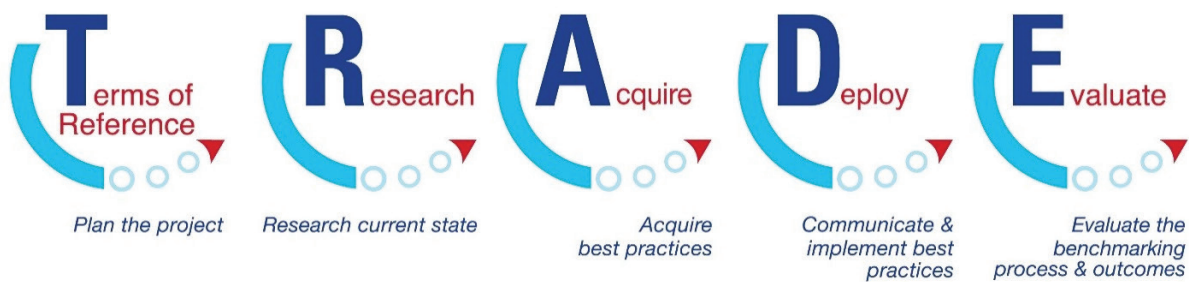
Cost-Benefit analysis was another tool used to support the Value Stream breakdown that really helped pinpoint the problems, and anticipate future outcomes after eliminating all unnecessary steps. The focal point of this CBA was the bid-evaluation stage. In this attempt, a team from the municipality consulted with buyers and their

partners in Tejari, to categorize the expected financial benefits from reforming the purchase and procurement processes. The main objective was to eliminate wasted time, improve accuracy of information dissemination, effectively insert data into the municipality's database systems, and automate the whole procurement function. By implementing such initiatives and achieving these targets, the municipality was hoping to basically automate its Request-For-Information processes (RFIs) and avoid the numerous cancellations that ended up misusing and squandering its annual budget. The municipality had projected an estimate of AED 309,032 to be saved and an average of 848 cancelled purchase orders to be avoided. On an annual basis, the municipality anticipated a generous amount of AED 314,214 to be saved, resembling 38% of its total costs.

Profiting from all the self-assessment tools at their disposal, not only did they identify problem areas, but also they identified various opportunities that could be developed. The first step was to create and initiate new purchase channels and automate portions of the process in order to reduce cycle time. By adopting these best practices and standards the municipality improved its purchase process and avoided human error that caused much of the delay. Secondly, however, these ideas presented potential challenges to the municipality. Such challenges manifested themselves in the form of budget constraints, resistance to change, technical support and competency development. It is common practice for organizations to meet certain performance measures and align them with business strategies to reach optimum allocation of resources. To do so, it is crucial to adopt well-defined structures of management and organization to reach desired targets; and here, emerges the significance of benchmarking.

Benchmarking

The DM looked to industry benchmarking and best practice adoption to guide its efforts towards excellence. As a result, its implementation of the TRADE Benchmarking tool was one of the many excellence-awards that the institution strived to achieve. Benchmarking is the exercise of continuously “comparing the performance levels of organizations for specific process or activity” and embedding best practices into the day-to-day functions of an organization.¹³



In the quest for innovation and improvement, Best Practice Benchmarking is increasingly being used to deliver more programmatic benefits. This methodology focuses on applying well-founded best practices rather than simply measuring performance. By continuously pursuing best practices, an institution is able to inspire innovation and effective improvement. This process promotes “a learning culture” model, and is most often used in Business Excellence awarding criteria.

The TRADE Benchmarking methodology is one such methodology, providing the guiding framework and utensils for applying benchmarking tools and achieving consistent results. It is a certification system that focuses on sharing information and best practices, to improve performance and deliver the best value to the organization. The project’s aim can be specific or broad, focusing on the improvement of processes, tools, strategies, behaviors, or processes among others. Once the project’s aim is set, current performance is measured and then partners with positive benchmarking practices are identified and studied before their practices are analyzed and adapted.

“Benchmarking is a powerful method for breakthrough thinking, innovation, improvement and for delivering improved bottom-line results”.

Dr. Robin Mann

13 Mann, Robin. “Everything You Need to Know About Benchmarking.” *Effective Operations and Performance Management*. N.p.: Bloomsbury, 2010. 141-50. Web. <http://bit.ly/2kEoXAY>

14 “Apply - TRADE Best Practice Benchmarking.” COER. Center for Organizational Excellence Research, n.d. Web. 13 Dec. 2016. <<http://www.coer.org.nz/apply/trade-best-practice-benchmarking>>.

The TRADE methodology was developed in 2009 by Dr. Robin Mann and is now undertaken by The Centre for Organizational Excellence Research's (COER). It offers a flexible step-by-step approach with five distinct phases and proven results. TRADE methodology is flexible in the sense that it can be used to explore simple, small scale business -issues (that would consume 1-12 working weeks) or in-depth projects (consuming 13-36 working weeks). The TRADE tool has a rigorous planning approach ensuring that cost/benefit analysis is undertaken for projects before they are begun. Projects are also supported by a "project management spreadsheet", a TRADE training manual (consisting of a comprehensive set of benchmarking resources and template forms), and a benchmarking certification scheme".¹⁵ The methodology contains five step-by-step stages, to which the DM team adhered to in the following manner:

a. The "Terms of Reference" stage (plan the project)

At this stage, the DM purchasing-team, set a clear outline of actions and responsibilities that were to be fulfilled, to meet the benchmarking excellence project selected by the DGEP, known as "Dubai We Learn". Numerous awareness and orientation meetings were held to identify the aim, scope, and requirements of the project, along with the selection of the most appropriate team members who were to pave the way for the DM procurement division towards excellence. Members were selected according to their experience, skills, and potential contribution to the project. A benchmarking code-of conduct was unanimously agreed to, and signed by all parties involved. Some preparatory measures were taken to guarantee the smooth progress of the take-off stage, such as project management workshops, risk management, SWOT analysis courses, and MS-Project training sessions, that were delivered to all team members. One of the crucial exercises carried out in this stage was to identify all stakeholders likely to be affected by the reforms the procurement and purchasing division were about to unleash. Next, a risk-assessment tool – known as the Impact Index – was used through which the amount of change-awareness and leadership involvement were recognized. Extensive meetings and progress-report discussions were held among top-management figures as a follow-up measure for the project.

b. The "Research" stage (research current state).

As mentioned earlier, this stage required a thorough assessment of the effectiveness and efficiency of the DM purchasing and procurement divisions. Everything from SWOT analysis, workload scrutiny, process flowchart breakdowns, value streaming, to cost-benefit studies were carried out. The ultimate goal in the research stage was to clearly identify the root causes of the problem. Fishbone-diagrams were explored along with other tools to further assist in this phase.

c. The "Acquire" stage (acquire best practices).

This phase involved the actual execution of all required activities that were to improve the functions of the DM purchasing and procurement department. Benchmarking partners who were meticulously selected based on their best practices and protocols. Communication schemes and secondary data collection tools were sought to provide the required information on these benchmark-partners.

¹⁵ "TRADE – Benchmarking for Excellence." Dubai Quality Group. Dubai Quality Group, n.d. Web. 13 Dec. 2016. <<http://www.dqg.org/?event=trade-benchmarking-for-excellence-5>>.

d. The “Deploy” stage (communicate & implement best practices).

Based on the outcomes of the preceding stages, the deploy stage included the execution of the action plans approved to overcome the malfunctioning of the DP purchase-team. Such actions involved:

1. Elimination of wasteful activities in the purchase-process: where tasks that had zero-value-added were completely omitted from the purchase cycle.
2. Automating the Request-For-Information process. (RFI): where time consuming manual documentation of suppliers was dismissed.
3. The evaluation of the department’s performance in terms of its commercial and technical attributes.

e. The “Evaluate” stage (evaluate the benchmarking process & outcomes)”¹⁶

In this stage, results were measured. Key Performance Indicators (KPIs) were put forward for analysis and contemplation. Cost-benefit analysis and financial projections were retrieved to assess the monetary impact of the innovative management reform program on the procurement division. Consequently, new evaluation criteria were developed.

In order to deliver outstanding results, the project is continuously reviewed in light of its ability to deliver concrete results and benefits. As such, benchmarking was conducted at the DM to compare the current performance, develop systems and approaches, and set targets for key results in the procurement department.

As a result of applying this process, the DM established around 13 criteria in order to select potential benchmarking partners known for their best practices and performance standards in the field of procurement.

16 “Apply - TRADE Best Practice Benchmarking.” COER. Center for Organizational Excellence Research, n.d. Web. 13 Dec. 2016. <<http://www.coer.org.nz/apply/trade-best-practice-benchmarking>>.

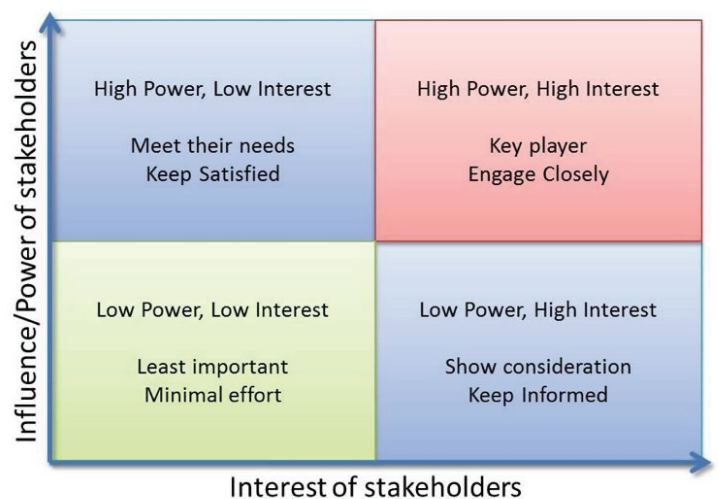
Stakeholders

There was a considerable number of stakeholders involved in the reforms that the municipality adopted. These included; the Purchase team (responsible for the purchase activities and agreements), the Board of Directors, Warehouse employees, Technical Support providers, and last but not least, Suppliers.

The Dubai Municipality adopted a Stakeholder Management Approach during the course of its reform. Stakeholder Management is an important discipline that successful people use to win support from others. It helps them ensure that their projects succeed where others fail. Stakeholder Analysis is the technique used to identify the key people who have to be won over. Stakeholder Planning is then used to build the support that helps an institution succeed. The benefits of using a stakeholder based approach are:

- You can use the opinions of the most powerful stakeholders to shape your projects at an early stage. Not only does this make it more likely that they will support you, their input can also improve the quality of your project.
- Gaining support from powerful stakeholders can help you win more resources – this makes it more likely that your projects will be successful.
- By communicating with stakeholders early and frequently, you can ensure that they fully understand what you are doing and understand the benefits of your project – this means they can support you actively when necessary.
- You can anticipate what people’s reaction to your project may be, and build into your plan the actions that will win people’s support.

In this case, a stakeholders’ analysis was conducted using the Interest-Influence Matrix (shown next) in order to highlight the affected stakeholders and to help understand the need for communication and identify potential areas of resistance to change. The primary purpose behind the adoption of this management approach was the need to prepare for any potential resistance-to-change from parties involved in the reform process at the municipality.



A communication strategy was planned and executed to guarantee the best handling of such potential resistance as possible. A series of extensive meetings with buyers and the purchasing department members was conducted, along with several workshops with suppliers to raise the level of awareness among them about the changes the municipality was embarking on. These workshops were also meant to alleviate competency levels and capabilities of suppliers, alongside channeling brainstorming sessions where immediate feedback and opinion-exchange was welcomed. The Municipality also saw the need to arrange for workshops where the TRADE benchmarking tool was introduced and attended by all internal teams and potential buyers. Numerous meetings were also arranged for where the Warehousing, Transportation, Irrigation, and Dubai Central Laboratory Departments were present; to create the awareness necessary among them for successful implementation of the new processes and to provide technical support whenever needed. Alongside the extensive chain of awareness workshops, a substantial number of approximately 44 meetings were arranged to:

1. Assign tasks.
2. Share updates and progress reports.
3. Ensure completion of assigned tasks and evaluation of their outcome.

It is worth noting that the municipality's efforts were closely observed and endorsed by the Dubai Government Excellence Program (DGEP), where experts from the latter were kept regularly informed and updated with all developments taking place in the reform process. Benchmarking facilitators and consultants were also invited to meet with the municipality's top management and executive council representatives for the same updates required.

There were around 57 ideas, which were classified into 13 categories, then merged into 10 good to best ideas, out of which only 5 were considered suitable and applicable for implementation. While the figures might seem disappointing, it was certainly evident how the benefits reaped from this project were numerous. Both financial and non-financial, the municipality strived to maximize on them, eventually arriving at tangible achievements, that rendered themselves a seven-star rank of excellence.

Challenges Faced

According to the findings from the "research" stage of the TRADE methodology, the DM team realized that their assessed risk-level was weighted as "low". However, when the risk-assessment exercise was repeated at the end of the "acquire" stage, the result came back differently. A "medium" risk level meant some challenges were emerging and an action plan to deal with them was necessary. The potential risks identified included:

1. Resistance to change; mainly from key stakeholders. By the time the "acquire" stage was effective, it was discovered that more reassurance was necessary for all stakeholders embarking on the proposed changes at the procurement department. Workshops, meetings, and training sessions were launched to help ease the tension and anxiety that were building up among employees and administrators alike. Top-management support was essential to foster the reassurance and commitment necessary for the smooth transition.

2. Competence of buyers. It was a challenge to provide the technical knowledge and expertise to potential buyers, and enlighten them with respect to the developments introduced to the procurement systems and processes. This was necessary to enhance their supply chain management skills; to align with the developments and changes being implemented.
3. Technical development support. This was a challenging area where technical support and maintenance were necessary during all phases of the project.
4. Communication. During the acquire stage, the DM team discovered that top-down communication was not as active as it needed to be. As per the impact-index analysis matrix used during that phase, it was evident that communication between leadership positions and those on the lower levels of the hierarchy, needed further endorsement and effectiveness.

It was absolutely crucial for the municipality's team to receive the necessary support from its top management figures to ensure the smooth transition of changes, and to embed a sense of commitment along the institution's chain of command. This support manifested itself in the numerous meetings, discussion panels, brainstorming sessions, and workshops that stressed on the significant advantages of the reforms being adopted, and how they were to positively impact all decision makers and stakeholders involved. Collaboration and synchronization among all concerned departments were emphasized, and not restricted to the purchasing departments and its affiliates. In addition to the enriched communication plan the municipality had established and adhered to, there were also training programs offered to buyers introducing them to the changes and modifications added to the business process of the municipality.

Outcomes

The projected outcomes of the DM innovation procurement project revolved around some key functional elements. First, the purchase requisition cycles were considerably shortened, saving around 1.9 million UAE Dirhams of previously wasted expenses. Second, the number of cancelled purchase request orders dropped from 848 to 248, saving approximately 0.7 million AED, according to the municipality's benchmarking reports. Third, waste-elimination activities were substantial; saving expenses pertaining to printing activities, and other administrative tasks. This is also in addition to the productivity levels that witnessed a remarkable alleviation, where time saving techniques were prominent in the purchasing unit.

From the administrative perspective, the self-assessment tools alongside TRADE, led to an improvement and enhancement of numerous work-related aspects such as communication, stakeholders' engagement, awareness and productivity standards. Employees received the support and training necessary for the innovative make-over of the procurement department, and top-management communication channels were revisited. A more robustly synchronized supply chain evolved from this initiative, giving rise to a new mindset of efficiency and effectiveness at the municipality.

Lessons Learned

To capture lessons learned for continual improvement over the life of the project, it was only natural for the DM team to compile a rich documentation of all the fruitful experiences they went through during their journey to excellence. It was evident from all the benchmarking methodologies, quality assessment tools and other innovative programs used; how important it was for the municipality – and for any other institution going for an excellence make-over program – to take serious consideration of all stakeholders involved in its reformatory attempts. To do so, it was only common practice among the DM team to depend on a wide and enriched database of information that was to give credibility to any decision making exercise endeavored. Furthermore, a robust communication scheme that allowed for periodic and systematic knowledge sharing and dissemination, also gave rise to holistic awareness campaigns that helped in buffering the expected resistance-to-change attitudes that were found inevitable. Top-down engagement and involvement further endorsed the sense of ownership and commitment among the DM team members, which certainly played a significant role in accentuating the excellent performance they all demonstrated. The preparatory measures taken to groom all parties to the project's requirements, not only sparked the desire to learn and adapt to the changes embraced, but also ignited the appetite to take-in more and more challenges in the future. Besides the functional and monetary rewards attained from the innovative and automated procurement techniques, the municipality's team members came out of this experience with a whole new toolbox of skills and expertise that were to be the building blocks of their future roles.

Progress and Future Prospects

Dubai Municipality recently launched the international star system for rating services, encouraging the provision of quality services and measuring the levels of customer happiness using scientific methods. Hussain Nasser Lootah, Director General of Dubai Municipality, said that the adoption of the initiative aimed to improve the work mechanism of service provision, and raised the competitive level of public sector enterprises. It was also pointed out that the system was a crucial opportunity for the government entities to adopt the

“The application of the international star system for rating services in the Emirate of Dubai reiterates the excellence of the system and enhances its importance as a unique model that can be implemented in the public sector and in all service bodies at national and international levels to raise the quality of service, which will contribute towards achieving the objectives and themes of the UAE National Agenda and Vision 2021,”

Said AbdulRahman

best international practices in the field of customer service, through the development of an integrated system of quality and excellence. This initiative represented an embodiment of the leadership's vision on society's happiness. It aimed to achieve first place in all development and service indicators in order to position Dubai and the UAE at a prestigious level on the global business map, and also to promote trade and investment, as well as raise the level of well-being and quality of services.¹⁷

Authors and Citation

17 <http://gulfnews.com/news/uae/society/dubai-municipality-launches-star-rating-system-for-its-services-1.1953657>

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