



**Municipal Engineering
Foundation Victoria**

**2003
INTERNATIONAL STUDY
TOUR**

**“WORKPLACE CULTURE
and
PRODUCTIVITY”**

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The views expressed in this report are those of the author, not those of the Council
(nor do they reflect current Council policy).

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- ❑ Helen Groom from Hertfordshire, UK
- ❑ Richard Ireland from Surrey County Council, UK

My hope is that the learnings, knowledge, experiences and contacts I have made will establish a basis for Hume and the Local Government industry to focus on culture in the workplace and people in their organisations to achieve improvements to service delivery and excellence in Customer service.

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EXECUTIVE SUMMARY

Workplace cultures in the US and the UK are very similar to Victoria in terms of having the common objectives of being “Best in Class” or being reputed for customer service Excellence by being a provider of highly satisfying services to their customers and communities. They also operate under very similar restrictions of financial constraints with limited means to generate additional revenue streams. Hence the goal to be the most efficient provider of services is also common to the Victorian Local Govt experience.

The Corporate Planning process strives to determine precisely what services the community wants Council to provide. This process of identifying a Community Vision and ensuring it is grounded in what residents think by utilising up to date research enables the translation of the political priorities into service priorities with measurable performance indicators. The elements that contribute to corporate culture are also core activities for the organisation. These elements can contribute to transforming workplace cultures, with the critical success factor being the mode of implementation, the communication systems and the commitment of management to change.

The approach becoming widely popular is to recognise the values and commitments assigned to employees in the Corporate Plan. This development has produced People Strategies that are closely aligned to organisational objectives (as their function is to ensure that the right people are achieving the right things at the right time).

This recognition has instigated a wave of new strategies including work-life balance, workforce planning and diversity, healthy and safe work environment, dignity at work, and management competency development. It is also evident that improving performance management systems and pursuing comprehensive organisational development programs with specific attention placed competency development will assist to develop the skills and capacity needed to deliver improved services.

An enhancement to these strategies is to involve senior managers to lead teams / sub-projects to give more credibility and wider ownership to the projects and to engender cross department involvement. A particularly successful program implemented has been the Investors in People [IiP]. To support the increased importance of performance management and workforce Planning, Human resource management systems will require substantial augmentation to accommodate increased information database sources and reporting requirements.

Diversity will emerge as a critical issue for Local government and will be generated from equalities becoming more entrenched in a multi cultural environment. Workforce planning will be developed to acknowledge the diversity issues and to implement affirmative action to remedy the differences through positive recruitment strategies.

This trend represents a significant shift in Culture. The traditional [process based workplace] culture characterised by quality, safety and business systems supported by Performance Indicator monitoring and reporting. This is being transcended by the new and emerging [people based] Culture in which staff feel valued (therefore motivated) and they actively promote productivity, performance and improvement. The reason we do this? Well it’s because

**“Customers will judge the whole Council by a single experience,
and we need to get it right every time!”**

2.0 Study Topic Outline

The 2003 MEFVIC international study tour group visited several Councils in the United States of America and the United Kingdom and the National Research Council in Ottawa, Canada. The study tour group also attended the American Public Works Association International Congress held in San Diego, California from 23rd to 27th August 2003. The touring party visited all organisations as a group.

The 2003 tour group participants and subject topics were:

- Thomas Kuen, Manager, Quality and Customer Services, Infrastructure Services Division, Monash City Council. (A Systems Approach to Knowing Your Assets)
- Peter McLean, Manager Assets and Development, Cardinia Shire Council (Water Sensitive Urban Design); and
- Stephen Howe, Manager Asset Management, City of Boroondara (Risk Based Prioritisation of Works Programs);
- Danny Eaton, Manager Services, Hume City Council. (Workplace Culture and Productivity), with
- Robert Ward, a MEFVIC trustee, the study tour leader.

The objective of my study into Workplace Culture and Productivity was to:

- Identify cultures evident in organisations exhibiting best practice and high performance;
- Assess the impact of, and relationships between, training, communication and leadership; and
- Identify strategies to target a shift in the staff cultural perspective that influences behaviours and establishes standards for performance.

This report will address the examples and elements of workplace culture observed and discussed during the tour. It is not intended to address each study tour visit in terms of my study topic as in some cases my topic was not directly addressed by the organisations. However it was possible to report on aspects of workplace culture which was observed or experienced.

3.0 Introduction: “Workplace Culture and Productivity”

Local government in Victoria has experienced significant change including amalgamation, competitive testing and currently Best Value. In particular the blue-collar Depot related technical functions within the Council have experienced significant change with regards to how work is performed.

It is evident that conflict exists between the goal of increased productivity through continuous improvement and employee job satisfaction, job loyalty and commitment to the organisation and that, in some workplaces, this conflict has become entrenched in the workplace culture

My research of overseas practice reveals that many Councils have implemented organisational development projects targeting staff eg people strategies, staff satisfaction surveys, learning and staff or management development programs as a means to enhance their workplace culture and achieve improved productivity.

It is evident from their experience that to create successful change, staff development and empowerment are key building blocks for developing capacity and sustaining improvement. It is also evident that improving performance management systems and pursuing comprehensive organisational development programs assists to develop the skills and capacity needed to deliver improved services.

These initiatives provide a valuable insight into the different approaches in place overseas that could be applied and impact workplace culture in the Victorian landscape. During the study tour visits, I sought information from our hosts as to what strategies and programs have been implemented to focus on the internal staff services as a mechanism to improve external customer service, service delivery and productivity.

In particular, I sought information and experiences as to:

- ❑ the strategies implemented in workplaces that are reflected in improved job satisfaction for staff and whether these strategies have been reviewed or monitored in terms of determining their effectiveness;
- ❑ what alternative strategies or actions could have been considered based on experience;
- ❑ what programs, systems and strategies rate highly for achieving change management or achieving job satisfaction for staff; and
- ❑ the indicators used in the workplaces to reflect improved job satisfaction for staff.

Interestingly there was a focus by organisations on key elements that represented the starting points for the further development of strategies and action programs. These elements will be expanded further in the next section.

Let's define Workplace Culture. What is Workplace Culture?

The need to clearly define workplace culture is significant because it means different things to different people, predominantly based on their own special experiences. Tina Strehlke, a Workplace Learning Strategist, defines workplace culture as:

“the set of shared attitudes, values, goals and practices that characterise a company”

Webb and VanderHeval [W&H] defined workplace culture as:

“the overall attitude, beliefs, expectations, and habits of the work force”

W&H also propose that workplace cultures fall into one of two general categories:

□ Plant-, Process-, and Product-Centred Workplace Cultures

This culture is characterised by companies which focus their attention on efforts to manage the plant (equipment safety), the process (production, safety, environment), and/or the products (quality) with only minimum attention to their workers' capabilities;

□ People-Centred Workplace Culture

In people centred cultures, managers and supervisors, [not just the Human Resources Department] support employees to balance work with family issues and other concerns. People centred cultures are evident in work environments where the workers' needs are considered and their input is valued. This environment affirms the value of each worker's contribution. Workers are free to express their opinions and to provide feedback directly to management, and management takes what they say seriously.

People-centred cultures are characterised by the following seven **key cultural indicators (KCI)**:

- KCI #1 — Mutual trust
- KCI #2 — Worker Participation Is Encouraged and Affirmed.
- KCI #3 — Workers Held Accountable and Rewarded.
- KCI #4 — Strong Leadership.
- KCI #5 — Effective Communication
- KCI #6 — Challenging Goals.
- KCI #7 — Worker Involvement.

W.S. Webb, L N. Vanden Heuvel (...)

Changing workplace Cultures

To get workers to change their attitudes, you must change their surrounding culture. You must create a culture that fosters a positive attitude that encourages good work habits, that encourages high expectations, and that affirms the right beliefs. Strehlke suggests that it is necessary to:

“...create a set of circumstances in which people can learn through exploration, reflection, practice and constructive challenge. The employers' challenge is not about creating policies, it is about inspiring people to make a difference.”

Strehlke T, (...)

The Elements of organisations that influence Workplace Culture

The elements that contribute to corporate culture are also core activities for the organisation. These elements can contribute to transforming workplace cultures, with the critical success factor being the mode of implementation, the communication systems and the commitment of management to change. Colter C, 1998.

1. Mission and Vision

To get where you want to go and know what it will look like when you get there.

2. Goals and Measures

How will you know if you have realised your vision? The goals you set depend on the problems / issues to be addressed.

3. Policies and Procedures

To achieve the goals, policies are needed that provide guidance to supervisors and staff in day-to-day decisions.

4. Customs and Norms

Many organisations have workplace norms that are nowhere written as policy yet hold force in practice. These need to be explicitly addressed to be sure they aren't working against the culture you want.

5. Organisational Structure

The roles of board and management, the lines of accountability, the authority to make different types of decisions - all of these need to be understood.

6. Training

If people have new roles and new expectations, they will need new skills. Cross training can be a major driver in changing workplace culture.

7. Performance Evaluations

If an expectation is really important, it should be brought up in the performance review and compared to some observable, if not measurable, standard.

8. Reward System and Ceremonies

This is the most powerful element involved in transforming culture, because people will continue to do what they get positive reinforcement for doing. Not all rewards are monetary. The occasions that are celebrated reflect the organisational values.

9. Communications

To implement cultural change, a concerted effort is necessary to improve communication, both to reinforce the vision and to get feedback on progress.

These elements will form the basis for this presentation and be investigated in terms of the initiatives, experiences, programs and procedures in place at the authorities visited.

4.0 The USA experience

It was a pleasure to meet and be greeted by the local authorities in the USA. These organisations provide services to communities from 40,000 to 2.8 million residents. The authorities visited included the cities of Foster, Laguna Niguel and Indianapolis, San Diego County, Irvine Ranch Water District [IRWD] and Orange County Sanitation District [OCSD].

Mission and vision

Every authority had their organisational mission, vision and strategic objectives/value statements displayed prominently in the front foyers and meeting rooms. This action aimed to reinforce not only to staff but visitors the purpose and focus of the organisation.

Whilst visiting Foster City, the Mayor made time whilst entertaining another visitor to welcome us. He gave an impromptu welcome and emphasised that the city was built to a masterplan; he was confident, met all members on tour and concluded with the statement – **“We are just proud of our City”**. This statement was reflected widely in all the visits conducted, i.e. that the staff and officers are proud of what they do and what they have achieved.

Goals and measures

Certificates and awards for leadership, best practice or success in particular fields were prominently displayed adjacent to the Mission and Vision in the reception areas. There were also Certificates of Recognition from professional groups for specific projects.

Policies and procedures

At IRWD meeting rooms contain framed ground rules for meetings, a display (10 keys to a successful meeting) and the Organisational Mission and Vision. The OCSD policy for customer service requires every request for action to be responded to, with one person in the office specifically tasked with this duty. This policy is based on their belief a positive cultural change can be achieved by staff increasing their understanding of customer client issues.

Customs and norms

All staff we met wore casual clothes (apparently Friday is casual day) but it seemed significant that all staff had insignias / monograms on their clothes somewhere (*hence corporate dress*) and that their working relationships appeared relaxed. At the IRWD each staff cubicle was named (which I did not observe anywhere else).

Staff generally worked an 80 hour / 9 day fortnight. Annual leave was dependent on years of service eg 4 years of service = to 4 weeks annual leave; 1 year = 1 week leave.

A signpost to the organisation culture is reflected in a comment made at San Diego that “We’re all on the same team, we work collegially and we get the best product”. Obviously, the team approach was positively reinforced for workplace solutions

Organisational structure

At San Diego County, we received an up to date signed copy of their organisational structure that, to me, was unique.

4.0 The USA experience**continued**Performance Evaluations

At Indygov, the Performance Evaluation process has been revitalised to generate interaction and real discussion between employees and supervisors.

- The annual reviews rate performance against **competency based objectives**.
- The rating system is not numerical based, focussing on competencies / performance.
- A written explanation of behaviours is required with both supervisor and employee completing the review.

As part of the Performance Management [PM] system Indygov have isolated preferred competencies for their management and staff which are outlined on the Appendix 11.1. The Leadership Competencies represent the ideals or values of the organisation and establish the foundation of all staff training and management development.

John Gallow, Human Resources Manager at Indygov, advocated the importance of being aware of good management practice and supported organisations subscribing to publications representing industry best practice. It is apparent that considerable research and information collection occurs at Indygov with their programs reflecting the best practice approach identified in industry organisations through management literature / surveys.

This is illustrated in the 2001 Corporate Leadership Council Leadership surveys where **People Management was identified as the most important characteristic for effective leadership** with the most important attributes of people management being:

- Honesty and integrity
- Clearly communicating expectations and
- Recognising and rewarding achievement.

Research by the Corporate Leadership Council indicated that whilst 80% of respondents believed tracking manager's success at developing employees is important. Only 13% reported that they actively do it, and only 2% reported any link between leadership development and manager incentives. This lack of efficiency at delivering development programs related to building leadership capability must be addressed through the PM process whereby management development is targeted, supported and monitored.

In fact, the performance management aspect should be an organisational priority in pursuit of the critical cultural indicator of strong leadership across the whole organisation. Gallow advised that Indygov have defined the leadership attributes vital to their organisations and have progressed to identifying individuals with those attributes.

This is particularly important given the current trend for staff to characterise the work of Kotter at the Harvard Business School [refer appendix 11.2]. Kotter defines the change in organisational management philosophy under the headings of Structure, Systems and Culture. The key philosophical changes are that: teams will focus on achieving outcomes rather than outputs; systems will become expansive and inclusive with staff expected to take control of decisions based on their knowledge and skills; and cultural change will support staff taking responsibility and accountability for their tasks, works and planning.

4.0 The USA experience**continued**Reward system and Ceremonies

Recognition systems were highly visible and entrenched in the authorities as evidenced by the plaques that reflect years of employee service, shields that acknowledge accreditation programs and awards for performance excellence.

San Diego has an awards program and suggestion scheme in place to acknowledge staff achievements and promote staff innovation. On our visit a large colour poster displayed the recent awards presentation night which recognised employee service awards from 5 to 40 years and awards for excellence in customer service (4) and teamwork (4). The Award ceremonies are held quarterly, probably due to the large number of staff [16000] employed by the county. The Quarterly Awards can be either cash [\$100] or time off, say one (1) day added to vacation time.

The San Diego suggestion scheme (**DIBBS**): – **Do It Better by Suggestion** is innovative by Australian standards. The DIBBS program (introduced in 1958) is the County's mechanism for generating, evaluating and adopting employee ideas. If the suggestions are implemented, they can save money, motivate employees and improve the operations in both tangible and in-tangible ways. This program rewards employees for suggesting ways to save the County money and increase efficient and effective functioning. The DIBBS Program slogan is "**Good Ideas are Everyone's Business**"

The Program is open to all county employees with the exception of DIBBS staff, executive and management staff, Board members and staff. The suggestion must be within the scope of an employee's normal duties and responsibilities or as part of a specific assignment. When a suggestion is implemented, the employee is invited to an awards ceremony with their supervisor, department head and family, members of the board and chief executive officer attend also and have their pictures taken.

Details of DIBBS are outlined below:

Do It Better by Suggestion (DIBBS): San Diego County

The Maximum Cash Award for qualified suggestions is \$20,000 with the amount dependent on type and first year net savings.

There are 3 award categories:

Tangible Savings: Examples include elimination of a position or budgeted expense equipment or materials, recovery of lost or increased revenue. The Award is 15% of first \$33,000 of the 1st year's Savings, and an extra 10% for savings over \$33,000. Minimum \$50 award and Maximum \$20,000.

Productivity Savings: Examples include Reduction in staff time to do a task, or an initiative that effects productivity. Award is 5% of 1st year's net estimated savings. Minimum - \$50, Maximum - \$1000.

Intangible Benefits: Examples include Improvement of Services, safety, procedures, and morale, simplify work, more efficiency but benefits cannot be calculated. Award-\$50

4.0 The USA experience**continued**Training

Training is entrenched with authorities' requiring a base level of certification for most work. Completion of additional training is required for advancement and promotion. Progression and promotion is achieved on certification level not on years of service. Staff are required to maintain their competence by completing a specified amount of training credits annually. Movement through levels is achieved by meeting training certification warrants as set by the state.

Staff rotation and secondment is well established as staff training initiatives. Staff rotation is implemented in Public Works at Laguna Niguel with new staff being required to work for 4 months in each section of Streets and Lagoons, Water and Sewer maintenance prior to securing positions where vacancies exist. Secondments are viewed as a measure of experiential learning and are commonly used to build upon training.

Internships were commonplace and highly sought after for project work or to cover extended absences. An intern program or Co-operative Education Scheme is where students are engaged based on their academic study to work on either a specific project or over vacations. The engagement is based on them receiving lower benefits than full time staff but may allow them to work and study on an alternating basis or to cover absences and vacations. The appointments are based on the specific project's needs.

Communications

Visual displays of photographs, posters, awards, photos, recognition certificates and plaques were evident on each visit. It was apparent that the marketing and promotions service generally is a significant client of the Human Resources section.

General Observations

Diversity is a significant issue. Indygov have [effectively] an affirmative action program in place to recognise their communities' needs by developing staff with the feel of the community, ie to ensure the minority and gender mixes are seen as positive developmental opportunities that are actively fostered. John Gallow at Indygov mentioned that the disabled have abilities that generally are not valued beyond their disability and that they are similarly sought after within the organisation.

The OCSD as part of their corporate plan has adopted 'Unifying Strategies' encompassing Environmental Stewardship, Business Principles, Workplace Environment and Wastewater Management. One of the objectives of this approach was to improve service integration and attack the silo mentalities that had developed in OCSD. Information sharing was a necessary element of the Unifying Strategy which required the development of CMMS (Computerised Maintenance Management System) and creation of a Data Warehouse that could accept data from all locations.

In regards to staff being valued, John Gallow commented that in his view the best way to find out what staff think is to "walk in their shoes". He believes management needs to be put into the employees' environment to value their experiences and to allow staff to discuss their real issues. This approach also serves to improve morale because staff seek management support and the personal touch ensures you are aware of their problems.

5.0 Summary of Common Themes: USA

There was a number of common themes characteristic of the workplace cultures evident. In summary, these are:

❖ **Mission and vision**

- ❑ Mission and Vision **displayed** in Meeting Rooms or entrance foyer
- ❑ Rules for Meetings and other positive type reinforcement also displayed.

❖ **Goals and measures**

- ❑ The use of PIs was a standard business practice and used in general discussions.

❖ **Policies and procedures**

- ❑ Every entry had the **City/County Identification Logo** and Name.
- ❑ Security Check-in with badges was formal. Officers had **Photo I.D.** displayed

❖ **Customs and norms**

- ❑ Pride in the workplace was widely communicated and observed.
- ❑ Staff were present to greet guests, **did not arrive late.**
- ❑ There was a **Formal Recognition process** in place and promoted to staff.
- ❑ Staff and Management all dressed smart and casually in corporate dress.
- ❑ Customer requests were all expected to be responded to, desirably personally.

❖ **Organisational structure**

- ❑ San Diego provided a **current, dated and signed organisational chart** for information.

❖ **Training**

- ❑ New **Staff are rotated** through various areas prior to permanent appointment.
- ❑ Staff **Training is certified** to State Standards. Certification must be maintained via ongoing training.
- ❑ Support staff for project needs are sourced by **secondments or internships** as part of their study program for professional qualification or as **vacation employment.**

❖ **Reward system and Ceremonies**

- ❑ **Formal Recognition Display** of Achievements, Awards displayed in foyers
- ❑ Recognition of long service and retired staff displayed prominently.
- ❑ Staff Awards made for years of service and Service Excellence for Customer Service and Teamwork.
- ❑ Awards are highly valued and sought after as a measure of their organisational capacity and credibility.
- ❑ Highly developed staff suggestion schemes fostered.

❖ **Communications**

- ❑ Rules for Meetings and other positive type reinforcement displayed.
- ❑ Intranet / Internet Development for Customer Service and Staff was very developed and accessible.
- ❑ **Intranet** is used as a core application for complaints and operational works.

6.0 American Public Works Association (APWA) Congress

The Congress termed the “Best Show in Public Works” was held in San Diego from August 24th to 27th at the San Diego Convention Centre. The Congress offered many different learning opportunities including workshops, general, superannuation and education sessions, discussion forums and peer discussion groups. In total there were 150 different sessions offered for consideration.

However, in practical terms, the choice was time limited and hence the sessions attended represented either your study topic or normal working field of interest.

The standout themes at the conference were:

1. Managing by Values, and
2. Diversity

The following snapshots represent ideas, comments and interesting thoughts gleaned from the presentations:

- an aging workforce is an issue to be addressed through Human Resources strategies;
- team based organisations can improve productivity;
- Escondido City implemented a Field Supervisors academy in association with a local university for training of their field supervisors;
- consultants are engaged to facilitate productivity improvement programs;
- certification of training provides significant employer and employee benefits;
- TEAM = Together Everyone Achieves More;
- “to change how people perform requires the supervisor to change his perception of them”;
- crime prevention can be achieved through environmental design of the streetscape.
- reward innovative spirit / retain and feed innovators;
- reward behaviors for safety, attendance and good performance;
- sick leave Bingo - introduced to reward staff for not taking sick leave entitlements;
- to exceed your customers expectations, you need to understand your customer;
- value added improvements are measured by tangible results that increase the worth or value of services in the eyes of the customer, and the elimination of work that has little meaning or value for customers;
- benchmarking- we are now beginning to focus on measuring from the outside in ... what’s important to the public and we are beginning to establish benchmarks measurements of our work and apply them to our employee evaluation process;
- the employees you’re growing will take the shape of (or behave like) the structure you put them in....
 - If they’re not innovative, they’re working in a controlled environment
 - If they resist change, they’re not working in a learning organisation that values growth and development
 - If they’re not good team players, they’re working in an organisation designed for individual performance
 - If they’re not customer focussed, they’re following procedures and working in a structure that wasn’t designed to serve customers.

7.0 The Audit Commission

Background to the UK experience

In the UK the central Government seeks to drive improvement in local services by requiring local authorities to establish firm foundations of good management; by helping members, managers and officers to make best use of the resources available; and by looking at how users experience services across organisational boundaries. The Comprehensive Audit Assessment (CPA) [refer appendix 11.3] is a key element of the Government's performance framework for local government

CPA [Comprehensive Performance Assessment]

The Audit Commission's role in CPA is to form a judgment on the performance and proven corporate capacity of every Council in England. The Commission is working with central government departments, the [Local Government Association](#) (LGA), the [Improvement and Development Agency](#) (IDeA) and other inspectorates to continually develop the CPA. The CPA is used to assess how good Council services are, whether they can be improved, and how well the council is run. The Audit Commission believes the public audit model ensures against Enron-style failure in local government.

Audit Commission, CPA.

Improvement Planning

Following the CPA, Councils set about identifying and clarifying their top priorities for improvement. Auditors and inspectors liaise with Councils to ensure their resources are targeted to deliver improvement where it is needed most.

Productivity

A very valuable information source is the Employers Organisation [EO] people management improvement program. I found a very relevant paper relating to increasing productivity and improving performance management, and have included the key concepts for information based on the Deloitte and Touche / EO's case studies.

There is a range of co-ordinated Human Resource Management [HRM] initiatives that can promote a culture in which staff feel valued and (therefore motivated) and make a real difference to performance and productivity. The HR "initiatives" in raising productivity have been rated for their effectiveness on a 7-point scale.

| | |
|---|-----|
| Training and Development of Managers | 6.1 |
| Leadership Development / Better communications with staff | 5.8 |
| Sickness / absence management | 5.7 |
| Work-life balance issues | 5.5 |
| Training and Development of non-managers | 5.3 |
| Team organisation, Recruitment and Retention | 4.9 |
| Relationships with Trade Unions, Equal opportunities | 4.4 |
| Investors in People | 4.1 |
| Pay incentivisation (eg. PRP) | 3.1 |
| Business Excellence/EFQM | |

EO, 2002a.

Performance Management provides the system for "gluing" these HR initiatives together. The EO believes that 'the balance of positive HR initiatives that are advocated promote productivity, performance and improvement'.

8.0 United Kingdom experience

The study group visited four (4) local government authorities that had been assessed as Good or Excellent organisations by the Audit Commission-Comprehensive Performance Assessment [CPA]. These authorities were selected to identify the specific measures, strategies and plans that were effective in achieving their ranking. Authorities visited included the Borough of Telford and Wrekin, the Royal Borough of Kingston-on-Thames, Surrey County Council and Liverpool City Council.

Mission and Vision

The approach undertaken for this core function was very similar and focussed on developing strategies and programs that responded to the customer expectations identified. The process to define the mission involves:

1. **Identify a Community Vision** and ensuring it is grounded in what residents think ie utilise up to date research from a representative participant voice.
2. **Develop a Community Plan** with a firm timetable for converting this work into Policy. This process and the resultant Community Plan are a means of focusing partnerships around key local priorities,
3. **Identify strategies to support the policies with action planning for implementation** particularly where the Council is most ambitious to make a real impact over the next four years,
4. **Reinforce strategies by SMART targets** to provide a monitoring framework owned by the Executive Team.

Every authority had implemented a review program involving Staff, Managers and Customers to determine the best way to make the organisation fit for the future.

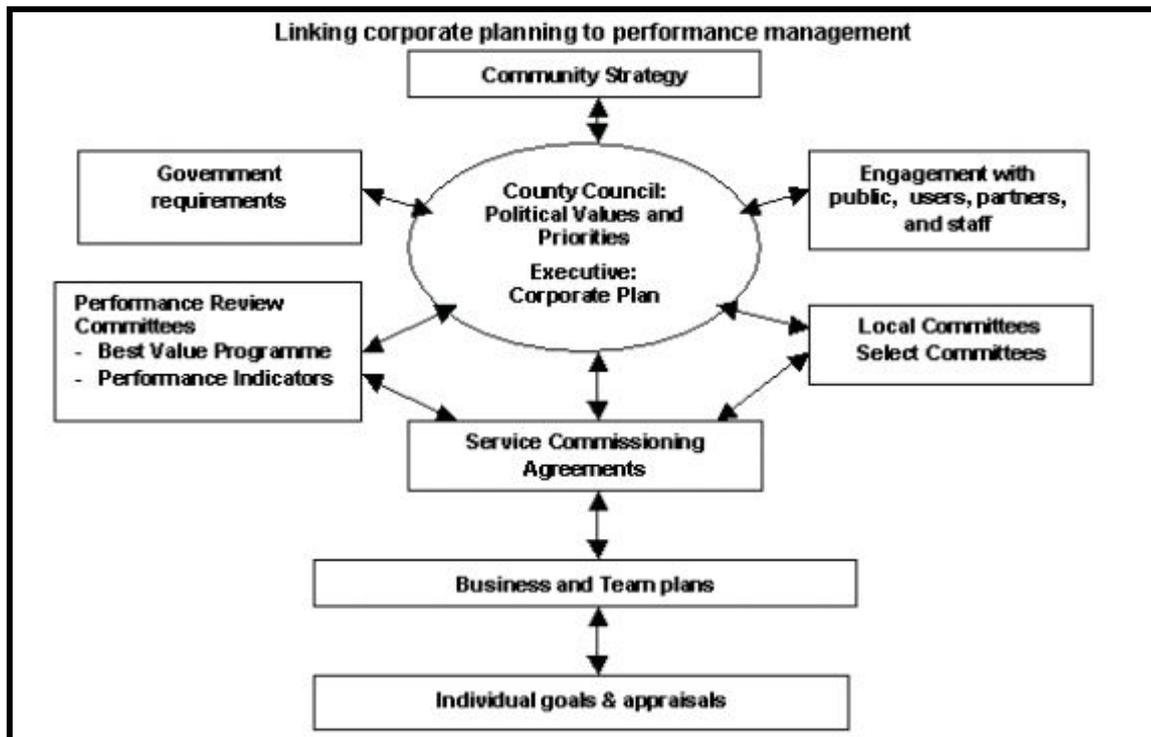
In all cases the Councils utilise emotive yet simple and pointed language with their attempts for inclusion of staff and the community. This strategy is very effective in drawing people to what the council is doing.

In 1999 Surrey published their Corporate Plan “**Making Surrey a Better Place**” which included their Best Value Performance Plan followed by “**The Enquiry**” an extensive consultative process in 2000. At Kingston they issued their Policy Program “**What are we going to do next**” in October 2002, with the stated purpose that ‘we want to create a real partnership between the new administration and staff, to harness this experience ideas and enthusiasm to help implement the policies’. The Policy followed by the Corporate Plan called ‘**Everyone Counts**’.

The common characteristic of these authorities was that the change in corporate performance and direction was driven by the CEO who consulted staff and the public to establish a structure that met public expectations. These Councils also embarked on a fundamental reorganisation that brought new appointments in Senior Management posts.

8.0 United Kingdom experience**continued**Goals and measures

The corporate planning framework for the development and implementation of programs generally require departments to develop their individual objectives for each of the strategic objectives. This ensures that the overall corporate needs are being met as well as the more localised individual service needs. Every department must regularly report to their own Board or senior officer on the progress of their individual personal objectives whilst the Executive continuously monitors the Corporate Strategy. The following graphic represents the Surrey County Council corporate planning framework.



Surrey County Council

Policies and Procedures

The prominence placed on giving the authorities a human face was extraordinary and was solidly reflected in all their public literature and internal communications. This people centric approach was particularly visible with the development of human resource strategies and organisational development plans that clearly define the employees' role and responsibility to the community.

This approach is demonstrated at Liverpool City Council where the values and commitments expected of employees are outlined in their Corporate Plan. Three (3) of these values stand out as a source of risk and challenge of the norm for organisations. These are:

- *being personally accountable for our actions and their consequences.*
- *recognising and promoting people's individual qualities irrespective of age, gender, race, sexual orientation and disability.*
- *taking personal responsibility and recognising and respecting the contribution of all colleagues.*

The key words in these values are personal accountability/responsibility and respect.

8.0 United Kingdom experience continued

Policies and Procedures (continued)

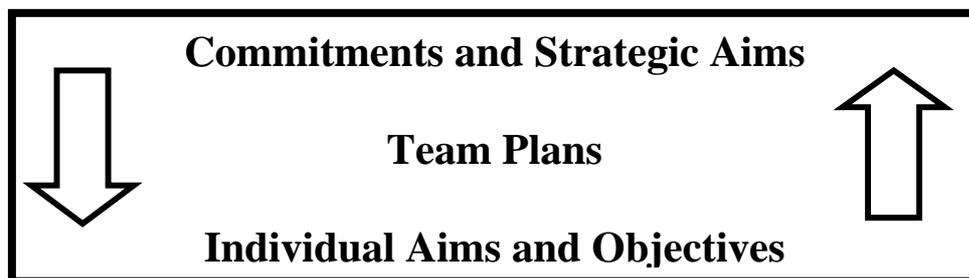
The people centric approach is reinforced in the Kingston Policy Program October 2002 (corporate plan) “**what are we going to do next**” under the “Providing Best Value” aim, which states:

| |
|--|
| KEY OBJECTIVE |
| We will continue to value our staff as our most important resource in achieving Council objectives and to enhance Council’s position as an Employer of choice. |
| Performance Measure / Milestones |
| <ul style="list-style-type: none"> ▪ Put in place from July 2002 new mechanisms to facilitate effective dialogue between the administration and staff ▪ Selected milestones in the Implementation of action plans in response to issues raised in the staff survey covering: <ul style="list-style-type: none"> - Pay and Awards - Violence at Work - Work / Life Balance - Office Accommodation ▪ Maintain Investors in People Standard and Status ▪ Percentage staff satisfied with Council as an employer ▪ Voluntary leavers as a percentage of staff in post [BVPI13] ▪ Percentage staff turnover ▪ Number of working days lost to sickness absence per employee[BVPI12] ▪ Evidence of staff contributing ideas to help drive forward council priorities |

This objective is reflected in Kingston’s HR strategy where the vision are to be **an employer of choice** and the overarching aims to lead as agents of cultural change and custodians of corporate health.

Customs and Norms

The common theme of the Councils was their preference for development of the Team based approach to planning and program implementation. This theme is outlined with the following simple graphic.



This aims to show that everyone has a role to play, and that the process is 2-way whereby staff through team meetings, discussions with managers and appraisals can contribute their experience / insight to what they are trying to achieve together.

An overriding theme / norm is the challenge for customer service excellence is reflected by Telford’s Head of Personnel and Development comment that:

“Customers will judge the whole Council by a single experience, therefore we need to get it right every time!”

8.0 United Kingdom experience**continued**Organisational Structure (continued)

An Organisational Development (OD) Strategy aims to bring together the various strands of culture, management development and performance management. Telford identified an OD strategy was needed to be able to respond to the numerous internal and external pressures. These pressures included heightened community expectations, governmental pressure for improvement, internal improvements in capacity, performance and management development, employees' concerns, and to realise new technology opportunities. Similar OD or people strategies have been implemented at Surrey (People First) and Hertfordshire (People Strategy).

The strategy was developed following an organisational wide survey to identify key issues requiring policy development or change and new programs to be implemented. In 2001-02, Telford allocated the sum of £100,000 p.a. for 3 years to implement this strategy. The features of the OD strategy included:

- Leadership from the TOP! The project was led by the Organisational Development Leadership Group (ODLG) consisting of the CEO, Corporate Directors, Personnel Manager and Head of Personnel and Development
- Of the six major strategic building blocks (sub projects), five focussed on staff related issues of Cultural Development and Communications, Management Development, Equalities, Workforce Development and Continuous Improvement. [It's interesting to note the commonality of these building blocks and the Building blocks for Success from the Hertfordshire perspective which are attached in Appendix 11.5. Note that Hertfordshire believe that becoming an Employer of choice is the first step of the journey.]
- Every subproject was led by a senior service manager to give more credibility and wider ownership of the projects and to engender cross department involvement.
- The Project reflected the concerns of employees' survey regarding building organisational values and was reflected with the **overall aim** being:

*“To put in place a strategy that **develops the culture, values and style** of the organisation so that it is able **to give best value in the delivery of services** through a well-motivated and skilled workforce”*

- The development of policy and action plans to target those areas of concern, (which appear common to the Victorian experience) including;
 - To investigate the **work-life balance** of employees with a commitment to pursue the Investors in People standard across the Council;
 - To pursue a new **management development** strategy based on a clearer articulation of the competencies required of an effective manager;
 - To strengthen the Council stance on **dignity at work** focusing on tackling bullying and poor management behaviours in the workplace.

8.0 United Kingdom experience continued

Organisational Structure (continued)

- Communication [involved a major one-day workshop attended by 250 employees across the organisation, to define present and desired organisational culture and to plan a series of actions to achieve it]. The internal communications strategy was to be revamped by embracing improved ICT.

Telford has implemented a Culture Team (a cross section of staff) with direct access to the CEO to provide direct feedback on the feelings of people working in the organisation. The annual survey also covers areas of organisational culture.

The ODLG identified the two critical success factors [CSFs] for implementation plans arising from the staff surveys, as:

- That Council must be prepared to face issues raised in an open and honest way, i.e. don't identify the issues from the surveys unless positive action is to be taken; and
- That when actions are to be taken to address issues, all managers need to be involved in the change process. This position developed after the senior management allocated the primary responsibility for leading the previous OD strategy to the head of personnel in lieu of them personally taking responsibility for addressing the issues.

Worrall, Cragg, 2001.

Kingston and Surrey have carried out similar work to Telford. The issues identified to be addressed strategically across the organisation included:

- ❖ Introduction of a modernised pay and rewards strategy;
- ❖ Implementation of a work-life balance strategy;
- ❖ Improvement of internal communications/development of "employee voice";
- ❖ Maintain corporate IiP accreditation;
- ❖ Provide a healthy and safe work environment;
- ❖ Equal Opportunities;
- ❖ Develop electronic human resource management systems; and
- ❖ To Operate within a tight budget.

Royal Borough of Kingston 2003.

The Managing People Handbook Learning from CPA: Briefing 3 identified 6 factors critical to successful people management following an analysis of corporate assessment reports. These must be incorporated into any substantive organisational strategy and / or action planning within a team environment.

| | | | |
|---|------------------------------|---|----------------------|
| # | Empowering leadership | # | Capacity building |
| # | People management strategies | # | Workforce diversity |
| # | Recruitment and selection | # | Managing performance |

8.0 United Kingdom experience**continued**Training

Staff Training and Management Development has a very high priority across the authorities, with various programs developed to achieve competent staff. Learning initiatives generally include staff surveys, introduction and evaluation of management development programs, annual residential executive or strategy team away days, quarterly management network meetings at senior level and learning from outside speakers from the private and public sectors.

Surrey has a very innovative management development program called IMPACT. This comprehensive management development program included 260 Service Managers in IMPACT 1 and 600 Middle Managers in IMPACT 2. IMPACT 3 involves extending its High Performing Team (HPT) development programs to every one of the 400 teams in the Council. Three (3) million pound has been committed to the rollout of IMPACT 3. Other initiatives at Surrey include a (proposed) market place event where services will share contributions widely.

Another significant program adopted is the Investors in People (IiP). It is an accredited training program that can lead to cultural change by improving internal communications. Only six Councils in London have achieved accreditation to date.

This program is stated to:

- Look after staff, and to formalise the training ethic (to cover Professional Training)
- To give regular staff appraisal – annually and ½ year updates where targets are reviewed and professional development needs assessed.

Performance evaluations

Performance is generally measured in terms of compliance with the Best Value Performance Plan [BVPP] and monitored by the Audit commission. A particular CPA requirement for Councils is to understand workforce trends and to strategically plan to meet future organisational needs. These issues arise due to concerns with difficulties in attraction and retention of staff, OHS and EEO.

In order to comply with BVPP indicators the local authorities have developed their HR internal resources with comprehensive IT personnel systems to capture many details about their workforce. This ensures reports are generated for the Council and Audit Commission in order to monitor activity levels related to the following themes:

- a) **Well being**, i.e. long term sickness, sickness and health and safety
- b) **Workforce analysis**, this includes workforce turnover, staff numbers, age profiles, training takeup, gender, minority groups and % casual staff numbers.
- c) **Equalities**, i.e. gender / minority communities by salary, corporate training, disabilities and recruitment
- d) **Performance Management** i.e. discipline, dignity at work, capability interventions.

Telford and Wrekin 2003.

8.0 United Kingdom experience continued

Performance evaluations (continued)

Performance Management and Team Planning are recognised and promoted as the mechanism to strengthen the links between the strategic aims, the team plans and individuals aims and objectives. In particular the Audit Commission assesses systems and processes to determine whether the linkages are strong and that the performance management system is managed. The various types of PIs and the different aspects to reflect performance are shown in the slides of Appendix 11.4.

Performance Management considerations are generally well understood. The standout issue regularly commented upon by the CPA is the need for clear and regular arrangements for staff appraisal.

An innovative approach for action planning and performance monitoring was found at Surrey where the Management Plan for each Service is based on a Balanced Scorecard approach using a Performance wheel. This approach is part of their Enterprise Resource Planning [ERP] system that was not encountered in any other visit. This system was highly developed and supported with handbooks and guides and reported on regularly.

The Components of the scorecard are:

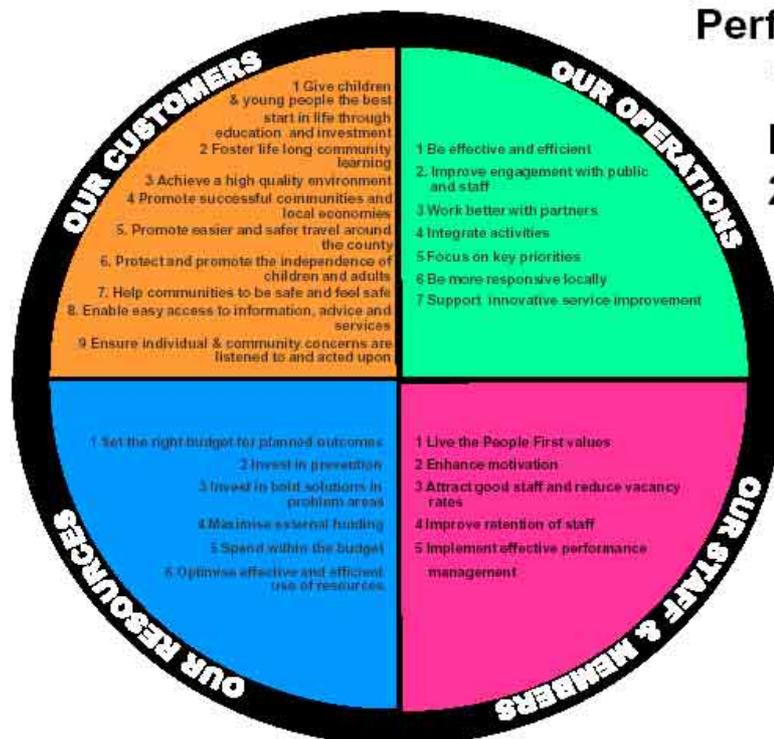
Our Customers - Our Operations - Our Resources - Our Staff and Members

Each service has the capacity to determine their key priorities within the guidelines of the corporate plan, with specific performance indicators and their linkages to the vision shown in supporting tables to the wheel.

Surrey County Council, 2003

**Surrey
County
Council**

**Performance
Wheel
Priorities
2003-2004**



Version 1:20/2/03



8.0 United Kingdom experience continued

Reward System and Ceremonies

A Pay and Rewards Strategy is the instrument to achieve reward and recognition. It is also a means of opposing the difficulties currently experienced with staff retention and recruitment to local authorities. A modern Pay and Reward Strategy can assess the relative worth of jobs and has the flexibility to recognise individual contribution and market factors. This approach may also include a Work / Life Balance Strategy with flexible working practices that may reward staff by acknowledging their individual and family needs.

At Kingston when the Council were successful in receiving an excellent CPA rating, the CEO made a dramatic offer. He asked the staff how they wanted to celebrate this achievement. Their response was to have a day off. This was approved and advanced to the staff to manage their reward within their normal operating arrangements. The cost was effectively nil, as it was similar to a RDO and the staff were rewarded with what they believed an appropriate recognition for their efforts. Flexible working is further promoted with an annual award for “family friendly” manager of the year.

The Employers' Organisation [EO] report on Improvement and Capacity Development - Increasing Productivity and Improving Performance Management, proposes that the introduction of a successful performance culture into an organisation be based on the following total reward components.

| | |
|---|--|
| <p style="text-align: center;">Individual Growth Investment in people Development and training Performance management Career enhancement</p> | <p style="text-align: center;">Compelling Future Vision and values Company growth and success Company image and reputation Stakeholdership Win-win over time</p> |
| <p style="text-align: center;">Total Pay Base pay Variable pay (cash and stock) Benefits or indirect pay Recognition and celebration</p> | <p style="text-align: center;">Positive Workplace People focus Leadership Colleagues Work itself Involvement Trust and commitment Open communications</p> |

EO, 2002a.

8.0 United Kingdom experience**continued**Communications

Communication is the most important conduit of information between the people and the Council. If this aspect is done well, there are valuable benefits both for the community and for motivation of staff. This **Employee Voice - Communication and Involvement** concept also seeks to include staff as a player in the internal communications framework of the organisation.

Examples of the employee voice are set out in appendix 11.4 but also include:

- Regular Staff Surveying including Actions Plans;
- Development and maintenance of programs for Senior and Middle Managers networking and briefing;
- Ensuring appraisal arrangements are maintained.

The Kingston program “Employee Involvement Scheme” (EIS) particularly seeks to,

- Give staff access to senior managers, with a regular forum for meetings between employee representatives known as the Director’s Consultative Group (DCG), which operates in each directorate at least 6 times per annum.
- The DCG, conference which brings DCG from all directorates together to share ideas and information.
- Managers also have the opportunity to discuss issues via the Senior Managers Group (SMG) and quarterly managers’ conferences.

Appendix 11.6 provides numerous innovative proposals for developing 2-way communication between staff and management.

The other significant communications theme is the branding of strategies and action plans to include the community and staff in council programs. Examples of the themed communications brand are the Better Letter Program, Gold Zones (in street sweeping), and Clean Sweep improvement plan.

Telford as part of their communication strategy require that directional change be constantly re-communicated through various mechanisms to ensure the optimum level of staff understanding. They have also adopted an open door management style as part of their communication policy and reinforced through the management competencies, employee survey questions and analysis.

Communicating information is another important aspect to consider. From handouts, induction kits and newsletters to brochures and PowerPoint presentations, all communications media are produced in a quality format to engage the reader or user. This quality aspect encompasses the paper type / quality, printing, bright and engaging art / graphics etc, all packaged to market the Council brand.

9.0 CONCLUSIONS

The UK highly regulated working environment with processes imposed by Central Government through the Audit Commission and the Comprehensive Performance Assessment [CPA] should never be translated to the Victorian LG arena.

This regulatory arrangement has introduced many levels of monitoring, inspection and assessment that considered in the UK context with hundreds of local authorities and functional authorities, is hugely confusing to the average citizen. It is also highly resource intensive to collect information to respond to all the BVPIs.

Within this highly structured environment there are numerous initiatives worthy of consideration and translation to Victorian LG. In particular, cultural considerations in the workplace have gained integrity and resulted in many valuable opportunities for staff and management within organisational development strategies which encompass the key themes of training, work life balance, OHS, equalities, pay and rewards. These themes, under the banner of ORGANISATIONAL DEVELOPMENT or PEOPLE STRATEGIES will become the norm and become a corporate planning consideration.

People Strategies

People Strategies are closely aligned to organisational objectives, as their function is to ensure that the right people are achieving the right things at the right time. People strategies are an extension to Councils Corporate Planning process and represent a statement of how the Council will achieve their objectives through their people (as compared to what the objectives are and when they will be achieved). This concept must be developed for staff to be recognised for their role corporately and to ensure the organisations' Human Resources are supported, developed and trained in a consistent and coordinated manner.

People strategies are representative of the Values of the organisation and would commonly address staff recruitment and retention, workforce diversity, flexibility as an employer, methods of rewarding contribution, new communications technologies and development / leadership capabilities.

Formal Reward and Recognition programs that generate benefits for both staff and the organisations should be considered as an initiative to generate ideas / innovation and for genuine acknowledgement of good performance. The pay or reward however should be a tangible benefit that the employee believes to be Real recognition of their idea, suggestion or initiative. Sometimes a certificate and thanks may be OK but there also needs to be appropriate reward for an initiative with the scope to save the authority dollars. Eg DIBBS at San Diego County

Training and staff development must become more relevant. Training systems need to be accredited with specified levels of certification attached to positions and mandated certificate levels being required to secure employment. Training needs to be maintained annually, and upskilled to meet selection criteria for higher positions. Perhaps the best way to achieve this is for LG to enter into partnerships with academic organisations, but only on the basis that the course content has definitive relevance to the LG working environment.

9.0 CONCLUSIONS**continued**People Strategies

Another significant staff development issue is to focus on management and staff competencies in addition to the work skills / certification levels. This concept requires further development particularly as teaming, and training in teams with practical outcomes, would challenge accepted format that focuses on personal or individual outputs. Team Planning and Development will become the foundation for Performance Evaluations and needs to be promoted with appropriate training programs

Diversity will emerge as a significant issue for Local Government and will be generated from equalities becoming more entrenched in a multi cultural environment. Specifically, there will be a thrust for the workforce to reflect the community i.e. that minorities within the community are reflected in the organisations workforce. This will similarly apply to gender, disabilities and hierarchical mix. This emergence will increase the relevance of Workforce Planning as a HR function and an important management responsibility.

An obvious outcome of implementing a People Strategy and Workforce Planning is the need to for a human resource information management system. This system will need to be comprehensive and capable of recording personal details, absences, recruitment, training and equality information and able to generate numerous information reports which can report activity levels and trends in the various workforce planning categories.

Corporate Planning

A key theme developing in the USA and the subject of a number of the keynote Congress addresses is Value Management. This concept of Managing by Values or Walking the talk / a day in their shoes is gaining momentum.

This approach is contrary to the [apparent] Management by Objectives [systems approach] or traditional Management Philosophy. I believe there needs to be a balance with management encompassing multiple philosophies to meet community expectations. This approach is characterised by the Balanced scorecard approach in Surrey where the 4 key aspects to Corporate Planning, performance and implementation are Our Customers, Our Operations, Our Resources and Our Staff and Members.

This trend in Corporate Planning and reporting represents a shift in the authorities' culture. The traditional [process based workplace] culture is characterised by quality, safety and business excellence systems involving significant technical PI monitoring and reporting. The new and emerging [people based]. Culture necessitates building the human side of the organisation through highly detailed HR strategies in conjunction with the functional activities.

Doing more with less is the modern day catch cry of local government. The competition between financial constraints, political priorities, constituent surveying and organisational strategic planning for the available funds at Budget is a juggling act that leaves most people partly satisfied. A radical change to this approach, implemented at Surrey was through their program '*making things happen*' where they refocused their priorities to the issues rated most significantly in their community survey. This change was supported in budget and resourcing and returned an Excellent rating in the CPA and community.

9.0 CONCLUSIONS**continued**Performance evaluation

Benchmarking programs, auditing, PI identification and monitoring are deeply entrenched in the UK. Too deeply. What is needed is the determination of what represents the Key PIs in the Industry and for the MAV, LGPro and IPWEA to put in place a benchmarking partners program which is time wise, yet outlines the parameters for calculating the PI and generates discussion about improvement.

The previous arrangements involving both industry and private organisations wasted time and lost the interest of the Councils that participated. The UK experience would be a valuable starting point for such a program and could be initiated through secondment of an Audit Commission inspector experienced in their PI program.

Communications

Communications is an area where we can learn from the UK experience in regard to engaging the community, and from the US experience regarding managing spectacles. The colour and vibrancy of [usually boring] Corporate Plans and Internal Strategy documents is striking and they draw your attention to read further. They also use language very effectively; again, to engage the community and emit a feeling of inclusiveness with the community, i.e. we're in this for you. This approach is continued with a consistent and very effective marketing of services and branding of the Councils. Again, exposure and visibility in the community is a means to get the message across and involve the community.

Communication within the organisation can be improved by adopting some of the inclusive approaches outlined. It seems that many Victorian Authorities are very good at external consultation but very poor in using the similar principles to talk to staff. I would suggest that the CEO / executive management consider focus groups of staff to get ideas, or to "run with the bulls". Also be regularly available to staff to discuss council policy decisions or give staff advance notice of critical issues so that they are prepared for the community feedback. Electronic Communications need to be used more for communication of information about Council regarding topical subjects or as a reference to the Intranet as a source of information. Management meeting minutes should be circulated for all to review. Why not?

10.0 RECOMMENDATIONS

- 10.1 That the Managing by Values Management Philosophy be embraced as a component of the corporate planning process and be characterised by the Balanced Scorecard approach with the key aspects including Our Staff.
- 10.2 That PEOPLE STRATEGIES become an extension of the Corporate Planning process, to represent how the Council will achieve their objectives through their people ie the VALUES of the organisation. The key themes will be training, work life balance, OHS, equalities, staff recruitment and retention, workforce diversity, development of leadership capabilities, communications technologies and pay & rewards.
- 10.3 That Formal Reward and Recognition programs that generate benefits for both staff and the organisations should be considered as an initiative to generate ideas and for genuine acknowledgement of good performance.
- 10.4 That training and staff development become elevated in relevance. Training needs to be accredited with specified levels of certification attached to positions and mandatory ongoing annual requirements for maintenance of training certification.
- 10.5 That team planning and development become the foundation for Performance Management and Evaluation and that team approach is promoted with appropriate training programs.
- 10.6 That diversity be acknowledged as a significant issue for Local Government, generated from equalities becoming more entrenched in a multi-cultural environment. Authorities will need to adjust their policies to reflect the community in their workforce diversity.
- 10.7 That workforce planning will require recognition as a relevant HR function of comparable importance to OHS, Accident Compensation, Training and EEO.
- 10.8 That a Human Resource management information system that meets the needs of data collection and reporting will need to be developed and introduced.
- 10.9 That authorities consider refocusing their priorities to the issues rated most significantly in their community survey and supporting these in budget and resourcing.
- 10.10 That the MAV, LGPro or IPWEA initiate a Benchmarking partners program that is focussed on establishing a standard process for PI within the industry. A starting point could be via a secondment of an Audit Commission / EO officer experienced in their BVPP program.
- 10.11 That LG CEOs and Managers consider alternative means of communication to engage on a more inclusive basis with staff eg focus groups, or to “run with the bulls”, advance notice of change, and that there be regular opportunities to discuss council policy decisions.

APPENDIX 11.1 PERFORMANCE MANAGEMENT COMPETENCIES

City of Indianapolis / Marion County

Core Competencies have been defined for all staff including Management. These are:

- 1. **Customer Service Orientation** [ALL]
- 2. **Teamwork and cooperation** [ALL]
- 3. **Leadership by Example** [ALL]
- 4. **Personal Accountability** [ALL]
- 5. **Performance Management** [Management only]
- 6. **Developing Organisational Talent** [Management only]

City of Indianapolis Human Resources, 2003

There are also 13 discretionary competencies that focus on specific job aspects available to the Supervisor for employees’ reviews and 19 for Management reviews. A minimum of 5 discretionary competencies must be selected for employees and 4 for Management. Additionally, the performance plans include a section for Specific [task based] objectives. The discretionary competencies are:

| | Non-Management | Management |
|-----|-------------------------|--------------------------------|
| 1. | Achievement Orientation | ✓ |
| 2. | Analytical Thinking | ✓ |
| 3. | Conceptual thinking | ✓ |
| 4. | Flexibility | Flexibility to change |
| 5. | Impact and Influence | ✓ |
| 6. | Problem Solving | ✓ |
| 7. | Initiative | ✓ |
| 8. | Integrity | ✓ |
| 9. | Relationship Building | ✓ |
| 10. | Concern for Order | ✓ |
| 11. | Self Control | ✓ |
| 12. | Technical Expertise | ✓ |
| 13. | Communication Skills | ✓ |
| 14. | | Financial Management |
| 15. | | Process Improvement |
| 16. | | Staffing and Selection |
| 17. | | Recognising Performance |
| 18. | | Product and Project Management |
| 19. | | Team Building |

APPENDIX 11.2 Twenty first Century Organisations VS Twentieth Century

Kotter (Business Harvard School Press) compared 20th Century Organisational Practices is compared to the 21st Century, and evaluated it in terms of:

| | | | | |
|------------------|---|----------------|---|----------------|
| STRUCTURE | + | SYSTEMS | + | CULTURE |
|------------------|---|----------------|---|----------------|

STRUCTURE

The organisational structure will become flatter with less management levels and become more team based with supervisors being part of the team rather than being external directing the team. The teams will be empowered to manage their **outcomes** in the knowledge of the established mission and vision of the organisation.

| | |
|---|---|
| From: | To: |
| Bureaucratic | Non Bureaucratic – fewer Rules and Employees |
| Multi-Level | Few Levels |
| Organised with expectation that Senior Management will manage | Organised with the expectation the Management will lead and lower level employees will manage |
| Characterised by policies and procedures that: | |
| Create many complicated internal interdependencies | Produce minimal internal independence to serve customers |

SYSTEMS

The systems will change from exclusive arrangements to being **inclusive**, where many staff will have access to information and be required to take action and make decisions based on their knowledge, skills and experience which should be driven or based on the organisation’s values.

| | |
|---|---|
| Depend on: | |
| <ul style="list-style-type: none"> ▪ Few Performance Information Systems | <ul style="list-style-type: none"> ▪ Many Performance Information Systems especially providing data on customers |
| Distribute Performance Data : | |
| <ul style="list-style-type: none"> ▪ To executives only | <ul style="list-style-type: none"> ▪ Widely |
| Officer Management Training and Support Systems to: | |
| <ul style="list-style-type: none"> ▪ Senior people only | <ul style="list-style-type: none"> ▪ Many people |

CULTURE

The Culture represents the organisational values, and hence it needs to reflect the organisational systems and structure whilst also acting as the glue to bind all the functions together. It also provides the power to act and the resolve to follow through on the tasks, works and planning.

| | |
|--|---|
| FROM | TO |
| <ul style="list-style-type: none"> ▪ Inwardly Focused | <ul style="list-style-type: none"> ▪ External Orientation |
| <ul style="list-style-type: none"> ▪ Centralised | <ul style="list-style-type: none"> ▪ Empowering |
| <ul style="list-style-type: none"> ▪ Slow to Make Decisions | <ul style="list-style-type: none"> ▪ Quick to make Decisions |
| <ul style="list-style-type: none"> ▪ Political | <ul style="list-style-type: none"> ▪ Open and Candid |

APPENDIX 11.3: AUDIT COMMISSION

Comprehensive Performance Assessment (CPA)

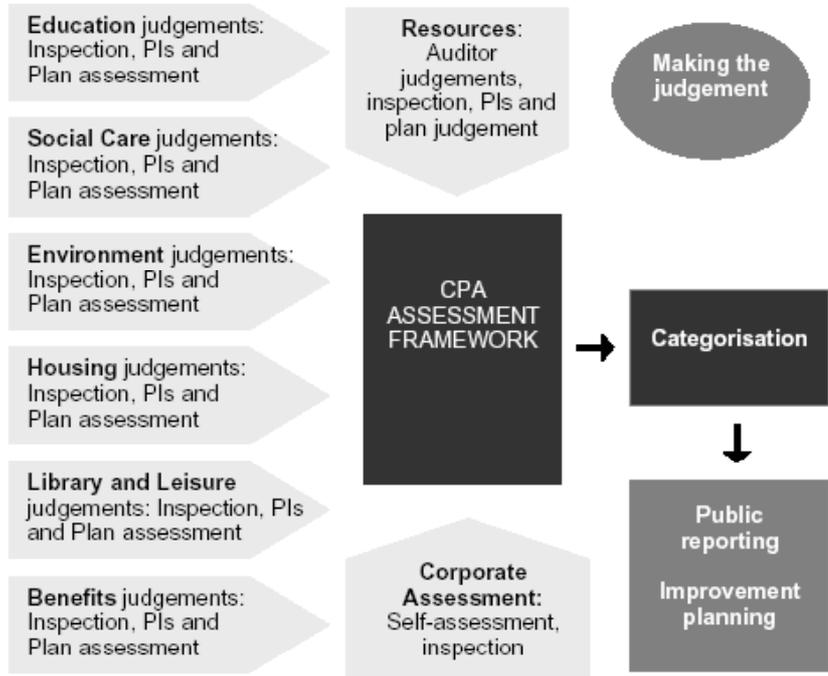
CPA is a key part of the Government’s performance framework for local government. It will support improvement planning in local authorities and is intended to lead to co-ordinated and proportionate audit and inspection and increased freedoms and flexibilities for local government.

The Audit Commission’s lead the CPA and work with central government department, the Local Government Association, the Improvement and Development Agency and other inspectorates. They have formed a judgement on the performance and proven corporate capacity of every single tier and county council in England.

The CPA Framework

The CPA framework brings together judgements about:

- ◆ service performance in
 - education,
 - social services,
 - housing,
 - environment,
 - libraries and leisure
 - benefits;
- ◆ use of resources, including an audit judgement; and
- ◆ the council’s ability measured through a corporate assessment.



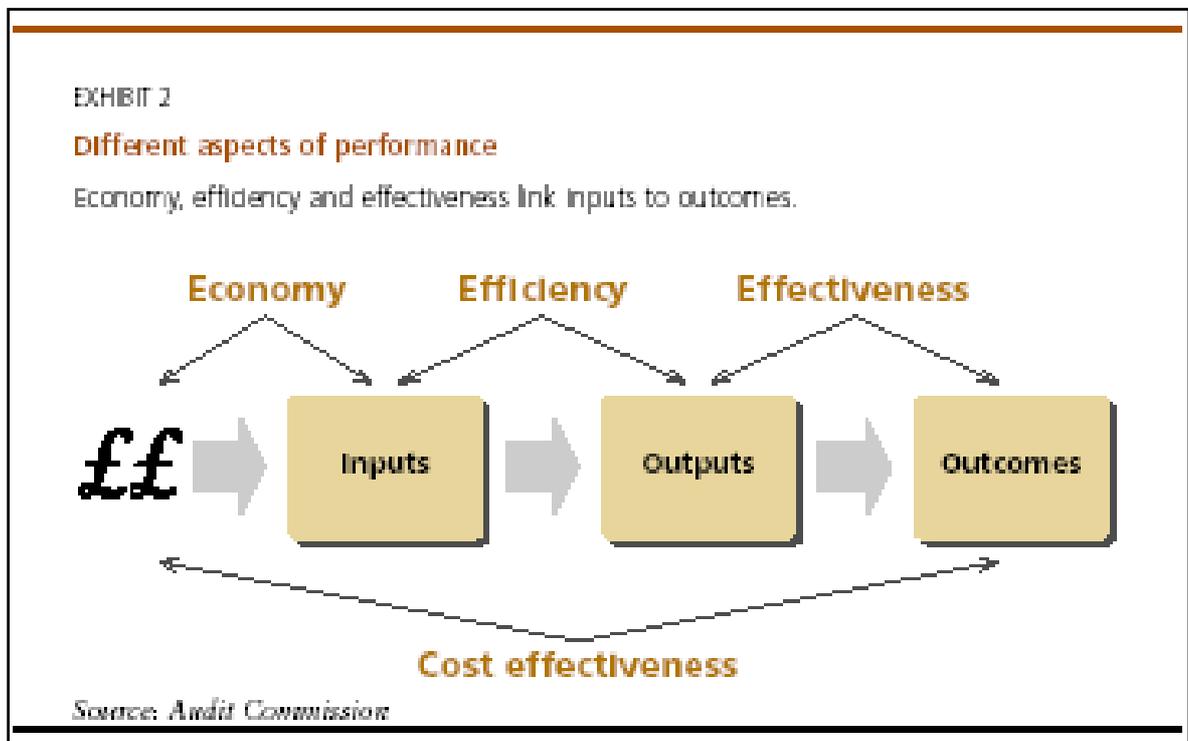
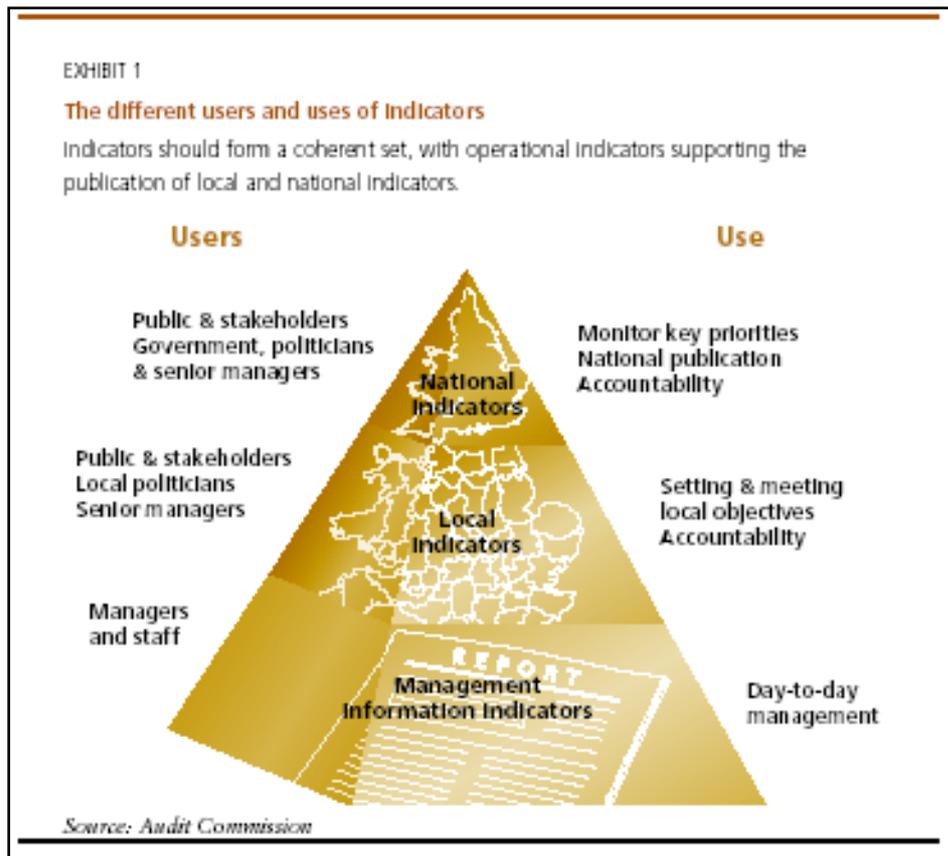
Corporate Assessment

Corporate Assessment is made up of two elements - self-assessment by the council and an inspection. It seeks to answer four fundamental questions.

- What is the council trying to achieve?
- How has the council set about delivering its priorities for improvement?
- What has the council achieved / not achieved to date?
- In the light of what the council has learnt to date, what does it plan to do next?

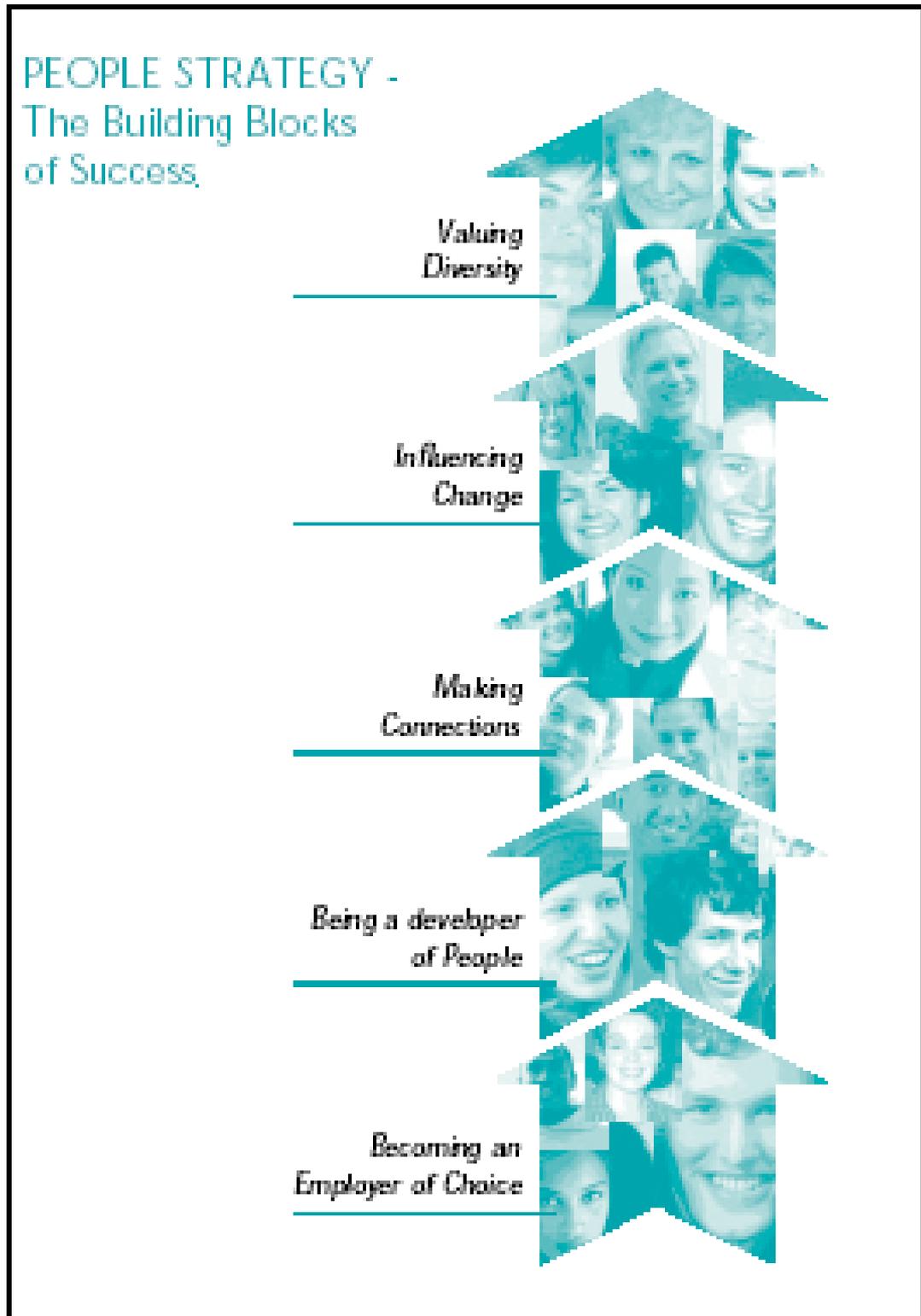
Each of the individual service judgements, the use of resources judgement and each of the themes scored within the corporate assessment are awarded a score of 1 to 4, with 1 being the lowest and 4 being the highest. These are combined through the CPA assessment framework to reach an overall category for the authority – excellent, good, fair, weak or poor.

APPENDIX 11.4: PERFORMANCE INDICATORS



Audit Commission 2000

APPENDIX 11.5 THE BUILDING BLOCKS OF PEOPLE STRATEGIES



APPENDIX 11.6: IDEAS TO ENHANCE COMMUNICATION**Barnet**

- ❖ 'Core briefs' of information are cascaded down through the hierarchy through the 'Top 200' managers who hold regular staff meetings to discuss developments and report on successes receive Presentations of good practice.

Bracknell Forest

- ❖ Focus groups for staff with the CEO are held once a month.
- ❖ 15 to 20 people are drawn vertically from across the organisation.
- ❖ There is a dedicated e-mail box address for staff comments on policy development.

East Riding of Yorkshire

- ❖ Each director randomly selects a dozen members of staff (diagonal slice) and meets on a regular basis to listen to their views about organisational issues.
- ❖ Weekly team meetings, notes of meetings, etc. are disseminated via the Internet.
- ❖ Staff panel (membership around 260 staff) which is used to consult staff on policy issues. The CEO meets with a selection of panel members on a regular basis.

Essex

- ❖ 'Team Exchange' - an intranet system containing key messages and issues for the whole authority - is used as the main way of informing and involving staff.

Lewisham

- ❖ Open days with directors, Bi-monthly core briefings and learning lunches. There are also directorate management forums to look at particular issues and improvement.
- ❖ The implementation of e-government introduced the Front Line Academy. The Academy was created to enable staff working in front-line services to share best practice and feel empowered to resolve customers' enquiries and complaints.

Stockton-on-Tees

- ❖ Intranet - There is a 'message of the day'. Lateral communication is encouraged by departments organising 'drop in' events and staff seminars.

Telford and Wrekin

- ❖ Weekly team briefings, with a core brief session, are used as the key tool for communicating corporate messages.
- ❖ When news stories concerning the authority are about to break in the press staff are informed in advance and alerted on how to deal with any press queries.

Warwickshire

- ❖ A new initiative called FIT - Focus, Innovative and Tuned In. This provides guidelines to best management practice to get high-level managers more involved with their staff and the day to day work that they deal with.

Suffolk

- ❖ Gaining Opportunities in Learning and Development (G.O.L.D) Programme is a range of opportunities linked to competencies eg generic, core, and management.

12.0 GLOSSARY

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| APWA | AMERICAN PUBLIC WORKS ASSOCIATION |
| BVPP | BEST VALUE PERFORMANCE PLAN |
| CEO | CHIEF EXECUTIVE OFFICER |
| CSFs | CRITICAL SUCCESS FACTORS |
| CMMS | COMPUTERISED MAINTENANCE MANAGEMENT SYSTEM |
| CPA | COMPREHENSIVE PERFORMANCE ASSESSMENT |
| DCG | DIRECTORS CONSULTATIVE GROUP |
| DIBBS | DO IT BETTER BY SUGGESTION |
| EIS | EMPLOYEE INVOLVEMENT SCHEME |
| EO | EMPLOYERS ORGANISATION |
| EEO | EQUAL EMPLOYMENT OPPORTUNITIES |
| ERP | ENTERPRISE RESOURCE PLANNING |
| LG | LOCAL GOVERNMENT |
| LGA | LOCAL GOVERNMENT AUTHORITY |
| HR | HUMAN RESOURCES |
| ICT | INFORMATION & COMMUNICATIONS TECHNOLOGY |
| IdeA | IMPROVEMENT AND DEVELOPMENT AGENCY |
| IiP | INVESTORS IN PEOPLE |
| IRWD | IRVINE RANCH WATER DISTRICT |
| KCI | KEY CULTURAL INDICATOR |
| MEFVIC | MUNICIPAL ENGINEERING FOUNDATION VICTORIA |
| OD | ORGANISATIONAL DEVELOPMENT |
| OCSD | ORANGE COUNTY SANITATION DISTRICT |
| OHS | OCCUPATIONAL HEALTH AND SAFETY |
| ODLG | ORGANIZATIONAL DEVELOPMENT LEADERS GROUP |
| PI | PERFORMANCE INDICATOR |
| SMG | SENIOR MANAGERS GROUP |
| UK | UNITED KINGDOM |
| USA | UNITED STATES OF AMERICA |

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