

Facing the Future

Summary

1. This short paper briefly reviews the changes SNH has experienced during 2008, the concerns expressed by staff and the outlook for 2009 and beyond

Looking back on 2008

2. We have come through a difficult and remarkably turbulent year, in which SNH has faced many challenges. The threat of a merger with SEPA has receded, but we have an extremely active government placing lots of new and additional demands on our time, major upheavals in key processes to which we contribute (eg reform of the planning system) and other measures tackling the 'crowded delivery landscape' (eg the merger with DCS). All this has been compounded by a disappointing and extremely delayed 2007 pay settlement. As the year draws to a close, a sharp downturn in the economy, and a bleak public mood, have been accompanied by a deterioration in the public finances that makes a further period of belt-tightening inevitable. In these circumstances SNH's achievements this year have been remarkable. But it's not surprising that there are signs of stress, revealed through our business reporting system, and concerns on a range of issues highlighted by the staff survey and other feedback mechanisms. The Management Team has taken active steps to address these worries – not in isolation, but as part of its wider efforts to develop the organisation, its people and to face the future with confidence.

Staff concerns

3. SNH staff are hard working, loyal, with a deep personal commitment to protecting Scotland's natural heritage. But the employee survey which proves these points also clearly expressed concerns.

Key findings from the 2008 Staff Survey

4. SNH staff enjoy their work (86% agree), agree it's not just a job (84%), go out of their way to help each other (79%) and feel safety is taken seriously (received training 93%, feel safe at work 96%). But they are apprehensive about the future (only 34% confident SNH has a good future, 35% agree SNH has a clear sense of its future direction) and this confidence has fallen by 23% since the 2007 survey.
5. The number feeling fairly paid has declined by 20% since the previous survey. Only 22% feel career prospects are good and the number feeling SNH deserves their loyalty has declined by 20% since 2007.
6. SNH staff support the need for change (80%) but are concerned about the level of change (33%) and how change has been managed (38%). Only 11% felt positive about the 2007 restructuring. 33% felt they

understood what the People Strategy aims to achieve, and increased concern about appraisal (down 26%), induction (down 18%) and selection (down 12%) underlines this issue.

7. Staff are supportive of their immediate managers (78% agree their contribution is valued by their manager, 74% have confidence in their manager), but lack confidence in senior leadership (33%) and this last assessment has declined by 15% since the 2007 survey.
8. Most staff had an appraisal in the last 12 months (90%) and generally felt that it was a fair assessment (75%). But only 33% agree SNH is good at listening to its staff.
9. One positive change since the previous survey is a 22% increase in the number agreeing they understand SNH's equality duties. But there's a pattern of concern about SNH service delivery (down 16%) and support to staff to serve customers (down 13%).
10. Several more recent sources of evidence reinforce these concerns, notably the discussions which have taken place in each Directorate management group to review the staff survey findings. These have drawn out an emerging worry about workloads.

Responding to staff concerns

11. The Management Team has agreed that actions should be grouped under three headings:
 - a. leadership and direction;
 - b. workloads, reward and personal development; and
 - c. communications.

Leadership and direction

12. Given the changes in the wider world, it's no surprise that there is disquiet. There are worries that protecting the natural heritage has slipped down the political agenda and that SNH influence is declining. In a recession, public attention may be diverted from long-term issues like the environment to more immediate concerns with jobs. Scotland now has a government which has its sights set very much on the issue of how it could make an independent Scotland economically viable. Whilst we argue that the natural heritage is actually and potentially a key asset for Scotland, we also have to recognise that the government is bound to focus on boosting the economy and bringing the public sector into a sustainable balance with the rest of that economy.
13. Against this challenging background, we have had to develop a strategy for leading the organisation forward, and for advancing the interests for which we have a responsibility, that is both robust and flexible. Not an easy combination. SNH's statutory responsibilities haven't changed. The idea of a shot-gun marriage with SEPA was put to one side after examination revealed it to have little logic or potential

benefit. But at the same time the quest for a more efficient and streamlined public sector continues and is likely to intensify. We are already cooperating fully in such efforts - through the DCS merger, for which planning is already well advanced, SEARS etc. While further institutional upheaval can't be ruled out, this currently seems less likely than it did a year ago. Instead, there's a whole series of smaller changes under way, such as the transfer of responsibility for funding most SSSI management to the SRDP and the end of SNH's ability to fund ongoing local authority services.

14. In these circumstances SNH has inevitably to re-think its precise role. The Board has long recognised this and, working closely with the Management Team, has spent a lot of time considering how best to re-position SNH in a way that both reflects Government priorities and is true to its fundamental purposes, as set out in statute. This has meant - amongst other things - re-casting the Corporate Strategy and Corporate Plan, and relating our business planning much more closely to the Government's strategic priorities and the National Performance Framework. At a local level it will increasingly mean operating through the processes for producing and implementing Single Outcome Agreements.
15. Given the weight that the Government attaches to its overriding purpose of making Scotland a more successful country through increasing the rate of sustainable economic growth, we need to understand the implications for SNH. Given its knowledge and duties, SNH has a key part to play in helping to define what the commitment to 'sustainable' growth means in practice. Our chances of success in doing so will be maximised by engaging actively and willingly in the quest, rather than appearing to be dragging our feet. That is why we have thrown ourselves so whole-heartedly into (for example) the reform of the planning system.

Workloads, rewards and personal development

16. These changed circumstances require significant changes in the way that we work and the balance of our effort. Initiatives like programme management are an important part of this response. We shall need to be more flexible in the way that we deploy our efforts. Good quality management at all levels will be essential, and we are working on continuing improvement, but so too will a recognition on everybody's part that change is with us to stay and could well be particularly significant over the next few years. In facing that prospect we take comfort from the positive acceptance of the need for change recorded in the 2008 employee survey. We also acknowledge the concerns expressed about the way change is taking place. We strive for improvements here through the revised change management requirement supported by our new Development Team. But we must accept that some of these changes are the result of new legislation or cost pressures linked to technological developments, and so are not optional. On the plus side, many benefits of working for SNH remain.

We may have suffered from the same pay restraints as other public sector employers but we are recognised as being flexible and accommodating through our employment practices generally.

17. Both staff and our external stakeholders want to see SNH being nimble and agile in responding to new requirements. But the relentless demands of existing tasks, combined with substantial requirements for SNH to take on additional, unplanned work, in circumstances where resources and staff numbers are constrained, all work against this aim. Robust and active workload management is essential. The business planning system provides the mechanism for reprioritisation; the revised arrangements for delegated paybill management at directorate level assist effective staff deployment to meet changing needs; and where substantial additional demands emerge, we are redeploying staff effort and (where appropriate) putting in place temporary backfill arrangements.
18. Following on from our success in achieving the 2004-2007 EGI targets, we are now well on track to meet the new targets for Efficient Government Project. One consequence of this is to move the balance of our effort from overheads in favour of frontline delivery, resulting in an increase in 'self-service'. This though is not some mechanical "servicing the SNH machine"; it is about embracing high standards of corporate governance to demonstrate that we are meeting the 3 principles of public service delivery (customer service, public value and value for every public pound we spend).
19. The employee surveys underlined the obvious point that our recent pay settlements have been disappointing – most staff do not feel that they are fairly paid for what they do. While we can't fix that directly, one of our priorities for 2009 is to deliver a new recognition and reward approach. This will draw on liP assessments and employee surveys and present a reward package that puts pay into a wider context.
20. We can see that staff remain very concerned about career prospects and realising or using their potential. This is a challenge facing the whole of the public service. Our established commitment to personal development is reflected in the findings of the employee surveys, and we will continue to encourage and support staff in their personal development.
21. The 2008 survey gave important feedback on our appraisal system. We have piloted a completely new performance management system which will help to address concerns that appraisal is not helping with workload management, and establish a new means whereby managers can hear and engage with staff views.

Communications

22. In 2007, the Board recognised that SNH needs to have a better public profile and that people need to be much clearer about what we do and why this is important. So the SNH Communications Strategy has been developed over the last year and is now being implemented to improve the effectiveness of both our internal and external communications. This reflects the 2005 Strategic Review which urged SNH to be more 'outward facing', and Ministers have made it clear that we must improve our capacity to 'take others with us'.
23. The recent appointment of an internal communications manager reflects that we can't sort out external communication without a reciprocal improvement internally. This allows, for the first time, a coherent focus on the effectiveness of our internal communications. This work is picking up pace and will address sense of overload and receipt of inappropriate /untargeted communications.
24. We are developing a revised set of key messages which underline our priorities and the style of our operations.
25. Most importantly, we are anxious to improve our capacity to hear staff views, encouraging an open style in which we can all work to shared goals. There is a conversation, but it's incomplete. This is why we are also committed to future staff surveys and to having more face to face discussions between senior managers and staff.

Looking ahead

26. Over the past year SNH has done much to establish its credentials as an organisation that is eager to play a full part in bringing about a better Scotland. That is a collective achievement, for which everyone across the organisation should take credit and in which they should take pride. As a result, we can be confident that - however gloomy prospects in the wider world may appear - we shall enter 2009 better placed than we were a year ago.

The Management Team