

***LGT***

*Local Government Training*

**Deloitte.**

# **Building Capacity to Manage Change**

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## Agenda

- Definition
- Determining current capacity
- Determining capacity needed
- Change – transition or transformation?
- Building critical capacity
- A step-by-step approach

## Capacity to manage change - definition

**“... the right organisation systems, partnerships, people and processes to deliver against a particular agenda or plan.”**

ODPM definition

## Determining capacity to manage change

Need to measure current organisational conditions:

- Capability for change
- Capacity for change
- Willingness to change

## Determining capacity needed to manage change

Understand where you are going:

**develop an operational vision**

and

**the challenges you will face**

- lack of strategic framework
- inadequate programme management
- poor communications
- failure to capture value
- unclear design & transition plan
- unplanned technology integration
- incompatible HR policies and culture

**the capacity you will require**

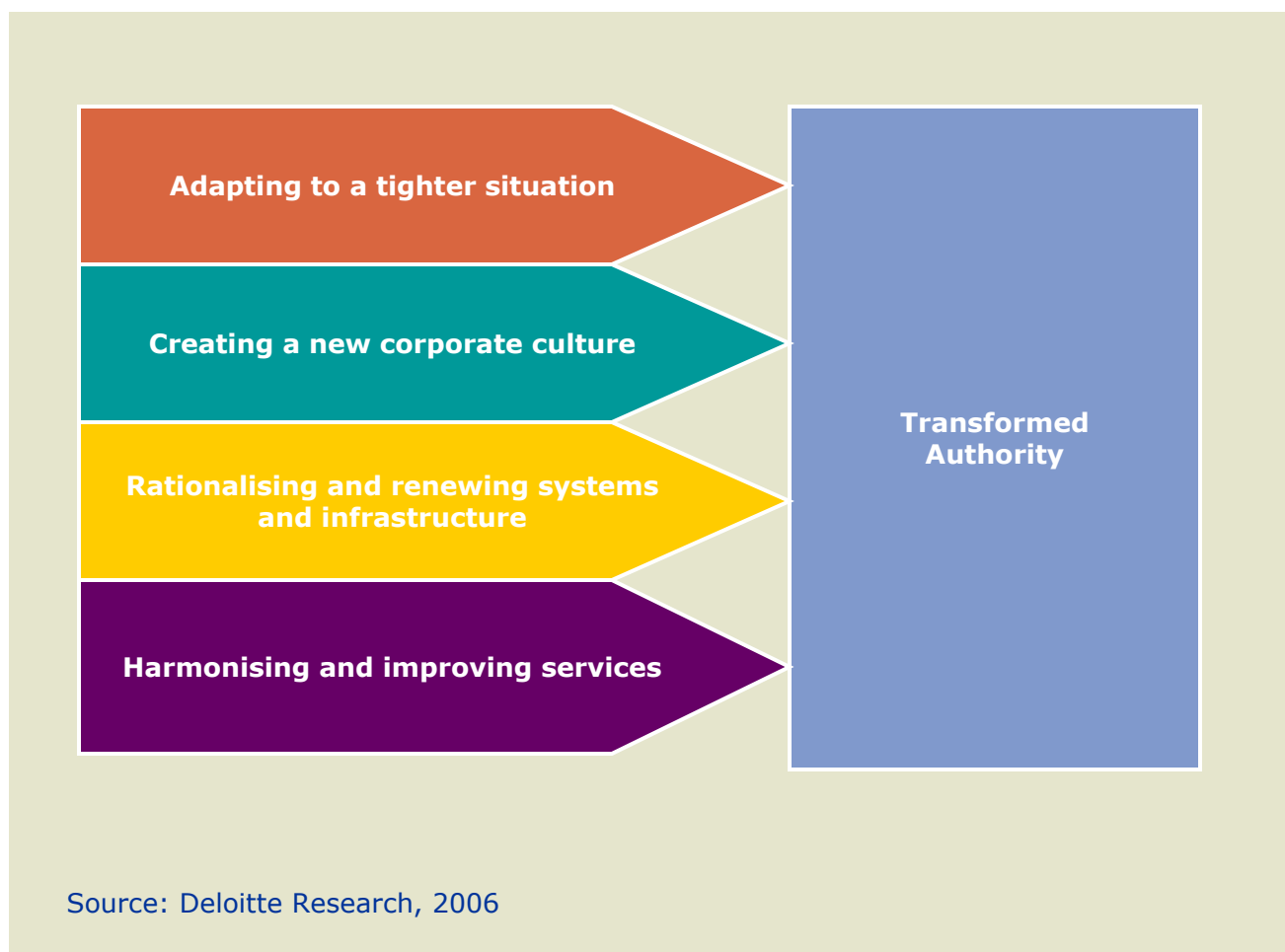
- Strategic Planning
- Programme Management
- Communications Management
- Benefits Management
- Implementation Management
- Technology Management
- HR Management

# Transition or transformation?

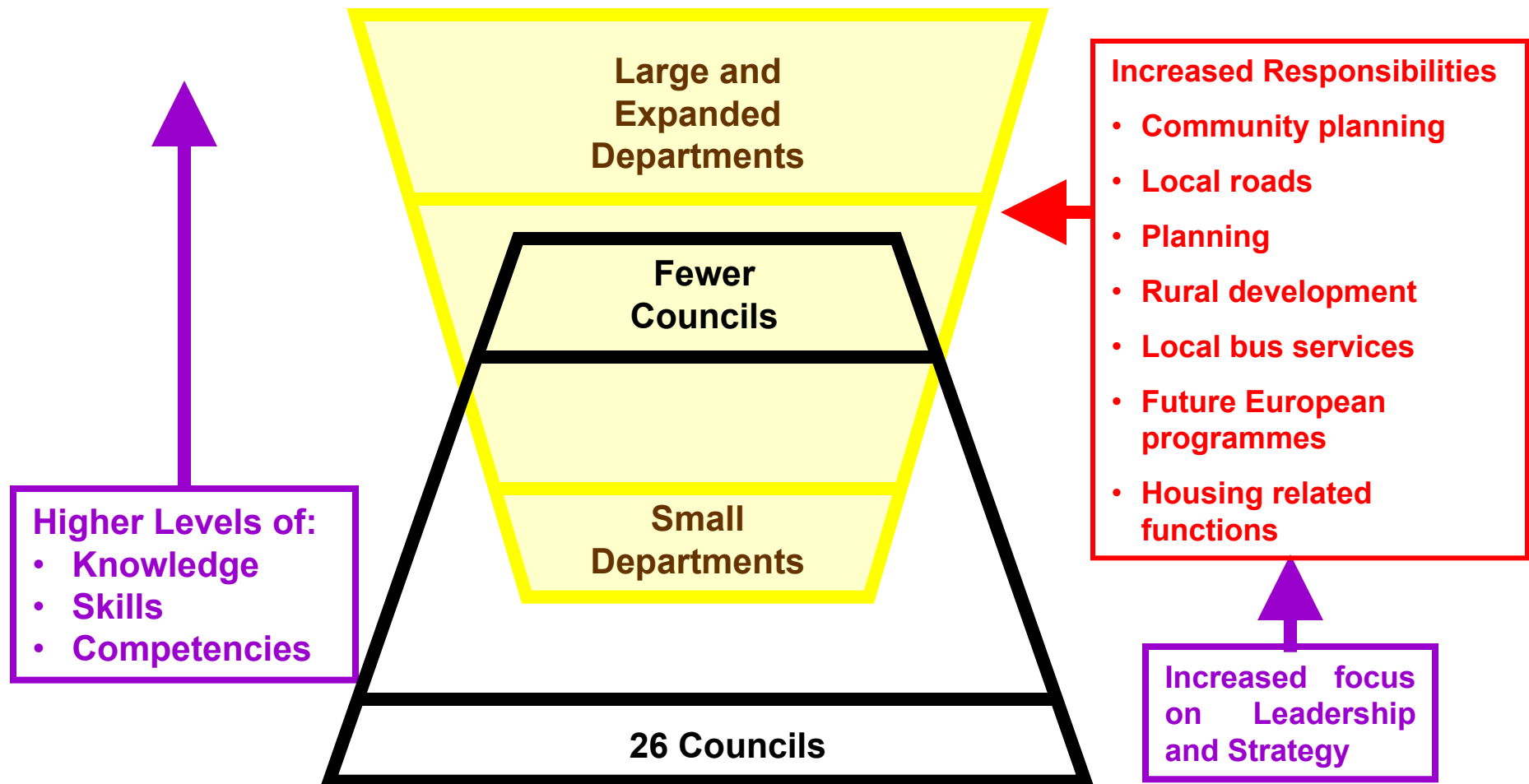
| Objectives               | Transition  | Transformation   |
|--------------------------|---|--|
| Overall                  | Adapt existing organisations to new responsibilities                    | Create new organisation  |
| Organisational Structure | Combine from elements of old organisations                              | Design from first principles   |
| Staffing                 | Avoid undermining staff morale through changes to role, or redundancies | Create new staff plan, being prepared for changes in role and redundancies |
| Culture                  | Adapt dominant culture to impact on new staff                           | Forge new culture, ethos and identity                                      |
| Services                 | Avoid disruption  | Deliver improvements   |
| Finances                 | Disaggregate budgets based on historical spend                          | Build up budgets based on new service plans                                |

Source: Deloitte Research, 2006

## The four challenges of successful transformation



# Transformation in Northern Ireland



## Invest time and resources

### 1. Develop current staff

- ✓ Training/Education
- ✓ Job Shadowing
- ✓ Secondment

### 2. Bring in new staff

- ✓ New recruits
- ✓ Secondments
- ✓ Partnerships
- ✓ Consultants

*There are two types of capability you will build :*

*i. the capability to make the change; happen; and*

*ii. the capability to maintain the change (day-to-day operations)*

## Senior management options

**Chief Executives  
+  
Directors  
+  
Senior Managers  
in  
26 District Councils**



• **Out – Different career**



• **Retire**



• **Go for nearest to current role/level**



• **Develop KSC for new roles**

## Equip senior leadership

- Strategy, development, planning and implementation
- Leadership in a developing political, social, economic and service context
- Managing change in organisation structure, systems, processes, technology, culture – managing mergers
- Communications – about new roles and services, within new citizen relationships, political and staffing contexts
- New responsibilities and accountabilities – in scale and breadth
- New Stakeholders – different groupings of citizen services, new departmental structures and relationships, new staff groupings

## A step by step approach

1. Define your Operational Vision

Understand what capabilities your future organisation will need

2. Conduct a Readiness for Change Survey

Understand what capabilities your current organisation has

3. Develop an implementation plan

Understand when new capabilities are required

4. Start building the capacity you require

Develop, Train, Recruit, Partner and Procure

**Understand the impact of change**