
Report To:	Policy and Resources Committee	Date: 26 March 2013
Report By:	Head of Organisational Development, Human Resources and Communications	Report No: HR/06/13/AW
Contact Officer:	Allan Wilson	Contact No: 01475 712022
Subject:	Organisational Development Strategy 2013-2016	

1.0 PURPOSE

- 1.1 The purpose of this report is to recommend the next stage of the Organisational Development Strategy and associated themes and topics.

2.0 SUMMARY

- 2.1 The current Corporate Workforce and Development Strategy 1 (2009-2012) was designed around 3 key themes - *Planning for the Future*, *Employees – our most valuable resource* and, *Continuous Improvement*. Appendix 1 shows progress that has been made under the 2009-2012 strategy.
- 2.2. The current strategy has resulted in a number of major organisational development projects being embedded and recognised as working practice e.g. single status, pay and grading model, performance appraisal etc. In addition, the economic downturn has resulted in major financial pressures on the Council and therefore it is considered an appropriate time to review the current strategy.
- 2.3. It is proposed that 2013-2016 strategy be renamed 'Organisational Development Strategy'. It is also proposed to add four new themes listed below:
1. *Organisational Development (Planning for the Future)*
 2. *Leadership, Succession Planning and Skills Development (Employees our most Valuable Resource)*
 3. *Employer of Choice (Continuous Improvement)*
 4. *Grading and Pay (Equality and Performance)*
- 2.4. The strategy is designed to continue with the objectives of having a skilled, motivated, flexible and diverse workforce. It also aims to develop a modern, innovative organisation which will develop and sustain a positive and recognisable Inverclyde Council culture.

3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee approve:
- a) that the strategy is renamed Organisational Development Strategy 2013-2016
 - b) the 4 themes of the strategy as per para 5.2.
- 3.2. It is recommended that the topics attached to each of the four key themes outlined in Appendix 2 are agreed.

- 3.3 It is recommended that the Committee be updated annually on the progress of the *Organisational Development Strategy (2013-2016)*.

Head of Organisational Development,
Human Resources and Communications

4.0 BACKGROUND

- 4.1 The first Inverclyde Council Corporate Workforce and Development Strategy was approved by the Committee in 2009. At that time the Committee were asked to agree a strategy that included 3 key themes:

Existing Themes : Corporate Workforce and Development Strategy (2009 – 2012)

1. *Planning for the Future*
2. *Employees – Our Most Valuable Resource*
3. *Continuous Improvement*

- 4.2 Considerable progress was made across all of the three themes with a number of positive developments across a range of work topics. Appendix 1 outlines the work that has been undertaken during the first phase of the Workforce Development Strategy.
- 4.3 When developing the next stage of the workforce strategy topics such as people management were seen as being inter-connected with other themes/topics so they can become reliant on the success of each other. Also the success in the implementation of the strategy is not just the responsibility of the corporate centre but dependent on engagement from across all the Directorates.
- 4.4 The eventual outcome of any agreed revision remains broadly the same in that the Council must maintain a skilled, motivated and increasingly flexible and diverse workforce, be a modern and innovative organisation, and to continue to develop a positive and recognisable Inverclyde Council culture.
- 4.5 The key themes have been established following consultation with the CMT and an appreciation of best practice looking at other organisations, eg CIPD, other Councils, Googling, Workforce Development Plans posted on the internet and taking best practice from this information.

5.0 PROPOSALS

- 5.1. Over the last 3 years the current strategy has proved successful but in reviewing where we require to progress to and how other organisations have moved on since 2009, it is proposed to rename the strategy from Corporate Workforce and Development Strategy to Organisational Development Strategy (2013-2016).
- 5.2. Again in 2009 the 3 themes that were selected were appropriate at that time but having reviewed the themes it is proposed to introduce 4 new key themes. The revised strategy title and key themes represent best practice and, while the original themes served well, the revised themes focus directly on our strategic priorities. The revised themes are:

Revised Themes: Organisational Development Strategy (2013-2016).

1. *Organisational Development (Planning for the Future)*
2. *Leadership, Succession Planning and Skills Development (Employees our most Valuable Resource)*
3. *Employer of Choice (Continuous Improvement)*
4. *Grading and Pay (Equality & Performance)*

- 5.3. It is further proposed that topics are attached to each key theme. The four themes are outlined below with more detail of the Topic, Agreed Action and timescales covered in Appendix 2:

Theme 1 – Organisation Development (Planning for the Future)

To achieve excellence in people and performance management and organisational design. To continue to identify current and future workforce challenges and solutions.

Theme 2 – Leadership, Succession Planning and Skills Development (Employees our Most Valuable Resource)

Developing and retaining visionary and ambitious leaders; developing and retaining employee skills and knowledge base to ensure an innovative, high performance organisation.

Theme 3 - Employer of Choice (Continuous Improvement)

To enhance our reputation as an employer of choice by developing and maintaining modern and innovative ways of working that can be positively recognised internally and externally.

Theme 4 - Grading and Pay (Equality and Performance)

Continually modernising the grading and pay model to satisfy equality requirements, developing link between performance and reward and giving full consideration to the national and local economic situation.

Note: some topics e.g. Living Wage and Leadership Development have already progressed under other areas of work, but remain in the document as they remain significant to the proposed strategy and may require to be reviewed or link to other topics of work. These topics as are shown as shaded in Appendix 2.

- 5.4 It is proposed that the Committee consider the topics included in Appendix 2 and it is proposed that the Committee will be updated on the progress of the *Organisational Development Strategy (2013-2016)* or where appropriate specific topics may be reported on an individual basis e.g. COSLA revised Job Evaluation Scheme.

6.0 IMPLICATIONS

6.1 Finance:

Operational costs will be contained within the existing Workforce Development budget with the exception of any implications arising from the revised Job Evaluation Scheme.

Cost Centre	Budget Heading	Budget Year	Proposed Spend this Report	Virement From	Other Comments

Financial Implications – Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments

- 6.2 Human Resources: All Human Resources issues are included within the report.

- 6.3 Legal: None - agreed themes will be developed with due regard to legal requirements with full consultation with Legal Services where required.
- 6.4 Equalities: Underpins all themes of the topics of the report and where impact assessments require to be carried out for a specific topic will be done at the appropriate time.

7.0 CONSULTATION

- 7.1 Consultation with trade union colleagues will commence on the 4 themes after the strategy has been agreed by Members.

8.0 LIST OF BACKGROUND PAPERS

Appendix 1 - 2009-2012 Strategy – outcomes.

Appendix 2 - Proposed Themes and topics for new Organisational Development Strategy 2013 to 2016.

Corporate Workforce and Development Strategy:

Key Achievements made during the period 2009 – 2012 by the Organisational Development and Human Resources sections of the service.

Theme 1 – Planning for the Future

Modernisation

- Facilities Management Review
- Environmental Services Review
- Homelessness Review
- Children's Homes Relocation and Restructure
- National Recruitment Portal
- Revised Supply Teacher process
- Staffing Exercise (Education) improvements
- Temporary Worker protocol and management
- Roll out of Chris21/HR21
- Improved Policy changes in absence, standby/call outs and voluntary severance policies.

Improved Customer Focus and Technology

- Adapted National Recruitment Portal for ease of use locally
- Improved Supply Teacher process (E-Supply and Click and Go)
- Self Service Pilots with HR21
- E-form – Attendance Management
- Brightwave e-learning (Training through Clyde Valley Partnership)

Stakeholder Development

- SEEMIS – Supply Teachers system.
- National Recruitment Portal
- Frontier – Chris21 HR and Payroll
- Occupational Health Provider
- Childcare Voucher Provider
- Cycle to Work Provider.
- Council Managers – Training and Communication

Theme 2 – Employees – Our Most Valuable Resource

Recruitment, Selection and Retention:

- Trained all officers on Recruitment Portal
- Introduced competency based interviews for all non-teaching posts
- Introduced new start and leavers surveys
- Improved web content on Council as an employer for potential applicants.

Performance Appraisal:

- Introduced across the Council with exception of Teachers
- Trained appraisers within Services

Succession Planning and Skills Development

- Introduced guidance as a platform for the future
- Now aligned with performance appraisal and development needs identification

Attendance Management:

- Enhanced approach via SLF and P&R
- Meet Service champions quarterly
- Revised Management Guidance Notes issued
- Continued Occupational Health Provision

Employee Development

- Chartered Management Institute (CMI) courses at James Watt College:
 - CMI Introduction to Management
 - CMI Certificate in Management
 - CMI Diploma in Management
- CMI Leadership Development with University of West of Scotland
- Brightwave e-learning – via Clyde Valley Partnership
- Continued provision of internal courses on people management topics

Pay and Remuneration:

- Completed all JE Appeals
- Established internal officer led appeals panel
- Settled equal pay claims (approx 400) ongoing
- Adopted Teachers Job Sizing process

Theme 3 – Continuous Improvement

Healthy Working Lives:

- Healthy Working Lives – **first Local Authority in Scotland to achieve gold award.**
- Mental Health Commendation award from Healthy Working Lives - **first Local Authority in Scotland to achieve.**
- Cycle to Work Scheme introduced
- Ongoing employee health initiatives.

Work life Balance:

- Flexible Working Scheme refreshed
- Family Friendly policy refreshed
- Childcare Vouchers introduced
- Modern Working pilots ongoing e.g. homeworking
- Buy and Bank Enhanced Leave Scheme

Partnership Working:

- CHCP – Staff Partnership Forum
- Inverclyde Leisure – SLA plus recent management restructure
- Society of Personnel Directors Scotland (SPDS)
- Association of Directors of Education Scotland (ADES)
- COSLA
- Improvement Services
- Trade Unions
- Clyde Valley Consortium Training and Development
- Job Centre

Theme 1: Organisational Development

To achieve excellence in people and performance management and organisational design. To continue to identify current and future workforce challenges and solutions.

Topic	Agreed Action	Introduction Date/ Target
Performance Appraisals to become a formal Council KPI	Add performance appraisal % returns as a standing KPI	From financial year 2013-2014.
Performance Appraisal for Teachers	Meet with all parties to explore the possibility of using existing LGE approach.	Explore within next 3 years 2013 - 2016.
360 degree Performance Appraisal	Assess the value of two way performance appraisals as an improvement to current approach, initially for managers. Do so by establishing a voluntary pilot exercise and assessing outcomes. May involve developing an in-house 360 feedback database for ease of implication.	Introduce on a voluntary basis over next 2 years with a view to assessing outcomes.
Organisational Design	Continue to offer specialist HR for innovative organisational changes.	Ongoing.
Craft Employees - on to Single Status Terms and Conditions	Bring craft employees under the terms and conditions of LGE employees.	By March 2015.

** Note that shaded areas are established topics that will continue in 2013-2016*

Theme 2: Leadership Development, Succession Planning and Skills Development

Developing and retaining visionary and ambitious leaders; developing and retaining employee skills and knowledge base to ensure an innovative high performance organisation

Topic	Agreed Action	Introduction Date/ Target
Leadership Development Programme	In partnership with the University of the West of Scotland, run 4 leadership development courses designed for senior managers.	Ongoing over the next 3 years.
Succession Planning (including stand alone key posts)	Build own initial guidance already issued focussing on key/stand alone posts as well as management/leadership posts to ensure we are planning for the future.	June 2014.
Mentor Programme	Introduce a programme linked to succession planning for managerial posts and also for new employees to support their development from an early stage. Led by high performing existing leaders to support potential managers and high performing employees to support new starts.	June 2014.
Training Needs Analysis	Analyse appraisal returns to identify competency based training needs across the Council and consider how best to translate into development initiatives.	March 2015.
Core Training and Development for Managers	Agree a range of topics considered essential for supervisors and managers and develop a mechanism for ensuring training in these areas remains up to date and relevant.	June 2014.

*** Note that shaded areas are established topics that will continue in 2013-2016**

Theme 3: Employer of Choice

To enhance our reputation as an employer of choice by developing and maintaining modern and innovative ways of working that can be positively recognised internally and externally.

Topic	Agreed Action	Introduction Date/ Target
New Ways of Working	Continue to explore and to develop new approaches to work to support the Council's modernisation agenda and to ensure our practices and procedures are efficient, effective and take advantage of best practice across this ever developing field.	Ongoing
Modern and Innovative HR Policies	Focus on the employee life cycle and develop a suite of policies and procedures which capture what Inverclyde Council offers employees who choose to work here	Ongoing.
Employee Attendance and Wellbeing	Continue to promote Healthy Working Lives across the Council and to improve attendance at work by always improving and developing our approach	Ongoing.
Employee Communications and Relations	Promote staff feedback questionnaire survey as well as communicate and promote OD strategy across the Council.	Ongoing

*** Note that shaded areas are established topics that will continue in 2013-2016**

Theme 4 : Grading and Pay

Continually modernising grading and pay model to satisfy equality requirements, developing a link between performance and reward and giving full consideration to the national and local situation

Topic	Agreed Action	Introduction Date/ Target
Equality Impact Assessment (EqIA) on Grading and Pay Model	Best practice indicates conduct EqIA every 5 years therefore source independent specialist in the field to carry out Equality Impact Assessment of our current model.	March 2014.
Maintain Grading and Pay Model	Anticipate receiving updated version of the national scheme. Once received consider impact of new scheme and make recommendations.	By March 2016 providing updated national scheme is made available.
Living Wage	Approved.	Introduced November 2012.
Link outcome of Performance Appraisal to grading and pay	Explore options to introduce and possible models for how this may be achieved, CMT and P&R Committee with recommendations.	Explored options, report bid to CMT by June 2014.
Link Attendance at Work record to grading and pay	Anticipate receiving changes to the national scheme on sickness scheme provisions and at that time assess position locally	June 2015 providing National position is clear.

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