

**MANAGEMENT BOARD****Actions in response to the IIP review**

*Paper from Director General Resources, Head of OCE and the IIP core group*

**Purpose**

1. In December 2009, the Board decided to consider further how to take forward the IIP reports' recommendations. In March 2010, the Board decided to adopt a rolling review approach to IIP with planned assessment activity taking place each year.
2. This paper sets out recommendations arising from the IIP re-accreditation process<sup>1</sup> likely to require specific Management Board action as well as proposals for taking forward the rolling review programme.

**Action for the Board**

3. The Board is invited to reconsider the recommendations of the IIP review – and particularly those which relate to its own role - as it develops its new strategy and its plans for engaging managers and staff in the development of that strategy, and to decide if it wishes to take any further action.
4. The Board is also invited to agree that the first review forming part of the rolling review programme should take place by the autumn of 2010, and that the remainder of the rolling review programme, outlined in this paper for the Board's information, should be agreed by RMG.
5. The Board may also wish formally to note that the House Internal Review Team won the IIP UK London award for "Outstanding IIP Internal Review Team of the Year" in March.

**Board/corporate recommendations from the IIP process**

(summary in annex)

*Broad themes*

6. The key messages coming out of the 2009 IIP process seem to be:
  - Leadership, leadership, leadership...

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<sup>1</sup> IIP reports: (i) Strategic Overview (2) Detailed Findings (3) Management Board supplementary paper

- Time to tackle poor managers effectively, sticks as well as carrots
- Allocate resources and attention to on-going process of strategic organisational development
- Define and communicate what 'unified' and 'corporate' means, reassure about what it doesn't mean

The recommendations of the three papers are summarised in Annex 2.

### *Management Board*

7. The challenges explicitly posed for the Management Board were as follows. *Proposals for how the Board might wish to respond to them are marked in italics:*
  - Determine what the HOCS needs from its leaders; articulate it; communicate it; role-model it. Look at the ideal organisational culture of the Service. *(The Board has agreed already that a more assertive and visible style of leadership is required. This could be communicated as part of the discussions on the new strategy, and used to inform the new leadership programme planned for January 2011.)*
  - Reform and streamline the decision-making process with more devolution (*i.e.* trust). Shift MB from "hurdle" to "helper"; undertaking deeper consideration about fewer issues. *(The Board has agreed in principle that the decision-making process needs to be leaner and less burdensome, though it may not accept the criticism that it is a hurdle. Work to reform the decision-making process could be taken forward in tandem with the savings programme.)*
  - Consider ways of opening up the MB process to staff as a developmental and empowering mechanism and other ways of improving the visibility of top management and the chief executive. *(Inviting staff representatives to attend the Board would risk impeding candid discussion. Management Board members have sought to increase their visibility through informal visits etc., should such activities be undertaken on a more systematic basis?)*
  - Consider ways of inviting challenge, internally and externally, to what the MB is doing. *(One possibility is using RMG as a critical friend. Another option would be to appoint a second external member. The Board may also want to plan another workshop / awayday, possibly with an external facilitator/trainer to help review and develop its performance.)*

**Does the Board wish to take forward any of these proposals, or take any further action?**

*Strategic / corporate*

8. Strategic issues with substantial corporate elements were:
- Support for corporate and departmental measures to respond to difficult message from the review: that it was time to tackle the stragglers and resisters amongst HOCS leaders and managers and departmental 'dark corners'. *(The Board may wish to consider how best to address this. Direct action to tackle individuals through the departmental line management chain? Stronger corporate messages? Reinforcement through the capability programme?)*
  - Consultation on an expression of the "vision" [*i.e. aims, objectives and values?*] of the HOCS which is actually meaningful and useful to managers. *(The Board will want to consider how best to do this when deciding how to involve staff in the development of the new strategy. It will need to strike the right balance between giving strong leadership (telling) and being open to suggestion (consulting). The communications team have in mind a leadership conference early in the new Parliament (to involve senior managers in the development of the strategy) and a series of all-staff meetings in the Autumn (to communicate the outcome)).*
  - Make progress on measuring performance (Balanced Scorecard) in a way that drives improvement (and is driven by the vision). *(Ideas will be brought to the Board in May for taking this forward.)*
  - Reform the coordination of strategic organisational development (including joining up initiatives and projects, perhaps with a MB sponsor in each case) and identify responsibility for this day-to-day *(The Board may wish to consider this as it considers the role of DR post-IPSA, and the relative role of OCE.)*
  - Further define/articulate what is meant by "unified" and "corporate" and what the goals are and expected benefits (including cross-departmental sharing of best practice on leadership, management and development). Tackle anxieties raised by the issues, both misunderstandings and grievances. *(This might be taken forward in the policies, procedures and practices programme.)*

**Does the Board wish to take forward any of these proposals, or take any further action?**

## Rolling review programme

9. In March, the Board agreed to adopt a rolling review approach to IIP assessment, as opposed to the spotlight every three years. This may assist in embedding the values expressed through the IIP standard into mainstream working life more effectively.
10. Although the House was assessed for re-accreditation in November 2009, this was the result of two three-month extensions. Therefore, the next re-accreditation is due in May 2012.
11. The purpose of the rolling review process is to build up evidence over the course of no more than three years via mini-reviews focusing on a narrow theme(s) across the whole organisation or one section, function or department within it. It is the combined picture painted by these reviews—plus any gap-filling required—that will inform re-accreditation every three years.
12. The House can choose to undertake as many, or as few, review activities as it wants over the period. The only fixed requirements are that:
  - a representative sample of the whole organisation, and the whole of the IIP core standard has been covered over the three years, and
  - a strategy for the rolling review programme is agreed in advance with IIP UK and must be reviewed annually.
13. A draft review programme is attached as Annex 1 below, for the Board's information. It is proposed that the first review should take place by the autumn of 2010, subject to coordination with the development of the Board's strategy and the business planning process.
14. It is intended that the review would ensure that staff are aware of and can contribute to the business planning process (increasing their "ownership" of the outcomes). Following a Leadership Conference held during the summer, to consult on the Board's emerging strategy, senior managers (supported by HRM&D as necessary) would facilitate focus groups of up to 20 people (some departmental groups, others House-wide groupings by pay band or other common factors). The 'big ideas' of the strategy/vision/business plan/performance measures would be shared with staff who could then contribute their thoughts and ideas. All staff would be invited, although attendance would be voluntary. Large staff meetings to discuss the finalised strategy and plan would complete the process. The Managing Assessor/Internal Reviewers would map these activities across the IIP indicators by:
  - a) attending some of the focus groups/meetings

- b) speaking to staff who have attended the focus groups/meetings
- c) speaking to senior managers who have facilitated the focus groups.

15. It is recommended that the Board should agree that the first review should take place in October 2010, and that the remainder of the programme should be agreed by RMG before being agreed with IIP. **Does the Board agree?**
16. It is recommended that the rolling review programme should be steered by RMG (with DGR as the sponsor) and the separate 'IIP', group be stood down. **Does the Board agree?**

**Andrew Walker (sponsor)**  
**Fergus Reid & Patricia Macaulay-Fraser (IIP core group)**  
**Philippa Helme (OCE)**

**21 April 2010**

## Annex 1

<b>Review date</b>	<b>Themes</b>	<b>Led by</b>	<b>Target groups</b>	<b>IIP indicators covered</b>
<b>October 2010</b>	- Creating a vision - Strategic business planning - Leadership	Directors/senior managers	House-wide and departmental focus groups	1.1, 1.2, 1.3. 1.4, 1.5, 1.6 2.1, 3.1, 6.2
<b>January 2011</b>	Check progress in DF and PICT against 2009 report	- Managing assessor and Internal Review team	Range of managers and staff from PICT and DF	As required
<b>April 2011</b>	- Management capability - Staff contribution - Consultation with TUS	- Leadership/management development programme providers  - Managing assessor	Focus groups following on from Staff Survey	3.1, 3.5, 4.1, 4.2, 4.3 5.1, 5.2, 5.3, 5.4, 6.1, 6.2, 6.3, 7.1, 7.2, 7.3, 10.3
<b>October 2011</b>	- <i>Check progress in DCCS and DR against 2009 report</i> - Management Board operations	- <i>Managing assessor and Internal Review Team</i>  - Managing assessor	<i>Managers and staff from DCCS and DR</i>  - MB and OCE	As required
<b>February 2012</b>	- Learning & development  - <i>Check progress in DIS against 09 report</i>	- Internal Audit team Corporate Learning & Departmental Learning Advisers  - <i>Managing assessor and Internal Review Team</i>	- Sample of senior managers, managers and staff from across the House  - <i>Managers and staff from DIS</i>	2.1, 2.2, 2.3, 2.4, 3.2, 3.3, 3.4, 3.5, 8.1, 8.2, 8.3, 9.1, 9.2, 9.3, 9.4, 9.5, 10.1, 10.2, 10.3
<b>May 2012</b>	Remaining necessary aspects of core standard	Managing assessor and Internal Review team	House managers and staff as required	As required

*Italics = as necessary*

## Annex 2

### ***IIP recommendations (summary)***

#### **1. Management Board recommendations**

- Define desired organisation, the ideal culture, and the consequent leadership behaviours required
- Role-model those behaviours
- Reform decision-making process (from hurdle to helper)
- Open meetings to staff on some basis

#### **2. Strategic recommendations**

Explore the “vision” issue [combination of aims, objectives and values?] Determine what communication of the Service’s vision would work best; especially in relation to debates about leadership and improvement and use by managers in discussions with staff.

Continue to develop performance measurement mechanisms [balanced scorecard]. Ensure that the “vision” (what should be measured) is driving the process; and that what is measured will drive improvement.

Define and express meaning, and goals, of 'unified' and 'corporate' service, organisation, etc (including what it *doesn't* mean) and communicate this continuously.

Tackle perception of ‘blame’ culture (i.e. performance = error avoidance) including via staff survey to track and monitor issue; and also involving management teams in discussions.

Ensure that the concept of a “learning” organisation, and therefore one in which people will not get everything right first time every time, is promoted.

Undertake a review of project management, under an MB member sponsor, to assess level of project management skills and track record, identifying best practice.

Consider MB member sponsorship of each significant project might bring speedier decisions and clearer consultation.

Identify and share best practice in leadership, management and staff development.

Establish a culture where the best practice is the very firm aspiration and a real expectation placed on managers.

Identify a clear and accessible way of defining for leaders what behaviour, skills and knowledge are expected of them. This will provide structure to development and subsequent coaching.

Implement a new development programme which addresses leadership performance, developing management potential, etc. available to all.

Revise organisation's vision to include leadership values as well as delivery aspirations. Use this language in promotion, recruitment and selection, in appraisal, in management training, in away-days and planning discussions, etc.

Investigate how the organisation is, collectively, managing leadership performance. Then review and revise support and interventions, ensuring senior managers can deploy them and grasp their own role in transforming leadership performance. Seek best practice in this area.

Develop consistent set of expectations for recruiting leaders, with flexibility for local ownership but also clearly defined non-negotiable elements.

Consider a specific 'leadership development strategy' spanning the next 3-5 years including all leaders and applicants to that level.

### **3. Detailed recommendations**

#### *Business strategy*

Inform business planning by forward-thinking feedback from operational management levels and from BMDs

Directors might be best placed to explore in detail how well their management team is involving people in planning discussions

Where necessary, help leaders and managers who are less confident in this regard

Encourage reluctant leaders and managers through setting and monitoring very clear expectations

Seek more constructive working relationship with TUS, distinguishing between consultation and negotiation strands.

#### *Learning and development strategy*

Use the coming business planning cycle to encourage all leaders to conduct analysis of key learning and development needed, as part of looking at improvements to people management. Engage managers and leaders more effectively in doing this at a local level.

Identifying learning and development needs should be carried out as part of, or in the context of, a wider review of people activities in the context of the business plan.

#### *People management strategy*

All managers and leaders should consider whether more could be done to elicit innovation and independent thinking from staff

Review or re-review arrangements for 'informal' allocations of posts (circulation of clerks and secondments) and other development opportunities, making them as fair, transparent and rational as possible

Push ahead with plans to raise managers' awareness of diversity issues, including respect for the individual (not just for equal opportunities legislation), how to respond to them, how to derive value from them

Consider further work on the concept of talent management and succession, not only with regard to specific roles or routes (e.g. fast track) but for progression at every level

Ensure that options and support under the broad heading of "work/life balance" are understood by managers and staff and applied creatively and consistently across the business to bring benefits to the organisation and to its people

Work to tackle fears that people have around the potential of the unification agenda to disrupt what they regard as essential work/life balance arrangements, by stressing that decisions will be made intelligently; accelerate the clarification of new arrangements to ensure demonstrable fairness

*Leadership and management strategy*

Refresh and/or develop organisational tools to help leaders understand what skills, knowledge and behaviour are expected of them

Measure the acquisition and deployment of such skills and the value put on them within the organisation

Provide creative interventions to assist leaders to be role models

Communicate to staff what they should expect from their manager/leader in accessible and meaningful terms

Revise relevant reporting/appraisal systems for leaders/managers to reflect these priorities and ensure feedback on performance derived from a consistent set of expectations in place across the Service

*Management effectiveness*

Work on line management effectiveness at first-line and supervisory levels, where it is needed, with immediate effect. There is no need to wait for clear strategy, vision and process before focusing on broad and generic skills.

Focus on leaders/managers who do not realise or accept the need for improvement (or who have other barriers to overcome) in the short-to-medium term.

*Reward and recognition*

Communicating that staff are valued arises from most aspects of positive IIP performance: consulting them; listening to their ideas (especially where a decision is going to affect them); delegating autonomy/trust; providing support and development opportunities; asking for feedback.

Accept that, for some, the transformation of the House Service is a challenge—with comfort zones shrinking or shifting in different ways—and a challenge.

Keep the issue of “change management” (from conception through implementation to evaluation) as a 'hot topic' for learning and development for the foreseeable future

Tackle sacred cows such as “things only happen because we're prepared to go the extra mile” and that change may lead to the “withdrawal of goodwill”. [I.e. Things change, get over it].

Ensure that the organisation continually challenges itself to manage change more effectively

Encourage managers to think more about “celebration” as a tool to support incremental change; both boosting morale and keeping people focused on the journey at hand

*Involvement and empowerment*

Develop some key principles of involvement, engagement and consultation and establish a “barometer” of how well it is done in different areas and departments

Do not be embarrassed to make important and non-negotiable decisions if necessary; try to consult on the detail of implementation where possible

Ensure that team meeting culture and management styles combine to give everyone frequent opportunity to contribute to planning and decision-making that affects them

*Learning and development*

Push on to ensure that line managers take responsibility for the development of their team members. Some element of compulsion may be required for year-round attention from managers not already inclined towards this duty.

Encourage leaders and managers to consider more creative methods of staff development, at least considering whether there is a need for innovation.

Spread the concept of mentoring more widely so that its benefits are considered by staff in all areas of the organisation.

Ensure that managers are familiar with opportunities available and encourage take-up amongst their staff where appropriate

*Performance measurement*

Consider how to embed a culture of review amongst senior management teams (MB, DMB and Directorate levels) including more structure and guidance on reviewing overall strategies for leadership, management and staff development.

*Continuous improvement*

Support leaders and managers in encouraging constructive feedback (in an environment of openness and trust) on possible improvements to people management.

Ensure that communication at corporate, departmental and team levels helps people understand how their feedback is being used, what is being done in response and how it is going.

## Annex 3

### *MB minutes – December 2009 (extract)*

#### 1. IIP re-accreditation

- 1.1. **The Chairman** said that the Board was pleased with the House's re-accreditation as an Investor in People; it now needed to consider where improvements could be made.
- 1.2. **Gary Inman** said that the House Service had engaged with the transformation process and taken on the concept of a unified Service. Leaders and managers who were inclined to lead and manage well were doing so, and systems were in place to support managers. There remained some managers who were resistant to change. New tactics might be necessary to address that problem, including the identification of consequences for non-compliance, working with individuals and a greater emphasis on the responsibility of more senior managers to address problems in their area. Too frequently non-compliance by individuals was indulged, rather than tackled as poor performance.
- 1.3. More work was required to help some staff to understand what the vision of a unified House Service meant for them in practice. Among certain staff there was fear about the implications of the new emphasis on corporacy, consistency and fairness, which needed to be tackled. Directors General should work closely with their directors and business managers to address these issues. Any work should be undertaken in synergy with the wider transformation programme underway. He would be happy to provide detailed feedback directly to Directors General.
- 1.4. **John Borley** asked what the IIP process had revealed about the Management Board itself. **Gary Inman** said that he had gained only a limited insight into how the Board worked. Many staff expressed the view that the Management Board made all the decisions; there should be more effort to be seen to delegate decision-making. Staff needed to feel more connected with the Board. There was evidence from the Staff Survey that the Board needed to be clearer about its expectations. Staff would feel empowered to innovate if they had a clear strategic framework within which to do so. The Board needed to address the balance between individual innovation and a strong central vision; this was a tension in all organisations. Sharing of knowledge and positive behaviours across the organisation was important: it could be described as "intelligent corporacy".
- 1.5. **Andrew Walker** said that the House could opt to engage in a continuous IIP assessment process rather than being reviewed every three years. A further possibility was to aim for an advanced level of accreditation (bronze, silver, gold).
- 1.6. The Board agreed to publish the IIP report on the intranet and to give further consideration to how to take forward the report's recommendations and the IIP re-accreditation process.

**1.7.** *Action: Director General of Resources to circulate a paper for February Board on the response to the IIP recommendations and the future approach to the IIP process.*