

**June 2014**

**Guidance Pack 2013–15**

**Part 2: Toolkit**

# Stage 1: Corporate Planning

# Process: Preparation

## 1b. Readiness for Change Checklist

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## Define the Goals and Benefits

The first step in building readiness for change is to define, understand and explain the goals and potential benefits of the reform programme, for example:

* Unclear mandates mean that the ministry, department or agency (MDA) may not confidently plan its budget and organise resources to deliver core services
* Medium term objectives allow MDAs to plan more strategically and organise their staff and other resources better
* A clear mandate and vision can engage and inspire staff to deliver services and make a difference to citizens’ lives
* Job descriptions derived from defined functions and underpinned by efficient processes increase staff motivation and are the basis for meaningful performance discussions
* A proper gap analysis of the skills needed to deliver services, and meet job standards and expectations, will inform the training and development plan
* More accurate establishment plans mean better cost control
* Medium to long term workforce plans address challenges such as an ageing or under-qualified workforce
* Instituting a systematic approach to organisational reviews and training partners such as staff in state reform and transformation bureaux will add to the skills pool and sustainable change.

## Identify Existing Evidence

If a mandate mapping exercise has been completed, there will be preliminary evidence of gaps and possible overlaps. These should be communicated and used in corporate planning reviews.

## Scope and Pilot the Change Agenda

Once the need for, and potential benefits of, change have been accepted in principle the specific proposals and work plan can then be developed.

## Establish a Corporate Planning Steering Group Committee or Other Decision making Body

It will be necessary to establish a senior, state level decision making corporate planning committee or other structure with responsibility and authority for driving the reforms and effecting change. In some states a reform steering committee may already exist and responsibility for corporate planning could be assigned to this, or to a sub-committee of this. These responsibilities should be outlined in a formal terms of reference to ensure clear accountability. The decision making body should drive the pace of the work and hold those doing the review to account.

Each MDA should set up local technically focused bodies or working groups, with distinct corporate planning responsibilities.

A sensitisation briefing will allow decision making bodies to understand and contribute to the scope and implementation of corporate planning.

## Decide Which MDAs will be Involved in the Pilot

Testing any change model is a valuable way of gaining additional insight into some of the likely challenges and ways the process can be applied. It also means that staff and other resources needed for the review can be planned and managed.

Some of the key questions to ask are:

* What is the precise purpose of the pilot? Will the pilot MDAs be the showcase for others or a test bed for the methodology?
* Which MDAs will take part in the pilot and how will they be identified?
* Will the MDAs be able to absorb the demands on them?
* How long should the pilot corporate planning process last?
* What mechanisms exist, or need to be established, to coordinate, manage and monitor progress and logistics during the pilot?
* Who else will be involved e.g. a central corporate planning technical support team, reform or transformation bureau staff; Office of the Head of Service staff? Will they be released from their day duties?
* Who will the MDAs nominate to do the work during the pilot? Will they be released from their day duties?
* What training or sensitisation needs to take place prior to the pilot launch?
* How will people be kept informed and enthusiastic? And how will momentum be maintained during the pilot process?

Once the pilot phase corporate planning has been completed and the methodology adequately followed, the results should be validated, adjusted and formalised by the senior decision making body.

The process should be conducted in stages with quality assurance at the end of each stage. It is important that each stage build on the firm foundation of its predecessor.

The formal recommendations should include a detailed work plan for proposed service-wide implementation of any changes which are to be rolled out across the service.

## Conducting the Corporate Planning: Applying the Methodology

* A team, schedule and work plan should be drawn up and agreed
* It is necessary to set a timetable which is not too protracted, and maintain the pace of the process
* Picking off functions or directorates may be an easier and more acceptable way in than tackling the whole MDA at once
* There is a need for a balance between participative and extractive processes as it is difficult to carry out functional and structural reviews without using an extractive diagnostic process to some extent

The corporate planning change management process should include a communication strategy and awareness-raising

* All elements of the process should be proofed against discrimination or bias on the basis of gender, and exclusion of minority or socially disadvantaged or under-represented groups.

## Need for a Champion

It is absolutely clear that the process cannot move forward in an MDA unless there is at least one, and preferably several, champions at a very senior level. These people need to have the intellectual capacity to understand the process; have to see the potential benefits and want to achieve them; and need to be prepared to manage the organisation to implement change.

## Potential Roles of Reform Agencies

It is essential in partnership working to make use of existing or new central reform agencies – for example, the Performance Improvement Bureau (PIB), Office of Transformation (OOT) and Bureau of Public Service Reform (BPSR). A trained central resource is vital to ensure the manageability of the process for each MDA, and is the best guarantee of sustainability since, ultimately, state reform agencies are likely to take responsibility for rolling out corporate planning for the state. These agencies will need careful briefing, some training and support.

However this requires careful planning and some caution because:

* The roles and direction of these agencies may be contested, making it difficult for them to act authoritatively
* The agencies may have other duties and be reluctant or unable to release staff, putting undue strain on the timetable for completing the corporate planning
* The agencies may lack the capacity (both in terms of staff numbers and the skills) to carry out the work
* A lack of significant technical or organisation development expertise means that these agencies run the risk of delivering poor quality work, and so may confuse or even damage perceptions of the process.

## Agreeing and Implementing the Results

### Approval

Once the corporate planning pilot has been completed, the senior decision making body should prepare a formal report on recommendations that arise out of the corporate planning framework. Its proposals should then be approved by the head of service and or executive council as appropriate before being rolled out.

Once approved, preparations for further implementation can begin.

### Planning

It is essential to plan adequately prior to implementation. A clear work plan and timetable should be agreed in advance.

### Budget

It is important to consider budget implications in the corporate planning review, for example, of sensitisation workshops; training the corporate planning team; producing workshop materials; communications, such as phone cards; printing and delivering documents, such as letters, interim reports. Further costs of implementing structural and functional changes should not be underestimated. The cost of new legislation or regulations, or new accommodation, facilities or equipment to establish the new systems and processes, must be included in the budget.

### Co-ordination

With any large change initiative it is helpful to identify a core group of individuals who support implementation of the new arrangements effectively. This group may be called a change management team, and should continuously support and monitor the completion of relevant activities and milestones.

### Phased Implementation

Full scale roll-out of any change is likely to cause confusion, lead to questions and require significant time, ongoing communication, reinforcement and resources. Phased implementation might be more practical.

### Ongoing Review and Improvement

It should not be assumed that once new structures and other arrangements have been put in place they will continue to meet service requirements indefinitely. The corporate plan is a living document and will need to change as the MDA and its operating environment change. Ongoing review and monitoring will need to take place to address any implementation challenges and ensure continuous improvement.

### Government Support and Championing Change

Successful implementation of any proposed reforms will depend to a large extent on the state government’s continued willingness to:

* Drive and effectively manage the implementation timetable
* Support the concept of more efficient and effective organisation and good practice service delivery
* Provide encouragement and reassurance from top management that senior officers should embrace the proposed changes and act as change and reform champions
* Conduct ongoing and auxiliary work post implementation to support the continuous improvement of organisational change and development.

Expectations should be carefully managed and responsible stakeholders held to account.

### Managing Change

The process of public sector reform is challenging, difficult and stressful for staff, and has the potential to become politicised. To minimise these negative effects, careful consideration needs to be given to the process of managing change. Good practice in managing change will include:

* Establishing a steering group and decision making body to oversee the process and communicate with staff, including trade unions
* Establishing an implementation team and providing training for team members where necessary. The implementation team should include specialist expertise
* Developing and consulting on the process and procedures to be followed before these are finalised. Consultation should include elected representatives, managers and staff. Consideration should be given to whether any wider consultations (for example with service users) are necessary. It may be important to obtain the opinion of a legal advisers, e.g. where changes to mandate or employment conditions are involved
* Publishing the agreed process and procedures so that all staff are aware of them, including a timetable showing key milestones, sequencing of functional reviews, decision points, etc.
* Encouraging all players to stick to the timetable and plan and to turn up for meetings
* Having a clear communication plan. Keeping stakeholders and decision makers informed, e.g. the body of permanent secretaries, executive council members, staff and staff representatives. Using a variety of communication methods such as workshops, newsletters, staff newspapers, intranet if available, state media and public relations as appropriate
* Establishing a regular communication process to keep elected representatives, staff and other stakeholders informed about progress. This should also include establishing a communication channel by which staff comments can be fed back to the steering group and implementation team, for example, via comments boxes.

When preparing the plan, careful consideration should be given to the overall timescale. A common mistake is to leave the process open-ended, or to allow too much time, thus extending the period of uncertainty unnecessarily. Sufficient time should be allowed for preliminary review activities and overall decision making on new organograms and staffing. Once those decisions have been taken, implementing the changes should happen as swiftly as possible.

The following have proved useful in corporate planning analysis:

* Setting up a decision making ‘core group’ that comprises the senior staff who will lead the corporate planning work in their own directorates and functions areas and who can conduct ‘peer reviews’ of the findings and recommendations at each stage in the corporate planning
* The core group collectively can take an overview of corporate planning as it applies to the MDA. This group should ideally be led by the permanent secretary and be the decision making and approval governance body
* Time for consultants to work closely with the MDA: to brief, to demonstrate, to facilitate the analysis at each stage; to work with each directorate and with the core group overall
* A schedule of activities to guide the process and set the pace as loss of momentum is demotivating
* Recognising that different stages can take different times to complete: some can be done very quickly; others may need to be visited more than once; some may even be skipped if time spent on them would be worthless
* Deploying the right skills at the right stage and time
* Constant support including engaging with the MDA at the top level; reviewing and advising the consultants; maintaining momentum; sharing experience and expertise; recording and managing information.