



## **EMPLOYMENT COMMITTEE – 25 MAY 2023**

### **PERFORMANCE AND PRODUCTIVITY**

#### **REPORT OF THE DIRECTOR OF CORPORATE RESOURCES**

##### **Purpose**

1. The purpose of this report is to update the Employment Committee on the progress made against the Performance and Productivity project within the Performance Management workstream of the People Strategy.

##### **Policy Framework and Previous Decisions**

2. The performance and productivity project sits within the performance management workstream of the People Strategy and aims to support the specific outcome 'managers are able to drive performance by having a clear understanding of what they need to do, supported by a robust framework, tools and network that are future proof'. An update on the delivery of the People Strategy 2020/24 was presented to Employment Committee in May 2022, following its initial approval by the Committee in February 2021.
3. The performance and productivity project aligns with the Ways of Working programme, which aims to drive efficiency and productivity by promoting a culture of flexible/smarter working – enabled by rollout of new technology. The Employment Committee received an update on the Ways of Working programme in November 2022 as did the Scrutiny Task and Finish Group which met in December 2022.

##### **Background**

4. The performance and productivity of the workforce is critical to ensure the best use of the Council's resources, regardless of where they carry out work. Changes in the way in which employees carry out their work across the Council have evolved through the pandemic period and beyond. This has created a sharp focus on how the workforce's performance and productivity is managed effectively in a new and ever-changing environment and context.
5. Since the COVID-19 pandemic and resulting national lock-downs, there has been a wider and long-term shift by many employers towards hybrid and remote working, taking the opportunity to invest in technology, rationalise office space and to offer more flexible working, creating a wide range of benefits, including a positive impact on recruitment and retention. It has been, and remains essential that, with these shifts in working 'norms' and expectations, the Council makes both the best use of its property assets as well as being able to be competitive in the job market.

##### **Project Overview**

6. The scope of the Performance and Productivity project is to produce a framework, building on existing policies, guidance and good practice for all managers to work to, focusing on three key areas:
- managing effective ways of working for team members,
  - identifying and monitoring key service/team performance data indicators,
  - managing individual performance through a performance management cycle (supervision/annual performance reviews/development).

Taken together, these three areas create a whole system of performance and productivity.

7. The framework will bring together tools and signpost managers to information which should be used as a whole system to ensure optimum productivity and high performance within a context of hybrid working. Existing managers will need to check that their practice is robust and aligns to the framework and this will also be included in the induction programme for new managers, so they understand what is required of them.

### **Managing Effective Ways of Working**

8. The Ways of Working programme, with its three key and interlinked workstreams – people, property, and technology - aims to drive efficiency and productivity by promoting a culture of flexible/smarter working, enabled by new technology. The programme is now in the implementation stage; the pilot of room 700 (Adults and Communities and Environment and Transport Departments) is complete and the implementation of room 600 (Children and Families Department) is well underway.
9. Hybrid working offers managers more choice in how they deliver their services. The key to ensuring that performance and productivity is a central focus is to continuously review all the delivery options available to managers and staff and to choose which are most suitable for the different types of activity. Examples include:
- using bespoke collaboration spaces which are set up to facilitate group working
  - choosing quiet focused spaces for individual work
  - Using hybrid meetings to reduce business travel
  - Using hybrid meeting technology to assist in recording/transcribing meeting notes to reduce admin support.
10. The Ways of Working programme has delivered a range of courses to staff and managers which provide practical support on how to:
- a. Maximise productivity
  - b. Improve collaboration and communication
  - c. Maintain a healthy work-life balance.

Through developing the skills to maximise the use of hybrid working and hybrid technology, individuals and teams can maximise their creativity and outputs.

11. Hybrid working requires management by objectives and outputs, which is supported by the Council's approach as set out in in the Managers' Charter More specifically, the expectations set in supervision sessions and annual performance reviews. The integration of effectively managed new ways of working, with the other areas defined

in the Performance and Productivity Framework, set out below, ensure that individuals will clearly understand what they need to achieve, have the skills and abilities to achieve their objectives and are held to account.

### **Performance Data**

12. A key part of managing any service, team and individual performance is identifying, agreeing and monitoring appropriate data metrics.
13. The performance and productivity framework will outline the performance data which all managers should review at a corporate level and also sets out a requirement for them to review their service, departmental and national indicators. The result should be a blend of workforce, financial, and (where relevant) national, service and other team relevant metrics.
14. A template for a balanced score card will be provided to give managers guidance on how to structure performance monitoring across the range of factors and indicators.

### **Performance Management**

15. Over the last the last three years since the introduction of the current People Strategy, a series of projects have been delivered to develop and improve processes and tools which support individual employee performance. These include the annual performance review, supervision guidance, the Leadership Behaviours Framework and the Managers' Charter.
16. The performance management cycle will provide guidance to managers on how these individual tools and guides work together, with the new ways of working arrangements and the monitoring of data metrics, as a whole continuous performance management cycle.
17. By setting out clear expectations and providing the structure and tools to assure performance and productivity, managers will be in the best position to be able to make optimum use of their workforce resources.

### **Indicators of Improved Productivity**

18. Feedback from the room 700 pilot workspace showed that productivity increased for 44% of staff and decreased for only 7%. This data was used to make adjustments to working arrangements at individual and team level.
19. Feedback from the Environment and Transport Department, arising from the pilot was that *"The department has a strong ethos of managing by output following the corporate position, and our new way of working has helped embed this approach across our services. Looking at benchmarking against comparator authorities our highways and transport services remain in the top few authorities while for environment and waste services we have seen an improvement from 22<sup>nd</sup> position out of 32 authorities in 2020/21 to 19<sup>th</sup> position in 2021/22. While there will be many factors contributing to this, the hybrid working model has not proved detrimental to our performance."*
20. Examples are detailed in the appendix of this report.

## **Summary**

21. The Performance and Productivity Framework will set out a whole system approach to performance management using new ways of working, data metrics and performance management tools, to continuously manage workforce performance and productivity.
22. The project is currently in the development stage with the first draft of the Framework being developed and launch of the framework and supporting guidance across the Council planned for summer 2023.

## **Recommendations**

23. The Committee is asked to note the contents of this report.

## **Background Papers**

Report to the Employment Committee 17 November 2022 – Corporate Ways of Working Programme:

<https://politics.leics.gov.uk/ieListDocuments.aspx?CId=212&MId=7111&Ver=4>

Report to the Employment Committee 4 February 2021 People Strategy 2020-2024:

<https://politics.leics.gov.uk/ieListDocuments.aspx?CId=212&MId=6346&Ver=4>

## **Circulation under the Local Issues Alert Procedure**

24. None.

## **Equality Implications**

25. There are no equalities implications arising directly from this report.

## **Human Rights Implications**

26. There are no human rights implications arising directly from this report.

## **Appendix**

Ways of Working – Evidence of Improved Productivity

## **Officer(s) to Contact**

Gordon McFarlane  
Assistant Director (Corporate Services)  
Tel: 0116 3056123  
Email: [gordon.mcfarlane@leics.gov.uk](mailto:gordon.mcfarlane@leics.gov.uk)

Andrea Denham  
HR/OD Business Partner  
Tel: 0116 3055261  
Email: [andrea.denham@leics.gov.uk](mailto:andrea.denham@leics.gov.uk)