

Ringling the changes



Mirsad Bakalovic in one of Croydon's more verdant spaces

Croydon's **Mirsad Bakalovic** talks to Deniz Huseyin about taking a commercial approach, re-energising his parking team and installing the 'office bell'

For Mirsad Bakalovic running a parking department is like being the manager of a football club. "You have to have a balanced squad, with the relevant skills and competences, to achieve the objective of winning matches," he explains. When Bakalovic arrived as new head of Parking Services at Croydon in March 2008, he found a team "lacking the right balance of abilities". Just months before his arrival, the London borough had been on the verge of a groundbreaking seven-year deal with APCOA Parking. But APCOA pulled out on the eve of signing the contract, claiming that the income potential of the deal was less than the council had suggested. Under the contract APCOA would have invested in Croydon's parking infrastructure and systems, including 400 new pay & display machines. The collapse of the deal proved a costly setback for the local authority, and, stung by the experience,

it decided to keep the service in-house. But morale was low among staff, which had been expecting to transfer to APCOA.

Tough decisions

Enter Mirsad Bakalovic, a young, dynamic manager with an unashamedly commercial outlook. He set about re-invigorating the unit, but faced resistance to change, particularly from senior managers.

"I have had in my career a lot of good and productive working relationships with a number of private companies, including APCOA, so my approach was clear. I was not interested in what had gone on before my time. The focus was on future," he says.

"It was clear to me that we needed to become more efficient. This required making some tough decisions, which involved letting some officers go. We were overpopulated with people with certain

skills that were no longer relevant, while elsewhere we were lacking the appropriate skills." Last year 20 staff including managers were made redundant and 40 new staff were recruited. Also, more than 10 staff left organisation due to sickness and performance reasons.

Bakalovic now manages a team of 155, comprising CEOs, back office staff, engineers, drivers, administration and finance officers.

"Looking back, I think some of our senior managers were struggling to adapt to the new dynamics and environment we were moving into," he says. "The balance of skills we had just wasn't right for handling the new challenges. There was a battle at that time, and I must admit I found it very stressful. But it was never personal. All that concerned me was what was best for the department. I don't think that as a manager you can afford to let personal feelings cloud your judgement."

Croydon used to provide training for other local authority parking teams, but last year Bakalovic decided to disband the department's training team. "I didn't see the training team as a core part of the parking services' function. I did acknowledge that it used to be the flagship of the industry, but the market changed while cost of the team span out of control and the team did not adjust to the new market environment, so it wasn't even breaking even. This is the approach we took to every single asset and service. Thus, our focus is only on training our own staff instead of providing training to other local authorities"

The department now has one training co-ordinator, Peter Herbert, who focuses on in-house needs, arranging training for staff through external organisations such as South Thames College. Through Herbert's efforts all the councils CEOs now have NVQ Level 2 awards while back office staff have achieved NVQs in customer services and business administration. Some managers are now taking the Institute of Leadership and Management (ILM) course, says Herbert.

"Change of this business model and creative exploration of funding opportunities has resulted in significant savings for the parking department, improved morale and therefore improved customer satisfaction", says Bakalovic.

Running a tight ship

Despite fronting a parking operation in straitened times, Bakalovic seems remarkably upbeat, insisting he feels more relaxed than he did a year ago. "In a way we've already faced up to tough choices. We've brought in multi-skilled people, and this is getting good results. The new recruits are from a range of disciplines including retail, banking and parking. We



Jon Culshaw with Croydon's Ian Stuppel, Mirsad Bakalovic, Cllr Richard Chatterjee and Barry Francis

had to invest and secure appropriate training, but it is paying off now."

The downturn has signalled the end of an era. "As a general point the old guard were nurtured and brought up through the good times. There were fewer challenges, so it was not so important to have commercial skills."

Bakalovic said that a new type of parking manager is now appearing in the public sector. "Most parking departments used to be led by former engineers due to the involvement of the industry since it was born within traffic departments. Alternatively, those managers would be people that had risen up through the ranks. We are in different times now. You need people who are good motivators who have the commercial know-how, people who have courage to think outside of the box and take on challenges that local authorities are facing in the wake of the comprehensive spending review."

Money was flowing in from on street then bus lanes and finally moving traffic contraventions. Paid for parking was increasing since there was a lot of money in the economy and controlled parking zones were introduced. "Right across local authorities you are seeing younger people now in executive roles. It is now less to do with experience and more to do with

your ability and what you can deliver in these very challenging times. Even in the private sector of parking industry you can see more and more people from non parking background. We have entered different times."

Bakalovic believes that against the backdrop of a serious economic downturn, Croydon's parking team has performed well. The council's business unit is forecasting a balanced budget for this financial year and parking enforcement-related income at the second quarter is holding up well at £3.1m, up 19% on 2009/10, while expenditure has been stabilised, forecasting the slight increase of surplus of around £50,000.

The abandoned vehicles team is meeting its target of 90% removals within 24 hours. The response time for challenges and representations has dropped from eight days to one, with fewer resources. In the Parking and Traffic Appeals Service's table of won cases, Croydon comes sixth out of London's 33 local authorities, says Bakalovic.

He also reports that in the past 18 months errors by civil enforcement officers (CEOs) have fallen from 2.1% to consistently around 1% of PCNs issued. Meanwhile, the recovery rate for unpaid fines has increased from 69% to 72%. "That 3% increase is

The more you know the more you can achieve, and the more confident you become



Business coordinator Anita Williams announces good news with the office bell



Croydon parking staff attended a team building event...



...and learned more about working together

significant — it means an extra £300,000 for us. This recovery rate is probably placing us among the top performers. We have set ourselves a very demanding target of 75%, which is challenging but wholly achievable, and we are hoping that together with our bailiff contractors we can achieve this target”

Empowering staff

All of these facts and figures now appear on a large TV display in the back office, and staff also receive a monthly newsletter. “This is about transparency and making sure staff feel included,” explains Bakalovic. “The more you know the more you can achieve, and the more confident you become.”

A large bell has also been installed, which any member of staff can ring when they wish to make an announcement. “This can be to pass on praise received from a member of the public, good performance results or any good news.”

The ‘office bell’ has traditionally been used by sales teams in the commercial sector to announce deals, explains Bakalovic. “I suppose it’s unusual to have something like this in the public sector, but I want us to be untypical. At first staff weren’t sure what to make of the bell, but they have now enthusiastically embraced the idea. In any work environment there is always the danger of becoming complacent and too relaxed. That is why it is important to re-energise your team.”

As part of this, Bakalovic has adopted “emotional intelligence” methods, which are used by managers to understand their own emotions, and those of the people they work with, to raise performance. Adopting these management methods has helped Bakalovic to run “a tight ship through stormy conditions”. The parking sector has undergone dramatic changes in the past two to three years, he says. “This has resulted in some cases to the total

wipe-out of existing management structures. Layers of management have ceased to exist. Departments have become more streamlined. There is more transparency and accountability now.”

Bakalovic is open minded to all business models but also believes there are clear advantages to running an in-house operation. At Croydon CEOs are based in the same office as the back office team, which engenders a feeling of camaraderie and provides great flexibility in delivering members expectations, says Bakalovic. Having closer ties with CEOs also enables him to keep abreast of any issues they may have. “In the mid-1990s running a parking team was much easier. The industry was just getting started, and it was easy to outsource. Under the objective of competitive tendering it was easier to just transfer the responsibility of the difficult staff to a contractor.”

But this dynamic changed once PCN targets were phased out, other KPIs introduced and we hit the wall of local authority funding problems, he says. In this environment, Croydon’s in-house parking department has been able to prosper, he believes.

At the forefront

Croydon’s parking services has become the first to take on apprentices. “In this very tough economical climate people that are facing the biggest challenge are young people and I see Parking Services having a key social responsibility role in engaging this community to help them develop relevant skills and provide them with an opportunity to gain practical experience. “We have two schemes: one is apprenticeship and another is providing vehicles to the college for student to practice on the unclaimed cars,” said Bakalovic.

In October Parking Services awarded one-year apprenticeships to nine people, aged between 16 and

25. This is being overseen by Parking Services’ business co-ordinator Anita Williams. Four apprentices will work in the customer services team, two will work as field operators in the car parks and maintenance team while one will work as an information and communications (ICT) officer.

The apprentices will work a four-day week and spend the fifth day attending an NVQ course. “The decision was made to assist the community by creating roles for young people to help tackle the high level of youth unemployment, and give an opportunity to study and gain work experience in the parking industry and for a council at the same time,” says Williams. “We hope we can develop this beyond a year for those that are successful, or indeed help other motivated young people once the initial apprentices complete their course.”

The parking team is also keen to forge stronger ties with other local authorities. For instance, it is about to start sharing Lambeth’s blue badge fraud investigation officer. Lambeth plans to sign agreements with two other London boroughs, with the officer spending 25% of their time working for each authority. “This will allow us to continue to tackle the problem of blue badge fraud while making significant savings,” says Bakalovic.

The parking team is considering a range of other schemes and innovations, designed to further improve efficiency and is currently engaging all industry suppliers to identify if there is further scope for the efficiencies while not jeopardising elected members objectives. All of this suggests more responsibility for Mirsad Bakalovic, but he seems unfazed. His remit currently includes moving traffic and bus lanes, on-street enforcement, abandoned vehicles, Shopmobility service, engineering services, car parks, permits, issuing skip licences, and the list is likely to grow. “I like to keep an open mind and to explore income generating schemes or improved business models of providing these services.”

Bakalovic believes that his team’s initiative and enthusiasm was behind Croydon taking top prize for exceptional customer service at this year’s British Parking Awards, organised by Parking Review and sponsored by Equita. “It was great to have our hard work recognised. The award was a credit to all those in the department that provide an excellent service to customers.

The Parking Services team has been shortlisted for Croydon Awards in the Proud to Serve category — it will find out if it has won at a ceremony later this month. “It was also pleasing to learn that I have been nominated and shortlisted for the manager of the year,” says Bakalovic. “All this demonstrates that we can have efficient and effective service provision while satisfying our customers, communities and elected members. This could not have been achieved without teamwork and the hard work of all staff.” ■

Mirsad travelled a long road to parking

Prior to making his mark at Croydon, Mirsad Bakalovic has seen upheaval and renewal in his life. He was born in Bosnia-Herzegovina, where he spent his childhood.

But he was forced to flee his homeland after the war broke out in 1992. Aged 16, Bakalovic was brought to the UK by the Bosnia Project, which was set up by the UK government to support 3,500 of the most vulnerable Bosnian refugees.

He qualified as an AAT accountant, and then did a Masters degree in business and administration at the London

Metropolitan University. He obtained a number of other qualifications and professional accreditations such as the Diploma in Regulations from London School of Economics, Advance Negotiating from Chartered Institute of Marketing, Prince2 Practitioner and Diploma from Service Transformation Academy. He is also a member of the Chartered Management Institute.

In 1995 he became a finance officer working for a company providing financial services to the London Borough of Hackney. This

was how he first came into contact with the parking sector.

By 2003 he had worked his way up to becoming a general manager of contracts services at Hackney. While there he piloted the first British Parking Association model contract. Then, in March 2008, he was appointed as the head of Parking Services at Croydon.

Outside of work, he is a member of the London City Airport consultative committee and is on the board of governors at Gallions Primary School in East London, which his son and daughter attend.