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Objectives

The Electronic Papers published by the Portuguese Observatory for Good Labour Practices (OPBPL) main goals are to confer the accessibility and high-speed readability of essential information and good practices in regards to work organisation, collective bargaining, human resources management, labour relations, inclusion and sustainability, corporate social responsibility, and labour market statistics.

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Oeiras and Amadora SMAS – An island of excellence in the public services

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Abstract

The Oeiras and Amadora SMAS is a public local administration organism attached to Oeiras Municipal Town Hall; human resources management is a strategic part of its work. It is a reference in this area for the public administration and they pledge heavily in organizational development projects that boost performance and raise productivity whilst focusing always on the clients and their satisfaction.

1 | Activity and context

The Oeiras and Amadora Municipal Water and Sanitation Services are attached to the Oeiras Town Hall; they provide a public service of local interest which is exploited industrially within the framework of the municipal organisation.

The SMAS strive to be recognized as an organisation of excellence in the quality of services they provide, adopting the highest standards of environmental, financial and social responsibility in the undertaking of their activity.

The SMAS mission is to guarantee the supply of water and provide basic sanitation services to the population living in the Oeiras and Amadora Municipalities, meeting high standards in the quality of services offered and relations with the community.

Achieving this mission implies the adoption of an organization model of management that thinks and acts strategically in an organizational context focused on performance, and that valorizes human and technological resources so that the clients and municipalities involved are given sustainable added value.

The SMAS remit is the collection, supply, treatment and distribution of drinking water, the reception and draining of sewage, among others; it can also include its treatment and the construction, expansion and conservation of the water network and sanitation system, pumping stations and waste water treatment plants.

ACTIVITY	2010
Number of clients	184 287
Number of consumers	343 437
Number of employees	409
BUDGETS	
Budget (€)	65 985 412
Investment (€)	8 945 795
Net result of the financial year	6 407 571
INDICADORES DE EQUILIBRIO FINANCEIRO	
Financial autonomy (%)	88.7
Solvency	14.8
Equity capital / Total net assets (%)	88.7

The Oeiras and Amadora SMAS currently serves a total of 343 437 consumers, spread across the two municipalities. It operates over an area of 70 km² with a water and sanitation system of more than 916 km.

According to the annual financial records of the Portuguese municipalities, the Oeiras and Amadora SMAS have the best financial results of all municipal services, proof of a management strategy that strives for quality and excellence; these same documents also revealed that more than half of the 219 municipal enterprises and 30 municipal services presented negative operating results in 2008.

With regard these results, it should be noted that the SMAS management strategy stands out for its proximity with that of private management. The model defines and adopts a strategy based on vertical alignment processes and methodologies, by which the Strategic Objectives frame the Operational Objectives assumed by the Organic Units; this in turn allows the definition of Actions to be taken,



Targets to reach and performance Indicators to be adopted and thus helps synchronize all levels of decision making.

It is noted that three years after Oeiras Amadora SMAS adopted this strategic plan in 2006, it became a legal requirement under Law nr 66-B/2007 of 28 December which establishes the integrated management system and performance evaluation in the Public Administration.

Moreover, as human resources management cannot be separated from the overall management strategy of the services, as if it were a world apart, the human resources policy of Oeiras and Amadora SMAS has also been fully conceived and implemented in line with the strategy defined by senior management.

This immediately distinguishes it from other public institutions and organisms where human resources management is predominantly administrative and legalistic. Here, it is in fact a strategic management tool, because the programs and initiatives it develops can serve the goals and needs of the three actors involved: clients, administration and employees.

But before explaining how this principle is put into effect, it is also pertinent to recall some of the similarities SMAS has with other Public Administration organisms due to the fact that it is part of the same legal, economic and even social context.

Firstly, and unlike a private organisation, all human resources management activities are legislated:

- Excessively bureaucratic and time-consuming recruitment and selection processes in which the selection methods are imposed irrespective of the organism, function or activity for which the person is being recruited;
- Pre-determined and quite inflexible career management model and in most cases recruitment and selection procedures;
- Excessively bureaucratic performance appraisal method which takes up too much of public managers' time;
- Remuneration system determined by a single remuneration scale in which increases are always determined by the performance appraisal process;
- Legislation which prevents offering workers other means of compensation such as health insurance or other forms of non-pecuniary benefits.

This situation is aggravated by the economic crisis that has affected Portugal over the last few years which has serious repercussions in the Public Administration's human resources management; we note in particular the freezing of salaries and careers as well as the constraints on hiring.

Some demographic indicators on the SMAS population is also of relevance to this "case study": it is an organism in which the average age of the employees is 45.82 years, the majority of whom are doing operational work (46. 21%) and have compulsory schooling (29.83%), or less (12.22%).

The scenario described above identifies some of the constraints placed on public sector organisms and which often lead to passiveness and resignation. Indeed, the way Oeiras and Amadora SMAS interprets its surrounding context is one of the biggest and perhaps most important differentiating factors – namely, the belief that it is possible to do more and better and that the added administrative complexities imposed by legal frameworks incongruent with the principles of efficiency and effectiveness they defend do not, in themselves, justify conformism and ineffectiveness.

2 | Differentiating factors

The current SMAS management project began in 2006 with the approval of the Strategic Human Resources Development Plan and is clearly distinct from the practices traditionally associated to public organisms. Despite the complex legal and normative framework to which public administrations services are bound, and which increasingly inhibit the adoption of management practices that truly enhance value, SMAS made the promotion and valorization of its employees a fundamental area of intervention with the aim of providing consumers a public service of increasing quality.

The first differentiating factor is: the alignment of the human resources policy with the overall management strategy of SMAS. This alignment goes beyond the inclusion of the expression “the promotion of human capital” in a strategic objective. In the knowledge that organizational success depends on the ability to mobilize the necessary resources and skills for the pursuit of the defined goals, all programs and initiatives in the scope of the human resources policy serve and strive to meet the wishes of top management. And although human resources management does not directly influence the service rendered to the client, it is a support and assessment area and, as such, must create the right conditions to ensure that the people who deal directly with clients have everything they require to provide a quality service.

The integrated nature of the human resources strategy is an equally distinguishing feature. The various programs, projects and initiatives are not just isolated pieces, but complement each other and thus foster a cycle of organizational development that starts with the recruitment and career management policy, continues with the training program and the policy for health, hygiene and safety at work, and culminates in the performance appraisal process and remuneration policy. It is this integrated approach that can sustain a human resources policy which does not simply act in the traditional areas of people management, but focuses on the individual valorization of each worker in his/her capacity to Be social/Be professional; it is a holistic approach that intervenes in social, family and professional conditions so as to enhance the integral development of each employee leading to a greater predisposition not just to work but also to be engaged in the SMAS Mission.

And as it is impossible to manage something that cannot be measured, the last distinguishing feature is the effective application of the principles of measurability and evaluation. At the Oeiras and Amadora SMAS, no program, project or initiative begins without contextualizing its pertinence and relevance to objectives, without prior study and analysis of its potential in budgetary terms and, finally without permanently evaluating the results obtained.

These three factors – alignment with the services’ overall management strategy, integrated programs and measurability and evaluation – are what differentiates and underpins the human resources management strategy of the Municipal Services of Oeiras and Amadora.

With these principles in mind, we now turn to some of the projects and programs that have been implemented.

I. Recruitment and career management policy

In the scope of the recruitment policy, special emphasis goes to the healthy balance fostered by the Oeiras and Amadora SMAS between the natural retirement process and the progressive qualification of the structure. Parallel to the gradual reduction of staff in the last five years (on 31 December 2010, Oeiras and Amadora SMAS had a total 409 employees, compared with 447 in the reference year, i.e. a variation of -8.5%), the recruitment policy gives preference to the hiring of qualified professionals. Today 15.9% of the staff are senior technicians, vis-à-vis 7.5% in 2005, thus doubling their number. And while the rigidity of the Public Administration career system might make the Oeiras and Amadora SMAS unattractive as a potential employer or even de-motivate the current employees, alternative career management models have been developed internally that take effect in two projects:



Internal Mobility Grant - *Bolsa de Mobilidade Interna (BMI)*: The BMI facilitates the horizontal mobility of SMAS human resources, adapting individual needs to organizational requirements, and minimizing some of the asymmetries found in the Organic Units (OU). The aim of this project is also to foster and stimulate the versatility of SMAS employees through the possibility of internal transfers.

Internal Rotation Program - *Programa de Rotatividade Interna (PRI)*: The PRI involves the programmed movement of workers around a pre-determined set of work posts, thus increasing their knowledge of the organization's processes and their skills while minimizing stagnation and loss of motivation. The program is still in the pilot phase but will allow employees in the commercial and technical areas (water and sanitation) to rotate; it is precisely these areas that come into direct contact with the client and require certain features that foster flexibility.

We underline the three above mentioned differentiating factors in these two programs:

1st: the alignment with strategic objectives

Remembering that the concept of organizational sustainability (Strategic Objective of SMAS) assumes that needs are satisfied both now and in the future, the Human Resources Management contributes to this objective in the sphere of career management.

However, as career management in the Public Administration is conducted in a purely administrative manner, most of the employees of these Municipal Services have been in the same function for a number of years which inhibits the development of skills and a spirit of versatility – essential factors for swift and flexible management.

At the same time, Oeiras and Amadora SMAS serve a community of consumers that is becoming more aware and better informed; they demand and expect a quality and innovative public service that strives for the best solutions so that they can provide an efficient service. This is in complete contradiction with the growing restrictions on hiring in the Public Administration.

An analysis of these various questions led to the setting up of the BMI and PRI. These programs contribute to the sustainability of the service by providing a response to the need for workers to feel personally and professionally fulfilled through the challenges set, and a development strategy of versatility which implies learning various functions. This is fundamental to effectiveness and to expenditure in the long term.

2nd Integration with other programs

These programs run parallel with the recruitment strategy and they also aim to qualify the structure. On the other hand, together with the Acquiring New Skills Step by Step program (described below), it is possible to respond to the professional expectations of employees.

3rd Their measurability

To give an example, a total of 15 internal mobility processes were completed in 2010, generating annual savings of up to €225,012.76 through reducing the number of new admissions and the respective costs of remuneration.

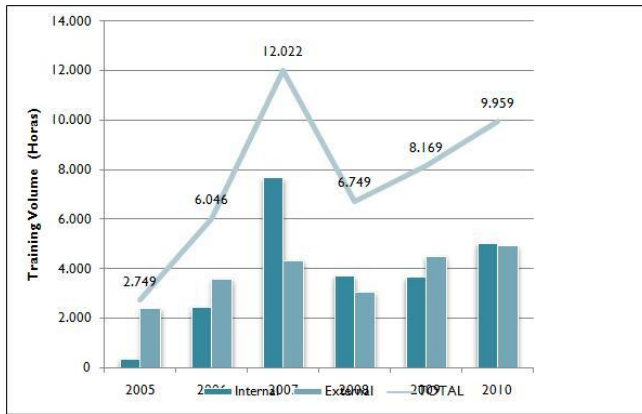
Other projects in progress:

Title	Summary
SMAS, SA (<i>Sistema de Acolhimento</i> Induction System)	Integrated induction program composed of four tools: Welcoming Sessions; Induction Manual; Welcome Kit; Evaluation of induction process.



II. Training project and organizational development

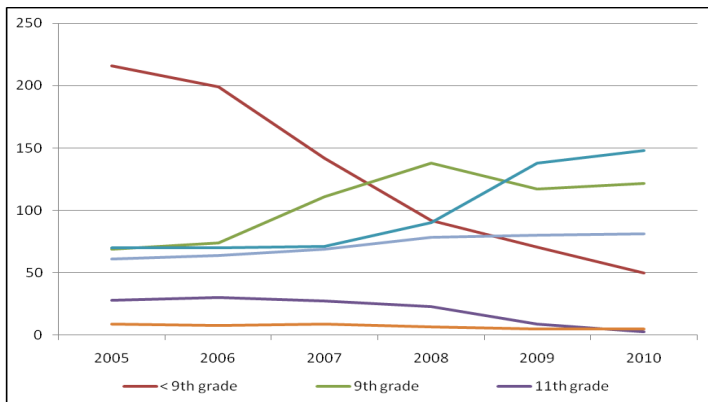
Examples of the recognition of SMAS Oeiras and Amadora as a result of the serious and sustainable pledge in the training projects include the National Good Practices Award in the Local Administration 2008/2009 and Certified Training Entity by CEFA.



In the area of vocational training, SMAS has a Skills Management and Organizational Development Sector which enables employees to attend in-house courses in the framework of the Internal training Plan, as well as external training activities whenever their specificity and pertinence to the employee so warrants. The training process is accredited in the fields of diagnosing training requirements, organization and implementing of training activities, development and execution of interventions and monitoring and evaluation. The investment in this domain has proved fundamental in the process of

developing internal skills.

The strategic nature acquired by this domain in the overall management of the services is manifest in the evolution of the training volume over the last five years.



In light of the diagnosis made in 2006 which identified a low level of schooling, the “Acquiring New Skills Step by Step” project was developed; in articulation with the national New Opportunities program, the outcome is that in three years over 180 employees have attended courses in working hours and that confer academic qualifications. As a result, significant gains were made not only by raising the self-esteem and self confidence of those involved but also through reducing costs on new admissions because the academic

qualifications facilitated internal mobility mechanisms so that the hiring of new employees was avoided in some segments.

This was another project that strived to qualify the structure (visible from the evolution of the qualification structure), together with the programs mentioned above, reaffirming the integrated nature of the SMAS human resources management.

Training at the Oeiras and Amadora SMAS also encompasses a social responsibility perspective. To this end, the Oeiras and Amadora SMAS have had a Work Placement Program since 2006, which includes work placements (with a grant) for new university graduates and curricular work placements. Since this program was started, the Services have hosted 30 professional work placements and 50 curricular placements.

Other projects in progress:

Title	Summary
Good Ideas, better SMAS	Project to gather ideas that foster greater efficiency, effectiveness or quality of service. Employees deposit their suggestions in the Ideas Center and in this way become candidates for annual awards.

III. Policy for health, hygiene and safety at work

Aware of the fact that “Health” is a key value in contemporary societies and that it intervenes directly in productivity, an integrated action system was set up that articulates the areas of safety, health and working conditions. In addition to implementing new regulations on the use of uniforms and a significant investment in individual protection equipment, the reorganization of the medical services has yielded noteworthy results, particularly in the scope of absenteeism (for which they were surprising figures in 2010 with a rate of just 0.39%, vis-à-vis 1.26% in 2006).

With medical services accessible to all workers, the Oeiras and Amadora SMAS also extended this benefit to the employee’s entire family free of charge. This investment, in conjunction with other mechanisms, has made an essential contribution to the marked drop in absenteeism rates and thus to reducing expenses.

This preventive action, together with a rigorous system for the analysis of working conditions, expert opinions on working accidents that have taken place and the on-going study of accident trends with the adoption of preventive measures, are all reflected in the reduction in staff permanent members, as well as in satisfaction rates and the prevailing organizational environment.

These factors are systematically monitored through the application of internal questionnaires which try to gauge the level of worker satisfaction in relation to various aspects that influence their relations with the institution.

Other projects in progress:

Title	Summary
Annual vaccination program	Program to promote good health through free vaccination against flu and hepatitis.
Program for the distribution of sun cream	Program distributing sun cream to employees with prolonged exposure to the sun. This covers around 150 employees a year.
Support program for pregnant employees	Program preparing pregnant employees for delivery and motherhood. Those who enroll are entitled to free powdered milk for one year.
Health screening program	Free screening in working hours in partnership with companies and other external entities. Screening has already taken place in the following areas: ophthalmology, for smokers, osteoporosis, diabetes, spirometry and oral health care
Program of Protocols with external entities	Program in which protocols are signed with external entities giving employees advantageous conditions when accessing goods and services. It includes protocols with banks, SPA’s, school transport, gyms, health care providers, etc. The aim is to increase employees’ incomes through savings made through these protocols.

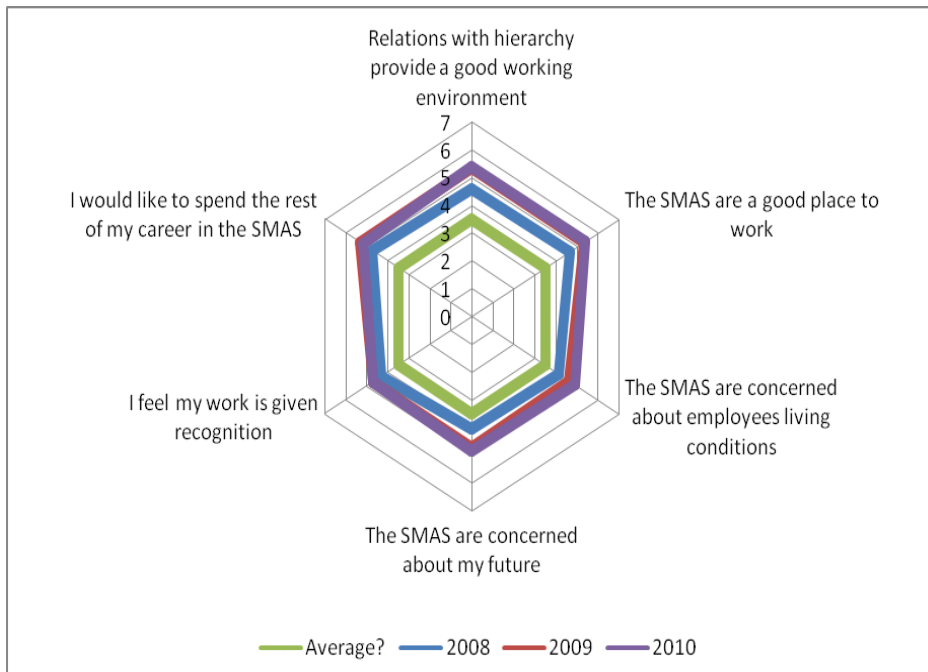
IV. Communication Project

Despite the evident results of the regularly monitored indicators, and the many forms of external recognition that have been given, the Oeiras and Amadora SMAS is still concerned, or is even



particularly concerned, about the impact of the projects, programs and initiatives it undertakes on the target groups i.e. the employees.

Accordingly, and in line with the premise of measurability, employees have been asked to complete a Questionnaire on Satisfaction and Organizational Environment regularly since 2008. Yet again, the findings come as no surprise as the interested parties confirm the positive effects of the SMAS Human Resources project.



For example, with regard the effect of measures in the scope of the SHST measures, one of the biggest increases has been in the “SMAS are concerned about workers’ living conditions” dimension which went from 4.14 in 2008 to 4.90 2010; moreover, the “SMAS are concerned about my professional future” dimension registered the biggest increase, going from 4.05 points in 2008 to

4.82 in 2010 – this includes the results of projects like the Acquiring New Skills Step by Step project, the Internal Mobility Grant and the supply of training SMAS offers its staff each year.

In short, however, there are two outstanding features: the above-average positioning of all the dimensions evaluated, and the rising level of satisfactions observed over the three years. This is indicative of a distinguishing feature that cannot be seen or measured: the premise that the human resources management project is one that will always be a work in progress.

And due to the constant desire to do more and to do it better, the dynamism that has always been the hallmark of this organism is honored. A great investment has been made by these Municipal Services over the last years to develop human resources projects and initiatives, so it is now time to give them shape, to bring them together under a common base that arouses a sense of belonging and pride in their public.

One word stood out at a debate organized which does justice to the internal strengths and gains: MORE (MAIS) – more training, more work, more health, more family, more living conditions, more well-being. This was the inspiration for a new idea: in SMAS, we are *Mais* (More) – we are SMAiS.

The development of a unique identity, the increasing sense of belonging, the rising levels of motivation and the definition of a Human Resources strategy that can sustain the quality level of the human capital are just some of this project’s targets. Because at this local public sector institution, the SMAiS concept is more than a brand or a signature, it is truly a way of being.

3 | References for further information

The Human Resources area of the SMAS institutional site provides a range of public information and documents where further information can be obtained on the matters herein, the programs and projects mentioned and analysis of the results obtained.

SITE: www.smas-oeiras-amadora.pt



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