PEOPLE MANAGEMENT STRATEGY
2003/2006

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Part 1 - Introduction

1.1   The Isle of Wight Council's vision as an organisation is 'to improve Island Life' and in doing so realise the expectations of the local community for a forward looking and modern Council which consistently delivers good and reliable services. Each of our employees is directly or indirectly involved in serving the people of the Isle of Wight and the value of our employees in delivering the vision and aims of the Isle of Wight Council has therefore never been more important.

1.2   This People Management Strategy will play a vital role in signaling and planning changes required by the Council to ensure that employees can achieve their best in order to deliver excellent services. The purpose of the Strategy is to set the context, form an organisation-wide framework and provide the direction for the delivery of people management objectives over the next three years. It identifies the kind of employer the Isle of Wight Council wants to be and how it aims to achieve this.

1.3   Local government, itself, is a rapidly changing and modernising sector with a very strong emphasis on customer focus and performance. This is especially so, not only for the Council, but also the individuals who work for it. Political structures are changing and there are an increasing number of local partnerships. Added to this are a continuing difficult financial outlook, rapidly changing service needs and a move towards e-governance.

1.4   The clear challenge for the Council is to accelerate the pace of change to create a workforce that is committed, flexible, equipped with the competencies and skills to adjust to different tasks and roles, that understands the bigger Council picture and is guided by managers who are not constrained by heavily prescriptive policies and procedures more suited to traditional Councils. In order to constantly improve and achieve successful change management, the Council needs to value, develop and maximise the contribution of all its employees.

1.5   The good news is that the Isle of Wight Council has already laid the foundations for that challenge and the People Management Strategy will provide the framework to make the change and deliver the Council's 'can-do' culture that external inspections invariably comment on.

Part 2 - The Context

2.1   The Comprehensive Performance Assessment (CPA), democratic renewal process and e-agenda places the Council under significant

pressure to make major reforms in the way it operates, manages performance and improves the quality of its services. Consistent and effective service improvement will ultimately rely on the Council's capacity to recruit, retain, develop and motivate it's employees.

2.2 The Council was in the first tranche of local authorities to be reviewed under the CPA process receiving a fair rating. The aspiration must be to achieve excellent status and a plan has been put in place to improve the Council's corporate performance by:

- maintaining the momentum of change
- modernising political structures
- improving organisational development
- improving performance management and,
- achieving Best Value.

In particular, action is to be taken to improve the corporate planning framework, the management of projects and risks, the procurement process and promoting a customer-centred culture across the Council with better access to services.

2.3 The Council's new Corporate Plan sets out the strategic aims to achieve its mission to improve Island life. Importantly, it also sets out four specific commitments for delivering the plan and its strategic aims:

- *building strong leadership,*
- *excellence in service delivery,*
- *improving community focus, and*
- *organisational improvement and staff development.*

For each of the Council's strategic aims the Annual Action Statement sets out the specific priorities and targets upon which activities will be targeted.

2.4 The people Management Strategy is one aspect of the CPA Improvement Plan but also underpins other tasks set out in the plan. The strategy will also play an important part in supporting each of the four commitments in the Corporate Plan and the Annual Action Statement either directly or indirectly and addressing priorities in the medium term ie the next one to three years. The three year time horizon enables a strategic approach to business planning but also means that priorities and timescales can be adjusted as Council and community needs determine and unforeseen events unfold. The people management strategy, like any other strategy, attempts to deal with what lies over the horizon and will, of course, be affected by a number of external influences, some of the which can be foreseen. These are:

2.5   Finances

2.5.1   Like other local authorities, over 65% of the Council's expenditure covers employee costs. The Council employs people in over 5,800 jobs and from a total budget of £145 million the gross expenditure on employees in 2002/2003 was £95 million.

2.5.2   The Council's Medium Term Financial Strategy is perhaps the most important factor influencing future direction and priorities. Planning projections have indicated that there will be resource constraints which will lead to significant service reconfiguration.

2.6   Legislation

2.6.1   The impact of employment legislation, both domestic and, increasingly, that which stems from Europe, and the role of Human Resources in ensuring that the Council complies with its legal obligations in this area needs to be recognised. Existing and future employment legislation and case law, particularly that which is 'equality' driven, will continue to influence the overall structure, delivery and management of the Council's services.

2.7   Labour market

2.7.1   The Island has seen the unemployment rate decrease significantly in recent years, although it may now be on the increase. Nonetheless the Island has the second highest rate of unemployment in the South East region and unemployment is higher than the national average. Youth unemployment ie amongst 18 – 24 year olds, accounts for more than 25% of all unemployed.

2.7.2   In general the Council's pay rates compare favourably with the local market rates and this is reflected in the Council's fairly low employee turnover rate. But the Council competes in a different market place for professional staff and competition is particularly strong in both the public and private sectors, especially those areas which are 'local government specific' eg social workers, environmental health officers.

2.8   Government policies, programmes and initiatives

2.8.1   Central government's legislative and funding programmes have a significant impact on the Council's services to the local community. The areas of particular importance are:

2.8.1.1 Modernising local government: An agenda which will require innovation in the ways services are delivered, an entrepreneurial role in the community, new approaches to work which will require new roles and new competencies for Elected Members and the Council's workforce.

2.8.1.2 Partnership Working: New skills will be required to work effectively with partners to deliver 'joined up' services eg with the Health Authority.

2.8.1.3 E-government: Delivery of services through electronic means will demand the development of many new skills. Through the ICT strategy, the corporate requirement will maximise the potential for information and communications technology and other technical change. This will impact on many aspects of people management and, to demonstrate that the Council is meeting the e-government challenge, services provided to the community will need to be:

- Joined up – an organisational development challenge
- Accessible at all times – with implications for working arrangements, pay and conditions
- Delivered or supported electronically – major workforce training and development requirements
- Jointly delivered – ensuring high employment practice and standards where a range of employers may be involved
- Seamlessly delivered – requiring better information systems and the use of call centers with its impact on employment models and training
- Open and accountable – a cultural change issue
- Used by e-citizens – included in the services to be accessed will be those offered by the Council as an employer, including on-line recruitment

2.8.2 The Council has already taken the first steps to deliver the e-government agenda with the *Great Access to Great Services* programme. The objective is that the Council will become a truly customer-centred organisation where 80% of enquiries are dealt with at the first point of contact, all customer facing points of contact are managed and act in a consistent way and information is captured only once and made available across the organisation and to appropriate partners.

2.8.3 In addition, there are internal issues including computerised personnel information systems, on-line personnel advice for managers and the need to share information between Directorates on employment matters.

2.8.4 It is clear that achieving e-government success will be essential and the Human Resources function will have a pivotal role to play.

2.9 Equality/Diversity and Social Inclusion

2.9.1 Female employees outnumber male employees by three to one but female employees in more senior jobs do not reflect this ratio; around half of all employees are part time and most of these are female. Less than 1% of employees have declared that they meet the definition of

the Disability Discrimination Act or come from black or ethnic minorities.

2.9.2   As well as its statutory obligations, particularly under the Race Relations (Amendment) Act, the Council has a clear commitment to equal opportunities in employment and fair access to services. There will be an increasing profile of equalities issues, particularly race, gender, sexuality, age and disability. There will also be social changes and expectations surrounding issues of work-life balance and family friendly policies.

2.9.3   It is acknowledged that managing diversity will involve new ways of working to embrace changing employee and customer expectations and needs which will mean clear objective setting and monitoring arrangements.

2.9.4   What this means for the Council as an employer is continuing organisational and structural change, a need for a more adaptable organisation able to respond to project-based working, more flexible working arrangements with a more flexible reward package and terms and conditions, a range of employment relationships – employees, contractors, consultants etc, a challenge to maintain effective communication with a diverse workforce, increased emphasis on customer expectations and performance, a wider range of core skills, longer working lives, less early retirement and a changing age profile of the Council.

Part 3 - Organisational culture

3.1   Whilst anticipating and responding to the various factors and influences that affect the Council as an organisation, in order to shape the workforce of the future through effective people management, the Council clearly needs to define the organisational culture it wants to achieve ie 'the way we do things around here' and to be an example to other employers. To become a model employer, the Council needs to offer better working conditions, improved employment practices, the ability for staff to balance life in and outside work, lifelong learning and employability, fair pay, staff involvement and good communications. Above all, a model employer is characterised by its management style. This needs to be facilitative and not hierarchical and controlling, seeking to help each individual to make the most of themselves through coaching, mentoring, development and devolving authority to small, integrated teams. Staff should be involved in decisions affecting them and the services they provide. Delivering the changes needed to transform our services will require leadership which involves, consults and develops partnerships and a culture that encourages challenge and debate to secure radical improvements in service delivery.

3.2 If the people management strategy is successfully achieved then by 2006 the Council will be charcterised by the following style of people management activity:

3.3 Performance Management

3.3.1 Performance will be actively managed at all levels using a common framework. Standards will be set for all individuals and progress against these will be discussed on a regular basis. Good and poor performance will be identified and opportunities to improve performance offered. Standards of performance which inhibit the Council's progress towards its priorities will be swiftly and fairly dealt with.

3.4 Development and learning

3.4.1 The Council will adopt national standards of learning from Investors in People, professional and national standard bodies. Organisational indicators in the form of competencies and service standards will enhance these.

3.4.2 All employees will have the opportunity to identify development needs with their manager, linked directly through the service planning process to a Council objective or target. Development need will be creatively met and a variety of methods will be employed to do so.

3.4.3 The impact of development upon the workforce will be assessed regularly to ensure that training and development activity is truly adding value.

3.5 Communication

3.5.1 The Council will be characterised by exemplary and effective communication processes. All employees will know how they contribute to the Council's priorities and what is expected of them. Many different forms of communication will be used for example, employee surveys and regular team briefings, and it is a basic principle that this will be two-way with managers at all levels knowing how the staff they manage feel about working for the Council.

3.5.2 Information and data for workforce planning purposes will be widely available.

3.6 Flexibility

3.6.1 There will be flexibility in how managers manage and how and when individuals and teams carry out their roles. People management and decision making responsibility will be delegated to as near the point of service as possible.

3.7   Workforce planning

3.7.1   The Council will develop action plans which reflect anticipated skill shortage areas. Strategies will be developed to ensure that these areas are tackled in a timely manner and where possible attempts will be made to grow our own. The benefits of attracting new employees to the Council to enrich our thinking will be recognised but this will be balanced with supporting internal appointments where this will help the service move forward.

3.7.2   Jobs will be flexible and reviewed to ensure that traditional expectations do not restrict the Council's search for talent.

3.7.3   All activities will reflect diversity and equality standards with the Council becoming an employer whose workforce composition reflects that of the Island community.

3.8   Employee Relations

3.8.1   Working in partnership with trade unions and other groups representing the workforce will be based on trust and governed by what is needed to achieve the Council's priorities.

3.9   A safe environment

3.9.1   Employees will be provided with a safe working environment going beyond workspace issues to encompass health matters and training. Conditions of service will also be flexible reflecting modern demands on individual's lives outside employment.

3.10   Leadership and Values

3.10.1 As the largest employer on the Island the Council will become an acknowledged leader in the field of good employment practice ensuring that its reputation as an employer will help to recruit and retain the best people.

3.10.2 The Council has made explicit its vision for the community it serves and the core, common values which underpin the Council's relationship with its customers:

- giving excellent service
- listening to people
- working in partnership
- being open and fair, and
- caring for our unique environment.

Equally important, however, are the values which underpin the Council's actions not only as an employer but also what it values from

its employees in return. These values will inform and help shape the employment policies and practices that are developed.

The 'employer' values will be:

- An obligation to provide and support quality, cost effective services for its communities
- A belief in equality of access, opportunity and consistency of treatment
- A shared responsibility for continual learning and development
- The right to be treated fairly and with dignity and respect
- A concern for the health and well being of people at work, and
- Openness and honesty in communications

In return the Council will value from its employees:

- High performance, creativity and initiative
- Flexibility and a willingness to learn, develop and work differently
- Preparedness to take responsibility
- Honesty and integrity, and
- Loyalty and commitment

3.10.3 These goals for the cultural change in people management are ambitious. Achieving them will result in many changes to accepted working practices and in some areas it will mean that policies created will, by necessity, only have a short life before they are replaced by the next advance in that area.

Part 4 - The Five Key Themes

4.1 The People Management Strategy will form the framework for delivering change and improved services through people over the next three years. Five key themes form the building blocks of the people management strategy and the focus of the Human Resources Action Plan and activity. The five themes are:

- **Being an Employer of Choice**

  Recruitment has become a sophisticated business, particularly in periods of low unemployment where people have different expectations. It is critical that we maintain our competitive edge and ensure that we successfully attract and retain the most talented people possible to deliver the Community Strategy, sustaining current successful recruitment and low turnover levels whilst minimising our specific recruitment and retention problems.

  It is also important that we use our influence, at both Elected Member and officer level, to bring about change in the image of the

Council so that our employees feel valued and those seeking employment are attracted by the variety of job opportunities and the benefits that are available.

As a modern organisation we require flexible pay systems that allow us to compete in the drive for talent in a competitive job market. Pay is, however, only one element, with employees increasingly looking for more rounded packages that balance pay, training and development and more flexible working and other benefits, particularly those which enable employees to balance their life and work interests and commitments.

We will therefore aim to be an organisation that people want to work for by:

- Creating an employer brand which promotes the Council's values
- Having positive values that respect our employees
- Offering employees employment, development and reward packages which reflect the diversity of the workforce and encourages flexibility to meet the changing needs of local government.
- Creating a challenging and exciting working environment
- Encouraging learning and creating opportunities for career development
- Recognising the importance of work/life balance
- Creating a healthy environment in which employees can work and develop

- **Empowering and developing people**

As one of the main commitments leadership has a major role to play in setting the culture and context for continuous service improvement and in motivating and supporting staff to deliver services. Creating an environment in which leadership and effective management are promoted, where staff are clear of the expectations we have of them and have the support and development opportunities to exceed those expectations is therefore essential to the future success of the Council. The need for employees at all levels to be properly equipped with the skills and competencies to undertake the tasks currently required of them and to have the potential to undertake new tasks in future is paramount.

We recognise the importance of sustaining IIP and ensuring our employees develop the skills and competencies to perform.

We also recognise that we have a low percentage of young persons employed by the Council and the importance of creating training and career opportunities for them.

The need for re-training options in areas where there is a move to e-services will need to be addressed.

We will therefore develop the organisation through its people by:

- Giving proper induction to new employees
- Providing managers with the expertise and opportunity to manage people effectively
- Ensuring that all employees have a personal development plan and access to training and development activities each year
- Promoting and assisting career development through coaching, mentoring, shadowing and secondment schemes
- Ensuring that employees take responsibility for their own continuous development and lifelong learning to ensure their long-term employability

- **Making connections**

Creating a climate of trust, openness and involvement is an essential aspect of good employee relations at both an individual and collective level. Effective communications and access to information will aid the decision making process and the management of change.

Technology will also enable us to deliver e-hr, allowing more efficient personnel service delivery and the replacement of personnel administrative work with electronic workflow systems. These systems enable more direct involvement by staff and managers and a self-service approach so that employees can keep their personal data up to date and managers can interrogate the database for workforce planning reports and performance management information. It also means greater web enabled learning and improved communications through the intranet.

We will therefore aim to make people management practices in the organisation more effective and efficient by:

- Embracing new information and communication technologies
- Making access to personnel services much easier for all our customers
- Providing effective and timely management information on people related issues
- Ensuring good communication with all our employees, their representatives and our stakeholders

- Listening to what employees say

- **Influencing organisational change**

  The information age revolution has already changed the way commercial and public services operate. The pace of change will increase as the technologies become more widely accessible and pervasive. Citizens will expect to reach the services they want at times and in places that are convenient to them, with improved responsiveness and quality being built around the needs of the customer.

  Improved services are a key aspect of delivering the Community Strategy. This will entail working and managing differently and flexibly across boundaries – both internal and external. This more fluid approach will allow us to respond to different organisational challenges and deliver multi-disciplinary services.

  We must develop ways of innovating within and between these more fluid structures to achieve joined-up solutions and deliver a learning organisation, making us confident in being thoughtful, imaginative and unafraid to experiment and achieving high standards of customer care and excellent service delivery.

  If we are to be responsive to change, people management practice must also be freed from bureaucracy wherever possible, whilst requiring tight expectations and expectations and accountabilities from our managers.

  We will therefore strive to achieve continuous service improvement and successful organisational change by:

  - Involving and empowering employees to contribute to innovation and change within their services
  - Developing a high performance culture
  - Defining the standards for people management that support the Council's aims for service improvement
  - Engaging employees in organisational change at the earliest opportunity to ensure effective culture change
  - Developing more effective partnerships with our recognised trade unions and employee representatives
  - Developing flexible employment packages that reflect the new paradigm of work
  - Ensuring the Council has the capacity to respond to the challenges it faces
  - Supporting new initiatives in the development of improved access to services and ensuring we recruit employees who demonstrate competence in customer care

- **Valuing diversity**

  Our ability to respond effectively to the needs of the community requires us to manage our workforce in a way that gets the best from their diversity, valuing their experiences as individuals as well as their innovation and ideas to improve service delivery. In so doing the Council will enhance its reputation as an employer.

  We recognise the importance of having a workforce that reflects the local community so that it is balanced with levels of experience and knowledge, emphasises individual potential and encourages all to achieve.

  We will continue to have regard to legislation and case law in the area of equal opportunity and ensure compliance.

  We will value and embrace the creativity and uniqueness of all employees and recognise that everybody has a contribution to make by:

  - Monitoring people management practice and workforce profiles and taking action to achieve and retain a representative workforce
  - Ensuring fair and consistent treatment of all our employees
  - Ensuring all our employment policies and practices deliver equality of opportunity
  - Using everybody's contribution to improve service delivery

Part 5 - The Human Resources Action Plan 2003/2006

5.1 The Council's People Management Strategy forms the organisation-wide framework and sets the direction for the delivery of people management objectives over the next three years. Through the action plan, the Human Resources function will demonstrate that it understands the direction in which the organisation has to move, possesses a strategic focus and a clear idea of its purpose. The Human Resources function does not exist in isolation for its own benefit – its business is to contribute to the achievement of the Council's objectives by putting in place strategies, policies and practices that enable the organisation to optimise the contribution made by the people it employs.

5.2 Five key themes form the building blocks of the People Management Strategy and will be the focus of Human Resource initiatives:

- *Being an employer of choice,*
- *Empowering and developing people,*

- *Making connections,*
- *Influencing organisational change, and*
- *Valuing* diversity.

However, to play its part in the People Management Strategy, Human Resources needs to:

- Take a leading role in the management of change and the organisational development of the Council

- Adopt a stronger and higher profile, ensuring that every team member understands the role of the Human Resources function and its contribution to organisational objectives

- Be proactive, anticipating the issues affecting the Council as an employer and offering appropriate strategies

- Increase its strategic role

- Understand and be responsive to the needs of our customer

- Change the skills mix – less personnel administration and more proactive personnel management

- Provide more relevant, accurate and timely management information

- Improve the monitoring and effectiveness of what we do

These imperatives will underpin all that the Human Resources function does.

5.3 The Human Resources Action Plan (Appendix 1) sets out the main objectives for the period of the plan under each of the five People Management Strategy building blocks. They are strategic objectives over a three year period and are those that will take the Council and the Human Resources function forward. The approaches will be appropriately supported by clear policies and guidelines, consistently applied with simple but effective procedures which are relevant for new ways of working. Human Resources will also work in partnership with its stakeholders, including managers, trade unions and employee representatives when developing and reviewing our employment policies and procedures.

5.4 The objectives are over and above the day-to-day business of providing a responsive and effective service to managers and management teams which is the core activity for many human resource staff. Whilst this work is not detailed in the Action Plan, its importance and value are recognised and appreciated. The Action Plan also

contains initiatives which impact on various corporate Best Value Performance Indicators reported annually to the government. Activity in these areas is undertaken across the Council and will influence the speed at which these performance targets are achieved.

5.5   The Action Plan reflects a living and changing agenda, which rightly reflects the Council's corporate priorities and specific service improvement activities will be identified in the Human Resources Service Plan. Timescales and priorities will develop and change and those that do will be the subject of discussion and negotiation with Elected Members and senior managers.

Part 6 - Review

6.1   The People Management Strategy and the Action Plan will, in consultation with stakeholders, be reviewed on an annual basis to ensure that it continues to remains fully relevant to external changes and the Council's Aims and Values.

Part 7 – Summary

7.1   The effect of good people policy and practice on an organisation's performance is now a well established fact and within the framework of the People Management Strategy the direction for good people management has been set for the next three years. To be the excellent authority to which we aspire, we need our people management to be of the highest standard. Valuing, developing and nurturing our people within the framework of the people management strategy provides a challenge for us all and, in particular, our leaders. From leadership to the management of sickness absence, from grievance procedures to worklife balance, from recruitment through induction to continuous professional development, from reward strategies and workforce planning to health and safety at work, this strategy encompasses every area of people management. The objectives which flow from it will be deliberately challenging but will deliver the changes necessary to turn the Isle of Wight Council into the customer-focused, first class organisation we seek to be.

MAB/HHR
May 2003

Timeline	Action	Success Measures
Being an Employer of Choice		
2003 - 2004	Develop a compelling employer brand	Improved attraction and job fill rates
2003 - 2004	Modernise recruitment and selection methods	Reduced recruitment costs Easier to apply for jobs with IWC
2004 - 2006	Develop a new flexible approach to total reward/flexible benefits package to recruit and retain talented people	Reduced turnover Improved employee morale
2003 - 2004	Develop and implement redeployment/rehabilitation scheme	Fewer early retirements and redundancies
2003 - 2004	Identify and develop a range of flexible working options	Staff able to balance work and life interests and commitments
2003 - 2004	Develop a range of preventative health initiatives	Employees adopt healthier lifestyles Improved attendance
2004 - 2006	Review the nature, operation and cost of the Council's pay and grading structure, having regard to equal pay, links to performance and other business needs	Pay and reward perceived to be more fair and consistent Stronger alignment between individual contribution and organisational objectives
Empowering and Developing People		
2003 -2005	Develop clear career paths for all jobs linked where possible to career pay grades	Fewer employees leaving to achieve career development

Timeline	Action	Success Measures
2003 -2004	Ensure all employees have regular performance and development reviews	Increased development opportunities linked to career development
2003 -2004	Improve use of workforce information to identify succession planning issues and implement associated development programmes	More trainee schemes Increased number of internal promotions
2003 - 2004	Develop an organisational statement of key behaviours and competencies	Framework actively used and contributes to performance as a recruitment tool, a measure of performance and as a development tool
2004 -2005	Develop and implement new leadership and management development programme	Improved performance evidenced through performance reviews Increase in internal promotions
2004 - 2005	Achieve IIP accreditation across the whole Council	Award achieved and maintained by all services
2004 - 2005	Produce a qualification and continuous professional development strategy	Improved performance and reduced turnover
2004 – 2006	Provide structured 'blended' learning opportunities in the workplace ie develop secondment, shadowing and mentoring schemes	Managers seen as developers of their staff with focus on coaching skills Reduced reliance on course based development

Timeline	Action	Success Measures
Making Connections		
2003 - 2004	Development of an interactive intranet/internet portal through which customers can access a wide range of personnel services	Customers find it easier to access personnel information and services
		More personnel transactions will be capable of taking place electronically
		The HR intranet will be the main means of access to personnel information by both managers and employees
2003 - 2004	Develop an interactive recruitment website	Improved job fill rates
2003 - 2006	Conduct annual employee surveys and focus groups	Improved employee feedback
2003 - 2005	Develop an employee communications strategy and encouraging employees to become engaged in decision-making within their service areas through consultations about service planning and delivery	Improved commitment and morale
Influencing Organisational Change		
2003 - 2004	Define responsibilities and standards for people management throughout the Council	Handbook with clear guidelines produced
2003 - 2004	Review scheme of delegated 'personnel' decisions	Decisions taken at lowest possible managerial level
2003 - 2005	Review all current HR policies and procedures to ensure they meet Council's future business needs	Revised and modernised polices and procedures which support a performance management culture in place
2003 - 2004	Devise a simple contribution based performance and development scheme	All employees to receive an annual performance and development review that contributes to improved performance

Timeline	Action	Success Measures
2003 - 2004	Development of flexible and modern employment packages	Contractual employment arrangements reflect customer needs
Valuing Diversity		
2003 - 2005	Ensure equalities issues are mainstreamed into all aspects of people management and service delivery across the Council	Annual employment equality action plan produced which sets challenging targets for improved performance
2003 - 2005	Develop a range of positive action initiatives aimed at developing and maintaining a workforce that is representative of the community it serves	Increase in number of women and ethnic minority staff in senior management posts (top 5% of earners) Increase in age diversity of our workforce and number of employees with disabilities.