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ORGANISATIONAL DEVELOPMENT HR STRATEGY LEADING EDGE-LEADING PEOPLE

Responsible Cabinet Member - Councillor Stephen Harker, Resource Management Portfolio

Responsible Director - Paul Wildsmith, Director of Corporate Services

Purpose of Report

1. The purpose of this paper is to present the draft HR Strategy, which is an integral strand of the new Organisational Development Strategy, Leading Edge. Cabinet is asked to agree the draft for implementation and roll out.

Information and Analysis

- 2. The Council's corporate strategy sets out what it is seeking to deliver for the people of Darlington in clear and measurable aims and objectives. The Organisational Development Strategy, (ODS) Leading Edge is a planned and coordinated programme of development to ensure that the organisation has the capacity, capability and systems to deliver its vision. The ODS has five stands which are, Business Transformation, HR, including Internal Communication, ICT, Community Engagement and External Communication. The essence of Leading Edge is to;
 - (a) Put people first
 - (b) Give value for money
 - (c) Lead the field
- 3. The document attached presents the draft HR strand of the new ODS, **Appendix 1**, which builds on the success of Striving for Excellence seeking to underpin Council's corporate goals by acknowledging that to be a modern, efficient, **Leading Edge** organisation requires a highly skilled well –motivated and flexible workforce. The Council recognises that the workforce are an important resource in delivering services to meet its stated goals. In delivering this strategy the Council must therefore be capable of recruiting and retaining such a workforce and to achieve this must be an employer of choice –a Leading Edge employer.
- 4. The strategy emphasises as an organisation the Council is highly committed to enabling and supporting employees to deal with the challenges and changes faced, to make best use of employee capabilities and skills and to realise potential to the benefit of the organisation and themselves. This involves being clear about how people should behave, the way they work and how they should be managed and developed in order to support the organisations vision, values and objectives. The Council's aim is therefore to clearly promote the vision, ensuring that all employees are engaged with it and know the role they play in turning the vision into a reality.

- 5. Consultation in respect of developing the strategy has been undertaken with a wide cross section of the workforce including managers at all levels, trades unions and elected members via a range of focus groups and road shows. More recently further consultation has taken place with the Corporate Managers Network group following which some amendments have been made to embrace further feedback.
- 6. The draft HR strategy has six strategic objectives which have been designed to support delivery of the wider ODS and these are as follows;

(a) Supporting Business Transformation and Change

Enabling and supporting the workforce to embrace change positively, to work in flexible ways and give their best to improve service delivery in a modern efficient organisation by striving towards an empowering learning culture, which is reflected in our values and HR practices.

(b) Leadership and Capacity Building

(c) To develop, nurture and retain leaders and managers for the future that can empower, inspire and motivate the workforce, are fit for purpose and able to deliver the highest quality value for money services.

(d) Workforce planning, development and diversity

Ensuring we have the size and shape of workforce needed for the future reflecting the diverse community we serve with the skills needed for the future through effective workforce planning and by supporting and encouraging continuous learning and development.

(e) Employee Communication and engagement

To ensure we have effective mechanisms in place to engage our workforce and further enhance two- way communication processes with employees and their representatives.

(f) Safe and Healthy Workforce

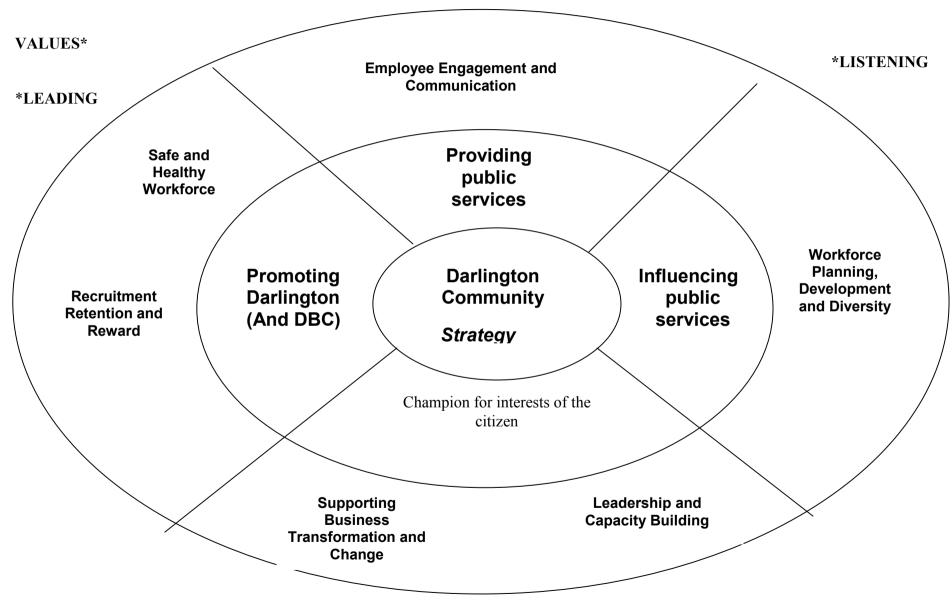
To promote safe and healthy working practices and lifestyle choices in the interests of the organisation, our employees and the community we serve.

(g) Recruitment, retention and reward

To recruit and retain a highly skilled diverse workforce supporting them to deal with the challenges we face.

7. The six strategic HR objectives support the relevant segments of the Egg diagram as shown on the next page. In reality there is considerable cross over as each of the strategic HR objectives are interlinked and therefore can and should support all areas of the Egg. Whilst all areas of the HR Strategy are important to the effective delivery of Leading Edge the following are considered key priorities; Supporting Business Transformation and Change, Leadership and Capacity Building and Employee Communication and Engagement and Workforce Planning. Continued endorsement of the Council's Investor in People status will be an important milestone with the re- assessment scheduled for September 2007.

LINKING HR STRATEGY TO THE ODS *LEARNING



- 8. For each strategic aim there is a separate action plan with key measures of success including a range of performance indicators. Key measures of success include employee turnover rates, sickness absence rates, no of employment tribunals, overall employee satisfaction and customer satisfaction rates. The employee survey will be reviewed to ensure the questions asked of employees in the survey reflect the key areas of the new strategy and this will continue to be a key evaluation tool in respect of the impact. External inspections reports are also a valuable indicator of success.
- 9. The Council recognises that employees, managers and leaders at all levels need to know what is expected of them, how they are expected to behave and what they can expect of the Council as an employer. In support of the strategy a number of draft core values have been developed. The draft values are set within an ethos of moving further towards a corporate leadership and team culture, "Team Darlington" set within a collaborative learning climate, in which leaders and managers at all levels understand and model good leadership behaviours for others to follow and as a priority to achieve this we are investing in leadership and management development for officers and for elected members. The ethos of "Team Darlington" is that of one council, one team, with shared ownership, accountability and a desire to do our best for the people of Darlington.
- 10. The concept of a **collaborative learning climate** is based on "Stanfields" Map of organisations model shown at **Appendix 2**. This involves moving towards a culture that supports and encourages creativity and innovation, empowering employees and wherever practical and possible enabling decisions to be taken as close to the customer as possible. All aspects of the HR strategy are designed to support this approach.

Values

- 11. In this context the core values of an organisation set the tone for behaviour both towards each other and the Council's customers. They cannot be imposed, rather they must reflect the collective views of the workforce if they are to be fully accepted, owned and embraced. A set of draft values have been developed based on the collective feedback from all groups consulted. It is important that the draft values can be easily understood, are memorable and phrased in such a way to ensure that all employees can embrace them, the proposed draft core values for **team Darlington** are;
 - (a) **Listening** to our communities, to our members, to each other, raising our public profile through effective delivery of services;
 - (b) **Learning-**. Learning from things we do well, and not so well. Continually improving for the future, sharing our learning with others. Learning new skills and applying them effectively.
 - (c) **Leading** Leading and influencing development of the Borough. Leading the field in what we do demonstrating vision, clarity of purpose and priorities, empowering, inspiring, supporting, and valuing people;
- 12. Once approved it is proposed that a roll out programme is undertaken to raise awareness and ownership of the new strategy which will include;

- (a) A Flyer article and communications announcement after Council in July 2007;
- (b) further employee road shows delivered by CMT in mid late July 2007;
- (c) the issue a range of promotional material to include a leaflet for all employees which gives a broad overview of the OD Strategy and core values;
- (d) a re-vamped corporate induction for new employees.

Outcome of Consultation

13. Consultation has taken place via a series of Road-shows and focus group involving employees and managers at all levels, trades unions and elected members. The report is supported by Corporate management Team and Joint Consultative Committee. Feedback from the consultation has been embraced into the draft strategy.

Legal Implications

14. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers need to be brought to the specific attention of Members, other than those highlighted in the report.

Section 17 of the Crime and Disorder Act 1998

15. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.

Council Policy Framework

16. The issues contained within this report do not represent change to Council policy or the Council's policy framework.

Decision Deadline

17. For the purpose of the 'call-in' procedure this does not represent an urgent matter.

Recommendation

- 18. It is recommended that:-
 - (a) agree the draft HR Strategy;
 - (b) agree the draft core values for the organisation, and
 - (c) agree the proposed priority areas for action for progression;

(d) agree the roll out programme.

Reasons

- 19. The recommendations are supported by the following reasons :-
 - (a) The Council recognises that the workforce are an important resource in delivering services to meet its stated goals. An HR Strategy is therefore important to ensure that the Council has the workforce capacity to support the organisations vision, values and objectives.
 - (b) The HR strategy is an integral strand of the Councils' Organisational Development Strategy, Leading Edge. The HR strategy is supported by six strategic objectives and actions, which have been specifically designed and are considered those most likely to support and achieve delivery of the wider ODS, Leading Edge.

Paul Wildsmith Director of Corporate Services

Background Papers

No Background papers were used in the preparation of this report.

Carol Wyers: Extension 2239

Draft HR Strategy 2007-2012

Leading Edge- Leading People

Foreword - Ada Burns Chief Executive

Our corporate strategy sets out what we are seeking to deliver for the people of Darlington in clear and measurable aims and objectives. In this document we present the HR strand of the new Organisational Development Strategy, "Leading Edge" which builds on the success of Striving for Excellence seeking to underpin our corporate goals by acknowledging that to be a modern, efficient, **Leading Edge** organisation requires a highly skilled well —motivated and flexible workforce who are central to our success. We must therefore be capable of recruiting and retaining such a workforce and to achieve this we must be an employer of choice —a **Leading Edge employer**.

Our environment

Darlington is the third smallest unitary Council in the country and this presents challenges for us in delivering the same range of services as our bigger counterparts but with a smaller resource base. Much of the essence of this was captured by employees in describing Darlington as "big enough to cope yet small enough to care". However there are also advantages for instance we are quick on our feet to respond to changing needs. We also have some key strengths and these include a very loyal, committed and experienced workforce that is comfortable with change and shares our desire to give the best possible service to the people of Darlington. At the same time public expectations are ever increasing and this is set against the governments agenda for improving the efficiency of all local authorities.

Our drive to be a customer- focused, modern organisation; delivering value for money in all that we do, involves a continuous process of business transformation and change. Our vision for the organisation will encompass the recent Local Government Act focusing on;

- providing public services,
- > championing the interests of the citizen;
- promoting Darlington, and
- influencing public services.

Our own vision combined with other external drivers such as value for money, efficiency, the external assessment regime and the governments change agenda has and will continue to see a period of sustained organisational change and it is acknowledged that this change can only be achieved if it is planned, prioritised and managed effectively using project and programme management techniques with the involvement of a committed and effective workforce.

We are highly committed to enabling and supporting our employees to deal with the challenges and changes we face, to make best use of their capabilities and skills and to realise their potential to the benefit of the organisation and themselves. This involves us being clear about how people should behave, the way they work and how they should be managed and developed in order to support the organisations vision, values

and objectives. Our aim is therefore to clearly promote the vision, ensuring that all employees are engaged with it and know the role they play in turning the vision into a reality

Culture, Vision and Values

We recognise that employees, managers and leaders at all levels need to know what is expected of them, how they are expected to behave and what they can expect of the Council as an employer. We will work towards a **Corporate Leadership and team culture**, " **Team Darlington**", in which leaders and managers at all levels understand and model good leadership behaviours for others to follow and as a priority to achieve this we are investing in **leadership and management development** for officers and for elected members. We will work towards operating in **a collaborative learning climate**, moving towards a culture that supports and encourages creativity and innovation, empowering employees and wherever practical and possible enabling decisions to be taken as close to the customer as possible.

The essence of Leading Edge is to;

- Put people first
- · Give value for money
- Lead the field

We acknowledge to bring about this culture requires **transformational and inspirational leadership** at the highest level and throughout the organisation. We are already recruiting and developing leaders and managers for the future with vision and creativity who can empower, support and motivate the workforce during a period of intensive change, giving clear direction and priorities in an empowering and supportive way. In addition to development of existing leaders and managers we will continue this approach by ensuring that any new leaders and managers appointed understand and are able and willing to embrace our leadership culture.

We will seek to ensure that the workforce is clear about their purpose and priorities for action, is well equipped and committed to deal with change, is flexible in approach, is empowered and supported to get on with their job in a safe and healthy work environment and is in return highly valued. Our approach will be to offer the best all round package of terms and conditions of employment that our resources will allow building on the first phase of Single Status enabling us to be an employer of choice, valuing the contribution employees make to effective service delivery and recognising effort and achievement in both formal and informal ways. We will invest in our employees continuous development needs operating within the **Investors in People framework** adopting a clear and fair policy, which is consistently applied in respect of access to training and development opportunities.

Fully embracing the role of Trades Unions in the workplace we acknowledge the importance of good employment relationships with those that represent our employees in both formal and informal situations. We are committed to maintaining these relationships in a positive and constructive employee-relations climate. In the spirit of this approach we have already adopted Union Learning Representatives as key partners in promoting workforce development activity, entering into a learning

agreement to formalise this approach. Together we will work towards promoting lifelong learning and in doing so raising the basic skills levels of the workforce in areas such as literacy, numeracy and IT for those in lower paid, lower skilled jobs.

Our core values are the principles that underpin how we wish to operate and behave, what we value about the work we do and how we treat each other, they will be reflected in all that we do and embraced within the competency frameworks linked to Performance Development Reviews which are a key enabler to our performance management strategy and also to the Investors in People framework. PDR's make a very clear and direct link between individual employees performance, the performance objectives of the organisation and their ongoing development needs.

Core Values

In developing the HR strategy, including a set of core values for the organisation contributions were taken from leaders and managers at all levels and a wide cross section of the workforce via a series of road shows and focus groups.

Feedback from employees indicated that they valued;

- Making a difference for customers, delivering with other people in a team culture.
- Good leadership and supportive management with clear objectives and priorities.
- Being valued and having ownership and responsibility with opportunities for development.
- Working for an organisation with a good public profile was an important condition that enabled people to perform at their best.

This feedback closely mirrored Corporate Management Team values and the values below were developed to reflect the collective feedback and these will operate within the ethos of "Team Darlington", a one council, one team approach, with shared ownership, accountability and a shared desire to do our best for the people of Darlington. Based on this approach and the collective feedback from all consulted the following values have been developed and are to be adopted by all and reflect our shared desired behaviour towards each other and our customers;

The values of Team Darlington are;

- **Listening** to our communities, to our members, to each other, raising our public profile through effective delivery of services;
- **Learning-**. Learning from things we do well, and not so well. Continually improving for the future, sharing our learning with others. Learning new skills and applying them effectively.
- **Leading** Leading and influencing development of the Borough. Leading the field in what we do demonstrating vision, clarity of purpose and priorities,

Communication

Effective internal communication is recognised as integral to our HR strategy and as such is one of the six priority areas for improvement within the overall corporate communications strategy.

We know that more than 60 per cent of our workforce lives in Darlington. We also recognise that effective internal communications can lead to employees being strong advocates for the Council within their local communities and we will seek to maximise this opportunity through being a good employer that communicates effectively with its people.

Our workforce is a diverse mix of skilled, semi -skilled, professional, clerical and manual workers spread across more than 100 locations in a variety of job roles throughout the Borough. More than half of our workforce does not have access to electronic communications and we will work to improve the communications methods used for this group of employees in particular.

Through the adoption of a more holistic approach to effective two way internal communication we will ensure all employees and their representative groups are kept well informed, that their views are listened to and that they are given the opportunity to be included in the decision making process.

Given such a diverse, widespread workforce, we know that a one-size-fits-all approach to communication will not work. We will adopt an integrated approach to communications ensuring that all employees and their representative groups can be reached and have the opportunity to take part in the communications process. Appropriate communications channels will be chosen to suit the particular audiences and messages.

HR Strategic aims

Our HR Strategy supports the vision of becoming a Leading Edge Council and our aspiration of being a Leading Edge employer.

In supporting delivery of Leading Edge the following six strategic HR objectives have been developed:

Supporting Business Transformation and Change

Enabling and supporting the workforce to embrace change positively, to work in flexible ways and give their best to improve service delivery in a modern efficient organisation

by striving towards an empowering learning culture, which is reflected in our values and HR practices.

Leadership and Capacity Building

To develop, nurture and retain leaders and managers for the future that can empower inspire and motivate the workforce, are fit for purpose and able to deliver the highest quality value for money services.

Workforce planning, development and diversity

Ensuring we have the size and shape of workforce needed for the future reflecting the diverse community we serve with the skills needed for the future through effective workforce planning and by supporting and encouraging continuous learning and development.

Employee Communication and engagement

To ensure we have effective mechanisms in place to engage our workforce and further enhance two- way communication processes with employees and their representatives.

Safe and Healthy Workforce

To promote safe and healthy working practices and lifestyle choices in the interests of the organisation, our employees and the community we serve.

Recruitment, retention and reward

To recruit and retain a highly skilled diverse workforce supporting them to deal with the challenges we face.

Whilst all areas of the HR Strategy are important to delivering Leading Edge the following are considered to be the priorities;

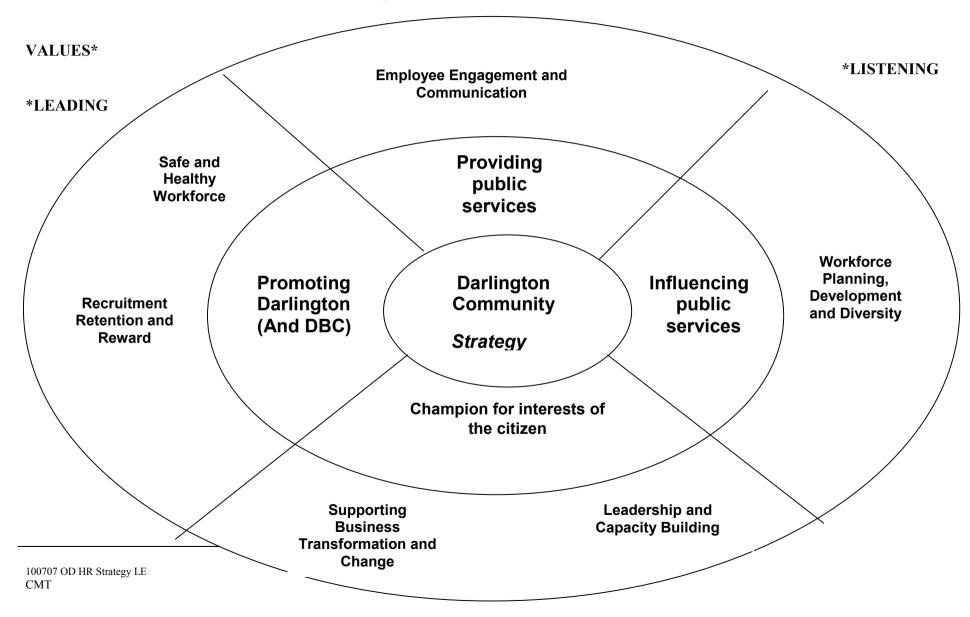
- supporting the business transformation and change agenda;
- developing our leadership culture and leadership capacity building;
- improving employee communication and engagement; and
- Workforce planning, development and diversity

The following diagram, known as the "Darlington Egg", illustrates how the key strategic HR objectives and priority areas of action supports delivery of the wider Leading Edge strategy and how they relate to the relevant areas of the Egg.

Measures of Success

For each strategic aim there is a separate action plan with key measures of success including a range of performance indicators. Key measures of success include employee turnover rates, sickness absence rates, no of employment tribunals, overall employee satisfaction and customer satisfaction rates. The employee survey will be reviewed to ensure the questions asked of employees in the survey reflect the key areas of the new strategy and this will continue to be a key evaluation tool in respect of the impact. External inspections reports are also key measures of success.

LINKING HR STRATEGY TO THE ODS *LEARNING



The main focus of our HR activity to deliver the strategic aims will be:

* denotes priority areas for action

Supporting Business Transformation and Change*

Enabling and supporting the workforce to embrace change positively, to work in flexible ways and give their best to improve service delivery in a modern efficient organisation by striving towards an empowering learning culture, which is reflected in our values and HR practices.

- Promoting a learning culture supporting increased flexibility with employees by adopting flexible approaches and working practices, effective change management practice, including programme and project management. It is also one that values and recognises people for their performance, empowers employees, and develops their skills to maximise their input.
- Ensuring that those affected by change are both supported and engaged at the earliest opportunity to shape the changes.
- Supporting a range of team working initiatives encouraging creativity and innovation.
- Continually reviewing our HR policies and practices, to ensure they are modern, relevant end ethical devolving decisions as close to service delivery as possible.
- Supporting managers to adopt efficient and effective working practices.

Leadership and Capacity Building*

To develop, nurture and retain leaders and managers for the future that can empower inspire and motivate the workforce, are fit for purpose and able to deliver the highest quality value for money services

- Promoting a corporate leadership culture that is transformational, visible and empowering.
- Adopting a planned and systematic programme of leadership and management development for all levels of leaders and managers that is relevant to the organisations needs
- Ensuring managers and leaders delegate responsibility effectively.
- Identifying, nurturing and retaining leadership and management talent.
- Supporting managers to develop people both for and where appropriate beyond their existing role requirements.
- Ensuring planning and people management issues are integral to the role of all managers.
- Sharing good practice internally and externally.
- Influencing leadership development in partner organisations

Recruitment, retention and reward

To recruit and retain a highly skilled diverse workforce supporting them to deal with the challenges we face.

Promoting DBC as an employer of choice by adoption of a total reward approach

- Ensuring there is adequate provision for the recognition of employee performance and achievement
- Ensuring regular reviews of relevant terms and conditions of employment
- Working in partnership with SBC continuing to review and refine the recruitment and selection processes including existing use of e-recruitment to support our service delivery.
- Maintaining and where possible improving safe recruitment practices promoting good practice.

Workforce planning, development and diversity*

Ensuring we have the size and shape of workforce needed for the future reflecting the diverse community we serve with the skills needed for the future through effective workforce planning and by supporting and encouraging continuous learning and development.

- Mainstreaming workforce planning into service planning
- Developing a more refined corporate approach to the identification of training needs
- Further developing and enhancing the systematic process of training needs analysis both departmentally and corporately, utilising skills audits to identify current and future skills gaps
- Maximising efficiency and avoiding duplication of effort in respect of workforce development activity and maximising purchasing power
- Seeking to maintain our liP status*
- Further embed the use and role of Trade union learning reps in the workplace particularly with an emphasis on basic skills.
- Maintaining level 3 and seeking to achieve Level 4 of the Local Government Equality standard.

Employee Communication and engagement*

To ensure we have effective mechanisms in place to engage our workforce and further enhance two- way communication processes with employees and their representatives.

- Communicating effectively with all employees in order to encourage and support a sense of pride, teamwork, creativity, openness and honesty.
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- Ensuring that all employees have the relevant information they require for their job.
- Ensuring that all employees know what is expected from them as employees and what they can expect from DBC as their employer.
- Ensuring that all employees receive accurate, timely, regular and reliable information about the council and issues that are relevant to them.
- Ensuring that all employees have opportunities for two -way communication with their team leaders, managers and senior leaders including CMT, via a range of communication methods including extending use and access to electronic communications.
- Ensuring that all employees are able to contribute information and feedback to team leaders and managers.
- Consulting with employees on the development of internal communications.

 HR and Communications team working closely in developing a holistic approach to internal communications.

Safe and Healthy Workforce

To promote safe and healthy working practices and lifestyle choices in the interests of the organisation, our employees and the community we serve.

- Adopting a proactive approach to the promotion of health and well-being.
- Seeking to minimise stress in the workplace.
- Seeking to develop and enhance existing strategies to enable employees to balance their work and home life.
- Adopting a proactive approach to assisting managers in the management of Sickness Absence
- Providing effective support, training and advice in respect of Health and Safety
- Undertaking audits to monitor the effectiveness of Health and safety practices
- Continuing to effectively manage safety issues.

Transforming strategic aims into practice

For each strategic aim there is a defined and detailed action plan setting out how we plan to deliver the strategic aims with measures of success.

In addition a detailed annual HR service delivery plan encompasses both the strategic aspects of HR and the day to day operational HR requirements to support the organisation.

Appendix 2

