

CUSTOMER CASE:

PostParcels
SWISS POST

The decision to use QPR ScoreCard originally came up in connection with the restructuring process in 1999.

With 75 % of the Swiss market share, PostParcels, the parcel division of Swiss Post, is the leader in parcel distribution. About 4,000 employees are responsible for transporting around 105 million parcels a year and an average of about 500,000 per day.

QPR ScoreCard and QPR ProcessGuide Create Positive Business Results at PostParcels of Swiss Post

"QPR Scorecard and QPR ProcessGuide combined is the best software toolset I know for putting a strategy into action."

Krystian Lasek, Head of Strategy at PostParcels



Room for improvement as a trigger

Regional structures in federalist Switzerland are rather strong. It was difficult to compare different regions, because of various index values applied by the regions. The use of benchmarks was introduced to the new organization to enhance internal competition. In addition, it created the possibility to learn from each other leading to increased in-house communication.

At the same time, other internal areas with potential for improvement were identified. The financial situation of the company was not at its best.

Likewise, the three parcel centers needed optimizing to sustain good performance towards customers. Not only were financial key indicators needed, but also instruments to measure leading success factors such as customer satisfaction and skills of personnel. The solution was QPR ScoreCard.

Smooth and fast implementation

Most Balanced Scorecard projects are doomed to fail. To succeed it is critical to quickly implement a reliable pilot program. Within PostParcels, this implementation process took about four months. Normally, staff members are very motivated in the beginning. If, however, the process takes too long, too much effort may be wasted on details, which cannot be implemented later. Finally packaged software will be chosen and implemented.

Thanks to the fast implementation with QPR, this did not happen.

Mr. Lasek states: "With the QPR product and the support from Impact AG it was possible to generate a pilot program within a few months, which was continually improved."

Now, after three years, Mr. Lasek himself has standardized the implementation process with the help of a five-module system for PostParcels.

The five-module system

As a first step, all controllers of the enterprise are introduced to the quantified measures per goal and, if necessary, also to MICS (Management Information and Controlling System), which is the internal name of QPR ScoreCard.

Then, six weeks is given to create KPIs for each strategic goal. If data can be generated without any problems, the business controllers and the person responsible for creating the KPIs will set detailed specifications.

The next step comprises the building of the scorecards and the interface. Using the interface, data from reports from other systems such as SAP and PADAUS can be imported to scorecards.

This offers the advantage of not having to enter all data manually. Only one person is needed for loading the information and the process takes just one day. As a result, fast implementation of the system is ensured. Finally, user training is successfully performed by using individual workstations.

Success factors

First of all, executive sponsorship is a must to be able to reach the best possible results. Also, after new monthly information is published, an email is sent out to all users, explaining the usage of data.

Comments have to be made by the responsible persons for the KPIs and are then checked within five days by Business Controlling. The controllers are responsible for follow-ups, if no

annotation has been made yet. PostParcels has clear commenting rules. By commenting indicators in a unified way the controllers will have a deeper understanding of those values. Not only figures in critical ranges have to be evaluated.

Likewise, remarks need to be made if a measure is on green, but has been declining three times in a row or is 20% higher than expected. To ensure user's confidence in the KPIs, it is vital to define data sources and methods for the calculations on a micro level. Consequently, everyone can easily recalculate figures.

All values are published on the 10th of each month at the latest. As a result, no KPIs are visible in advance. All requests for information have to be published on a separate page, in order not to get mixed up with the KPIs.

Finally, Mr. Lasek emphasizes: "The more quantified the strategy is, the easier it is to measure the success of implementing the strategy". Even though quantification of soft values is rather hard to achieve, the company succeeds in measuring them by defining the drivers behind the values. In case of customer satisfaction, this is done with the help of a standardized annual customer satisfaction survey.

"An extreme increase in value"

With the QPR Scorecard, PostParcels has been able to gain a broad range of benefits. Employees can make use of the 24-hour availability of performance data, not just within the enterprise, but also from home.

By using internal benchmarks and learning curves, competition as well as communication among the departments and employees is enhanced. Other advantages are paperless reporting, and overall a more holistic approach to management as perspectives other than financial are included as well. Measuring strategies has also become easier. According to Mr. Lasek these advantages yield an "extreme increase in value" for PostPar-

cels and contributed in achieving very good business results in the last period.

A broad range of benefits

A number of positive aspects supported choosing QPR. While the company's management appreciated the fast implementation of projects, staff members were convinced by the user-friendliness. After half a day of training, employees were already fully prepared to utilize the software. Also, Swiss Post's implementation partner Impact AG had already good experience in using QPR software. That in itself had a major influence on choosing QPR.

Further integration planned

Numerous departments within PostParcels currently use QPR. The Company management has one scorecard, which is the parent to 7 subsequent ones: Distribution, Production, Competence Center Services, Product Management, Sales and Technology Management. Also other areas benefit from QPR Scorecard. The business divisions Mobility Solutions and ExpressPost AG, both with 3 scorecards, and the subsidiaries BTL Logistics AG / Setz Gütertransport AG with 4 scorecards as well as PostBus make use of the system effectively. All in all, about 300 users are working with QPR ScoreCard.

"Apart from QPR ScoreCard, QPR ProcessGuide was also successfully integrated when PostParcels was reorganized. Core processes are mapped and defined and can be integrated into the QPR ScoreCard."

For the future, it is planned to integrate the subsidiaries Swiss Post NET, ParcelLogistics and Secure Post.

In doing so, all business divisions and subsidiaries within the business area will benefit from QPR.