

# Organisational Development Update

 **12 June 2024**

| **Purpose:** | Discussion |
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| **How does this link with our corporate priorities of improving biodiversity or delivering nature-based solutions to climate change:** | This paper provides an update on our organisational design work, which forms part of our Organisational Development journey. Our aim for this work was to design a fit for purpose, agile approach which focuses on delivery of our organisational objectives to ‘Protect, Restore & Value Nature’. Now that the design and implementation phase of this project has ended, we are moving into a phase of embedding and iterating this work to ensure it is fit for purpose, achieves its aims, and enables NatureScot to be ready for the future. |
| **Summary:** | Our new operating model went live on 1 Apr 2023, and the design part (phase 1) of the programme ended on 30 Jun 2023. Post this, an action learning set (ALS) was established (Sept 2023), to review implementation to ensure the new operating model was properly embedded. It was agreed that this work requires more time and focus to ensure the work is successful. As a result, the ALS was evolved into a phase 2 of Organisational Development project work. In addition, to embedding the operating model there is also much work progressing to support the development of our organisation via the People Programme.  |
| **Actions:**  | Board is invited to note the development of this work and provide advice on any risks and opportunities, to support NatureScot, and its people, to thrive and transform to achieve the goals set out in the Corporate Plan.  |
| **Recommendations:**  | Board is asked to note this work, scrutinise, and to support SLT and the extended leadership community as it progresses.  |
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| **Appendices**:  | Annex 1: 5 Things Effective Organisations Do WellAnnex 2: People ProgrammeAnnex 3: OD Framework 2022-2026 |

## Purpose

1. This paper provides Board with an update on our recent organisational design work, and the more recent work to embed this within our organisational processes, procedures, and structures. This work forms part of our Organisational Development journey.

## Update

1. The Organisational Design programme set out to design and implement a new operating model, which went live on 1 April 2023. The new operating model aims to deliver a better method of prioritising our tasks and resourcing them.
2. In September 2023 an action learning set (ALS) was established to review the implementation of the new operating model and ensure it was successfully embedded across the organisation. Four task groups were set up to continue this work. These were to focus on:
3. The roles and responsibilities of Allocations Group within this new operating model.
4. Workforce planning and strategic workforce planning processes and procedures which support and strengthen the new operating model.
5. Current usage of our planning and performance tools within each cycle and any recommendations to strengthen these processes and procedures.
6. Communication of the above internally, including any necessary briefings and/or training or orientation to processes and procedures, to ensure these processes and procedures are consistently utilised.
7. In January 2024, it was clear there is more to do in this regard and as a result the ALS has now been evolved into phase 2 of the organisational development project work. Our pulse survey in January 2024 focused partly on workload management. We had a significant increase in our response rate, achieving 78%. 14% more than in January 2023 stated they ‘could maintain a manageable workload’; 96% said they had a Performance Development Conversation (PDC), over the last 12 months, a 10% increase from 2023. 61% said they had three or more PDCs, compared to 47% in January 2023. Only 22 colleagues said they didn’t have a PDC over the last 12 months, compared to 58 the year before.
8. Within phase 2 a systems thinking approach is being taken, including consideration of an organisational eco-system. This will help to ensure focus and action is prioritised taking a whole systems approach. A Bain & Company organisational toolkit and the resulting Bridgespan analysis of this was utilised to map what is currently in existence within NatureScot (see Annex 1)[[1]](#footnote-1).
9. Ongoing ownership, and governance of any alterations to the operating model required from lessons learned over the course of the year, rests with Transformation & Resourcing Sponsor Group (TRSG), with Finance, Planning and Performance team as custodians of the strategic resource management approach and integration with business planning processes.
10. There is still work to do to embed this approach into the DNA of the organisation. Early indications show that this is not fully operating in practice as we had anticipated, with many resource requests being less associated with strategic priorities, and more about administrative support to plug gaps caused by additional workload, unexpected leave, etc. We are currently working on establishing a greater understanding of these patterns across the organisation to inform next steps.

## People Programme

1. Outside of the work to embed the new operating model, there has been progress in relation to the wider People Programme (see Annex 2). This relates specifically to core actions to support the development of our three NatureScot Way corporate objectives - new ways of working, nurturing a happy and resilient workforce and developing our individual and collective leadership.
2. This programme of work is governed by the People Programme Board, chaired by the Director of Transformation and Business Services. There are recognised connections in terms of phase 2 of the organisational development work and the workstreams within the People Programme, and these will be overseen by the People Programme Board.
3. As part of the new People Strategy and People Programme, there are workstreams which will take forward the Organisational Development work, including:
* Strategic Workforce Planning: embedding a more consistent approach to workforce planning, which incorporates short, medium, and long planning in relation to team structures and individual development and capacity needs aligned with both our business and corporate plans.
* Leadership Development: embedding the Insights tool into our wider leadership community and utilising the Inner Development Goals (IDGs) Framework to support leadership development across the organisation.
* People: defining skills for work in terms of the future success of NatureScot and aligning this to our strategic workforce planning. Improving and strengthening our performance development cycle process (PDCs) into a continuous conversation model which motivates and incentivises employees, ensuring both are aligned to our Corporate Plan and organisational objectives.
* Culture: supporting transformational change via strengthening the Change Partners network and developing a ‘leadership for all’ proposition, while developing highly performing teams in a hybrid and agile working environment, with a focus on wellbeing as a core trait.
1. Some of this work is ongoing and builds on past interventions, while other aspects are recent initiatives which aim to capitalise on both good and emerging external practice, e.g. the IDGs Framework. All are focused on delivering the ambition in our OD Framework (Annex 3).

## Stakeholder views

1. A session took place with the Extended Leadership Team (ELT) on 20th March to seek feedback on the embedding of the operating model, with a further meeting on 17th May with the core team responsible for enacting next steps.
2. The People Programme has also had a soft launch with ‘show and tell’ style presentations shared with colleagues at various team events and meetings. To date this has reach 7 teams and circa 160 colleagues, with 35 more events planned over the next 10 weeks.

## Next Steps

1. More is planned across 2024/25 to ensure the new operating model is fully embedded. In addition, the prototype for strategic workforce planning will continue, and consideration will be given to next steps in relation to auditing our wider planning, resourcing, and performance processes to ensure these are meaningful, efficient, and effective for all.

## Conclusions

1. The Organisation Design phase 1 work progressed well, and at pace, ensuring the key deliverable of the new operating model was in place from April 2023.
2. Work to embed this model requires more time and space to ensure progress. This will allow more consideration of what is working well, what could be better and how this supports NatureScot in the short, medium, and long term, in relation to our strategic planning & resource management objectives, and outcomes.
3. Work to reshape the purpose and processes within Allocations group is underway, as is the Strategic Workforce Planning prototype, while at the same time we are considering next steps of strengthening our planning and performance processes to ensure these are fit for purpose.
4. This has helped inform and steer the implementation of future phases of organisational development aligned to the delivery of the People Strategy and Programme. There will require to be clear and explicit leadership around the culture and ways of working required for the new operating model to work successfully. Specifically, this will require:
	1. SLT leadership and support for the Delivery Team and Objective leads.
	2. ELT will need to lead their teams in the cultural and ways of working changes required.
	3. It is recognised that this work will take time, particularly in relation to culture aspects.

## Recommendations

1. Board is asked to take note of this work, scrutinise, and to support SLT and the Extended Leadership Team (ELT) as it progresses.

**Annex 1: 5 Things Effective Organisations Do Well**

 **Annex 2: People Programme**

((The chart below outlines the different workstreams within our People Programme Board and the current work packages or projects within them. It also highlights projects which are on hold for next or later in term of prioritisation)



**Annex 3: Organisational Development Framework 2022-2026**

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| **New ways of working** | **This will deliver:** | **This will look like:** |
| **An agile, green, and flexible organisation** | A workforce that is climate literate with fit for purpose structures which are more dynamic and agile, supported by ‘rapid’ decision-making which facilitates the movement of resources across the organisation.A net zero organisation, achieving zero direct emissions by no later than 2040. |
| **A place-based approach** | Networked teams & greater local impact |
| **A responsive, innovative, continually developing organisation** | Evidence-based, risk-based decision making |
| Better understanding and demonstration of the impact of our work |
| **Increased collaboration internally and externally** | More upstream engagement with stakeholders and influencers |
| More joined up thinking and fewer silos internally |
| More examples of collaboration with external partners |
| **A more diverse and sustainable funding model** | Reduced dependence on grant in aid |
| We will facilitate increased private investment in nature restoration |
| Greater use of project funding |
| **More resilient and happy workforce** | **A diverse and inclusive workforce** | We have a workforce that better represents our national demographic |
| Inclusivity is built into our ways of working and decision making |
| **A highly skilled workforce** | Learning and development underpin our work and helps individuals realise their potential |
| **Dignity at work** | A workplace free from bullying and harassment or victimisation |
| Our workforce is valued for skills and abilities |
| **A workforce that is empowered and engaged** | Clear roles and accountability |
| Our workforce feels better connected to the organisation and its work |
| Appropriate delegation of decision-making |
| Teams and individuals can take responsibility for ideas and delivering innovative solutions |
| **Improved leadership capability** | **Leaders in biodiversity**  | We are confident the work we are leading is having sufficient impact on biodiversity indicators |
| We are all able to confidently describe our role in relation to the impact of our work on biodiversity |
| **Simplified policies and processes**  | Simplified policies and processes |
| Applied systems thinking |
| **Excellent teamwork and inspirational leadership** | Apply learning as reflective practitioners, to maximise use of our strengths & provide opportunities for leadership development at all levels.  |
| Action learning sets common place, an action learning culture |
| Improved communication |
| Enhanced productivity |
| **Coaching and performance culture** | Develop skills in supporting and developing others |
| We nurture talent by providing opportunities for development |
| Poor performance is addressed |
| **Visible, efficient decision making** | Increased visibility of decisions made |
| Roles and processes for decision making are clear, simpler and enable faster decisions to be made  |
| Clear prioritisation supports active workload management |
| **Brand health is protected and strengthened**  | Improved ability of workforce to perform well in a political/ external environment |
| Recognition of good practice |
| Improved awareness and bolder positioning in the public arena |

1. <https://www.bridgespan.org/insights/the-effective-organization-five-questions> [↑](#footnote-ref-1)