

Meeting	OLC Board 26 March 2020	Agenda Item No. Paper No.	9 103.8 (a)
Date of meeting	26 March 2020	Time required	20 minutes

Title	People Plan 2020
Status	OFFICIAL
Executive Summary	<p>1. The attached paper sets out the 2020 People Plan. This has been developed with the support of Human Resources and the document seeks to give form and shape to the various activities that have a people perspective and that are needed to support delivery of the 2020/21 – 2022/23 Strategy.</p> <p>2. This was approved by RemCo on 13 March 2020 for submission to LSB, alongside the Strategy, Business plan and Budget. It is acknowledged that the plan is a dynamic document, but that RemCo were clear that it is fit for purpose. Outcomes from the Independent Review may affect the plan but it is not expected to change materially, as we believe we know what the key people issues are.</p> <p>3. The strap line of the plan is “Supporting people to be the best they can be” which is intended to convey a commitment to our people that the organisation will invest and develop their potential so that working together the organisation can collectively achieve the required objectives.</p> <p>4. It focuses on three key pillars:</p> <ul style="list-style-type: none"> a. Enhanced employee proposition b. Develop leadership capability c. Ensure excellent performance
Recommendation/action required: Board is asked to COMMENT and NOTE the report	



PEOPLE PLAN 2020

Supporting people to be the best they can be



CONTEXT

The Legal Ombudsman provides a critical role in helping individual customers and also providing confidence to in the overall legal sector. In employment terms it has c250 FTE operating out of a single location in Birmingham and is therefore at the scale of small/ medium sized business. It is in this context that the People Plan should be considered.

The focus of this People Plan is on ensuring that our people are able to be the best they can be through meaningful and challenging work, that they are effectively developed and motivated to perform highly and have their contribution appropriately recognised and competitively rewarded. Above all, we want our people to continue to be proud of the difference they make to the customer experience and organisational success through their actions every day.

Whilst significant investment has been made in systems and processes over recent years the reality is that the current underperformance is, in large part, attributable to issues with the experience and stability of our workforce. This is true overall but is most significant in our operations teams and particularly in our investigators who manage much of the complaint activity on behalf of our customers.

This is characterised as follows:

- Attrition levels are high (22%) and have been growing. Investigator attrition is nearer 30%.
- New joiner turnover is a particular issue with half of new starters leaving within their first 2 years
- Recruitment has largely been successful in bridging gaps but new starters are less productive and as such the mix of staff has impacted overall productivity levels
- Staff survey results, often an early indicator of future action, are particularly worrying. Engagement has dropped by 8 points to 42% (28% for investigators) and over 50% of staff say they wish to leave in the next 12 months

The reasons for the position are varied and interconnected but are best summarised as follows:

- Operations Management - the operations management line is under extreme pressure and has been shown to be weaker than required. This has resulted in a disconnection with frontline investigators who are now questioning why many things are happening. The management are “facing their boss” and not “facing the customer” and are no longer enabling but micro-managing.
- Culture/ Communication - it is difficult to precisely define the culture at present and the communications reflect this. There is a disconnect between what is happening on the ground and what is being said.
- Change Management - LeO has delivered a huge amount of process change over the last 3 years. It is clear that this has not always been “received” well in the organisation and therefore whilst change has been delivered it is not truly embedded and perceived benefits are not being seen. This is best exemplified by the recent significant focus on performance delivery and case closures given the scale of the backlog, which for many staff is at odds with an organisational culture which has valued autonomy and flexibility.
- Resourcing balance - the high turnover has resulted in a population that has higher proportion of newer people than appropriate and a loss of some experienced and highly performing staff essential to sustainable performance.
- Senior Leadership - overall the senior leadership is new to role and largely internally promoted. Whilst this allows for positive messaging internally the reality of day to day activity is that the team is under-powered for the challenges it faces. This is particularly true in the Operations area.

Despite this diagnosis the organisation has people that are interested in their work, are motivated to do the best for customers and strive to make the organisation an inclusive environment. Feedback on pay and benefits has improved and elements of our employee deal such as Celebrating Success, reward and recognition, are well received. Flexibility remains a key driver of retention and the prime benefit that colleagues value. Relationships with direct line managers across the organisation are positive.

It is the purpose of the People Plan to set out the strategy to address these issues. Whilst this will be led from the HR function the true test of success will be that the People Plan is understood and owned by everyone across the organisation.

To this end the People Plan Mission is: Supporting people to be the best they can be. In order to achieve this we will develop a workplace in which our people are empowered, inspired and supported to achieve.

The People Plan Vision is based on three key priority areas which we will focus on over the next three years to achieve the Mission. This Vision is consistent with the 3-year Corporate Strategic Plan and Strategic Objectives, aligned with the annual budget and linked to the corporate key performance indicators. The three priorities are: to offer an enhanced employee proposition; to develop leadership capability and to ensure excellent performance.

Looking back - OLC Corporate Strategy 2017-20

In the last three years, our business processes have gone through a complete overhaul. As a result, key areas of our process improved significantly and we have identified areas for further development. In the last three years, we have:

- ✓ Implemented a new, effective case management and telephony system.
- ✓ Developed a new Information and Security Rights Framework.
- ✓ Completed the transfer of CMC to FOS.
- ✓ Refreshed our appraisal framework.
- ✓ Introduced Customer Assessment Tool.
- ✓ Looked at usefulness of Alternative Dispute Resolution techniques.
- ✓ Developed processes to understand the complexity of cases waiting for investigation.
- ✓ Improved stakeholder relationships.
- ✓ Completed legacy pool cases.
- ✓ Introduced Vulnerable Customer Champions.

The challenges for our people have been greater than we envisaged due to the scale of change alongside performance demands. This has meant a tougher environment for recruiting and developing our staff and we still need to improve the resilience of our workforce.

Looking forward - OLC Corporate Strategy 2020-23

Our strategic objectives for 2020-23 seek to focus on our service and the range of support we offer to the public and providers. We will work to add value to the complaints journey at each stage, as well as investing much more in our learning and insight work. Underlying this is an approach to ombudsman work which seeks to get to the heart of a dispute and understand how we can best support resolution between complainants and their legal service providers.

This People Plan enables and supports delivery across all of the three objectives:



Strategic objective One

Improving the experience of our service for complainants and service providers while using our expertise to guide and add value to the complaints journey.



Strategic objective Two

Increasing the transparency and impact of our casework to support greater access to justice.



Strategic objective Three

Developing our service to ensure it is appropriate for the evolving legal sector.

KEY PRIORITIES ON A PAGE

LINE QF SIGHT

How the People Plan supports the OLC Strategy

Priority	Desired Position	Current Position	How will we change it	Expected Impact
1) Enhanced Employee Proposition	We have fully engaged and dedicated staff who produce excellent work and want to stay working for us	We have many committed staff but don't have the balance right in all circumstances. Limitations on our ability to build a competitive proposition that attracts people and allows them to grow	Develop a competitive deal and attractive working environment for our new and existing people that successfully communicates how LeO can enhance their career journey	Decreases the level of attrition. Engaged and focused workforce operating consistently across the business
2) Develop Leadership Capability	All staff who are in a leadership or management role have been fully trained for that role and perform well as a leader or manager	Grown organically and this has resulted in our capabilities being stretched and needing some enhancement	Equip LeO's leaders with the capability to drive consistent levels of performance with blending learning, coaching and feedback	Improved perception of leadership in the CS survey. Staff are motivated and enabled to work effectively from any location
3) Ensure Excellent Performance	Performance accountability by all. Clear expectations understood, owned and delivered	An intense focus on performance has produced some results but at times this hasn't been executed as well as we'd like.	Ensure performance management is fair to all parties	Improved productivity Driving down backlogs

KEY PRIORITY 1 – ENHANCED EMPLOYEE PROPOSITION

Desired position (What will be different in 3 years)

We have fully engaged and dedicated staff who produce excellent work and want to stay working for us

- People want to come to work for the legal ombudsman and staff experience positive and energetic working environment which motivates good performance
- They see their role here as a key step enhancing their career journey
- Employees feel committed to their work and are able to perform better and make a fuller contribution

Current position

- Overall LeO turnover is high having stabilised at 22% however this is higher within operational areas and amongst Investigators
- Current induction process does not provide operational staff with all of the skills required
- There is a track record of successful recruitment campaigns but HR intervention required for poor performance accounts for 46% of employee turnover
- Competition for talent is strong in the local catchment area
- Failure to recruit and retain staff in line with Ops delivery
- Employer brand is currently negative on platforms such as GlassDoor

How we will change it

- Increase the number of staff in operations to speed up case investigations
- Redesign induction process and include support across the first year of employment
- Focus on engagement and prioritise staff retention
- Conduct skills analysis of operational staff
- Develop suite of learning and support mechanisms
- Invest in staff who are professionally trained, skilled and experienced
- Review reward and recognition
- Provide opportunities for staff to participate in organisational developments

Expected impact

- External KPI 08 Rolling Turnover rate less than 18%
- Reduced turnover rate specifically in the 1st year of employment
- Improved Net Promoter score (to be defined)

KEY PRIORITY 2 – DEVELOP LEADERSHIP CAPABILITY

Desired position (What will be different in 3 years)

All staff who are in a leadership or management role have been fully trained for that role and perform well as a leader or manager Leaders have the skills and tools they need to drive organisational performance

- Internal change is managed effectively
- Our staff are actively engaged and involved in growing our service based on their experience of conducting casework
- Staff are enabled to work effectively from any location
- Reduction in the number of cases escalating to a formal HR process in relation to line management

Current position

- Trust and confidence in the senior leadership team is low
- Generic leadership capability at all levels is lacking
- Cultural and value alignment of leaders is directed upwards rather than focused on their people
- Internal promotion has led to enthusiastic but inexperienced managers
- Intense focus on performance leaves no capacity for engagement activity
- Ineffective leadership ability/capacity to manage probationers in sufficient numbers
- Inability to control cultural and management impact of significant increase in new employees

How we will change it

- Assess the gaps in the competence of the leadership cohort and develop strategies to address
- Recruit additional skilled senior management capability
- Recruit additional skilled line management capability
- Access to and involvement with external coaching networks to improve skills and bring new ideas
- Develop the link between leaders and HR to ensure that processes are carried out consistently and fairly
- Define base learning standards that are required for all LeO managers
- Investigate and implement senior management development options
- Targeted 180° and 360° feedback. Encourage peer to peer feedback

Expected impact

- Annual Civil Service Engagement year on year increase

KEY PRIORITY 3 – ENSURE EXCELLENT PERFORMANCE

Desired position (What will be different in 3 years)

Performance accountability by all. Clear expectations understood, owned and delivered

- Improved productivity
- Increase in the number of new starters passing probation.
- Improved retention
- Reduction in the time taken to move from junior to senior grade
- Increase in the reputation of LeO as a whole

Current position

- Staff engagement is recognised as a key factor in achieving performance and is currently low
- Establishment level and resources not sufficient to deliver performance
- High attrition rate impacts the organisations ability to deliver against its targets
- Failure to keep pace with the customer demand
- Failure to recruit and retain staff in line with Ops delivery

How we will change it

- Focus the majority of effort on Operations
- Ensure the correct levels of resource are available to meet demand
- Listen to the employee voice and act on improvement solutions
- Provide managers with the support and confidence to tackle poor performance fairly. Monitor progression against the Quality & Feedback model
- Ensure appropriate performance management support activity and policies are effective and fair to all parties
- Ensure the appropriate balance between wellbeing and the demands of the role

Expected impact

- Annual Civil Service Engagement year on year increase
- LeO overall delivery performance against its KPI's

FUTURE WORKFORCE

VISION

Everyone will:

Take responsibility and ownership of their own work.

Engage with their work and actively their own learning.

Respect others' expertise and value diversity.

Deliver great service, and contribute to innovation and service improvement.

Leaders will:

Provide vision, direction and support to their staff to achieve the organisation's performance indicators and strategic objectives.

Set clear expectations, ensuring staff have the right tools, knowledge and skills.

Take accountability for all aspects of their team's workload and anticipate and seek solutions.

In a place that provides:

Interesting, varied and valuable work.

A competitive reward and recognition package.

Friendly, caring colleagues with a strong commitment to wellbeing and inclusion.

Development and progression opportunities, with support for professional learning and qualifications.

Flexible working arrangements, supported by reliable, cloud-based IT.

Provides opportunities for all staff to participate in organisational developments and performance improvement.