Corporate Planning Pack

**Guidance Pack 2013–15
Part 1: Overview and
Guidance**

April 2016

The opinions expressed in this report are those of the authors and do not necessarily represent the views of the Nigeria Governors' Forum.

Contents

Abbreviations and Acronyms

CEO	Chief Executive Officer
ExCo	Executive Council
HR	Human resources
HRM	Human resources management
HRMIS	Human resources information system
ICT	Information and communication technology
MDAs	Ministries, departments and agencies
MDGs	Millennium Development Goals
MTEF	Medium term expenditure framework
MTOs	Medium term objectives
MTSS	Medium term sector strategy
NGF	Nigeria Governors'
OHoS	Office of the Head of Service
PS	Permanent Secretary
PSM	Public service management
SA	Special Advisor
SDP	State Development Plan
SERVICOM	Service Compact
SLP	State level programme

Executive Summary

Short Summary

Corporate planning is a framework that supports state governments' ministries, departments and agencies (MDAs) to meet the service delivery standards. It does this by helping them establish their mission, vision and strategic objectives and configure their functions, structures, processes and workforce.

This guidance pack provides a variety of tools and templates to support corporate planning processes. It should be used by state teams and consultants, and government officials whose role supports corporate planning in their states.

Full Summary

Corporate planning is a framework that supports state governments' MDAs to meet service delivery standards. It does this by helping them establish their mission, vision and strategic objectives, and configure their functions, structures, processes and workforce.

Key elements of the corporate planning process are:

- Relationship management, including obtaining buy-in from decision makers
- Flexible implementation to reflect the diversity of circumstances in states and in MDAs
- Maintaining the pace and momentum of the process
- A focus on building MDA readiness and capacity to ensure that public servants are able to participate effectively in the corporate planning process
- A need at certain stages to help public servants not only participate but also draw out learning from the process
- Mechanisms for engagement and cross-working throughout the corporate planning process
- Learning and sharing within and between MDAs and states.

This guidance pack presents a short and simple corporate planning process to be undertaken in five main stages, ideally over a six-month period, as follows:

Stage 1	Preparation	2 weeks
Stage 2	Mandates, Mission, Vision, Objectives	2 weeks
Stage 3	Functions, Structures and Processes	2 months
Stage 4	Establishment and Workforce Planning	2.5 months
Stage 5	Implementation Plan and Handover	2 weeks

Resource materials contained in the accompanying Toolkit have been expanded to include guidance on each stage of the process as follows:

- A briefing note and introductory PowerPoint presentation, a readiness for change checklist, a sensitisation exercise and a model timetable to assist with Stage 1

- Checklists, examples and templates to assist with setting MDAs' mission, vision, values and medium term objectives for Stage 2, as well as a guide to producing service charters
- Step-by-step guidance on functional, structural and process reviews, as well as examples of process flowcharts and a process review template to assist with Stage 3
- Step-by-step guidance on establishment and workforce planning, job evaluation, record-keeping, capacity building and suggestions to address immediate workforce gaps to assist with Stage 4
- An example corporate planning implementation plan to assist with Stage 5.

This Guidance document and the accompanying Toolkit are designed for use by state teams and consultants, and government officials whose role supports corporate planning in their states.

Section 1: Introduction

Purpose of this Guidance Pack

Corporate planning is an important framework to assist state governments' MDAs to review and improve their organisational performance. This guidance pack sets out a short and simple corporate planning process, along with tools and templates to assist state teams to facilitate the work.

Structure of the Guidance Pack

The guidance pack provides an overview of the corporate planning concept, context and framework, and provides some practical hints on using the corporate planning approach.

This overview document provides guidance on how to conduct each stage of the corporate planning process, and is supplemented by the Toolkit which provides a variety of step-by-step guides, checklists, templates and examples to help with each stage.

Users of the Guidance Pack

This pack should be used by state teams and consultants, and government officials whose role supports corporate planning in their states. The materials are available to be used as they are, and can also be adapted and redrafted as necessary to improve relevance to specific state situations.

Section 2: The Corporate Planning Model

Definition

Corporate planning is a process in which an organisation (ministry, parastatal or agency) analyses its objectives, priorities, development strategies and environment in the light of its mandate, and determines how to organise and apply its resources (human, financial, etc.) to achieve its objectives and meet its service delivery standards and targets.

There is no mystery about corporate planning. It is simply an approach to assist organisations to make themselves fit for purpose. In public service, an organisation that is fit for purpose is usually defined as:

- Being equipped with the correct structure, staff and resources to carry out the duties required by its mandate[1]
- Having appropriate systems, processes and infrastructure to achieve the specific objectives and/or service delivery standards required by any overarching strategic plan.[2]

Specifically, a corporate plan guides the management and staff of an MDA or parastatal in a cohesive effort to carry out the MDA's mandates.

In this guidance pack, corporate planning deliberately emphasises organisational development. The process is intended to help government MDAs adopt a structured approach to building organisational capacity.[3]

The term 'corporate planning' is often used synonymously with the term 'strategic planning'. Some definitions of strategic planning are identical to the one above of corporate planning. However, the definition above emphasises organisational change. In development terminology, strategic plans are often focused more on the outputs of a government or ministry – the projects, programmes and services to be delivered in a given time period, and the finances required to produce them – and less on the internal organisational and human resource management implications which are the focus of public service management (PSM) reform.

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[1] The mandate of an organisation is generally understood to comprise the framework of laws, rules, regulations or policies which define the organisation's unique contribution to achieving the objectives of government.

[2] Such as a medium term sector strategy (MTSS).

[3] This term is used in the broadest sense. Organisational capacity includes an appropriate organisation structure; well-designed systems and processes for doing work; the correct numbers of staff with the correct skills in properly defined jobs; and a performance management system which ensures that staff know what is expected of them, objectively measures their achievements, and provides for continuous improvement.

Why Carry Out Corporate Planning?

Corporate planning is a review and reorganisation process usually carried out in response to some sort of change. Such a change could be:

- A changing environment – political, economic or financial resulting in a changed level of public funds available
- New technologies which radically affect the way work is done, e.g. information and communication technology (ICT)
- New mandates, priorities or services required
- Ageing workforce, redundant skills or other human resource (HR) constraint
- New social/cultural norms e.g. public expectation, gender, etc.

Like any medium term development plan, the corporate plan should be kept under constant review so it can respond to relatively minor changes. It is likely that a major review will be required at approximately five-year intervals.

Corporate Planning in Context

Figure 1 illustrates the relationship between corporate planning and other elements of public service reform. It takes as its basic building blocks the state government's defined policy and strategy, the mandates of the MDAs charged with achieving the strategic objectives, and the budget which makes financial resources available.

Figure 1 highlights areas of MDA target and standard setting, planning and organisation that can be supported using the corporate planning methodology. The rationale is that MDAs must be correctly configured for their responsibilities, and that public servants must have defined objectives; be equipped with the necessary competencies to carry out their work; and be managed to deliver their objectives.

Assuming that budget releases take place as planned and civil servants are performing as required, the MDA is in a position to achieve its corporate performance objectives, which will lead to the achievement of government policy goals.

Figure 1: Corporate Planning in Context
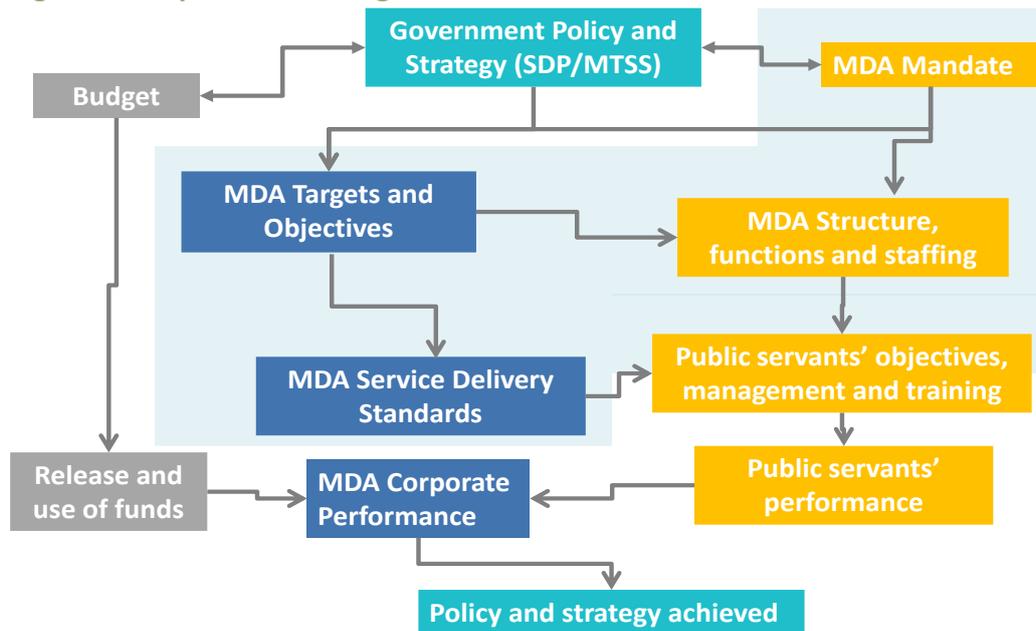
The Corporate Planning Framework

Corporate planning can be best understood by breaking it down into a number of stages, as shown in Figure 2.

Figure 2: Summary of the Corporate Planning Framework
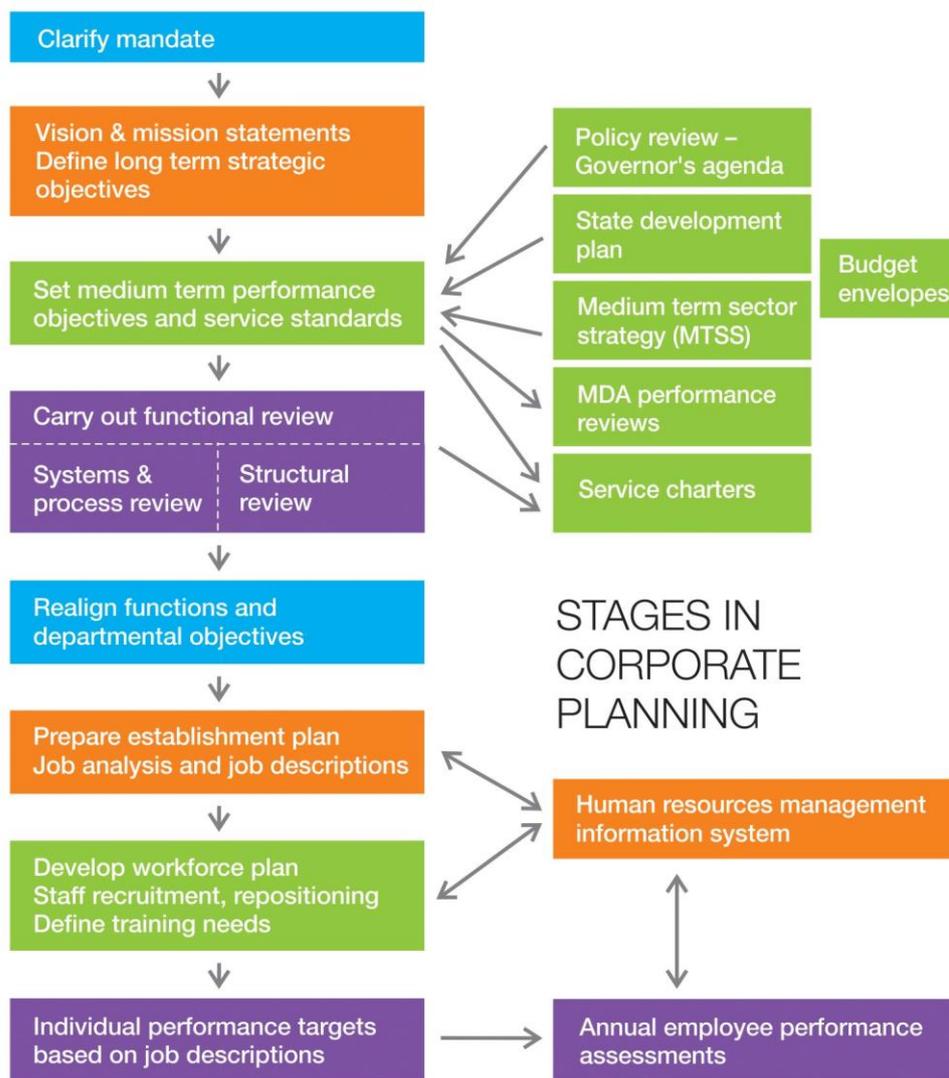
The starting point for corporate planning is the confirmed mandate of the MDA. The MDA mandate[4] is usually confirmed by the highest levels of government through the constitution, a law or other legal instrument. On the basis of its mandate, an MDA can then develop a vision statement and its mission. This leads to the next stage where the MDA identifies its long term strategic objectives, that is, the priority services and outputs to be delivered over five to ten years, based on analyses of the developmental challenges confronting it. These strategic objectives set the scene for the formulation of more precise medium term objectives (MTOs).

As Figure 1 shows, the MTOs must be derived from higher policy and strategic planning processes. They take account of political manifestos, short term priorities, and likely budget and other resource envelopes. They are usually set for three to five years and revised annually to take account of new issues and implementation performance. The medium term sector strategy (MTSS) is the most usual source of the MTOs. It might be argued that there is only limited scope to apply the corporate

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[4] Note that mandate refers to the fixed long term purpose and role of the organisation. It is distinct from the organisation's functions – which are the expression of the long term objectives.

planning methodology where there is no MTSS or similar medium term plan in place. MTOs should normally be set with performance standards against which actual performance can be measured. This means they can also be used as the basis for service charters – contracts of service delivery commitments made by MDAs to the public.

The next stages of the process review the functions and organisation of the MDA. There are three parts:

- A functional review, clarifying the necessary core functions (derived from the mandates and medium term objectives)
- A structural review, to ensure that the MDA has the correct configuration of departments and units to achieve its objectives efficiently
- A process review, to ensure that procedures and workflows are appropriate to the tasks of the MDA, and operate efficiently.

The end point of these reviews will be an appropriate organisational structure, with clear terms of reference for each department, section or unit. At the end of this stage, organisations are often faced with tough decisions: to introduce new functions and remove old functions, and to reorganise their structure.

The final stages of the process are concerned with aligning the staff structure and workforce with the needs of the organisation. Once the most critical structural changes have been made, the next stage is to look in more detail at the internal make-up of each department, section or unit. An establishment plan identifies the key posts required for the new structure, drawing up job descriptions and linking the jobs to the salary grades.

The final challenge is to match the existing workforce with the establishment plan. This will highlight areas that require repositioning of staff, workforce training, and recruitment and right sizing, and culminate in the preparation of a workforce plan.

Ultimately each employee will have a clear job description from which annual targets can be derived, thereby providing the basis for individual performance assessment. The workforce plan will also enable the MDA to provide individual career development and training plans for its employees.

MDAs exist to provide services to the public, to other public service bodies, or to both. They may produce and publish service charters as a direct follow-on from corporate planning. Service charters set out what the service user can expect from the MDA, what is expected of the users, and how to complain if something goes wrong.

Section 3: Overview of the Corporate Planning Approach

Buy-in and Relationship Management

There are three phases of corporate planning that focus particularly on relationship management.

Phase 1: Getting Critical Mass, Explaining and Promoting Corporate Planning

This phase calls for **participative and consultative methods to ensure that the process engages with as many stakeholders as possible**. Briefings should not be restricted to senior managers, steering groups or technical teams. MDAs should use mass communications internally to draw attention to the process, including posters, a series of short open briefing meetings, leaflets, a drop-in facility, etc. MDAs' managers must communicate and champion the process.

Phase 2: Maintaining Pace and Reporting Progress Widely and Regularly

This is essential to ensure that people know what is happening and do not forget that corporate planning is being implemented. Similar communications methods to those in Phase 1 should be used.

Phase 3: Technical Development of Recommendations and Delivery of the Reports

The primary contact for these activities will be decision makers, who should have the opportunity to consider and comment on proposed changes and the implications of managing implementation before these are shared more widely. The emphasis in this phase will be **direct engagement with the decision makers** (general participation is no longer appropriate at this point).

Diversity and Flexibility

It is important that the process is home grown. States must develop their own mission, objectives, structures and processes, rather than adopt one that is perceived to be technically correct. At the same time, rigorous technical analysis is essential to challenge objectives, structures, functions and processes which do not constitute good quality in terms of technical standards.[5] This means that consultants and state technical corporate planning support team members should **be more assertive when challenging the conclusions of participatory workshops: highlighting anomalies and citing comparisons from their experience elsewhere**.

In addition, it is important to recognise that **the basic methodological framework need not be applied too rigidly**. For example, in a state or MDA where existing development plans already document adequate mission, vision or MTOs, it is

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[5] For example, some MTOs focus almost entirely on building the capacity of the MDA undertaking corporate planning, rather than its service delivery objectives.

sufficient to undertake a rapid validation exercise rather than redeveloping these foundations. Where an MDA has already embarked on partial reorganisation or other organisation development processes, recognition of this should speed up the function, structure and process review stages.

States need to **establish and resource an internal MDA technical team**, not only to gather data, but also to analyse findings and participate fully in the formulation of organisation development options. This will strengthen the home grown approach.

Pace and Momentum

The corporate planning process can be slowed (or perceived to be slowed) because of the inevitable time lag between completing analysis and developing recommendations, and decisions about implementation. It is an inevitable reality that implementation is challenging for MDAs, and often requires iterative consultations with other MDAs and lengthy executive council (ExCo) review and approval processes. Furthermore, an overly participative process often frustrates participants and consultants alike – the early stages are sometimes described as 'slow' and 'boring'. **While maintaining participation as far as possible, a more extractive process should be used (particularly for functional, structure and process reviews, and for workforce planning) to speed up the process overall**.

A **timetable should be agreed and followed for the whole corporate planning process**. To maintain pace, the timetable should not be too protracted. For large or complex MDAs, it may be appropriate to phase the corporate planning process so that specific functions or directorates are completed in turn.

Delays at the various decision making stages can also contribute to lost momentum. As part of negotiating the timetable, **critical decision points and responsibilities for sign-off of findings, and action should be clearly identified**. Each stage of the process should be drawn to a definite close, so that ownership of recommendations, etc. is clearly transferred to the MDA decision makers responsible.

Realism, Readiness and Capacity

It is vital to ensure that senior management of MDAs fully understand what is involved in corporate planning from the beginning, and that the process does not begin until the MDA is ready. This is so important that if necessary the process should be delayed or deferred until readiness is certain. Time invested in building readiness is not lost. It is also important that MDAs understand that corporate planning is an iterative process, to **limit unrealistic expectations of quick wins and perfect solutions.**

State Government Roles

The process cannot move forward in an MDA unless there is at least one, and preferably several, champions at a very senior level. These people have to be able to fully understand the technicalities of the corporate planning process; to see the potential benefits and want to achieve them; and be prepared to manage the organisation to implement change. However, strong champions can also cause delays if, for example, decisions taken when they are absent continually need to be

revisited. The revised approach emphasises **investment in identifying champions and negotiating decision making processes** to avoid this eventuality.

Corporate planning must be carried out in partnership with public servants to ensure that limited resources are used efficiently and the organisational development effort is sustained. Where state public service teams lack the capacity for corporate planning, quality can be compromised, resources wasted and reputation damaged. MDAs need to define their roles and develop their capacity to support the process. In practice this will mean **establishing a technical team of counterparts for every corporate planning process**[6]**, providing the necessary orientation and training, as well as providing mentorship and supporting on-the-job learning** to equip them to take responsibility for continuing rollout and maintenance of the corporate planning process.

Communications and Learning

To articulate the change management process, it will be necessary to formulate a **communications strategy, raise awareness and conduct a lessons learned analysis after each stage**. This will provide an important opportunity for coaching state government counterparts, as well as for sharing between states and state level programmes (SLPs).

Speeding Up the Process

To speed up and simplify the process, all of the corporate planning stages shown in Figure 2 can be grouped into five main stages, to be completed as far as possible in a six-month period. Table 1 summarises the key features.

Essentially, this means there are four interim (Stages 1, 2, 3 and 4), and one final (Stage 5) report. The reports should be received by previously agreed deadlines, and decision makers should respond within a specific timeframe.

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[6] Often established in the Office of the Head of Service (OHoS) to provide an overview and continuity as well as guidance and direct support to the MDA-specific corporate planning teams.

Table 1: Key Features of the Corporate Planning Process

	Stage	Time	Key Features	Reports
1	Preparation	2 weeks	• An intense communication process to ensure that MDAs fully understand what they are starting • Presentations, documents, meetings, etc. should all be used • Identification and mobilisation of internal technical team • Preliminary scoping exercise to tailor the approach to MDA circumstances • Formal agreed explicit plan and timetable.	PLAN: Timetable, deliverables, deadlines, responsibilities,
2	Mandates, mission, vision, MTOs	2 weeks	• Short and sharp, but participative • Wide involvement • Drawing on whatever strategic plan, MTSS or other sources already exist rather than beginning with a blank sheet.	INTERIM REPORT: Mandates, etc.
3	Functions, structures and processes	2 months	• Expert-led in two distinct stages • First step is to review functions and align structure • Second step targets critical processes for recommended functions, to include: ○ Identification of existing processes to establish whether they are sufficient, and whether improvements to the processes are required ○ Identification and description of any missing processes which need to be introduced for critical functions ○ Identification of redundant processes to be abolished • Guided by a standardised methodology and templates • Conducted by trained consultants and/or state team members • Mainly extractive but with participative validation • Reporting clearly focused on the MDA decision maker(s) who will need to approve and implement the recommendations, rather than a general consensus-based process • Particular attention to be paid to communicating the outcomes to other staff.	INTERIM REPORT: Functions, structures, processes

	Stage	Time	Key Features	Reports
4	Establishment and workforce planning	2.5 months	- To include proposed establishment structures, which may require some workload analysis as well - Primarily expert and extractive - Involves collecting and organising large quantities of information - Guided by a standardised methodology and templates for workforce planning - Conducted by trained consultants and/or state team members - Job descriptions to be prepared and job analysis to be undertaken as needed - Reporting clearly focused on the MDA decision maker(s) who will need to approve and implement the recommendations, rather than a general consensus-based process.	INTERIM REPORT: Establishment, workforce plan
5	Implement-ation plan and handover	2 weeks	- Summarising all of the key recommendations - Identifying an implementation timetable and responsibilities - Including a transition plan covering: - workforce migration to new posts - communications strategy - progress reviews - formal agreement and sign-off by MDA decision makers.	FINAL REPORT: Compiled reports, implementation plan, lessons learned

Practical Application

Apart from the streamlined process described in Table 1, corporate planning facilitators should also give consideration at the planning stage to:

- The most effective way of awareness raising and explaining the corporate planning process, its benefits and limitations before beginning the work. Identifying and engaging champions and technical counterparts is one of the most critical elements of this, but is not sufficient in itself

- How precisely to achieve an improved balance between participative and extractive processes. (As described above, participation is more appropriate in the early stages of corporate planning, shifting to a more extractive diagnostic process, particularly for the structural and process review stages, and aspects of establishment and workforce planning)

- Whether it is desirable or possible to restrict consultancy inputs to a small number of consultants who have demonstrated an in-depth understanding of corporate planning, and organisation development in general, and who have the very considerable analytical skills which are required for this work

- How best to guide and support technical staff so that they are able to contribute fully to corporate planning initiatives without compromising outputs or quality standards

- How best to provide explicit guidance and briefings for other work streams and SLPs to ensure that they fully understand and are engaged with the corporate planning process in the relevant MDAs. (Apart from their technical input to the functional and process review/design stages, and to the development of job descriptions and establishment plans during the corporate planning process, the other work streams will continue to work with their MDAs on the implementation of agreed new structures, processes and workforce after the completed corporate plan has been signed off)

- Whether there is scope for/benefit in linking corporate planning to the first stages of service delivery improvement (service standards, charters and service level agreements) to make the connection between MDA fitness for purpose and outcomes in terms of improved service delivery

- How precisely to build the capacity of counterparts to participate in corporate planning, both in the target MDAs and in central reform agencies charged with supporting the process

- Defining arrangements for systematic lesson learning and sharing, both within and between states, throughout the process.

Section 4: Stage 1 Revised Corporate Planning Process: Preparation

Duration: 2 Weeks

Key Features

- An intense communication process to ensure that MDAs fully understand what they are starting
- Presentations, documents, meetings, etc. should all be used
- Identification and mobilisation of internal technical team
- Preliminary scoping exercise to tailor the approach to MDA circumstances
- Formally agreed explicit plan and timetable.

Change Management in General

Corporate planning is in essence a process of enabling the MDA to respond to change. In the present fast-moving world, institutions are being constantly challenged to keep pace – change is pervasive in terms of expectations, technologies, attitudes, politics, resource availability, etc. MDAs need to recognise that:

- Change is about challenge and opportunity
- Change is about people – it requires the active participation of all their personnel
- Change is a perpetual process – requiring constant review of an MDA's structure, systems and processes in order to achieve its mandates
- Change is about ownership by all stakeholders
- Change requires competent change agents to help steer the process.

Ensuring MDAs Understand and Are Prepared for Corporate Planning

A useful first step is to define, understand and explain the goals and potential benefits of corporate planning alongside other reforms (especially the introduction of MTSSs and improved budgeting) and other SLPs in the reform programme. For example:

- Unclear mandates mean that MDAs may not confidently plan budgets and organise resources to deliver core services. Clear mandates complement medium term planning to ensure that MDAs are correctly focused to contribute to the implementation of sector strategies
- Medium term objectives allow MDAs to be more strategic in their planning and better able to organise their staff and other resources
- A clear mandate and vision can engage and inspire staff to deliver service and make a difference to citizens' lives
- Clear and appropriate functions and processes enable MDAs to organise resources and activities in the most effective and efficient manner

- Job descriptions derived from defined functions and underpinned by efficient processes can increase staff motivation and are the basis for meaningful performance discussions
- A proper gap analysis of the skills needed to deliver services and meet job standards and expectations will inform the training and development plan
- More accurate establishment plans mean better cost control
- Medium to long term workforce plans will address challenges such as an ageing or under-qualified workforce
- Instituting a systematic approach to organisational reviews and training partners such as staff in states' reform and transformation bureaux will add to the skills pool and sustainable change.

Once the need for change and the potential benefits of change have been accepted in principle the specific proposals and work plan can then be developed.

Identifying and Mobilising the State Corporate Planning Team

Senior management support is crucial to the success of corporate planning. The support should signal a readiness to embark on a transparent process which intends to achieve improvements in effectiveness, efficiency and service delivery. It should also signal commitment to follow through on whatever plans are produced. Top management includes commissioners, permanent secretaries and directors. They need to be committed to positive change and to initiate and drive the process.

It is essential to establish a senior, state-level decision making 'Corporate Planning Committee' or other structure with responsibility and authority for driving the reforms and effecting change. These responsibilities should be outlined in formal terms of reference to ensure clear accountability. The decision making body should drive the pace of the work and hold those conducting the corporate planning exercise to account. Experience indicates that the Office of the Head of Service (OHoS) is the natural home of such a committee, but it might also be placed with an exisiting committee which already has a wider reform remit (e.g. some states already have a high level reform committee or similar body). In either situation, there may also be benefits in establishing a technical team of officers that can act as a resource to support individual MDAs undertaking corporate planning.

Agreeing the Corporate Planning Model and Piloting the Process

Testing any change model is a valuable way of gaining additional insight into some of the likely challenges and ways in which the process can be applied. It also means that the staff and other resources needed for the review can be planned and managed.

If a state decides to undertake a pilot corporate planning process, some of the key questions to ask are:

- What is the precise purpose of the pilot? Will the pilot MDAs be the showcase for others or a test bed for the methodology?
- Which MDAs will take part in the pilot and how will they be identified?
- Will the MDAs be able to absorb the demands on them?
- How long should the pilot corporate planning process last?

- What mechanisms exist, or need to be established, to co-ordinate, manage and monitor progress and logistics during the pilot?
- Who else will be involved, e.g. reform or transformation bureau staff? OHoS staff? Will they be released from their day duties?
- Who will the MDAs nominate to do the work during the pilot? Will they be released from their day duties?
- What training or sensitisation needs to take place prior to the pilot launch?
- How to keep people informed and enthusiastic and maintain momentum during the pilot process?
- What resources, etc. will be required?

Once the pilot phase corporate planning has been completed and the methodology adequately followed, the results should then be validated, adjusted and formalised by the senior decision making body.

The process should be conducted in stages with quality assurance at the end of each stage. It is important that each stage build on the firm foundation of its predecessor.

The formal recommendations should include a detailed work plan for proposed implementation of any changes which are to be rolled out across the service.

MDA-level Corporate Planning Preparations

At MDA level, the corporate planning process needs clear management arrangements and structures if it is to succeed. It is up to each MDA to work these out for itself but they are likely to include:

- Some sort of temporary oversight structure (or steering committee) including top officials – such as the commissioner, the Permanent Secretary (PS) and relevant special advisors (SAs) to plan, manage and communicate the process, approve the corporate plan and ensure its implementation
- Specific technical team(s) reporting to the steering committee, with membership representative of the various departments of the MDA which will do the detailed consultations, data gathering, analyses, ideas, etc.
- A mini secretariat which drives, co-ordinates and supports the various teams or committees on a day-to-day basis.

Membership of the steering committee and technical teams should be selected from reform minded officers.

If there is an agency charged with central support or oversight of corporate planning or public service reform in general, it should also be represented in the technical team(s) and/or on the steering committee.

The MDA steering committee should decide how the MDA will develop its corporate plan. In order to do this, the MDA corporate planning team should undertake a preliminary scoping exercise to tailor the approach to the MDA's circumstances. This will take account of, for example, pre-existing vision or mission statements, MTOs, or ongoing structural or other reforms which must be accommodated. The timing of major data-gathering or other exercises should match the MDA's calendar of events

and make allowances for known peaks and particular workload bulges (e.g. avoiding the budget period in MDAs responsible for budgeting and planning). When the precise approach has been agreed, a formal plan and timetable should be developed and made public. This should include decision points, submission deadlines and the proposed contents of the stage reports identified in Table 1 above.

The planning timetable of activities should be developed for all committees and teams involved in the process. This should provide clear indications of when and where specific corporate planning activities will take place and who is responsible for what. For each committee, the following issues should be clarified:

- Who will organise meetings and workshop events
- What results are expected from each
- What support or facilitation is required
- How decisions will be made and agreement reached on important issues
- When and how other stakeholders will be involved in the corporate planning process (for example, the heads of department and clients).

Communicating throughout the Corporate Planning Process

Corporate planning is based on management commitment, but also relies on communication, and active employee participation to achieve a degree of ownership and enhance the chances of success. Key features of this are:

- A preliminary programme of briefings, posters, leaflets, etc. to ensure that all staff of the target MDA understand the reasons and objectives of the corporate planning process, understand how it will be implemented, and how they will be involved
- A plan for continuing communication through workshops and meetings as well as paper-based information and updates.

The corporate planning approach will balance highly participative methods in the earlier stages, (including mini-roundtables, forums, meetings, retreats, feedback sessions, etc.) with more extractive, expert and advisory processes for the later, decision making stages. However, even where the latter are used, results and outcomes should be regularly publicised when managers have made their decisions.

Communication is fundamentally important to the success of a corporate planning initiative and so it is essential to think this through in advance and set up an appropriate system. There are three areas to consider:

- Communication between the core actors, the committee members and various teams
- Communication with the wider staff members and unions in the MDA
- Communication with the public.

Communication between the Core Actors, the Committee Members and Various Teams

This level of communication will normally be achieved through regular meetings, mini workshops and retreats. It is essentially about managing and guiding the

corporate planning process, ensuring common vision and direction, monitoring progress, resolving problem issues, etc.

Communication with the Wider Staff Members and Unions in the MDA

Communication at this level is about keeping faith with the wider group of employees and their unions, and informing and educating them on the corporate planning process. Any internal review or change process will create uncertainties, worries and rumours among staff. It is therefore important to ensure that staff clearly understand what is being done and why. It is also important to set up means by which they can directly question those driving the process, contribute ideas, express their concerns and see that these are being taken account of.

Communication methods will include large meetings led by top management, presentations, regular newsletters or briefing notes, posters, etc. It may also be necessary for top management to hold specific meetings with union officials at an appropriate stage.

Communication with the Public

While the public will not really be concerned with the internal organisational arrangements of the MDA (unlike the staff), they should be informed about the strategic plans, objectives and service delivery arrangements. The external stakeholders or clients will need to know how corporate planning will impact on service delivery.

Communication with this group of stakeholders involves providing information through stakeholders' meetings, focused roundtable discussions, print and radio/TV media, posters, information desks, etc. It also may include inviting feedback through focus groups, suggestion boxes and public meetings.

Funding for Corporate Planning Activities

A corporate planning process does not need to be expensive but inevitably requires resources. Some amount of money should be earmarked for this purpose. This should ideally come from budgetary overheads on the MDA's administration. It may also be possible to get support from donors supporting public service management reforms and capacity building. Where there is an existing donor funded programme in the MDA, the likelihood of getting funds or assistance in kind should be explored.

Areas where funding support will be needed may include:

- Workshops and meetings
- Consultant facilitators
- Stationery
- Computer and internet access
- Refreshments for committee work
- Office supplies and support for the co-ordinating secretariat
- Publication and distribution of outputs such as corporate planning progress reports, mandates, vision and mission statements, etc.

Corporate Plan Documentation Format

At the outset, a decision needs to be made about how the corporate planning process is to be documented. Although the MDA should be able to choose how they want the outcomes to be documented, it is strongly recommended that the MDA receives interim reports and a final report as the stages in the corporate planning process are completed. Ideally there should be four interim (Stages 1, 2, 3 and 4) reports, and one final (Stage 5) report. The final report should include summaries of all of the stages as a comprehensive record of the process, together with all recommendations, an implementation plan and a record of lessons learned.

The Toolkit resources supporting Stage 1 are

1a   Briefing Note on Corporate Planning

1b   Readiness for Change Checklist

1c   PowerPoint Presentation: Introduction to Corporate Planning

1d   Sensitisation Exercise: Walk-through Corporate Planning End-to-end

1e   Model Corporate Planning Timetable

Section 5: Stage 2 Corporate Planning Process: Mandates, Mission, Vision, Medium Term Objectives

Duration: 2 Weeks

Key Features

- Short and sharp, but participative
- Wide involvement
- Drawing on whatever strategic plan, mandates, MTSS or other sources already exist rather than beginning with a blank sheet.

Introduction

This stage should be participative, but it should not be overextended. While wide involvement is desirable, this should be balanced with completing the work in a relatively short timescale. Workshops are useful but should not be too large or lengthy. As many as 40 participants may be manageable for some MDAs, but as few as 10 to 15 might be more appropriate in some circumstances.

Be realistic about who can usefully contribute to discussions. Technical and professional staff may have valuable information and insights, and will benefit in terms of personal development. More junior staff should be represented, but it will be more effective to primarily involve those with the knowledge to contribute and the seniority to make decisions. However, the outcomes of the process should be widely shared with staff and a mechanism to allow staff to comment on the outcomes at a draft stage can improve engagement.

Many MDAs will already have usable documents or outputs relating to the different stages, which will reduce the amount of work needed. If possible, existing mandates, mission, vision and MTOs should be reviewed and validated rather than re-invented. All relevant documents need to be brought to the table to facilitate this.

At the other extreme, some MDAs may not have any long term strategic plan. However they should still be able to carry out corporate planning effectively **provided** they are in a position to generate satisfactory long term goals which are adequate to provide a basis for some medium term plans. However it is highly desirable to have some form of long term strategic plan (and preferably a detailed MTSS) in place as the basis for MTOs. With careful design of facilitated analytical exercises it should be possible to generate adequate outputs for these stages in a shorter time frame.

Clarifying Mandates

Clarifying an MDA's mandate is a crucial first step in the corporate planning process. It defines the specific functions and responsibilities of the MDA within the scope of overall government activities. Mandates define responsibilities for services

and functions between ministries and agencies and between the tiers of government.

A mandate can be defined as:
- An official order or authorisation given to an MDA to act on behalf of government
- Power or authority to implement certain policies, functions or programmes
- A document giving an official instruction or power given to deliver a service.

Note that many states will have already completed an exercise to clarify mandates across the government before attempting corporate planning. Where this has happened then these should simply be cited and accepted as the mandate basis for corporate planning.

Once the mandate is documented[7], the remainder of the corporate planning process determines how each MDA will deliver agreed services, targets and standards in accordance with it. But before this can be done, it is necessary to ensure that the mandate is robust, and resolve any mandate problems, as described below.

A good starting point for clarifying mandates is to refer to the various pieces of legislation which may have been passed to establish the MDA. These will normally include the specific functions, powers, responsibilities and service delivery related activities which are thereby legally entrusted to the MDA. It should be possible to discern the core mandate and then the supporting functions.

Legislation may have been passed at different times in the past and it is best to get copies of all relevant legislation. Be aware that government may sometimes omit to repeal or amend legislation which has been superseded. This is a common cause for overlapping mandates.

The next stage is to review what functions and responsibilities the MDA is **actually** carrying out in practice.

- Is it implementing all of the functions in its enabling legislation or is it omitting some of them? If so which ones?
- Is it carrying out some functions which are not within its legislation? What are these and which MDA should be doing them?
- Have some other MDAs taken over some of the functions, if so which ones?
- Are some of the functions delegated to a parastatal or another tier of government? Which ones and exactly who is doing what?
- Are there conflicts over the mandate with another MDA or with a different tier of government?
- To what extent have gender and social inclusion issues been mainstreamed into the functions and responsibilities of the MDAs?

After reviewing the practical realities, any areas of mandate conflict and/or confusion should be readily apparent. These need to be resolved before proceeding

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[7] Changes to an MDA mandate should be submitted to the relevant official body and gazetted.

further with the corporate plan. Resolution can best be achieved by holding direct consultative meetings with the MDAs where there is any confusion.

Defining Vision, Mission and Core Values

Developing long term goals, objectives and strategies (covering a five-to-ten year time frame) for the MDA is a crucial multi-stage process which starts with the setting of vision, mission and core value statements. This effectively articulates the key strategies (courses of action) by which the goals defined in the mission will be met. In essence, by developing prioritised long term goals, the MDA defines its direction, and makes outline decisions on allocating its resources, including funds and people.

Vision, mission and core value statements provide a strategic direction for the MDA through simple, succinct explanations of what the organisation is trying to achieve, how it will do it and who will work with it to achieve the desired outcomes. They also act as a focal point for achievement and bring people together to achieve a common agenda.[8]

Vision

The vision is the guiding picture and sense of direction that inspires the people of the organisation. It is about what will be achieved in the wider sphere if the organisation and others are successful in achieving their individual missions. A vision statement is an aspirational description of what an organisation would like to be and to achieve in the mid to long term. It is intended to serve as a clear guide for choosing current and future courses of action.

Mission

A mission statement is a brief written statement of the purpose of a public or private organisation, (including a ministry or department). Ideally, a mission statement guides the actions of the organisation, spells out its overall goal, provides a sense of direction, and guides decision making for all levels of management. A mission statement often contains:

- The purpose and aim of the organisation
- The organisation's primary stakeholders, e.g. clients, staff, etc.
- Responsibilities of the organisation towards these stakeholders
- Products and services offered.

Value Statement

A value statement sets out, in explicit terms, the beliefs that are shared by the stakeholders in an organisation and hence the ways in which the MDA intends to relate and engage with its customers/clients/users/stakeholders. Values drive the organisation's culture and priorities. The core values show what the MDA stands for and what is distinctive about its character.

Vision and mission statements that are developed by a wider senior management team –e.g. Honourable Commissioner, Permanent Secretary, Chief Executive

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[8] Many people confuse vision and mission statements and sometimes one is simply used as a longer version of the other; however they are quite different. A vision statement expresses a state of being whereas a mission statement is more specific about what the MDA should do.

Officer (CEO) and directors and heads of department – with inputs from other service-minded people in the MDA, take longer to produce but are more powerful. Sharing the process of setting these goals, values and aspirations helps greatly in developing an effective organisational team. People in the organisation should see their needs and wants represented.

One approach to defining vision and mission is to pose two questions:

1) What aspirations does the organisation have for the world in which it operates and has some influence over?
2) What can (and/or does) the organisation do or contribute to fulfil those aspirations?

The answer to the first question provides the basis of the vision statement. The answer to the second question determines the mission statement.

Goals, Objectives, Outputs and Activities

It is very easy to become confused by definitions of terms like 'goals', 'objectives', 'outputs', 'results', etc. Different organisations and people use these words to mean different things, sometimes interchangeably. What is important is to create a clear and agreed understanding of **why** the MDA exists, **what** it is trying to do and **how** it is planning to do it.

A goal is a broad statement about the ultimate or long term aim of the MDA, the higher order cause to which the work of the sector/MDA is intended to contribute (e.g. provision of affordable basic education for all ultimately contributing to improved living standards). Sometimes the statements describing the vision are essentially goal statements.

Objectives are a second order. An MDA may have one or several objectives which each contribute to the achievement of the goal. Objectives are usually shorter term and more specific. They can be aligned with the whole MDA or individual departments.

Outputs and activities come next in the hierarchy of purpose – more specific, more time-bound, more controllable.

Table 2: Hierarchy of Goals, Objectives, Outputs and Activities

| LEVEL	DESCRIPTION	RESPONSIBILITY AND CONTROL
GOAL	The **Goal** is a higher order or longer term outcome that the MDA contributes to. It can be defined as the overall big picture need or problem being addressed.	**The Governmental Level** Goals are something that one MDA alone does not totally control. Attainment of a goal requires a number of actors and positive external
OBJECTIVE	The **Objective(s)** describes the specific and immediate purpose of the MDA. The Objective(s) needs to be clearly defined so all key stakeholders know what the MDA is trying to achieve. The **why** question.	**The MDA Level** The objectives of an MDA are more within the scope of its control but not totally so. They are the sum of the outputs from the departments. Their attainment will usually require some

OUTPUTS	The **Outputs** describe what the MDA will actually deliver over a specific period of time. They could be the terms of reference for a department.	**The Departmental or Divisional Level** Outputs should be under almost total control of departmental managers.
ACTIVITIES	The **Activities** describe what will be done to achieve each output. The **how** question.	**The Individual or Unit Level** Activities are something which individuals or small groups are completely in control of in their day-to-

Defining Medium Term Objectives

Defining MTOs is a very important part of the corporate planning process in terms of clarifying exactly what the MDA should be doing, setting performance measures and deciding the financial and human resources required to implement the strategies and policies.

Note that developing MTOs in the absence of some form of sector strategy/MTSS is a major undertaking that will require expert strategic planning and budgeting expertise, as well as technical knowledge of the MDA's technical sphere of operations. Very careful consideration should be given to whether it is possible to carry corporate planning forward in a situation where **no** strategic objectives have already been defined and ratified for the sector or MDA.

The relationship between a longer term goal, medium term objectives and ongoing activities and inputs are shown in a simplified results chain in Figure 3 below. A results chain shows how the MDA's inputs translate into ultimate impacts (the achievement of the goal) through activities, outputs and outcomes.

Figure 3: Results Chain
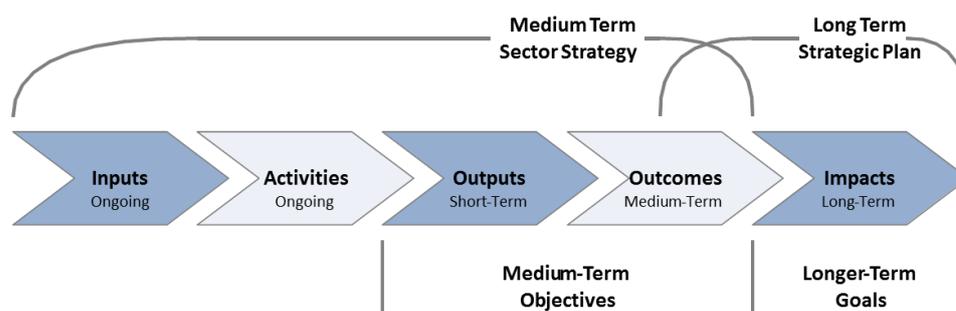
Desired outputs and outcomes should be defined as MTOs for all aspects of the work of the sector/MDA. There can be several different categories of MTO, including:

- Technical (sector/sub-sector specific) – these are critically important and must be covered
- Institutional (new legislation, regulations, etc)
- Organisational (structural and functional changes)
- Human resources (staff development, deployment, etc)
- Governance and accountability.

MTOs are essentially policy based targets to be achieved within the medium term (three to five years). They need to be realistic and affordable in terms of the human and financial capacity of the implementing agency. They should therefore be derived from, and relate to, reasonably accurate data and statistics on service needs and also the likely budgets available. In terms of policy, they should be guided by any national or state policy or strategic plan (development plan, MTSS or other).

Some MDAs will already have some sort of MTOs in the form of three year rolling plans or MTSS. Ideally, medium term plans should also be part of a medium term expenditure framework (MTEF). However, the absence of these need not prevent the MDA from defining its MTOs, provided it has a clear mandate, vision and mission, and **some** strategic objectives have been defined and ratified.

It is particularly important to challenge MDAs on the quality of the MTOs which they propose. In many corporate plans MTOs relate to building the capacity and resources of the MDA itself, rather than the services which the MDA should deliver. MDAs must define their actual resposnsibilities to deliver services and meet standards: without this, there is only a weak foundation for the next stage of the corporate planning process.

Linking Medium Term Objectives and Service Delivery Standards
MTOs should include details of services and activities which can be measured through some sort of indicator. Indicators at the highest level can be about improvements in human development indices or Millennium Development Goals (MDGs) (more relevant to long term strategies than medium term plans). At the next level down they are usually about quantity, quality and equality of services delivered.

Although not a formal requirement for completing the corporate planning process, it should be noted that once indicators are agreed, standards and performance targets can be set. When an MDA has identified its performance targets and standards it is possible to make an immediate and direct link to service delivery and service charters. Service charters are powerful tools for improving standards of public service, achieving greater accountability and transparency in service delivery, and reinforcing democratic principles by empowering the citizen.

If the MDA is working through corporate planning in an effort to address service delivery issues, it may be helpful to devote more attention to defining high quality indicators and standards at this stage – especially since this will improve the accuracy of the functional and process reviews at Stage 3 of the corporate planning process. Alternatively these can be developed at a later stage, which may be preferable if the MDA is struggling with the service delivery concept.

The Toolkit resources supporting Stage 2 are:

2a   Checklists and Examples for Setting Mission, Vision and Values

2b   Guidance and Template for the Development of Medium Term

Objectives

2c   Guide to Producing Service Charters

Section 6: Stage 3 Corporate Planning Process: Functions, Structures and Processes

Duration: 2 Months

Key Features

- Expert-led in two distinct stages
- First step is to review functions and align structure
- Second step targets critical processes for recommended functions, to include:
    - Identification of existing processes to establish whether they are sufficient, and whether improvements to the processes are required
    - Identification and description of any missing processes which need to be introduced for critical functions
    - Identification of redundant processes to be abolished
- Guided by a standardised methodology and templates
- Conducted by trained consultants and/or state team members
- Mainly extractive but with participative validation
- Reporting clearly focused on the MDA decision maker(s) who will need to approve and implement the recommendations, rather than a general consensus-based process
- Particular attention to be paid to communicating the outcomes to other staff.

Overview

This stage is one of the most fundamental and most difficult parts of the corporate planning process. This is where the functions and processes of the MDA are analysed and refined and the organisational structure is redesigned to optimally deliver the MTOs. This stage consists of two distinct steps: review of the functions and redesign of the organisational structure, followed by a review of the key processes involved in carrying out each function.

These can be the most problematic stages in corporate planning exercises, specifically when:

- MDAs have not previously considered the relationship between their functions and the organisational structure, with the result that the structure does not readily map onto the necessary functions
- Departments and units have proliferated for special purposes and been allowed to remain after their role has ended, often resulting in substantial resistance from MDA personnel to restructuring or abolishing them
- Within departments and units the staff structure is merely a hierarchy of grades, without any consideration of the roles which are necessary to deliver the functions

- Most significant of all, many of the processes which should be necessary to discharge the functions do not exist, and MDA personnel are unable to make the link between designing and operating process and delivering objectives.

As a result, facilitators have found themselves designing structures and processes for functions on paper which bear no relation to the actual circumstances of the MDA. It is apparent that this stage requires expert technical direction to ensure that proposed structures and processes are of sufficient quality. Participation should therefore be limited to small groups directly involved in the function and process. This analysis does not lend itself to large group workshops, and decision making should not simply be on the basis of participants' consensus. Final decisions on structures (which may have very significant implications for future staffing) must be the prerogative of senior managers.

Various approaches have been tested to streamline the functional, structural and process review. In a number of cases the three reviews have been combined, but this has led to extremely lengthy reports which essentially become lists of ideal world structures and processes.

This guide proposes a different approach, as follows:

- The first step is to ensure the organisational structure is consistent with the functions. This should be completed as a stand-alone task
- Only when the functions and structure are agreed by the MDA steering committee should the process review be conducted
- The process review should identify the small number of core functions which are necessary to discharge the function and meet the MTOs – and concentrate on these
- The processes should be presented as simplified flowcharts showing the 'as is' and 'future state' processes (which incorporate necessary improvements and revisions) side by side.

The Toolkit provides examples and templates for the process.

Definition of Terms

Function
This is the special purpose, role or task of a public institution assigned to it by a higher authority – a duty specific to a particular department, unit, post or job.

Functional Review
This examines the functions and structures of state agencies or budget entities and asks whether the functions need to be done at all; whether other agencies or actors could do them more efficiently or effectively; and what the consequences are for the organisation's structure.

Process
This is a sequence of logically related activities, tasks or procedures delivering a clear output which contributes to the achievement of a core function, service standard or MTO outcome.

Process Review

This is an important exercise to ensure that the necessary processes are being operated to deliver the specified outcomes or services. Processes can cross departmental and unit boundaries (for example, the recruitment of a new civil servant spans the Civil Service Commission, Office of the Head of Service and Finance.) Processes are mapped, usually using a flowchart methodology which identifies the steps in the process and the sequence in which they should be completed. Decision points which lead to branches in the process are identified, and flowcharts can also locate the responsibility for completing each step.

Functional and Structural Review

Functional and structural reviews usually involve looking at the organisation from different perspectives and then reconciling these to achieve the optimum arrangement. These perspectives include:

- The alignment of structure and functions in terms of the mandate, mission and objectives
- The implications of functional allocation and structure for the organisation's actual performance and level of achievement.

Using these different perspectives, the functional review should consider:

- Is the organisation carrying out the right functions to fulfil its mandate and deliver its MTOs?
- Are some functions inappropriate? Could some be dropped? Should others be created?
- Are the functions that are to be retained organised and set up to achieve optimum performance?

Once the necessary functions are defined, the dimension of organisational structure can be considered. The two are completely interrelated. There is no one correct organisational structure – the design of an organisational structure is an exercise in finding the best match for the functions which are necessary. Many criteria need to be considered in arriving at the best structure, and it is usually necessary to negotiate through a number of iterations to fine-tune the structure. Some aspects to consider are:

- Ensuring that the structure reflects the role, relationships and distribution of the functions of the organisation (e.g. who needs to work, co-ordinate or communicate closely with whom)
- Ensuring that the structure achieves the desired balance of staff motivation, checks and balances, and accountability
- Ensuring that the structure provides for an appropriate span of control, with between five and seven people reporting to any supervisor (although the span of control can vary widely depending on the nature of the work and the level in the organisational hierarchy)
- Ensuring that the structure operates with the minimum levels of hierarchy (i.e. as flat an organisation as possible)
- Ensuring that the structure facilitates efficient internal control and speed of response

- Ensuring that the structure fosters synergy of skills, expertise or knowledge aligned to the core function or service areas
- Ensuring that the structure will comply with and, if possible, facilitate achievement of relevant gender and social inclusion equality targets.

It is very important that the proposed structure is shown alongside the existing structure. Every significant change must be identified, explained and justified in terms of how it better aligns the organisation to fulfil its functions, and how well it meets the other criteria defined above.

A key output of the functional and structural review should be the description of proposed responsibilities and functions of each department or unit. This should be taken as the starting point for the revised establishment in Stage 4 of the corporate planning process.

Public service organisations are normally extremely resistant to making changes to the structure, so it is essential to make a clear case for any proposed changes. Also be prepared to deal with inertia, and a tendency to simply accept and argue for the status quo. This is one of the reasons why structures should not be redesigned on the basis of a workshop consensus.

Process Review

The purpose of the process review is to map the processes which are necessary to deliver the core functions and MTOs of the MDA. There is almost always a large discrepancy between the actual processes that already exist in the MDA and those which are required. Furthermore, there is wide variation between the comprehensiveness and fitness for purpose of different types of processes (typically finance processes are better defined than others), and wide variation between states (with some MDAs in some states being almost unable to articulate any defined processes for their work). Often there is no written procedure and sometimes people involved with the same process have very different versions of what takes place. The process is at best inconsistent and so difficult to record. In these cases it really is a matter of deciding whether the process is legitimate and needed and, if so, starting from scratch to lay out a reasonable set of steps. Finally, the poor design of many processes leads to a default position where decisions may only be taken by middle (or even senior) managers. This creates bottlenecks.

A pragmatic approach to process review is as follows:

- Focus on the key processes that impact most significantly on the service delivery of the unit
- Set criteria to choose the processes to be analysed, which may include level of impact, the frequency of execution, the number of beneficiaries, the complexity of the processes, etc.
- Agree a shortlist of the most important processes to be reviewed
- For each of these processes, record the current process (the 'as is') on a flowchart
- Carefully analyse each 'as is' process to identify whether it is fit for purpose or could be improved

- Identify the time the process takes and who is involved (including players outside the MDA)
- Record any proposed improvements to the process on a new 'to be' flowchart
- Itemise the changes which would be necessary to implement the improved process to assist the MDA to consider the proposals and take action.

The flowcharts need not be complex. They should simply capture the information in such a way that the process can be understood by the reader. The Toolkit contains examples of both simple and more complex flowcharts.

It is very important that the revised process is shown alongside the existing process, and that every significant change is identified, explained and justified in terms of how it better aligns the organisation to fulfil its functions. Expectations should be realistic: this process-oriented approach represents a very major cultural shift for most MDAs in most states.

The Toolkit resources supporting Stage 3 are:

3a   Step-by-step Guidance to Functional, Structural and Process

Reviews

3b   Guidance and Templates to Assist with Process Review

Section 7: Stage 4 Corporate Planning Process: Establishment and Workforce Planning

Duration: 2.5 Months

Key Features

- To include proposed establishment structures, which will require some workload analysis as well as drawing on processes
- Primarily expert and extractive
- Involves collecting and organising large quantities of information
- Guided by a standardised methodology and templates for workforce planning
- Conducted by trained consultants and/or state team members
- Job descriptions to be prepared and job analysis to be undertaken as needed
- Reporting clearly focused on the MDA decision maker(s) who will need to approve and implement the recommendations, rather than a general consensus-based process.

Once the structure and functional organisation of the MDA are clear, the next challenge is to set out the plan for the workforce composition – including jobs, skills, knowledge and behaviours – to achieve the MDA's objectives and how these will be addressed.

Earlier stages of the corporate planning process will have led to a reconfiguration of the structure of the MDA, modifications to its functional responsibilities and their distribution as well as ways to improve the efficiency and effectiveness of the processes carried out. When adopted by the MDA, all of these organisational changes will have significant implications for the numbers, distribution, responsibilities and capabilities of the staff employed in the MDA. To align the MDA's staff for the changes provided by the corporate plan, three interrelated steps must be completed:

- **Define a revised establishment for the MDA**: to define the composition of the workforce in terms of posts, jobs, and skills required to respond to the structure, functions and processes proposed and adopted
- **Analyse the existing workforce and identify gaps:** specifically match the current numbers, experience, competencies and demographics of the existing MDA staff with the needs and identify the shortages in terms of staff, numbers, grades or competencies which must be addressed
- **Prepare a workforce plan:** which sets out the process of getting the right people, with the right skills, in the right jobs (identified in the revised establishment) at the right time to enable the MDA to deliver its goals, strategic objectives and service delivery targets.

Defining the Establishment

In public service an 'establishment' is a list of posts approved for an MDA, department or other sub-component of the MDA, that are intended to enable the MDA or sub-component to effectively and efficiently undertake its functions. The establishment lists each post by its title and grade. While the establishment defines all approved posts, whether filled or vacant, the nominal roll provides a list of staff that have been appointed and are in-post at any one point in time. The two should not be confused.

The revised establishment should define the posts and disposition of staff needed to enable the MDA to undertake its responsibilities once all reorganisation and reconfiguration of its structure, organisation and functions have been approved or at least agreed. One output of the functional and structural review should be the description of responsibilities and functions of each department or unit. This should be taken as the starting point for the revised establishment.

Each establishment must be designed for a particular department or unit and the establishment for every department will almost certainly be different from others. The only possible exception to this will be some administration units, which will have identical or very similar duties no matter in which department they are located. The practice of creating identical post hierarchies (for example, head of department x 1, deputy head of department x 2, principal officer x 4, senior officer x 8, and so on), irrespective of the nature of the tasks being undertaken, must be abandoned.

It should be recognised that in the revised establishment that fits the MDA's new structural and functional needs, some posts may now be redundant, new posts may need to be created, others may need to be transferred to a different department. Establishment planning, therefore, involves an MDA defining the posts it requires and assigning to each post the requisite job description/schedule, the necessary skills, grades and competencies. Part of this process includes job analysis and job evaluation.

Job Analysis

This is the process of assessing the characteristics, level of responsibility, competencies and experience required for a job. This includes analysis of:

- The tasks that make up a job
- The conditions under which they are performed
- What the job requires in terms of aptitudes, attitudes, knowledge, skills and the physical condition of the employee.

Job analysis should result in the preparation of a job description or job schedule which includes a list of the tasks, or functions and responsibilities of a position. Typically, it also includes the managerial reporting relationships of the post, as well as specifications such as the qualifications and experience needed by the person in the job, etc.

Job Evaluation

This is the process of systematic comparison of jobs to assess their relative value and assigning jobs to a grade which is in turn linked to a salary scale. Job evaluation in the Civil Service is done across the board rather than on the basis of an individual MDA.

Summary of Stages in Establishment Planning

- List all existing posts (grades, required qualifications, experience level and competencies)
- Compare this list to the output from the function, structural and process reviews
- Create a new list of posts which fits the new structural and functional needs
- Produce a new Establishment plan
- Review the job descriptions for the existing posts which will continue
- Consider gender equality and social inclusion
- Create new job descriptions and grades for the new posts that have been created.

In cases where few job descriptions exist, the task of preparing job descriptions from the beginning is likely to be time-consuming. Therefore, consider preparing the most important job descriptions while training and supporting the counterpart technical team to complete the remainder. Job descriptions should always be based on expert interviews rather than relying on staff-completed questionnaires.

Workforce Planning

Effective people management and development is fundamental to achieving service improvement. Unless the MDA can attract, retain, develop, manage and motivate skilled people it will find it difficult to keep pace with the increasing demands for high performance, improvement, modernisation and efficiency.

The goal of the workforce plan is to get the right people, with the right skills, in the right jobs (as identified in the revised establishment) at the right time. A comprehensive workforce plan should identify the strategies for building the relevant skills and capacity needed for organisational success. It should set out how the MDA will recruit, support, develop and retain the employees it needs for the future. It will also show where employees need to move to new jobs to meet changing needs and priorities and, in some cases, where there will be redundancies.

The first part of workforce planning is a gap analysis that compares current workforce demography and capabilities with the workforce that will be required for future functions and responsibilities when revised structures and processes become operational. The second part is defining the required workforce and developing actions to bridge any gaps that may be identified.

However, workforce planning does not exist in isolation. It must mirror and take full account of the changes that a corporate plan might engender. Changes in organisational priorities, functional responsibilities or processes used to undertake activities will all create changing demands on the staff of an MDA. The workforce

plan must also respond to wider development and service goals of the state government as well as policies concerning recruitment and budget constraints. Equally, any workforce plan must address strategic directions dictated by the MTSS and other MDA strategies.

Critical workforce planning questions are:

- Have priority managerial skills that are needed for high performance been identified? (e.g. project and programme management; finance and planning; performance management; procurement; maximising the use of technology)
- Have current and future occupational shortages been identified?
- Have key generic skill gaps been identified across the organisation? (e.g. leadership, management development, customer care, health and safety, equal opportunities/diversity, etc.)
- Have potential future skills shortages/gaps been identified in relation to projected or expected changes to the workforce profile? (e.g. key occupational areas where there are large numbers of people nearing retirement or where there is high turnover; areas where skills needs are expanding such as technology)
- Have potential future skills shortages/gaps been identified in relation to projected or expected changes in service delivery, working methods, technology, legislation or government policy?
- Has the 35% female staff target required in the National Gender Policy been considered?

Internal Qualitative
Information from strategic plans (MTSS, etc.) – potential new directions, technologies, new ways of working
Information from senior managers on future focus for MDA
Information on operational priorities

Internal Quantitative
Age profile of existing workforce
Retirement rates
Succession planning
Data from skills audit
Employee turnover rates
Current training programmes

WORKFORCE PLAN

External Quantitative
Potential employees with needed skills
Population growth and increasing demand for services

External Qualitative
Changes in demand for services – social trends, etc.
Technological innovations
Consumer attitudes and expectations

Analysing the Existing Workforce

Summary of Stages in Workforce Analysis

- Prepare a staff list showing details of all personnel currently employed by department
- Compare the nominal roll (the workforce) with the establishment plan to identify mismatches and gaps
- Identify the skills required to effectively undertake the new responsibilities
- Conduct a personnel and skills audit to compare current skills against those which are required
- Assess the projected size and nature of future demand for numbers and skills of staff.

Preparing the Workforce Plan

Once the needs and gaps are agreed, a workforce plan can be drawn up that addresses all the issues arising. Such a plan must consider immediate and medium term staffing demands and reflect any plans to increase the workload or breadth of responsibilities of the MDA. The plan should have clear objectives based on a staff management policy, including recruitment and training.

The plan should include proposals to:

- Fill gaps through recruitment and promotion
- Provide training to address skills shortfalls

- Retain key staff
- Make provision for succession and/or future demand for staff at various levels and expertise
- Reposition staff who no longer have relevant skills for the organisation
- Ensure reasonable balance in the numbers of men and women at all levels of the organisation.

In addition to developing a plan to fill the immediate needs of the establishment, a workforce plan should also include specialist plans for recruitment and retention, for succession and for training and staff development. **However, be aware that it may not be feasible to develop these detailed plans within the main corporate planning envelope. It may be more appropriate to include them in the implementation plan as one of the tasks to be undertaken by the MDA when implementing the approved corporate plan***.*

Recruitment and Retention Plan
A recruitment plan sets out what jobs are required over a set period of time and what recruitment actions the organisation will take in order to meet these resourcing needs. The recruitment and retention plan will usually include an overarching statement of specific strategies to be deployed in meeting the recruitment and retention needs.

Succession Plan
Succession planning is a process for identifying and developing internal personnel with the potential to fill key or critical organisational positions. It ensures the availability of experienced and capable employees that are prepared to assume these roles as they become available. Succession planning accelerates the transition of qualified employees from individual contributors to managers and leaders. It counters the increasing difficulty of recruiting employees externally and is very important for many MDAs that have very uneven workforce age profiles due to past freezes on recruitment.

There are four stages to developing an effective succession plan:

- Identifying roles for succession
- Developing a clear understanding of the capabilities required to undertake those roles
- Identifying employees who could potentially fill and perform highly in such roles
- Preparing employees to be ready for advancement into each identified role.

Training and Workforce Development Plan
Preparing a training and staff development plan is the last key stage in the workforce planning process. It should be developed in the context of an overall training policy which has established key principles and a framework within which capacity building and training can take place. The plan itself should first set out some objectives and an analysis of the situation (gaps, succession needs, performance needs, etc.) that it is trying to address. It should then elaborate on how

The Toolkit resources supporting Stage 4 are:

4a   Step-by-step Guidance on Establishment and Workforce

Planning

4b   Guide to Job Evaluation

4c   Model Template for Job Description

4d   Records for Workforce Planning: The HR Database

4e   Guidance on Capacity Building and Training

these object ives will be met and what skills, knowledge, competencies and behaviours the organisation needs to achieve them. Elements will include the overall approach to learning and capacity building; who is to be trained and what they should be learning; what type of courses should be attended (long term, short term, etc.); where training should be carried out (on the job, distance learning, local workshops, state training institutions, national or international institutions); and how training should be followed up. The plan should have a timeframe and be costed.

It is also useful to focus part of the plan on ensuring that talent is available for an organisation's more strategic posts where impact on organisational success may be longer term. This will include the systematic attraction, identification, development, engagement/retention and deployment of those individuals with high potential who are of particular value to an organisation.

The establishment and workforce planning stage usually involve collecting and organising large quantities of information. The HR spreadsheet, *Records for Workforce Planning: The HR Database*, can be a valuable tool for collating and analysing workforce data, and is included in the Toolkit.

Section 8: Stage 5 Corporate Planning Process: Implementation Plan and Handover

Duration: 2 Weeks

Key Features
- Summarising all of the key recommendations
- Identifying an implementation timetable and responsibilities
- Including a transition plan covering:
  - Workforce migration to new posts
  - Communications strategy
  - Progress reviews.
- Formal agreement and sign-off by MDA decision makers.

The final stage of the revised corporate planning process is concerned with bringing the engagement to an orderly close; finalising and documenting the handover of all key recommendations; and formally transferring responsibility for implementation to the MDA. This is critically important for achieving closure. It signals to the MDA management and staff that the process is complete, even when slow decision making means that implementation is not progressing on schedule.

There are four main aspects to consider at this stage:

- Final handover of the approved corporate plan
- Handing over a detailed implementation plan
- Communicating the contents of the plan
- Ensuring governance and decision making are in place for implementation
- Monitoring progress with implementation.

Approval of Corporate Plan
The corporate plan should be formally presented to the senior management team (e.g. the Honourable Commissioner and Permanent Secretary), for consideration and adoption. There should be four interim reports (covering Stages 1, 2, 3 and 4) and a final report. This final report amalgamates and summarises the entire corporate planning output into a single unified volume along with the implementation plan and a review of lessons learned.

Ideally, senior management team members will be familiar with the plan before the handover. If not, it is highly desirable to make a presentation of the key contents. Discussion on implementation of the corporate plan should emphasise who does what and when, as well as detailed questions of resources, plan monitoring and evaluation, and timing.

Once the senior management has adopted the plan, it will probably be necessary to prepare a submission to the OHoS and the ExCo. This is particularly essential if the plan involves changes in function, structure and staffing.

Implementation Action Plan

Implementation of the corporate plan – particularly changes to functions, structures, establishment and workforce – is a challenging task which may meet considerable resistance from within the organisation. It is therefore essential that the implementation plan sets out clearly:

- Decisions which are required
- Tasks which should be completed
- Responsibilities for implementation
- Timelines and deadlines for implementation.

The implementation plan should recognise that changes of scale called for by a comprehensive corporate planning exercise cannot be implemented overnight. It should include a realistic transition time (likely to be at least one year, possibly longer). In particular, transition plans should include practical proposals for migration to a new establishment and dealing with the process of migrating personnel to new posts, retraining, new job descriptions, etc.

It is highly desirable to provide some estimate of the cost of implementation, or at least to assist the technical counterparts to prepare a realistic estimate.

The senior management team must be motivated and needs to:

- Act responsibly so that the sub-managers and staff have confidence in the MDA's ability to achieve the desirable results
- Agree the specific actions to be taken and set a realistic timetable
- Ascribe clear responsibilities to managers
- Keep key stakeholders informed and constantly involved
- Monitor progress regularly and publicly
- Use every opportunity to learn from experience
- Manage the available resources wisely and get the most value for money.

Communicating the Plan

The senior management team should determine how the corporate plan will be shared with others in the MDA and with key stakeholders. The plan and key supporting data should be distributed to all key people in the MDA. The vision, mission and value statements should be cascaded throughout the MDA.

In the process of plan implementation, the MDA should adopt a communication approach that ensures the exchange of accurate, timely and useful information among all key employees who are involved in achieving the corporate plan. The approach may include face-to-face meetings and written communication as detailed below.

Face-to-face Meetings

- Commissioner with senior management team

- Senior management team with heads of departments and members of the corporate planning committees
- Project status meetings with all – commissioner, senior management team, heads and deputy heads of departments and members of the corporate planning committees
- Project team meetings – heads and deputy heads of departments, and members of the corporate planning committees
- Mini-presentations across the MDA, outlining priority actions that will enable goals to be achieved.

Written Communication

- In-house publications with articles on project status, etc.
- Government newsletter including items on the MDA to communicate project successes
- Posters
- Monthly project status reports to the Commissioner and Permanent Secretary by the co-ordinating secretariat/committee, based on reports from the heads of departments/corporate plan committees
- Published recognition for corporate planning teams' achievements and successes
- Quarterly reports
- Inviting employee feedback on issues of concern.

In communicating the plan, the MDA senior management should primarily be guided by what it can do to make the corporate plan understandable and acceptable to people who have not participated in its development.

Monitoring Corporate Plan Implementation

The MDA senior management team have a crucial monitoring role to play which should focus on how well deadlines are being met and implementation is staying on track; and how well the plan's goals are being carried out. Some questions that need to be answered are:

- How will progress be documented?
- How often will progress be reported?
- Who will be responsible for tracking progress?
- Who will receive progress reports?
- How often should the senior management team review progress and discuss barriers to progress?
- How will achievement of goals be recognised and rewarded?

Once these questions have been answered it is necessary to communicate the answers throughout the organisation. Everyone should be clear on what will be tracked, how it will be tracked and by whom.

Cyclical Review of Corporate Plan

In some circumstances a corporate plan may need to be adjusted in the light of the implementation experience, unexpected problems or circumstances. Regular review

will help the MDA senior managers make the best decisions based on up-to-date information.

Having said that, the MDA should not immediately revise its corporate plan every time it identifies something that needs to be changed. Constant changes can weaken the plan and lead key people and staff to lose confidence and interest in the process. As far as possible, a fixed review cycle should be used rather than relying on *ad hoc* decision making. The implementation plan should describe an official process to change the corporate plan. This will allow those who helped develop the plan to learn about the proposed changes and participate in refining and approving them.

The corporate plan should be reviewed at approximately five-year intervals. This can be done by the senior team (Honourable Commissioner, Permanent Secretary and Directors) or responsibility could fall to the state's designated organisation for public service improvement and reform. A cyclical review would include:

- Adopting and adapting the Guidance and Toolkit; using and developing corporate planning capability and knowledge of the methodology; capturing examples to add to the Toolkit
- Assigning responsibility for the review programme (e.g. to the OHoS, MDAs or the state reform body)
- Developing and publishing a timetable for the review programme; communicating with each MDA; and drawing up a plan
- Being prepared to undertake *ad hoc* reviews when necessary (e.g. where an Honourable Commissioner or Permanent Secretary invites a review for specific reasons such as changes to mandate and function, or on the merger or creation of a new MDA to ensure functions are clear and duplication is avoided).

Lessons Learned and Shared

Lessons learned must be captured in the interim and final reports to the MDA. They might include:

- Ideas and methodologies that worked, and why they succeeded
- Blocks and barriers identified in the corporate planning process and how these were dealt with
- What methodology could be replicated in other MDAs, and what methodological changes would better suit the particular needs of the state
- Examples to add to the Toolkit
- Linkages with other work streams and activities (e.g. strategic planning, MTSS, MDA evaluations, HRM development and application)
- Sources of technical support
- An appraisal of the state's capacity to adopt and apply corporate planning methodology and results, including the skill of technical partners and their further competence needs.

The Toolkit resource supporting Stage 5 is:

5a   Example of Corporate Planning Implementation Plan

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