


**EMPOWERMENT
AT SEVENOAKS DISTRICT COUNCIL**







CONTENTS	Introduction – a bold ambition	3
	What is empowerment?	4
	Evidence of an empowered culture at Sevenoaks	7
	Strong, shared purpose	7
	Strong customer focus	10
	Systems approach	13
	Devolved decision-making	16
	Continuous improvement	9
	Leadership at all levels	21
	Open information and knowledge flow	24
	Coaching culture	26
	Overall conclusions	30
	Appendices	
	Appendix A – About Passe-Partout	
	Appendix B – Terms of reference	
	Appendix C – Literature search	
	Appendix D – Benchmarking	
	Appendix E – Cultural web analysis	

INTRODUCTION – A BOLD AMBITION

This is one of two reports resulting from an investigation into organisational culture and practice at Sevenoaks District Council.

It assesses the extent to which Sevenoaks has succeeded in achieving its vision for an empowered culture, and – if established – how far this culture has contributed to the Council’s high performance.

Sevenoaks’ bold ambition

Since 2004, Sevenoaks has adopted a deliberate strategy to transform its culture, shifting power down the management structure, devolving decision-making as close as possible to the customer, and pursuing policies designed to promote open communication and comprehensive staff development.

Council managers believe that the notable turnaround in Council performance in the period since 2004 is largely attributable to this strategy. They point to the fact that simultaneous improvements in performance, quality, customer satisfaction and productivity have been achieved at a time when:

- Headcount has reduced by 30%
- The net budget has shrunk by 25%.

Their argument is supported by the results from internal staff surveys showing improving rates of employee satisfaction and engagement over the same period.

The value of an investigation

In commissioning the investigation reported here, Sevenoaks has sought an external and independent perspective on what has been achieved in the organisation over the past four years.

The detailed terms of reference, contained in Appendix B, show that the expectations of the review were that it should operate from a robust evidence base, using a current and appropriately sourced definition of “empowerment”, and incorporating an element of benchmarking with comparable organisations.

It was anticipated that there would be significant value in the investigation’s findings, not only to the Council, but also to others with an interest in the performance of local authorities, and in the case for “transformative” leadership and management approaches.

WHAT IS EMPOWERMENT?

As the starting point for the investigation, it was essential to establish a robust definition of empowerment.

From its origins (usually traced back to Mayo's "Hawthorne experiments", 1924-27), the concept of empowerment has taken on a wide variety of meanings – for instance, empowerment today has significance in social and political contexts in ways which are very different from the understanding of the term in the organizational context.

In relation to organizational management and behaviour, empowerment is commonly viewed in terms of the employee's scope for self-management, as in the typical definition given below:

Where employees are allowed greater freedom, autonomy and self-control over their work,

and greater responsibility for decision-making

Mullins, (2005), p1054

For the investigation at Sevenoaks it was clear that, in order to be fit for purpose, the agreed definition of empowerment would need to have:

- Resonance with the vision for culture change at Sevenoaks District Council
- A sound evidence base in the literature on organization development
- Clear and discrete components to guide evidence collection and analysis.

Sevenoaks' definition

A starting point was provided by Sevenoaks' own definition (in its account of the organisation's culture change since 2003/4 – Living through the culture change, presentation, 260109), which is re-produced here.

A Culture of Empowerment

An environment where an individual has the authority and confidence to take risk and feel through self managing, accountable and responsible for her work.

Good empowerment requires

- Clarity of purpose
- Morale
- Fairness
- Recognition
- Risk aware
- Autonomy
- Decision making at the lowest point
- Participation
- Teamwork
- Communication
- Healthy environment
- No blame
- Support
- Trust

It is immediately apparent that this interpretation has much in common with the definition from Mullins cited above, emphasising an environment in which people have autonomy, are able to take risks and decisions, and are trusted with responsibility and accountability.

By featuring clarity of purpose, participation and teamwork, the Sevenoaks definition goes beyond Mullins, picking up themes which might be more readily associated with the related fields of employee engagement and continuous improvement; and there are elements which go further still and which might perhaps require further elaboration:

Support, features in various definitions of empowerment, but is usually more specifically described in terms like, training, coaching or access to required information and tools

“Morale” or high morale might more usually be considered an outcome rather than a pre-requisite for an empowered culture

While a “healthy environment” might be interpreted literally as one where sickness absence levels are low, an environment where people feel able to challenge each other, or both.

Review of the literature

A review of the relevant literature (summarised in Appendix C) confirmed the relevance of the key terms highlighted above for this enquiry. It also highlighted three important additional components of true empowerment in a modern service organization:

- **Strong customer focus**
– in Kaizen and Lean thinking in particular, this is seen as inseparable from empowerment; where a clear purpose provides the why; empowerment the how; and customer focus the critical “who” which enables the organization to deliver high quality service
- **A systems approach** – hinted at in the Sevenoaks definition through “teamwork” and “communication”; joined up working and communication is currently understood to be essential for empowerment in a multi-functional organization
- **Continuous improvement**
– fuller explorations of the empowerment culture in organizations such as Nokia, Toyota, Avis or Scandinavian Airlines tend to identify continuous improvement as both a focus and outcome of having an empowered workforce.

All three of these elements are widely understood to be essential for a high performing service organization; and when added to the elements of empowerment previously identified, they provide a focus, breadth and momentum which might otherwise be missing.

The agreed definition

The definition of empowerment used as the basis for investigation is detailed below. It draws on Sevenoaks own definition, adding the three key elements identified through the literature search, and comprises:

- Eight empowerment indicators, each with...
- Key lines of enquiry

This definition was agreed with the Deputy Chief Executive for Sevenoaks in advance of the investigation, and was considered to provide the basis for a robust review which would balance recognition of Council achievements with a challenging assessment of the breadth and depth of empowerment in the organisation.

Empowerment indicator	Lines of enquiry
1.Strong shared PURPOSE	Understanding of main purpose Ability to relate own role to main purpose Appreciation of corporate values
2.Strong CUSTOMER focus	Clarity about service role and impact Understanding of customer groups, needs and expectations
3.Evidence of a total SYSTEM approach rather than silo thinking	Evidence of cross-functional awareness and collaboration Evidence of established partnership working Commitment to teamworking?
4. Devolved DECISION-MAKING	Evidence of devolved decision-making Extent of confidence in ability to make sound decisions Confidence to challenge Evidence of no blame culture
5. CONTINUOUS IMPROVEMENT is embedded	Commitment to continuous improvement Technical ability to achieve continuous improvement Examples of continuous improvement, led at lower tiers of the organization
6. LEADERSHIP at all levels	A distinct leadership ethos Confidence to take responsibility at all levels
7. Open KNOWLEDGE AND INFORMATION flow	Evidence of open and effective systems for sharing performance-critical information Multi-directional information flows
8. A COACHING culture – an emphasis on on-the-job training and development	Support to develop the right skills and knowledge Management understanding of subordinates' work Evidence of on-job, flexible and experiential development Evidence of a coaching approach among managers

EVIDENCE OF EMPOWERMENT AT SEVENOAKS DISTRICT COUNCIL

This section summarises the investigation's findings in relation to the eight agreed empowerment indicators.

Strong, shared purpose

Evidence of common understanding

The interviews conducted with a cross-section of Sevenoaks employees demonstrated a consistent appreciation at all levels of the Council's higher purpose, and how team and individual functions contribute to delivering it.

All interviewees were clear about what the Council was seeking to achieve and what its priorities were; and it was notable that people were confident both about key performance indicators for their areas and about the ultimate outcomes of their work.

A typical example concerned the success of Housing in reducing numbers in temporary accommodation, reducing the numbers of homeless people, and increasing applications for private housing. Clear recent focus on these key performance measures has been a significant contributor to the improved performance of the Council. Staff interviewed from this area were able to cite the percentage targets and reductions, but also talked about how they were "making a difference" and "helping people get a better life". Similar focus was evident in the areas of Refuse (satisfaction ratings and recycling performance) and Benefits (with a dramatic reduction in time taken to process applications).

Enablers of shared understanding

The Council has a strong and well-established performance management system encapsulated in a graphic model showing how the Council's priorities cascade from its Community Plan, through the Council's vision, corporate performance plan and service plans, to individual staff objectives. The framework at Sevenoaks contains some notable areas of good practice including:

- The long view taken for community and financial plans (10 year forward planning is unusual in local authorities)
- An annual prioritisation matrix exercise with members
- The widespread use of performance management software (PB views) to monitor and report on performance – the ability to drill down within segmented and detailed performance data is another important contributor to the clarity of focus evident in most Council teams.

Interviewees also talked about well-used internal communication channels (staff briefings, team meetings, open circulation of minutes, staff involvement in development of strategic documents and projects, etc.) and the great majority also referred to the strong, positive, open and accessible leadership of the senior team.



Satisfaction with the Councils' refuse service has improved year on year

There was a strong sense that leadership and management behaviour, as much as the effectiveness of performance management systems, has enabled the shared understanding of purpose and priorities at Sevenoaks. One contributor's comment about the way appraisal is conducted seemed to sum this up:

"In other places I have worked appraisal is often not very effective and is a paper exercise. Here it does work. I had my appraisal recently and I came away with the clear message that my thoughts, my work does matter."

Deeper commitment

Further evidence that Sevenoaks' culture, as much as the strength of its systems, has shaped recent performance came when the interviewers asked about the organisation's core values.

At the time of the investigation, the Council did not have a defined set of core values; yet when questioned about what the organisation's values might be, there was a remarkably consistent response, with frequent mentions of:

- Careful use of resources
- Continuous improvement
- Trusting people to make balanced decisions
- Having opportunity (to advance, to try new approaches, to represent the Council)
- Collective achievement and responsibility (rather than individualism)
- Confidence and pride in self, organisation and team.

Perhaps more significantly, specific examples cited of how people operate tended to embody the kind of values outlined above. For instance, taking the theme of opportunity, there was:

Consistency among senior managers about the importance of encouraging people to take calculated risks, and backing them up "win or lose"

- A recurring testimony from people who had:
 - Been encouraged to apply for internal promotions and done so successfully; and
 - Been encouraged and supported to develop and implement their own ideas for service improvement
- An interesting theme concerning Sevenoaks people attending external network meetings, finding that they tended to be junior to their counterparts from other organisations.

Local authority benchmarking*	Employer of choice benchmarking**
<p>The clarity, consistency and unity of performance management at Sevenoaks ranks alongside best practice in UK local authorities, and the Council may be unique in having inculcated a strong and distinct value-set without formally having defined and communicated core values.</p>	<p>Sevenoaks compares favourably with most leading organisations in this respect, having succeeded in communicating simultaneously clear priorities and underlying purpose.</p> <p>Where some excellent employers with more formalised core values (such as Fujitsu or Mindtree) may have an edge on Sevenoaks in the way these values are used in a transparent way to guide and reward expected behaviours, and to manage talent in the organisation.</p>
Conclusion	Recommendations
<p>This indicator is met in full. There is strong evidence, not only of shared purpose among employees at Sevenoaks District Council, but also of shared values introduced and spread by example and informal reinforcement.</p>	<p>In seeking to build on strong foundations, there would be merit in considering:</p> <p>Formalising and linking core values to selection, development, recognition and reward (or more generally to talent management)</p> <p>The variety of entertaining ways South Tyneside Council has used to gain high levels of staff engagement with business planning and performance management.</p>

**Drawing on comparisons with current practice in a range of Council, Borough and District Authorities listed in Appendix D*

***Drawing on comparisons with current practice in a range of leading employers listed in Appendix D*

STRONG CUSTOMER FOCUS

Focus on external customers

At 96%, Sevenoaks' overall customer satisfaction ratings are extremely high and evidence for the previous indicator (of clear and consistent delivery focus) provides a partial explanation of this.

"We have done a lot of work recently on strengthening our customer focus. Our tax payers are our customers and we should never forget that. One of the senior managers came along to a recent team meeting and reinforced what we are trying to do".

The Contact Centre is generally thought to provide an internal exemplar, with consistent improvement in satisfaction ratings over the last three years. Regular monitoring using a CRM system shows the increasing proportion of queries being satisfactorily dealt with at first point of contact. A notable practice at Sevenoaks involves new staff in a wide variety of roles sitting in on contact centre calls as part of their induction.

There is evident pride among employees based at the Council's Dunbrik depot in the high levels of customer satisfaction with street cleaning, refuse and recycling services, as well as a determination to maintain the high standards set, with frequently up-dated visual information on the walls about "how we are doing". *'If you asked a refuse collector what he was there for, he'd say "To provide an excellent service to the customer" and mean it.'*

Among others in front-line roles, the interviewers encountered people (whether in Benefits, Direct Service or Housing) who showed high levels of commitment to providing excellent service and some (notably in Community Services) who demonstrated very detailed appreciation of customer needs. In this area of the Council there has been some excellent recent work, using community profiling to target public health activity at ward level in partnership with the local Primary Care Trust ("they had never had that quality of information before.")

The Council has a set of core standards for customer care, but it is evident that individual teams also have the flexibility to set their own standards.

Internal customer focus

The most marked recent improvement in relation to customer satisfaction, appears to have been achieved in internal services. All internal functions now undertake regular surveys of customer satisfaction, and it was notable during this investigation how readily staff members referred to their service's satisfaction measures, and how committed they were (without exception) to maintaining high standards.



The Councils' contact centre has demonstrated consistent improvement over the past three years.

Internal customer focus

The most marked recent improvement in relation to customer satisfaction, appears to have been achieved in internal services. All internal functions now undertake regular surveys of customer satisfaction, and it was notable during this investigation how readily staff members referred to their service's satisfaction measures, and how committed they were (without exception) to maintaining high standards.

As one respondent put it, *"There's been a fundamental shift from "Why do you want to know?" to "What can I do to help?"*

Among the notable practices highlighted were:

- The way internal services are structured to reflect their customer base (e.g. with customer liaison functions in Finance split between different officers)

- The "enabling" function adopted by IT Services, for instance in working with the Tax Benefits to introduce new software for faster claims processing
- The "self-help" ethic evident in the way discrete departments manage their own Council web-site pages, and promoted by Human Resources with the establishment of online sickness report and workforce planning systems
- The freedom Service Managers are given to re-think and re-refresh the way their services are delivered.

A detailed example is given below showing the turnaround in internal service levels from one department.

IT

Five years ago this team was failing; and had a 40% percent satisfaction rating among its customers. In the words of one team member: "We had a culture of finding reasons not to do things – I was probably part of the problem back then. The feeling in the team was one of powerlessness and demotivation– we used to say to each other 'if I could just get my hands on this team...'"

Today the satisfaction is 98%; the team is smaller; but highly motivated. In interviews, some factors contributing to the change were identified as follows:

- A crisis meeting with Director where the team was confronted with the stark facts of their under-performance, challenged to turn it around, and asked to decide for themselves how this could be done, with full support from the Director concerned
- The fact that the Service manager was given the freedom to make decisions, and implement new ideas
- Being pushed hard to deliver value for money, and help the Council become more efficient
- The expectation that ideas for improvement had to be supported by a strong rationale and cost/benefit analysis.

The current Head of Service says this about the way information (including budget details) are shared in team meetings:

"People care now – they take pride and interest because now their ideas are in there."

Local authority benchmarking	Employer of choice benchmarking
<p>BVPI measurement and customer satisfaction surveys show Sevenoaks to be an excellent authority in respect of external customer focus.</p> <p>But it is arguably in the area of internal service delivery, where this authority stands out from others with very strong service levels in areas where many other Councils still experience tension and dissatisfaction.</p>	<p>External and internal service ratings (and the rate of improvement in the latter) compare with best organisations in any sector</p>
Conclusion	Recommendations
<p>This important indicator of empowerment is met in full; and the challenge from this point will be to avoid complacency in the highest performing areas, while bringing others to comparable levels.</p>	<p>It will be important to ensure that the excellent practice (in community engagement and partnership working) evident in Community Services in particular is shared and built on in other areas.</p>

SYSTEMS APPROACH

Cross-functional awareness and collaboration

Internal communication and cross-Council working have been highlighted as areas for improvement in recent staff surveys, and there was evidence of systematic efforts to address these areas, for instance with:

- The establishment of cross-functional groups to work on core areas of policy and practice such as:
 - Developing the Community Plan
 - Re-designing the appraisal process
 - Introducing a climate change policy
 - Refining procurement practice
- The new practice for Directors and Service Managers to attend team meetings outside their own areas.

The consensus among those interviewed was that, by comparison with other public

sector employers they had worked for, Sevenoaks appears very “joined up”; and many people linked this to the improved internal customer service from support functions like Finance, IT, Facilities, HR and Democratic Services.

Commitment to teamworking

There was a notably strong sense of teamwork and mutual support during this investigation – most people when asked to relate specific examples spoke of what “we”, the team had achieved, rather than about their own individual achievements; and many interviewees were fulsome in their praise for other people they worked with (“my manager is really go-ahead”, “the younger ones are always coming up with ways to do things a bit better or a bit faster”, “the way we worked together on that [IT infrastructure project] made me think, yeah, this is a proper team.”

Teamwork

A crisis situation developed within a particular department after a member of staff went off on long-term sick leave and a new manager was appointed. Instead of buying in external expertise to help the department through and deal with the workload, the entire department was reorganised. We all pulled together and took on extra work and I was given the opportunity to work one day a week from home so that I could cope with the extra responsibility. We were all very proud of the results:

- The service to the customer improved by using internal staff resources and skills and reducing costs by not relying on external contractors
- Members of the public were provided with a single point of contact
- We were rewarded through the appraisal system
- We developed our existing skills
- The work was recognised by managers at all levels
- The changes to the system and the service were based on suggestions made by the staff
- Implementing these changes was only made possible because of the ethos of the manager and the team and the willingness to be flexible in approach
- The result was win:win, for the team who took pride in a piece of work well done, and for the customer who got a much better service

Established partnership working

The system in a modern local authority encompasses far more than just the organisation as employer, and a genuine systems approach needs to incorporate community engagement and sustainable partnership working.

In these areas, Sevenoaks compares favourably with similar local authorities having:

- A Community Action Plan developed through extensive consultation, with clear priorities reflecting public opinion
- A variety of specific consultation mechanisms (budget consultation exercises, a residents' panel, listening days, residents' planning events for community projects)
- Strong partner involvement (for instance through Sevenoaks District Community Planning Partnership at strategic level, through to joint working arrangements with key partners like Tunbridge Wells Borough Council and West Kent Housing at an operational level)

- A far reaching commitment to involve members in decision-making (for instance through the annual prioritisation matrix exercise; and evidenced by the ongoing review of Development Services which includes a cabinet-led review, and which is geared at bringing Councillors closer to management and decision making in planning and development control).

Some particularly strong evidence of effective partnership working and community leadership came from Community Services team, as detailed below:

Community development

A major health project during 2008/9 delivered unprecedented performance, with over 19,000 attending events and using services; and to date 42% of users reporting health benefits. One of the team involved in the project has identified some of the factors behind this level of performance:

- Strong partnerships – with people at the front line (“the ones who know the territory”) working together
- Excellent planning based on extensive community profiling so that “we were able to inform the PCT for the first time about specific needs at ward level”
- Empowering the community – by training members of public to lead or run specific initiatives (e.g. health walks) – “people often don't want a professional coming and doing unto them”



Training members of the community to lead on health walks.

Local authority benchmarking	Employer of choice benchmarking
<p>While some authorities make more extensive use of shared systems (for instance Westminster’s use of sharepoint for Councillors), and others (such as Norfolk) have been more explicit in encouraging a “one team” approach, the outcomes achieved at Sevenoaks indicate that the Council has succeeded in its aspiration for more joined up working.</p>	<p>Interesting work has been done in the IT industry in particular, using technology to facilitate the establishment of collaborative communities (often bringing together people in similar professions); and a variety of tools has been developed in automotive and other sectors to facilitate best practice transfer. These areas may be worth exploring as Sevenoaks comes to rely more on delivery through partnerships and networks.</p>
Conclusion	Recommendations
<p>There is ample evidence to conclude that this indicator of empowerment is currently met, and that this owes partly to a willingness to listen to feedback from staff.</p>	<p>There will be merit in considering some of technology options outlined above, and in particular finding out about the various ways in which Westminster City Council has introduced new systems to share knowledge.</p>

DEVOLVED DECISION- MAKING

Involvement

The majority of managers and staff appear to be accustomed to an involving approach, with a range of forums for raising their views, including:

- The biennial staff survey – it was noted in this review that feedback from the 2006 survey about the need for staff briefings and dissatisfaction with working conditions in some areas, had been addressed
- Staff briefings for the whole organisation
- The Leadership Development Forum
- Team meetings and team away days which appear to be arranged in most areas of the Council
- Involvement of staff at all levels in cross-Council improvement groups (e.g. on procurement) or function-specific improvement groups (such as the internal team convened to review the structure and processes in Benefits).

One recurring example cited by people from different teams described how managers involve staff in decision-making processes critical to future performance, such as team reconfiguration, how an under-performing service

should be turned around, how key processes can be improved. The consistency of this testimony supports the senior management belief that a culture of involvement and empowerment has become established in many parts of the organisation.

Devolved decision-making

A great deal of effort has been put into devolving responsibility to 3rd tier managers who manage the front-line services. There was clear evidence that this is experienced as real, not token, responsibility by the managers and their staff. As one staff member put it, *"I go to my line manager to report on what I've done not to ask permission to do it in the first place"*.

Managers lower down the organisation have responsibility for budgets, for their people and for levels of service, and work to mutually agreed performance indicators – and there is evidence that information on performance and budgets is shared openly in some teams.

There was also evidence, encapsulated in the following detailed example from the Benefits team, that front-line staff are closely involved with planning and decision-making about how their services should be run.

Benefits

From a stage where new applications claims were taking 60 days to process on average, the Benefits team has recently reduced this to 20 days. One of the staff members who took part in the review which started this turnaround, identified the key factors as follows:

- Involving frontline staff in identifying the problems and coming up the solutions
- Re-configuring the allocation of claims so that assessors are now responsible from beginning to end for a set of applicants (using a simple alphabetical system)
- Introducing new software
- Being trusted by senior managers that the team had come up with the right solution – *"it was strange because that was the way we used to work when I first came here"*.



Changes to the application process has dramatically reduced the time taken to access applications.

The nature of this improvement is all the more remarkable when it is understood that its introduction coincided with:

- A £400,000 budget cut in Benefits
- An increase in the volume and complexity of applications (largely due to the economic downturn).

The recent claims increase has recently been calculated at 20% in the last three months – there is some trepidation in the team as to whether they can cope with a continued increase, offset by the pride and confidence team instilled by the step change they have achieved.

Decision-making at the lowest point?

Findings suggest that there is further work to do before this aspiration can fully be said to be met. The evidence of wide involvement is strong, and the devolving of power to third tier Service Managers has been achieved successfully in almost every area of the organization.

There were indications however that the nature of devolvement below the third tier is less consistent around the Council, and examples of areas:

Such as Facilities, where the service manager's span of control may be too wide and plans to involve supervisors in performance management are very timely;

Development Services where the complexity and high profile nature of decision-making have extended the process of service re-organisation; and

Direct Services, where responses to the most recent staff survey suggest that some people do not feel they have significant influence over the way they work.

Confidence

"Confidence" was a key word used several times by contributors to this review. Managers and staff in most areas appear to have confidence that they can meet the challenges in front of them. Two middle managers talked about the confidence that comes from having delivered what seemed like impossible budget reductions, and having reconfigured their teams year on year. Other people mentioned their relish for debate, in particular the way officers are held to account by very able Members: "Members challenge us about all the good press and awards we have been receiving – there is a bit of scepticism about it"

Managers at the top three tiers of the organisation were very clear about the sustained commitment there has been in Sevenoaks to encourage people to take calculated risks, to feel supported in doing so, and to learn from their experiences. This was borne out by a large number of recounted instances where people at different levels and from all areas of the organisation had contributed to service improvement by doing something different. Two are summarised below:

- Swift approval for a proposed software fix in the Benefits team (costing £50,000). The Benefit Manager was able to negotiate a reduced price, put together a business case, and obtain formal consent from the Directors for purchase from the preferred supplier in less than 2 weeks. The swift decision making process secured a 40% cost reduction and ensured that the product could be purchased and real savings, including the ultimate reduction of one full time post within Benefit Services, could be realised.

- Server virtualisation – a proposal worked up and implemented by a Service Manager and Officer in the IT department has so far saved the Council £250,000 after an initial outlay (paid back) of £150,000

In the words of one manager:
“We never rubbish people here. We trust them and grow them. We tell them, ‘You can do it and we will support you all the way’”

Local authority benchmarking	Employer of choice benchmarking
<p>Although there is evidence of further distance to travel, it is hard to identify any authority which has gone significantly further than Sevenoaks in devolving decision-making. Overall levels of involvement in forward planning are high by comparison with others in the sector.</p> <p>There are some isolated examples where Councils have introduced new ways of working using technology, which have supported fuller devolvement in specific areas (for instance the introduction of PDAs for environmental services workers at South Tyneside).</p>	<p>The way certain teams have been involved with forward planning and re-organisation is comparable with best practice in originators of empowered working like Toyota.</p> <p>There may be lessons to be learned from service and hospitality employers (British Gas, the AA, Marriott Hotels, ABB) about how power and authority can be delegated to people in jobs with low skills requirements.</p>
Conclusion	Recommendations
<p>The balance of evidence suggests that Sevenoaks is close to but not fully meeting this indicator of an empowered culture. The conclusion of the current Development Services review may tip the balance, but senior managers are aware of the scope to increase levels of ownership among people in relatively routine roles.</p>	<p>The Development Services review is nearing its conclusion; and therefore the next key area to address appears to be in Direct Services where a focused and involving internal review may be needed to identify:</p> <ul style="list-style-type: none"> ■ Scope for re-configuration of work and work roles ■ Specific barriers preventing a sense of ownership and control among some employees.

CONTINUOUS IMPROVEMENT

Commitment to continuous improvement

Without exception, interviewees saw measuring “how we are doing” as an essential feature of a continuous improvement culture and were clear that such a culture existed at Sevenoaks.

Most forms of measurement, both those that are externally required and those that are internally developed, seemed to be seen as useful though one senior manager stated that “our internal measures are much more important – we measure what is important to us and our customers”

There was strong evidence that people at all levels and from all areas are motivated to learn – and not only in the conventional sense, but in the wider sense of changing and adapting continually. The reviewers found it very refreshing to hear several interviewees talk about how they embraced change – in the words of one: “Change has almost become a pleasurable experience...a chance for new invigoration and new focus”.

Technical ability to achieve continuous improvement

There was clear evidence that teams are eager to share results and plan for improvement and are given the support and responsibility to do so. To quote one 4th tier manager, “In my team everyone has a lead for something and becomes the team’s expert. We are also encouraged to get out and about and see what others are doing”.

Examples of continuous improvement, led at lower tiers of the organization

There were plentiful examples cited of improvement to internal and external services, including:

- Recent technological innovations improving efficiency, speed and communication, such as:
 - The Planning expert system
 - Electronic billing
 - Parking fines linked to Agresso (financial software)
 - A direct processing link up to bailiffs from the enforcement team
 - An improved system of sickness reporting and monitoring
- Examples of staff, supervisors and service managers improving Council efficiency and performance, including:
 - The Facilities Management supervisor encouraged to revamp the cleaning manual
 - Management of agency contracts being devolved to the Dunbrik depot with a resulting reduction in expenditure
 - The Benefits team re-engineering their service and cutting processing time by two thirds
 - Staff in enforcement “constantly coming up with better ways to use our Academy software better
 - An officer in Democratic Services producing the Council’s first Scrutiny guide
 - The re-awarding of the in-house catering contract, resulting in improved standards and lower prices for staff.



Changes to the parking fines system has improved efficiency and speed.

Local authority benchmarking	Employer of choice benchmarking
<p>The breadth of achievement here (with marked improvements across most services) again suggests that Sevenoaks is a very high-performing Council, and it is encouraging to note that performance appraisal now incorporates a “direction of travel” challenging employees to improve on the previous year.</p> <p>Linked to previous comments about the possible value of defining and communicating core values, there may also be some learning from the clear and well-structured behavioural framework adopted at Kent County Council, as a way of seeking to sustain excellent performance.</p>	<p>IAt Sevenoaks Service Managers and their teams are now encouraged periodically to review and refine the way they work. This practice (and the fact that it has been embraced with such enthusiasm by many) again bears comparisons with the kaizen and lean principles pioneered at Toyota and which some areas of the UK public sector are now introducing.</p>
Conclusion	Recommendations
<p>This is arguably the most important of the eight indicators in that it represents the ultimate outcome of good practice in the other seven areas – continuous improvements in service quality. The evidence is that Sevenoaks does have a continuous improvement culture, and that this is a direct result of the way most people have been empowered and supported to take risks, make decisions and make things better.</p>	<p>No recommendation.</p>

LEADERSHIP AT ALL LEVELS

Distinct leadership ethos

In describing the leadership approach at Sevenoaks it was illuminating to note that senior managers tended not to refer to the Council's competency framework (which is in place and appears to be generally well applied) but to a clear distinction between management (in the command and control sense) and leadership (described in terms akin to the transformational model – "inspires...listens... supports").

What was also strongly apparent is that employees (and there were no exceptions during this investigation) have genuine respect and trust for the senior team (the Directors and Council Leader), and feel that they are effective in modeling this transformational approach throughout the organization.

To a large extent, but not in every area of the business, this behaviour is also replicated at the 3rd and 4th tiers, with managers unafraid of "letting go" and staff confident about taking risks and responsibilities.

The leadership role

The manager of the Benefits team was away on sick leave for three months. During that time her 3 deputies managed the work very effectively and continued to make improvements. Other members of the team stepped up or stepped across to fill the gaps. Knowing that they could do without her did not depress the manager on her return to work. Instead it confirmed her view of her role as "system helper, strategic thinker and guiding hand" not the traditional people manager.

The (informal) values of the Council referred to in the section on "Strong, shared purpose" come through strongly in the way people talk about how they are led at Sevenoaks, leaving the clear impression that:

- Top managers have deliberately set out to instil and model those values
- The majority of those with people management responsibilities are also behaving in line with those values (identified from responses to this review as careful use of resources, continuous improvement, trusting people to make balanced decisions, having opportunity (to advance, to try new approaches, to represent the Council), collective achievement and responsibility (rather than individualism), confidence and pride in self, organisation and team).

Confidence to take responsibility at all levels

In a similar vein to the comments about how far down the organization decision-making has been devolved, the evidence suggests that most people but not all feel encouraged and able to take a leading role in some aspect of their work. Using an analogy of spinning plates, one senior manager acknowledged that there remain some areas of the organization where:

- EITHER more time is needed to establish the desired levels of confidence and ownership
- OR more thought is required about where the real scope is for everyone to have the opportunity to lead.

That said, there were numerous examples cited during this review showing how people at the fourth and fifth tiers of the organization have the confidence to take responsibility:

- Taking on new/extra responsibility – re-organisations in Benefits and Finance, for instance, have resulted in people taking on greater workloads and fuller ownership of clients. The interesting point about these examples is that staff were responsible for coming up with the new workflow designs.
- Several supervisors with end to end responsibility for key projects or budget-driven functions, such as revising the sickness absence procedure, office cleaning, hiring agency staff.
- Staff and supervisors in many areas being given the flexibility to manage their

own workloads, having the confidence to negotiate with managers on allocation and deadlines (particularly notable in instances where people are fulfilling split roles) and taking on designated expert roles for their teams (e.g. for IT or health and safety).

The following comment and subsequent example give a fuller flavour of the answers people gave during the review when asked to describe ways in which they had been encouraged to take on responsibility:

"I haven't been here very long but I have been pushed in the right way to take more responsibility and get involved. The department ran a Womens' Health Week which I did a lot of the organising for and really enjoyed. I don't think that would happen to many trainees".

Democratic services

The abrupt departure of a manager and officer, left a team of two (one only six months into the job) to cope with a service perceived by some within the Council to be unresponsive and lacking customer focus. Within the intervening period of just over 6 months, the team has been transformed:

- Widely recognised now as a responsive and expert team
- Helping to improve member-officer relations
- Making headway in a longstanding priority area for the Council – that of introducing more robust scrutiny.

On this latter point, one of the officers remaining after the changes within the team was encouraged to produce a scrutiny guide which was piloted with a Service Select Committee looking at the issue of bringing back into use empty housing. The pilot was very successful and resulted in an increase in the number of empty houses brought back into use and has helped to put in place a more challenging target to bring back into use empty properties. The new guide is now in general use.

The officer in question says: "I would never have been allowed to do it...there was no impetus, no improvement focus before...I was told 'you don't need to look at this area'". Through a more empowering approach to managing, which allowed the officer decision making freedom, autonomy and support, the same officer who was perceived not to have the skills was able to undertake an innovative approach with strong outcomes in a challenging area for the Council.

Local authority benchmarking	Employer of choice benchmarking
<p>Some larger authorities have developed more extensive and structured approaches to encourage leadership at different levels of the organisation (this is one of the aims behind Islington Borough Council’s talent management framework, for example).</p> <p>But in other respects, Sevenoaks’ leadership approach is exemplary – in particular because it has been so successfully driven by behaviour and example which is something much harder to achieve in a large Council, and very rare among smaller ones.</p>	<p>No significant insights from comparisons beyond local authorities.</p>
Conclusion	Recommendations
<p>On balance this indicator is met through a combination of highly effective transformational leadership at the top of the organisation and the confidence and trust this has engendered, resulting in the vast of people being willing to take on responsibility and accountability.</p>	<p>No recommendation beyond that known already to be under consideration, for some focused development to strengthen confidence/capability between the third and fourth tiers of management.</p> <p>Longer term, and in conjunction with the Workforce Planning system, there will be value in considering a structured approach to talent management – encompassing the attraction, development and retention of highly able people.</p>

OPEN KNOWLEDGE AND INFORMATION FLOW

Open and effective systems for sharing performance-critical information

The strong impression from this review is that Sevenoaks is not the kind of organisation where people say, "no-one told me....". There is an effective array of mechanisms for information and knowledge sharing including:

- Twice yearly staff briefings
- The widely accessible PB Views performance management package
- Budget information shared with many teams
- Cross-departmental task groups
- An FAQ system established by the IT team
- A practice of managers attending different team meetings
- Good evidence of looking outside Sevenoaks at what other organisations are doing (Directors involved in peer-reviewing; membership of the Kent cluster for IIP; common membership of local networks; specific practices imported from other organisations such as the Metropolitan Police).
- An important and relevant point here, particularly in an organisation where staff numbers are in decline, concerns the commitment to early and open dialogue that has been demonstrated in recent years with people in teams which might be under threat (whether because of funding reductions or under-performance.) As one Director described it, the Sevenoaks

approach is to, "start talking to people at an early stage; set the scene; discuss budget and performance issues frankly; looking ahead four years in some cases; asking people for ideas and encouraging them to come up with and own solutions... so people know what's going on and to some extent know that they have some control." Testimony from managers and staff corroborated these comments, and there was acknowledgement that recent re-organisations and redundancies had been well handled. As one interviewee put it: "If something has to change we always understand why"

Multi-directional information flows

Internal communication and knowledge sharing was an improvement area raised in the 2006 staff survey, and the attention now being paid to this area reflects the way staff opinion is listened to and acted upon at Sevenoaks.

The consensus among interviewees was that senior managers operate effectively as a team. Many managers have paid attention to team climate and configuration, with re-organisations in areas such as Finance, Benefits, IT, Enforcement, Facilities Management, Planning and Housing designed partly to improve communication and morale. Details such as seating, signage and office décor have frequently been taken into account.



Each department maintains their own area of the Council website.

Departments with internal customers (e.g. Finance, Communication, IT and HR) appear to be effective and proactive in the way they support other departments, with a range of successful approaches adopted ranging from the Client Liaison Officer

role in Finance to the self-service approach whereby Communications act as web administrators while each department maintains their own area of the Council website.

Local authority benchmarking	Employer of choice benchmarking
<p>Another area where Sevenoaks appears to compare with the best practice in other local authorities.</p>	<p>Not having the same financial constraints as most local authorities, the best private sector employers often use the design of the work environment very effectively to facilitate and encourage a flow of productive, imaginative communication. Resources and other priorities permitting it would pay Sevenoaks to visit some exemplar organisations, since despite some attention to working environment in a few areas, the general feel ones gets for the organisation from walking around the building does not match the reality described elsewhere in this report.</p>
Conclusion	Recommendations
<p>Indicator met in full.</p>	<p>No further recommendations.</p>

COACHING CULTURE

Support to develop the right skills and knowledge

Although there is no defined learning and development strategy for Sevenoaks, there does appear to be a generally shared perspective among the top three tiers of management that the Council is aiming to develop capability in the following areas:

- Building resilience by supporting cross-skills training in many teams
- Increasing member involvement (partly through training and joint working as exemplified by the ongoing Development Services Review)
- Encouraging self-sufficiency among managers (through access to sickness report and workforce development tools; and through upskilling in service improvement and budget management)
- Encouraging cost effective and shared learning methodologies related to live issues for the Council, through action learning and increased cross-functional working.

There are some examples of effective team development planning, using skills matrices and encompassing capabilities people may not be applying on the job (Housing appears to be an exemplar in this respect). But it is evident that the L&D team view this as a work in progress, with more to be done to establish consistent workforce development planning around the Council – the imminent introduction of new software will do much to address this area

Management understanding of subordinates' work

Relatively high levels of recent internal promotion have established a situation where

many managers at the third and fourth tiers have recently been in roles similar to (but often not the same as) those now fulfilled by the people they manage. This has the positive effect that most managers have a very strong understanding of their subordinates' work, and apparently without the common negative side effect of tension between people formerly at the same level.

There were also frequent mentions of the visibility and approachability of senior managers in all areas of the Council, including in areas for which they do not have direct responsibility.

Evidence of on-job, flexible and experiential development

There is very good evidence that Sevenoaks deploys an imaginative, flexible and cost-effective range of learning methods. Contributors to this review consistently described the approach to learning as needs-based, with provision arranged according to need. Among the variety of methods cited during the review were:

- Action learning for middle managers
- Bite-sized sessions
- E-learning through the Ivysoft provision
- Extensive use of networking and partnership arrangements as a basis for learning and development
- Project-based learning
- Some examples of mentoring and informal coaching.
- Cross-skilling in many teams
- Using internal experts (e.g. people from Community Services providing training on group facilitation; Prince II Cascade training)

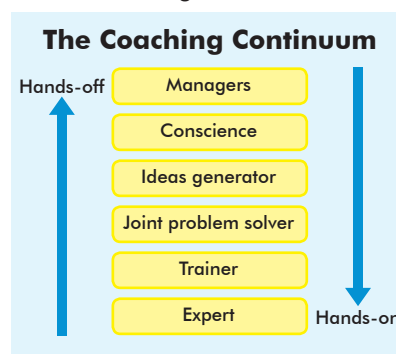
- Training others including Councillors, members of the public (e.g. in Community Services) and staff with partner organisations (e.g. Council Tax training for staff with West Kent Housing Association)

With such an emphasis on continuous improvement in service delivery coupled with devolved decision-making, staff are expected to adapt and change and therefore in the words of more than one contributor “are learning all the time”.

Evidence of a coaching approach among managers

Managers did not describe themselves as coaches but there was a strong emphasis on “getting alongside your staff, helping them to succeed not fail” and “learning from each other”.

In relation to the familiar coaching continuum (illustrated), there is a detectable management style at Sevenoaks akin to coaching at the hands-off end of the spectrum. This is particularly apparent in the relationships between Directors and Heads of Service; and Directors, Heads of Service and Service Managers.



It comes through specifically in the way 2nd and 3rd tier managers are given challenges (rather than instructions), along with the freedom to come up with their own solutions. Typical examples are the challenges to

Benefits and IT to turn around unsustainable performance levels.

What associates this approach more closely to coaching is that having set the challenge, senior managers tend subsequently to:

- Expect to be presented with an evidence-based solution (“... as long as I back it up with a proper business plan”)
- Be available to give advice or opinions (“he doesn’t give me answers”)
- Provide feedback on the solution and on its subsequent impact
- Be supportive if the solution doesn’t work (“whether it goes wrong or it goes right... he knows I will spend a lot of time trying to get it right.”)

It comes through specifically in the way 2nd and 3rd tier managers are given challenges (rather than instructions), along with the freedom to come up with their own solutions. Typical examples are the challenges to Benefits and IT to turn around unsustainable performance levels.

What associates this approach more closely to coaching is that having set the challenge, senior managers tend subsequently to:

- Expect to be presented with an evidence-based solution (“... as long as I back it up with a proper business plan”)
- Be available to give advice or opinions (“he doesn’t give me answers”)
- Provide feedback on the solution and on its subsequent impact
- Be supportive if the solution doesn’t work (“whether it goes wrong or it goes right... he knows I will spend a lot of time trying to get it right.”)

Between the third and fourth tier this kind of relationship appears to be less common – although there appear to be generally supportive and positive relations, it could be that the relative inexperience of some Service Managers is a hindrance here. Certainly the evidence of this review indicates that some Service Managers are receiving more (effective) development support from their own managers, than they are providing to their own teams.

This apparent hiatus between the third and fourth tier may indicate a need to provide more specific direction and support to some managers concerning the coaching style of management

expected at Sevenoaks.

However, it is important to be clear that the detectable coaching style appears not be restricted to one-to-one or one-level down relationships, but comes through in the way senior managers communicate with whole teams and with individuals at all levels of the organisation.

“In preparation for a partnership meeting I was asked to get together some quite complicated data for the Deputy CEO at short notice. I did so and sent it off to the relevant person. When the Deputy CEO went to the meeting he was so proud of what I had done and he came to say thank you”

Local authority benchmarking	Employer of choice benchmarking
<p>Some other authorities are ostensibly ahead of Sevenoaks in this area, having introduced extensive coaching programmes (for instance at Kent and Oxford City Council) and having a longer established and wider range of learning options.</p> <p>However, the almost instinctive coaching style which has been instrumental in transforming Sevenoaks’ culture is rare to find in any medium or large employer, regardless of sector.</p>	<p>No significant insights from outside the local authority sector here.</p>
Conclusion	Recommendations
<p>Though there is room to establish a more formal and structured coaching system, this indicator is met, owing:</p> <ul style="list-style-type: none"> ■ Partly to the high impact of the informal coaching approach adopted by senior managers ■ And partly to the effectiveness (in terms of outcomes and use of resources) of the range of L&D provision at the Council. 	<p>There would be merit in taking steps (through systems, supervision and training) to formalise the coaching approach at Sevenoaks. This may help spread the culture change in some of the more resistant areas of the organisation, and could also have direct pay-offs in guiding the way employees work with each other, with customers and with partners – particularly in the areas of joint problem-solving and decision-making.</p>

OVERALL CONCLUSIONS

In summing up the findings from the investigation at Sevenoaks District Council, it will be helpful to re-visit four key questions:

- Is there evidence of an empowered culture at Sevenoaks?
- Is there evidence of a direct link between empowerment and high performance at Sevenoaks?
- Where are there opportunities for improvement?
- How might understanding the Sevenoaks experience benefit others?

Is there evidence of an empowered culture at Sevenoaks?

The investigation reported here provides strong and consistent evidence that Sevenoaks District Council has indeed succeeded in its aspiration for a culture of empowerment.

On all of the eight indicators identified, the Council demonstrates effective and well-integrated systems and practices, and on only one of these does the balance of evidence suggest that there is significant work still to be done before victory can be declared.

Something worth re-iterating here is the consistent testimony from managers and staff about the distance travelled over the past four years, and the strong sense of pride that their journey has been accomplished with a continuing reduction in available resources.

The reviewers' judgement is that the combination of excellent systems and practices for people and performance management at Sevenoaks ranks with the two or three best organizations they have visited, in any sector.

Is there evidence of a direct link between empowerment and high performance at Sevenoaks?

The answer to this question lies partly in the diversity and depth of practical examples cited in this report showing how so many teams and individuals have been able to transform service delivery and improve service results.

The implied state of Sevenoaks' culture before 2004/5 also suggests that it is highly unlikely that comparable results would have been achieved with the high levels of involvement and empowerment now apparent.

It is instructive that one of perhaps only two areas in the Council where the cultural transformation is not felt yet to have taken effect, is also under-performing by comparison with most other departments. Conversely though, the other significant area has been a high performer for some time. This could be said to justify the "softly, softly" approach taken by senior management at Sevenoaks. At no time has there been any substantial communication of intent to transform organizational culture, and much of what has been accomplished has come about through informal and low-key interventions.

Where are there opportunities for improvement?

Following on from the previous point, with critical mass now on the side of the empowering approach to running Sevenoaks, the time looks right to introduce more formal mechanisms with the aim of:

- Consolidating established good practice in most areas of the organizations
- Providing clarity and a measure of reinforcement to help work with teams and individuals not yet fully “bought in” to the desired culture
- Supporting the effective induction of new employees.

Two specific areas where more explicit definition of expectations and available support would be beneficial are core values and workplace coaching.


Of the other recommendations contained in the previous section of this report, it is clear that the priorities to get closer to full empowerment in the organization will be:

- Completing the review of Development Services
- Working with Direct Services to agree a plan for increasing staff involvement and ownership
- Development to address the confidence/capability between the third and fourth tiers.

An interesting theme that has emerged from this review (and which merits further investigation), is the “multi-directional” nature of empowerment. The change at Sevenoaks appears to more than just a top-down exercise to delegate power and accountability, but has also involved:

- Fuller engagement with partners (for instance using peer authorities such as Chichester to undertake reviews; and providing training and support for staff in partner organizations)
- Empowerment of citizens (the Council’s community development work aims to empower local people with information and support, but also by encouraging and equipping people to champion community improvements themselves)
- Closer involvement of members – most recently though the extensive and collaborative review of Development Services.

A more detailed understanding of this more complex set of issues will be valuable to Sevenoaks in a future where increased delivery through partnership and networks appears to be one of the few certainties.



How might understanding the Sevenoaks experience benefit others?

Although there are many case studies demonstrating the nature and impact of empowerment in private sector organizations (with the emphasis on manufacturing, high tech industries, hospitality and retail), there has not to date been a great deal of in-depth research into such practices in the public sector.

Relevant literature has tended to:

- Treat empowerment as part of a wider set of organizational characteristics enabling high performance (as with the review of “success factors in some of the UK’s leading councils” published by Serco in 2008)
- Focus on employee engagement rather than empowerment (for instance in the IDeA case studies of South Tyneside and Gateshead Councils)
- Concentrate on the transformation of specific functions (such as the introduction of the nurse practitioner role in the NHS, or the expansion of the powers of the custody officer in the Police Service)
- Be aligned with a process of contracting out key services, such as with the establishment of Greenwich Leisure Limited as a social enterprise.

To our knowledge, this report on Sevenoaks District Council describes the only in-depth investigation of its kind, looking at an entire public service organization, and concentrating exclusively on empowerment and its impact on performance.

Partly for this reason, and partly because of the success achieved at Sevenoaks, we have confidence that the lessons from this investigation will have value for many public sector organizations, within and beyond the UK.

APPENDIX A

ABOUT

PASSE-PARTOUT

Passe-Partout was established in 1998 as a sole trader, by Alex Taskin, specialising in Investors in People advice and assessment. We became incorporated in 2000, and between 2001 and 2003 extended our core team and expanded our services to include learning design and delivery.

We are one of the UK's leading Investors in People consultancies, and have supported over 1000 organisations to meet the Standard with clients at all levels ranging from global like Fujitsu and the Atomic Weapons Establishment, national such as the Identity and Passport Service and BUPA Hospitals Gas, to local businesses including Hay Logistics, Silent Gliss, Macks Multiples and Dartford and Gravesham NHS Trust.

Since 2001 we have built a strong reputation for highly effective learning and organisation development, and are approved suppliers with several organisations including:

- HM Prison Service
- Benenden Hospital and Healthcare Society
- P&O Ferries
- British Gas
- Kent County Council
- Oxfordshire County Council
- London Borough of Islington
- Investors in People UK
- Improvement and Development Agency
- UK Borders Agency
- The Royal Household.

APPENDIX B

TERMS OF REFERENCE PURPOSE

The audit reported here had a dual purpose:

1. To understand how far the Council's current systems, processes and practices measure up to the requirements in selected areas of the extended Investors in People framework (New Choices)
2. To investigate the cultural transformation the Council has undergone in recent years and establish the extent to which:
 - The Council has achieved its goal of a culture of empowerment
 - The change in culture has contributed to the improvements in organisational performance and productivity over the same period.

This report concerns the latter of these aims.

Context

Culture change at Sevenoaks District Council

Since 2004, the Council has adopted a deliberate strategy to transform its culture, shifting power down the management structure, devolving decision-making as close as possible to the customer, and pursuing policies designed to promote open communication and comprehensive staff development.

Council managers believe that the notable turnaround in Council performance in the period since 2004 is largely attributable to this strategy. They point to the fact that simultaneous improvements in performance, quality, customer satisfaction and productivity have been achieved at a time when:

- Headcount has reduced
- The net budget has shrunk by 25%.

Their argument is supported by the results from internal staff surveys showing improving rates of employee satisfaction and engagement over the same period.

The idea of a People Audit

The intention was not to conduct a conventional, compliance-based, externally-driven review. Sevenoaks District Council takes full ownership of its organisation development strategy, and as such the principles underpinning the People Audit were as follows:

- It should be driven by what the Council sees as priorities in organisation development and people management
- It should have a robust evidence base, combining:
 - Relevant national standards
 - A current and appropriately source definition of "empowerment"
 - Benchmarking data from comparable organisations (including other UK authorities, and organisations from the UK and beyond, with strong reputations for their success in empowering the workforce
- It should seek to establish the impact of the Council's culture transformation strategy on performance, productivity, efficiency and innovation
- It should recognise achievements and highlight specific areas for improvement
- It should be undertaken and reported in an imaginative and engaging way
- It should offer valuable insights and lessons for the Council's managers

- It should help the Council respond very positively to the issues raised in the recent staff survey.

Expected outcomes of the audit

1. For Sevenoaks District Council
 - a. Insight into the success and impact of its culture transformation strategy
 - b. Analysis of the Council's current position in relation to 108 evidence requirements from the New Choices framework
 - c. Understanding of how Council people systems, process and practices compare with other local authorities and leading organisations from around the world
 - d. Identification of areas for improvement connected with organisation development and people management
2. For other stakeholder communities
 - a. For the local authority community, a detailed case study of how a Council can achieve excellent results while streamlining its structure and resources
 - b. For the performance audit/management community, a tested methodology for robust and extensive auditing of organisation development and people management
 - c. For the Investors in People methodology, a case study for the application of New Choices in an ambitious and successful local authority.

METHODOLOGY

The auditors

The audit was undertaken by two consultants with Passe-Partout Consulting: Darren O’Conor and Barbara Berkeley-Hill. Information about Passe-Partout is provided in Appendix A, and the audit methodology is outlined below.

Passe-Partout were selected for this work on the basis of:

- A strong track record in:
 - Organisation development and learning support to Local Authorities in London and the South East
 - People-oriented assessment work (having carried out diagnostic and formal reviews in some 800 organisations since 1998)
- Their involvement in defining and piloting Investors in People New Choices
- Value for money.

Scope of enquiry

The audit covered:

- 108 evidence requirements from the New Choices frameworks related to indicators 1-8 and 10 of Investors in People
- The success, nature and impact of the Council’s strategy for cultural transformation.

Define indicators of an empowered culture

Before evidence gathering, the consultants agreed a robust definition of empowerment with the organisation, drawing on current thinking in management and organisation development to establish key indicators of an empowered culture.

Lines of enquiry

For the empowerment strand of the audit, the main lines of enquiry were as follows:

1. Has the Council put in place a culture of empowerment?
 - a. What is a culture of empowerment?
 - b. How do you know you have one? What are the indicators?
 - c. What indicators are there that SDC has such a culture?
2. If the Council does have a culture of empowerment in place, what positive contribution has this made to productivity, efficiency, innovation and performance improvement?
 - a. What is the evidence that empowerment leads to greater productivity, etc.?
 - b. What specific links have been identified between empowerment and productivity, etc.?
 - c. What specific examples can SDC point to where its indicators of an empowered culture have stimulated productivity, etc.?
 - d. How do comparable organisations which cannot demonstrate the same indicators of empowerment, fare on productivity?

Review documentary evidence

An extensive review of key documentary evidence was also undertaken. Documents reviewed includes:

- Documents outlining the vision, strategy for cultural transformation
- Community Action Plan 2007-10
 - Corporate plan 2009-12
 - Annual reports and corporate performance plans 2005-9
- Comprehensive performance assessment results 2007
- Use of resources report 2008
- Investors in People reports 2001-2006
- Staff survey results for 2006, 2008
- A selection of:
 - BVPI plans and reports
 - Internal performance reports and management information summaries
 - Performance management guidance
- Report and recommendations for the 2007-9 Development Services Review
- Assorted documents related to the Swanley - People First project
- Current structure charts for the same period

Interviews


Interviews were undertaken using 1:1 (for more senior people) and group formats, using a mix of:

- Triangulation – to establish audit trails
- Cultural diagnosis – to ensure a rounded investigation into the Council’s journey since 2004, and into the impact of culture change initiatives
- Appreciative enquiry – to elicit real and specific stories demonstrating current practice in the Council.

Interview sample

Interview selection was facilitated by the project manager for the Council, with the aims of ensuring representation:

- At all levels of the organisation
- From:
 - Services known to have achieved high performance during the relevant period; and from services which have not achieved the same high standards
 - From Services known to have been positively affected by the culture transformation programme; and from services where the programme’s impact is less certain



Interviewing took place over three days, with evidence from 33 people and is expected to gather evidence from around 9% of the workforce, in line with Investors in People sampling guidelines. The breakdown was as follows:

- 3 Directors
- 4 Heads of Service
- 6 Service Managers
- 8 Fourth Tier Managers
- 12 staff members

Benchmarking

Benchmarking research has focused on the empowerment strand of the audit and will seek to establish current practice in relation to identified indicators of empowerment among:

- A selection of UK local authorities
- A selection of leading private sector organisations in the UK
- Some organisations well known for their success in embedding empowerment.

Reporting

Two separate reports were requested:

1. A review of the Council's current position in relation to the selected New Choices topics, with recommendations for continuous improvement
2. An assessment of the success and impact of the Council's strategy for cultural transformation – the subject of this report.

APPENDIX C

LITERATURE SEARCH

Empowerment is a concept with a long and difficult history. It is a very old idea that employees work more effectively when allowed to use their initiative, not just doing as they are told, but the difficulty lies in giving deeper practical meaning to the concept. To explore it fully one needs to look beyond the personal relationships between manager and managed, to the organisation as a whole.

A general literature search reveals that for many commentators “empowerment” is not just a matter of delegating job authority to the job holders. It is a matter of culture change. It means a move away from the old “command and control” model of the organisation to a “total system” model. This paradigm shift is neatly summarised in the following table:

COMMAND AND CONTROL		SYSTEMS THINKING
Top-down, hierarchy	PERSPECTIVE	Outside-in, system
Functional	DESIGN	Demand, value, workflow
Separated from work	DECISION-MAKING	Integrated with work
Output, targets, standards, related to budget	MEASUREMENT	Capability, variation, related to purpose
Contractual	ATTITUDE TO CUSTOMERS	What matters?
Contractual	ATTITUDE TO SUPPLIERS	Co-operative
Manage people and budgets	ROLE OF MANAGEMENT	Act on the system for the benefit of customers
Control	ETHOS	Learning
Reactive, projects	CHANGE	Adaptive, integral
Extrinsic	MOTIVATION	Intrinsic

John Seddon, “Freedom from command and control, Vanguard education Ltd 2003

An increasing interest in exploring the “empowerment culture” has grown out of the market pressures that all organisations, both private and public, now face. The gauntlet was first thrown down by the Japanese, building on the ideas of Deming, whom the west ironically ignored:

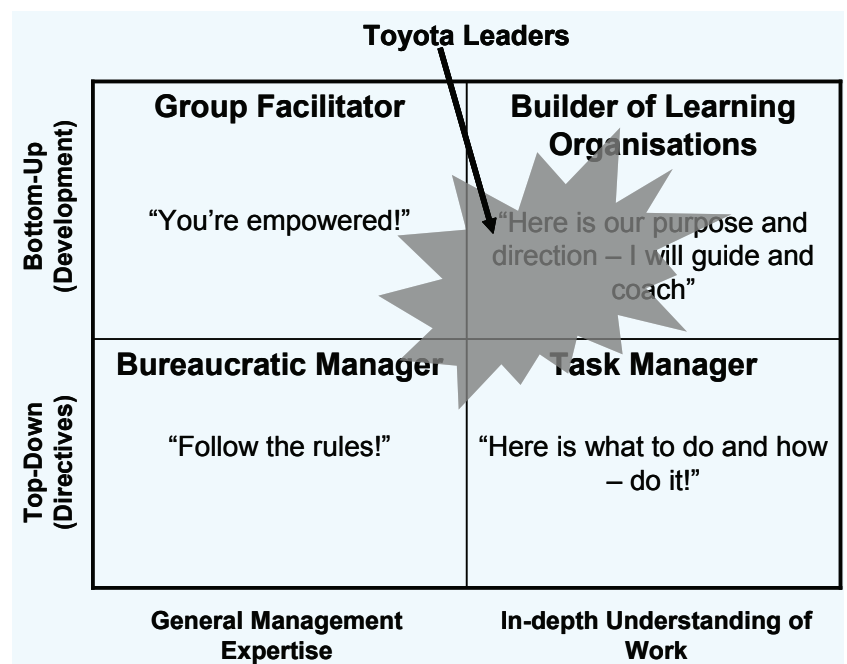
“We are going to win and the industrial west is going to lose out: there’s not much you can do about it because the

reasons for your failure are within yourselves. Your firms are built on the Taylor model. Even worse, so are your heads. With your bosses doing the thinking while the workers wield the screwdrivers, you’re convinced deep down that is the right way to run a business. For the essence of management is getting the ideas out of the heads of the bosses and into the heads of labour. We are beyond your mindset. Business, we know, is now so complex and

difficult, the survival of firms so hazardous in an environment increasingly unpredictable, competitive and fraught with danger, that their continued existence depends on the day-to-day mobilisation of every ounce of intelligence"

Konosuki Matsushita, founder of the Japanese electronics group that includes Panasonic, quoted by Richard Pascale in "Managing on the edge" (Penguin 1990)

As the literature makes clear, building such a culture does not happen overnight, but without it empowerment remains a meaningless concept. The Toyota production system, for example, puts a huge emphasis on teamwork and coaching, both over-familiar concepts to modern managers, but such skills can only be understood and developed within the overall Toyota philosophy.



This two-dimensional leadership matrix illustrates the point:

- The least effective manager in this model is top-down and has only general management expertise – the bureaucratic manager
- The bottom-up leader who wants to develop employees but does not really understand the work is called the group facilitator
- The next type is a top-down leader with a strong understanding of the work – an expert in the field – who lacks people skills and can be a tough taskmaster

"By contrast, the Toyota leaders, by having a combination of

in-depth understanding of the work and the ability to develop, mentor and lead people, are respected for their technical knowledge as well as followed for their leadership abilities. Toyota leaders seldom give orders. In fact, the leaders often lead and mentor through questioning...

We show the Toyota leader as partially in all four of the quadrants. Each of these forms of leadership has a role at the appropriate time and place. But his or her primary leadership role is as builders of a learning organisation..."

Jeffrey Liker, "The Toyota Way"

This emphasis on building your people first as a precursor to building the best possible product or providing the best possible service is echoed time and again in the literature. Take Hal Rosenbluth's provocatively titled "The customer comes second", or Charles Handy's "The empty raincoat". In explaining the story behind his book, Handy says:

"To me that empty raincoat is the symbol of our most pressing paradox. We were not destined to be empty raincoats, nameless numbers on a payroll, role occupants, the raw material of economics or sociology, statistics in some government report. If that is to be its price, then economic progress is an empty promise. There must be more to life than being a cog in someone else's great machine.."

**Charles Handy,
"The empty raincoat",
Hutchinson 1994**

Handy quotes a colleague as bemoaning the passing of the 4Fs (family, friends, festivals and fun) in favour of the 4Ps (profit, performance, pay and productivity). However the thrust of the advocates of empowerment is that one can achieve 4P economic success by creating the right environment for 4F human beings to fully engage with their work and with each other.

Kotter, another convert, shows us how far we have travelled in our understanding of the term and our recognition of its importance to our future:

"If I hear the word "empowerment" one more time, someone recently told me, "I think I'll gag". He was expressing exasperation at the fact that the more this increasingly popular term is used, the less it seems to mean. "Its become a politically correct mantra", he said, "empower, empower, empower"...A few years ago I might have agreed with his reservations. Today I don't. I'm still not enthusiastic about using faddish words, but in this ever-faster-moving world, I think the idea of helping more people to become more powerful is important. Environmental change demands organisational change."

John Kotter, "Leading change" Harvard Business School Press 1996, page 101

Far from being viewed simply as a management fad, empowerment has now moved centre stage as organisations faced with survival in a harsh climate struggle to find ways of using their people to their fullest potential.

APPENDIX D

BENCHMARKING

In order to draw meaningful comparisons with current practice in other organisations, we have drawn on:

- Knowledge gained through working with over 1000 organisations since 1998 in the areas of learning and organisation development

- Research and reports published by the Audit Commission and Improvement and Development Agency.

Systems and practices in a number of organisations have been taken into account in drawing the reported conclusions. These include the following:

Other local authorities	Key points of comparison
Dover District Council	Geographical proximity; similar size; similar staffing and budget reductions; aspiration to introduce a coaching culture
Epsom and Ewell Borough Council	Similar size; similar demographic and area characteristics; similar track record in robust financial management
Kent County Council	Consistent four star CPA rating; similar focus on continuous improvement; geographical proximity
London Borough of Islington	Similar staff and budget reductions; strong talent management and L&D
London Borough of Tower Hamlets	Consistent four star CPA reporting; similar focus on robust performance management and service improvement
Norfolk County Council	Four star authority; similar focus on efficiency and improvement
Southampton City Council	Similar track record of commitment to Investors in People; using Profile and Internal Review
South Tyneside Council	Four star authority; similar commitment to staff engagement and empowerment; comparable turn-around in culture
Thanet District Council	Geographical proximity; similar size; comparable recent levels of improvement in customer satisfaction

Employers of choice	Key points of comparison
Alton Towers	Turnaround in organisation culture and performance since 2005; strategy of focusing on people and engagement to improve customer satisfaction levels, with outstanding success in 2007 and 2008
Benenden Hospital and Healthcare Society	Turnaround in organisation culture and performance since 2003; strategy of headcount reduction, and more commercial focus, with increased commitment to effective leadership and staff development; named Best Hospital to work for in 2009
British Gas	Comparable strategy of empowerment since 2000, focusing on field operatives and engineers; one of the Financial Times Best Places to Work in 2008
Charities Aid Foundation	Industry leader with consistent record of similar customer satisfaction ratings and of innovation in its sector; particular strengths in leadership and performance management
Fujitsu	Global industry leader with sophisticated and well embedded systems and practices in direction, performance management and talent management
Identity and Passport Service	Government agency which has undergone major structural and culture change since 2002; strong recent track record in change implementation and service improvement; strong people management and engagement practices
Islington Primary Care Trust	Named best NHS employer in 2009; high levels of staff engagement and empowerment; unusual emphasis in informal people management systems and practices
Mindtree	Global industry leader with exceptional growth since 2001. Consistently ranked among India's best employers, with high performance and growth attributed to the company's strong value base.
Royal Lancaster Hotel	Turnaround in organisation culture and performance since 2004; marked improvements in customer satisfaction achieved through strategy of focusing on staff motivation and development.

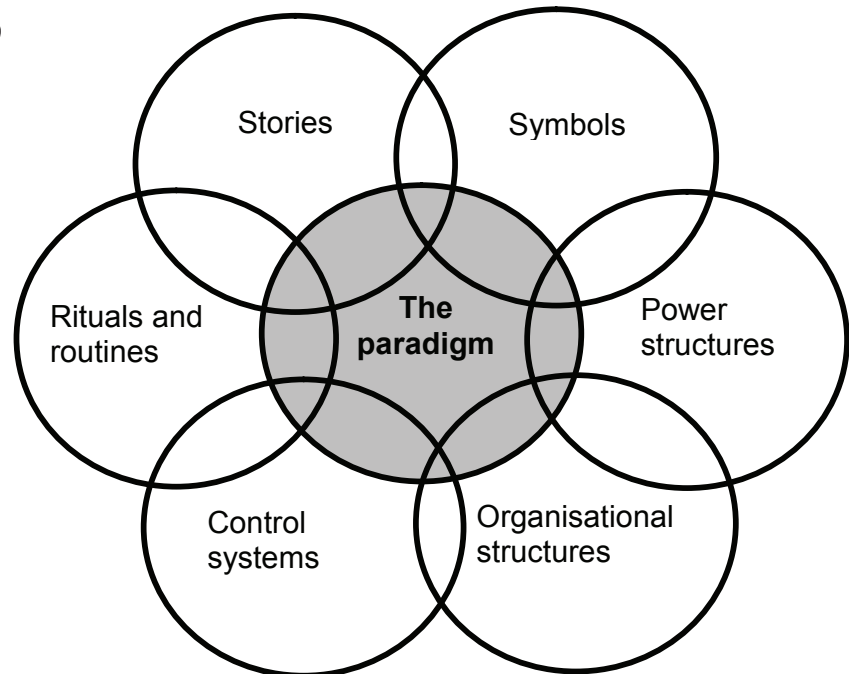
No confidential or commercially sensitive information relating to any of these organisations has been disclosed in this report.

APPENDIX E

CULTURAL WEB ANALYSIS

The cultural web is an analytical tool devised by Scholes and Johnson in 'Exploring Corporate Strategy' (1986). It is extensively used

as a diagnostic tool to map organizational culture, and gauge the extent of cultural change over time.



The six web elements are:

- **Rituals and Routines.** Routines are ways that people within the organisation or team behave towards each other and towards outsiders. They represent 'the way we do things around here'. Rituals are the special events the organisation or team uses to emphasise what is particularly important to its people.
- **Stories.** Stories told to people in the organisation or team (particularly when they join) enshrine the unit's history and portray important events and personalities. The stories told have to do with successes, disasters, heroes, villains and mavericks; they reflect the essence of the unit's past and legitimise the behaviour of the heroes, villains and mavericks.
- **Symbols.** Symbols such as the titles, office space, terminology, how staff address the external client become a short hand representation of

the nature of the organisation or team. Symbols usually convey messages beyond their functional purpose, they convey messages about the type of behaviour which are valued.

- **Power Structures.** The location of power in organisations and team's is sometimes surprising – it may have little to do with hierarchy and perhaps have stronger links to technical expertise, geographical location, or length of service.
- **Control Systems.** Control systems are the measurement, reporting, review and reward processes used to monitor performance within the organisation.
- **Organisational Structure.** This delineates important relationships, hierarchy and what is important in the organisation. It may reflect internal power structures but this is not always the case.

During one of the group interviews conducted as part of this investigation, cultural web analysis was used to define aspects of the cultural change achieved at Sevenoaks District Council. Key findings from this session have been incorporated into the main report. A full summary of the outcomes from the cultural web analysis group interview is provided here.

At the beginning of the session the interviewees were asked for some general comments on Sevenoaks' culture.

The following points were highlighted:

- Staff are listened to
- We are encouraged to take on more responsibility
- No blame culture
- Buoyant, buzzy atmosphere
- Can do attitude
- Leaders who know everyone
- If things go wrong, you can talk about it and learn from it.

In relation to the six web elements, responses from the group were as follows:

Web element	Evidence
<p>STORIES:</p> <p>Stories told to people in the organisation, particularly when they join, enshrine the organisational history and portray important events and personalities, successes and disasters</p>	<p>"We are very friendly here – if you don't know, ask"</p> <p>"The CEO knows my name. He even knows the name of agency staff!"</p> <p>"We've been through a lot and come out the other side"</p> <p>"If they want volunteers to pilot something, we'll be there"</p> <p>"If you see something we could do better, tell me"</p>
<p>RITUALS AND ROUTINES:</p> <p>Rituals are the special events the organisation uses to emphasise what is important to its people. Routines are ways that people behave towards each other and outsiders</p>	<p>Induction bus tour</p> <p>Regular 1:1s</p> <p>Team talk</p> <p>Top team briefings of all staff, and we mean ALL staff</p> <p>Celebration of achievements</p> <p>Open days for the public</p> <p>Listening sessions</p> <p>Informal work chats in the kitchen areas</p>
<p>SYSTEMS:</p> <p>The measurement, data gathering, communication, reporting, review and reward processes used within the organisation</p>	<p>Open door policy of IT service – it really does run a help desk</p> <p>Desk-top input of some core HR processes e.g. sickness absence rather than endless form-filling</p> <p>Performance indicators – a focused system that works well</p>

<p>POWER: The location of power in organisations is sometimes surprising – it may have little to do with hierarchy and perhaps have stronger links to technical expertise, geographical location or length of service</p>	<p>Power is distributed throughout the organisation – “the Directors command our respect and loyalty but we are all empowered”</p>
<p>SYMBOLS: Symbols such as titles, office space, terminology, how staff address the external client become a shorthand representation of the nature of the organisation. Symbols usually convey messages beyond their functional purpose; they convey messages about the type of behaviour valued in the organisation</p>	<p>“Our Directors are not up on a top floor but on a level with us and their doors are always open” “This is a rabbit warren of a building but we have managed to make it a nice informal workplace” “The carpet and the building convey the wrong message- very 1980’s!”</p>
<p>STRUCTURE: This delineates important relationships, hierarchy and what is important to the organisation. It may reflect internal power structures but this is not always the case</p>	<p>“The hierarchical structure charts do not reflect what it is like to work here. It feels much more equal and democratic than that.”</p>

The session ended with the sharing of some personal examples from each of the interviewees:

Interviewee 1:

“In preparation for a partnership meeting I was asked to get together some quite complicated data for the Deputy CEO at short notice. I did so and sent it off to the relevant person. When the Deputy CEO went to the meeting he was so proud of what I had done and he came to say thank you”

Interviewee 2:

“We have done a lot of work recently on strengthening our customer focus. Our tax payers are our customers and we should never forget that. One of the senior manager came along to a recent team meeting and reinforced what we are trying to do”

Interviewee 3:

“In other places I have worked appraisal is often not very effective and is a paper exercise. Here it does work. I had my appraisal recently and I came away with the clear message that my thoughts, my work does matter.”

Interviewee 4:

“I haven’t been here very long but I have been pushed in the right way to take more responsibility and get involved. The department ran a Womens’ Health Week which I did a lot of the organising for and really enjoyed. I don’t think that would happen to many trainees”.



