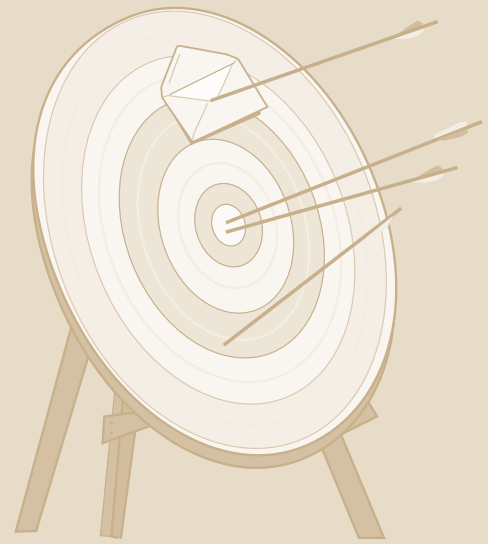


A New Era - A New Structure



From Possibility...

WHY RE-STRUCTURE?

There is a joke that does the rounds in business circles. An exiting Chief Executive, hands over to the succeeding CEO by leaving three sealed envelopes to be opened successively when things go wrong. At the first sign of trouble the new CEO opens the first envelope which reads '**Blame your predecessor**'. Things continue badly and the second envelope is opened. It says '**Restructure**'. When nothing changes and the third envelope is opened it reads '**Prepare three envelopes**'.

There are more amusing jokes, but contained within it there are messages for those of us who lead and manage organisations. Firstly, that restructure is often seen as the solution to a problem when nothing else is obvious, and secondly that restructuring on its own doesn't necessarily bring about desired improvement.

A good question is that if you see restructure as a solution, just what is your problem?

Many organisations find themselves in turbulent times with '**legacy**' structures that no longer fit with their new worlds. The existing structures are typically highly functional and don't reflect:

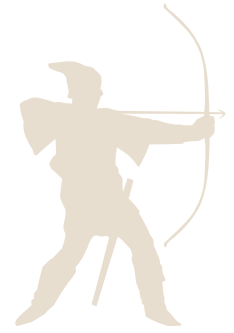
- The new context
- Customer requirements
- Chosen strategic approach
- Key processes

Restructures may happen as a result of a change, but should they in themselves be the response to change, or happen in response to the strategic approach? Management theory and experience suggests it should be the latter, structure always follows strategy; always.

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NOTTINGHAMSHIRE PROBATION AREA – A CASE STUDY

Nottinghamshire Probation Area is one of forty-two Areas in England & Wales that deliver Probation services. Their purpose is the punishment, enforcement and rehabilitation of offenders in the community, in order to protect the public and reduce re-offending. The Area has a complex, interdependent set of customers including the public, the judiciary, prisons, victims, beneficiaries of community service and indeed offenders. The needs of these different groups are various and often conflicting. The National Probation Service is at the heart of Criminal Justice, and is currently subject to changes that encompass legislation and a complete rethink in continuity by merging Probation and Prisons, to become the National Offender Management Service. As part of the Criminal Justice system, under the care of the Home Secretary, the Area must demonstrate value for money for the tax payer, measured by prescribed funding-related outputs, for example the number of offenders completing specific rehabilitative programmes.



During 2004 The Board of the Area recognised a need for considerable change. There were two key issues:

- A need to get a grip on performance
- A need to be able to grow business

Whilst performance was satisfactory and improving in some key indicators, there was much more room for improvement. In addition, in the newly contestable world of public services, the Area had to be fit for developing new business. In anticipation of the necessary changes, the Board established an Organisational Change Committee to manage the changes that would be needed and began work on how this would take place. It identified that the present structure would not allow them to **'seize the future'**.

The new, incoming Chief Probation Officer, Jane Geraghty had spent some time identifying what the future needs of the service were likely to be, how differing customer requirements might be reconciled and how accountability for performance could be more clearly understood and accepted. Working closely with the Board Chair, Christine Goldstraw, the other Board members and external support, the Chief determined that the work should be undertaken in a number of phases:

- Design of a high level structure to meet the new needs of the organisation, taking into account 'grip & growth'
- Recruitment to posts
- Design of lower level structures
- Clarification and sharing of vision, mission and 'brand'
- Clarification of roles, boundaries and behaviours between the Board & Executive team, and between Directorates
- Realignment of posts and people
- Improvement of both customer-facing and internal processes

ISSUES

Whilst Nottinghamshire is perhaps not the first to move to a new structure which embraces the concept of coherent end-to-end offender management, it is certainly amongst the first. It was important to gather as much data as possible since this is new territory, in order to make the best decisions possible based on available data.

Along with many other organisations, Probation Areas have historically structured to address functions rather key processes. As times have changed this has led to problems of discontinuity, gaps, overlaps and disconnects for key customers of the service. The task was to create a structure that recognised the need for end-to-end offender management, with Interventions playing a key role in reducing re-offending, in an operating environment of competition.

Structural redesign never starts with a blank sheet; therefore numerous cultural factors have to be considered in addition to any desired objectives, and, as always, the cost. The team were always conscious that the work would directly affect many individuals and therefore attempted to combine sensitivity with the need to recommend a structure that they felt confident would deliver the objectives. In interviewing as many people as possible, staff themselves identified the problems that had developed by an organisation outgrowing its structure:

'Senior managers are in an impossible situation; they're asked to develop strategy, but have precious little time, they're asked to manage operations, but are trying to develop strategy'

'The service is so busy these days we can barely do everything we have to do. It's impossible to step back and plan for the future'

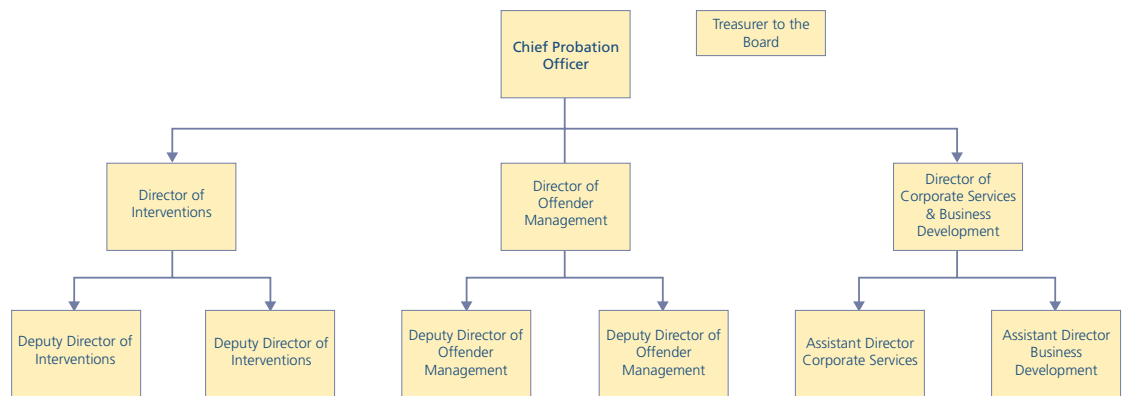
Staff generally felt that they were not set up to deal with end-to-end offender management or to deal with interventions as an integrated delivery component, but essentially separately managed part of the organisation's business. The Probation service is staffed by people genuinely committed to protecting the public and where possible rehabilitating offenders, yet they often feel that the way in which processes and structures have been designed prevents them from doing the job they want to do.

The first phase - from diagnosis to high-level design - had to be completed within six weeks, with subsequent phases being delivered swiftly to enable a focus on performance. The Board and Chief were clear that redesign should not become a permanent fixture.

To Actuality...

MAKING IT HAPPEN

The results of fact-finding in the first phase led to the following high level structure:



This reflects the National Offender Management Service's perspective of offender management and the need to provide high quality, competitive interventions to offenders in the operational area of work. The third Directorate - 'Corporate Services and Business Development' reflects the need for strong support to enable the operation and the need to develop services in the new competitive world. Whilst there is clear accountability within each of the new Director, Deputy and Assistant Director posts, the structure also assumes that 'virtual' teams will be established for specific pieces of work.

An example might be in the development of a particular offender programme (an 'intervention') to be offered more widely than Nottinghamshire may look like this:

TEAM LEADER: Director of Corporate Services/Business Development

TEAM CONTRIBUTORS:

Assistant Director Business Development

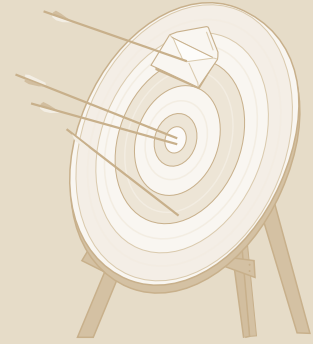
Director of Interventions

HR Manager

Finance Manager



A structural re-design of this nature creates many opportunities for the organisation as a whole and for individuals. At the same time it also causes anxiety with some individuals naturally disappointed if their aspirations have not been met or if there are long periods of uncertainty. Throughout the process, the Board and Executive have endeavoured to communicate as openly and clearly as possible with all staff and to consult directly with those most affected by change.



With a broad structure in place, work could begin on clarifying vision, mission and brand. This has been led by the Chief Officer's Team and the Board, and has enabled development of a brand that staff can be proud of and identify with. But it's not all blue-sky thinking. Very detailed work including the design of new job descriptions, work on new and existing processes and the detail that allows organisations to actually work effectively has been undertaken to ensure that individuals are clear about their roles and the expectations made of them.

PROGRESS

From the outset it was clear that this piece of work had to be completed rapidly to enable Nottinghamshire Probation Area to continue its work, improve on its performance and embrace the future.

Almost all change has a de-stabilising effect. It is important that new changes can be introduced and stability restored as quickly as possible. Deadlines have been met, the Board accepted proposals and new people have been appointed to new posts. The Directors and their reports have now been in post for what is approaching a year, Directorates are beginning to work together, the Board is increasingly confident of being able to focus on governance with the Executive team focusing on managing the organisation. Performance is showing very encouraging signs with the Area moving from the bottom quartile nationally into the top of the second quartile. Traffic lit indicators have almost wholly moved into 'green'.

There is still much work to do. The national picture continues to evolve and there remain uncertainties as to how the future service will eventually be delivered. Meanwhile, Nottinghamshire Probation Area continues to develop its strength and flexibility so that it will be fit for the future.



FURTHER INFORMATION

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