

Collaborative Transformation

Magazine

Essential collaborative transformation skills for public sector leaders and managers

OVER 200 DEVOLUTION READY TOOLS, TEMPLATES & TECHNIQUES



The 200 tried & tested, SSA Collaborative Working tools, used in over 500 public sector organisations, are now online and ready to accelerate devolution projects

Six New Updates From Practitioners, For Your Highway Code Folder

- Auditing Shared Services
- Re-visiting the impact of the Jenga Test on 'those left behind'
- Understanding behavioural reactions to shared services
- What is the VAT issue in Health & Social Care collaboration
- How do you close down a shared service?
- Kotter questions his own transformational processes

New CTPrac™, Or CTArc™, Post-nominal Letters For Your CV...

Professionalising your status in Combined Authority, Health, Blue Light Transformation, Shared Services and Systems-Wide working



LGA & CIPFA LAUNCH NEW POSTGRAD CERT IN COLLABORATIVE TRANSFORMATION

Dr. Wim van Vuuren SSAf, explains the new Postgraduate Certificate in Collaborative Transformation



"COLLABORATIVE COMMS" TOOLKIT LAUNCHED FOR DEVOLUTION PROJECTS

Tim Smith SS(PRAC), unpacks the new Collaborative Communications toolkit and supporting seminar



HOW TO CLOSE DOWN A SHARED SERVICE

Rob Neil SSA, suggests what to do when a shared service goes wrong, or needs to be closed



**What did the
successful candidate
have on their CV
that you didn't?**

The Postgraduate Certificate In Collaborative Transformation

**from Canterbury Christ Church University Business School
...six months' distance learning and a turbo-charged CV**

Skills and knowledge
for leading projects in:

- **Combined Authorities**
- **City Regions**
- **Health & Social Care**
- **Blue Light Collaborations**
- **Systems Wide Transformations**
- **Shared Services**

Canterbury Christ Church University Business School, in partnership with Shared Service Architecture, established the UK's first postgraduate qualification in public sector shared service working in 2010.

In 2015 it has been enhanced, in partnership with CIPFA, for leaders and managers involved in developing combined authorities, city regions, localism, blue light transformation, health service collaborations, systems-wide transformations as well as shared services.

This course provides you with the knowledge and skills to initiate and develop collaborative transformation and shared service projects, whilst also giving you a valuable postgraduate qualification. You will become a skilled and valuable in-house resource, able to cascade your learned skills across colleagues in collaborative transformation activities.

[Visit www.sharedservicearchitects.co.uk](http://www.sharedservicearchitects.co.uk)

Or email Dr Wim van Vuuren, Programme Director
wim.van-vuuren@canterbury.ac.uk

Applications are now open for the Feb 2016 cohort



Devolution and collaborative transformation skills are the new requirement for the next five years (at least)!

Through Devolution, Chancellor George Osborne is embarking on one of the largest experiments in public sector collaborative transformation the nation has seen. However, if the leaders and managers employed on the projects do not have the skills of collaborative transformation, then there will only be a slow, costly stumble to success, as they learn on the job. The articles in this edition of *Collaborative Transformation* will help you be successful in this space.

Top Up Your Highway Code!

Starting from the back of the magazine, six SSA frontline Practitioners and Architects have written excellent new *Highway Code Of Collaborative Working* additions, for your folder - including how to close down a shared service project. (Starting at p43)

Getting your CV “Devolution Ready”

Devolution projects will need large support teams to roll out their collaborative programmes over the next 5 to 10 years. The jobs in the devolution teams may therefore possibly be longer lasting than ‘in-organisation’ roles. The middle section of this edition focuses on the six-month, part-time, *Postgraduate Certificate in Collaborative Transformation* which will be a great addition to your CV when applying for Devolution work. Your next cohort begins in Feb 2016. (Starting at p33)

Supporting Devolution Projects & Programmes

The 200 SSA tools are Devolution ready and now online. From the start of this edition, there are eight contributions focused on preparing you to be effective in Devolution projects, Health & Social Care, Blue Light Transformation, HE & FE collaborations and shared service working.

Dominic Macdonald-Wallace - Editor

dominic.wallace@sharedservicearchitects.co.uk

Collaborative Transformation Magazine is a publication of:

Shared Service Architecture Ltd
New Broadstreet House
New Broadstreet
London EC2M 1NH
T: 0333 939 8909
W: www.sharedservicearchitects.co.uk

Volume 2: Edition 2 ©Oct 2015- Shared Service Architecture Ltd

If you have missed any of the previous eleven editions of the magazine, (formerly *Shared Service Architecture Magazine*) you can download them free from www.sharedservicearchitects.co.uk



Reproduction of this magazine in whole or part, without written permission is strictly prohibited. Articles are welcomed for publication through contact with the editor. No payments are made for articles. The editor reserves the right to edit or decline articles without explanation.

18 contributions to accelerate

NEW POST-NOMINAL LETTERS FOR YOUR CV



Manny Gatt SSAf
SSA Managing
Director

Are you getting the recognition you deserve?

Manny explains the new CTPrac™ and CTArc™ recognition you can gain for Devolution working and other collaborative transformation

P7



Lucie Hall SS(PRAC)
SSA Alumni, Media and
Research Manager

Meet the new Practitioners and Architects

Over 500 people have attended SSA sessions since Jan 2015. Lucie introduces you to some of those who went on to become Practitioners and Architects

P9

SUPPORTING DEVOLUTION PROJECTS AND PROGRAMMES



Julie Johnson SSA
Strategic Solutions
Officer, Kent County
Council

Keeping up with Combined Authorities

Julie provides a review of the June 2015 House Of Commons Briefing Paper on Combined Authority working

P12



Terry Huggins SSAf
SSA Associate Director

Devolution: It's 75% the relationships & only 25% about the deal

Terry introduces a new tool that you can use to guide the partners in your Devolution journey

P15



Devolution: SSA's 200 tools & techniques are now on line

Used in over 500 public sector organisations and by over 1,000 practitioners the tools are now online ready for Devolution project teams

P17



Henry Pavey SSA
MD The Collaboration
Man Ltd

Devolution: Don't ignore your Strategic Alliance networks

Henry is passionate about ensuring the wider, frontline delivery networks of Devolution partnerships are included in the discussions

P19



Dominic Wallace SSAf
SSA Director of Learning
& Development

Devolution: Collaborative communications is the glue

Dominic goes back to the basic rules of collaborative communication that will successfully glue the Devolution partnerships together

P21



Tim Smith SS(PRAC)
MD Blue Heron
Communications Ltd

Devolution: 'Collaborative Comms' toolkit & seminar

Tim has developed, with SSA, a collaborative communications toolkit to support Devolution Comms Managers and Project Leads

P26

The views expressed in this magazine are those of the contributors for which Shared Service Architecture Limited accepts no responsibility. Readers should take appropriate professional advice before acting on any issue raised in this magazine.

effective collaborative transformation...

POSTGRADUATE CERTIFICATE IN COLLABORATIVE TRANSFORMATION



Wim van Vuuren SSAf
Programme Director,
Canterbury Christ Church
University

The new Postgraduate Certificate in Collaborative Transformation (PCCT)

Wim explains the structure of the new PCCT, created for collaborative transformation professionals

P33



Errol Williamson SSA
Finance Manager,
London Borough of
Hounslow

Are you willing to be a transformational leader?

Errol shares his PCCT research on the role of a transformational leader, compared to other traditional leadership styles

P35



Tom Holmwood SSA
CSF Recruitment Team
Leader, SE Shared
Services

Process standardisation builds new, better, services

Tom highlights the benefits of Ugan's theory of 'Standardisation Through Process Documentation' in shared service working

P39



Sadie Lynch SSA
Business Operations
Project Manager,
Orbis

It's all about culture and organisational identity

Sadie explores developing new cultures in organisations experiencing large scale collaborative change

P41

SIX NEW UPDATES FOR YOUR HIGHWAY CODE OF COLLABORATIVE WORKING



Robert Milford, MA
Head of Audit
Cotswold

Auditing shared services, who gets the vote?

Rob is our guest contributor. He is in the final phase of his PhD focusing on auditing shared services and collaborations

P44



Lisa Forster SS(PRAC)
Finance Adviser
CIPFA

What about those left behind?

Lisa alerts us to the experiences of spinning out services to save money, only to find in-house costs rise as a result

P47

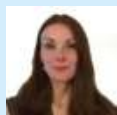


Mike Lea SSAf
Programme
Manager, Project
Team, Orbis

Understanding people's reactions to shared services

Mike was awarded SSA fellowship in July. His team has developed a superb map to manage responses to collaborative working

P49



Caroline White SSA
Finance Adviser
CIPFA

VAT issues in Health & Social Care integration

Caroline has created a checklist for you on the VAT implications of pooling budgets in major H&SC projects.

P52



Heather Wilson SSA
Freelance
Consultant

Kotter questions his own transformational processes

Heather reviews the new thinking of John P Kotter, as he recognises that the world is changing and our approach must change with it

P54



Rob Neil SSA
Head of Business
Change & Technology,
Ashford Borough Council

How do you close down a shared service?

Rob's contribution takes us into a space that may become more common as Devolution redraws the partnership map

P57

WHICH PRACTITIONER RECOGNITION WILL IMPROVE YOUR CV?

sharedservicearchitecture

Collaborative Transformation Practitioner

Iain Hughes

Iain Hughes is recognised as a Collaborative Transformation Practitioner and is licensed to use the post nominal letters CTPrac™ until 01/10/16.

A Collaborative Transformation Practitioner has attended the following seminars, which are part of the Postgraduate Certificate In Collaborative Transformation:

- The Highway Code Of Collaborative Transformation
- The Trust & Shared Vision Toolbox
- The Collaboration Business Case Toolbox

CTPrac signifies that as a recognised Collaborative Transformation Practitioner, **Iain Hughes** is equipped with a range of over 100 tools, templates and techniques to support a collaborative working project using the Shared Service Architecture® methodology.

sharedservicearchitecture

Shared Service Practitioner

Jenny Fowler

Jenny Fowler is recognised as a Shared Service Practitioner and is licensed to use the post nominal letters SS(PRAC)™ until 01/10/16.

A Shared Service Practitioner has attended the following seminars, which are part of the Postgraduate Certificate In Collaborative Transformation:

- The Highway Code Of Collaborative Transformation
- The Trust & Shared Vision Toolbox
- The Collaboration Business Case Toolbox

SS(PRAC) signifies that as a recognised Shared Service Practitioner, **Jenny Fowler** is equipped with a range of over 100 tools, templates and techniques to support a collaborative working project using the Shared Service Architecture® methodology.

Employers are looking for collaboration and shared service skills. CTPrac™ or SS(PRAC)™ sends a clear message to them on your CV.

Attending the Collaborative Transformation Practitioner's programme entitles you to register as either a:

- Collaborative Transformation Practitioner - CTPrac™ or
- Shared Service Practitioner - SS(PRAC)™

depending on the appropriate language for your sector.

As a recognised Practitioner, you are equipped with a range of over 100 tools, templates and techniques to support collaborative transformation and shared service projects using the Shared Service Architecture® methodology.

Recognition also indicates that you have stepped onto the pathway of the *Postgraduate Certificate In Collaborative Transformation* at Canterbury Christ Church University.

Successfully completing the postgraduate certificate leads to recognition by SSA as either a

- Collaborative Transformation Architect - CTArc™, or
- Shared Service Architect - SSA™

depending on the appropriate language of your sector.

To find out more about the Collaborative Transformation Practitioner Programme and seminar dates, visit:

www.sharedservicearchitects.co.uk

*CTPrac™, SS(PRAC)™, CTArc™ and SSA™ are registered trade marks owned by Shared Service Architecture Ltd and may only be used with permission.

* Acceptance on the Postgraduate Certificate in Collaborative Transformation requires approval by the University.

ARE YOU GETTING THE RECOGNITION YOU DESERVE?



Manny Gatt SSAf
is Managing Director Of
Shared Service
Architecture Ltd and
lectures on both the
Collaborative Leadership
and Collaborative
Transformation
Postgraduate
Certificates.

Shared Service Architecture Ltd was set up in 2009, as a research informed teaching company providing learning, facilitation and mentoring to public sector shared service project managers.

It was a spin out from a research piece, at Canterbury Christ Church University, which identified the key skills and knowledge that are required to be successful in collaborative working.

It took almost two years to draft the first three SSA Toolboxes, now in use in over 500 public sector organisations.

SSA's work was adopted by Canterbury Christ Church University, in 2010, for module one of their Postgraduate Certificate in Shared Services - now the Postgraduate Certificate in Collaborative Transformation.

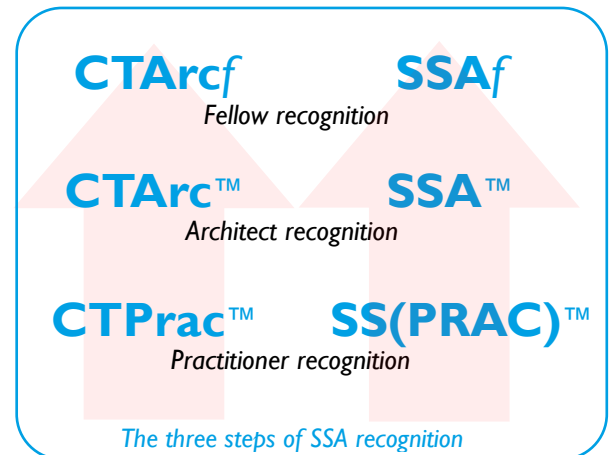
Enough about us, what about you?

In 2012, SSA introduced SS(PRAC)TM and SSATM post-nominal letter recognition for leaders and senior managers, like you, who attend taught programmes.

Shared Service Practitioner - SS(PRAC)TM recognition signifies that the student has completed the three-day, SSA research informed teaching programme. SS(PRAC)sTM are equipped with 100 tools, templates and techniques, and sufficient understanding, to be considered candidates to work within a shared service project team.

Shared Service Architect - SSATM recognition is awarded to SS(PRAC)sTM who have completed the Postgraduate Certificate in Shared Services at Canterbury Christ Church University or have a similar qualification at M-level. They are equipped with knowledge and skills to lead shared service project teams.

However, times are changing and we want to help you change with them.



Collaborative Transformation recognition in needed...

The LGA published a paper in 2013 evidencing that if all councils shared services, they could save about £500m. Whereas, public sector collaborative transformation could yield over £12bn plus, in savings.

Troubled Families, Health and Social Care, Blue Light Integration and now Combined Authorities have introduced collaborative working that goes beyond shared services. They also require specific skills and knowledge to be delivered effectively and rapidly, so SSA has introduced two new post-nominal awards.

Collaborative Transformation Practitioner - CTPracTM recognition signifies that a student had completed a three-day, research informed SSA teaching programme. They are equipped with 100 tools, templates and techniques, and sufficient understanding, to be considered candidates to work within a collaborative transformation project team.

Collaborative Transformation Architect - CTArcTM recognition is awarded to CTPracsTM who have completed the Postgraduate Certificate in Collaborative Transformation at Canterbury Christ Church University or have a similar qualification at M-level. CTArcsTM are equipped with knowledge and skills to lead Devolution, Health & Social Care and other collaborative transformation project teams.

Therefore, in classic SSA innovative style, you can choose which post-nominal letters, best suits the direction of your career.

It's your future, it's your choice...

There are many of our 300 practitioners who will continue to work in transactional based, back or front office, shared services activity.

For example, in OneSource, SE Shared Services, LGSS, Sutton & Kingston Shared Services, Mid-Kent Partnership, EK Services, Support Services Directorate for Kent Police & Essex Police, Defence Business Services to name a few. SS(PRAC)TM or SSATM recognition is highly relevant to them and their career direction.

However, for collaborative transformation project leads, working in CCG networks, LEPs, blue light integration, combined authorities and health and social care, the phrase *shared services* fails to capture what they do. They are more likely to choose (as many of them already are) CTPracTM or CTArcTM recognition.

Therefore, in classic SSA innovative style, you can choose which post-nominal letters best suit the direction of your career.

What next after Architect recognition?

If you can demonstrate that you have contributed to the body of knowledge of shared services, or collaborative transformation working, then you can be nominated for Fellow recognition.

SSAf and CTArcf are awarded to SSAsTM and CTArcsTM who can evidence that they are helping to grow the success and understanding of colleagues working in public sector collaborative activity.

We would like to invite you to aspire to that level of recognition. SSAf and CTArcf could be the decider at interview for the most senior jobs in shared service, or collaborative transformation, working.

Fellowship Recognitions

The new Collaborative Transformation Architect Fellowship - CTArcf - was awarded for the first time at the launch of the *Postgraduate Certificate in Collaborative Transformation* in July.

LGA Chairman, Lord Gary Porter (already an SSAf) and Rob Whiteman, Chief Executive of CIPFA were present for the awards, which were given by Dominic Macdonald-Wallace, Director of Learning & Development at SSA.



Collaborative Transformation Architect Fellowship (CTArcf) was awarded to Tom Alexander of London Borough of Sutton, for his contribution to the SSA body of knowledge and skills development for colleagues.



SSA also awarded a *Shared Service Architect Fellowship (SSAf)* to Mike Lea for his contribution to the promotion of shared services as a career and his role in Surrey County Council winning the SSON Best Shared Service for Customer Services in Europe award.

TRADING YOUR KNOWLEDGE FOR POST-NOMINAL RECOGNITION



Lucie Hall SS(PRAC)
SSA Alumni, Media and
Research Manager

More importantly, at job interview it is being used as a competitive edge. Large numbers of public sector employers are interested in candidates who can evidence skills development in collaborative transformation and shared services.

Almost 3,000 senior managers and leaders have attended at least one SSA Collaborative Transformation, Collaborative Leadership or facilitated session; over 500 in 2015 alone.

Over 300 have gone on to become eligible for Practitioner recognition, and over 100 are eligible for Architect recognition.

This entitles them to choose the post-nominal letters CTPrac™ or SS(PRAC)™, and CTArc™ or SSA™ for addition to their email signature and business cards, and join the online community to share good practice.

More importantly, at job interview it is being used as a competitive edge. Large numbers of public sector employers are interested in candidates who can evidence skills development in collaborative transformation and shared services. This will gain pace as devolution starts to require large project teams skilled in collaborative transformation.

There's no money left for professional fees...

In these times of austerity, many organisations have stopped funding the professional fees of their employees.

Therefore, we have introduced five new options for CTPrac™, SS(PRAC)™, CTArc™ or SSA™ recognition holders to renew their annual membership as an alternative to paying an annual fee of £199 + VAT.

The options are centred around contributing to the SSA body of knowledge and increasing practitioner numbers.

For example, the first option is submitting an annual article to this magazine.

Our Practitioners and Architects are continuously creating excellent examples of good practice that they could be sharing with others. This magazine provides a platform for them to share that knowledge in a structured way.

You can see in this edition of the magazine that the majority of our community is taking up this option. They will be fully credited with writing the article and, instead of paying a renewal fee for continued Practitioner or Architect recognition, the copyright of the article will transfer to SSA to be added to our online tools library to expand the knowledge base.

Swapping tools for renewal...

A second option is submitting a new collaboration tool for publication in the SSA online tools library.

The purpose of the SSA toolboxes is to inspire users to develop new and better tools. Therefore, if you are a practitioner or architect you can put forward a tool, template or technique you have developed, to be included in the online toolkit, or in future published toolkits.

Full acknowledgement for the tool will go to you, the copyright of the tool, template or technique will transfer to SSA, as an alternative to you paying your annual recognition fee.

If you would like to read more about all the options and how they might work in practice, please visit:

www.sharedservicearchitects.co.uk/Annual-Renewal-of-Recognition

Meet some of our recently registered Architects and Practitioners

Delegates who attend a three day Collaborative Transformation Practitioner programme can apply for **Collaborative Transformation Practitioner - CTPrac™**, or **Shared Service Practitioner - SS(PRAC)™** recognition.

This indicates that they are equipped with tools and knowledge to be considered for working in a collaboration project team.



Andrea Kilby SSA
Surrey County
Council



Henry Pavey CTArc
The Collaboration
Man Ltd



Mike Alexander
SS(PRAC)
Ministry of
Defence



Vivienne
Greenwood
SS(PRAC)
Ministry of
Defence



Rhonda Skelton
CTPrac
Maitland City
Council (AUS)



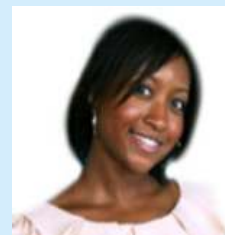
Martin Kavanagh
SS(PRAC)
Surrey County
Council



Mary Innes
CTPrac
London
Borough of
Sutton



Rob Bowers
CTPrac
Ministry of
Defence



Dionne
Usherwood
SS(PRAC)
Camden
Council



Emma Pope
SSA
Surrey County
Council



John O'Hear
SS(PRAC)
Scottish
Government



Lisa Stephens
SS(PRAC)
Ministry of
Defence

**CTPrac™, SS(PRAC)™, CTArc™, SSA™ and CArC™ are registered trademarks owned by Shared Service Architecture Ltd and may only be used with permission.*

Delegates who complete the Postgraduate Certificate in Collaborative Transformation, or hold an equivalent M-level qualification and have completed the practitioner programme, can apply for **Collaborative Transformation Architect - CTArc™**, or **Shared Service Architect - SSA™** recognition.

This indicates that they are equipped with tools and in-depth knowledge to lead a collaboration project team.



Errol Williamson
CTArc
London Borough
of Hounslow



Helen Wilkinson
SS(PRAC)
London Borough of
Sutton



Kim Hill
SS(PRAC)
Ministry of
Defence



Collette Smith
SS(PRAC)
Ministry of
Defence



Jackie Hewlett-Davies
CTPrac
Hewlett-Davies
Associates



Stewart Taylor,
SS(PRAC),
Surrey County
Council



Sadie Lynch
CTArc
Surrey County
Council



Suzanne Alan
SS(PRAC)
Essex Police



John Stonestreet
CTPrac
Essex Police and
Kent Police



Ellie Goddard
SS(PRAC)
East Sussex
County Council



Alison Davies
SS(PRAC)
Cherwell District
Council



Juliet Pirez
CTArc
London Borough
of Bexley

If you believe you qualify for practitioner or architect recognition, but have not received your certification please contact Lucie Hall. Lucie will help you to register.

E: Lucie.Hall@sharedservicearchitects.co.uk

T: 0333 939 8909

KEEPING UP WITH COMBINED AUTHORITIES



Julie Johnson SSA
is Strategic Solutions
Officer, ICT Business
Solutions, Kent County
Council

If you are new to the formation of combined authorities you may find this 16-page, June 2015, *House of Commons Briefing Paper* helpful.

I have unpacked some of the key areas to help your understanding of what combined authorities are and how they may impact on your work. It will hopefully tempt you to download the original and add it to your *Highway Code* folder.

Combined authorities

A combined authority (CA) is a group of two or more local authorities who set up joint functions and operate as a single legal entity. To create a CA, all the participating authorities must agree and publish a schema, showing the membership and functions. The CA is then set up by order from the Secretary of State.

The CA is responsible for transport and economic development, and any other functions which the members choose to share. It should reflect the identities and interests of local communities, so the member authorities may choose to retain individual responsibilities, while sharing others.

Full members of the CA must belong to adjacent areas and cannot be part of a county council or other council area. Although an authority can only be a full member of one CA, it is possible to be an associate with others. As the local enterprise partnerships (LEPs) are often across different economic areas, this can allow the partners to meet these separate boundaries.

The Government views combined authorities as “the strongest form of local government” which should be considered as a preferred model wherever possible. The structure can make it easier to access funding, rather than individual authorities placing separate bids.



Establishment

The model for each combined authority can vary. It may retain the same shape if it is established from a former metropolitan area. However, councils with a two-tier function may choose a different configuration.

A combined authority board must include one councillor from each constituent authority and this selection is expected to reflect the political balance of the partners. There may also be a scrutiny and overview panel. In the case of Greater Manchester Combined Authority (GMCA) this was not mandatory, but they established a scrutiny pool which consists of three back bench councillors from each authority and reflects the political balance of the partners in the CA.

Other combined authorities have been required to form at least one overview and scrutiny panel. The panel members cannot also be members on the board of the CA and the panel chair should not be part of the main political party.

A combined authority board must include one councillor from each constituent authority and this selection is expected to reflect the political balance of the partners.

The local authorities in the combined authority continue to provide the same functions and still exist in their own right, with the ability to choose which services are run jointly or separately. However, the CA is not allowed to provide statutory services on a commercial basis, unlike the local authorities.

Overall, there should be political balance and the inclusion of the minority parties.

The local authorities in the combined authority continue to provide the same functions and still exist in their own right, with the ability to choose which services are run jointly or separately. However, the CA is not allowed to provide statutory services on a commercial basis, unlike the local authorities.

Elected mayors

An elected mayor is not mandatory for a combined authority, but any CA which does not have a mayor will have reduced powers. It is not clear exactly which powers would be withheld but the existing CAs give some indication.

For example, Sheffield and West Yorkshire have chosen not to have a mayor and consequently have fewer powers than the Greater Manchester Combined Authority (GMCA).

The GMCA currently has an interim Mayor who takes responsibility for the transport budget and transport systems. They manage a housing investment fund and they have the power to produce a statutory spatial strategy.

In addition, they take on the role of Police and Crime Commissioner for the area. However, the mayor will not be responsible for integrated health and social care.

Unlike London, where the Mayor can take decisions without the approval of the London boroughs, the GMCA Mayor's plans will be subject to approval from the cabinet members for the combined authority.

In addition, the Scrutiny Committee of 30 non-executive councillors from the ten Manchester boroughs will review these decisions.

Metropolitan councils

In 1972, government reforms created a number of metropolitan councils. These new authorities did not follow the historic county boundaries, but were based on 'functional economic geography', which meant the cities and their outlying areas.

This led to parts of several counties becoming part of a new authority, separate from the counties in which they were situated.

The metropolitan councils were responsible for fire, police, transport, waste disposal, economic development, passenger transport and land-use planning. They had similar functionality to the Greater London Authority and worked with borough councils who still existed in a two-tier system.

When the metropolitan councils were abolished in 1985, the control was left with the borough councils who were the only elected level of local government. Functionality was split between joint committees, which took responsibility for fire, police and transport and the councils who managed the other duties.

In the areas where a combined authority is formed by borough councils who previously worked with a metropolitan council, the boundaries will tend to be similar, although not always identical.

For example, the Liverpool City region covers the old metropolitan council of Merseyside, but it also includes Halton, which was previously a unitary authority and, before that, a part of the Cheshire County Council area.

The Harrogate conundrum...

PM David Cameron got into trouble, when talking to an aide about the problems involved in setting up a combined authority in the Leeds/Yorkshire locality.

The preference of Harrogate Borough Council is to be part of a Greater Yorkshire combined authority. This appears unlikely as Leeds City Council plans to work with neighbouring councils or work as a single authority.

The BBC News website reported that, 'Wearing a microphone but not on camera, he was thought to be rehearsing an answer to a question on devolution and the number of bids from the county. He said: "We just thought people in Yorkshire hated everyone else, we didn't realise they hated each other so much."'

Maybe he was mulling over the 'Harrogate Conundrum', which is being experienced in localities where councils sit on the edge of two potential CAs.

Harrogate has the option to either join the North and East Yorkshire Combined Authority or the Leeds City Deal.

The preference of Harrogate Borough Council is to be part of a Greater Yorkshire combined authority. This appears unlikely as Leeds City Council plans to work with only neighbouring councils or work as a single authority.

Both authorities have advantages to Harrogate. North and East Yorkshire includes Harrogate within its boundaries and has a strong tourist economy, but the Leeds City Deal was awarded the biggest growth fund in the country in 2014 and has more money.

However, Harrogate might not have the final choice as North and East Yorkshire could veto a boundary change anyway.

Combined authorities will be the proof of whether the Total Place and Localities policy actually can deliver more effectively than a centralised policy. The next few years will be interesting times for the public sector.

You can download the 16-page House of Commons Report at:
www.parliament.uk/briefing-papers/SN06649.pdf



Dominic Macdonald-Wallace, SSAf is Director of Learning & Development at SSA

Combined Authorities Need You!

Julie's article is very helpful in updating us on the combined authorities' (CA) journey.

If you have attended the SSA *Highway Code* seminar you may remember the *Trust Fracture Point (TFP)* test. If there are only two partners in a collaboration project, then there is only one point at which trust can fracture and the partnership fail, or stumble.

If there are three partners, there are three TFPs. But, if there are four partners, it jumps to six TFPs.

With five partners there are ten TFPs, six partners fifteen TFPs and it rises almost exponentially (but not quite).

How many TFPs in a combined authorities context?

A proposed membership of the Surrey/Sussex CA will include 23 councils, three local enterprise partnerships, 12 clinical commissioning groups (CCGs), the two police forces, as well as the South Downs National Park and East Sussex Fire and Rescue Service. If you do the maths, there are over 800 TFPs to make the CA stumble, or even fail.

It means that to ensure that these multi-billion pound, multi-partner, multi-culture, collaborations are successful, there will be a requirement nationally for hundreds of skilled collaborative working specialists like you.

SSA will be promoting the role of *Collaborative Transformation Practitioner* and *Collaborative Transformation Architect* to fulfil these resource roles.

DEVOLUTION: IT'S 75% RELATIONSHIPS AND ONLY 25% ABOUT THE DEAL



Terry Huggins SSAf
is an SSA Associate
Director and former chair
of the Society of Local
Authority Chief Executives

The Devolution agenda potentially marks a significant shift of responsibility in the public sector.

The shift of power, responsibility and potential budget will go to newly formed combined organisation, made up of a cluster of existing organisations.

This will call for new ways of working by leadership. Leaders will need to put the majority of their effort into establishing and sustaining the relationships, rather than the deal.

Simply put, if there is weak, or non-existent, relationships between the partners, then there will be no deal.

The SSA “Relationship VS Deal Balancing Tool” will help to initiate the approach for building the type of partner relationship that each Devolution organisation is going to need.

The tool guides the individual partners, and then the whole partnership through an iterative process to help the relationships flourish.

Much will be expected of the devolved authorities and their performance will be closely scrutinised. Whilst they will be seeking to make a difference quickly, in reality the relationships will take time to establish and mature. In some cases these relationships are already developing, for others there's a long way to go.

What's on and off the table?

Initially, there is a lot of in-house strategic decision making for organisations to do before they step into collaborative working and express their interest in a devolved deal.

It is important that the board, cabinet, or key decision makers have a clear picture at outset about what they willingly put on the table for collaboration, but more importantly what is off the table.

It is also important that there are healthy discussions within each organisations about their understanding of the partnership and the relationship their organisation wants to have with the Devolution partnership.

In developing devolution proposals the representatives of each partner must step into the devolution meetings, with a clear mandate to talk about the areas of work that their senior leadership believe will be better delivered through a devolved authority.

This includes what they require to be passed to them by government and what they are prepared to transfer from their own authority.

What is the shared destination?

The Devolution partnership then needs to agree a shared vision of where they see the devolved authority in 5 years' time. For example:

- how big is the reward that the partners want?
- are the aspirations of the combined authority limited to the strategic enablement of transport, economic development, housing and/or health, or will it take on a wider remit to support and strengthen the delivery of its component organisations?
- how will the devolved authority work with LEPs, CCGs and other stakeholders?

The reality check

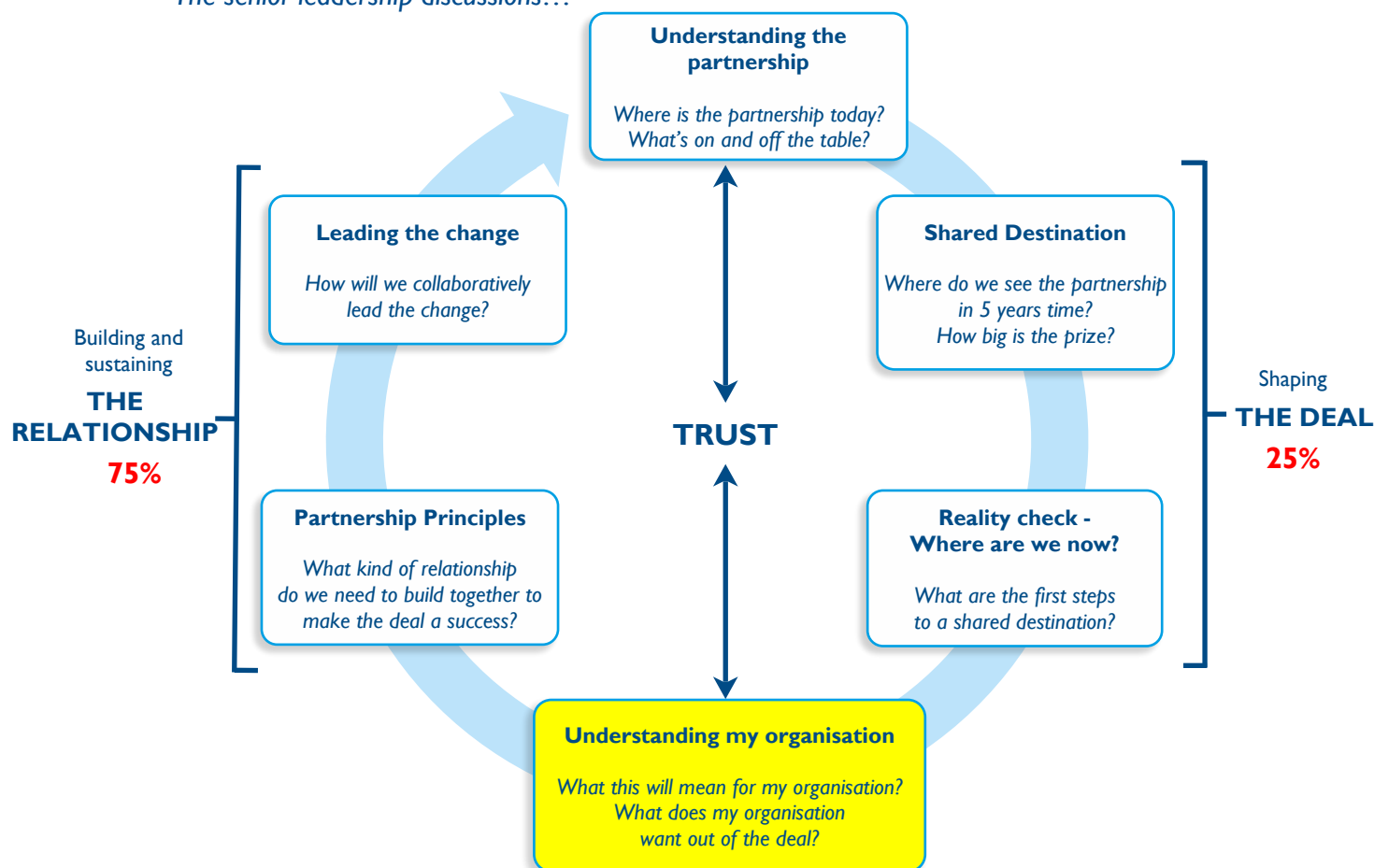
The next step is to check where the partnership and its members are now, in relation to reaching the shared vision.

Each is likely to be at a different point in the journey towards the shared destination and there needs to be outline decisions on the first steps each must take to reach the shared destination.

The SSA “Relationship VS Deal Balancing Tool” will help to initiate the approach for building the type of partner relationship that each Devolution organisation is going to need.

The Deal vs Relationship Balance In Collaborative Transformation

The senior leadership discussions...



Once all are clear on the benefits of a devolved authority then the partners need to be clear how they will work together to enable it to flourish and be successful.

What is in this for us?

Are each of the partners clear about how the establishment of a combined authority will impact upon their own organisation and are they prepared for this?

Do the benefits of the powers and finance devolved to the new authority make this worthwhile?

Setting the Partnership Principles

Once all are clear on the benefits of a devolved authority then the partners need to be clear how they will work together to enable it to flourish and be successful.

What are the expectations of the local authorities within the devolved area, what in turn can they expect and what voice will they have (particularly important in two tier areas)?

Who and how will the partners lead the change?

This is the discussion about resources and how to make the new authority work. There will not be much new money to run and administer the combined authority.

So, will it be established as a stand alone organisation funded through partner subscription or will there be a model of hosting and contributions in kind?

This will lead to the discussion on how the governance, scrutiny and accountability should be arranged?

Some déjà vu next...

When the partners have worked their way around the steps in the tool, then it starts again as the understanding of the partnership will have grown and the destination can be refined as a result.

Some Devolution partnerships are awaiting the outcome of their bids submitted before the government deadline. When they hear if they are successful they still have an awful long way to go in establishing the relationship and clarifying the deal.

The SSA Facilitation Team can support Devolution Partnerships to work through the *Relationship vs Deal Balance Tool*.
Email Manny.Gatt@sharedservicearchitects.co.uk if you would like more information.

THE SEVEN SSA COLLABORATIVE TRANSFORMATION TOOLKITS ARE NOW ONLINE...

These 200 tried and tested resources are being applied in over 500 public sector organisations including local and central government, blue light, FE, HE, voluntary sector, housing and health. They readily support internal collaboration, the Devolution agenda and back and front office shared services.

The tools are from the Postgraduate Certificate in Collaborative Transformation at Canterbury Christ University and the Postgraduate Certificate in Collaborative Leadership at University of Derby.

Flexible, multi-purpose project tools, templates and techniques for accelerating:

- **Combined Authorities Working**
- **Devolution Projects**
- **City Region Partnerships**
- **Health and Social Care Programmes**
- **CCG Collaborative Working**
- **Systems-Wide Working**
- **Collaborative Transformations**
- **Alternative Ways Of Working In Partnership**
- **Shared Services**
- **Collaborative Working Within Organisations**

If you would like to make the 200 SSA collaborative transformation tools, templates and techniques available to all of the departments across your organisation, and across your collaboration and shared service project teams, they are now available as PDFs for unlimited download.


The annual license includes training seminars in how to gain the most from their application by your colleagues.

Visit www.sharedservicearchitects.co.uk/SSA-Online-Tools for full details.

Or email

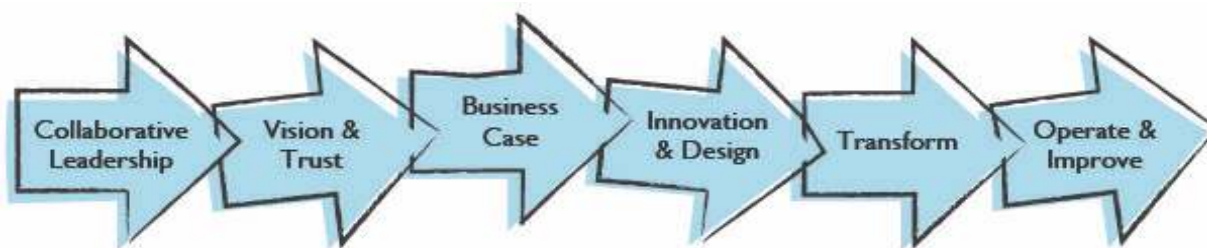
dominic.wallace@sharedservicearchitects.co.uk

to arrange a demonstration



Over 200 downloadable tools, templates and techniques to accelerate collaborative working across your organisation and collaborations.

WHAT DO THE ONLINE TOOLS LOOK LIKE AND HOW ARE THEY STRUCTURED?



The SSA Collaborative Transformation Journey Map © 2014

Each tool is set out in its own six-page layout, and designed so that what you read in the morning, you can be applying that afternoon.

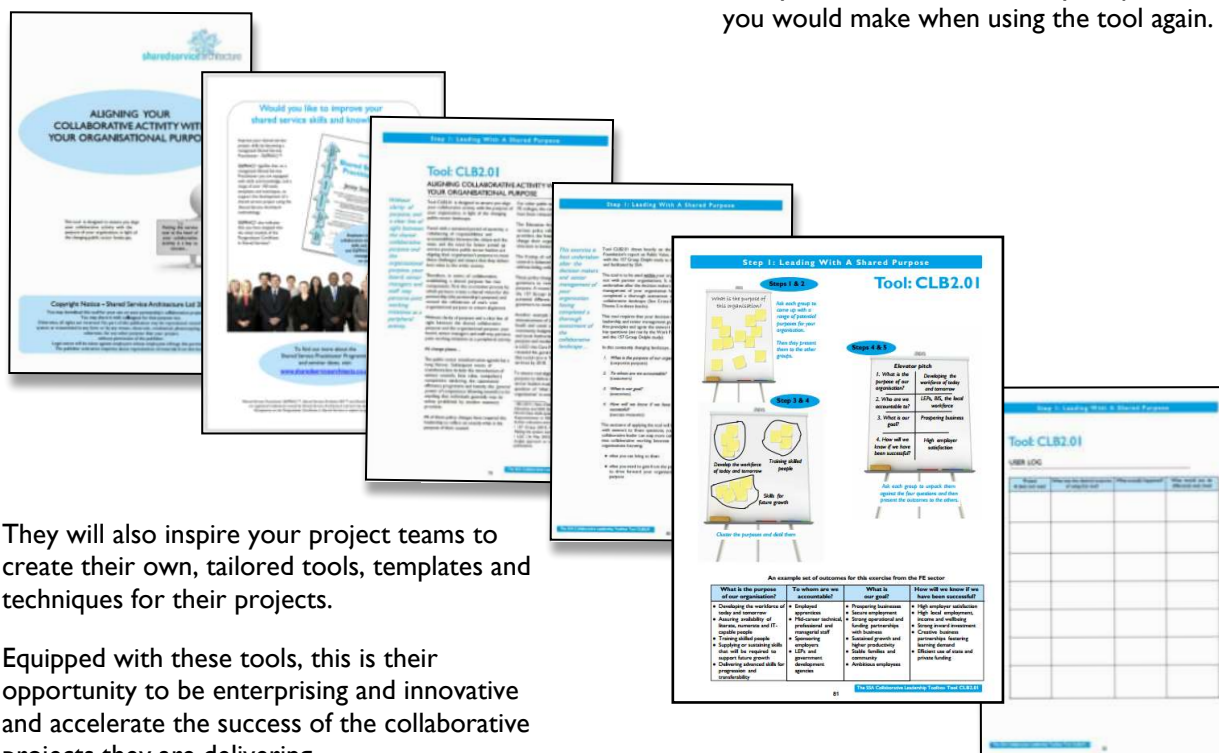
Each tool is set out in its own six-page layout, and designed so that what you read in the morning, you can be applying that afternoon.

The tools provide support for each of the six stages of the Collaborative Transformation Journey Map, that all devolution, partnership and shared service projects must go through, from initiating *Collaborative Leadership* through to *Operate and Improve*.

Pages one to four explain the tool, the situations you might consider deploying it in and the background, academic and practitioner underpinning. Page four also contains a step-by-step guide, to applying the template, tool or technique in 'real time'.

Page five provides an example layout of the tool so you can develop and adapt it for your specific purpose.

Page six is a user log to record when and how you used the tool and any adaptations you would make when using the tool again.



They will also inspire your project teams to create their own, tailored tools, templates and techniques for their projects.

Equipped with these tools, this is their opportunity to be enterprising and innovative and accelerate the success of the collaborative projects they are delivering.

Visit www.sharedservicearchitects.co.uk/SSA-Online-Tools for full details.

Or email
dominic.wallace@sharedservicearchitects.co.uk
 to arrange a demonstration

DON'T IGNORE YOUR LOCAL STRATEGIC ALLIANCE NETWORKS!



Henry Pavey CTArc
is MD, The Collaboration
Man Ltd and is an SSA
Tutor Associate

*Making Devolution Work*¹ is a practical guide for local leaders on the issues of Combined Authority/City Deal working - and one of its key findings could cause their failure.

I have spent many years in the collaboration space throughout a varied career covering local government, higher education, the army and running my own business.

Like all of us, I have experienced some fantastic examples of collaborative working and others that were a real shambles! As CTArcs™ and CTPracs™, we know that many collaborative initiatives start out full of energy focusing on the deal (what it is we are here to deliver) without taking the necessary time out to develop the critical trust and relationships between all those involved.

We also know that many collaborative initiatives fail, not because the deal was unachievable; but because relationships and trust breakdown - if it was ever there in the first place.

Increasingly, the Government is pushing for even greater collaborative working to improve the economic performance of cities and regions through initiatives such as City Deals and Combined Authorities.

The potential of these initiatives to create dynamic areas with strong economic performance leading to more jobs, more businesses, better skills and training, more homes, improved transport connectivity, etc is vast.

They can motivate and galvanise action to tackle complex and challenging issues; achieving great things that many (both within and outside of the alliance) would not believe possible. Traditional 'rigid and bureaucratic approaches' to solving complex economic issues are acknowledged as not being fit for purpose as the modern business world is fast, fluid and messy.

As such, we also need to be able to develop strategic alliances that work collaboratively in a fast, fluid and messy way! The question is whether public and private sector partners together can operate this way?

What if it all goes wrong?

I strongly believe that collaboration is the new competitive advantage as it leads to new markets, new relationships and new opportunities. It is a win/win process if done correctly.

We also know that if done incorrectly then enthusiasm and goodwill is lost, relationships breakdown, and it can take a long time to fix things and start again. Localities looking to improve their economic performance do not have the luxury or time to get it wrong – the livelihoods and neighbourhoods of so many people in their areas are at stake now!

So to improve economic performance, many areas (quite rightly) go down the route of creating an economic board or partnership - a strategic alliance. You know the sort of thing, the great and good sitting around the table making things happen. A traditional 'hub & spoke' model is created.

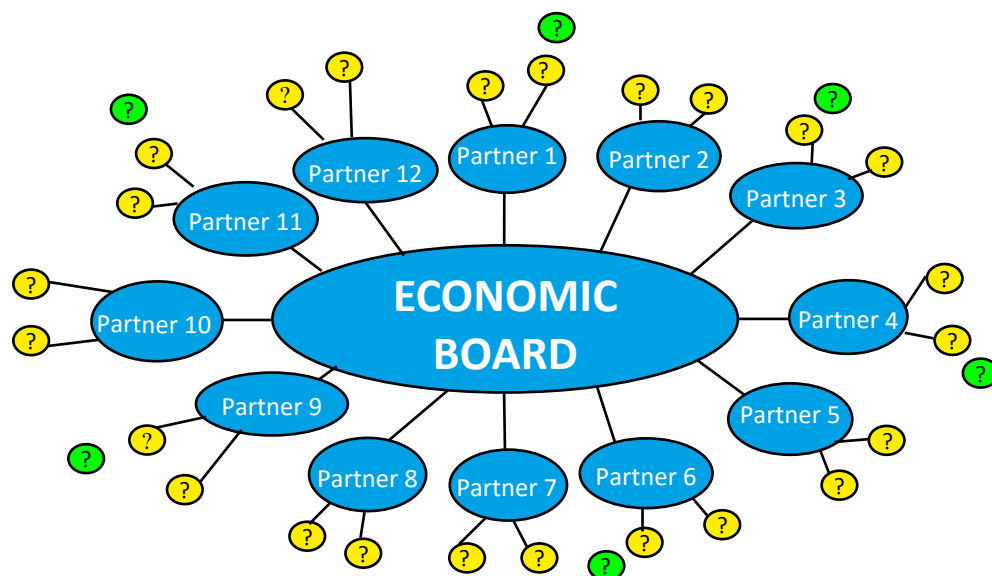
The hub & spoke model has its merits in that it does give the economic board / partnership access to information from the partners; provides brokerage; and a way to facilitate breakthrough actions from those around the table.

The danger with it though, is that the discussions and potential solutions focus on those around the table (the hub and spokes) and what they can do, rather than understanding the wider **Strategic Alliance Network** (expertise, capacity, resource, knowledge, etc). This is captured in *Making Devolution Work* as, '...buy-in is often weaker for other key partners such as CCGs, universities, housing associations, the voluntary sector and wider business community'.

Localities looking to improve their economic performance do not have the luxury, or time, to get it wrong - improving the livelihoods and neighbourhoods of so many people in their towns and cities are at stake now!

¹ Grant Thornton/Localis (Oct 2015)

A hub & spoke model (in blue) will have various sub groups, task & finish groups or peripheral influencing organisations (some known represented by yellow and some unknown represented by green) that could potentially be called upon to increase the strategic network advantage



So what is strategic network advantage?

In a nutshell, securing strategic network advantage means mapping and understanding who is out there and who can be called upon to play their part in improving economic performance.

The diagram above illustrates that organisations within a hub & spoke model (in blue) will have various sub groups, task & finish groups or peripheral influencing organisations (some known represented by yellow, and some unknown represented by green) that could potentially be called upon to increase the strategic network advantage – but if they do not map them, how will they know they are there?

And, what about other groups / networks / organisations that are out there but are not connected to any of the organisations within the hub & spoke model?

There is usually a considerable amount of untapped expertise, capacity, resource, knowledge that the economic board / partnership could and should tap into. By identifying the untapped, they can then become the tapped! Unfortunately many boards and partnerships do not fully consider the totality of the system around them!

They rarely provide the resource to get to grips with understanding, discovering and unlocking the hidden potential of their strategic alliances and securing the advantages it offers of:

- Timely information
- Deeper co-operation
- Influential power

By mapping their strategic alliance network, and by focusing on securing the network advantages of timely information, deeper co-operation and influential power, economic boards or partnerships will be able to make smarter prioritisation and decision making.

This leads to targeted and results driven delivery. Which, in turn, leads to increased brand awareness and visibility of the economic board or partnership; which leads to even more timely information, deeper co-operation, and influential power, which leads to...etc, etc. It creates momentum and success.

I always find it amazing when I work with various partnerships how many have never fully mapped their strategic alliance network! I liken it to being a chief executive and not knowing your own organisation's structure.

To make a major difference in improving the economic performance of their area Combined Authorities, City Deals, etc, will need to map who is out there that need to gain strong buy-in to the activities. These are often the small, highly effective organisations on the frontline of business incubation, NEET work and areas of deprivation and employment.

If this step is not taken, the devolution experiment will fail to secure the real benefits that effective collaboration can bring to the livelihoods and neighbourhoods of so many people in their towns and cities.

To make a major difference in improving the economic performance of their area Combined Authorities, City Deals, etc, will need to map who is out there that can help them – whether they be key opinion-formers, organisations and networks?

You can contact Henry on:
henry@thecollaborationman.com

EFFECTIVE COMMUNICATIONS: THE GLUE OF DEVOLUTION



Dominic Wallace SSA
SSA Director of Learning
and Development

Building effective relationships to deliver “the deal” depends on effective collaborative communications. Effective communications form the glue that will hold the relationships together in good and bad times.

Tim Smith, SS(PRAC) and I have developed a ‘Collaborative Communications’ toolkit and supporting seminar, to help Communications and Project Managers who are new to Devolution and similar multi-partner, multi-culture, collaborative projects. The starting point, was a review some of the basic principles that need to underpin a Comms Manager’s journey.

What is the Comms Manager’s challenge?

The Chancellor continues to champion austerity in the UK public sector with an ambition to save £20bn by 2020.

A key outcome is the collaborative transformation of the silos, both within and between public sectors. For example:

- police, fire and ambulances sharing buildings, vehicles, vehicle maintenance centres, contact centres and staff
- health and social care re-designing the way they work to share budgets and clients
- GP practices huddling together to procure the newest patient technology and services, which they cannot afford on their own
- local government sharing services and saving almost £500m in the process¹

Added into this mix is the devolution agenda. An example is the DevoManc devolution, including £6bn of health budget, given to councils in the North West in return for adopting a mayoral system.

Collaborative working is 75% about the relationships and only 25% about the deal...

SSA’s seven toolkits are now in use in over 500 public sector organisations. From the MOD to the PSTN, from CCGs to FE colleges, Police & Fire to Housing and Social Care, and in over 200 unitary, county and district councils.

¹ LGA (2015) Shared Services Map



The message is clear from the practitioners applying the toolkits: *collaborative working is about relationships, not the deal on the table.*

It is very simple. If there is no relationship between the partners, there is no deal.

This message is evidenced in the academic papers that have been written by students on the Postgraduate Certificate in Collaborative Transformation² that are underpinned by the 200 plus SSA tools, templates and techniques.

...and effective relationships depend on good communications

Building these effective relationships to deliver “the deal” depends on effective collaborative communications. Communications form the glue that will hold the relationships together in good and bad times.

SSA has reviewed a set of NAO³ and other reports on why UK public sector collaborative working has failed to deliver on the promise of the business cases so many times. One of the key reasons was the lack of communications at leadership and governance levels.

For example:

- ‘Far too many public service systems ‘assess rather than understand; transact rather than build relationships;’⁴
- ‘The project board did not create a clear early view of what sharing services would look like...’⁵

² Canterbury Christ Church University

³ National Audit Office

⁴ Steve Wyler (2014) Chief Executive, Locality

Tracking back to how these relationship problems came about, it is clear that there was a lack of, or even the absence of, well-resourced communications teams to support the leadership and key stakeholders.

- 'What became clear is that partnership depends on the partners having similar incentives and an understanding of each partner's requirements.'⁶

Tracking back to how these relationship problems came about, it is clear that there was a lack of, or even the absence of, well-resourced communication teams to support the leadership and key stakeholders.

A properly resourced comms team will help leaders to develop the vision, constantly remind all involved of the ambitions of the project and sustain high levels of motivation to deliver the deal.

In the reports on the failed collaborations, the default appears to have been that the leadership continued to spend almost all their time focusing on their silo operations. They only focused on the collaboration when something went wrong, or there was a formal meeting to discuss the project.

A staggering statistic is that, 'Research suggests that in the private sector between 50-75% of mergers [so read collaborations too] will not achieve expected benefits for shareholders in terms of increased value and efficiency gains. Up to fifty per cent of alliances and joint ventures in the private sector also fail.'⁷

The need to address the problem of failure of leadership in collaborative working was flagged up many years ago, but is still to happen on the frontline.

In their seminal research into the leadership of mergers, collaborations and joint ventures, Feldman & Sprat (1999) write that in merger and shared service working: *Executives...have a*

⁵ NAO RCUK review

⁶ Somerset County Council (2014) *Update on Lessons Learnt from the Experience of the South West One Contract*

⁷ HEFCE, NAO, Audit Commission, AoC

*knack for falling prey to their own hype and promotion. Implementation is simply a detail and shareholder value is just around the corner. This is quite simply delusional thinking.'*⁸

The point being that there is a lack of communication between the executives, staff and stakeholders. It is just assumed because leaders 'say it's so' then it will happen.

Why bother communicating in multi-partner, multi-culture, multi-million-pound change management programmes?

For the £20bn to be saved by the Chancellor, the public sector shared services, collaborative transformations and mergers required, are multi-partner, multi-culture, multi-million pound change management programmes.

Collaborative transformations need to be properly resourced and led, not by the desire to escape from burning platforms, but by the **burning desire** by the leadership, stakeholders and staff to deliver a new, better, lower-cost service to the recipients of the transformed services.

That burning desire is nurtured and sustained as the driver of the project by effective communications across all beneficiaries.

Cameron & Green's book *Making Sense of Change Management*⁹ is a key MBA text in many universities.

It offers five learning points for mergers and collaborations:

1. Communicate constantly
2. Get the structure right
3. Tackle the cultural issues

⁸ Feldman, ML. & Spratt, MF (1999) *Five Frogs On A Log*.

⁹ Cameron, E. & Green M. (2012) *Making Sense of Change Management*.

Collaborative working requires a plan and resources, yet in many projects there are neither. There may be a few “state of the project” reports, but that is only one element of the comms story.

4. Keep customers on board
5. Use a clear overall process

Each of those has its foundations in effective communications gluing the project together.

A clearly structured communications plan is very important to deliver a collaborative transformation. Erratic, or “fire fighting” communications are ineffective. ‘Tell them, tell them again and tell them till they’re fed up’ is the mantra in collaborative working.

The vision needs to be cast, and then continuously recast in the different languages and cultures of the organisations in the partnership.

Get the structure right - and cement it in place with effective communications to keep it upright. The alternative is that people forget that there is a structure, or don’t buy into it, and create alternative structures. Then the collaboration finds itself having the ‘battle of the structures’ where ‘mine is better than yours’.

Tackling the cultural issues is overcome by communication of the “burning desire” that will be the outcome of the collaboration.

For example, in Canada they inspired the delivery of a major project on reducing suicide in men under the age of 25, across the different culture of various public centre agencies with a simple vision:

“If reducing the number of suicides in men under the age of 25 to zero is not your shared ambition, then how many deaths are acceptable to you?”

Communicating the burning desire continuously helped to cement and circumnavigate many of the cultural and turf-war issues, that existed between the organisations in the mental health, police and housing services.

Keeping the customers on board comes back to effective communications too.

In the word effective is buried the intimation that the communications have to be pro-active, not re-active and have a positive impact.

That requires a plan and resources, yet in many projects there are neither. There may be a few “state of the project” reports, but that is only one element of the communications story.

For example, it may be an old-fashioned, non-technology-led idea, but getting the key leaders in a room face-to-face to design and work on solutions to deliver the collaborative transformation is still one of the most effective ways of gluing the relationships together.

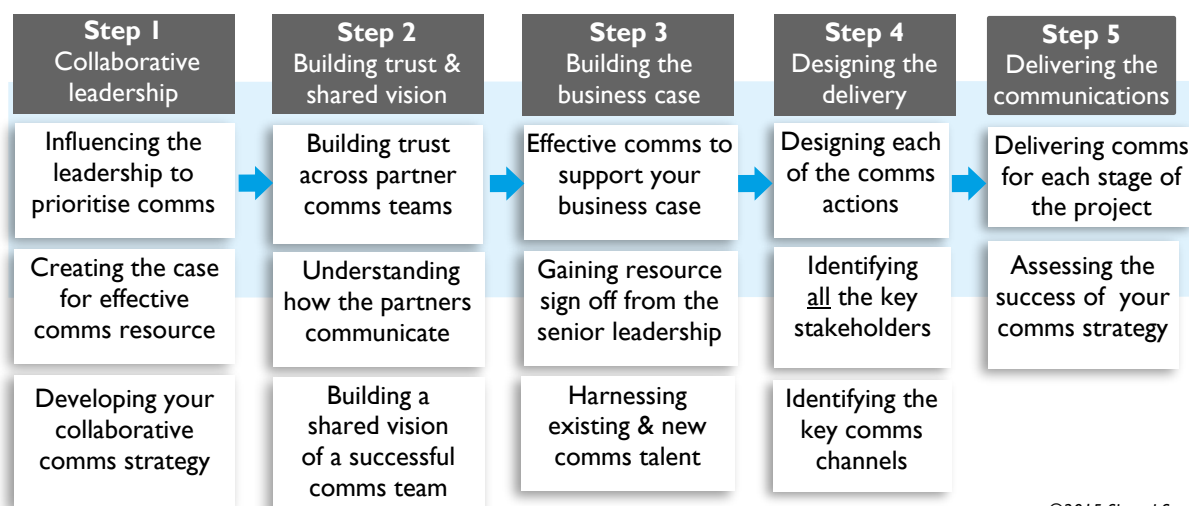
If the leadership have “skin in the game” then they will focus more regularly on the project.

Effective, technology-powered communications can be used to fill the gap between those face-to-face encounters and engage other stakeholders, sustaining the relationship and the pace of change.



If the leadership have “skin in the game” then they will focus more regularly on the project.

THE FIVE STEPS IN THE COLLABORATIVE COMMUNICATIONS JOURNEY



©2015 Shared Service Architecture Ltd

Your role is to create and deliver a very clear set of communications that keeps the eyes of the leadership and project managers clearly on the prize of a new, better, lower-cost way of delivering for the benefit of the citizen, resident, business, student, or patient.

You can read more about the key methodologies for engaging the other stakeholders across communities in the *SSA Collaborative Leadership Across Communities Toolkit*¹⁰.

Using a clear overall process for delivering the change is very important.

This is a key role for the communications team - to create and deliver a very clear set of communications that keeps the eyes of the leadership and project managers clearly on the prize of a new, better, lower-cost way of delivering for the benefit of the citizen, resident, business, student, or patient.

The role of the comms team is to endlessly articulate the burning desire, even for back office systems such as ICT and payments, because the public sector is in the people business.

For example, working with a large central government department who make payment of invoices to thousands of small business suppliers, an SSA tutor helped them paint a picture of the damage to employees and their families if payment was delayed and businesses went bust.

Up until then the focus had been on the creation of new ICT systems and discussion had drawn to a halt because of disputes between partners over their current ways of working. Avoiding hurting the employees of the businesses being paid, became one of a number of “burning desire” messages that cut through the dispute.

¹⁰ Part of the Collaborative Leadership seminar programme

What is the role of a comms manager and comms team in public sector collaborative working?

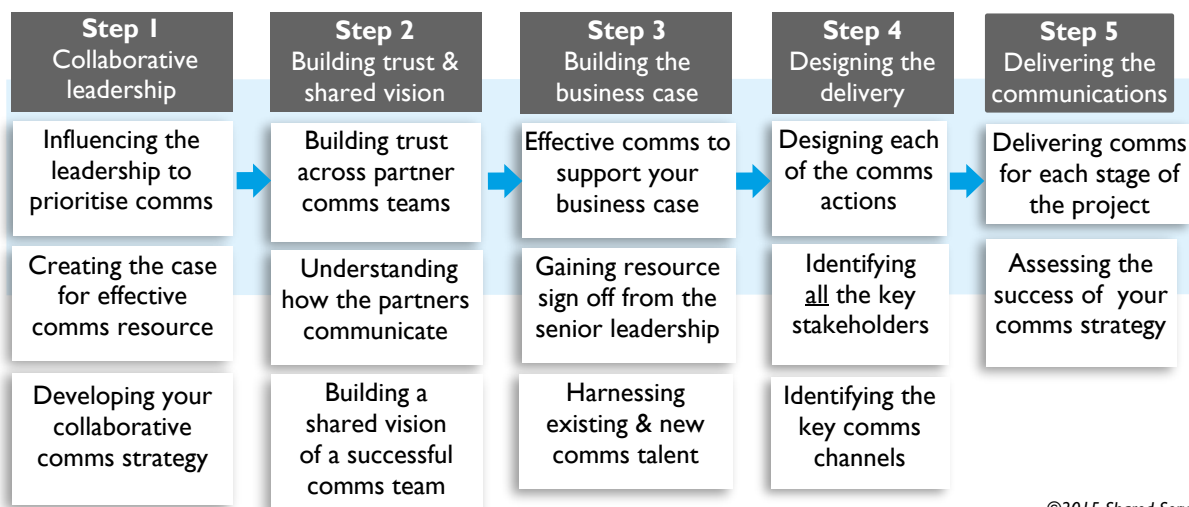
The role is simple to state, but complex to deliver without resource and leadership support.

- To get involved in the project as early as possible and put in place a comms programme to support each stage of the collaboration journey shown above.
- To help the leadership articulate the benefits of the project in terms of the burning desire of the partners to build a new, better, lower-cost way of delivering the service to the end users - whether staff in the partner organisations, or citizens, residents, patients, students, businesses and others.
- To inspire the leadership to fund and keep the comms activity well-resourced and support the project until the new way of working is embedded, the cultural issues are resolved, measurable benefits have been identified and the new, better, lower-cost service has become business as usual.

The *SSA Collaborative Communications Seminar* will support you in that complex journey. It will provide a map and a set of steps that will enable you to support the leadership and project leads in their work.

MANAGING COMMUNICATIONS IN COLLABORATIVE TRANSFORMATION PROJECTS

THE FIVE STEPS IN THE COLLABORATIVE COMMUNICATIONS JOURNEY



©2015 Shared Service Architecture Ltd

A new toolkit and one-day seminar for Communications and Programme Managers who are responsible for multi-partner, multi-stakeholder, communications often with limited resources or specialist skills.

What's the problem?

Effective communications have proved essential to the success of collaborative partnerships and shared services. However, few have a dedicated communications budget or resource, leaving communications and programme managers struggling to develop effective partnership communications or fire-fighting situations that an effective communications strategy could have avoided.

How do communications and programme managers deal with the situation where partners and stakeholder communications are low on the leadership team's agenda, under-resourced or left to the potential bias of one partner who volunteers to be the communications lead?

Contributing to the solution...

Working together, Blue Heron Communications and Shared Service Architecture have developed and successfully piloted a new collaborative communications toolkit and one-day workshop. It maps the communications strategy across the steps in the collaborative transformation journey shown above.

It will support the growing number of communications managers and programme managers who have limited resource and no formal training in multi-partner, multi-stakeholder, communications.

They will leave, equipped with tools, skills and shortcuts that will enable them to glue the partnership activity together and proactively address collaborative communications problems before they happen.

For Communications and Programme Managers working on:

- Combined Authorities
- City Deals
- Shared Services
- Health And Social Care
- Blue Light Integration
- Systems-wide Working
- CCG & GP Collaborations
- Joint Ventures
- Multi-partner Community Engagement

Visit www.sharedservicearchitects.co.uk/comms-seminar for the 2016 dates

PILOTING A NEW COLLABORATIVE COMMUNICATIONS WORKSHOP



Tim Smith SS(PRAC)
is MD of Blue Heron
Communications Ltd

But the real value comes in involving communications professionals and the project leads to deliver the right communications activities from the start, helping to shape the partnership's messages and how it is perceived by service users and staff.

So, what could be the communications problems that will impact on Combined Authorities and other major collaborative transformation projects?

That was the challenge posed to a group of programme and communications managers at the pilot of a new SSA workshop called 'Managing Communications for Collaboration Projects'.

Good communications between partners, and with key stakeholders, are recognised as the glue that holds successful partnerships together and there is clear evidence that, where projects fail, this is often due to a lack of effective communications.

Using a new version of the 'poison and antidote' tool¹ the delegates at the pilot workshop came up with the following main challenges to successful partnership communications...

Just comms it up a bit!

Communications teams are often brought into the collaborative journey far too late to have a real influence or impact. The partnership may have been formed and the business case written well before the leadership team decides "we just need a press release or a quick partnership website".

But the real value comes in involving communications professionals and the project leads to deliver the right communications activities from the start, helping to shape the partnership's messages and how it is perceived by service users and staff.

Sarah can spend Tuesday afternoons working on this...

Your collaboration programme is a multi-million pound project affecting people across a wide area – yet often the communications are left to a junior comms officer who has a couple of hours spare a week.

The challenge is that resourcing communications is a real problem for many partnerships, as it's often seen as just an extra demand on already hard-pressed communications services.

The challenge identified at the workshop was how to make the case to the leadership team for proper resourcing of partnership comms, whether through a service level agreement with one of the partners or bringing in a dedicated resource.

What's the story?

One of the big challenges identified at the workshop was how to make sure that all the partners were telling the same story. The lack of a consistent story often comes from the absence of a shared communications plan across all the partners. The workshop tried out a new tool which could be used to co-create a shared communications plan.

Unequal balance of partnerships

'All partnerships are equal but some are more equal than others' (to misquote *Animal Farm*).

There's always a big danger that one partner can be seen as dominating the partnership. It could be that they are the biggest player in the partnership, have the biggest personalities or have the best resourced communications team.

The end result is that the smaller partners can perceive a takeover, or the other partners don't feel they are getting due credit for their role. Genuine partnership communications can help avoid this.

It's not a big deal for us

One point raised in the workshop was 'what you do when the collaboration is a bigger deal for one partner than others?'

¹ See Tool T&V1.06 "What Could Possibly Go Wrong?"

Having identified these challenges, the rest of the session was spent looking at a range of new tools, templates and techniques that could be used to tackle these challenges and equip partnerships to deliver really effective collaborative communications.

In fact this needn't be a problem as collaborations will always have different levels of importance across partners. The important thing is that all the partners are telling the same story through consistent partnership communications.

Getting the timing right

It's difficult in a multi-partner collaboration to sync all your communications but failure to do so can cause embarrassment or difficulties. For instance, when one partner announces it has formally signed up to the partnership, when others have yet to make a decision.

Again a genuine partnership communications approach and co-created plan can help prevent this happening.

I heard that...

Not everybody will be in favour of your partnership. This was evidenced by workshop delegates who had experience of individuals briefing against the partnership or leaking details to the media or opposition councillors.

You won't stop this happening, but again getting communications teams involved early and co-creating a shared communications plan and message can help mitigate the damage.

It's all about the language

All the delegates had experience of where using the wrong language in communications could have a damaging effect.

It could be as simple as using language that is natural to one partner but meant nothing to another or, more seriously, using words which painted the collaboration in a negative light – once your partnership is seen to be about 'job losses' it's very hard to pull this back !

The workshop looked at how a back to the floor tool could be used to help partners learn about each other, and the language each uses.

Having identified these challenges, the rest of the session was spent looking at a range of new tools, templates and techniques that could be used to tackle these challenges and equip partnerships to deliver really effective collaborative communications.

The input from the comms and project leads who volunteered for the pilot has enabled SSA and Blue Heron Communications to create a knowledge-packed session that will help both programme managers and communications managers build and deliver great collaborative communications.

The first workshops will be held in late January 2016 to support the new Combined Authority and other devolution deals.

What the delegates said:

"It was a really interesting workshop, thanks for inviting me along. There was [sic] lots of excellent content and practical tools which I will be using in some of my work going forward".

"Very useful tools, good insight".

"Interesting for me to learn in a space with a variety of colleagues".

"Very well facilitated and good mix of listening and doing".

You can get in touch with Tim Smith at: office@blueheroncommunications.co.uk

Visit www.sharedservicearchitects.co.uk/comms-seminar to find the dates, delegates fees and discounts for the Collaborative Communications workshop

Tool: CCom0.02

BACK TO THE COMMS FLOOR

It may mean you stopping “doing things the way you are doing them now” and adopting a different way of comms working, that is uncomfortable and disruptive to you. Welcome to collaborative working!

This tool is designed to help communications managers gain new perspectives on the collaborative working communications landscape they find themselves in. It will make them better placed to marshal a wider constituency to co-create solutions around delivering collaborative communications in their projects.

Anyone got a good idea?

The day-to-day lives of Comms Managers are often dominated by the demands of the media and managing the response.

As a result, when asked to work on collaboration projects they tend to default to “the way I do things now”. However partners in the collaboration may have a completely different approach, structure and language for their communications.

For example a small council with 350 staff might have a very flat executive layer and a comms process in which there is direct access to the leadership. Decisions are agile and quick.

However the health partners, that the small council are collaborating with, may have thousands of staff, multi-tiered management layers and multiple comms departments that are guardians of messages effecting individual layers. Access to the decision making leadership is through many gatekeepers and not quick.

The role of the collaborative Comms Manager is to understand the comms pathway that exists in each of the partners and work out how to navigate each as effectively as possible. This involves co-creation of the multi-partners’ comms strategy.

It may mean you stopping “doing things the way you are doing them now” and adopting a different comms way of working, that is uncomfortable and disruptive to you. Welcome to collaborative working!

As the collaborative Comms Manager you cannot impose your style on others. As the *collaborative leader* in this situation, you need to facilitate and co-create the comms strategy across all the partners.

So how do you understand the comms pathway that exists in each of the partners?

The best way is to invest time and go “back to the floor” in each partner, but not starting with their comms departments. Start with the service or activity to be collaborated on or shared. They are part of your new customer base.

Start by asking the staff in the partners about how they currently communicate within their organisation and with their customers.

According to Nicolas Ind¹ ‘good ideas are not the preserve of the corporate elite, but can be initiated and developed through extended face-to-face contact with customers, staff and on-line communities’.

His research evidenced that customer creativity is strong, particularly when people work together to develop new concepts.

Going back to the floor...

In the ‘Back to the Floor’ TV series² leaders see first hand what is happening and often change their personal behaviours and actions as a result. By harnessing the back to floor principles it will help you align and improve your ways of approaching collaborative comms that will benefit the project.

The Total Place pilots also adopted similar approaches designed to get the public sector partners to ‘go see’ with a particular emphasis on getting them to work more effectively in partnership as a result.

¹ Ind, N. (2012) *Humble Leaders* RSA Journal

² The Back to the Floor series is available from the BBC.

When conducting 'back to the floor' or customer visits, there are some simple DO's and DON'Ts to consider

This experiential learning, sometimes called 'Messy Learning', allowed multiple perspectives (citizens, managers, front line staff, partners) to be brought together by the leadership to explore common ground and differences.

That was then used to inform the design of the collaborative strategy. Our advice is to adopt a similar approach for yourself and colleagues and 'go see' for yourself. Investing a few hours up-front could save you hundreds of hours undoing your work because you didn't understand how each partner's comms are structured.

What is key is to identify how they communicate:

- Between each other
- Up the management chain
- How they receive information down the management chain
- Their communications with their end users of the service

DO's and DON'Ts

When conducting 'back to the floor' or customer visits, there are some simple *dos* and *don'ts* to consider:

DO's

- Be humble - talk less, listen more
- Keep it short - one hour max in any one location
- Do invite comms leads from other partners to come with you so that you have a common repertoire of experiences to draw on (seeing is believing)
- Do reflect on new insights and lessons that you have learned
- Consider how you have to change to accommodate the partners, not the other way around
- Be honest and open (about who you are) - it's not *The Secret Millionaire*
- Keep confidences

DON'Ts

- Don't offer alternative solutions to the way they do things now
- Don't judge
- Don't set an agenda

How to use this tool:

This tool, illustrated over the page, is designed to help communications managers gain new perspectives on the communications landscape they find themselves in, and therefore be better placed to marshal a wider constituency to co-create solutions around delivering collaborative communications in their projects.

This tool helps you to focus on how you can get out into the partnership and harvest ideas that could strengthen the quality of communications between all stakeholders in the project.

You will need a flip chart and post-it notes.

Step 1: Ask key colleagues and leaders to consider who should be included in a 'back to the floor' exercise. Use the categories in the template as a starter for 10, or devise your own.

Step 2: Go 'back to the floor' and see the key people and listen to them. Organise some 'back to the floor', or customer visits for colleagues too.

Step 3: Reflect on what you heard and saw on your visits and identify how you may need to change the way you, and colleagues, develop successful communications for the different stages of the collaboration project.

1

Identify the groups who have the answers



Tool: CCom 0.02

© 2013 Shared Service Architecture Ltd

2

Arrange 'back to the floor' style visits...



3

Reflect on what you have learned...

Who you visited	What significant things did you learn?	What should you change as a result?
The frontline staff at XYZ		
Patients and residents		
Stakeholders' and funders' offices		

4

Consider ways of using the tools in the *Collaborative Communications programme* to engage your community of customers, deliverers, stakeholders, etc, in the co-creation of the multi-partner comms necessary.

This tool is from the SSA Collaborative Communications Toolbox

Tool: CCom 0.02

USER LOG

Project & date tool used	What was the desired outcome of using this tool?	What actually happened?	What would you do differently next time?



**What did the
successful candidate
have on their CV
that you didn't?**

The Postgraduate Certificate In Collaborative Transformation

**from Canterbury Christ Church University Business School
...six months' distance learning and a turbo-charged CV**

Skills and knowledge
for leading projects in:

- **Combined Authorities**
- **City Regions**
- **Health & Social Care**
- **Blue Light Collaborations**
- **Systems Wide Transformations**
- **Shared Services**

Canterbury Christ Church University Business School, in partnership with Shared Service Architecture, established the UK's first postgraduate qualification in public sector shared service working in 2010.

In 2015 it has been enhanced, in partnership with CIPFA, for leaders and managers involved in developing combined authorities, city regions, localism, blue light transformation, health service collaborations, systems-wide transformations as well as shared services.

This course provides you with the knowledge and skills to initiate and develop collaborative transformation and shared service projects, whilst also giving you a valuable postgraduate qualification. You will become a skilled and valuable in-house resource, able to cascade your learned skills across colleagues in collaborative transformation activities.

[Visit www.sharedservicearchitects.co.uk](http://www.sharedservicearchitects.co.uk)

Or email Dr Wim van Vuuren, Programme Director
wim.van-vuuren@canterbury.ac.uk

Applications are now open for the 2016 cohort

YOUR POSTGRADUATE CERTIFICATE IN COLLABORATIVE TRANSFORMATION



Dr Wim van Vuuren, SSAf
is the Programme Director for
the Postgraduate Certificate
in Collaborative Transformation
at Canterbury Christ Church
University



Past student, Lord Gary Porter, Chairman of the LGA, presented Errol Williamson (London Borough of Hounslow), Emma Pope (SE Shared Services), Sadie Lynch (SE Shared Services), Andy Bell (Mid-Kent Partnership), Juliet Pirez (London Borough of Bexley) and Tom Holmwood (Surrey County Council) with their

I am pleased to announce that the Local Government Association (LGA), and the Chartered Institute of Public Finance and Accountancy (CIPFA) have joined with Canterbury Christ Church University and SSAf to promote a new qualification for public sector managers, leading Devolution, partnership and collaboration projects.

The new qualification was launched by CIPFA Chief Executive, Rob Whiteman and one of our past students Lord Gary Porter, SSAf, the Chairman of the LGA.

The Postgraduate Certificate in Collaborative Transformation (PCCT) equips programme and project managers with the skills and tools they need to drive forward collaborative transformation projects, for example combined authorities, health collaborations, blue-light transformations and shared services.

As well as their learning, students are provided with over 100 tools and techniques, from the Shared Service Architecture® methodology to accelerate the transformation process.

The six month programme has been developed by the University in conjunction with SSAf and will be delivered nationally in partnership with CIPFA.

The issue that we want to address at the University is that most politicians, senior leaders and managers are being thrust into leading major collaborative transformation programmes, such as Combined Authorities or Health and Social Care, without sufficient training or skills. This puts both their organisation and their personal credibility at risk.

The PCCT is a key to implementing successful projects as well as providing valuable professional development for the coming years of Devolution and other major collaborative transformations. Adding the PCCT to your CV could be very valuable when applying for future roles.

LGA and CIPFA leadership support...

The new qualification was launched by CIPFA Chief Executive, Rob Whiteman and past student Lord Gary Porter, SSAf, the Chairman of the LGA.

“Devolution and integration of public services is central to the LGA’s proposals for managing public spending, so it’s vital we equip our people to lead successful transformation projects. As a former student, I know how valuable this new qualification will be across the public sector.”



Gary was the one of the first of over 100 students to gain the Postgraduate Certificate in Shared Services, the forerunner of the new qualification.

In the lead up to the launch of the new qualification, Gary wrote that, “Devolution and integration of public services is central to the LGA’s proposals for managing public spending, so it’s vital

we equip our people to lead successful transformation projects. As a former student, I know how valuable this new qualification will be across the public sector.”



Rob Whiteman, Chief Executive of CIPFA, said: “As central Government continues to bear down on budgets the public sector will need to increasingly collaborate across multiple areas and projects to ensure the best use of taxpayers’ money to deliver high quality services.

The public sector needs the best people to make this transformation happen

which is why we’re supporting this important new qualification.”

At the launch event, SSA announced the introduction of Collaborative Transformation Practitioner™ and Collaborative Transformation Architect™ recognition for graduates on the new postgraduate certificate.

SSA also awarded Shared Service Architect Fellowship (SSAf) to Mike Lea of SE Shared Services and Collaborative Transformation Architect Fellowship (CTArcf) to Tom Alexander of London Borough of Sutton, for their contribution to the SSA body of knowledge.

What is your commitment if you join the Postgraduate Certificate in Collaborative Transformation?

This course is for public sector managers and consultants who wish to study the effective development of collaborations and shared service initiatives in the public sector and gain a qualification.

Over a six-month, three module, part-time programme it provides you with the knowledge and skills to initiate and develop public purpose collaborations and shared service projects, whilst also giving you a valuable postgraduate qualification.

Module 1: The Essentials Of Collaborative Transformation

The first module consists of three taught units that provide the building blocks for the whole programme and introduces the concept of reflective practice as a method of working.

Module 2: Change Management And Analysis

This involves a written literature review and a written critical appraisal of 2-3 existing collaborative initiatives. The appraisal will identify what can be learned from them and applied to your workplace setting.

Module 3: Developing A Collaborative Transformation Roadmap

Through this module you'll apply your deeper understanding of collaborations and shared service initiatives to your own organisation and construct a detailed plan or 'road map' to take your organisation forward along the collaboration, or shared service route.

You can contact Wim for details of fees and the full programme on:
wim.van-vuuren@canterbury.ac.uk

ARE YOU WILLING TO BE A TRANSFORMATIONAL LEADER?



Errol Williamson SSA
Finance Manager (REDE)
London Borough of
Hounslow

To alter the mind-set of the follower's response to change, will require marrying the organisations' values with the values of the people and transformational leadership is particularly effective during the change process.

In July, after six months of part-time study, I was really pleased to receive my *Postgraduate Certificate in Shared Services* (now *Postgraduate Certificate in Collaborative Transformation*) from the Chair of the LGA, Lord Gary Porter.

In my working career I have been involved in a number of change programmes, both successful and unsuccessful. Through this experience I had already identified leadership as the pivotal element on how the change programme turns out.

However, what my academic research assignment on the *Postgraduate Certificate* revealed is that leaders in the public sector must change from only being a traditional (transactional) style of leader, to having the agility to switch between that style and *transformational leadership* if they are to be successful.

Wide spread collaborative change (e.g. combined authorities, city deals, health and social care transformation, blue-light alignment, maybe even the Welsh Council mergers) is underway across the public sector, driven by unprecedented spending cuts before the end of the decade.

That means you may have to make a major shift in your leadership style to continue to be successful in your work. For example, if you find yourself re-applying for your own job, or a new one, you may have to demonstrate that you possess both transactional and transformational leadership qualities and experience.

What can we learn from the academics?

Reviewing the academic literature on the subject of transformational leadership provides a deep insight into the distinction between the two types of leadership roles.

However, delivering change of this magnitude successfully is very difficult. It will require a

hard look at whether certain services are necessary and how new methods of delivering essential services could be employed.

With every penny counting like never before, and increased public scrutiny, the pressure on leaders to deliver change has become intense.

The concept of collaborative working, for example sharing services, is a major mental shift for organisations, and their departments, traditionally used to operating in a silo. To alter the mind-set of the follower's response to change, will require marrying the organisations' values with the values of the people and transformational leadership is particularly effective during the change process¹.

What is Transformational Leadership?

In order to understand the concept of transformational leadership it is important to be aware of the other leadership styles.

In general there are three types of leadership models²:

- **Tactical leaders** who solve tactical issues by their own expertise
- **Strategic leaders** who work towards the future with a vision, and
- **Transformational** leaders who are the facilitators aiming to transform both the people and the organisation to a new state of mind

Leadership expert James MacGregor Burns is credited for identifying the concept of transformational leadership in 1978.

Burns differentiated transformational leadership from transactional leadership, as a

¹ Herold et al., (2007)

² Ford and Tucker (2014)

Rather than the carrot and stick approach, transformational models of leadership are built upon values of “participation, consultation and inclusion” and aim to break down the cultural barriers that may exist within the organisation.

process in which leaders and followers worked together to create a higher level of motivation.

The importance of transformational leadership in a collaborative working environment...

There are numerous case examples revealing evidence that the implementation of organisational change often fails. When the organisational change involves collaborating with third parties, it has been academically evidenced that most collaborations either fail without achieving anything, or make painfully slow progress, and of the successes, many have been painful and hard work³.

One of the key reasons reported as to why change programmes fail is due to employee resistance. The role of the transformational leader is to transform their followers’ attitudes and behaviour to the desired state in order to achieve commitment to the collaborative vision⁴.

The emergence of transformational leadership symbolizes a major move from the traditional transactional models of leadership which increasingly is being discredited according to many writers⁵.

The traditional leadership models are observed by many as becoming ineffective due to their dependency on ‘contractual relationships’⁶. The supposition is that these relationships’ reward and punishment structures are the workers’ motivators and this encourages organisational engagement built upon self-interest and not real emotional attachment with the organisation’s values⁷.

The leader sets the conditions under which expectations should be performed and identifies the reward mechanism and the

subordinate aims to deliver on the expectations⁸.

Rather than the carrot and stick approach, transformational models of leadership are built upon values of “participation, consultation and inclusion”⁹ and aim to break down the cultural barriers that may exist within the organisation.

In this regard, transformational leaders seek to transform the direction of the follower to the desired behaviour, from behaving to the expectation of reward or punishment, to one where they conform because they share and buy into the organisation’s vision¹⁰.

So what about the collaborative working and shared services context?

Leadership authors have written in abundance on the core characteristics possessed by the majority of leaders, examples of these characteristics include: good judgement, communication skills, knowledge, interpersonal skills and confidence (Kotter, 2012).

Starting in 1995, academics and researchers¹¹ have explored the personal characteristics specifically attributable to the transformational leader. The key ones are:

- **emotional coping:** the ability to control personal emotions in the face of failure, disapproval and stressful situations “so as not to allow their feelings to obstruct their interactions with colleagues”
- **behavioural coping:** having persistence, flexibility, adaptability, visionary and entrepreneurial problem solving.
- **abstract orientation:** the individual’s ability to critically assess and evaluate unformulated or vague ideas.

³ Vangen and Huxham (2006) & Kotter (2012)

⁴ Burns (1978); Peters and Waterman, (1995); Huxham and Vangen, (2006), cited in Hibbet and Huxham, (2010)

⁵ Cockcroft (2014)

⁶ Bass and Avolio (1993).

⁷ Densten (1999)

⁸ Engel and Worden (2003)

⁹ Silvestri (2007)

¹⁰ Cockcroft (2014)

¹¹ Dubinsky et al., (1995)

If you are in a leadership role, or aspire to be in one, then carefully analyse your leadership traits and test to see if you have the agility to move between transactional and transformational leadership.

The capability to solve problems is a critical responsibility for leaders providing public services as the need to carefully assess which services are most appropriately shared to achieve cost savings and which would be better provided directly¹².

To transform the organisation's culture, processes and systems the leader will need the ability to cast a clear vision of the desired outcome and create a coherent strategy to bring it to reality. Without a clear vision, the project's objectives will be disjointed and take the organisation away from where it wants to be¹³.

It can be seen from the volume of change management academic literature that the innovative characteristic of transformational leadership is critical to the success of a shared service project. Not just in terms of the innovation delivered specifically by the leader but also by the follower whose innovative behaviour is enhanced through the engagement with the transformational leader.

McIvor¹⁴ presented a case study of an organisation seeking to transform into a shared service function, and illustrated that due to the absence of transformational skills the organisation sort to create transformational leaders by putting its directors through executive development courses similar to the SSA practitioner programmes.

So how have I been changed?

Now with an understanding of what it takes to fulfil the role of transformational leadership, on reflection I would adjust my approach to collaborative working in two different ways. Firstly I would build stronger bridges between the leaders and departmental staff. It almost feels like, in the early stages, you cannot have too many meetings to get to know staff at a local level, understanding their concerns and

working to address them through the changes to be implemented.

In addition, I would ensure that skilled, knowledgeable and experienced collaborative transformation practitioners, or architects are in place. The evidence is that inexperienced leadership can cost a shared service project considerable time and money as they stumble from one costly path to another.

What recommendations would I make to you?

If you are in a leadership role, or aspire to be in one, then carefully analyse your leadership traits and test to see if you have the agility to move between transactional and transformational leadership.

When you approach your projects, or are stepping into meetings, be clear before hand which style of leadership is required.

If you feel unsure about what transformational leadership truly involves then have a look at the SSA, 3 day, Collaborative Leadership or Collaborative Transformation Programme. Or even step onto the Postgraduate Certificate in Collaborative Transformation at Canterbury Christ Church University, as I did.

I started this article by writing: *"Wide spread collaborative change (e.g. combined authorities, city deals, health and social care transformation, blue-light alignment, maybe even the Welsh Council mergers) is underway across the public sector"*.

The choice that faces all of us working in the public sector is, are we going to attempt to predict our future career in a collaborative world, or are we going to make our future happen by adding transformational leadership to our CV?

What skill set do you feel your next interview panel will be looking for?

¹² Morton (2008)

¹³ Kotter (2012)

¹⁴ McIvor et al., (2011)

Accelerating the effectiveness of your leaders working on
Combined authorities or City Deal development - Multi-partner community engagements
Alternative models of partnership - Shared services - Blue-light integration
Health and social care programmes - Improved collaborative working within your organisation

Harnessing Collaborative Leadership to transform public services

**A choice of three inter-linked toolkits and workshops
designed to enhance the collaborative leadership skills of your senior staff
to reduce service delivery costs, improve systems-wide value
and empower community led solutions.**

(leading to a Postgraduate Certificate in Collaborative Leadership)

*How do I stop departments
competing and get them to focus
on what is best for the organisation
and customer?*

*How can I galvanise
other organisations to work on the
difficult cross-cutting issues which
none of us can effectively tackle
on our own?*

*How do I tackle inefficiencies
in my organisation
because of silo working?*

*How do I step effectively into
Devolution working across such a
diverse range of partners?*

*How can I get colleagues to see the
community as a valuable resource of
capacity and skills and use that
energy for the good of all?*



Visit: www.sharedservicearchitects.co.uk/The-Collaborative-Leadership-Programme
to download an information pack and details of in-house options

PROCESS STANDARDISATION BUILDS NEW, BETTER, LOW-COST SERVICES



Tom Holmwood SSA
CSF Recruitment Team
Leader SE Shared Services

The main reason for establishing shared services is achieving more efficient service delivery, reflected in cost advantages as well as in higher quality. To realise and deliver these three key benefits in a transactional environment it is important to look at business processes.

For my literature review on the Postgraduate Certificate in Shared Services, I chose to explore the business process change associated with change management in transaction and administrative environments.

This matched with a particular project I had been working on and, with the benefit of hindsight and academic evidence I was interested to find out:

- Why is it important to consider business process changes?
- What the hurdles might be in changing business processes?
- How can we look at overcoming hurdles to changing business processes?

New, better, lower-cost way of working

The main reason for establishing shared services is achieving more efficient service delivery, reflected in cost advantages as well as in higher quality¹. To realise and deliver these three key benefits in a transactional environment it is important to look at business processes.

A business process is described by as “how an organization does its work – the set of activities it pursues to accomplish a particular objective for a particular customer, either internal or external”².

Therefore the way in which a shared service or collaborative working/transformation project carries out its work through its business processes will play a big part in the impact it can have on quality of service, cost savings and quality.

So what is a good or efficient business process? The value in transactional shared services comes from processes that are delivered in a timely, accurate and standardised

manner³. Therefore if a business process is to help drive excellent service delivery, reduce costs and improve quality it must deliver in these areas.

My research led me to the work of Mustafa Ungan, a Turkish academic working in the field of process documentation.

Bring on the Process Masters!

Ungan points out that the different way in which employees perform tasks, means there are variations in output, when these processes should be looking to deliver consistent quality.

Ungan is emphatic about the importance of engaging existing employees in the business process change activity, rather than presenting them with an already finished process. He also suggests that the best performers in the process - calling them *process masters* - should be identified and harnessed in the change journey.

In his 2006 paper he wrote⁴:

‘Consistency in operations is necessary for an organization's survival and growth. It is difficult to achieve consistency because of the employees' different ways of performing the same task. Employees' education, experience and skill levels determine their own styles and differences in their styles cause variations in process output.

If a process master's (best performers in a process) ways of performing their own tasks can be well documented, then a company will be able to standardize its operating procedures in their best forms. And, when employees follow these procedures, variations will be minimized and best quality products or services will be offered to customers.

³ Meijerink et al, (2012)

⁴ Mustafa C. Ungan, (2006) "Standardization through process documentation", *Business Process Management Journal*, Vol. 12 Iss: 2, pp.135 - 148

¹ Gil-Garcia et al, (2007)

² Davenport, (2005)

Once best practice processes and standardisation are in place, it must be maintained and measured.

However, documenting such procedures is far from easy. The purpose of this paper is to propose a step by step framework on how to create process documents for standardization purposes.

Ungan identifies 7 key steps for creating standardised best practice processes:

1. Identify the process - what is its purpose and what is the desired outcome?
2. Identify the process master who will lead and manage the change activity.
3. Build a team to work with the process master that are capable of delivering the change activity
4. Define the process and break it down into identifiable and manageable steps
5. Acquire knowledge and understanding for each of the steps - how do/will the need to work to deliver on the desired outcome
6. Codify and verify the knowledge and understanding so that it can easily be understood and followed by those who will do the job on a day to day basis
7. Combine and place in a common form and way of working

If it can't be measured, how do you know it is happening?

Once best practice processes and standardisation are in place, it must be maintained and measured.

This can be done through establishing key performance indicators (KPIs) and service level agreements (SLAs).

KPIs measure the productive capacity and performance of labour whereas SLAs govern the level of service a customer can expect to receive⁵.

KPIs and SLAs can also be used to continue engaging people in the overall goals. Quite often departments will ensure that these are openly and visually displayed in offices and are regularly updated, thus supporting the engagement of employees.

So what will I do differently?

When I am next involved in re-reviewing processes, I will work with colleagues to follow the Ungan steps.

I will involve key knowledge holders (process masters) and representatives from all the teams to be involved from the start to finish of the life of the project.

Communication is also a big factor and my research emphasised the importance of keeping stakeholders up to date with progress and developments, in many different ways - not just by email.

I will also look in detail at how we establish and agree KPIs and SLAs for the process teams to work on.

Process change is complicated but if managed properly can significantly impact on a shared service or collaborative transformation's ability to deliver an effective service as well as higher quality, reflected in cost savings. Existing employees are one of the most important factors to consider.

We should be aiming for commitment over compliance with process change. This can be achieved through engagement and involvement combined with strong communication and leadership from managers.

⁵ Halcroft et al, (2012)

IT'S ALL ABOUT CULTURE AND ORGANISATIONAL IDENTITY



Sadie Lynch SSA
is Business Operations
Project Manager,
Projects Team,
Business Operations at
Orbis

*My question was:
What is the
impact on identity;
what factors will
influence the
development of a
positive culture
and what are the
risks of trying to
influence the
development of
culture within
organisations that
are experiencing
large scale
change?*

I'm a Project Manager for Surrey's Business Operations Service supporting the mobilisation of new businesses into the transactional teams.

This role has raised my awareness that, with the increased trend of organisations merging and sharing services, there comes a significant impact on people that is sometimes considered as consequential - a case of 'let's get the systems and processes sorted first and deal with deciding on what culture we want when the dust settles'.

As a student on the Postgraduate Certificate in Shared Services¹, I wanted to explore the academic evidence of what the impact could be when different organisations with existing cultures and identities combine to make a new organisation, providing services for both.

My question was: *What is the impact on identity; what factors will influence the development of a positive culture and what are the risks of trying to influence the development of culture within organisations that are experiencing large scale change?* What I found out was there are many challenges to be considered.

Organisational identity – “who we are” and culture – “how we do things” are important influential factors in the merger of equals². Where organisational identity relates to the employee's connection with the organisation; culture reflects the patterns and behaviours that evolve over time within a given group³. Identity is as influential as culture in its impact on the success of integration and incompatibility and is often blamed when things go wrong. So how do you manage that?

Naturally, strong identities go hand in hand with well-developed cultures but the two are different and it is the perceived threats to

identity – the “who we are” – that can create an emotional response in an organisation that feels threatened by a merger or creation of a joint venture.

Similarly, cultural differences in management levels especially can have an adverse impact to performance in the early years of a relationship.

Values and vision

The importance of setting vision and values at the highest levels of leadership was highlighted as a key issue in the CIPD 2011 case study *Children's Trust, Southampton: Towards a culture of partnership working*. Establishing these elements early sets a clear tone for the employees of ‘what is to come’, and helps them to reflect and understand the change in culture that will follow.

However, the study articulated that, because of working in a political context with drivers of efficiency, there are often rationalisations such as redundancies and changes to services that need to be made as part of the change.

This highlights the struggle of leaders to set a clear and worthwhile vision for the change, whilst also balancing open communication about some of the mechanisms that may have a negative impact on some groups of staff.

Communications

Several of the academic papers I reviewed emphasised the importance of communication before and during the merger process and the impact they can have on early success⁴.

The studies in general evidenced that providing a supply of information about the forthcoming organisational changes can help to reduce employees' concerns and feelings of uncertainty by making them feel involved and reduced rumours of worst-case scenarios.

¹ Now the Postgraduate Certificate in Collaborative Transformation

² Albert and Whetten (1985)

³ Mael & Ashford (1992)

⁴ For example Jimmieson, et al (2004) and Bastien (1987)

Across multiple organisations there is also the added challenge of differing styles of communication; variances in perceived best practice and a myriad of differences in vocabulary, acronyms and internal, specialist and unique terms and references.

In local government shared services specifically, communication is very important as there is a much wider group of stakeholders than just employees to keep informed and engaged.

These can be cabinet members, residents, other partnerships that may exist, as well as customers, suppliers and unions.

Across multiple organisations there is also the added challenge of differing styles of communication; variances in perceived best practice and a myriad of differences in vocabulary, acronyms and internal, specialist and unique terms and references.

Acceptance and resistance to change

Whilst good management, open communications and the utilisation of change agents can support the change process and make it smoother, there is still typically an element of the unknown that cannot always be controlled, which is the individual's response to change.

These are "pre-merger" reactions, and further stages will follow during the "post-merger" phase as a new culture forms out of the two previous ones. These stages are⁵:

1. awareness of the differences
2. rage about the differences
3. introspection
4. integration

There is a danger in getting stuck in the second stage of rage and not being able to move on through the final stages and on to accepting the building of a new, integrated culture.

Considering these issues, I found myself thinking back to the topics of vision, value, and communications, and wondering if the key to encouraging acceptance and reducing resistance was to get this right from the outset and maintain them throughout.

⁵ Harris & Moran (1979)



"Here's a blank sheet. Let's remake ourselves"

Learning from the private sector

As I researched the literature on the pros and cons of public sector partnerships, I often found myself reading articles and journals on mergers and acquisitions in the private sector.

Whilst these organisational processes are very different in some regards from the creation of public sector partnerships, the impacts on culture and organisational identity are very similar.

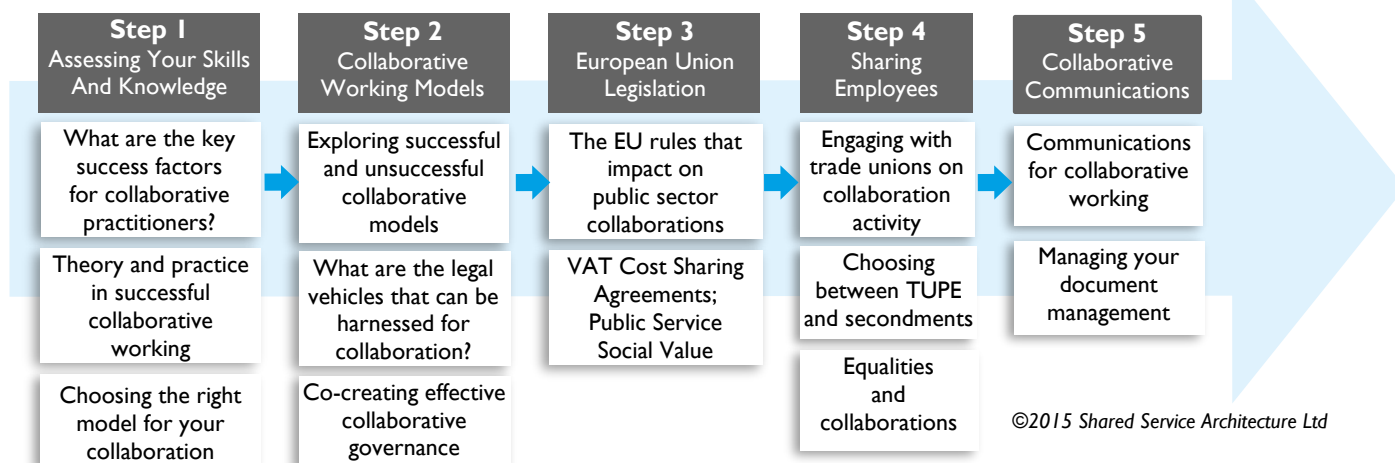
The concerns faced by individuals as they move through the change curve are the same; the challenges of handling communication and messages are the same; and the risk of success or failure hinging on successful integration of cultures is also the same.

Sadly, I don't have any easy answers to share with you other than culture and organisational identity are factors that cannot be ignored and we would be wise to consider how to meet these challenges head-on.

As public partnerships develop and evolve on multiple levels, there can be no doubt that the lessons of what has been done before will become a valuable tool in helping to shape the future.

UPDATES FOR YOUR HIGHWAY CODE OF COLLABORATIVE WORKING

THE FIVE STEPS IN THE HIGHWAY CODE OF COLLABORATIVE WORKING



In the following pages are six new updates provided by frontline SSA Practitioners and Architects.

The Highway Code seminar is one of the most popular in the CTPrac™ programme. The reason is that many leaders and managers have been thrust into collaborative working without any formal training and have found themselves lacking knowledge in the key decision-making areas.

For example, collaborative structures, collaborative governance and the raft of legal issues that impact shared services and collaborative transformation. These include which models and legal entities can be used (eg combined authorities, joint committee, special purpose vehicles, mutuals, joint ventures etc), the impact of EU procurement law, VAT exemptions, TUPE, social value, data protection and key issues in partnership communications.

Using enjoyable, rapid learning techniques, this seminar takes them through the five steps in the Highway Code – the essential things they need to understand about the rules, regulations and statutes that they will encounter on the collaboration journey.

Each delegate comes away from the session with a *Highway Code Folder* that they can update with new materials that impact on their collaborative work. In the following pages are new updates provided by SSA Practitioners and Architects.



This is a taught session in the Post Graduate Certificate in Collaborative Transformation at Canterbury Christ Church University

What is included with this seminar?

- * A 10 section knowledge folder containing full seminar notes, tools and checklists
- * Points towards *Collaborative Transformation Practitioner - CTPrac™* recognition
- * 12 month subscription to *Collaborative Transformation Magazine*
- * Access to the SSA online library of links to over 500 collaborative working documents, business cases and news articles
- * A CPD certificate, worth a potential £250 reduction in the fees of the Canterbury Christ Church University Postgraduate Certificate in Collaborative Transformation

Visit: www.shareservicearchitects.co.uk for dates of the next session

AUDITING SHARED SERVICE PROJECTS: WHO GETS THE VOTE?



Robert Milford
MA, PGDip, CMgr,
FCMI, CFIIA, MMS
Head of Audit
Cotswolds

I am in my final year of a PhD, finalising my model for internal auditors to use in the collaborative working world, and the following example is one area of complexity that should concern us all.

When multiple organisations form a group or board to manage a change programme, the group will often be advised by management change theorists to seek 'buy-in' from the group. Buy-in helps to ensure everyone is behind the change proposed. However, herein lays the risk that internal auditors need to safeguard against.

Two significant factors are at risk if a room full of people all make a decision; namely accountability and appropriate authority.

Using a fictional case we can map out these two issues/risks.

Two significant factors are at risk if a room full of people all make a decision; namely accountability and appropriate authority.

A group of six local authorities is looking to create a more efficient and effective finance service that as a whole reduces the cost of the service for each partner.

Each LA has appointed a senior officer to represent them on the change programme board. Also, the board has recognised that they will need help from the following support services: finance, human resources, legal, internal audit, ICT, property, procurement and the project office.

These resources have been sought from each LA and is set out in the table below.

A decision is to be made in this meeting on how the first £1m is to be spent on project management. The group has a debate and the following happens:

- The group has appointed the CEO of LA2 as the Chairman for the group, due to her status and experience.
- The CEO LA2 steers the meeting using internal audit and legal to support her opinion.
- The CFO LA3 is aligned to the CEO LA2 opinion and uses influence to ensure finance, HR, property and procurement all align.
- The Senior Manager LA6 is silent throughout.
- The CEO asks for a consensus from all present on the action to spend the £1m and achieves a majority of 10 to 4 hands in the air and the money will be spent on LA3 ICT systems.

The partnership collapses three weeks later as LA1 and LA6 pull out.

Senior Officers	Support Officers
1. Director LA1 2. Chief Executive LA2 3. Chief Finance Officer LA3 4. Director LA4 5. Director LA5 6. Senior Manager LA6	1. Finance LA3 2. Human Resources LA3 3. Internal Audit LA2 4. Legal LA2 5. ICT LA3 6. Property LA3 7. Procurement LA3 8. Project Office LA1

Collaborative working that has already linked senior management of two or more organisations may result in the 'shared manager' also representing these authorities in another collaborative working exercise. In this instance, it is important that the group recognises who the individual is voting for.

What happened?

Internal Audit has now been asked to find out why this project went wrong by the Audit Committee of LA1. Internal Audit has a number of aspects to consider:

Accountable decision-makers:

Who should have the decision-making powers to act on behalf of each LA? The answer is going to be subject to local decisions at each LA (in this example). However, it should be viewed from an accountability perspective. Only one person must be accountable for decisions in the group that affect the organisation they represent.

Independent chairman for the meetings:

It is recognised governance best practice that a chairman running a meeting should be independent of decisions made in that meeting if possible [based on corporate governance models for companies – CEO/Chairman split]. The chairman should be focusing on the running of the meeting and ensuring comment is received by all (should have ensured LA6 was engaged).

Professional advisors:

The support services are all there to advise the group on matters relating to their areas of expertise. Particularly, internal audit and legal – their independence is an aspect that should be safeguarded; by involving them in the decision their independence is compromised.

By opting to use consensus to make the decision, then all the support services generate a vote. In the case example, the support services swung the vote in favour of two LAs.

Multiplicity and double-hatters:

When considering decisions in the environment where more than one organisation is present, it is important to also consider where officers may represent more than one organisation.

Collaborative working that has already linked senior management of two or more organisations, may also result in the 'shared manager' representing these authorities in another collaborative working exercise. In this instance, it is important that the group recognises who the individual is voting for.

For example, asking the individual to state which organisation his vote represents on each occasion. The minutes would then record this and it keeps the vote linked to the appropriate organisation and clarifies accountability.

Governance and multiple organisations

The collaborative programme group will need to establish itself as an 'entity' relatively quickly.

This does not mean that they need to be legally established, just that they need to behave in the way organisations would. The collaborative group is a networked construct and will not initially have a hierarchy of decision-making and indeed an identity or culture.

This will be necessary when project management tools are introduced and such systems as risk management are established. The issue is all about appetite, in particular, risk appetite. The organisations from which the group's representatives have been appointed will have an embedded risk appetite, ie what they will tolerate, treat, terminate, transfer and exploit in terms of risks.

The collaborative group should therefore establish a risk management scheme that they can work with and capture the 'entity's' risk mitigation strategies.

This appetite will be put to the group by each individual representative. The result in a six-way collaboration is six risk appetites and therefore six rationales for certain decisions. It is not practical (and basically impossible) for the collaborative group to reflect all these difference appetites, thus negotiation and compromise are triggered.

However, the risks faced by the collaborative group will be different to those back at the representatives' organisations and therefore the actions necessary to mitigate those risks.

The collaborative group should therefore establish a risk management scheme that they can work with and capture the 'entity's' risk mitigation strategies.

The representative should then take these risks back to the individual organisation, convert them to reflect the impact on their organisation and reassess.

This can be seen as an arduous task by some, but inevitably it helps by ensuring the risks to the collaborative programme are appropriate and the impact back at the organisations is also appropriate.

An example could be the impact on a collaboration group due to unexpected increase in ICT infrastructure requirements.

If all partners need to be on a Windows 2010 platform – some organisations may already be there, others may need complete rebuilds. The cost implications therefore may be huge on one and negligible on another, but the cost across the collaboration may be balanced.

This will require partners supporting each other. In a risk register for the collaboration it may be 'green'; in the local registers it could be 'red' due to the impact (based on RAG rating system).

Don't forget the machines:

It is all well and good that we have clarified the people able to vote, but in situations where complex ICT systems are involved it may be necessary to have a vote from the ICT representative.

This enables the group to consider if the system can do what they are voting for. This is often a retrospective influence on the group, ie the ICT project is tasked to do something and then find they are unable to deliver.

References

Czarniawska B. (2004) *On Time, Space and Action Nets*, Paper prepared for the International Conference on *Spacing and Timing: Rethinking Globalization and Standardization*, Palermo, Italy, November 1-3, 2001.

Lindberg K. and Czarniawska B. (2006) *Knotting the action net, or organising between organisations*, Scandinavian Journal of Management, volume 22 number 4

Milford R. (2013b) *Internal Audit in the Shared Service World*, Audit Viewpoint, CIPFA Publishing

You can contact Rob at:
Robert.Milford@cotswold.gov.uk

WHAT ABOUT 'THOSE LEFT BEHIND'?



Lisa Forster SS(PRAC)
is a Finance Advisor
with CIPFA

In the *SSA Trust & Shared Vision Toolbox*, tool 4.04 is called the *Jenga Test*.

Jenga is the game, based on a house built of loose wooden bricks. The players take turns to gently remove bricks from the house and the loser is the person who makes it collapse, by pulling out a brick that finally destabilises the house.

The tool uses the metaphor of the *Jenga* game to remind practitioners, to also focus on the impact that might occur within the organisation de-merging the in-house service into a partnership.



Making the in-house costs go up

I was recently reminded of the tool when working with a number of CIPFA's clients in a slightly different context - organisations that are spinning out services.

For example, discussions on setting up trading companies, staff mutuals and charitable trusts. These new ventures were a mix of wholly and jointly owned council entities.

Their business plans predicted improved performance and financial efficiencies, for the new and exciting ventures. However, there was a hesitation because of the impact on 'those left behind'.

On-site work with local authorities has seen this question, and realisation raised numerous times. The issues primarily centre – although not exclusively- around central support costs :

- How quickly can central support units react to changing (usually reduced) demand?

- How 'fixed' are the fixed costs of these units?
- How competitive are the support services compared to the 'outside world'?

It is essential that the financial impact is assessed for the whole picture, rather than just a segment.

Internal recharging must be assessed

Core or central support departments in any local authority, recharge their overall costs to 'clients,' ie other council departments.

However, if they lose those clients, it means either the central support unit 'shrinks', thereby reducing its costs and recharging a lower overall amount to clients; or, if it cannot shrink, it charges the same overall costs to fewer clients, making the charge per client much higher than in previous years.

Their business plans predicted improved performance and financial efficiencies, for the new and exciting ventures. However there was a hesitation because of the impact on 'those left behind'.

Another impact on 'those left behind' is that of the council losing business rate income.

This is a fairly simplistic view of the choices, but its purpose is to highlight that those left within the council need to adapt to change delivery arrangements as much as those who are spinning out of direct council control.

It's difficult to shrink fixed costs...

Fixed costs, such as IT servers, licences and property rents/ leases, are more difficult to 'shrink' in the short term, whereas staff costs are simpler (in theory) to scale back to match demand- although this element of cost reduction is the least palatable part of the impact of alternative delivery arrangements!

Some organisations that have left local authority direct control are subject to an incubation period whereby they must buy from the council's support services for a specified time.

This at least gives the 'core' the opportunity to plan and adjust over a reasonable time. Forecasting techniques such as sensitivity analysis, can help them model the impact of losing clients, and identify the options they can then pursue in the future.

The true costs of services...

Another question we are often asked is how to calculate the 'true' cost of a service. This is critical when the service in question is entering into an alternative delivery arrangement - shared or wholly owned.

The direct costs of staff and supplies are easily assessed, but it is the cost of overheads where the head scratching begins.

Taking payroll as an example, the question has to be asked, 'Is the cost of a payslip supplied

by the council similar to the cost of a payslip provided by an outside supplier?'.

Given that usually councils will take total costs, divide them by the number of transactions to come up with a cost per 'unit', ie a payslip, how competitive is this?

Business plans will need to make assumptions here, and finding out what competitors charge is always useful information to assess viability of services.

The loss of business rate income...

Another impact on 'those left behind' is that of the council losing business rate income.

If authorities set up charitable trusts – which is common practice for leisure services, and can involve a large number of valuable non-domestic properties - the charity is entitled to 80% relief on its business rates.

The localisation of business rates means that reductions in local business rates income now have a direct impact on the council's pocket.

The calculations are of course a little more complex than this, but this serves to highlight that the big picture matters.

Focusing purely on the cost of setting up and running the new services, is only half the financial calculations for success.

For practitioners, the moral of the story is 'Don't forget those left behind!'.

You can contact Lisa at:
Lisa.Forster@cipfa.org

UNDERSTANDING THE BEHAVIOURAL REACTIONS TO SHARED SERVICES



Mike Lea SSAf
Programme Manager,
Projects Team,
Orbis

In the *SSA Trust & Shared Vision Toolbox*, Tool 2.07 focuses on the strength of commitment within each partner to making the shared service activity happen.

Based on academic research, the tool suggests four broad categories:

- **The Champions**
- **The Supporters**
- **The Critics**
- **The Blockers**

Your partnership workgroup can use these categories to identify who is in them and what needs to be done to move them all to Champion status.

Behaviour Mapping vs Stakeholder Mapping

We have taken a next step. Building on the stakeholder mapping, we began to look at the actual behaviours we were encountering in our work. This took us into a more nuanced, and more effective for us, version of Tool 2.07.

Members of the team encountered repeated behavioural styles, within and outside our organisation that enabled them to attempt to understand people in more detail. It is important to point out that many stakeholders moved between roles depending on their acceptance and understanding of the change at any given point in time. The trick was to manage our stakeholders in such a way that they moved towards the more “healthy” roles.

Some examples of the more nuanced categories are:

- **The Dogmatists** - tend to be people in charge, this can be hard to manage but need your own strategies to overcome
- **The Saboteurs** - tend to be people under threat, or close to the operation, who either openly or act underhandedly against the work.

You can see the other categories we mapped on the following pages. It also felt important to understand the various connections between the characters as sometimes we encountered alliances working together to influence change in projects we were working on. Some were helpful, but others could have led to a sub-optimal service if indulged.

The result of our analysis of the groups and how they are likely to view the world is set out on the following pages.

By understanding their behaviours we feel better able to employ strategies to counter the impacts their activity will have.

Standing at the cross-roads

Commercialisation in government is new and as such is going to be hard, before it becomes part of what Orbis can fully implement.

Many good colleagues are being called upon to make really tough decisions. They are at a career crossroads with changing roles and authority.

To understand them better we profiled our categories against the “crossroads test”. How did we feel our ‘characters’ would react at the crossroads of difficult decision making?

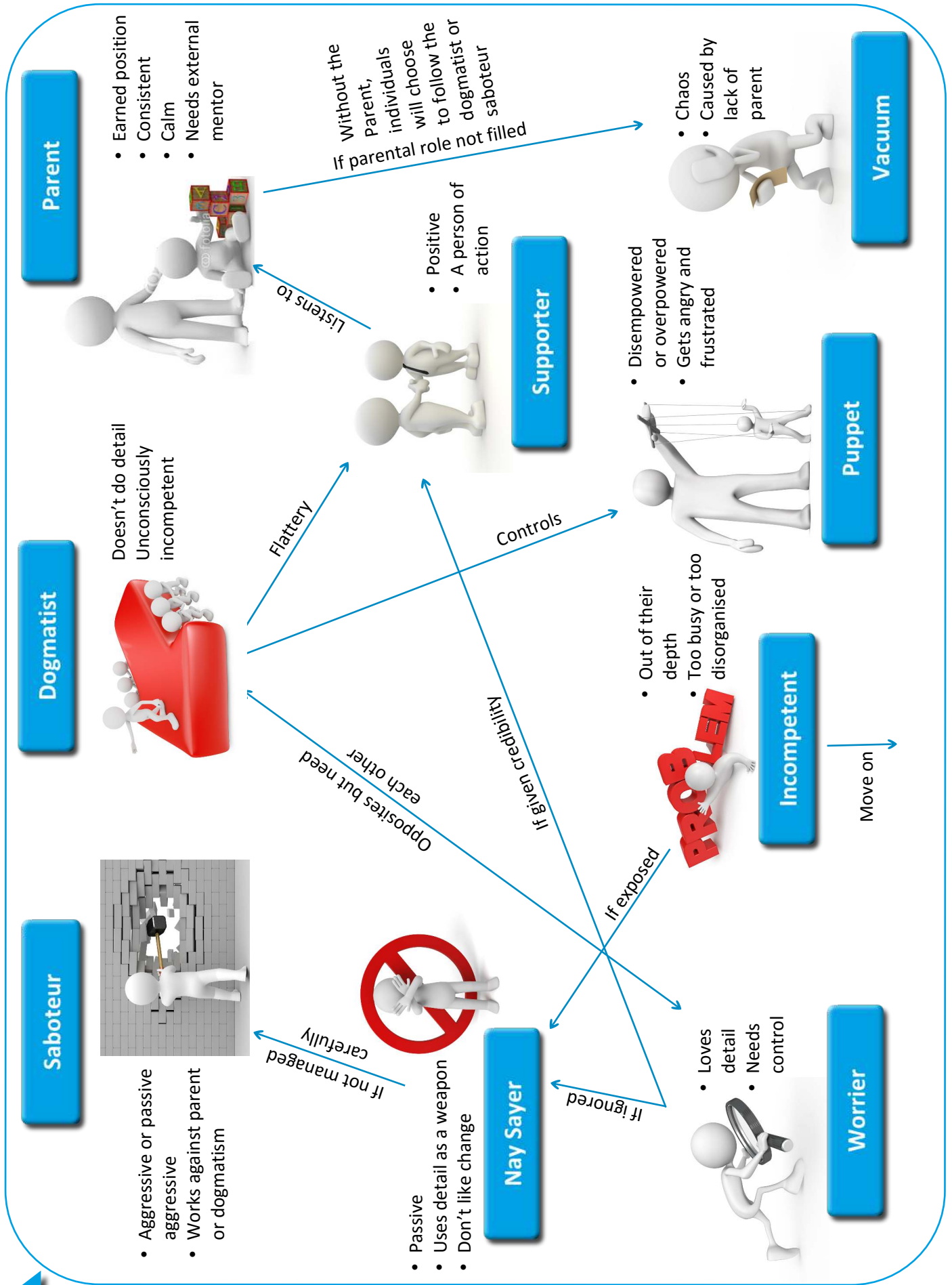
In projects, stakeholder mapping is a standard practice. However it is useful to look at stakeholder behaviours as well, to ensure you have the right plans in place for communication and engagement activity.

You could use the following two maps as a tool to discuss how you will handle differing behaviours as you encounter them. What strategies could you develop to move these behaviours into a supportive space for your project?

This exercise is experienced based, rather than evidence based - but when it comes to people, power and politics, sometimes it helps to trust your intuition.

You could use the two maps as a tool to discuss how you will handle differing behaviours as you encounter them. What strategies could you develop to move these behaviours into a supportive space for your project?

Stakeholder behaviour interactions encountered in shared service working



On the journey, the stakeholders come to crossroads with new possible routes. How can you help them, to the benefit of your project?



Dogmatist

Confidently walks down one path expecting others to follow, if there is a cliff at the end, they all fall off



Nay Sayer

Will tell everyone that there is a cliff at the end of each path and will sit down by the signpost and refuse to move



Incompetent

Will walk into the signpost and blame someone else



Saboteur

Will encourage everyone to walk down the path most likely to have a cliff at the end of it, but will sit down next to the naysayer saying "I told them so"



Worrier

Will employ surveyors to map each path before they choose one



Puppet

Will try and walk down two paths at once, walk into the signpost and start shouting at it



Supporter

Will walk down whichever path the parent chooses and adapt to whatever obstacles lie ahead



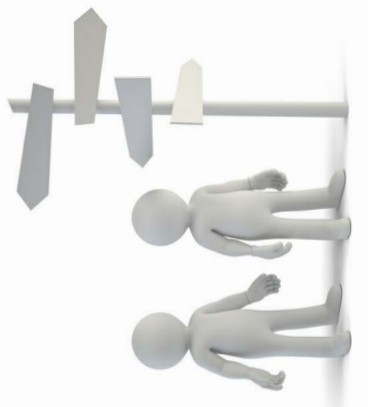
Parent

Will listen to the worrier's surveyors and choose the path which seems to lead to the best place with the fewest obstacles.
The Programme Manager should seek to assume this position



Vacuum

Without a Parent to follow, chooses either the dogmatist or saboteur to follow - the team splits and the journey ends



Many good colleagues are being called upon to make really tough decisions. They are at a career crossroads with changing roles and authority.

To understand them better we profiled our categories against the "crossroads test".

How did we feel our 'characters' would react at the crossroads of difficult decision making?

THE VAT ISSUES IN HEALTH AND SOCIAL CARE INTEGRATION



Caroline White SAA,
is a Finance Adviser at
CIPFA

Health and social care integration, driven by the Health and Social Care Act 2012, is held out as the answer to the growing problem of having an ageing population with complex health needs, at a time when we also have rapidly declining public sector resources. Its efficacy remains to be seen.

However, with the introduction of the Better Care Fund from 1 April 2015, some substantially improved outcomes and savings are now being projected.

The Better Care Fund arrangements have been set up as pooled budgets – a type of partnership arrangement between NHS organisations and local authorities, whereby the partners contribute an agreed level of their resources into the pooled budget from which health and social care services are delivered or commissioned.

Each party retains its statutory obligations but one of the partners must be nominated to act as the “host” partner who is then responsible for the budget’s overall accounts and audit.

There are many variations of these arrangements, including those with a “virtual” pooled budget where each party retains its own commissioning activity and pays its own bills from its own funds.

It is important that all pooled budget arrangements should be documented in a signed agreement, which sets out

- the responsibilities of the partners,
- the accounting and reporting considerations,
- the governance arrangements which clarifies the accountability of each party.

The Chartered Institute of Public Finance (CIPFA) and Healthcare Financial Management Association’s own joint guidance recommends that particular consideration is given (amongst others) to:

- setting out a common understanding of the pooled budget’s aims
- documenting the statutory responsibilities of each partner and how they will be met
- providing clarity on the scope of the arrangement; what is and what is not covered
- setting out the governance and decision-making responsibilities
- the financial elements of the agreement, the contributions, payment timings, performance payment metrics etc.

The clarity of this agreement is instrumental in determining the potential impact of VAT on the available budgets.

The VAT implications of pooling budgets

This was covered by a recent CIPFA Finance Advisory Network Tax Advisory Service series and has been discussed by the CIPFA VAT Committee at recent meetings.

The pooling of budgets in this way has VAT implications, due to the fact that the NHS and local authorities have very different VAT regimes. The question to ask is which of those VAT rules apply, and to what extent does VAT incurred on costs become an additional cost to the budgets?

The NHS is only able to recover VAT incurred in relation to its taxable business activities and under the Contracted Out Services rules. However, a local authority is able to recover VAT it incurs on both business and non-business activities, so long as it remains within its VAT partial exemption de-minimis thresholds.

This means that the operational structure of the pooled budget, and specifically the terms of the S75 agreement that is signed up to, can mean that VAT forms more or less of a part of the whole cost of the pooled budget.

The pooling of budgets in this way has VAT implications, due to the fact that the NHS and local authorities have very different VAT regimes. The question to ask is which of those VAT rules apply, and to what extent does VAT incurred on costs become an additional cost to the budgets?

So what questions do you need to ask yourself regarding VAT implications when considering health and social care collaborative working?

Unfortunately, there is no black and white guidance from HM Revenue & Customs which is specific to the Better Care Fund, but some basic principles are set out in their manuals referring to Section 75 partnership arrangements¹.

¹ <http://www.hmrc.gov.uk/manuals/vatgpbmanual/VATGPB6640.htm>

The parties to a relevant pooled budget will need to work together to establish the appropriate VAT treatment for expenditure in a pooled budget – there is no easy answer!

You can contact Caroline at:
Caroline.White@cipfa.org

Checklist

So what questions do you need to ask yourself regarding VAT implications when considering health and social care collaborative working? I have set these out in the left hand column below. However, if you are not a VAT expert, you should seek professional advice and list the answers that you are hoping to hear too. That way you will be able to identify the problem more quickly.

What questions should you be asking?	What kind of answers would you be hoping for so you can judge the responses?
1. Is this a H&SC integration that will pool budgets, or make payments between partners?	
2. What VAT bearing costs are likely to be met by the integrated service?	
3. Who are the partners and what is their VAT status?	
4. Is this integration likely to create a VAT entity in its own right?	
5. How does each partner reclaim VAT?	
6. Who is going to be the lead body?	
7. Does the pooling agreement set out who is delivering the supply?	

This article is provided to inform your understanding of the subject. It does not provide a decision-making solution. Always seek professional, informed advice before making final decisions on these matters in your projects.

KOTTER QUESTIONS HIS OWN TRANSFORMATIONAL PROCESSES!



Heather Wilson BSc (Hons), MRICS, MAPM, SSA

In his latest book “Accelerate”, Professor Kotter questions the effectiveness of his original eight-step method. He believes it now slows organisations’ ability to keep up and get ahead in today’s faster changing world.

If you have studied or worked in change management, you will know Dr John P Kotter, the internationally known author on leadership and change.

19 years ago he documented an 8 step method¹ for successfully leading large scale change, which promoted:

1. Establishing a sense of urgency,
2. Creating a guiding coalition
3. Developing a change vision
4. Communicating the vision for buy-in
5. Empowering broad based action
6. Generating short term wins
7. Never letting up and
8. Incorporating changes into the culture.

These steps were designed to function within existing organisational operating structures and processes and were often implemented in rigid sequential ways by small core project teams who, once a change project was complete, would pack them away until another project needed to be implemented.

Tool CLW6.02 in the SSA Collaborative Leadership Programme studies it in detail along with the methodologies of Kanter and Luceke.

However, in his latest book *Accelerate*², Professor Kotter questions the effectiveness of his original eight-step method. He believes it now slows organisations’ ability (and thereby partnership working) to keep up and get ahead in today’s faster changing world.

Whilst traditional structures and processes enable daily operations to be run effectively, they are not suited to the early detection of

opportunities/threats or agile enough to quickly formulate and implement strategies to deal with such issues.

Kotter believes businesses (and thereby partnerships they are involved in) now need dual operating systems, one for running daily operations using existing operational processes and the other using a network “volunteer army” of people who deliver both daily operations and have a desire to continually seek out and implement improvement opportunities.

This new dual system expands on Kotter’s original 8 steps in that the whole organisation, or partnership, is encouraged to instinctively work together to sense threats/opportunities and respond to them quickly rather than just small core project teams.

The key to success involves...

- Senior executives creating a sense of urgency around a single big opportunity, blessing the creation of a “volunteer army” and constantly reinforcing it so that people wake up every morning determined to find some action they can do to move toward that opportunity.
- A guiding coalition (**GC**) is formed involving outstanding leaders/managers, with people invited to apply to be on the GC. The GC ensures all departments (partners) and broad skills are represented, is responsible for deciding which big opportunity initiatives to launch and how best to do so.
- GC members jointly formulate a strategic vision. This should be feasible, easy to communicate, paint a picture of success, show how taking part creates greater purpose to people’s work and include information to help those taking part understand when actions can be taken

¹ Kotter, John P. (1996). *Leading Change*. Harvard Business School Press.

² Kotter, John P. (2014). *Accelerate: Building Strategic Agility for a Faster-Moving World*. p. 224.

Rather than running away from a burning platform, the shared vision must build a burning desire across the organisations and partnership leaders.

without seeking permission. Senior executive comments on a draft strategic vision is sought and comments treated as valuable input rather than automatically accepted commands.

The importance of the shared vision

In the *SSATrust & Shared Vision Toolbox*, there is a strong emphasis on the need for a passionate shared vision between partners. The vision must be a magnet for change. Rather than running away from a burning platform, the shared vision must build a burning desire across the organisations and partnership leaders. Kotter also suggests that:

- The vision is communicated organisation/partnership wide (and feedback encouraged) using ways to boost the project going viral (eg set a GC member goal to get buy in from different teams, organise meetings, create support materials, build an information filled intranet portal, videos, blogs and face to face conversations).
- Moving the vision forward, GC members work on individual parts of the strategy whilst delivering their daily operations. They discuss their GC work with frontline staff to seek views and ensure frontline improvements are included in their work. They report progress at main GC meetings.
- The GC celebrates its best short term wins across the organisation to provide proof that the dual operating system is creating real results. The quick wins are obvious, unambiguous and clearly related to the vision.
- The GC also never lets up and continually creates a sense of urgency. If they don't, GC volunteers start focusing on their day work and the traditional hierarchy dominates once more.



John P Kotter
Professor of
Leadership,
Emeritus at
Harvard Business
School

- Finally, no strategic initiative is complete until it has been incorporated into day to day activities.

Changing attitudes for changing times

Is Kotter saying that his original eight-step change management concept was wrong?

The answer is “no”. What he is doing is recognising that the world is changing and he is signalling that we need to change with it.

The good thing about collaborative working - either shared services or collaborative transformation - is that it presents an opportunity to change and update the way things are done now.

It gives permission for us all to build new, better, lower-cost ways of working that are fit for the next five years - and not stuck in the legacy issues of the past five years.

Through his new thinking, Professor Kotter is giving us a new journey map to accelerate our success.

On the following page I have taken Kotter's key points and put them into a checklist.

Why not set them out on a flip chart for discussion with colleagues?

Applying Kotter's New Approach To Change Management To Your Collaboration Activities

Questions To Consider In Developing Collaborative Working	Our Approach
How Can We Create A Continual Sense Of Urgency?	
How Do We Build & Maintain A "Guiding Coalition"?	
How Do We Formulate A Strategic Vision & Decide Which Initiatives To Take Forward?	
What Is The Best Way To Communicate Our Vision & Create Buy-In?	
How Do We Move The Vision Forward & Ensure Barriers Are Removed?	
What Is The Best Way To Celebrate Visible, Significant Short Term Wins?	
How Do We Never Let Up & Keep Learning From The New Collaborative Project?	
How Do We Incorporate The Changes Made Into Day To Day Activities Of The New Service?	

HOW DO YOU CLOSE DOWN A SHARED SERVICE?



Rob Neil SSA
B.Sc(Hons), M.Sc.,
FBCS, CITP Ceng, Csci, is
head of Business
Change and Technology
at Ashford Borough
Council

Combined Authorities and City Deals are beginning to define new geographical and relationship boundaries between public sector organisations.

A new psychological and policy contract will be developed between the partners within those boundaries as the money and tax income fuels the major joint projects around transport, health and economic development.

The outcome is that over time, a number of already established shared service relationships may have to come under review and possibly be closed down as the boundaries change. So how do you handle that?

It can be very emotional

A lot of emotional effort and time is invested into a shared service project, especially where there is a passionate shared vision for the new, better, lower-cost service. So one of the first impacts when partners are closing down a shared service is the emotional impact.

For example there has recently been an outpouring of emotion reported on the potential withdrawal of Tunbridge Wells' planning services from the Mid-Kent shared services group. There was also a very public and heated response to the closure of the Richmondshire and North Yorks shared ICT and CEO back in 2011.

However, once you get past the emotional side of things, there's nothing mystical about what needs to be done.

In the same way that you define drivers, success factors and service definitions when entering into a shared service, you should do the same on exit. But before that, if the collaboration is delivering viable outcomes, there are some questions to ask.



Becoming a Relate counsellor

Asking the right questions and getting an honest conversation going is key to resolving all manner of relationship issues, so what are the right questions you should be asking of the partners when an acrimonious break-up is on the cards?

- What is the **real cause** of the perception that the shared service needs to be dissolved? Lots of investment has already been made, possibly cost savings have been built in to revenue budgets and it may be very expensive to reverse this. In the same way that the SSA toolkits recommend that entry into a shared service should be seen in many cases as a last resort, breaking one up should only be considered *when all else has failed*.
- Can you fix what you've got?
- What are the issues with the current shared service?
- Why is it failing to meet the expectations that led to its setup?
- Could it be (real or perceived) poor service, failure to deliver financial savings, or more fundamentally, a changed political/management outlook on the whole shared service ideal?

From experience, maintaining the client side can lead to problems of demarcation when all are within one organisation – and of course there are savings to be had from establishing a single “Head of...” role with overall control.

Most of the SSA Toolbox tools can be deployed here – after all, you are just trying to define a business case and a Target Operating Model [TOM]¹ (in enterprise architecture speak) for the partner(s) who want to leave.

Don't forget, the collaboration may remain in place, if not all signatories wanting to withdraw. It doesn't have to be all or nothing, if there is evidence it can still run successfully with a smaller number of partners.

Before concluding that the shared service must be dissolved, re-evaluate the drivers for change, skills and knowledge assessment.

Service quality can be addressed, perhaps even financial targets – however if the root cause of the break-up is a lack of love for sharing, the barriers to maintaining the status quo will be the biggest. Of course, external and political drivers make dramatic changes to the strategy of the public sector (and potentially more likely as elections, etc., change the outlook for a number of organisations)

Examining The Target Operating Model (TOM)

The TOM is quite interesting as to choices². In some (most??) cases there will be a client function separate from the shared service in the partner organisations.

¹ A description of the desired state of the operations of an organisation. Typically a TOM also includes the roadmap over time that specifies what the organisation needs to do to move from the "as is" to the "to be"

² A TOM will describe any or all of the following: (a) processes and capabilities; (b) the people that are needed to run the processes or deliver the capabilities, and the organisation structure, accountabilities, incentives and culture that will support and nurture these people; (c) the information systems needed to support the processes and capabilities, especially the software applications that are needed to process the information; (d) the locations, buildings, infrastructure and other assets and resources needed inside the organisation to support the processes and capabilities; (e) the suppliers and business partners needed outside the organisation to support the processes and capabilities and the types of agreements between this organisation and these partners

Do you continue with this and build a separate service delivery team, or roll the function back in together?

From experience, maintaining the client side can lead to problems of demarcation when all are within one organisation – and of course there are savings to be had from establishing a single “Head of...” role with overall control.

In terms of carving up the family silver, you will identify a lot of issues here that all need to feed into the business case. Staffing is the obvious one and inevitably you will have to go to the market for more bodies or take the decision to outsource some functions.

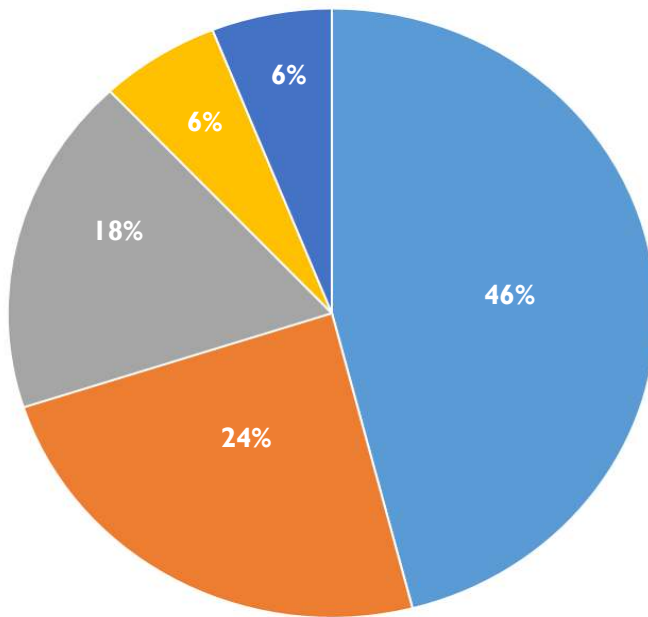
As an example, the shared service dissolution I was involved with, was coupled to a systems management and migration contract with a third party supplier. At the end of that contract, specific expertise was required (in this case, Oracle DBAs) which was expensive.

You may find that it is cheaper to buy-in a service from the private sector as it removes one headache. I'd suggest this will be a more common outcome from breaking up a shared service, as the competition to hire specialist skill sets heats up. The same buy-in approach may be relevant for replacing the shared IT (new hardware, application licences, etc.). Again, I see this leading to more buying in of hosted solutions from suppliers.

As an aside, this is an interesting shift in financial modelling for Local Authorities – moving from large chunks of capital investment on tin every few years and shifting service support costs onto a purely revenue footing. If nothing else this will certainly highlight the need to deliver a “technology dividend” back to your organisation.

It will cause issues for some, and be good for others, depending I suppose on your reliance on external support funding moving forwards.

What do you consider to be (or was) the biggest challenge in closing down or transitioning an existing Shared Services location?



- **46%:** Transitioning processes while minimising the customer impact
- **24%:** Retaining key staff during the transition
- **18%:** Potential of losing key knowledge or resources
- **6%:** Maintaining solid customer relationships
- **6%:** Managing staffing placements or staffing reductions

Source: www.peeriosity.com

What is interesting is that all of the five key challenges they encountered were about relationships with staff and customers. It's back to the 75% focus on relationships in collaborative working and only 25% on the deal.

Finally, some thoughts from the private sector...

A 2014 iPoll Survey³, and discussion group of businesses that have had cause to close shared services, mapped the key challenges you will encounter. They are illustrated in the chart above.

What is interesting is that all of the five key challenges they encountered were about relationships with staff and customers. It's back to the 75% focus on relationships in collaborative working and only 25% on the deal.

But the main challenge was managing the transitional process so that the recipient of the services did not notice the change.

One of the businesses explains that in order to do this they retained about 20% of the exiting staff in post for a period of three months past the transition time to be "subject matter experts" and help resolve any problems and issues.

This also helped to retain key staff during the transition.

³ <https://www.peeriosity.com/shared-services/articles/2014/09/closing-a-mature-shared-services-center/>

Another day, another project

So, if there is definitely going to be a divorce, maybe we can split up the steps into three projects:

1. Design, pilot and improve the new, better, lower cost service that will replace the existing one.
2. Then plan and implement a transition from the old service to the new one, in a way that does not have any negative impact on customers.
3. Once the transition is made, project manage the closure of the old service.

Project three should be where the arguments start over who gets the CDs and who keeps the curtains.

This will avoid the customer from being harmed by the transition.

Have your public sector collaborative working news and jobs delivered to your desk or mobile...

In 2014, over 300 collaborative transformation news items and over 200 shared service and collaborative working jobs were published on the SSA website

- Seminar, events and qualification updates
- Weekly news & jobs round-ups by email
- Access to the online library



To help you get the most from the SSA collaborative transformation and collaborative leadership taught sessions, facilitation and publications, visit the SSA website.

Through your phone, tablet, laptop or PC you can:

- Access 22 areas of learning, news, downloads and activity to help get the most for you, your organisation and your collaborative transformation and shared service projects
- Download free tools, templates, booklets and guides and a PDF copy of this magazine to share with colleagues
- Access the SSA library with hundreds of reports, papers and case studies
- Reserve your place on a seminar too
- Put questions to our lecturers and facilitators on the collaboration issues you are being challenged by

www.sharedservicearchitects.co.uk