

Paper:

Topic: Solid Waste Management

Title: Performance Management as Implemented in a Waste Management Company

Businesses nowadays, especially Waste Management enterprises have to perform and survive in a complex, competitive, fast-changing economic social and political environment. Companies succeed or fail for a variety of reasons. Companies do need to define strategic goals in order to achieve organizational objectives. Strategic goals are effective only when a company can measure and monitor its progress accurately and can align the entire organization in the pursuit of those goals. Strategically, decisions are to be taken by company executives allowing operations to be effective while maintaining a high quality of service. The quality of the manager is an important factor for a performing organization. The manager must explore the connection between a company's strategy, its economics, and its control systems, while learning to design, implement, and manage systems that can create a value chain. Client satisfaction is also a very important key performance indicator crucial for the success of a business. By delivering the most effective level of service, innovative solutions that bring value to the client base, a properly and timely billing system will help distinguish a company from its competitors.

Selikor is the leading Waste Management Company of Curaçao. Selikor is responsible for collecting, processing, and disposing of both residential and commercial waste. In the year 2010 the waste management company Selikor Llc. will be celebrating its 15th anniversary as an anonymous company of the Island Government of Curaçao. Furthermore, 10 years of achieving the ISO 9001-2000 certification for quality, and also 5 years of achieving the ISO 14001 certification for environmental issues. Today Selikor Llc. is facing ongoing changes. In an unpredictable economic environment it is imperative to have operations well controlled. The globalization trend being part of this fast changing economy is showing signals needing consideration in both large corporations as well as households in the community. The effective and efficient of Selikor's performance operational activities are crucial to its overall business success. Therefore the management of Selikor has introduced a management system that can monitor and evaluate the day-to-day performance of the operations and can timely indicate corrective measurements whenever necessary.

To meet customers' demands and to exceed expectations for the desired services, Selikor must strive for quality delivery of service. To effectively meet clients' expectations, Selikor conducted yearly surveys to measure the overall perception of business performance and the level of satisfaction

among its clients. Selikor Llc. has clear insights of its current operational processes and identified the importance to improve the performance of these processes to deliver a total quality service. Consequently engineering of the current operational processes is needed to achieve maximum alignment of all processes so that the focus switches to customers' needs. The principal idea is to revolutionize key organizational systems and processes to meet the needs of the customers and to minimize cost of operations. With other words, in order to satisfy the customers, the company must be able to re-define management strategy and organizational policy. The policy of Selikor in regards to testing client satisfaction is to conduct a yearly survey among all commercial clients and households.

Operational management involves the design, planning, control and improvement of an organization's resources to produce goods or services for customers. Operational planning is the process of identifying the specific procedures and processes required at lower levels of the organization. Operation managers bare the responsibility to understand what has to be achieved. Operations management is being able to place operations strategy within general strategy of the organization. Operations strategy concerns the guide of strategic decisions and actions that set the role, objectives and activities of the operation.

Selikor Llc. utilizes both quantitative and qualitative measurements to assess how well the organization performs against the company's goals and those goals based on the needs and expectations of its clients. A few examples of quantitative and qualitative measurements are assessing the number of customers planned to receive a service and the speed at which this service is delivered. Selikor has chosen performance management system as a tool to measure how well the organization performs against projected goals. Performance management can be described as a management process for taking actions in response to actual performances thus making outcomes better than they would otherwise be. Performance management can also be described as conducting operations of a company through the critical performance indicators. In other literature, performance management is used for guiding decision making processes, based on objectives that have to be achieved. Effective performance management relies on systems and people working together to make sure the right decisions are being taken. Performance management arrangements can help to integrate planning, review financial management and improvement systems to enable policy makers and managers to make informed decisions and improve services to meet client's goals. By measuring the results to achieving operational and financial objectives, decisions have to be taken resulting in actions that can influence the organization in desired ways.

The end result of applying performance management is about establishing a culture in which individuals and groups take responsibility for the continuous improvement of business processes and continued improvement of their own skills, behavior and contributions. Performance management is about sharing expectations. Managers can clarify what they expect from both individuals and teams; likewise individuals and teams can communicate their expectations of how they should be managed and what they need to do their jobs. It follows that performance management is about interrelationships and about improving the quality of relationships - between managers and individuals, between managers and teams - , and is therefore a joint process. Performance management is also about planning - defining expectations expressed as objectives and in business plans - and about measurement. It should be applicable to all employees as individuals, but it should also be applicable to teams. Performance management is a continuous process, not a one-off event. Performance management is also holistic and should pervade every aspect of running an organization.

Selikor has implemented this management system first as a pilot project in one department in 2004. In the second phase in 2008 an extension took place to the four operational departments and in 2010 the staff departments have been added to the project. Performance Management System has 4 basic questions:

- 1) What do we have to do? (Formulated in the objective of the department)
- 2) How have you done it? (Operations)
- 3) What is the cost (Finance)
- 4) Are the clients satisfied? (five performance objectives)

Daily measurements of performances of the services are been registered in a customized web-based program. Each manager, department head or supervisor can have a daily overall picture of the operation of Selikor. The most important question is: did we render the service we have agreed on?

The project itself has several stages:

Phase 1: formulating critical performance factors and performance indicators of each department

Phase 2: Register of measurements

Phase 3: Revise and review critical performance factors and performance indicators

Phase 4: Discuss results with team members to improve

Phase 5: Implement improvements

When performances are noted, through interventions the processes are revised, and changes are made for the continuous improvement. The Management Team supervises the implementation of the performance management system. Monthly meetings have been held to discuss the findings, pitfalls and developments in the management team of Selikor. By delivering the most effective level of service to clients, innovative solutions that bring value to the client base, and a properly and timely billing system, the company will distinguish herself in such a positive way that it can survive in a complex, competitive, fast-changing economic-social-and political environment.

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