

Information Digest



To: Resources Overview & Scrutiny Panel

Date: 31st July 2020

Development of an Organisational Development Strategy

**Councillor Sybil Ralphs
Leader**

**Tanya Cooper
Head of OD & Transformation**

1 Reason for the Report

- 1.1 The purpose of this report is to give members of the panel the opportunity to comment on the development and emerging priorities for a new Organisational Development (OD) Strategy for the strategic alliance.

2 Recommendations

- 2.1 It is recommended that members of the Resources Overview & Scrutiny Panel consider and comment on:

- The process for the development of the strategy as set out in this information digest;
- The challenges that have been identified; and
- The emerging priorities for OD going forward.

Any comments should be made to Tanya Cooper – Head of OD & Transformation

tanya.cooper@highpeak.gov.uk

3 Executive Summary

- 3.1 The Council, with its strategic alliance partner High Peak Borough Council, is in the process of developing a new OD Strategy. The strategy will set out the priorities for the development of the workforce for the next three years.
- 3.2 The strategy has been developed over the last six months and will be presented to Cabinet for approval in September. Prior to this it will be considered by this panel at its next meeting.
- 3.2 This information digest sets out the background to the development of the strategy and the emerging priorities.

4 How this report links to corporate priorities

- 4.1 The effective development of the workforce is critical to the Councils achieving their corporate priorities and to continuing to provide excellent services to residents.

ANDREW P STOKES
Acting Chief Executive

Background Papers

Location

Moorlands House
Leek
Staffordshire Moorlands

Contact details

Tanya Cooper
OD & Transformation
Manager

5 Introduction & Background

- 5.1 The Council, with its strategic alliance partner High Peak Borough Council, is in the process of developing an Organisational Development (OD) Strategy. The strategy will set out a clear plan for development of the Councils' workforce in order that they are well placed to ensure that the authorities deliver excellent services to residents and that they are focused on delivering the priorities set out in the Corporate Plans.
- 5.2 It is intended that the proposed strategy will be presented to Cabinet in September. Prior to formal approval it is intended to present the draft strategy to the Resources Overview & Scrutiny Panel for consideration and comment at the next meeting which will also be held in September.
- 5.3 The purpose of this information digest is to set out the progress that has been made so far in developing the strategy, and to highlight the emerging priorities. This will give members of the panel the opportunity to consider and comment of these prior to the consideration of the draft strategy in September.

6 Organisational Development

- 6.1 The Chartered Institute of Personnel & Development (CIPD) describes organisational development as:

'A planned and systematic approach to enabling sustained organisational performance through the involvement of its people.'

- 6.2 The underlying purpose of this development is so that an organisation can improve its performance and achieve its objectives.
- 6.3 Applying this purpose to the effective application within the strategic alliance, organisational development will need to take many forms and focus on many different aspects. There are however four fundamental principles that must be the focus:
- Maximising the value gained from the Councils' resources;
 - Delivery of the Councils' Corporate Plans and priorities;
 - Applying behavioural knowledge and practice, such as leadership, group dynamics and process design; and
 - Planned, ongoing, systematic change that embeds continuous improvement.
- 6.4 There is a tendency to assume that organisational development is just a part of the human resources (HR) activity of the Councils, it is important however to recognise organisation development activities as slightly different in the sense that they are done for a different reason than day-to-day HR activities or improvements. An organisational development activity is where processes

are redesigned to bring about a certain change to make the Councils more effective, not to just improve the effectiveness of the activity itself.

- 6.5 Organisation development is where interventions are developed with a 'systematic mindset' – they create alignment with the Councils' aims and objectives and activities in a planned and intentional way, with a view to bringing about a particular result that will improve the overall performance.

7 Previous Organisational Development (OD) Activity

- 7.1 There have been a number of previous OD Strategies that have been adopted and implemented by the Councils. However the last formal strategy dates back to the early days of the strategic alliance.

- 7.2 This does not mean that there has been no OD development since then, in fact there have been a large number of OD activities including:

- Development of core values
- Management training programmes
- Customer Services training and development
- Project and programme management development
- Development of a risk management culture
- Development of a performance appraisal system (PEP)
- Apprenticeship scheme
- Partnership with the University of Derby

- 7.3 Clearly these activities resulted in positive benefits in the context of the development of the workforce and the achievement of performance objectives. However there have been a number of weaknesses to this approach:

- There has been no systematic coordination of these improvements;
- There is no prioritisation;
- There is no structured evaluation of the benefits and their contribution to improvement; and
- Although a number of them provide for continuous improvement this is not always embedded.

- 7.4 Implementation of these activities in a piecemeal fashion also results in employees viewing them as 'just another management project' and finding it difficult to understand the overall direction or benefits.

8 Development of an Organisational Development (OD) Strategy

- 8.1 It has been planned for some time to pull together a new medium term focussed OD strategy in order to develop a set of activities that will be developed in line with principles outlined in section 6.3 above.

8.2 The development of this strategy has been in progress over the last six months. This has included discussions with the Alliance Leadership and Management teams and other members of the workforce. There have also been discussions with the Councils' executives. This will ensure that the strategy is owned and implemented collectively i.e. senior leaders and managers have 'bought in' to its focus and are able to clearly understand its intention and benefits.

8.3 The areas for improvement identified in the strategy will need to be evidence-based in order to properly direct resources to the areas that are in need of improvement. Work has been undertaken to gather this evidence which will be summarised in the final strategy.

8.4 The evidence collected so far suggests that there are a number of challenges or 'burning issues' that need to be resolved as part of the implementation of a new strategy. These are as follows:

- The need for the Councils to respond to the commercial agenda;
- The need to refresh the Council's management and staff development processes;
- The need to review the pay structure due to the 'progression bar' issue;
- The need to strengthen a number of service activity processes in order to deal with the 'usual suspects' performance issues;
- The development of the interface between senior officers and elected members;
- Dealing with the issue of an ageing workforce;
- Commitments in the Corporate Plans in relation to apprenticeships;
- Developing the Councils' relationship with customers and the wider community;
- Improving communications;
- Improving IT skills; and
- The ongoing financial challenges and efficiency requirements.

8.5 There are now two new challenges:

- The formation of new management and leadership arrangements following the departure of the former Chief Executive and Assistant Chief Executive; and
- The legacy of the COVID19 response and the required recovery

8.6 Based on these issues and challenges, the emerging priorities for the focus of the strategy are as follows:

Building strong leadership and management

- *Establishing and developing a new leadership team*
- *Improving the interface with elected members (including their relationship with communities)*

- *Management development*
- *Member development*

Sustaining and improving a skilled, flexible and motivated workforce

- *Skills gap assessment*
- *Structured training plans that link into corporate priorities*
- *Development of ICT skills*
- *Apprenticeships and graduate recruitment*
- *Cultural change – commercial focus / wider competencies review*
- *Flexible working – including remote / home working*
- *Pay and conditions review – incremental progression issue*

Improving customer focus

- *Refreshing the interface with customers to respond to the channel shift that has been experienced – including identifying responding to digital exclusion*
- *Communications skills including effective development of social media channels*

Improving value for money

- *Getting more output from our workforce through smarter working including systematic process review*

Driving transformational change and innovation

- *Encouraging innovation*
- *Supporting the wider transformation programme*

Promoting equality and diversity

- *Responding effectively to our responsibilities in this area*

8.7 During initial discussions with senior managers and executive councillors it has been suggested that a number of issues should be given particular attention:

- Succession planning
- Skills gaps analysis
- Investing in current staff rather than buying in services (e.g. ICT development, commercial agenda, income generation)
- Staff motivation, culture and behaviour – engaging staff to change
- Structured input from external advisors
- Professional development for specific skills
- Planning for an ageing workforce
- Longer term plans to look at each service
- Management team training and skills development
- Flexible and home working

8.8 ALT is also keen to establish a staff focus group to further the engagement in the process.

9 Considerations for Resources Overview & Scrutiny Panel Members

9.1 Before finalisation of the strategy it would be useful to obtain panelmembers' views and thoughts on the following:

- The process for the development of the strategy;
- The challenges that have been identified; and
- The emerging priorities for OD going forward.