Corporate Services Scrutiny Review Board
19 April 2018

ITEM 5

Report of the Interim Strategic Director –
Corporate Resources

Derby City Council

Organisational Development Strategy - Update on Priorities for 2017-2018

SUMMARY

1.1 The report identifies the progress made on the OD Strategy up to 31 March 2018 and includes additional information to the report presented in February 2018 as requested by Board.

RECOMMENDATION

2.1 To note the progress made on the delivery of the 2017/18 Organisational Development Strategy.

REASONS FOR RECOMMENDATION

3.1 To highlight the impact of the outcomes from the Strategy.

SUPPORTING INFORMATION

4.1 The OD Strategy is an integral part of delivering the Council's People Strategy. This in turn supports the delivery of the Council Plan. The People Strategy is designed to support a modern, flexible and resilient workforce.

4.2 A number of priorities and actions were determined at the beginning of the 2017/2018 financial year. This report identifies progress on the main priorities and the impact of the actions.

Performance management - MIP process

4.3 A revised appraisal system was introduced in June 2017, 'Managing Individual Performance' (MIP). The system was introduced to ensure performance management is prioritised, and supports the delivery of objectives through the Council's business planning process.

4.4   The process is based on a rating system with four categories. Managers give a rating for performance at mid-year and end of year. It is expected that if an employee is consistently awarded a lower rating, then more formal performance management policies will be used.

4.5   We are now moving towards the end of the cycle. Initial objective setting and mid -
       year ratings have already taken place.   The end of year meetings will be taking place
       during April and May of 2018. This will provide valuable performance data for any
       necessary further action. HR has a specific action within the business plan, to use the
       data to support managers in tackling those employees who have received a low rating
       of 3 or lowest rating of 4. Appendix 2 gives details of the numbers and impact of the
       MIPs.

4.6   For 2018/19 financial year, all managers will have a specific objective in their MIP on
       managing performance. We will be measuring the number of cases where
       improvement programmes have been put in place.

Leadership support and development

4.7   A significant number of workshops have been delivered supporting an improvement in
       leadership capability. The workshops underpin the Council's Leadership Behaviours
       which are fundamental in delivering cultural change for the Council. Evaluation from
       managers who have attended the workshops demonstrates that there has been a
       positive impact from the interventions. Appendix 3 details some of the comments from
       managers who have attended the workshops.

       In addition to the workshops, the Learning and Development Opportunities' online site
       hosts a wealth of resource to support the development of managers and employees.
       The Council's e-learning portal also provides learning and development opportunities
       for managers. Bite sized sessions are freely available for managers. Appendix 2
       gives numbers of managers accessing the support.

Governance and compliance

4.8   A number of courses and policies have been introduced during the financial year,
       requiring Members, managers and employees to complete on the e-learning portal.
       Good progress has been made on this and completion has been increasing.
       However, there is further progress to be made and this will be raised at Chief Officer
       Group (COG). Appendix 2 details current compliance figures.

Attendance management

4.9   This is one of the major projects within the Council. As part of the action plan, an
       Attendance Management Strategy has been produced. This is intended to change
       the culture within the Council and seek to improve attendance at work. The Strategy
       has an accompanying medium to long term action plan. The emphasis is on changing
       the culture to review attendance management as part of a total performance
       approach.

       Absence figures have improved in comparison to last year. The current figures can
       be seen in appendix 2.

Employee survey

4.10   The survey was conducted early last year and the results shared with employees in the spring of 2017. Each department has been tasked with developing and implementing an action plan and this will be reported on in the future. Chief Officer Group (COG) has committed to carrying out another survey and identifying progress in late 2018.

The responses from the survey identified a number of actions and some of these have been developed.

- Improvements in the management of performance – introduction of the new MIP system
- Greater visibility of senior officers – introduction of manager workshops and employee conferences and forums
- Opportunities for development – introduction of the proposed 'Professional Derby Manager Programme'

Feedback from managers and employees has identified these actions as a positive improvement on previous opportunities. A further survey will be conducted in late 2018.

Service support

4.11   The OD Team has been supporting a number of services, to assist in them delivering their service plans. This support has been dependent upon the issues and priorities facing the service. Interventions have resulted in reductions in costs and improvements in performance outcomes. A few examples of the impact of the support are detailed in appendix 2.

4.12   **The future**

COG is reviewing the proposals in the Professional Derby Manager (PDM) programme and further reports will be presented over the next couple of months. The Programme will support the main priorities of performance management, management and leadership capability, attendance management and supporting the governance framework.

The People Strategy will be reviewed and a Workforce Planning and Development Strategy developed. This will support the actions identified in the Corporate Improvement Plan.

OTHER OPTIONS CONSIDERED

5.1   None, the proposals are an integral part of delivering the Council Plan.

This report has been approved by the following officers:

Legal officer **Financial officer** **Human Resources officer** **Estates/Property officer** **Service Director(s)** **Other(s)**	Diane Sturdy, Organisational Development Manager Don McLure, Interim Strategic Director of Corporate Resources

For more information contact: **Background papers:** **List of appendices:**	Diane Sturdy 01332 643660 diane.sturdy@derby.gov.uk None Appendix 1 – Implications Appendix 2 – Data for learning and development support Appendix 3 – Evaluation comments from managers

IMPLICATIONS

Financial and Value for Money

1.1 The OD Strategy has been developed to support the Council Plan and Corporate Improvement Plan and to drive value for money.

Legal

2.1 The Strategy supports the Councils governance framework.

Personnel

3.1 The OD Strategy supports the Council's agreed People Strategy and Health and Wellbeing Strategy and is designed to enable the Council to achieve its objectives.

IT

4.1 N/A

Equalities Impact

5.1 The Strategy applies to and supports all employees of the Council

Health and Safety

6.1 The Strategy supports the health and wellbeing of all employees.

Environmental Sustainability

7.1 N/A

Property and Asset Management

8.1 N/A

Risk Management and Safeguarding

9.1 The Strategy underpins the governance arrangements within the Council.

Corporate objectives and priorities for change

10.1 A modern, flexible and resilient workforce

OD Action	Data	Impact

MIP	1. Over 90% completion rate for the beginning of the MIP lifecycle, equating to around 3200 employees 2. Over 50% completion of mid-year stage of lifecycle 3. Almost double the completion rate for MIPS compared to the reported figure from the employee survey in 2017 4. Specific performance objective for managers, linked to seniority, to ensure a priority and to improve consistency	• Improvement in Golden Thread, aligning objectives with the Council Plan • Starting to tackle underperformance within the Council and identify talented employees for succession planning • Improvement in employee dialogue/engagement • Focus on performance management as a key activity/priority for management and improved consistency of approach
Leadership development	Over 740 individual leadership interventions through workshops covering a number of topics. These include… • Managing performance • Holding Honest Conversations • Performance Coaching • Change management • Optimising our productivity Over 300 managers have attended the initial Professional Derby Manager workshops. A roll out of workshops to support the Leadership Behaviours will happen in 18-19.	Improved capacity and capability of managers leading to improved employee experience and engagement Improved attendance.
Learning and Development Site page hits	Page hits for the development sites Q1 1750 Q2 2753 Q3 <u>4604</u> Total 9107	A significant number of the hits were for the learning and development opportunities and performance management pages. This access supports the comments from managers on the improvement of leadership

		and development opportunities
Service Support	Bespoke interventions to support service improvement. Some examples are: • Adults Direct Services • Home First • Property Services	• Reduction in net costs of £186k, reductions in absence • Improved communication and management of change, impacting on levels of absence and conflict management • Reduction in dependency of agency and improved recruitment
Attendance management	Figures for the last 3 months, fte days lost per employee • November 2017 (months 1 – 8) – 8.39 (9.38 November 16) • December 2017 (months 1 – 9) – 9.34 (10.66 December 16) • January 2018 (months 1 – 10) – 10.66 (12.10 January 17) Expected end of year figure is forecasted as 12 fte days lost per employee. This is compared to a figure of 14.21 for the financial year 16-17	This is an improvement on the figures for the 16/17 financial year and is now in line with our closest benchmarking authorities of Nottingham and Leicester.

Evaluation comments from managers on development support

Below are some of the comments from managers on the leadership and development interventions carried out.

1. This has helped to develop leadership skills in managers
2. The training has helped to Identify short comings in the teamwork areas where improvements can be made
3. Framework given for helping the team move forward and being more cohesive and constructive
4. Insight into how to use personality profiling with clients to support improvements
5. Leadership training gave the knowledge of how to implement what was learnt back in the office
6. Really useful people analytics data to inform workforce planning and help shape the people objectives in the business planning process
7. Providing tools to do my job more effectively and empowering our team to work smarter
8. Help to understand how I think and behave and I have applied this learning to my management role
9. Confidence in dealing with staffing issues and tackling difficult issues
10. Provided new ways of thinking when planning the team (matrix management). Will help with future resourcing.