



**PORTUGAL 2007**  
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## 3rd European CAF Event

# PEOPLE: *The heart of Organizations*

**José Orvalho**  
*Professor - ISCSP/UTL, Senior Consultant of INA*


  

## Administrations undergoing in-depth changes



A new role of States in European economies:

- Economic crises of the seventies and their repercussions on the European Social Model;
- Bureaucratic Administrations and public criticism;
- **New challenges and missions of States:** demographic problems, *issues relating to the environment, energy and global terrorism;*
- Technological innovations as a way of modernizing public management and bringing it closer to customers.



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## Ways for a more efficient, effective and quality administrations



### How to cope with these new challenges:

- ✓ Make public management more efficient, with the introduction and adaptation of entrepreneurial management models – *SWOT, BSC, CAF and Strategic Management of Human Resources*;
- ✓ Enhance technologies – contents and service delivery;
- ✓ Orientation towards paradigms of excellence – *effectiveness, efficiency, quality, ethics and organizational sustainability*;
- ✓ Higher productivity indices and new policies of development and retention of “talents”;
- ✓ Understanding that people are the most valuable resource of organizations – they can create or destroy.

## Critical success factors



**More quality,  
Higher productivity**

- Leadership that motivates and create a vision
- Implementation of strategies that optimize resources
- Intelligent use of technology for innovation of processes and electronic service delivery
- People with knowledge and competences who accept challenges, responsibilities, autonomy and create value

## People as a determining factor for productivity of organizations



If productivity is the creation of value relating to “input” and “output”, people must be made aware of:

- ✓ Availability to gain new knowledge and develop their competences, **for permanent adaptation** to changes in the surrounding environment;
- ✓ Accountability, autonomy and ability to make decisions together;
- ✓ Permanent orientation towards results and customers;
- ✓ Greater organizational and functional flexibility;
- ✓ Extension of working life;
- ✓ Understanding that organizational excellence starts and continues throughout professional advancement.



## How to manage people when setting up public organizations of excellence



Organizational management is crucial to:

- ✓ Integration in organizational culture and values;
- ✓ Envisaging people management as a component in the global management of the organization;
- ✓ Sharing and communicating the strategy and mission of each person in the context of the organization;
- ✓ Obtaining and sharing knowledge and experiences – *coaching and mentoring*;
- ✓ Lifelong learning and knowing how to work in different contexts;
- ✓ Conciliation of personal and organizational objectives;
- ✓ Involvement in management for change;
- ✓ Evaluation of performance and merit differentiation.



## CAF as a contribute for organizational excellence



### CAF as a strategic management model for organizational excellence:

- ✓ Enables through continuous improvement – *incremental* – gains in effectiveness, efficiency, economy and the integration of staff in organizational missions and results;
- ✓ The criterion and approach facilitates a systemic vision that requires leadership development, improved processes and orientation towards key results;
- ✓ By means of self-evaluation or an audit model that enables any organizational crises or health to be diagnosed, and the most suitable therapies defined at the right moment in time.

## To sum up: making change with people

(Adapted by Luís Sítima)



### Differentiating factors in successful organizations

<b>L</b>	<b>Leadership:</b> <ul style="list-style-type: none"><li>▪ <i>Capability of management teams</i></li><li>▪ <i>Ability of people developing the mission and vision</i></li></ul>
<b>O</b>	<b>Strategic orientation:</b> <ul style="list-style-type: none"><li>• <i>Clear vision, communicated to everyone and shared by all</i></li><li>• <i>Translate actions and goals into expected results</i></li></ul>
<b>O</b>	<b>Organizational competences:</b> <ul style="list-style-type: none"><li>• <i>Strict assignment of resources;</i></li><li>• <i>Enhancing synergies, qualifying people and sharing knowledge</i></li></ul>
<b>P</b>	<b>Performance Management:</b> <ul style="list-style-type: none"><li>▪ <i>Orientation and accountability;</i></li><li>▪ <i>Monitoring and integrated evaluation</i></li></ul>



*I am very pleased to welcome you once again, as I did at the 1<sup>st</sup> EQC, in Lisbon, in 2000. I wish you all every success on this long haul towards better European administrations and a social, political Europe, imbued with solidarity. May your stay in Portugal be pleasant and may quality and excellence also be the essence of your personal and professional successes.*

