

<b>Health and Safety Executive Board Paper</b>			<b>HSE/03/058</b>
<b>Meeting Date:</b>	3 Sepgtember 2003	<b>Open Gov. Status:</b>	Open
<b>Type of Paper:</b>	For discussion	<b>Paper File Ref:</b>	
<b>Exemptions:</b>	None		

## HEALTH AND SAFETY EXECUTIVE

### The HSE Board

#### Management of Business Improvement and Change: the “Big Picture”

**A Paper by Peter Graham**

**Advisor(s): Vivienne Dews**

**Cleared by Peter Graham on 1 August 2003**

#### **Issue**

1. Future strategic management of business improvement and change projects

#### **Timing**

2. For discussion at the 3 September Board.

#### **Recommendation**

3. That the Board agree that further work be put in hand to develop a strategic approach to change and business improvement programme and project management. Guidelines for that work, on which Board members' comments would be welcome, are in paragraph 8

#### **Background**

4. The earlier part of today's agenda addresses how we strategically manage work aimed at delivering our PSA targets and associated outputs. This paper is about the strategic management of resources devoted to business improvement and change within HSE.
5. To date, there has been no overarching process or structure within which change and business improvement projects are instigated and managed:

- The Change Programme has covered some (but by no means all) change projects within HSE; the discipline used has been a fairly loose form of programme management.
- The Business Improvement Management Board started life looking essentially at IT driven business improvement projects but with an aim to extend its remit beyond IT. Its focus has been primarily business improvement rather than strategic approaches.
- A mapping exercise for the recent Big Picture workshop identified over 90 change or business improvement projects, although in reality there is a fair degree of duplication in this list (Annex A). The sheer number, the level of resource involved (for one project, over 4,000 staff days) and the need for (and uncertainty in) the mapping exercise illustrate the lack of strategy and monitoring; and in consequence the lack of assurance that we are effectively assigning resources, managing dependencies etc

## Argument

6. Recent work on resource allocation, on the overarching objectives for change (the CASE for change) and on the Strategy help to suggest a way forward. On the delivery side, HSE is now distinguishing between core business and strategic programmes. On the business management side, we can make a similar distinction between essential core activities (eg personnel work, pay, building management) and those activities aimed at changing and improving how we work; and we can consider options similar to those on the delivery side for the strategic management of those activities.
7. The Big Picture workshop on 8 July addressed these issues. The overheads at Annex B summarise the conclusions but the essential elements are:
  - Recognition of significant weaknesses in how HSE currently manages change.
  - The CASE (communicative, adaptive, strategic and effective) approach to change offers a top level framework within which to manage change and business improvement projects, including judging their desirability and priority.
  - The value of a high level Programme Board to have overall responsibility for corporate management of change within HSE
8. You are asked to agree that further work is put in hand by RPD to develop a strategic approach to change programme and project management building on those conclusions. In particular, the work should involve:
  - Confirming the list of change projects; and then developing a methodology to assess those projects against the CASE change objectives (eg a high/medium/low assessment of each project against each objective).
  - Options for grouping projects into coherent programmes.

- Detailed management arrangements for these programmes based on the work of SID on applying Office for Government Commerce (OGC) programme management methodology in HSE. These detailed arrangements would need to accommodate in a “fit for purpose” way the extent to which individual programmes were “hard” or “soft”.
- The arrangements for the overarching programme board for strategically managing business improvement and change programmes.
  - One option would be to make the Delivery Board responsible; it would then bring together both programmes aimed at external delivery of our outcomes and outputs and programmes aimed at internal changes to better help us achieve that delivery. But that could create a very heavy agenda for the Delivery Board and might divert attention away from the emphasis on outcomes and outputs.
  - Another option would be a separate parallel Board – called, say, the Business Enhancement Board – which would solely manage business improvement and change programmes. It might be appropriate for this to be chaired by the Director General and for membership to include operational and policy directors who were not personally responsible for individual business improvement or change programmes; linkage with RPD would also need to be considered. If this arrangement were adopted then links with the Delivery Board would be important, given the contribution of business improvement and change programmes to delivery of outcomes and targets.
- Building on the work done by the Change Team (Howard Harte) on benefits management (Report already circulated to Board members) to ensure that a proportionate but comprehensive approach on benefits is built into the new structure.

## **Consultation**

9. OPD, SID, RPD and the Change Team were all at the Big Picture workshop.

## **Presentation**

10. There are strong views within HSE about the lack of structure and control of change and related projects. This approach will show that the Board is serious about the use of programmes and projects; and it will show that we are serious about prioritising our use of the corporate overhead. It will also enable us to give the necessary assurances to DWP.

## **Costs and Benefits**

11. RPD will need to give attention to this. But experience elsewhere shows that this type of approach should have the objective of reducing the number of projects and ensuring that those remaining are more cohesive and focussed. In the longer term it should aim to ensure that only those change and business improvement projects that clearly contribute to the broader strategic aims will be instigated.

## **Financial/Resource Implications for HSE**

12. Short term while effort is put into the new systems.

### **Action**

13. The Board is asked to agree that the approach outlined in this paper is worked up in more detail.

Document2