Organising for Success / Council Update

22nd March 2019
Background – why bother?

- Delivering the University strategy in a volatile and highly competitive environment
- Effectiveness: reversing the drift downwards in relative performance: NSS, League Tables; REF position
- Financial pressures – need to reduce costs of operations
- PwC: Kent Services Delivery Diagnostic 2014-15 (“KSDD”) - engagement activity showed:
  - Fragmentation of activity
  - Slow and bureaucratic processes/decision making
  - Comms issues
- Feedback to Strategy consultations 2018
- Messages from industrial action 2018 – distance of senior management, bureaucracy, ineffective comms
- Senior Leaders – “what’s stopping us?” exercise 2018
- PwC review of structures 2018
Organising for Success – key drivers

- Need to improve relative institutional performance through:
  - Creating a more agile and effective management structure that aligns responsibility with resources and autonomy
  - Reducing “bureaucracy” and unnecessary internal processes
  - Creating structures that allow synergies to be developed quickly within cognate academic and professional areas that reduce duplication and diffusion of activity
  - Provides a consistent baseline service to students, sponsors and staff

- Provides value for money (and allows savings)
- Creates resilient and flexible academic units, able to adapt
- Improves connection between academic units and senior management
- EG/Central PSD structures that support academic activity and the delivery of the Strategic Plan
Summary of PwC feedback

Academic staff:
- Too many layers and bureaucracy, unclear or conflicting responsibilities/accountabilities
- remote EG and lack of engagement/consultation on policies.
- Mixed performance management and high workloads.
- Poor comms to staff

Professional Services Staff:
- Plus, “conciliatory management” and over - consultation

Students:
- Structures over complicated and processes slow
- Leaders not strong enough – improvements “blocked”
- Lack of focus on students’ interests
- More consultation needed with students on relevant policies/decisions
PwC Options shortlist based on scoring outcomes

Based on the application of the scoring criteria, the below options were shortlisted for further analysis and review.

- **Revised Faculty Model**
- **Fully devolved Model**
- **Centralised Hub**
- **Devolved hybrid model**
- **Diverse delivery model**
- **Options shortlisted - Revised Faculty Model, Fully Devolved Model, Devolved Hybrid Model**
Recap of options taken forward

- **Revised Faculty Model**
  - 3-4 faculties, resource management (budgets/staffing) and strategy at faculty level.
  - Schools effectively departments responsible for academic delivery
  - PSD support located/decided at faculty level
  - Centre – overall strategy, monitoring and policies

- **Fully Devolved Model**
  - 6-8 schools, having devolved resource management
  - School groupings responsible for academic delivery
  - PSD support at school level
  - Centre strategy, monitoring and policies, some (limited) operational central support
Recap of options – proposed approach

• Devolved “Hybrid” Model
  • <10 school groupings, resource management at group level and academic delivery responsibility at school/department
  • More devolution of relevant services, some still held centrally (service by service approach), potentially allows more school groupings and vfm in mixed provision of services
  • No faculty layer – improves comms and processes

• Limits on number of school groupings in devolved models
  • To allow Interaction with central units and EG directly
  • Vfm of further devolution (fixed costs of key roles)
  • Providing flexibility within resource allocation for local decisions and responding to challenges
  • Will need to be supported by clear delegation framework setting out local autonomy
PwC: Explanation of Devolved Hybrid Model

A model which removes the faculty structure and part centralises the professional services functions. A proportion of specialist professional services will be retained in schools, based on need. This will involve joint, or shared line management of specialist professional services between schools and central departments. School heads will be fixed positions and not rotating (or at least fixed for a period of five years or more), allowing for easier performance management, long term strategic planning and a reduction in change disruption. We estimate that a reduction to around 8-12 schools would be required to make each school the level that would be needed. Key departments to be realigned to new EG responsibilities which will spread to the line management responsibility more evenly.

**Academic Structures**

This model is predicated on the stand-down of the Faculty structures. There will also be a smaller number of larger, concatenated schools. Professional Services will be delivered to these schools from both central departments and a proportion of retained resource within schools. School Head roles should remain fixed for a period of five years or more.

**Professional services structures**

A proportion of specialist professional services roles will be transferred from Faculties and Schools (if existing in both) to central departments that will constitute groupings of technical depth and excellence. Services will be delivered in-line with demand. Additional support from the central departments will be added to retained school resource to work jointly on specific strategic or tactical initiatives, based on specific need.

**Central Function**

In this model the centre will manage the strategic direction of the organisation as well as overseeing the stewardship and policy setting. Standard systems and organisation level work will be carried out and areas such as HR, facilities and hospitality will remain centralised.

Some functions such as finance and marketing will be devolved into the schools to undertake in line with the strategy set by the centre.

**Student experience**

Central departments will be responsible for their own budgets and manage this across the schools they support. The impact of this is a wider and more even spread of resource between the “haves” and “have nots”. By distributing budgets more evenly across schools, it would be possible to deliver a more consistent student experience.

**Communications**

This model will require clear and consistent communication if it is to work as well as it can. Heads of School, Directors of Professional Services and EG will need to speak with one voice and support the decisions made. It is imperative the information is not filtered, distorted or blocked at any level of the process.

**Finance**

The RAM would need to change in order to reflect the shifting of roles. Budgets covering specialist professional services would move from individual schools into central departments. The schools need to be supported with workable management information and powers that would allow them, in partnership with central departments, to spread resources across the various subject areas.
The Proposal

- A single layer of “groupings” of Schools (terminology tba)
  - <10 to ensure more direct connection with EG, shaping policy and strategy
  - Greater financial autonomy and more local decision making
- School identity maintained (if wanted) within groupings
- Groupings led by a Head of Group
- Head of Group will have ultimate responsibility for academic and financial success of grouping
- Group level will be responsible for administrative and student support to Schools/subjects via pooled resource
- Further central services to be devolved to grouping from centre subject to devolutions principles / discussions / costs
- Central professional services re-aligned to support EG portfolios and institutional objectives
Benefits

- It will empower leaders in School Groupings through devolution – more flexibility in resources and professional support, to take opportunities and deal with difficult issues more speedily.
- The new structure will enable the University to realise savings/income, by providing a clear template of support structures and combining current teams.
- Reducing the number of transactions/interactions and complexity should allow wider cost/process savings.
- More direct and aligned structure so that responsibilities and support are co-located and it is clear where accountability sits. It will allow new groupings to have clear autonomy within an agreed framework for delegation.
- Improving agility - speed of decision making, directness of comms, and flexibility to respond quickly.
- It will directly involve Heads of Groups in senior management decisions, shaping strategy and policy; and facilitate a simpler, more engaged strategic planning process.
Ongoing work

- Work started on engagement on proposed PSD structures that are re-aligned with (revised) EG portfolios, with PSD directors
- David is meeting with Heads of School to discuss School Groupings
  - Draft proposal complete by 29th March
  - Engagement with wider staff groups in April
- Denise has met twice with senior PSD managers in faculties, schools and centres, and there will be further meetings – general and on devolution principles/areas
- An engagement strategy has been drawn up and events have begun and attendance can be booked online
- Planning for engagement with student reps has started
Work to be done…

- Work is now starting to look at governance and management structures for new School groupings
  - Some early draft ideas have been created
  - David has asked Heads of School for input on this
  - Focused discussions planned

- Devolution principles have been drafted and conversations are now starting to establish what particular areas might be suitable for devolution and how this might work
  - Initial discussion with Faculties/School managers last week
  - More work and engagement needed to establish governance of devolution and which areas we will focus on
  - Heads of Profession will finalise devolution arrangements for their area (working with school/groups) and propose to EG against a set of objectives and principles
  - Implementation working groups will be established to look at processes and specific areas of concern/development
Project approach

- Project Board established
  - Co-sponsors Denise Everitt & David Nightingale
  - Meeting weekly

- Small working group overseeing planning, preparing papers etc

- Formal JSNCC sub-group established
  - All Trades Union and staff reps involved
  - Currently meeting weekly to establish concerns and update on progress – also discussing other relevant issues such as Voluntary Severance Scheme

- Website launched
  - [https://www.kent.ac.uk/organising-for-success/](https://www.kent.ac.uk/organising-for-success/)
  - Information will be added as engagement ramps up
Transitional issues/going forward

- Financial arrangements – transitional and ongoing devolution framework
- Agreement of new JDs for HoSGs, Director of Ops
- Overlap of leadership posts and transitional arrangements for reporting lines and activities
- Planning process 2019/20
- Interactions of project with VS scheme / 15% savings
- Review of processes and procedures, in tandem with devolution
- Medium term (eg combined strategic plans)
- 3 Year Review?
Risks

- Why now? Impact on TEF, REF preparations within schools
- Morale at time of cuts.. More uncertainty and anxiety?
- Diversion of management effort?
- Capacity to implement?
- Inability to find sufficient HoGs/Directors/EG members with appropriate required skills
- Loss of faculty layer benefits – eg cross uni working, management capacity for projects etc
- Radical enough?
Timeline

• Structured engagement activities with staff, Heads and other stakeholders (e.g. KU) will be ongoing in March/early-mid April

• Update for Senior Leaders Forum 12th March

• Update for Senate 13th March

• Presentation Council 22 March

• Additional Senate Mid May

• Proposals to Senate 12th June

• Council Meeting 28th June

• Target - implementation work to start Summer 2019 with target implementation complete by end 2020