



Reigate & Banstead
BOROUGH COUNCIL
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SIGNED OFF BY	Chief Executive
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TO	Employment Committee
DATE	Tuesday 21 January 2020
EXECUTIVE MEMBER	Portfolio Holder for Corporate Direction and Governance

KEY DECISION REQUIRED	N
WARDS AFFECTED	(All Wards);

SUBJECT	Organisational Development Update
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RECOMMENDATIONS
(i) That the Employment Committee support the progress on the approach to Organisational Development (Great People work).

REASONS FOR RECOMMENDATIONS
The Committee is asked to note the progress on the approach to Organisational Development so it remains aware of the ongoing work to help us shape our culture, develop our leaders and ensure we are the best organisation we can be, with the best people, skilled to deliver our ambitious Corporate Plan priorities.

EXECUTIVE SUMMARY
This report and annex provide the Employment Committee with a reminder of what Organisational Development is and why it is key to help deliver the Council's ambitions as and a reminder of the previously agreed approach that the Council is taking towards Organisational Development in terms of developing its Great People. An update is then provided on progress on our Great People work.

BACKGROUND

1. As part of the Governance review of 2018/19, several recommendations were approved relating to changes relating to the Council's committees, including the Employment Committee.
2. The Council agreed that the Employment Committee should make a positive input to strategic recruitment and cultural development, and that role included:

Oversight and engagement (with relevant Officers) in respect of the development of the Organisational Development Strategy – which includes the talent attraction/development/ retention strategy for staff and the Council's Management Structure.

Establishing a critical friend role in relation to ensuring the Organisational Development Strategy is on track and fit for purpose.

Organisational Development Strategy

3. As previously outline to the Committee, there are a few ways Organisational Development can be defined. One was to define it, is as a systematic approach to **improving organisational effectiveness** – one that aligns strategy, people and processes.
4. OD can enable an organisation to be ready for the future by taking steps which create an environment that allows employees to understand, embody and deliver the organisation's objectives.
5. OD involves both "hard" issues – strategy, policies, structures and systems – and "soft" issues those that develop appropriate skills, behaviours, attitudes, culture and a style of leadership that will enable organisations to deliver optimum performance.
6. The Committee has previously seen, discussed and agreed the approach for OD at the Council (provided again in Annex 1), which has Employee Engagement as the key outcome. Great People = Engaged People. The approach or strategy is represented in a diagram form at this stage on one page. It has the outcome of Engaged People in the centre, with enablers (i.e. what helps make people engaged at work), in the boxes around the centre.
7. The benefits of having employees who are highly engaged have previously been discussed with the Committee. However, as a reminder I have provided this information again. Research shows that organisations with high levels of employee engagement are more efficient and effective and that highly engaged employees:
 - are more **customer focused**, find they are more **creative** at work, and **take less time off** sick;
 - care about the future of their organisation and put in **greater effort** to help it meet its objectives;
 - feel proud of the organisation they work for and are inspired to **do their best** and **motivated** to deliver the organisation's objectives.
 - This approach to OD will help shape our culture, develop our leaders and ensure we are the best organisation we can be, with the best people, skilled to deliver our ambitious Corporate Plan priorities.

- Engaged organisations have strong and authentic values, with clear evidence of trust and fairness based on mutual respect, where two-way promises and commitments – between employers and employees – are understood and fulfilled.

8. It should again be noted that this OD approach needs to sit alongside our new Reigate & Banstead 2025 objectives – it is key to develop and improve the organisation in order to deliver our ambitions. It is therefore envisaged that this approach runs to 2025 (and beyond following any reviews).

KEY INFORMATION

Organisational Development Update/Great People Update

9. To date, and through this report so far, “Organisational Development” has been referenced. The term OD is confusing and for a lot of staff, won’t mean anything to many of our employees. Given that for us, the OD approach has “Great People = Engaged People” at the centre, “Great People” will be used from now onwards – to communicate the approach to managers, staff and to Members. Great People is a brand that is internally recognised already – it was developed as part of our original visioning work when our values and behaviours were designed with staff approximately five years ago.
10. As was outlined and agreed in the report taken to the Employment Committee on 29th July 2019 the initial next steps for our Great People work was to include some ‘baselining’ activity – i.e. checking in with staff to get their views on the organisation, what is working well, what in their view would make working at RBBC better, how they perceive leaders and managers in the organisation, their individual motivation levels and ultimately how engaged they currently feel at work. It was suggested that a combination of engagement methods are utilised to compile baseline data including running a staff survey and data gathering through team meetings run by Heads of Service. There will be a mix of quantitative and qualitative data obtained during this baselining exercise.
11. Since the end of July’s Employment Committee meeting, work has started to start to determine the best approach in terms of priorities for our Great People Programme (Engaged People) – baselining has been discussed and review of how we might measure achievement in engagement has been included in this work, which is ongoing.

Baseline Survey

12. Members of the OD/HR and several of the Communications team have researched and met with a few survey suppliers to assess their approaches to help us with our initial benchmarking or baselining of employee engagement. One of these has been discounted as too narrow in terms of their approach. Several conversations have taken place with another potential supplier ([Hive](#)) in terms of their engagement platform and how this could work as a tool to help managers and staff not just with the initial baselining survey but ongoing engagement – underpinning the approach to employee engagement (i.e. a much broader offer than a ‘one off’ survey tool). The Hive approach is to equip organisations with the tools, technology and expert ‘People Science’ support required to gather and react to employee feedback, measure and

understand employee engagement levels and to manage change on an ongoing basis. A summary of how Hive can support us with our Great People journey is included in Annex 2.

13. The Head of OD has discussed this option with a range of senior manager across the organisation to test initial “buy-in”. The response has been positive.
14. Scoping of our requirements is ongoing and business case for the engagement tool option for the whole organisation is being drafted. Procurement advice is also being sought internally through our Legal/Procurement team to ensure compliance in this area. Given that Hive is a longer-term engagement solution and will require resource/time commitment to make it a success, an agreement period of at least two years will be considered. The Head of Finance has confirmed that the proposed approach to funding this work will be through use of funds allocated within the CPDF Reserve. This is consistent with the purpose of the CPDF Reserve and will be included in the final Service and Financial Planning proposals for 2020/21 that are scheduled to be approved by Executive and full Council in January/February 2020.
15. It is still the aim that an initial benchmarking survey will take place by the end of this financial year (via the potential supplier mentioned above, subject to the scope/agreements/procurement) – to gauge the feeling of the workforce (baseline measure of the engagement throughout the organisation) and help to start to identify priority areas of work for our Great People Programme (co-design of the priorities with the workforce).

Organisation Revisioning

16. The second phase of this initial piece of work to move the Great People Programme forward is the revisioning work previously mentioned at the Employment Committee meeting on 29th July 2019. This is a review of our Organisation Vision, Values and Behaviours – for all staff to consider and input into our organisation values and behaviours – what is important to who we are, our core organisational values. We need to review and make sure our vision, values and behaviours are still correct (do they reflect who we want to be?), understood and accepted through the organisation (as referenced above, these are what make up our Great People brand).
17. Again, a number of organisations have been approached to pitch ideas as to how we might approach this work and we are in detailed conversations with one supplier ([Loving Monday](#)) who has a unique approach to this re-visioning exercise to help us consider how people want to *feel* at work (and conversely how we don't want people to feel) and this will help determine the right Corporate Behaviours, Values and the Vision of the organisation. Key to starting this work is Senior Management engagement and the Management Team plus Heads of Service will be meeting on 10th March to start this revisioning work.

Talent Attraction

18. The final phase of the initial Great People baselining work is a review of how we attract Talent to the organisation (aka Talent Acquisition). We have engaged with an organisation called OMNI who are strategic resourcing specialists. They will be carrying out a strategic review of our recruitment approach – it will provide us with valuable insight into the effectiveness of our resourcing approach and help us identify areas where improvements are required and development plans to transform the way we recruit for the better, ensuring that our approach is fit to deliver and recruit the talent we need to deliver our business objectives. An anticipated outcome is

expected to include a recommendation as to how the organisation resources recruitment long term (e.g. what dedicated resource in HR we need longer term to support the organisation acquire the best talent possible).

19. This review by OMNI will be delivered all within current OD/HR budgets. Again, it is expected that this work will be starting in early 2020 (by 31st March), with a key part of this being a half day focus group with the Management Team and Heads of Service to inform the review of our talent acquisition practices and identify what our resourcing vision needs to be, based on our Corporate Plan/organisational objectives. Further workshops/engagement will take place with lower level managers throughout the organisation. Once commenced, we've been advised that the review should take 1-2 weeks total, with recommendations on the strategy and resourcing to follow very soon after that.

Great People Priorities and Projects

20. Analysis of the data coming out of this baseline work described will inevitably influence how we prioritise our Great People work – listening to the views of staff in the organisation and where it is practicable address the issues raised.
21. Each Great People project will have its success measures but in terms of overall success measures for the Great People approach, we would continue to measure and expect to see lower/healthy turnover rate, lower/stable sickness levels, fewer employee relation issues, productivity increases, higher motivation amongst staff and engagement scores increase.
22. It is worth remembering that measurement of success is difficult though as many benefits are intangible/unquantifiable – it is around influencing our organisational culture. Consider that 'Employee Engagement' is about:
 - our employees feeling pride and loyalty working for us, being a great advocate of the organisation to our clients, users and customers, going the extra mile to finish a piece of work, loving coming to work.
 - drawing on our employees' knowledge and ideas to improve our services, and be innovative about how we work.
 - drawing out a deeper commitment from our employees so fewer leave us, sick absence reduces, accident rates decline, conflicts and grievances go down, productivity increases (can be measured – as outlined above).
 - organisation actions that are consistent with the organisation's values. It is about kept promises, or an explanation why they cannot be kept.
 - influencing our Employer Brand – helping us attract talent.
23. The Employment Committee are asked to support the progress on the Great People (OD) work.

CONSULTATION

24. The Employment Committee agreed the approach to Great People (OD) at the meeting on 29th July 2019.
25. The Head of Organisational Development has kept her Portfolio Holder, Cllr Lewanski, updated on progress on the OD/Great People work through monthly

Portfolio Holder meetings and well as keeping the Chief Executive, Directors and Heads of Service aware of the progress and high-level plans.

ANNEXES

1. Organisational Development Approach Diagram
2. Hive Project Overview