

Agenda Item 11

Enclosure 8

**Health and Care Professions Council
06 December 2018**

**Organisational culture and engagement at the
HCPC**

For discussion

**From Teresa Haskins, Director of HR and
Organisational Development**

Council, 6 December 2018

Organisational Culture and engagement at the HCPC

Executive summary

1. Introduction

- 1.1 The SMT and the Council are finalising the new corporate strategy for the HCPC for 2019-2024. In order to deliver the strategy successfully, consideration needs to be given to reviewing our organisational culture to ensure that it will continue to support our strategic aims.
- 1.2 A review of culture would be carried out in the context of organisational change arising from the Five Year plan and Social Work England, and at the same time as delivering and sustaining core organisational activity. This includes an ambitious programme of improvement for our Fitness to Practise function, and a range of major projects in Registration, Education and other functions.
- 1.3 The purpose of this paper is to set out a broad plan to define, develop and embed any necessary cultural change in a way that ensures integration with key strategic activities across the organisation. The Council is invited to discuss and comment on the plans set out in this paper and attachments.

2. Background

- 2.1 Organisational culture is made up of a complex range of interdependent components. These components include visible structures and processes, formal strategies, goals and values, and less visible underlying assumptions and beliefs. All of these interrelated factors impact on the actions, behaviours and ultimately on organisational performance and strategic delivery.
- 2.2 The fundamental components or building blocks of culture are the organisation's values, behaviours and the engagement of its employees, along with the crucial role of leadership behaviours in shaping culture. Without collective understanding of these fundamental cultural building blocks, any attempt to influence culture will fail. Therefore, it is proposed that any review of organisational culture is based on refreshing our organisational values, clearly defining the behaviours that will support and embed them and combining practical work on organisational culture with our engagement survey action plan.

3. Organisational values and culture

- 3.1 The HCPC has already completed significant work towards reviewing and refining organisational values and culture as follows;

- The 2018 employee engagement survey generated essential data to assist us in assessing engagement and some key components of organisational culture;
- Further data was generated by focus groups during the review of pay and grading; and by our on-going analysis of exit interviews and employees' resignation rates and leaving reasons
- The first round of 'Engage for the future' employee workshops resulted in an initial 'SWOT' analysis of our culture, and also provided the SMT and Council with employees' views on the clarity, practicality and effectiveness of our current values in supporting our vision.

3.2 Further work to be completed to refresh and redefine organisational values and behaviours is planned as follows:

- A second round of 'Engage for the Future' employee workshops that will result in recommendations for a new set of organisational values and behaviours to support the organisation's vision
- Facilitated session(s) for SMT and OMT to agree the new values and behaviours, agree how to present a united vision of them, and ensure that they commit to them long term

4. Culture and engagement plan

4.1 The data gathered from the work set out in 3.1 above has been used to develop a Culture and engagement plan, attached at *appendix 1*. The aims of this action plan are three-fold. Firstly the plan sets out key work-streams to address the main areas for improvement identified in the 2018 employee survey. Secondly, the plan includes action to start to address broader cultural themes that are consistent across exit data, the outputs of pay focus groups, and the first round of 'Engage for the future' employee workshops. Thirdly, it will include specific interventions targeted at the SMT (Senior Management Team) and OMT (Operational Management team) to help them reinforce new values and behaviours in the organisation.

4.2 The key themes addressed in the action plan are:

Communication
 Recognition
 Coaching skills
 Career Development conversations
 Equality and Diversity
 Leadership development
 Change management

4.3 Once the organisation's new values and behaviours have been redefined, it will be necessary to revisit the engagement plan and ensure that all necessary additional activities are included. This could include work to

minimise unconscious bias in recruitment and promotions and the gender pay gap as part of our aim to increase our employer brand. We may also need to develop new competency frameworks based on new values and behaviours.

5. Broader cultural considerations

- 5.1 The Culture and engagement plan will be the critical means of driving cultural change, provided that leaders commit to the plan and take responsibility for reinforcing values and behaviours in the longer term. However, the broader organisational context must also be taken into account in order for any cultural change to succeed, and to ensure that the new values and behaviours are adopted across organisational boundaries. A broad culture 'roadmap' is set out in *appendix 2* that shows the interdependencies between the Employee engagement action plan and wider organisational activities. Each section of the roadmap is underpinned by a detailed action or project plan.
- 5.2 The culture roadmap is divided into two main stages of culture review and change: Definition and Implementation.

The 'Definition stage' includes:

- 'Engage for the future' workshops to refine the values and behaviours for the organisation informed by the Council's Strategic away-day
- Facilitated sessions with SMT and OMT to gain collective commitment to reinforcing new values and behaviours
- An employee culture and engagement action plan to embed values, address survey outcomes and address broader cultural themes
- An overall communications plan that in the Implementation stage will include two way communication to;
 - (a) reinforce new values, behaviours and broader cultural themes and
 - (b) gather information about how well broader organisational activity is supported by, and carried out in accordance with, new values
- Key organisational activities including the FTP Improvement Plan, the Registration upskilling and customer service programme and organisational change management related to the Five Year Plan and SWE. A review will be carried out at the end of each of these projects to assess if activity has been carried out and outcomes achieved in line with the new values and behaviours

The Implementation stage includes:

- Implementing any changes to the values and behaviours necessary to support the new post-SWE transfer organisation
 - An employee engagement survey in early 2020 to ask questions designed to test specific areas of the new organisational culture, values and behaviours
- 5.4 If followed, the culture change roadmap will help to ensure that new values and behaviours are adopted across the organisation and that, in turn, these

values and behaviours are informed by and fit for purpose to support broader organisational developments.

5.5 As a practical example, one of the key objectives of the FTP improvement plan is as follows:

‘Embedding the values and behaviours necessary to improve and sustain performance against the PSA standards’.

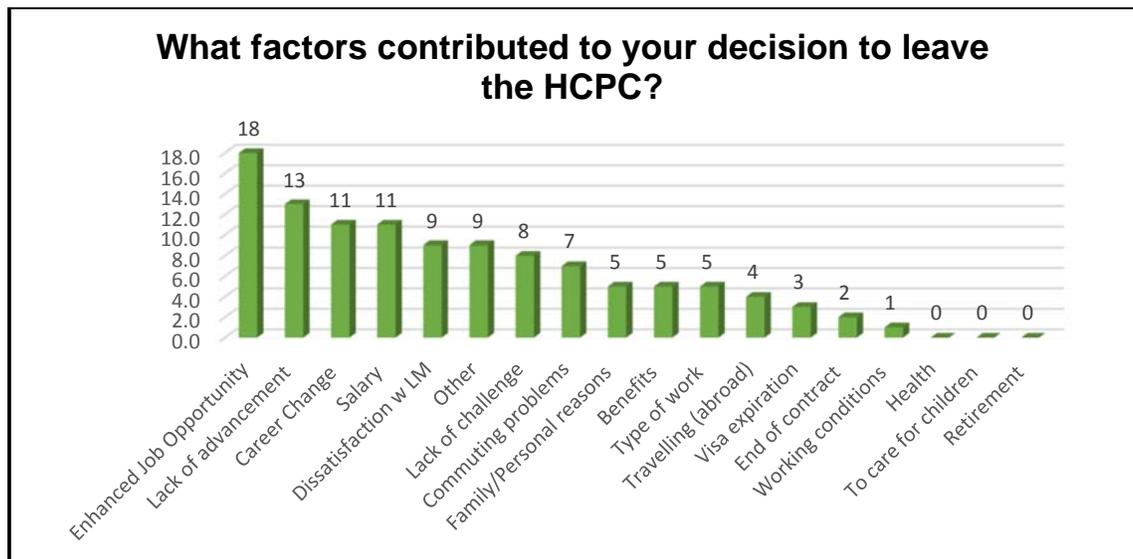
In the light of this objective we need to ensure that the values and behaviours developed for the whole organisation will support the required sustained improvement in FTP. In addition, we will need to evaluate the extent to which the outcomes of the improvement plan demonstrate the new values and behaviours.

6. Role of leadership

6.1 The key role of leadership behaviour in driving cultural change is referred to throughout this paper and highlighted both in the engagement action plan and the overall culture roadmap. The importance of ensuring that the SMT and the OMT commit to new organisational values and behaviours and demonstrate them cannot be over-emphasised. For example, if the new organisational values include a value of ‘recognition’, then SMT and Heads of department would need to ensure that their leadership style and daily interactions demonstrate clearly and consistently that they recognise and value effort and good work.

7. Employee retention

7.1 The actions set out in the employee engagement plan are informed by the outcomes of exit interviews and are designed to help to reduce voluntary turnover in the medium to longer term. The main leaving reasons provided by resigning employees in the past 12 months are as follows:



These leaving reasons relate most closely to the engagement plan themes of:

Recognition
Coaching skills
Career Development conversations
Change management

7.2 In the shorter term, the effectiveness of any measures to significantly reduce turnover are likely to be impacted by the exceptionally buoyant jobs market in London, by the high numbers of fixed terms contracts that are currently in place and by the uncertainties created by the Five Year Plan and Social Work England. However, it may be prudent for careful consideration to be given to the level of any annual salary increase that is awarded to employees with effect from 1 April 2019. An increase in line with or slightly above current national averages may assist in retention by ensuring that HCPC salaries do not fall too far behind market rates, particularly at lower levels of the organisation where turnover is highest. Current forecasts for pay awards in 2018/19 range from 2% - 3%.

8. Decision

8.1 The Council is invited to discuss the plans set out in this paper and attachments.

Appendices

Appendix 1 – Culture and engagement plan
Appendix 2 – Culture roadmap for the HCPC

Date of paper

21 November 2018

HCPC Culture and Engagement Plan

The HCPC is operating in an increasingly complex environment. This includes a fees consultation, consideration of a stronger prevention agenda, the transfer of the regulation of social workers to Social Work England, the uncertainties of Brexit, and the Government's plans for reforming regulation. In this context, it is timely to focus on employee engagement and culture to deliver our organisational strategy and support our workforce in continuing to adapt to change and new opportunities. The Culture and Engagement Plan set out in the following paper will be a critical factor in evolving our culture for the future.

Work streams have been identified through employee feedback from the 2018 all employee survey, pay and reward focus groups, exit interviews and culture and values workshops.

The work streams identified from employee feedback are:

- Reward and recognition
- Collaboration
- Equality and diversity
- Leadership
- Change management

The Culture and Engagement Plan builds on previous and existing activity from the 2016 employee survey action plan, which addressed collaboration, leadership communication and visibility, career development and flexible working.

In addition to the specific activities planned, crucial to the success of this work is involvement from all areas of the organisation. This includes in particular:

- Leadership's commitment to reinforcing cultural values and behaviour (SMT and OMT).
- Line managers committing to coach and develop individuals and implement a range of existing recognition options.
- Action taken at department level to improve collaboration, by proactively sharing goals with colleagues impacted by decisions, processes and change.

Measurement and evaluation

This plan will be monitored and reviewed by the Operational Management Team (OMT), with quarterly reports to the SMT. The target measures are set out below.

Work stream	Measuring impact
Reward and recognition	<ul style="list-style-type: none">• Increase in employee survey statistics• Number of recognition options developed informed by employee feedback.• Examples from every team of the use of a range of recognition options.
Collaboration	<ul style="list-style-type: none">• Increase in employee survey statistics• Number of employees attending workshops / action learning sets.• Employee feedback and examples of how learnings from interventions are used.

Equality and diversity	<ul style="list-style-type: none"> • 100% of target group to complete compulsory unconscious bias training • Narrowing of gender pay gap at an average rate of 1% p.a. • ED&I employee statistics to demonstrate improvements in workforce diversity at more senior levels of the organisation
Leadership	<ul style="list-style-type: none"> • Increase in employee survey statistics.
Change management	<ul style="list-style-type: none"> • Maintain benchmark score – by its nature change management does not get high scores, however, HCPC is +6% against benchmark, so maintaining this during upcoming significant change will be challenging enough.

Employee engagement action plan - Version 1 November 2018

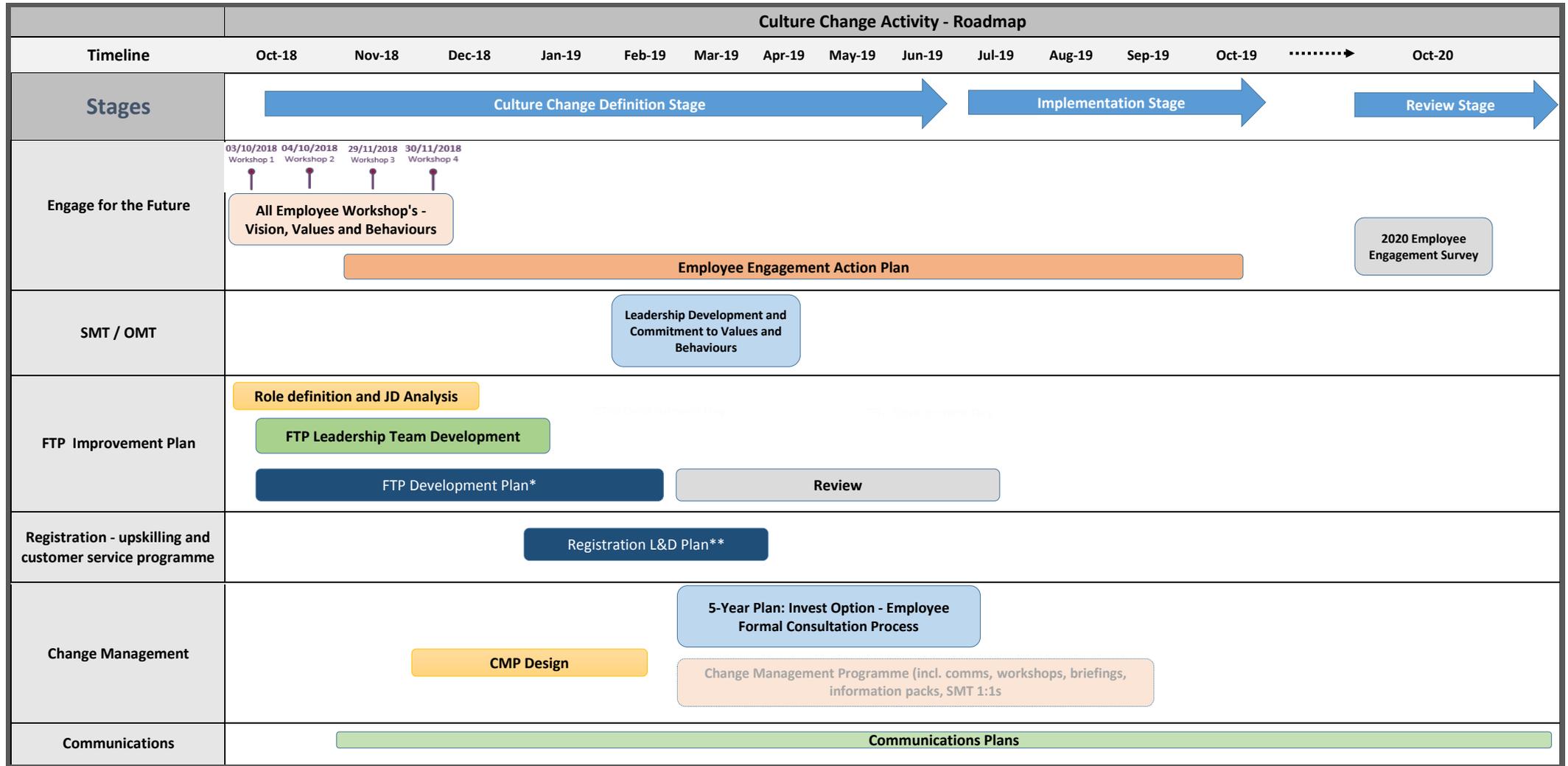
Theme raised	Aim	Action	Responsibility	Timelines	Progress
Reward and Recognition	To enhance employees' experience of feeling valued and recognised for the work they do	<ul style="list-style-type: none"> Develop a portfolio of creative and meaningful non-financial rewards that can be used by managers to increase levels of motivation Consult with the Employee Consultation Group (ECG) and Operational Management Team (OMT) Publish guidance for the rewards on the intranet. 	<ul style="list-style-type: none"> HR/L&D Line Managers Internal Communications 	4 th qtr. 2018-2 nd qtr. 2020	
Reward and Recognition	To increase levels of management capability in recognising employees' effort and providing feedback	<ul style="list-style-type: none"> Review coaching skills module on management development programme to develop more targeted interventions Deliver coaching and feedback skills refresher training for Registration managers and team leaders (as part of Registration Training Plan) Develop a strong coaching ethos amongst all managers to ensure that coaching becomes part of the DNA of the organisation Promote external coaching programmes for senior managers and newly promoted Heads of Department (for example as part of a proposed wider leadership development programme in FTP) 	<ul style="list-style-type: none"> L&D 	4 th qtr. 2018-2 nd qtr. 2020	
Reward and Recognition	Support line managers in conducting meaningful career development conversations	<ul style="list-style-type: none"> Promote Facet5 as a practical vehicle for enhancing career development conversations Simplify the APDR process to enable more time for performance and development conversations Provide further guidance on conducting career development conversations Promote existing HR policies such as work shadowing, secondments, sabbaticals and other experiential learning opportunities. 	<ul style="list-style-type: none"> L&D/HR Line Managers 	Ongoing – 2 nd qtr. 2020	<ul style="list-style-type: none"> Programme commenced in 2017 Online APDR in progress
Reward and Recognition	To promote the HCPC employer brand	<ul style="list-style-type: none"> Promote existing HR policies and employee benefits to enhance the overall employee experience Improve recruitment and selection processes 	<ul style="list-style-type: none"> HR Communications 	Ongoing – 2 nd qtr. 2020	<ul style="list-style-type: none"> Recruitment and selection review underway

Theme raised	Aim	Action	Responsibility	Timelines	Progress
Collaboration	To raise awareness of existing cross-departmental working	<ul style="list-style-type: none"> Promote cross-departmental working practices, shared goals and success across internal communication channels. 	<ul style="list-style-type: none"> Communications, OMT 	Ongoing	
Collaboration	To provide a mechanism which encourages and supports cross-departmental working	<ul style="list-style-type: none"> Deliver 'silo-busting' workshops/action learning sets to further facilitate collaboration across the organisation; focus on specific shared problems or innovation with an Executive Director sponsor 	<ul style="list-style-type: none"> L&D ECG OMT 	*3 rd qtr. 2019-2 nd qtr. 2020	

Theme raised	Aim	Action	Responsibility	Timelines	Progress
Equality and Diversity	To build on the HCPC's existing strength in commitment to equality, diversity and inclusion	<ul style="list-style-type: none"> Deliver mandatory e-Learning training in Unconscious Bias and Recruitment for all anyone involved selection and promotion decisions Enhance the candidate and hiring manager experience on the Core HR online recruitment portal Deliver briefing sessions to line managers on the new enhancements Deliver revised HR Essentials – Managing Recruitment to reflect enhancements Enhance the quality and analysis of equality data for recruitment, promotions and leavers 	<ul style="list-style-type: none"> HR/L&D Communications 	Ongoing-2 nd qtr. 2020	<ul style="list-style-type: none"> Launch of revised approach to recruitment and selection planned for 4th qtr. 2018 Unconscious Bias ELearning module piloted and ready to be launched
Equality and Diversity	To identify enhancements to recruitment decision making to eliminate unconscious bias	<ul style="list-style-type: none"> Commission specialist supplier to undertake a Live Bias review process 	<ul style="list-style-type: none"> HR/L&D 	4 th qtr. 2018	<ul style="list-style-type: none"> Proposal received and accepted from supplier
Equality and Diversity	To enhance fairness and inclusion in succession planning and career development and to help to address the gender pay gap	<ul style="list-style-type: none"> implementation of the talent development and succession planning framework 	<ul style="list-style-type: none"> HR/L&D, SMT, OMT 	2 nd quarter 2019	

Theme raised	Aim	Action	Responsibility	Timelines	Progress
Leadership	To enhance leadership skill and capability in support of the talent development framework	<ul style="list-style-type: none"> Promote external executive coaching programmes for all members of SMT and existing and newly promoted Heads of Department. Develop targeted and measurable leadership development plans for senior managers at Band B and above in support of the talent development framework (<i>may be subject to alteration, depending on level of operational responsibility etc.</i>) 	<ul style="list-style-type: none"> L&D 	Ongoing- 2 nd qtr. 2020	<ul style="list-style-type: none"> SMT currently undertaking coaching programmes
Leadership	SMT and OMT to reinforce the new values and behaviours through visibility and engagement	<ul style="list-style-type: none"> Develop internal communications plans for both groups, to include face-to-face and digital communications To support a mechanism for a two-way exchange of ideas to drive innovation and process improvement 	<ul style="list-style-type: none"> SMT/OMT Communications 	Plans developed by January 2019. Activity ongoing.	

Theme raised	Aim	Action	Responsibility	Timelines	Progress
Change Management	To enhance understanding, commitment to and acceptance of change	<ul style="list-style-type: none"> Deliver change management briefings, workshops and online/email resources for managers and employees Review and refresh the Change Management toolkit and practical change management guidance Provide clear and timely communications around the transfer of social workers. 	<ul style="list-style-type: none"> HR/L&D Internal Communications 	1 st qtr. 2019	
Change Management	To ensure that employees feel supported and able to express views during change	<ul style="list-style-type: none"> Deliver change communications and briefings that clarify the rationale for specific changes impacting individuals Provide mechanisms for employees to provide more feedback on changes before they occur, for example through ECG and drop in sessions Provide engaging and informal feedback mechanism to encourage innovation and ideas generation 	<ul style="list-style-type: none"> HR/Internal Communications SMT, OMT 	1 st qtr. 2019	



* Detailed learning and development plan in support of CMs,CTMs,OMs

** LNA in Development