

Case Sharing on Achieving Performance Excellence

The Hong Kong Society for the Aged (SAGE)

High Impact Management Consulting Ltd.

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The Hong Kong Society for the Aged (also known as SAGE)

Fact Sheet

- Founded in 1977
- One of the largest non-profit elderly service providers in Hong Kong
- Over 30 service units, around 900 staffs
- Core services: Hostels, Care and Attention Homes, Community Centres, Day Care Centres, SAGE Bus, SAGE Fund
- Major Awards Received: NGO Award 2006, HKMA Quality Award – Bronze Award 2007, Directors of the Year Award 2008 & 2009.



香港耆康老人福利會
The Hong Kong Society For The Aged

Major Challenges Faced in 1998

- Government policy changes – Introduction of Enhanced Productivity Programme (EPP), Lump Sum Grant (LSG), Service Performance Monitoring System (SPMS)
- Increasing expectation on service level
- Switching focus from service outputs to service outcomes
- Emerging of the active aging and educated elderly markets
- General shortage of quality staff
- Threats of avian flu spreading in elderly homes
- More competition from commercial operators

SAGE Launched Reengineering in 1998

- To build a continuous improvement culture to fight against the challenges ahead, the Business Process Reengineering Steering Committee was formed in 1998
- SAGE engaged High Impact to train staff on Reengineering and conduct culture change programme for all staff
- 149 projects initiated, with impressive results achieved
- SAGE co-author the book *變革現生機* with High Impact to document the successful cultural change experience



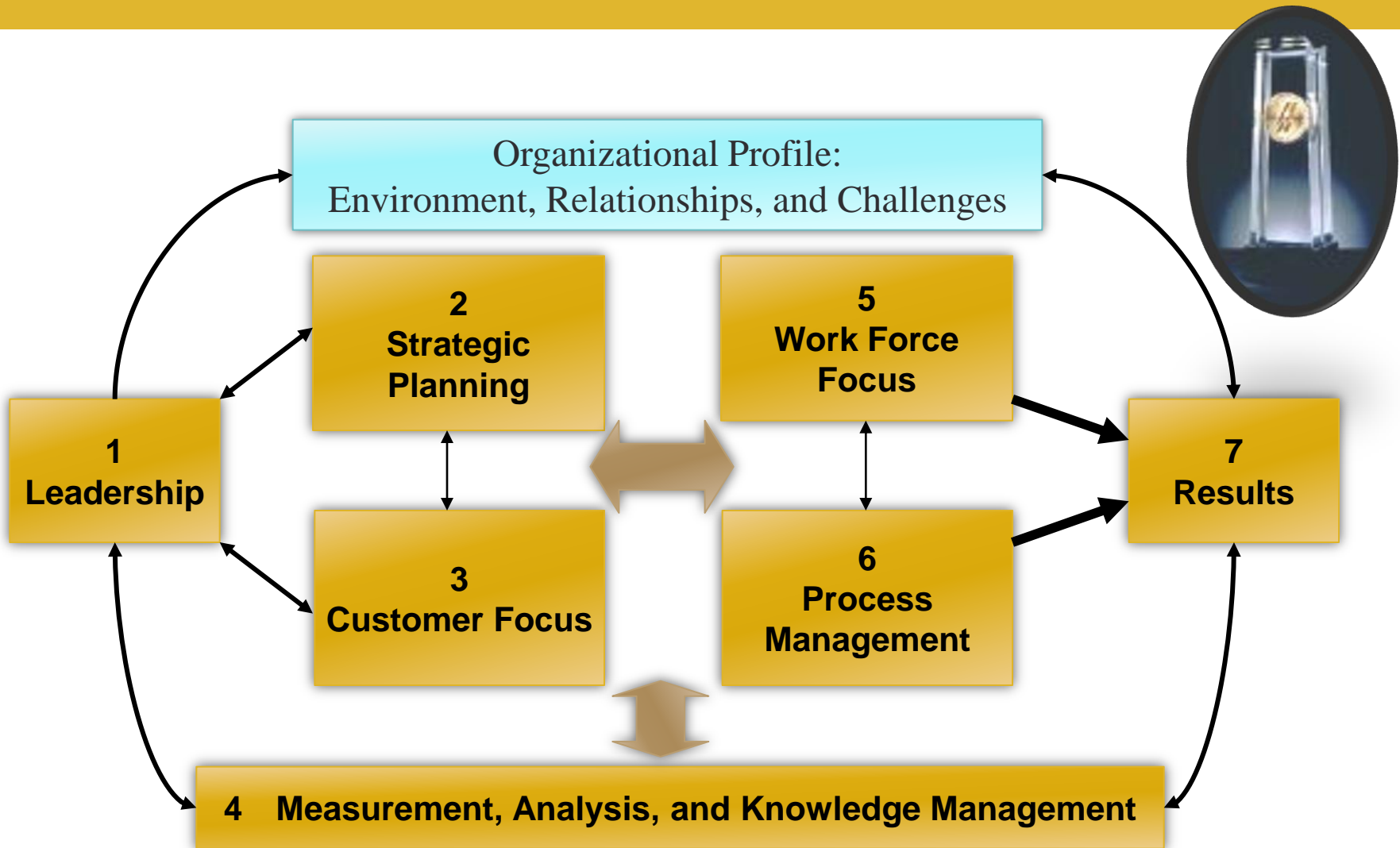
Samplers of Process Improvement Projects

(A) Service Enhancement	(B) Efficiency Improvement
i) SAGE Fund Application Process	i) Board Approval Process
ii) Membership Renewal Process	ii) Tendering Process
iii) Meal Provision Process	iii) Bulk Purchase Process
iv) Laundry Process	iv) Documents Simplification / Elimination

SAGE Conducted Its First 3-Yr Strategic Planning Exercise in 2003

- SAGE appointed High Impact to facilitate its management team to conduct its first strategic planning exercise in 2003.
- Title of the plan was “From Good to Great”
- The management decided to adopt the world renowned Malcolm Baldrige Performance Framework (US National Quality Award Framework) to continuously improve its management systems
- High Impact introduced and conducted Baldrige Assessment for SAGE to identify improvement areas for its management systems in 2003

Baldrige Criteria for Performance Excellence Framework

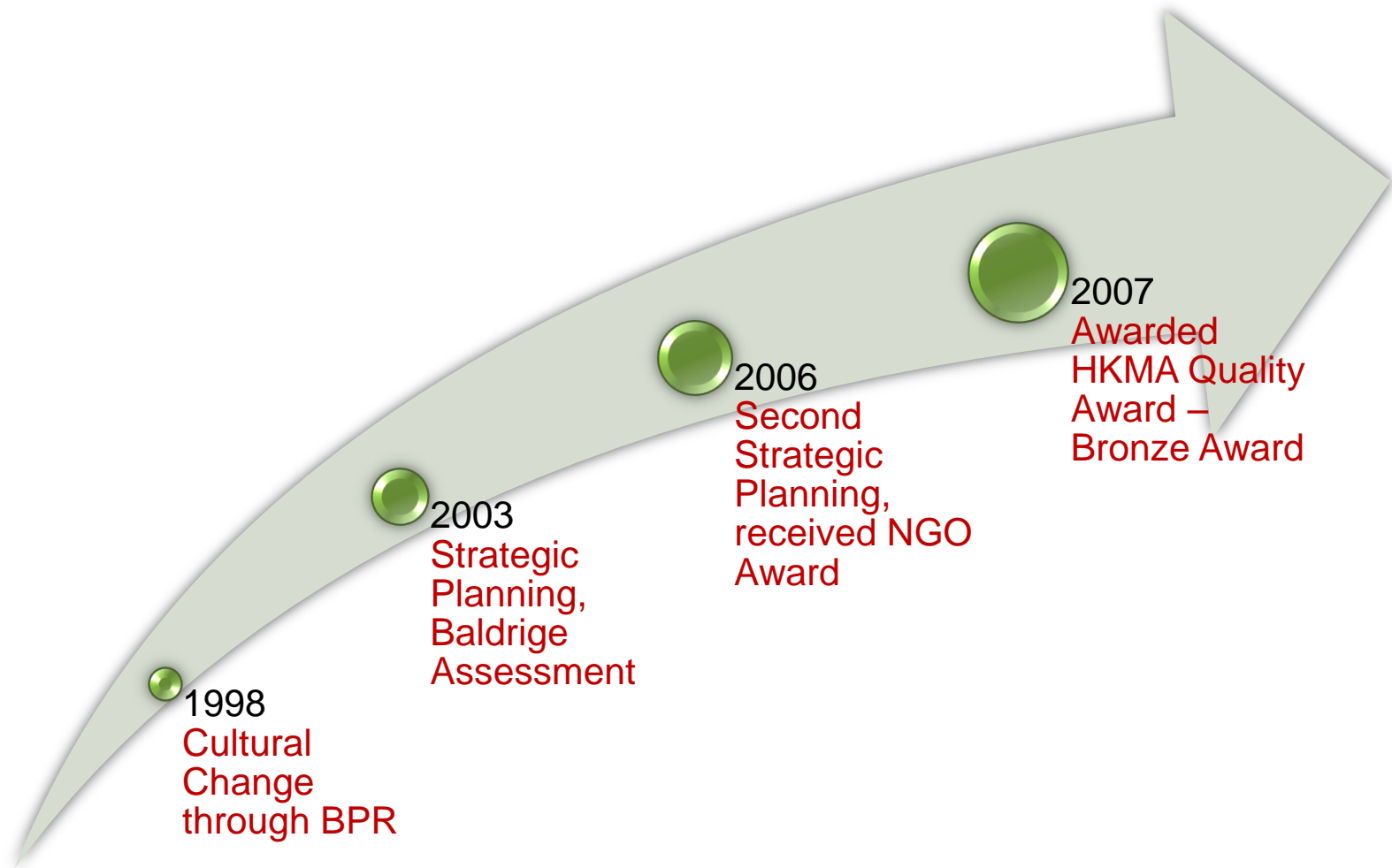


Performance Scorecard Introduced in 2004

- The Baldrige framework looks for evidences of organization excellence in wide “balanced” areas: including product, customer-focused, financial & market, workforce-focused, process effectiveness and leadership.
- These result areas echo perfectly with the Balanced Scorecard dimensions: finance, customer, internal business process and learning & growth.
- SAGE’s performance scorecard was defined and monitored since then.
- Through continuously improving its management systems and scorecard results, SAGE won the Hong Kong Management Association Quality Award – Bronze Award in 2007.
- SAGE was the first organization in the social service field that had won the HKMA Quality Award.

SAGE

Achieving Performance Excellence



An Example of NGO Scorecard

Finance

- Financial reserve level
- Cost reduction percentage
- New funding acquired
- Number of regular donors

Customer

- Client satisfaction level
- Growth of number of clients served
- Core service outcomes
- Number of complains & commendations
- Client loyalty index

Internal Process

- Core service processes efficiency
- Core administration processes efficiency
- Number of strategic partners
- Annual plan completion rate

Learning & Growth

- Number of new service establishments
- Staff satisfaction level
- % of staff development plan fulfilled
- Training effectiveness
- Number of staff suggestions
- Number of improvement projects
- Staff turnover rate

Distilled Insights on Achieving Performance Excellence

- Highly committed leaders
- Middle management as Change Facilitators
- Frontline staff's total involvement
- Provided sufficient training and empowerment
- Leveraged on peer sharing and benchmarking
- Incorporated incentive schemes
- Effective change management
- Created quick wins
- Followed through improvement actions

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