SUMMARY

Good people are essential for any organisation, particularly in service businesses where they account for a large element of cost, are a major part of the service, and have a decisive influence on the way the organisation is perceived by its customers. So that although this paper deals specifically with local authorities it may have a more general application to the National Health Service and other public sector organisations.

The importance of people takes on a new significance at a time of demographic and social change, and moves towards devolved management, which differentiate between client and contractor responsibilities, and which require a clarification of responsibility between the centre and front line services. For many authorities, this will mean a change in approach with personnel administration giving way to People Management requiring the development of employees and the organisation.

Developing people requires plans and policies, and the allocation of responsibility for their design and implementation. And, as more and more management decisions are devolved, this allocation of responsibility between the centre of the authority, departments, and front line services will need to be clarified. The appropriate balance will vary from authority to authority, being influenced by the culture of the organisation, managerial capabilities of departments, the size of the authority, and the ability of the centre both to provide effective support and to exercise strategic control.

But it is not just plans and policies, it requires commitment and a lead from the top of the organisation. The respective roles and responsibilities of Members, Chief Executives, Chief Personnel Officers and Service Departments need to be resolved, so that each can properly contribute to, and be appropriately responsible for, developing their organisation to achieve improved service delivery.

I. THE BACKGROUND

1 Every organisation's ability to achieve its aims relies on its securing a competent and motivated workforce. This is dependent on the quality of its management of people and on the compatibility of its style as an employer with its service delivery aims and objectives. This will certainly require management skills but also leadership qualities, both to inspire and motivate staff to adjust to change.
Local authorities are large employers, with the major authorities often being the largest in their district or county. Improving employee productivity, reducing absenteeism or non-certificated sickness, or generally tightening up on staff controls can produce a significant bonus in many places. These efforts might be seen as improving the efficiency of people. The Audit Commission and its auditors have commented elsewhere on these aspects of personnel management, or have reported on them to individual authorities.

Equally important, and many would say much more important, are the positive aspects of personnel policy: developing people, enabling them to fulfil their potential, improving their commitment and motivation, and their ability to deliver high quality services. These tasks are always difficult, and particularly at a time when many see local government and/or their future as undervalued or under threat.

Developing this positive side of people management takes on a new significance at a time of demographic change and moves towards more devolved management. It is an important element in, and should be placed explicitly in the context of, the future planning and quality of service delivery for the authority as a whole. And, at an operational level, personnel policies will need to be considered as an integral part of the management processes along with those of Finance and Performance, which have been the subject of previous Commission Papers.

Most local authority functions are staff-intensive and staffing costs form a large proportion of total revenue expenditure (Exhibit 1). Cost effectiveness in people management is consequently of great importance if the best use is to be made of limited financial resources. In addition, most services are personal ones; and organisations cannot ask their staff to value their customers unless the staff themselves feel valued.

During the past ten years there has been an increase of over 15% in the number of local authority non-manual staff and a reduction of about 12% in manual employment. And the skill-mix within authorities has changed significantly (Exhibit 2). Managing these changes effectively, and ensuring that increased expenditure on professional staff is fully justified, should take a high priority.

In its first Management Paper — The Competitive Council, the Commission said 'Local government is a people business. Many of the worst problems faced by authorities today result from the absence of good people, or poor training or motivation of those people who remain. In part, at least, this is a self inflicted wound. Some authorities have neglected personnel
management, and their responsibility to train and retain a skilled workforce.

And the importance of good people management is made more pressing by the other changes that are facing local authorities. For example:

— compulsory competitive tendering (CCT) requires changes to ensure the separate identity of the client and contractor roles. Working methods also have to change to introduce commercial skills, and to improve productivity, requiring the design and negotiation of new forms of performance assessment, recognition and reward;

— some authorities need to re-group their functions to achieve an effective relationship with external service providers, and to train employees in the new skills and attitudes which this role requires. One example is the restructuring and revised staffing of Education departments, to meet their new responsibilities as a result of the Local Management of Schools. Education department staff now need training in a consultancy-type role;

— demographic and social change – the reduction in school leavers over the next decade, changes in the composition of the work-force, and changing social patterns, leading to different expectations at home and at work, points to the need to revise work conditions and benefits, recruitment, selection and training policies. The pattern of local and national supply and demand for skills needs to be monitored, and local strategies developed to ensure the recruitment and retention of employees, with more flexible employment packages;

— 1992 will bring further change, partly through the increased involvement of continental contractors, perhaps through more inter-country employment, and partly through growing EC pressure for changes to employment practices. The implications for management training and industrial relations are particularly significant.

‘...people management, rather than personnel administration...’

All these changes are set against a background of rising public expectations for more choice and higher quality, and changing attitudes and expectations from employees. Authorities need to assess whether their services are organised to suit customers, rather than internal, convenience. Staff training in delivering quality services and in 'customer care' emerges as a high priority.

Councils and their workforces will therefore need to be adaptable, innovative, responsive to customers, promoting quality and cost efficiency. Securing these qualities cannot be left to chance, nor can they necessarily be bought in by offering high salaries. The effective management of people requires leadership, effort and skill at both the strategic and operational levels.

For many local authorities this will mean a step change in approach. Traditionally, people management has been given a much lower priority than financial management, and has been characterised in many authorities by:

— centralised control of numbers, grades and structures;

— the enforcement of detailed rules and regulations;

— little attempt at forward planning to meet future skill requirements or to respond to demographic change;

— an over-emphasis on either recruiting externally or internally, without properly considering the 'pluses and minuses' of these options;

— using standardised national provisions for conditions of service and professional training, rather than locally designed systems, tailored to the needs of the individual authority.

These characteristics suit the enforcement of static uniformity. Some are inappropriate to today's rapidly changing scene. There is no single best set of personnel policies. But authorities with sensitivity to local needs and values, and with an imaginative vision as to how these may be met, are developing a style which is very much more responsive to change and to the more challenging personnel climate of the 1990s. They are setting clear corporate personnel policies but, within them, devolving management responsibility, and accountability down to individual departments and operating units.

Conventional establishment control is being replaced by a flexible, positive approach which is bringing the best out of the workforce – people management, rather than personnel administration.

This implies:

— devising policies, plans and action to ensure that the supply and quality of the human resource matches the objectives, values, style and workload of the authority;
— ensuring that the processes to support these aims give the greatest freedom at the departmental or operational level, while still allowing corporate control over essentials;
— seeing that responsibility for these processes is appropriately allocated between departments and the centre, and between Members and officers.

14 Sections 2, 3 and 4 deal with these issues in more detail. Section 5 suggests how to assess an authority’s current position and how to begin taking the necessary action if this assessment indicates the need for change.

2. POLICIES AND PLANS

15 A strategy for effective people management has four components:
— Policies: setting the direction and the general style of people management;
— Plans and Systems: how these policies are to be achieved;
— Action;
— Monitoring the results.

POLICIES

16 Personnel policies should form an essential part of the total set of the authority’s policies and aims. They need to be an integral part of, and support, the whole – not added as afterthoughts. In developing personnel policies, the authority will need to ensure that they are consistent with:
— The authority’s direction, and purpose. Its corporate and service aims and priorities, the needs and aspirations of the population served, its attitude to service supply and employment, and the necessary size and quality of the workforce.
— Style and culture. How the organisation wishes to be perceived, what particular values it regards as important and would wish to oversee centrally, what are its people aspirations.
— Characteristics of the current work-force. Factors such as the age, race, or gender profile of employees, their current stock of skills and experience in relation to the future direction of the authority must influence the focus and priorities of many personnel policies.
— Finances. Balancing desired personnel aims with the realities of financial resources, recognising that some issues need to be self-financing, or for others that additional resources are an essential.
— Trends. Affecting the supply of, and demand for, the categories and qualities of people that the authority will need.

To ensure that chosen personnel policies support the authority’s aims will require turning these aims into courses of action, where responsibility for implementation is allocated, and information systems and a personnel data base are established to enable effective monitoring.

17 Most authorities should find it helpful to evolve personnel policies under a relatively small number of broad headings. The following eight functions cover almost all aspects of people management:

1. Recruitment and selection;
2. Performance and motivation;
3. Training and development;
4. Pay and non-pay benefits;
5. Equal opportunities;
6. Health, safety and welfare;
7. Industrial and employee relations;
8. Organisational development.

Box 1 identifies some of the trends, and external or organisational constraints and opportunities.

18 These are not discrete functions, they complement or interact with others (Exhibit 3); thus recruitment and selection policies should rein-

Exhibit 3

PEOPLE MANAGEMENT FUNCTIONS ARE INTER-RELATED

Some functions complement or interact with others
force those for equal opportunities, while employee performance cannot be isolated from pay. Training and development, while training people, is an integral element in developing the organisation. All contribute to improved people management. Nevertheless these categories are a useful way of classifying and considering the various aspects of people management, and the various policies that could be developed under these categories.

### RECRUITMENT AND SELECTION

19 A recruitment and selection policy is necessary to obtain the expertise required to replace natural wastage and to resource new service initiatives. The reduction in the number of school leavers over the next decade, and competition for professional and craft skills from other sectors of the economy, gives emphasis to the need to re-assess working practices and job design, to use a wide recruitment base and ensure the efficiency of selection processes. Recruitment activity requires high standards of presentation since it entails selling the organisation as well as seeking the recruits. Consideration also needs to be given to policies and benefits which encourage good people to stay. Measures which improve retention reduce the cost of turnover and recruitment. The aim therefore should be to make the best use of available skills, to eliminate any discrimination, to tap the widest possible sources of recruitment and achieve the highest standards of selection by:

- identifying the particular skills necessary for specific posts;
- eliminating all unnecessary and non-job-related criteria;
- facilitating the entry of mature trainees;
- removing barriers to the recruitment of people with domestic responsibilities which inhibit their ability to do full-time employment;
- taking positive action to attract applicants from under-represented groups;

#### PERSONNEL POLICIES – INTERNAL AND EXTERNAL INFLUENCES

<table>
<thead>
<tr>
<th>Personnel Function</th>
<th>External Influences</th>
<th>Internal Influences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruitment and Selection</td>
<td>25% fall in No. of young people entering work in '90s. Estimated 18% growth in demand for professionals by 1995.</td>
<td>Planned changes in services. Employee age profile &amp; turnover. Equal opportunity policy.</td>
</tr>
<tr>
<td>Equal Opportunities</td>
<td>Eq. op. legislation and codes of practice. Skill shortages. Other employers practices. Community characteristics</td>
<td>Eq. op. policy. Recruitment needs. Imbalances within the workforce. Low pay, and utilising staff potential. Single status policies.</td>
</tr>
</tbody>
</table>
— presenting the authority in an attractive way;
— using the most appropriate recruitment services and methods;
— using a range of relevant, proven and ethical selection techniques, administered by trained staff.

PERFORMANCE AND MOTIVATION

20 Motivation is a complex issue. Standstill in spending and uncertainties surrounding the future and the role of local government can reduce morale; on the other hand, there are opportunities to improve quality, to demonstrate performance/competitiveness, and to give employees a sense of purpose. There are many aspects to the creation of a well-motivated staff; they range from the long-term measures involved in creating the organisation’s culture to the daily personal interactions of managers with their staff. Obtaining employee commitment is a critical aspect of people management; without it authorities will not make good use of their most expensive asset. The Competitive Council will increasingly require leaders who will inspire their colleagues to perform to the best of their ability, in difficult circumstances.

21 A policy is needed to ensure that managers at all levels recognise the importance of good people management, accept that they have leadership responsibilities, are equipped with the necessary skills to do this, and work hard to apply the standards and objectives laid down in the policy. Both for performance management and staff development purposes, policies need to ensure the systematic appraisal, discussion and recording of employees' performance standards and training needs, which in turn form the basis for many important action plans. This means:
— developing the culture and image of the authority, to ensure that staff work for a good, caring employer, that they are personally valued, have a pride in what they are doing and present a positive identity as the deliverer of services of great social benefit to the public;
— implementing a managerial approach, based on a style which encourages, gives incentive, re-enforces motivation, rather than one characterised solely by the exercise of controls, which tend to deaden initiative;

‘...there are opportunities to improve quality, to demonstrate performance/competitiveness, and to give employees a sense of purpose...’

— appraising staff, having periodic discussions between each manager and each of his or her staff about work aims and progress and about actions needed to reach the job goals;
— ensuring that jobs are designed to be challenging and to allow individuals the maximum opportunity to make a personal contribution to the success of the authority;
— keeping employees fully informed about the aims of their unit and service and of the authority as a whole, and encouraging suggestions for improving the efficiency and effectiveness of service.

TRAINING AND DEVELOPMENT

22 Training ranks as one of the more important elements of the personnel function. All the many changes affecting local government generate a need for new skills, while demographic change and skills shortages emphasise the necessity for authorities to grow their own employee talent, rather than assuming that any personnel need can be met by external recruitment. The government have recognised a similar need in the private sector in its 'Investors in People' initiative operated through local Training and Enterprise Councils. A training and development policy is therefore needed to ensure that all employees have the knowledge and competence, and an equal opportunity, to enable them to achieve high standards of performance; and to cope effectively with change, by:
— assessing training needs, to meet current and projected skills requirements and to assist each employee to develop his or her capabilities to the fullest practicable extent;
— providing adequate budgetary provision to enable these plans to be effected;
— seeing that the widest, yet most appropriate, range of training and development methods and resources are used;
— ensuring that all managers take responsibility for, and are themselves developed to implement effective
induction, training, appraisal and development of their employees;
— ensuring that management development and where appropriate, succession planning, form part of the total training activity.

PAY AND NON-PAY BENEFITS

23 Pay and non-pay benefits are not just a cost – they can be used positively to encourage high standards of performance, assist in staff retention, and aid recruitment. In a period of changing skills requirements and potential professional or skills shortages, pay levels and other benefits need to be kept under continuous review. This means value for money for expenditure on pay and non-pay benefits, by providing a package, or a selective menu of benefits, work and service conditions. These should be sufficiently attractive to contribute effectively to recruitment and retention, and provide performance motivation.

24 The authority should determine the position it needs to maintain in relation to relevant national and local job and pay markets. It should also keep the nature and cost of pay and benefits under continuous review, both against external trends and for their effect on retention, recruitment and motivation, recognising that some non-pay benefits such as flexible hours, career breaks etc. may particularly benefit women. It should recognise the need to provide a competitive package to recruit and retain staff (keeping in mind the influence of non-pay factors). By the same token, the authority should ensure that it is not paying too much to employees for work that it should consider buying in, and see that skilled or professional work is being carried out at the appropriate level.

There are other vital elements of a pay policy beyond the overall levels of remuneration:
— recognising the realities of the market, and the disciplines of finance;
— maintaining a rational and preferably simple structure of pay scales or grades;
— ensuring a meaningful relationship between rewards and performance, providing recognition and reward for high standards of performance, with penalties for persistent poor performance too;
— recognising the potential problems of creating a performance focused organisation, and the requirement to deal fairly with those employees who find difficulties in adapting.

‘...It requires a commitment to secure genuine equality of opportunity and treatment, whether required by legislation or not...’

EQUAL OPPORTUNITIES

25 Local authorities have duties under various strands of legislation and Codes of Practice, affecting minority ethnic groups, women, and people with disabilities. But the elimination of discrimination from all employment decisions is not just a matter of compliance with legislation. It contributes directly to the authority’s reputation as a good and socially responsible employer and to its ability to draw on the widest possible sources of recruitment and talent – a particularly important factor in a period of changing expectations and labour markets. It requires a commitment to secure genuine equality of opportunity and treatment, whether required by legislation or not, by:
— ensuring that when employment decisions are made, the only personal requirements which are taken into account are those which are relevant to the proper performance of the work involved;
— keeping all employment processes under review and monitoring action taken in order to eliminate any direct or indirect discrimination;
— ensuring that all managers, and employees generally, understand and accept the importance of eliminating discrimination;
— recognising the opportunities given by the various management changes to assist disadvantaged and under-represented groups;
— particularly in authorities with a high ethnic minority population, seeking to reflect in the work-force a representative proportion of this population;
— ensuring that employees at all levels follow sound equal opportunity principles in their various service delivery functions.

HEALTH, SAFETY AND WELFARE

26 As with equal opportunities, complying with the law on health and safety should be viewed as the minimum requirement. Absences caused by sickness, accident or stress (whether work-related or otherwise) can amount to a significant and costly element of
the total paybill (Exhibit 4). There is evidence of a particular problems at some authorities, and positive action, and the investment of management time, makes sound economic sense. But to achieve this, an authority needs to provide a safe and healthy working environment, and to have regard to

— providing adequate health and safety training;
— maintaining an effective system of employee and trade union consultation on health and safety issues;
— providing adequate occupational health services and welfare counselling, either by direct provision or through external agencies.

Exhibit 4
SICKNESS ABSENCE – LOCAL AUTHORITY DLOs
DLO levels are well above national average

Although legislation during the past few years has changed the formal rights and powers which influence collective bargaining, the maintenance of a constructive relationship with trade unions for both corporate and operational issues, and with employees generally, is still of major importance. Effective communication is vital in the period of change – people will respond if the desired changes have been properly explained. And the more staff are expected to use their own initiative, the more important it is to communicate what the Councils objectives are. Communications upwards is also important, providing the means whereby employee views can be communicated to top management. There is also a requirement to ensure that employees can exercise their rights of union membership or non-membership; and that the authority’s relationships with the trade unions and their employees generally are conducted in a fair and constructive manner which helps to secure a collaborative working environment. This will be assisted by:

— providing information to employees, without distinction between union and non-union members;
— actively developing employee communications processes, and reinforcing managers’ responsibilities for these;
— agreeing procedures with the recognised unions for the discussion of matters requiring local consultation/negotiation, and for the settlement of disputes;
— ensuring that disciplinary and grievance systems are operated fairly and consistently, that employees are treated openly and equitably at all times;
— ensuring that individuals should always be given the opportunity to be represented in disciplinary or appeals procedures.

INDUSTRIAL AND EMPLOYEE RELATIONS

27 Although legislation during the past few years has changed the formal rights and powers which influence collective bargaining, the maintenance of a constructive relationship with trade unions for both corporate and operational issues, and with employees generally, is still of major importance. Effective communication is vital in the period of change – people will respond if the desired changes have been properly explained. And the more staff are expected to use their own initiative, the more important it is to communicate what the Councils objectives are. Communications upwards is also important, providing the means whereby employee views can be communicated to top management. There is also a requirement to ensure that employees can exercise their rights of union membership or non-membership; and that the authority’s relationships with the trade unions and their employees generally are conducted in a fair and constructive manner which helps to secure a collaborative working environment. This will be assisted by:

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ORGANISATIONAL DEVELOPMENT

28 An authority’s ability to succeed in a rapidly changing environment is dependent, to a large extent, on its values, style and structure. Responding to customers, identifying community needs and opportunities, and acting as a catalyst for local ac-
tion, all require qualities of flexibility and responsiveness in structure and attitude.

Organisational development is concerned with shaping the authority and promoting the values and policies which are needed to achieve these ends. The traditions of rigid departmental boundaries based on separate professions, and of impersonal (even if efficient) bureaucracy will not serve the needs of the 1990s or the impact of competitive tendering. Consequently there is a need periodically to review the organisation, and to evolve structures and promote values which achieve the maximum accessibility of services to the public and enable the authority to establish constructive relationships with external service providers, and with all relevant community and business organisations. This involves:

- maintaining as few hierarchical levels in the organisation as possible;
- preventing the proliferation of separate functions by the sensible grouping of related activities;
- separating the client and contractor functions;
- devolving responsibility for operational management to the maximum practicable extent;
- defining and promoting throughout the authority those qualities, values and standards which are of strategic or corporate importance, e.g. team building, change management;
- ensuring that employees are trained and developed to meet the challenges of changing values, structures, and approaches to service delivery.

PLANS AND SYSTEMS

The development of policies under these eight broad statements will remain mere indications of intent unless they are translated into practical action. The questions to be asked about each policy statement are:

**QUESTIONS**

- What needs to be done, and by whom, to put these policies into effect?
- What systems are needed to ensure that effective, and, if necessary, consistent action is taken?
- How will the quality or effectiveness of this action be assessed, monitored and reviewed?

‘...plans and targets for people management need to be as specific as possible, so that performance and achievement can be assessed systematically and objectively...’

Plans and tasks linked to policy statements should form part of a wider system of performance management, in which all the authority’s activities are reviewed at least annually, and targets set for the achievement of specific standards or key tasks.

Examples of the types of plans and systems which might be developed to support the policies in paragraphs 19 to 29 above are set out in Box 2 (overleaf). These are purely illustrative, as there are, of course, very many other courses of action which might be appropriate for any individual authority at any one time. The Box also indicates how the quality of various schemes or systems might be assessed. All the various action plans to achieve the authority’s human resource objectives need to form a coherent whole - an overall plan which takes account of the internal and external influences outlined in Box 1, and reflects the authority’s style and core values.

As with any system of performance management, plans and targets for people management need to be as specific as possible, so that performance and achievement can be assessed systematically and objectively. Plans should therefore be expressed in specific terms, including deadlines, for example:

- targets – eg. ‘by the end of the financial year, to reduce the average time taken to fill vacancies to eight weeks by simplifying the current recruitment procedures’;
- key tasks – eg. ‘to design and implement a training programme for all third tier managers in effective selection interviewing skills, all training to be completed by 31 July’.
### Box 2

**EXAMPLES OF PLANS AND SYSTEMS TO SUPPORT STRATEGY**

<table>
<thead>
<tr>
<th>EXAMPLES OF PLANS AND ACTION REQUIRED</th>
<th>EXAMPLES OF QUALITY INDICATORS (ie. the function is unlikely to be performed well unless these characteristics apply)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Recruitment and Selection</strong></td>
<td></td>
</tr>
<tr>
<td>– Revise selection criteria to eliminate unnecessary restrictions or bias.</td>
<td>– Written, objective selection criteria exist for all vacancies.</td>
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<tr>
<td>– Introduce a training programme for employees re-entering employment after lengthy career breaks.</td>
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<tr>
<td>– Review recruitment procedures.</td>
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<tr>
<td>– Tender for advertising agency services.</td>
<td>– All interviewers have had interview training.</td>
</tr>
<tr>
<td>– Introduce a battery of psychometric tests to improve selection standards</td>
<td>– At least one selection method used additional to interviewing.</td>
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<tr>
<td></td>
<td>– Advertising response rates analysed.</td>
</tr>
<tr>
<td></td>
<td>– Any psychometric tests have been professionally administered and validated, and are free from any bias.</td>
</tr>
<tr>
<td><strong>2. Employee Performance and Motivation</strong></td>
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</tr>
<tr>
<td>– Introduce a staff appraisal system</td>
<td>– Managers have been trained in people management skills and appraisal interviewing.</td>
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<tr>
<td>– Launch a staff newsheet or a system of team briefing.</td>
<td>– All employees receive authority information.</td>
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<tr>
<td>– Launch a staff suggestion campaign.</td>
<td>– All employees who make a sensible suggestion given feedback on the outcome of this suggestion.</td>
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<td></td>
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<tr>
<td><strong>3. Training and Development</strong></td>
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<tr>
<td>– Require departments to produce annual training plans.</td>
<td>– All employees receive at least five days training annually.</td>
</tr>
<tr>
<td>– Introduce or extend a management development programme.</td>
<td>– Systematic assessment is made of results of all training.</td>
</tr>
<tr>
<td>– Arrange a management secondment scheme with local industry.</td>
<td>– Planned training use is made of work experience and projects, and the results assessed.</td>
</tr>
<tr>
<td>– Construct individual training plan to progressively improve ability to do job.</td>
<td>– Aims of training and course selection are discussed with employees.</td>
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<td></td>
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<tr>
<td><strong>4. Pay and Non-pay Benefits</strong></td>
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<tr>
<td>– Introduce or revise the salary structure.</td>
<td>– Pay scales/grades are limited to those in a planned structure.</td>
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<tr>
<td>– Introduce a performance related pay scheme</td>
<td>– Any pay/performance link is based on objective criteria.</td>
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<tr>
<td>– Improve non-pay benefits.</td>
<td>– Periodic surveys are made of external non-pay benefits.</td>
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<td></td>
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<tr>
<td><strong>5. Equal Opportunities</strong></td>
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<tr>
<td>– Run a training programme for managers in bias-free interviewing.</td>
<td>– Numbers of potentially disadvantaged groups selected, trained, promoted, etc. are monitored.</td>
</tr>
<tr>
<td>– Revise selection criteria to facilitate the recruitment of disadvantaged groups.</td>
<td>– Managers are trained in equal opportunity principles and practice.</td>
</tr>
<tr>
<td>– Provide more aid and access for disabled employees.</td>
<td>– Additional training is provided for particular groups.</td>
</tr>
<tr>
<td>– Provide statements of policy about racist conduct.</td>
<td>– Monitoring arrangements in place to ensure compliance.</td>
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<tr>
<td></td>
<td></td>
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<tr>
<td><strong>6. Health and Safety</strong></td>
<td></td>
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<tr>
<td>– Establish an occupational health service.</td>
<td>– Sickness and accident absences are recorded, analysed and used to set improvement targets.</td>
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<tr>
<td>– Mount a safety training programme for supervisors.</td>
<td>– There is a thorough system of hazard checking.</td>
</tr>
<tr>
<td>– Set a target for reduction in the accident rate.</td>
<td>– Managers and supervisors receive safety training.</td>
</tr>
<tr>
<td>– Provide stress counselling facilities.</td>
<td>– Feedback on Health &amp; Safety at Work from employees.</td>
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<tr>
<td></td>
<td>– Employees can access welfare counselling.</td>
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<tr>
<td><strong>7. Industrial and Employee Relations</strong></td>
<td></td>
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<tr>
<td>– Negotiate or revise a disputes procedure.</td>
<td>– Joint consultation occurs at authority/departmental/workplace levels</td>
</tr>
<tr>
<td>– Provide a training programme in negotiating skills.</td>
<td>– Managers receive IR training.</td>
</tr>
<tr>
<td>– Establish an improved system of joint consultation.</td>
<td>– There is an effective disputes procedure.</td>
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<tr>
<td></td>
<td></td>
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<tr>
<td><strong>8. Organisational Development</strong></td>
<td></td>
</tr>
<tr>
<td>– Simplify the management structure.</td>
<td>– The management hierarchy is relatively flat.</td>
</tr>
<tr>
<td>– Re-group functions to achieve better public access to advice or information.</td>
<td>– Structures are regularly reviewed.</td>
</tr>
<tr>
<td>– Mount a publicity campaign to promote and explain the authority's core values and aims.</td>
<td>– Groupings of functions serve the convenience of the public.</td>
</tr>
<tr>
<td></td>
<td>– The authority's core values and corporate aims are widely publicised.</td>
</tr>
<tr>
<td></td>
<td>– Staff assessment of the organisation and its achievement.</td>
</tr>
</tbody>
</table>
ACTION AND MONITORING

33 Plans must be followed by action. This will require the personal commitment of managers at all levels who need to understand the rationale for the authority’s policies and their role in its implementation. Finally, procedures are required to ensure that plans have been put into effect.

34 Workforce planning, and the effective monitoring of many aspects of people management, requires the regular production of statistical data such as turnover and absence rates, vacancy levels, overtime costs, grading distributions and recruitment targets and trends. A comprehensive personnel database, and the production of monitoring and control information by the skilful use of IT, is essential to this process.

35 In the evolution of policies, and plans, in allocating responsibility for action, and seeing that it takes place, decisions are needed about:
— how responsibility for action is to be allocated between the centre and departments, and perhaps within departments to management units;
— what particular roles elected members, managers and personnel specialists are to play.

36 Personnel policies will be influenced by the extent to which managerial responsibility has been devolved from the centre to departments – and within departments, to service centre managers.

37 This applies to all aspects of resource management. In an authority which retains detailed centralised control of financial management, it would be difficult to achieve a significant devolution of people management. Effective devolution – an essential feature of the responsive, flexible authority – requires a consistent approach across all elements of resource management, though the form which devolved people management can take will vary. For example, the initial introduction of a management development programme will require a greater degree of central action than when the programme has become established. The extent of devolution will depend on managerial capabilities and the capacity of the centre to monitor the essential elements of devolved responsibility. Authority size may determine whether devolving some elements of people management is cost effective.

38 In determining the balance between the central and departmental roles, authorities need to reconcile two potentially conflicting aims:
— the need for departmental line managers to have as much freedom as possible in the management of their own resources;
— the need for the authority corporately to set standards and pursue priority issues, values or qualities to which it wants all its services to contribute.

39 In deciding how these aims can best be reconciled, four factors point to a need for some authority-wide consistency:
— Legally, the authority is the employer, not the particular department in which an employee works. The authority is a corporate body, accountable in law for the way employees are managed;
— In the public perception, too, the authority is an employing entity. The employment standards in any one department affect the public image of the whole;
— An authority which has a clear view of its core values, the qualities it considers most important, has a corporate interest in ensuring that employees in all its services promote these values;
— The authority as a whole must ensure that no department wastes resources through ineffective people management.

40 This does not imply that all departments must give the same emphasis to certain aspects of personnel policies. Priorities may vary

3. CENTRAL OR DEPARTMENTAL?
WHAT GOES WHERE

QUESTIONS

• Has the authority defined its personnel policies for each of the above functions?
• Have these policies been turned into plans and systems, with appropriate targets and tasks?
• Can responsibility for the achievement of these tasks and targets be allocated to named individuals?
• Are procedures in place to ensure that performance of these tasks and targets have been achieved?
• Is there an adequate personnel database for the production of monitoring and control information?
between departments so that the centralisation of some aspects of personnel administration can be directly detrimental to the effective management of services. Clarity of strategic direction facilitates the devolution of operational decision-making by defining the boundaries within which departmental managers are free to act.

41 Decisions need to be made about the extent of central and departmental involvement for each of the eight personnel functions described in the previous section. Box 3 shows how such analyses might be developed for the training function, and illustrates how a blend of central and departmental action can serve to promote the authority's corporate aims, while encouraging the devolution of detailed decisions to operational management. Authorities would find it helpful to produce similar analyses for each of the eight personnel functions.

42 Several basic principles apply to such analyses. They relate to policies, plans and systems, action and monitoring.

POLICIES

43 The centre's involvement should be with issues central to the authority's corporate aims, priorities and values; and with matters which affect all or most departments. Departmentally, each service should be responsible for the development of policies which are concerned with its particular functions and service plans, within this corporate framework.

44 For example, industrial relations strategies would generally be determined centrally, as employee membership of trade unions, such as NALGO, spans all departments. On the other hand, the training policy for, say, a housing department, would need to evolve departmentally to meet the specific personnel requirements indicated by the changing nature of the service.

Box 3

<table>
<thead>
<tr>
<th>CENTRAL AND DEPARTMENTAL ROLES: AN EXAMPLE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Function: training and development</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Policy</th>
<th>Central Role</th>
<th>Departmental Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Definition of requirement for training needs of all employees to be assessed systematically at least annually. Requirement for departments to assess their service training needs; and for each department to produce an annual training plan.</td>
<td>- Definition of type and amount of training needed to meet immediate and projected service trends and requirements: and to support corporate training strategy.</td>
<td>- Definition of respective roles of managers, internal &amp; external trainers, in effecting training plans.</td>
</tr>
<tr>
<td>- Requirement that all departmental training plans include elements of management development, safety, and equal opportunity training.</td>
<td>- Establishing overall training budget.</td>
<td></td>
</tr>
<tr>
<td>- Establishing overall training budget.</td>
<td>- Guidelines on appraisal principles.</td>
<td>- Design of departmental appraisal system within central guidelines.</td>
</tr>
<tr>
<td>- Design of training programmes in skills common to all departments (e.g. Management Development, or Customer Care). Procedure for recording training action (to provide comparative monitoring data).</td>
<td>- Design of training programmes for skills specific to department.</td>
<td></td>
</tr>
<tr>
<td>Action</td>
<td>- Delivery of centrally run training programmes.</td>
<td>- Selection of employees for in-house and external training, based on operation of appraisal system, to fulfil training plan.</td>
</tr>
<tr>
<td>- Advice to departments on training techniques and availability/bona fides of external training providers.</td>
<td>- Administration of departmental training programmes.</td>
<td>- Administration of departmental training programmes.</td>
</tr>
<tr>
<td>- Evaluation of training.</td>
<td>- Maintenance of training records and submission to centre of training reports.</td>
<td></td>
</tr>
<tr>
<td>Monitoring</td>
<td>- Analysis of periodic reports from departments of their training activities.</td>
<td>- Maintenance of training records and submission to centre of training reports.</td>
</tr>
</tbody>
</table>

PLANS AND SYSTEMS

45 Within the context of corporate personnel policies, the development of personnel plans and systems are best done departmentally, since such plans need to be integrated with service plans. But this would not make sense
at small authorities, given the number of employees involved and the personnel expertise that would be required. And even at the larger authorities, the allocation of responsibility for plans and systems between departments and the centre is likely to be developed pragmatically.

46 An authority-wide policy will often require the design of a supporting system or procedure – for example, a policy of rewarding performance necessitates the design of a performance related pay system, which will probably need to be standardised – at least for all senior managers. For authority-wide policies, the design of supportive systems will lie with the centre.

47 There are some central policies, however, which may best be put into effect by systems designed departmentally. Thus a corporate training policy which states that each employee’s training needs are to be assessed systematically, clearly requires the operation of a training appraisal system, but does not need precisely the same system to be operated by all departments. A small department with an informal management style may design its own relatively informal training appraisal system, while a larger department with a more structured style may benefit from a more formalised training appraisal process.

ACTION

48 It is in the operation of systems and the actioning of plans, and in decision-making about individual cases, that the greatest scope exists for devolution to departments. For example, an authority may specify a standard recruitment procedure in terms of the style of advertisements and the use of certain selection techniques. Except for very senior staff this need not involve the centre in taking selection decisions. That is a role for departmental line managers who need to play as large a part as possible in all the decisions involved in the management of their employees. They are the managers who should know best when and whom to recruit, deploy, train and, if necessary, discipline. Central involvement in day-to-day decisions about individual employees undermines line management authority and blurs accountability for results.

MONITORING

49 The systematic review of the extent to which strategic objectives are met is an aspect of people management which is often given inadequate attention. The centre is sometimes reluctant to devolve authority to departments for fear of loss of control and deterioration of standards. Monitoring does not imply day-to-day interference with departmental decisions. It does involve the regular examination of performance indicators, such as employee turnover, training volumes, equal opportunities action, absence rates and average earnings – both for trends, and to see if satisfactory standards are being maintained. It also entails ensuring that authority codes of practice and standards are being complied with, and an appraisal of how the more ‘soft’, but equally important aspects of people management are being addressed, for example industrial relations, improvement in skills or morale.

QUESTIONS

• Has the authority decided which personnel policies should remain central and corporate and which can be devolved?

• Is the operation of devolved issues monitored systematically to ensure that strategic and important issues are kept under review?

• Is the balance between central and departmental responsibilities reviewed from time to time in the light of external changes and managerial and organisational development?

4. ALLOCATING RESPONSIBILITIES. WHO DOES WHAT?

50 Achieving the right balance between the centre and services, and between the strategic, operational and monitoring aspects of people management requires a clear understanding of the different roles for:

— members;
— the chief executive;
— chief officers and service department managers;
— the chief personnel officer and personnel specialists.

THE ROLE OF ELECTED MEMBERS

51 Members set the authority’s whole style and standards as an employer, by:

— supporting and reinforcing the authority’s values and its key personnel policies;
— checking that systems exist, plans are made, and action is taken to put the policies into effect;
— monitoring the effectiveness of policy implementation.

52 But members cannot possibly fulfil the management role needed to implement these standards, though by inconsistent or more general involvement in its operational detail they can impede it. The chair of a large authority's Policy and Resources Committee explained this in very direct terms:

'It is absurd for members to get involved in individual job gradings and minor establishment changes. They cannot possibly know all the facts about the inner workings of each department .... Councillors should set the general scene, make sure they recruit competent managers, keep a close watch in terms of service costs and quality – but let the chief officers get on with the detailed management their own staff.'

*(Quoted in 'Personnel: The Agenda for Change'; LGTB 1989)*

These same principles should apply to all authorities.

53 Members sometimes fear that they will lose control if they largely devolve to managers the responsibility for employment decisions, so they require many matters of operational detail to be referred to committee. Some insist on committee approval for every individual grading change, yet the personnel committee may never see periodic analyses of trends in the numbers of posts at each grading level. That is a far more effective way to control grading drift than making decisions about individual posts.

54 Members can exercise considerable influence too in reinforcing and supporting the values of the authority and the managers who have to implement the authority's personnel policies. Consistent messages from members and management are essential. While managers may not always be right, their position can be undermined through the handling of individual appeals or disciplinary issues and by informal lobbying of members by employees or their representatives. This informal involvement, or too much member involvement in disciplinary issues or Trade Union negotiations can undermine management authority and blur accountability.

55 In some authorities, all personnel issues are referred to the personnel committee, which decides on the numbers and grades of staff throughout the whole authority, and makes all the member-level decisions about pay, training and other people management matters. While there is clearly a need for authority-wide limits to be set on the volume and costs of the human resource, this form of centralised member control discourages service committees from considering the personnel implications of their service plans and can lead the central committees into decisions on service standards, which ought to lie with service committees.

56 A much more effective division of committee involvement can be achieved by following the principles set out in Section 3. These principles would place on the central committee the responsibility for defining authority-wide policies and standards, – which in some authorities would need to cover Education too – while leaving service committees or managers free to implement their own personnel plans to meet service objectives. The personnel committee should concentrate on top level issues (Box 4).

57 There is one member function common to all authorities – the selection of the chief executive and chief officers. This process must be undertaken thoroughly and professionally. Far too often, members rely solely on poorly planned panel interviews – a wholly inadequate basis for an investment of £1/2 million or more over the working life of the officer concerned – which can make or break the achievement of the council's objectives. Members should insist on a thorough and intensive selection process. If there are difficulties in involving existing officers in the selection of a new chief executive, consultants, or other external advisors, should be used to ensure that a rigorous selection procedure is followed. And members have a more general responsibility in the appraisal of the Chief Executive in the exercise of his or her management responsibilities.

**THE ROLE OF THE CHIEF EXECUTIVE**

58 The chief executive's personal management style is a powerful influence, as a role model of the way other managers should relate to their employees. As the head of the management team, and in exercising the legal responsibility as "the Head of the Paid Service", the chief executive should secure effective people manage-
ment throughout the authority, set standards and provide leadership. The Commission in its paper 'More Equal than Others – The Role of the Chief Executive' spelt out five key roles for the Chief Executive. The specific personnel aspects of these roles are:

— administering the political/managerial interface and ensuring that members have adequate information about people management on which to base their strategic decisions, and to monitor performance;
— the conversion of personnel policies into action;
— ensuring that the skills and attitudes the authority needs in its employees are developed and that the organisation structure of the authority is kept under review;
— reviewing performance against policies, plans and targets. This includes setting performance standards for chief officers (often with an input from members), appraising their performance, and assisting in their training and development;
— thinking ahead, and ensuring that plans to secure the people the authority will need form an integral part of the whole forward planning process.

Box 4

**ROLE OF THE PERSONNEL COMMITTEE**

The central personnel committee should focus on strategic issues

<table>
<thead>
<tr>
<th>Function</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Policy</td>
<td>• Determining authority-wide policies involves considering reports on employment implications of:</td>
</tr>
<tr>
<td></td>
<td>— the authority’s corporate values and aims;</td>
</tr>
<tr>
<td></td>
<td>— external trends (e.g. legislation, demographic change, market trends, national pay bargaining);</td>
</tr>
<tr>
<td></td>
<td>— internal factors (e.g. earnings/age/service profiles).</td>
</tr>
<tr>
<td></td>
<td>• Determining the authority’s broad organisation structure (e.g. the main grouping of functions/departments, not detailed establishments), and the framework and rules for committees or managerial discretion.</td>
</tr>
<tr>
<td>Plans and Systems</td>
<td>• Requiring evidence of managerial planning and action to convert policies into action.</td>
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<tr>
<td></td>
<td>Involves:</td>
</tr>
<tr>
<td></td>
<td>— reports on design and implementation of systems (e.g. appraisal schemes, pay structures);</td>
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<tr>
<td></td>
<td>— examining forecasts of volumes and types of future employment, and their impact on future policy;</td>
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<tr>
<td></td>
<td>— setting budgetary limits/targets for total paybills and training.</td>
</tr>
<tr>
<td>Action</td>
<td>• Normally through specialist member panels (which may need to involve members from service committees):</td>
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<tr>
<td></td>
<td>— selection/appraisal of chief executive and chief officers;</td>
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<td></td>
<td>— hearing final stage disciplinary appeals;</td>
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<td></td>
<td>— selective involvement in joint consultation with trade unions;</td>
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<tr>
<td></td>
<td>— or in industrial disputes after officer-level negotiation has failed.</td>
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<tr>
<td>Monitoring</td>
<td>• Keeping employment standards and achievements under systematic review by considering regular reports on:</td>
</tr>
<tr>
<td></td>
<td>— employee numbers and costs;</td>
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<tr>
<td></td>
<td>— employee turnover;</td>
</tr>
<tr>
<td></td>
<td>— vacancy levels, overtime levels and recruitment;</td>
</tr>
<tr>
<td></td>
<td>— age, service and grading profiles;</td>
</tr>
<tr>
<td></td>
<td>— health and safety statistics;</td>
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<td></td>
<td>— equal opportunity statistics;</td>
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<tr>
<td></td>
<td>— volumes and costs of training;</td>
</tr>
<tr>
<td></td>
<td>— general appraisals of the people resource.</td>
</tr>
</tbody>
</table>

59 The chief officer’s role within each department is similar to that of the chief executive’s across the whole authority. Chief officers provide an example of management practice and leadership for their departmental managers. They have a corporate responsibility, and should be concerned to secure the effective planning, operational management and monitoring of all people management activities within their services. It is for the chief officer to ensure that human resource trends and implications are assessed as an integral element of service planning.

60 If chief officers and their departmental managers are to be fully accountable for the quality and cost-effectiveness of their activities, they need a large degree of freedom of action in the management of their employees. Managers need to be able to make rapid changes in the way work is organised, and to form and reform staff teams without having to go through over-complicated authorisation processes. They need the means to reward good performance and correct poor standards. They are in a better position than anyone centrally to make judgements about the need for training or disciplinary action. In short, they need to be free to manage.
But this freedom carries responsibilities, and requires professional support. Managers should consider the effect of their decisions on the whole authority, not just on their own units. Their solutions should not be other departments problems. They must manage within the constraints of employment legislation and achieve the required standards and outcomes. They should seek specialist personnel advice before making decisions on issues which involve professional know-how – such as the use of different selection techniques, or the legal implications of disciplinary action.

They should also strive for the highest possible level of efficiency in the use of their human resources; inefficiency in one department implies that fewer resources will be available for others.

The history of the personnel function in local government lies in central establishment control. Personnel officers with an establishment background sometimes fear that if they lose the control function, the reason for their existence disappears. So why employ personnel specialists?

The answer lies in the range and complexity of issues which managing people involves. Service managers are experts in their own particular functions or professions, not in employment law, industrial relations, training and selection techniques, the design of appraisal and payment systems and many other employment matters. So the most immediate role for personnel specialists is to provide line managers with expert information and assistance on all these issues.

'...Chief Personnel Officers have a key role of determining standards and designing key processes, advising on quality assurance and exercising quality control...'

The role may sometimes be described as advisory which may be seen as a passive role – being available to give advice when asked. The effective adviser, however, takes the initiative in putting forward ideas. As an expert in employment matters, he or she should be able to see the need or opportunity for new systems or responses more quickly than managers trained in other disciplines. There are also other roles than that of adviser, which a county council describes in this way:

The role of central personnel is:
- identifying the need and suggesting policies for authority-wide issues and standards;
- helping departments to apply these policies, using a consultancy approach;
- monitoring the effectiveness of policies;
- providing a central point of information and advice about personnel matters;
- ensuring a high quality of personnel staff – including those working in service departments.'

This description of the role, that of 'Head of profession', has an application to most authorities. Generally the central personnel function should ensure that people and the organisation are developed to assist better service plans and service delivery. Chief Personnel Officers have a key and core role of determining standards and designing key processes, advising on quality assurance within departments and exercising quality control. They are responsible for maintaining corporate Personnel standards and policies while giving departments' responsibilities for the operation of services, and can play a valuable role in assisting authorities adapt to change.

With the growing acceptance of the view that personnel specialists are employed primarily to develop relevant policies and provide services, and to exercise a strategic rather than a detailed control role, two trends have emerged in recent years:

- a central personnel function which negotiates its provision of services to departments through Service Level Agreements (SLAs);
- a decentralised function, retaining at the centre the strategic role and such few other activities as are shown to be undertaken more cost-effectively there.

In the Commission's view, the most effective option is decentralisation, though it is accepted that in smaller authorities this has practical limitations. Decentralised personnel specialists, who form part of their de-
partmental management teams, identify much more closely with their services' style and objectives than can any centrally based staff. They are also instantly available to help with any unexpected crises or opportunity – a type of assistance which it is difficult either to specify in an SLA or provide from a central point.

69 There are risks, too, that over-prescriptive SLAs may lead to an undesirable increase in the internal administration of often extremely minor inter-departmental charges, and under-emphasise the critically important strategic and monitoring roles. But SLA's have value, where the importance of the service given to one party is high, or where there have been problems in the past. They can improve communications and create trust without necessarily producing mountains of paper and expensive charging systems.

5. REVIEWING THE PRESENT POSITION

70 Some authorities may be confident that they are already setting high standards of people management. Many others may wish to review their present arrangements and consider whether improvements could be made.

71 The benefits of such a review will vary from authority to authority. But, if the general thrust of this paper is adopted as the basis for change, the main benefits to each of the groups involved should be:

- Members – will have a clear view of the main requirements for people management and relevant information about significant trends. They will then be much better placed to set strategic directions and monitor progress;

- Personnel specialists – will play a more strategic role, with their advice sought by members and managers. Their work will be recognised as contributing directly to the achievement of the authority's corporate and service goals;

- Managers at all levels – will be better able to deploy, develop and motivate their workforces; and they will have the training and specialist advice needed to improve their people management skills. In essence, they will be able to manage better;

- Employees – will see that the authority recognises the vital importance of their individual and collective abilities and that training and development which improves job satisfaction and career growth – is given a high priority.

QUESTIONS

- Do members concentrate only on the strategic policy issues, set standards and monitor performance?

- Does the Chief Executive as the head of paid service exercise his/her key roles in developing the organisation and the people in it?

- Do Chief Officers and Departmental Managers recognise their responsibilities for upholding corporate values and rules, where freedom to manage personnel issues has been devolved?

- Is the personnel management role being developed corporately, concentrating on the major issues, setting corporate standards and policies while monitoring the exercise of personnel discretion departmentally?

- Are roles and relationships between Members, the centre and departments reviewed from time to time?

- Is the authority's commitment to the effective development of its people, reflected by the position or status that it gives to the personnel function (and its head) within the organisation/management team/strategic management processes?

72 There are two ways of examining an authority's present standards of people management:

- by looking at the general characteristics of its personnel policies and practice and assessing how well these match the authority's desired overall style and service delivery objectives;

- by assessing how well particular personnel functions are performed.

GENERAL CHARACTERISTICS

73 The authority's general style of people management can be plotted on
two axes. One expresses the extent to which the authority has defined its personnel strategies; the other describes the extent of devolution.

74 Four types of approach can be drawn from this analysis (Exhibit 5):

Centralised Ad hoc
Centralised Systematic
Devolved Ad hoc
Devolved Systematic

75 If people management is strongly centralised, while other aspects of management have been devolved, the indication is that devolution now needs to be extended into the personnel field. Alternatively, a centralised approach to other aspects of resource management (particularly finance) may be inhibiting the authority’s ability to benefit as much as it could from an already devolved personnel function.

76 Different personnel functions may be run on an ad hoc basis, with no consistency between what is handled centrally or departmentally, no recognisable corporate style or identity, and no clear understanding about the respective roles of members and managers. That would indicate the urgent need for a fundamental review of the authority’s total direction, organisation and management. Changing only the style of people management will not suffice – though this would form a very important and influential element in any wider process of change.

77 This analysis may vary for different personnel functions, but most authorities will recognise in themselves characteristics similar to one or other of these four styles. Having placed the authority, the questions to ask are:

QUESTIONS

• Does this type of people management match the authority’s desired style or culture, contribute positively to the achievement of its aims, and reinforce the core values?
• If there is a mis-match, what aspects of current people management need to be changed?

Source: Annual company and Local Authority reports

78 The other more detailed form of review, which can be progressed alongside the assessment of general characteristics, is to examine each personnel function. Four main questions can be asked about each function:

QUESTIONS

• Is there a set of strategy or policy statements which reflect current and projected needs?
• Have plans and systems been prepared and actioned to put these strategy statements into effect?
• Are the various personnel systems and processes being carried out to a sufficiently high standard?
• And is their effectiveness monitored?
The policy issues set out in Section 2 of this paper, together with the examples of systems and quality indicators shown in Box 2, can be used as check lists for this review.

79 A review and revision of an authority’s people management policies and practices calls for a wide-ranging process of analysis and discussion. External consultants can assist, but to be successful a review must involve elected members, central personnel and departmental managements, and provide for employee consultation. Employees’ views, possibly obtained through an opinion survey, can be particularly enlightening.

80 It may be helpful to manage the review process through a steering group of senior managers drawn from central and service departments, advised by the chief personnel officer, and reporting initially to the chief executive and the chief officer’s management team. The steering group collects views from members, managers, personnel specialists, employees and trade unions. Proposals for member approval are then developed by the chief executive.

81 More detailed guidance on what constitutes a high standard of people management can be drawn from LGMB publications, and from codes of practice and advisory booklets published by the Institute of Personnel Management, The Society of Chief Personnel Officers, and the Advisory Conciliation and Arbitration Service (ACAS).

* * *

82 Local authorities exist to provide quality services and community government within a local democratic framework. Employees have an interest in the future of their councils and have a vital contribution to make to their success. So there is a need to integrate the authority’s aims and purpose with employee needs and aspirations. Quality and productivity are achieved through people, so respect for the individual and developing the people resource should influence and be related to the delivery of the service.