Supporting staff during difficult times

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Summary

• Almost daily local councils announce large-scale job cuts and major reorganisations. This briefing looks at how local authorities and other public bodies can manage staff positively, so they not only survive, but thrive during this difficult period.

• The briefing is mainly based on Leading Culture Change: Employee engagement and culture transformation published by the Chartered Institute of Personnel and Development (CIPD) and the Public Sector People Management Association (PPMA) in 2012.

• The authors spoke to chief executives and HR directors from ten local authorities, two police, and one fire authority.

• The interviews were based on the four key enablers of engagement identified by the MacLeod report, Engage for Success: Enhancing performance through employee engagement;

  - Organisational purpose;
  - Integrity;
  - Engaging managers and
  - Employee voice.

• Leading Culture Change argues that: ‘public services can only be more responsive to the needs of service users if employees on the front line are trusted to innovate and empowered to act with more autonomy. This requires a fundamental culture change away from traditional command and control models of leadership to one in which leadership is distributed across organisations.’
POLICY BRIEFING

• The report shines a light on the people management strategies and activities that public sector leaders in a number of local service organisations are employing to make this a reality

• The briefing also draws on Managing People through Major Transitions: Capturing the HR learning from the 2009 local government reorganisations, and How to Manage Change, published by ACAS in 2010.

• This briefing will be of interest to Chief Executives, HR Directors, local government trade unions and councillors and officers responsible for managing and developing staff in local government.

Briefing in full

Leadership: Creating a strategic narrative

A new psychological contract for local government staff

In Leading Culture Change, the authors argue that many of the traditional ‘landmarks’ of local government such as final salary pensions and job security are disappearing. Chief executives and HR leaders are increasingly looking to employability and skills development to form the basis of a new proposition – employability is the new job security.

The CEO’s and HR leads interviewed were making big efforts to explain to staff what is going on, and why.

New ways of working

There was widespread recognition of the need to motivate staff in different ways, they may need to be more outward facing and work more with local businesses - economic growth is a central plank of Leeds City Council’s plans for the city. Some are working more closely with neighbouring authorities, for example Sutton Council shares its HR function with Merton and Kingston. Others expect staff to work more closely together within the council - the One Kingston initiative is an example of this.

A number of councils were trying to generate income by selling their services to outside bodies. The City of York Council had set up a trading company to sell services like HR, payroll and IT to other public sector bodies and private companies.

Creating a strategic narrative

Many of the chief executives interviewed believed it was necessary to create a strategic narrative which clearly articulates the organisation’s purpose, goals and ethos.
The core values of the London Borough of Sutton are summed up in the word **PRIDE**, which stands for partnership, respect, innovative, diversity and empowering.

Cheshire East council has **ASPIRE**, which stands for action support, people, integrity, recognition, excellence.

*Involving staff in crafting the vision*

There was recognition that vision has more power and force if it is shaped by staff. Former Gloucestershire Chief Constable Tony Melville, who was interviewed for *Leading Culture Change* believed that trying to create and then cascade a five year action plan was nigh on impossible given the pace of change. There needed to be a greater sense of buy-in, so they undertook a staff survey to establish a baseline of staff attitudes then did a storyboard exercise with staff to describe ‘what it would look like to work here in three, to five years time’.

From this the constabulary developed an approach to service, people, risk and resources. “This wasn’t done to people but by the people who work here,” said Melville.

*Leadership style*

All three documents stressed the need for leaders to communicate regularly, clearly, consistently and honestly with staff through times of change. In *How to Manage Change*, ACAS urges leaders to be visible and to make themselves accessible to staff who may want to ask questions.

In Cornwall, former Chief Executive Kevin Lavery used video casts, a weekly e-mail and face to face visits to communicate with staff. “Be visible and keep communicating,” he said.

Leeds City Council Chief Executive Tom Riordan urges leaders to accentuate the positive: “Local government is twice as trusted as central government. Given what we do through our social services, gritting teams and emergency response, I see us as the fourth emergency service.”

For Sheila Wheeler, Chief Executive of Somerset County Council, it is important to be honest: “If I think it’s going to be more of the same, inevitably that means a gloomier message than people like to hear and so you become the prophet of doom and gloom. I find that very challenging personally. Some of my senior team want the message to be much more upbeat. I am saying, yes we will try and do it all in a considered, humane and transparent way, but actually it is still going to be a very challenging environment in the future.’

*Working with politicians*
Managing People Through Major Transitions stresses the need to keep members up-to-date on developments and to make sure they fully buy into workforce plans and change strategies.

**Integrity: Changing the Culture**

In *Leading Culture Change* the authors point out that councils are moving from bureaucratic to entrepreneurial structures. In future chains of command will be shorter and individuals will have a greater span of control. Managers will have to trust staff to take more responsibility. This will require a change of culture and leadership style.

In York they have used career development opportunities such as secondments, volunteering, shadowing and coaching to develop staff skills and employability, as automatic promotion is no longer always possible. They work closely with local employers, help staff think through their options and try to create a culture of ‘safe uncertainty’.

Somerset County Council has placed emphasis on flexible working and simplified management structures. Employees are trusted to take more responsibility.

*Leading Culture Change* acknowledged that, to date, councils had been able to maintain many of their mainstream services. Staff morale had held up well. The Chief Executives and HR Managers interviewed believed this was because their staff shared a strong public service ethos and were passionate about improving the area where, in many cases, they themselves lived.

**Engaging managers**

*Leading Culture Change* recognises the key role of managers in implementing positive change. Managers will need to treat staff with respect, build their confidence and capacity, facilitate, engage and empower, rather than control and restrict.

Sean Frayne, Chief Fire Officer for Derbyshire, said: “A lot of people still think managing people is about telling them what to do. From my experience it is about motivating, coaching them and encouraging them to be the best they can be.

“It’s about continual professional development and enhancing personal skills. I expect crew managers to know what their watch managers are like as individuals and what their fire fighters are like. I also expect them to be approachable so that if someone has a problem they will feel comfortable raising it with their manager.”

The move from direct service provision to commissioning requires the acquisition of new skills like project management. City of York Council is encouraging managers to work with local charities to share problems and to bring the learning from its *Leadership Challenge* programme to life.

Sussex Police has developed *Serving Sussex 2015* to build the organisation’s capacity to deliver its objectives despite a 20 per cent budget cut. Its Chief
Constable Martin Richards said: “Of course every organisation has to have some element of command and control in certain circumstances. If you are first on the scene at an incident you can’t sit around consulting people, but back at the station a lot of leadership is around emotional intelligence, listening, coaching and mentoring.

“If we take 20% out of the organisation and carry on doing things as before, we will be 20% less efficient. We need people at all levels and in all departments in the force to come to work not just to do a good job but with ideas – and that means inspiring a different mind-set.”

Richards meets with newly promoted staff on an individual basis. He believes that great leaders need what he calls the three Ps: policing, people and passion. “I can demand the first two Ps but I can’t demand passion. But it’s great when you see it. People who have passion lift the games of themselves and of others around them.

“You need to be able to put yourself in someone else’s shoes. In my view you should be prepared to meet people more than halfway, which means going just that bit further to understand someone else’s point of view or behaviour. In policing, it also means not passing on the stress of dealing with a difficult situation to someone else,” he said.

Engaging staff

According to Leading Culture Change, staff must feel listened to, their opinions count and that they can speak out and challenge. Communication is key.

Managing People through Major Transitions acknowledges that the performance of local government depends largely on staff morale and that managing people is the most challenging aspect of change management.

Communicate, communicate, communicate

All three documents stressed the need to communicate with staff, even when their potential to influence policy was limited. Communication enables them to share their concerns, find solutions and limits the negative effects of ‘rumour mill’.

Channels

The chief executives interviewed in Leading Culture Change appreciated that messages could go viral in an instant and stressed the importance of using a variety of channels including one-to-one meetings, workshops, blogs, e-newsletters and online forums. In How to Manage Change ACAS suggests developing an internal communications strategy.

Written information must be concise and in plain English - Leeds City Council reduced its HR strategy to one page.

Online forums can provide an immediate channel for addressing concerns, but there need to be clear ground rules. Managing People through Major Transitions advises...
against allowing anonymous postings. Repeat discussion threads can be avoided by directing staff to answers that have already been dealt with.

Keep communicating even if there isn’t anything to say or when answers are not yet clear. Shropshire County Council’s HR Director Brendon Mills recalls how he and senior colleagues held 20-30 minute one to one sessions with around 1,000 staff in the run-up to their reorganisation. “It takes time but it’s worth it,” he said.

*How to Manage Change* urges managers to deliver consistent messages and provide feedback to staff. It contains a chart, outlining what to communicate and when.

In Wiltshire senior managers held communication sessions with staff in which the audience created the agenda. “Not talking at them but talking with them,” said Richard Woodrofe.

*Fit and fair procedures*

*Managing People through Major Transitions* stresses the need to have robust procedures in place well before the reorganisation process begins. The organisation must have up-to-date data on staff numbers, grades, terms and conditions.

It is important to maintain a sense of pace and momentum. Sam Williams, who was Acting HR Strategy Manager at Shropshire Council, said: “Meeting the deadlines that we’d set was really important. If we said we were going to let people know by a certain date then we moved mountains to make sure that that happened so that people weren’t left disappointed or left wondering.”

*Retaining talent*

A number of councils featured in *Leading Culture Change* were altering pay and conditions to save money and avoid redundancies. Cornwall Council saved £10 million and 200 jobs by implementing a total reward approach, and in Birmingham over 40 local authority grades have been replaced by seven long scales with ‘job families’ to allow more flexibility in terms and conditions. Birmingham City Council is developing a single contract for all staff and a common appraisal. Progression is linked to achievement of objectives.

The HR managers involved in the 2009 local government reorganisations used recruitment freezes, retention programmes, voluntary redundancy and early retirement schemes to minimise compulsory redundancies.

*Looking after staff - understanding the ‘emotional journey’*

*How to Manage Change* stresses the need to look after staff. The document goes through the eight phases of the emotional journey people undergo when dealing with change: Anxiety; happiness; fear; threat; guilt; disillusionment; acceptance; and excitement.
Dealing with resistance

*How to Manage Change* explains the health benefits of work, as it provides financial reward, companionship, status and self esteem. Change can affect well-being. Different people will be at different stages on the emotional journey. Problem solving techniques like *SWOT, Force Field, Cause and Effect, Root Cause* analysis and *team building* activities can help people see the positive aspects of change.

**Union relations**

The chief executives and HR managers interviewed in *Leading Culture Change* reported that relations with unions were holding up well. It may be because the economic situation ‘makes militancy difficult’. Norfolk County Council had gained active union support for a sickness absence campaign and hosted a web chat with them on Single Status.

*Managing People through Major Transitions* points out that maintaining positive relations with the unions makes change easier. These relationships will vary from place to place. In the North East for example, where there are many Labour councils, there may be a long tradition of close union/member relations.

It is important to set clear boundaries for discussions with unions, so all parties understand what is up for negotiation, discussion or for information only.

*How to Manage Change* urges managers to have a thorough understanding of the legal position and of technical issues like TUPE. Employers should consult unions early and ensure they have the time and facilities to engage their members.

**Comment**

Given the scale of expected job losses, most if not all managers in local government will find themselves having to manage people through difficult times. They will need to be able to manage their staff positively so they can maintain morale and productivity. Building up positive internal relationships, valuing all staff and treating everyone with respect, engaging staff in discussion about changing provision and priorities, being as positive about the future as possible yet realistic and honest: all of these are good practice generally, but will be more critical as the financial pressures on some councils grow more intense.

The workforce is also a crucial strength – ideas from the frontline need to be listened to - *Innovation on the frontline*, a report from APSE and IPPR North highlights how councils can encourage innovative ideas from their workforce and apply them to service design and delivery. This research shows that, within a broader strategy for future services, frontline engagement can help in responding to the huge challenges facing local government.
It is perhaps surprising that there is not more up-to-date information for local authority managers on this subject.

The three documents outlined in this briefing contain many salient lessons and practical examples. Some of the material, especially in the ACAS booklet, *How to Manage Change*, is established HR theory and can be applied to any situation.

But local government is changing so quickly that managers need relevant, up-to-date information about the very latest innovations and best practice that is easy to find and accessibly presented. Perhaps the Local Government Association, DCLG and other national bodies could consider how they can best meet this need.

Related briefings

*Promoting Care and Compassion in Social Care Settings* - the role of workers providing fundamental care

*Spending Review 2013* - analysis

*Commission on the Future of Local Government*

For more information about this, or any other LGiU member briefing, please contact Janet Sillett, Briefings Manager, on janet.sillett@lgiu.org.uk