

SUCCESS STORY ENERGY SECTOR

BURSAGAZ



THE JOURNEY TOWARDS EXCELLENCE...

“ ...there is a continual improvement loop, feeding back the learning from the results achieved and using creativity and innovation to drive increased value for all the stakeholders. ”

IGNITING THE PASSION FOR SUCCESS

EFQM is a network of remarkable and like-minded organisations who share a common vision of Excellence, as a continuous Journey together.

Through each Success Booklet, EFQM brings to you inspiring stories of people and companies who have successfully deployed the Model and experienced its many benefits. Here we take a closer look at how they did it ...

EFQM ENABLES YOU TO CONNECT, LEARN, ACT, ACHIEVE, SUCCEED

The EFQM Excellence Model provides organisations with a platform and common language to share their experiences and learn from others. The desire to share, learn and innovate is what drives our economies forward. A derived observation is the fact that what was considered "best practice" yesterday rapidly enters the mainstream and becomes common practice today. To stay ahead, organisations need to adapt faster than ever.

Introducing a proven practice from one sector to another is one way to achieve this...

ENERGY SECTOR

THE STORY OF BURSAGAZ



PLEASE PROVIDE A BRIEF SUMMARY OF YOUR BUSINESS

Established in 1989 by BOTAS to distribute natural gas, Bursagaz Bursa Şehiriçi Doğalgaz Dağıtım Ticaret ve Taahhüt A.Ş. has provided a significant contribution to the social, economic and environmental development of Bursa and Turkey by starting to provide a natural gas supply to residences in 1992. After being included in the project of privatisation of natural gas supply distribution companies in 2003, Bursagaz was privatised in 2004. It still continues to provide a natural gas distribution service within the licensed area boundaries of Bursa Metropolitan Municipality and the Iznik region (included in the license in 2014).

Although Bursagaz, as a corporation, does not manufacture any product in accordance with the relevant legislation, it provides the natural gas distribution service that it supplies for the end user under the Bursagaz brand. The service provided includes shipping and manufacturing for the distribution lines well as grid operations. Bursagaz responds as quickly as possible and in the most efficient way to the consumers' problems via the call center on the Nilüferköy premises, while carrying out the operations of invoicing and measuring; process management and data analysis; in-house installation; legal proceedings and gas switch off at the collection office.

As a natural gas distributor who wants to increase their performance day by day, all these operations are based on Bursagaz's vision, mission, values and ethical values with the valuable contributions of 254 employees

in 2016. The overall turnover rate was 12,24% in 2016 (due to the changes in the group companies).

WHEN DID YOU START USING THE MODEL?

Bursagaz has been using the EFQM Excellence Model since 2006. As a company which aims to sustain excellence, it was a requirement to have a model which influences all the processes and strategy management while thinking positively. The EFQM Excellence Model impressed Bursagaz's top management by raising excitement throughout the company, this includes fundamental concepts, having a comprehensive vision in stakeholder approach and the RADAR logic.

As a global model, the EFQM Excellence Model is a great resource for a company which desires to sustain its success and improve its abilities. From the beginning, Bursagaz has benefitted from the EFQM excellence model in strategic management, sustainability approach, stakeholder management and even the integration of global models and standards. Seeing the EFQM Excellence Model as a lodestar which leads the way for success in sustaining excellence in every part of its processes, Bursagaz has internalised and spread the knowledge of the model to other companies.

HOW DID YOU GET STARTED?

At the beginning of the journey, there was a need to understand the model clearly, identify its content and all of the benefits which Bursagaz could gain.



So the first step was informing the top management and help them to understand that the EFQM Excellence Model would benefit Bursagaz's organisational structure to manage all the processes more efficiently. This was the most important step to start this journey in order to use the model efficiently all over the company with the support of the leaders.

After informing the leaders, the implementation process was started and trainings planned for employees in order to create awareness of the model. While training the company, an internal communication project was started called the "EFQM Journey of Bursagaz". There were some banners and posters that had been used to get employees interested in the EFQM Excellence Model. Also this project was supported by workshops which offered opportunities to better reinforce the model logic. The implementation of the model's basics to the company took 4 to 5 months within the scope of "EFQM Journey of Bursagaz" projects. However, understanding EFQM is an on-going process because it is a journey to excellence which never ends.

Understanding EFQM throughout the company, helped to achieve efficient results in the first self-assessment which was held together with the "strategy kitchen" team, which is formed by representative employees from all different departments, in Bursagaz. This assessment was one of the milestones which enabled us

to see Bursagaz's capabilities from a different perspective in its strategic management process.

HOW DID YOUR JOURNEY CONTINUE?

After internalising the EFQM excellence model, Bursagaz reorganised some of the important strategic management tools such as analyses, workshops; assessments and performance indicators. The employees of the "Strategy Kitchen Team" voluntarily worked more for the EFQM Excellence model implementation.

One of the first successes was improving the "Bursagaz Stakeholders' Balancing Analysis" with the EFQM stakeholder mapping approach which helped to identify stakeholders as internal and external. By improving this analysis, Bursagaz started to understand stakeholders' needs in a more efficient way as well as getting to know them better. Understanding stakeholders' needs helped to create better strategies in order to balance their needs. The implementation of the EFQM Excellence Model was put into place by "creating strategies".

The next step was to implement them into the company goals. For a successful implementation of the EFQM Excellence Model and sustaining it with best practices, it was the main step to integrate the model with the strategies of the company in practice.

Having a business excellence team department is a big opportunity to improve and deploy the EFQM Excellence Model framework throughout the company. There are EFQM assessors who work in local and global EFQM assessment frameworks in the business excellence team. The team has attended EFQM webinars to keep up-to-date with the latest developments of the model.

WHAT VALUE DID IMPLEMENTING THE MODEL BRING TO YOUR COMPANY?

Implementing and using the EFQM model widened Bursagaz's perspective on strategic management, sustainability, professional service quality and performance management. EFQM's structure lights the path for Bursagaz's future by creating a new way of working. This can be summarised as "looking at everything as coherence". You can organise all your operations within the scope of the fundamental concepts of excellence; you can assess the cause-effect relationship looking at it with certain criteria and measure your performance using with the RADAR logic. These are important steps to achieve goals and targets which a company sets on a long, short or mid-term basis. The first thing that Bursagaz benefitted from the EFQM Excellence Model is this "coherence" perspective. Under this perspective, Bursagaz has categorised its operations in every part of the company.

Understanding the fundamentals of excellence was the starting point in seeing how Bursagaz was managing its relationship with its stakeholders. It has helped to see what the capabilities are and how they can be improved. All of Bursagaz's operations have been analysed based on each of the fundamental concepts and the areas where we should focus. All of the outputs, which were the result of the fundamental concepts, have been improved over the years within the EFQM, Bursagaz' strategic planning process and strategy management systems. The analysis which was carried out within the scope of the strategic planning process was improved by using the EFQM Excellence Model structure. Questions in the satisfaction surveys were reorganised to make them more efficient. Strategies were defined more efficiently by creating strategic themes. Using the strategic themes has improved the way Bursagaz's employees solve problems and analyse information. One of the best things was supporting these strategic themes with the RADAR logic. It provides an efficient framework, thanks to its structure which includes planning; developing; assessing; refining the enablers and the results. Bursagaz has integrated this RADAR logic within the "Balanced Scorecard" which it uses since 2004.

Using the Balanced scorecard has increased the efficiency of working processes over the years. Additionally, the relevance and usability of the data used, has been enhanced. It has made data analysing more clear and simple. Based on these improvements, Bursagaz was ready to use its data more effectively within a strategy management tool named "SSM Strategy Management System". The SSM system has provided the ability to control and measure the performance indicators' results in every field including finance, customer relations, human resources and business excellence, etc. It enables employees to see the key performance indicators' situation timely with help of signals, graphics, comparisons and targets. It has been one of the key tools which is resourced by Bursagaz's strategic management and also the EFQM Excellence Model.

And still, the EFQM Excellence Model is used as regularly as the first day. Embracing the model and the company structure together, Bursagaz has continued creating new models which are seen as some of the best practices in Turkey and abroad. 2 years after starting with the EFQM excellence model, Bursagaz was inducted into the 2008 EFQM European Quality Award. Bursagaz's strategy management approach has been a case study in Harvard after it was rewarded a place in the "Hall of Fame for Executing Strategy" in 2015 by the Palladium group, a strategy execution consulting company. Developments within the strategy management and the EFQM Excellence Model brought new achievements to Bursagaz: IIP Gold Certification in 2014; GPTW the 1st Best Employer in 2014 and the 2nd Best Employer in 2015.

The essence of the EFQM Excellence Model aims to achieve sustainable excellence. It has enriched Bursagaz's sustainability approach. "The Sustainability Wheel Approach" which Bursagaz created when it started to work sustainability, has been enriched with the perspective of the EFQM Excellence Model. It has become more clear that sustainability is not just a small detail, it is a necessity in every step taken by an organisation. The "Sustainable Life Platform", formed by Bursagaz's volunteer employees as a communication model for sustainability and secured by a patent; created and improved this model under these five categories: people, economy, energy, operational excellence and social responsibility. Every category is acknowledged as an indivisible whole which builds Bursagaz's SEE (social, economic, environment) sustainability criteria which means sustainability socially, economically and also environmentally.

Through this approach, Bursagaz has published sustainability reports every year since 2013 under the guidance of GRI (Global Reporting Initiatives) with the concepts derived from the "Hearing the Sound of Life" motto. The first report "Hearing the Sound of Life" which covers the 2011-2013 period, has the characteristic of being the First A+ Sustainability report in Turkey. The following report "Sound of Life", was published in 2014 and was named the first comprehensive G4 report published in the world energy distribution sector and the first comprehensive G4 report in Turkey. The most recent report, "Essence of Life", was published in 2015 as a comprehensive G4 report including a SDG compass which matches 17 global sustainability principles defined by UNDP and the GRI indicators.

Besides this methodology and sustainability reporting, Bursagaz holds sustainability events and activities such as conferences; carbon footprint calculations; waste management and energy consumption informing meetings; interviews and articles on the website created by the Sustainable Life Platform (www.yasaminsesiniduyumak.com). The "Sustainable Life Conference" which was held in 2015, had 400 participants and the 2nd conference which was held in 2016 had 500 participants. Both Conferences hosted many great speakers from accomplished businesses in Turkey and abroad.

AS A RESULT OF IMPLEMENTING THE MODEL, HAVE YOU BEEN ABLE TO IDENTIFY IMPROVEMENTS?

a) Employee satisfaction

Employee loyalty and determination to work are one of the main criteria of the EFQM Excellence Model value: "People". After the fundamental concepts and criteria of the EFQM Excellence Model, there are so many strategies that have been developed based on the strategic theme approach. Based on these, Bursagaz creates highly skilled talent pools by engaging global models: Great Place to Work (GPTW); Investment in People (IIP); EFQM and the Balanced Scorecard. Each model has its own great approach and advice to strengthen motivation and satisfaction which are banded together in the EFQM structure in Bursagaz's management approach. Getting inspiration from this, Bursagaz has improved its skills on employee satisfaction management. By analysing its employees' needs and expectations, Bursagaz has developed a HR Management Model based on a lifelong employment approach which includes recruitment and talent management; performance development and success management; employee relations management and recognition.

Data from Bursagaz Bursa Şehiriçi Doğalgaz Dağıtım Ticaret ve Taahhüt A.Ş

Can you provide some results or tangible evidences of this value/change after a few years?

	2004	2007	2016
Cumulative Subscribers in (BBS)	314.609	552.995	905.022
Cumulative Gas Users in (BBS)	245.160	424.040	816.124
Cumulative PE Line Length (km)	1.841	3.614	5.959
Residential Customer Satisfaction Survey (%)	70,25	86,15	87,73
Cumulative Gas Supply (mio m3)	1.078	1.519	1.547
Accessible User Ratio (%)	63	86	100

By examining talent management under these six categories: personality and character analysis, level based role and mission definitions, learning and development program, social competency model, strategic work approach, rotations and orientations. Bursagaz has improved the program which was used before. It also used competency mapping, career expectation analyses, personal coaching and performance interviews as inputs for Bursagaz's tools for managing talent.

Personal coaching programs is another main "people" subject: to understand employees' needs as well as mapping their career plan based on their goals and abilities. Under a confidentiality agreement between coaches and employees, all the analyses of employees are reviewed, their future CV is prepared and action plans including training, education, special interest activities, etc. are prepared. As for improving coaching and leadership abilities, Bursagaz has developed a model named "Compass Leadership Model" which helps define leadership features for coaches and aims to improve them under 4 categories: innovative; organisational; strategic and reputation.

b) Customer satisfaction

"Adding Value for Customers" means "Ensuring and sustaining the customers' satisfaction by managing the customer experience effectively". As a result of strategic thinking, all actions that will be taken for this purpose are based on key pieces of the strategic planning process materials such as surveys, analyses and action plans for improvements and to raise awareness.

Bursagaz's main surveys are developed by the perceptions which are located in the results. This has influenced the efficiency of analysing and finding the areas for improvements. This also helped to build stronger structures in the survey process. Also, RADAR logic has ensured results are analysed effectively and KPIs defined more efficiently. As an example: the residential customer satisfaction survey and the industrial customer satisfaction survey were developed based on the EFQM Excellence Model. They have helped to examine the customers' behaviour and expectations are implemented by more than 4000 customers every year and they are reviewed by the "Strategy Kitchen Team", which is composed of Bursagaz's employees.

The EFQM Philosophy teaches people to strive for excellence. Not to be excellent, but to always be striving and advancing.



These results are used as strategic planning inputs such as perspectives; main strategies; KPIs and PIs which will be used in action plans for the future. Besides these surveys, Bursagaz has also improved its telephone survey daily via the call centre to sustain operational excellence in every field of the business including the emergency response teams, inhouse installation, customer relations and main control.

c) Society results

With the collaboration of the EFQM Excellence Model especially regarding the “society” results, Bursagaz has improved its strategies relating to society management. By considering perceptions and performance indicators from the society results of the EFQM excellence model, Bursagaz has focused more on the environmental and societal performance. From now on, many improvements are implemented in these areas by taking stakeholders’ expectations into consideration. In order to get this information, Bursagaz conducts a “Social Benefit Survey”, which includes questions based on society perceptions of EFQM, every year.

One of the main steps was starting to publish sustainability reports within a concept named “Hearing the Sound of Life”. Reporting helps to consider and understand the effects of Bursagaz on sustainability issues. Subject to its main strategical objectives, to achieve sustainability in every field and increase the awareness of sustainability, the Sustainable Life Platform organises activities such as conferences, interviews, carbon footprint calculation, carbon neutralising projects, etc. One of the successful activities of this platform was the “Sustainable Life Conference” which was held with the sponsorship of Bursagaz and KalDer (Turkey Quality Foundation) with the participation of 400 people. As the first sustainable life conference of Bursa, it created a huge positive impact on the awareness of sustainability locally and in general,

as well as adding value to the sustainability approach.

d) Expenditure

Using the EFQM philosophy within the context of the EFQM Excellence Model criteria, Bursagaz supports innovative ideas and always tries to find new ways of working which affects its productivity as well as its expenditures. Here are some examples of these benefits.

Bursagaz decreased by half both the total distance travelled and the total amount of fuel consumed in relation to field operations in 2015 by implementing the Performance Measurement System which was created for field operation teams within the scope of I-ROTA project that was intended to improve the mobile workforce.

The new headquarter building is also a good example of Bursagaz’s sustainability approach to energy. The building, which was completed in 2016, was designed taking into consideration the best applications on energy consumption such as trigeneration (heating, cooling, power generation); mono photovoltaic permeable panel application; smart lightings and automation systems; solar panels and light wind turbines.

e) Revenue

The primary revenue item of Bursagaz is the gas sold and transported. Aside from the primary revenue item and in addition to the subscriber connection fee, gas switch-off and switch-on processes, which represent the key input of the investments expressed in the regulations on natural gas market, meter switch-on fee, leakage and illegal gas usage fee charged in case of non-contracted consumption and project approval fee collected in parallel with the approval process of in-house installation.



Bursagaz
SCADA
Cockpit

Bursagaz's revenue is mainly analysed in the "Business Results" using key indicators and outcomes. To manage these outcomes and analyse the indicators effectively, Bursagaz has used the revenue management system which is based on forecast planning and the CoRep system we use to make future plans by considering the risk on our integrated risk management tool GRC. All test results are recorded on SAP GRC for each risk and indicators are assigned for risk performance. Also operational and strategic initiatives which indicate performance against budget are consolidated on the CoRep system and SAP R3 modules.

f) Productivity

The first thing which directly affected Bursagaz's productivity was to define stakeholders and their needs within the scope of the EFQM principles. Even though it seemed like a small thing at first, stakeholder engagement is one of the most important aspects in order to be more productive as a company. Starting from this, Bursagaz improved their strategic structure which enabled communication with its stakeholders using surveys and a complaint assessment methodology. Having a structure has ensured that Bursagaz' strategic structure has become more clear and efficient. Clear strategic structure has positively affected the

process management. In order to manage this process management system, Bursagaz has used the ARIS business process design. After these improvements in the process management, it has become easier to find the areas for improvement and develop systems to increase Bursagaz's productivity.

Some of these improvements include an s-online system; I-rota mobile workforce; the pathfinder application; SCADA and GIS. In order to manage the meter reading process successfully a system named "S-Online" has been used within Bursagaz. This system enables to minimise mistakes which may occur during the meter reading process. "The I-Rota Project" was intended to improve the mobile workforce for Bursagaz's employees in the field. The best applications to be improved for the productivity of Bursagaz were: The Pathfinder; SCADA and GIS systems. They ensure control of the grid and effective management of the distribution lines.

*To share with the best is a great motivation
to never rest on your laurels and always
seek new challenges.*

Bursagaz's New Headquarters
LEED Platinum Building



WHAT DO YOU THINK ARE THE KEY BENEFITS OF IMPLEMENTING THE EFQM PHILOSOPHY?

The EFQM Philosophy teaches people to strive for excellence. Not to be excellent, but to always be striving and advancing. Because life is changing, conditions change day by day. Any company can say that they are the best and that they are excellent. Because excellence is not a destination, it is a journey.

Since 2006, when Bursagaz started to use the EFQM Excellence Model, Bursagaz has continued to learn from the EFQM Model Components and it gets more benefits from the model day after day. EFQM's philosophy, which includes the organisation's processes, operations and strategies is one of the best resources of Bursagaz's strategic management. It means that achieving success and sustaining it, by using processes and operations, all stakeholders and employees are in accordance with each other. So there is a need for a model which can be a basis for all of them. The EFQM model is the ideal model to use for companies.

After seeing the EFQM scope and learning about its philosophy, Bursagaz started to integrate all of the models which it has used in its management. Based on this philosophy, it has created new methodologies which can be effective in its strategy management and also effective for other companies. One of the best examples is the "Components of Excellence" which was developed to implement the EFQM Excellence Model and other global models such as the Balanced Scorecard; GRI Sustainability Reporting; Investments in People (IIP); Great Place to Work (GPTW) and ISO standards to its management. This model is shown as a good practice which enables to integrate the EFQM Excellence Model into the other models and standards by matching their aspects with each other.

These are such valuable contributions which show that using the EFQM model can make a big difference: "Giving an excellence approach to companies". Within a few years, Bursagaz has created a strategic management model, has been seen as role model for companies, which based on the EFQM Excellence Model philosophy, that is the "key benefit" that a company can get from a model.



Eren Tuğçe BALARISI,
Head of Bursagaz Business
Excellence, Bursagaz

WANT TO KNOW MORE ABOUT BURSAGAZ?

Send your questions and enquiries to EFQM and we will make sure to get an answer for you. You can contact us at:

- info@efqm.org
- +32 2 775 3514



Sustainable Life
Platform Team

EFQM
Avenue des Olympiades 2
1140 Brussels, Belgium
Tel +32 (2) 775 35 10
Fax +32 (2) 775 35 35
www.efqm.org



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