

# Organisational Review Programme

## Progress Report on Implementation



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# Organisational Review Programme Progress Report on Implementation

## Introduction

It was indicated in the *Second Report of the Organisational Review Programme* that a ‘look back’ process on the first and second rounds of reviews would be put in place. The process would involve an examination *inter alia* of the value of the ORP reviews to the relevant organisations as a springboard to strengthening their capacities and as a means of providing external accountability. The organisations concerned were as follows:

### *First round of reviews*

Department of Agriculture, Fisheries and Food (now Agriculture, Food and the Marine)  
Department of Enterprise, Trade and Employment (now Jobs, Enterprise and Innovation)  
Department of Transport (now Transport, Tourism and Sport)  
*Composite report including action plans published in November 2008*

### *Second round*

Department of Health and Children (now two separate Departments)  
Office of the Revenue Commissioners  
Central Statistics Office  
Property Registration Authority  
*Composite report including action plans published in September 2010*

The ‘look back’ process took the form of a mainly paper-based assessment of progress. Departments and Offices provided reports on the implementation of their action plans backed up by corroborating documentation. For their part, the ORP team sought additional materials or clarifications where necessary. Depending on the issue, the team conducted a small number of interviews with departments, agencies and stakeholders and surveyed staff by means of a short on-line questionnaire. All such material constitutes the evidentiary base of the findings and assessments presented in this report. Dr. Richard Boyle, Head of Research, Institute of Public Administration, acted as an independent reviewer.



## Department of Agriculture, Food and the Marine Organisational Review Programme: Progress Report

### Key achievements

#### *Re-organisation*

Since 2005 the Department has been engaged in a programme of re-organisation at all levels, which is facilitating the reduction and redeployment of staff resources while maintaining operational capacity to the greatest degree. As well as participating in the ORP, it has completed 15 reviews of business units, including a major review of the local office network. The subsequent re-structuring of the network involves the closure of 42 of the Department's local offices and the retention of 16 regional offices, which will provide an enhanced service to customers. When fully implemented, the savings will amount to some €30 million annually and a reduction of 400 staff. In total, staff numbers within the Department have fallen by over 1,200 or 25% since 2005.

#### *Customer service and delivery*

A number of online services have been developed including the AgFood portal (one-stop-shop), a sea fishing portal, and a Fisheries Information System for processing and reporting on key issues such as vessels registration and fishing licensing/authorisations; and the number of online applications for schemes has increased significantly. The Department developed a Farmers Charter Action Plan 2009-2011 setting out specific targets to be achieved on schemes and progress is monitored. It has carried out some customer surveys and consults widely with stakeholders on activities.

#### *Setting strategic direction*

The Department has demonstrated continuing strong performance in setting strategic direction – for example, a major policy review was undertaken to take account of changes in the EU policy framework and significant changes to the role of the agri-food sector in addressing major global challenges, resulting in the development of the Food Harvest 2020 strategy. A number of measures were taken to enhance performance at EU level and to ensure that the Department is well-placed to lead an effective Presidency.

#### *Governance of agencies*

A central unit with expertise on corporate governance has been established to support business units and ensure coherence in monitoring compliance with best practice, and this issue has been given strategic priority in the new 2011-2014 Strategy Statement.

#### *Internals shared understanding*

Several initiatives have been taken to improve internal communications.

## **Introduction**

The organisational review of the Department of Agriculture, Food and the Marine (at the time the Department of Agriculture, Fisheries and Food) was published in November 2008. Its purpose was to examine the ability of the organisation to respond effectively to current and future challenges by reference to three main headings: strategy, managing delivery and evaluation. The purpose of this ‘look back’ is to examine progress made by the Department in implementing its action plan over the last three years.

## **The Department**

The Department aims “*to lead the sustainable development of the agri-food and marine sector and to optimise its contribution to national economic development and the natural environment*”.

### ***Key priorities over the next 3 to 5 years***

- Pursue the priorities in the *Programme for Government, Food Harvest 2020* and *Milestones for Success* to maximise the contribution of the sector to national export-led economic recovery.
- Optimise the development of the agri-food and marine sector.
- Maintain the highest standards in food safety and consumer protection.
- Seek to implement further efficiencies and improvements in service delivery in the context of budgetary constraints.
- Steer a successful EU Presidency during the first six months of 2013.
- Work collaboratively with other Member States to maintain a supportive and well resourced Common Agricultural Policy and Common Fisheries Policy.

### ***Main challenges and working environment***

The main challenges faced by the Department over the next 3 to 5 years will be to continue to deliver excellent key services within budgetary and staffing constraints.

The Vote: This has reduced from a gross outturn of €2.104 billion in 2008 to €1.735 billion in 2010 and an estimated outturn of €1.647 billion in 2011. The 2011 budget provision reflects a combination of factors including lower administration costs, the closure of certain schemes to new applicants, the introduction of lower payment rates, lower levels of funding to discharge outstanding liabilities under existing schemes and lower budget provision for once-off items such as the cost measures to deal with the dioxin crisis in the pig meat sector. Further radical reductions are proposed under the National Recovery Plan and Comprehensive Review of Expenditure which will impact on a range of schemes and services.

## Budgetary projections, 2011 - 2014

Year	Total €	Current €	Capital €
2011	1,647	1,378	269
2012	1,286	1,136	150
2013	1,197	1,057	140
2014	1,169	1,029	140

Staffing: Considerable changes have taken place in recent years in relation to staffing levels. Since 2005, the Department has been engaged in a major programme of re-organisation at all levels. This has resulted in a 25% reduction in staffing levels from 4,800 in 2005 to 3,584 at end June 2011.

## Findings on progress

In response to the ORP findings, the Department developed an action plan comprising 29 action points. It has continued to work and improve on those areas where the ORP review found it to be strong, and measures are being taken to address those issues where it found a need for development.

## Strategy

The ORP review found that the Department performed strongly in developing strategy and setting strategic direction. This finding has been reinforced by the policies and strategies developed since then.

Food Harvest 2020: A major policy review was undertaken to take account of changes in the EU policy framework and the role of the agri-food sector in addressing major global challenges resulting in the development of the *Food Harvest 2020* strategy<sup>1</sup>. The strategy was underpinned by a comprehensive analysis founded on evidence-based input from relevant State bodies and feedback from public consultations. An implementation group, chaired at ministerial level, is driving implementation. The first progress report, *Milestones for Success*, was published in July 2011.

CAP reforms: Established a consultative committee composed of all the main stakeholders which meets regularly for a two-way exchange of information and ideas on the proposed CAP reforms. As negotiations progress, it is intended that there will be full consultation on legal proposals via the consultative committee and that the Department will conduct a Regulatory Impact Analysis on legal proposals. Furthermore, a page devoted to ‘CAP after 2013’ has been placed on the Department’s website. These initiatives should ensure that stakeholders are advised in good time of proposals coming down the track and facilitate provision of input/feedback.

Strengthening capacity at EU level: A number of measures have been taken including:

- development of key contacts with the European Parliament and provision of oral briefing to members on major dossiers. The Department reports that feedback to-date from Irish MEPs has been positive,
- active participation on the various working groups/committees at EU level and bilateral meetings with the EU Commission and other Member States,

<sup>1</sup> to develop agri-food, forestry and fisheries for the next decade

- greater focus on networking, influencing and building stronger working relationships through the repositioning of an attaché post to Brussels. The Department reports that the Commission consults Irish officials on an informal basis more regularly than in the past, and
- three officials working as Detached National Experts in the Commission.

**Stakeholder engagement:** Consults widely with stakeholders on activities. For example, discussions will commence with the farm bodies before end-2011 on a new *Farmer's Charter 2012 – 2014* and consultative committees were established to determine policy frameworks for WTO negotiations, the Health Check, and so forth. The Department consults and collaborates with agencies on disease surveillance and control, applied research and development initiatives, and so on.

**ORP conclusion on strategy:** The Department has continued to perform impressively in the development and implementation of policy and strategy over the last three years and, in those regards, has demonstrated strong commitment to stakeholder engagement. The considerable resources invested in EU-related activities positions the Department to perform strongly at EU level and leave it well placed to manage the next Presidency effectively.

## **Leadership and HR management**

The ORP review found that, due in part to the large number of widely dispersed offices, difficulties arose around the engagement and management of staff, business planning, and leading change (e.g. management of decentralisation and internal restructuring). The Department has taken a number of measures to address these issues.

### ***1. Increased MAC visibility***

The MAC's leadership is more visible to staff in that it holds divisional meetings, attends meetings between POs and their staff occasionally, visits local offices to meet staff and emails them directly on important/strategic issues. A series of regional staff seminars were held from September to December 2011. They were led by the Secretary General and included MAC members. The seminars provided opportunities for senior management to communicate with all staff and for staff to ask questions and give feedback.

### ***2. Leadership and management***

The Department has undertaken a number of actions as follows:

- With a view to enhancing leadership skills at principal level, 35 POs participated in a leadership development programme in 2009. The Department reports that the programme was well received by participants. The Leadership Effectiveness Analysis with a 360 degree feedback exercise was of particular benefit. Executive coaching was also provided as part of the programme.
- The Department has run development programmes for a range of grades over the years and is currently launching management programmes targeted at first-time and middle managers.
- Structures and processes are now in place to ensure greater engagement between staff and senior managers.
- Consultation/team meetings take place on business planning and formal dialogue takes place on a quarterly basis amongst the inspectorate.

### **3. Internal communications**

Several initiatives have been taken to improve internal communications including:

- Specific engagement with staff, using focus groups and a survey tool, during drafting of the 2011-2014 strategy statement. Following review by MAC, many of these views were reflected in the current strategy,
- Development of the 'ezone' intranet improving access to corporate information,
- Dissemination of weekly bulletins on work developments and a staff magazine, and
- Undertaking a workshop on internal communications in July 2011 which was opened by the Secretary General, facilitated by an Assistant Secretary, and attended by staff from a cross-section of streams and grades. As a result, an internal communications policy bringing the various initiatives together will be developed.

### **4. Draft HR strategy**

The Department has developed a draft HR Strategy which takes account of the *Report of the Task Force on the Public Service*, the findings of the ORP staff survey and more recently the *Public Service Management Agreement 2010 to 2014*. The strategy covers key areas such as HR policies and planning, mobility, managing performance and development, a positive working environment, communications and employee relations. Preparation involved a comprehensive consultation process and it will be submitted to the MAC for approval shortly. Fortunately, the delay in finalising the strategy has not halted implementation of a new mobility programme which was developed recently.

### **5. New grading system**

The ORP review highlighted some inflexibilities and divisions between grade streams (administrative, technical and professional). The Department is currently drafting a proposal for a standard grading system for all streams within the Department, while reflecting the skills sets required. Meanwhile a programme of re-organisation and restructuring, including the amalgamation of divisions and the use of increased flexibilities within the Inspectorate, resulted in a staff reduction of 21% from 253 to 199.

**ORP conclusion on leadership and HR management:** Good progress has been made in strengthening internal communications, increasing visibility of the MAC and improving their engagement with staff. Investments have been made in developing management leadership capacity. Initiatives have also been taken to strengthen HR management in terms of more engagement between senior managers and staff and a greater emphasis on business planning.

Overall, positive momentum has been created but there are challenges ahead in continuing to deliver on the ambitious change programme underway, especially given the ongoing reductions in resources. As a consequence there will be a growing need on the Department to ensure that it optimally deploys staff, matches skills to posts and provides training (on-the-job, specific courses) to up-skill staff as necessary. Obviously, managers will need to work diligently at keeping staff informed of work developments and delegating tasks appropriately.

### **Management of resources/efficiency measures**

Excellent work has been done in terms of carrying out efficiency reviews and implementing a major programme of reorganisation both of work and offices.

### **1. Efficiency Review Group / Implementation Steering Group**

The Department established an Efficiency Review group (ERG) as a subcommittee of the MAC to facilitate a strategic approach to budgetary decision-making, while addressing structural changes necessary to enable the Department to fulfil its wide-ranging remit. Its deliberations facilitated completion of the ORP action plan, the Department's submission to the Special Group on Public Service Numbers and the completion of Expenditure Programmes.

The ERG drew up an action plan to drive the efficiency agenda, one of the most significant outcomes having been the delivery of the reorganisation of the Department's network of local offices. In March 2010 the ERG reconvened but the focus shifted to monitoring the implementation of finalised reports and reviews - i.e. the output from Management Services Division and the Value for Money Programme. The Group was renamed the Implementation Steering Group, which also monitors implementation of the *Public Service Agreement (Croke Park) Action Plan*.

### **2. Management Services Division Team**

The Management Services Division (MSD) team provides advice and analysis to the Department on organisational development, resource deployment, business process improvement and change management. Since 2005, the Department has been engaged in a major change management programme<sup>2</sup> including reorganisation at all levels facilitated by changes in the way schemes are managed, reductions in disease levels, and the advanced use of information technology. As a result, the Department has been able to reduce its staffing level from 4,800 to 3,600, a decrease of 25%. The MSD team has undertaken major reviews of the structure, staffing, and work processes/practices of 15 key business units to date, and a further 3 reviews are at finalisation stage.

On foot of the ERG recommendation, the MSD reviewed the local office structure and services and began a comprehensive restructuring which involved the closure of 42 offices throughout the country and the retention and expansion of 16 regional offices to provide an enhanced service to customers. The process was managed in phases:

- A communicative phase to stakeholders was completed in December 2009.
- 10 offices were closed down and another 32 offices closed to the public by May 2011. The 32 offices will be closed down when the staff (professional, technical and administrative grades) can be redeployed.
- 2 review teams are currently examining how to further improve business processes and services in the 16 retained regional offices.

Overall, the restructuring of the local office network will result in a reduction of 400 FTE staff across all streams, with calculated savings in the order of €30 million per annum. The process of reducing and redeploying staff with the aim of achieving efficiencies and matching resources to changing business requirements is ongoing.

### **3. Recent initiatives**

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<sup>2</sup> When account is taken of the decentralisation to Portlaoise and the relocation of staff to Backweston, the Department will have redeployed and relocated well over 2,000 staff over the period 2005-2010. This includes a reduction of 664 FTE and the redeployment of 190 staff to other Departments since the ORP report was published in November 2008.

The Department has recently made significant progress in 1) reforming its procurement processes and 2) progressing shared services with its State Agencies and other Departments. For example, the Department is now providing full ICT infrastructure support on a shared services basis to the Department of Communications, Energy and Natural Resources. Other reform initiatives, included in the Department's Action Plan for the Public Service (Croke Park) Agreement, are also underway.

**ORP conclusion on managing resources:** Very significant progress has been made in terms of achieving efficiencies in the management of resources resulting in substantive savings through reduced pay, non-pay and capital costs while, at the same time, maintaining and in some cases improving service delivery standards. The re-organisation of operations, which involved the closure of 42 offices, the retention and expansion of 16 regional offices, and the reduction and redeployment of staff resources, while maintaining operational capacity to the greatest degree, was a major achievement. Not all such changes can be credited to the ORP review as economic circumstances would, in any event, have spearheaded changes to bring about efficiencies, but the review did highlight the diseconomies of scale arising from the unnecessarily high number of dispersed offices and the need for a focus on efficiency in how resources are managed. The Department's response in terms of fewer local offices and more integrated service provision will also impact positively on leadership, resource management, internal shared understanding and a unified corporate culture.

## **Customer Service and Continuous Improvement and Innovation**

The ORP review found that the Department performed strongly in these areas. It is clear from the progress made in implementing the follow-up action plan that the Department continues to do so.

### **Customer service**

#### ***1. Online service improvements***

Over the last 3 years, service improvements include the development of online services such as:

- the AgFood portal (one-stop-shop),
- a sea fishing portal, and
- a Fisheries Information System used to report on key information such as vessels registration, fishing licensing/authorisations, sales, withdrawal of certs etc.

The Department enhanced the functionality of online schemes resulting in:

- an estimated increase of 25% in 2011 in online applications (up from 43,465 in 2010) in the Single Payments Scheme. There were 7,525 online applications when the system was introduced in 2007,
- a 53% increase in forestry approval online applications over 2010,
- a 45% increase in the number of bovine births notified online so far in 2011 over 2010 figures, and
- a 33% increase in 2011 over the 2010 figures in the number of herd keepers who have signed up to maintaining their herd information online.

#### ***2. Farmers Charter Action Plan***

The Department developed a *Farmers Charter Action Plan 2009-2011* in consultation with farming customers setting out specific delivery targets to be achieved in services such as the Single Payment Scheme, Disadvantaged Areas Compensatory Allowance Scheme, Suckler Welfare Scheme, and the

Rural Environment Protection Scheme. A monitoring committee meets quarterly and the Department reports that payment and service delivery targets are largely being achieved. There is also a more general Quality Customer Service Action Plan which is monitored through a complaints system and a web survey of customers is being prepared for later in 2011.

### ***3. Internal Customer Service Panel***

An Internal Customer Panel was established November 2009 with a view to improving internal customer services. Staff were surveyed to obtain views of what needed to be considered by the Panel. The main issues covered were engagement with staff on the reorganisation of local offices, accommodation, staff mobility, e-working, training, adequate IT support for new schemes and the need for an Internal Customer Charter. The Panel completed a report on these issues which is has been with the MAC since May 2011 awaiting approval, the intention being that an Internal Customer Charter will be published to address the issues raised.

### ***4. Staff consultation***

While no regular climate surveys are carried out, consultations with staff take place on a range of issues through the partnership process, and separately on significant matters such as the HR Strategy and the Statement of Strategy. The Staff Seminar Programme allocates a significant portion of time to staff feedback and questions and answers.

### **Innovation**

The efficiency agenda drawn up by the Efficiency Review Group and the resulting reviews undertaken by the Management Services Division team helped achieve significant reductions in staffing and overhead costs, better management of workloads and improved service delivery (see Management of Resources).

In addition, these reviews resulted in a number of ICT-based improvements. For example, systems such as Generic Claims Processing System (GCPS) and Ag Field Inspection and Testing (AFIT) and have been redesigned and automated:

**GCPS**: The Department operates a number of different schemes (e.g. modernisation, Bio-energy, Agri-Environment Options schemes). The GCPS as designed enables use of just one system (with minor modifications as appropriate) to process claims rather than having to design a brand new system for each scheme. Thus the claims can be processed more efficiently.

**AFIT**: This system is used to schedule and record data on 110 different types of inspections. Thus the inspection data is readily accessible and allows a more cost-efficient, integrated and efficient inspection service to be provided. For example, if 5 types of inspections need to be carried out on a farm, the system will highlight those needed and they can be done in the course of a single farm visit. New opportunities for use of the AFIT have been identified and it is expected that the system will be extended to cater for at least 140 types of inspection by 2014.

The development of a new Customer Snapshot Application in the new regional office structure is another innovative measure in that it allows capture at high level of queries/interactions with customers and drilling down to identify further processes for priority redevelopment.

**ORP conclusion on customer service and innovation:** The significant increases in public usage of online services are very encouraging. Access to information via the various portals has been improved and clear undertakings are given in the various schemes in the Farmers Action Plan. The Department has a strong delivery culture and the evidence shows that it has put sustained effort into continuously improving and innovating its customer service delivery systems.

Greater efforts are now being made to seek staff feedback on policies and services. The internal Customer Service Panel is a good initiative which has the potential to become an effective vehicle for raising issues and leading to improved internal customer services. The areas covered in the Panel's report which relate to HR/management issues need to continue receiving attention and be progressed, with the Internal Charter to address these issues needing to be put in place.

Overall the Department has demonstrated a strong capacity for innovation, especially in the use of ICT as a service delivery tool and in its efforts to improve staff input to policies and services.

## **Governance**

The ORP review identified two key issues which needed to be addressed regarding governance: namely, the absence of coherent oversight frameworks to measure the performance of agencies, and the need to have systematic dialogue with agencies as part of their oversight arrangements. The Department has taken the following actions to strengthen governance:

- A central Unit with expertise on corporate governance has been established to support Divisions and ensure coherence in monitoring compliance with best practice. The Department reports that the Unit meets with relevant Divisions at regular intervals and reports annually to MAC on compliance by reference to a common checklist on the Code of Practice.
- The new *2011-2014 Strategy Statement* includes a high level performance indicator through which the performance and governance of State agencies will be assessed and verified using baseline data and periodic performance reviews. Written performance framework agreements are in place for some agencies and a paper has been prepared by the central Unit on the desirability of drawing up performance contracts for the remainder in the context of the new Strategy Statement.
- Divisions meet with State agencies at least once a year (and every quarter with certain agencies) to discuss various issues. In future, there will be at least one annual meeting with the Chair, CEO and senior management of each agency to enable strategic dialogue take place.
- A training session was held on the examination of accounts. An Assistant Principal from the support unit and one from another division attended a 3 day course on 'Managing State Body and Agency Performance'. Others intend to participate in this course.

**ORP conclusion on governance:** A number of positive actions have been taken to strengthen governance since the ORP review was carried out. It is important to complete the good progress made by putting performance frameworks in place for the remainder of the agencies as appropriate and at an early date. The planned strategic meetings with agencies will be a useful mechanism for setting out the

expectations of Government and Ministers as well as discussing agency performance against clear output and outcome indicators.

## **Evaluation – Performance measurement**

While it was recognised that some areas have systematic performance measurement processes (e.g. the laboratories), the ORP review highlighted a need for the Department to focus less on measuring activity and more on developing effective output and outcome indicators.

To the Department's credit, it was at the forefront in developing the Management Information Frameworks and the Annual Output Statements and more recently since the ORP review, it has taken initiatives as follows:

- participated in a pilot on Performance Budgeting,
- completed a high number of value-for-money reviews,
- developed good Key Performance Indicators in its Statement of Strategy, the Annual Output Statement and the *Food Harvest 2020* strategy,
- is participating in the pilot phase of the proposed 'Integrated Delivery Plan',
- participates in an EU project which aims to deliver consistent performance/cost effectiveness metrics on the Single Payment Scheme and has committed to participating on other such projects at the request of the OECD, and
- established the ERG to monitor progress on the implementation of recommendations of Efficiency Reviews, VFM reviews, the Croke Park Agreement etc. The ERG reports to the Management Committee on a quarterly basis.

**ORP conclusion on evaluation:** There is evident commitment in the Department to the evaluation of its performance. It is focusing to a greater extent now than in the past on output indicators in its various schemes and strategies, and progress in delivering them is being monitored. Such indicators should assist it in developing policy and driving performance, efficiency and value for money across its activities. Nonetheless as already stated, there is scope for improvement in terms of evaluating the performance of its agencies.

## **Assessment of progress**

Excellent progress has been made overall and the action plan has been substantially implemented. However, further work is required to strengthen governance and, in view of the ambitious change programme and other challenges ahead, to build on the improvements made in the HR area.

## Department of Jobs, Enterprise and Innovation Organisational Review Programme: Progress Report

### Key achievements

#### *Organisational change*

The Department has overseen considerable organisational change involving the acquisition and transfer of functions including the Redundancy and Insolvency Payments functions to the D/Social Protection (with 35 staff being provided on loan for 8-12 months), the transfer to the Department of Education and Skills of oversight of the FAS labour market function as well as the labour market policy unit; and the transfer of the Trade function to D/Foreign Affairs and Trade. These transfers, which required a major investment of time and resource input, were made while services continued to be provided and despite the hugely changed working environment and the magnitude of budgetary and staffing reductions.

#### *Customer service*

The Department has reduced the administrative burden on business communities and states that it is on course to achieve the Government's target of a 25% reduction by end 2012 with a 23% reduction achieved in the areas of health and safety, and company and employment law to date, realizing, according to the Department, a potential saving for business of €198 million per annum. Achievement of the reduction was helped by the e-filing system operated by the Companies Registration Office which has reduced the cost of filing for the business community over the years.

#### *Leadership/HR*

Some efforts have been made to improve leadership including the holding of a conference on the draft Statement of Strategy at which Ministers, the MAC, Principals and Assistant Principals participated.

The Department developed guidelines on the management of underperformance, which formed a key part of the guidelines subsequently adopted as the standard for the wider civil service.

#### *ICT*

It has, through SFI, established an IT online forum which enables IT staff in the Department, the agencies and in a number of other public sector organisations to engage with each other on IT technical and policy matters. The Department also further improved its Intranet and introduced some new functionality and applications.

## Introduction

The organisational review of the D/Enterprise, Trade and Employment (now D/Jobs, Enterprise and Innovation) was published in November 2008. The purpose of the review was to examine the ability of the organisation to respond effectively to current and future challenges. It was reviewed under 3 main headings: strategy, managing delivery and evaluation. The purpose of this ‘look back’ is to examine progress made by the Department in implementing its action plan over the last 3 years.

## The Department

The Department’s current mission is to “*drive Ireland’s competitiveness and productivity by creating the conditions where enterprise, entrepreneurship and innovation can flourish and quality employment opportunities are grown and maintained*”.

## Working environment

Organisational change: The role and functions of the Department changed considerably since the ORP review was carried out:

- In 2010, responsibility for the functions relating to employment programmes and services and skills training including the FÁS agency and the labour market policy unit transferred out to the D/Education and Skills
- The Programme for Research in Third Level Institutions transferred into the Department in 2010 from D/Education and Skills
- On 1<sup>st</sup> January 2011, responsibility for functions relating to redundancy and insolvency transferred out to the D/Social Protection, involving the temporary loan of 35 staff to that Department for an 8-12 month period to assist and smoothen the handover
- From 1<sup>st</sup> June 2011, the promotion of foreign trade transferred out to the D/Foreign Affairs and Trade.

There were also significant reductions in budgetary and staffing levels over the period:

- Budget: The Exchequer provision in 2008 amounted to €998,032,000 (net current) and €494,884,000 (net capital). The 2011 provision amounted to €336,890,000 (net current) and €507,950,000 (net capital). Most of the difference in the current spend results from the transfer of the responsibility for the FÁS functions and its associated budget.
- Staffing: At end November 2008, there was 1,077.94 staff serving in the Department whereas there was 841.34 staff as at mid October 2011 with a 20% reduction of staff at senior management level excluding those who transferred out due to the change in functions. Over that period, pressure points in frontline services in the areas of Redundancy and Insolvency payments (until this function transferred out of the Department), the Rights Commissioners Service and the Employment Appeals Tribunal all had to be managed with existing staff levels.

### ***Key priorities for the Department over the next 3–5 years***

- The creation and protection of jobs.
- Competitiveness – to regain the competitive edge necessary to underpin a successful, small, open economy.
- Business environment – to be the best small country in which to do business by 2016.
- Enterprise development – to develop an engine of indigenous growth and more deeply embed foreign direct investment.
- Innovation – to develop a broad-based innovation strategy to make our enterprises more competitive.
- Exports – to substantially build the volume and share of output exported by indigenous firms.
- Access to Finance – to improve access to finance for enterprises.
- Regulation – to make markets work more efficiently through smart regulation which encourages innovation, keen competition, high standards of compliance but without unnecessary regulatory costs.
- Develop sectors of potential – select sectors of opportunity and systematically remove obstacles and develop enabling policies.
- Championing enterprise – to enlist the widest possible support within and outside Government to open up opportunity for jobs and enterprise based on innovation.
- Servicing the Presidency of the EU in 2013.

### **Main challenges facing the Department over the next 3-5 years**

The main challenges as reported by the Department are to deliver on the above priorities. However the context for pursuing these goals has changed considerably in that the external environment has become much more difficult. There is a global recession and a weak domestic economy with high unemployment (including high levels of long-term unemployment), systematic failures/weaknesses in our banking system, competitiveness issues to be addressed, and Government investment and expenditure are heavily constrained.

Internally, the Department reports that there has been a significant reduction (20%) in staffing resources, including 20% at senior management level, and the staffing level is set to reduce further in the next few years. The Department reports that it needs to further increase the number of its staff with the capacity to evaluate programmes, carry out policy analysis, and perform other key tasks. The need to have the requisite skills across the economy is also an issue for the Department if it is to deliver on its goals/priorities.

### **Findings on Progress**

In response to the ORP findings, D/JEI developed an Action Plan comprising 38 action points. Below, the findings in the original ORP review are set out along with follow up actions as outlined by the Department. The ORP assessments on progress made in addressing the issues raised in the original review are set out at the end of each section.

## Strategy

### *Strategy/shared understanding/leadership*

The ORP review found that in general the Department had good capacity for setting strategic direction but it didn't have a good understanding, clear philosophy and vision for all the areas under its remit.

Policy and strategy development: The Department does not have all the policy or operational levers itself to deliver its mission (it relies heavily on its agencies). There were leadership issues to be addressed at top level given the risk of 'policy capture' by the agencies and the view that the Department did not always have the capacity to lead, as it was not always at the cutting edge of the particular debate.

The Department reports that it has been building its policy-making and analytical skills base over the years and currently there are thirteen staff in the Department who have undertaken policy analysis at Masters or Higher Diploma level. It is understood that a number of staff have also undertaken other courses to degree and master levels. In addition, the Department is now considering the possible integration of the policy and research functions of Forfás<sup>3</sup>. While the Department has always had access to all these skills, the integration of Forfás would augment key economic and analytical skills in the Department and enhance its capacity to develop policy.

Policy implementation: The Department reports that in addition to the policy measures that were developed and implemented since 2008, it is currently developing schemes such as the Microfinance Fund which will be in place in Q1 2012 aimed at making credit more readily available to small and medium sized enterprise. It has also designed a temporary Partial Credit Guarantee Scheme which will provide a level of guarantee to the banks against losses on qualifying loans to job-creating firms to get banks lending to industry and entrepreneurs.

Internal shared understanding: There was some evidence of the operation of 'silos' within the Department with the result that Units and services can be disjointed and disconnected. In addition, it has 8 Offices most of which are based in Dublin and are staffed by civil servants and these staff felt that they were not treated as an integral part of the Department and felt isolated.

The Department reports that it developed the intranet and other ICT solutions to improve internal communications. In relation to the Offices, it operates a general policy whereby staff in the Dublin-based locations are interchangeable with the mainstream Department and other Offices, though there are practical limitations on the extent to which this can be done. It also uses thematic working groups with staff representatives from a number of buildings such as ICT and procurement.

External shared understanding: Issues raised in the ORP report included the need to participate more actively to ensure more efficient co-ordination on cross-cutting issues, to articulate Government policy more clearly on competitiveness and its connections to wider economic, social and environmental objectives, and to bring its agencies and other Government Departments along with it in relation to its policies.

The Department reports that it recently undertook a very comprehensive consultation process in developing its draft Statement of Strategy 2011-2013 including consulting with its agencies and

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<sup>3</sup> The policy advisory agency for enterprise, trade, science and technology, and innovation

external stakeholders to influence them on its agenda as well as to broaden and deepen Departmental understanding of the perspectives of stakeholders.

Communications: Internally, there was evidence of the divisions operating independently. The Department undertook to develop a Communications strategy to assist in better communicating policies and strategies to internal and external stakeholders. The Department reports that it has taken the following actions:

- Visible leadership: the Secretary General has made presentations to staff outside the HQ (e.g. to the Companies Registration Office and the Patents Office in the regions as well as to some Dublin-based Offices). However, staff across the grades who responded to the questionnaire reported that there is scope for considerable improvement particularly in terms of communications from the MAC and individual Assistant Secretaries and Principals, guidance on strategic direction and clarity on the Department's priorities and work-related developments. Some staff pointed to the absence of the new Statement of Strategy and the resultant sense of drift in focus and direction.
- Staff engagement: A conference was held on the draft Statement of Strategy in June 2011 at which the Ministers, the MAC, Principals and Assistant Principals participated. MAC members are located with their staff in the main Dublin-based buildings to the greatest extent possible. While some MAC members hold regular meetings with their Principals, many of whom hold them in turn with their Units, some staff report that such meetings are not standard practice across the organisation including with the Offices.
- Communications through IT: The Department:
  - Developed a new Intranet which provides an extensive range of information and applications. This includes guidance on procurement, a databank of parliamentary questions, it hosts a number of corporate services applications (such as FOI, online payslips, conference booking), core HR documents, short training videos on common IT applications and staff contact details. However, staff who responded to the questionnaire reported that although the intranet is useful as an information repository, it has had limited effect on internal communications. Some staff also said that greater attention needs to be paid to the currency and comprehensiveness of its content including a user friendly organisation chart which sets out who does what.
  - Developed a Discussion forum to facilitate group discussions and obtain staff views on policies and other issues. While regarded as a worthwhile development, some staff report that it is underutilised and needs to be supported by regular team meetings and greater communications from the MAC and Secretary General.
  - Has video conferencing well embedded.
  - Has upgraded desktop applications across the 12 locations of the Department and its Offices providing staff with enhanced calendaring and collaboration features to promote working together and will be further rolled out to the Department's 150 blackberry users.
  - Is in the process of engaging consultants to develop its website with a view to bringing the breadth and diversity of its activities together in a more accessible format as well as that of its

offices and agencies (the new site is expected to be completed early in 2012). It will include a mini site for the business community to provide a single information repository on the regulatory systems of Government.

- **Forums:** The Department established forums at Principal and Assistant Principal levels to foster a culture of working together. However some staff reported that these forums rarely meet and the opportunity to share information on work developments and ideas is lost. The Partnership Committee includes membership from each Departmental location and holds meetings on rotation in all locations and this practice has been praised. However, since its last meeting in April 2011, the work of the Partnership Committee has been under review.

**Conclusion on strategy/leadership/shared understanding:** The original ORP review found that in general the Department had good capacity for setting strategic direction but it didn't have a good understanding, clear philosophy and vision for all the areas under its remit. Integrating Forfás into the Department, if it happens, would enhance the Department's policy development, research and analytical skills base. The transfer of functions out of the Department offers the potential for a greater focus at MAC level on core areas such as competitiveness, enterprise development, job creation and employment rights. This together with the knowledge it gleans from international experience and research would help the Department's capacity in policy-making even further.

Efforts have been made to demonstrate stronger leadership at senior management level such as presentations by the Secretary General and group meetings between MAC members and Principals. The hosting of a conference on the Statement of Strategy attended by Ministers, the MAC, Principals and Assistant Principals was particularly good. The Department also took actions to improve communications through ICT. However, these actions in themselves are not deemed sufficient to promote internal shared understanding and joined up working. Other organisations have, for example, taken steps such as holding staff seminars in regional offices led by MAC members, weekly electronic bulletins updating staff on work developments, carrying out climate surveys, reviewing internal communications processes and establishing local groups to address issues raised, Partnership sub-committees developing communications plans and implementing staff mobility more effectively. It is notable in this respect that respondents to the questionnaire are of the view that communications need to be strengthened, divisions are not working as cohesively as they should, staff in Offices are not as integrated with the mainstream as they ought to be and there is a need to improve staff mobility across the organisation.

A good starting point would be to finalise the Statement of Strategy, currently in draft form and promulgate key priorities to all staff and more widely, and develop a comprehensive communications plan which would pull existing initiatives and new ideas together to promote strong internal and external awareness of the Department's key messages.

In relation to building external shared understanding, some stakeholders believe that the Department is too narrowly focused on its own agenda and needs to develop a broader Government perspective particularly on cross-cutting issues led by other Departments. The wide consultation the Department undertook in developing its draft Statement of Strategy was a positive step towards building consensus around its policy agenda. It needs to build on this general approach in deepening its own understanding of the policies, strategies and positions of other Government Departments and their interconnections with its own agenda.

## Managing delivery

### *Customer service*

The Department delivers many services through its agencies (e.g. IDA Ireland, Enterprise Ireland, the National Consumer Agency and the Health and Safety Authority) but also delivers services directly through its Offices (e.g. Companies Registration Office, Labour Relations Commission, the Labour Court and the Office of the Director of Corporate Enforcement). While the ORP review found that the Department's focus on customer service was generally good, there was scope for improvement. In particular, the review found that *"there is a strong case for the Department to put in place an objective review and monitoring process of customer service in respect of itself and each body under its aegis"*. The Department undertook to carry out the following actions:

- complete its draft customer charter and action plan and promulgate these across the Department
- issue a customer satisfaction survey to key stakeholders and take appropriate follow up actions
- carry out internal QCS audits, introduce new customer charters and put in place performance measurement systems
- the QCS team would meet regularly and monitor progress on advancing eGovernment and the QCS agenda generally.

It reports that none of the above actions were progressed due to a decision to redeploy resources from QCS work to pressure point activities arising from the economic downturn such as the rapid growth in the number of redundancy cases<sup>4</sup> to be processed. A small level of resources has recently been provided to the QCS unit to progress the above actions. In addition, despite the work pressures, the Department reports that since the ORP review it has:

- developed an eForm for use in the Employment Appeals Tribunal from June 2011, which has reduced the number of application forms from 5 to 1 supported by a YouTube video on how to complete the form
- a project is underway to reduce 50 different application forms across the employment rights and industrial relations bodies into a single eForm and this project will be completed by end December 2011
- reduced the administrative burden on business communities and states that it is on course to achieve the Government's target of a 25% reduction by end 2012 with a 23% reduction achieved in the areas of Health and Safety, Company law and Employment law to date realising, according to the Department, a potential saving for business of €198 million per annum. Achievement of the reduction was helped by the eFiling system operated by the Companies Registration Office which has reduced the cost of filing for the business community over the years.

In relation to the service provided internally by the key corporate areas (HR, Finance and ICT), staff who responded to the questionnaire reported improvements in Finance and ICT but were less satisfied

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<sup>4</sup> The Redundancy and Insolvency payments functions have since been transferred out of the Department from 1 Jan 2011. 35 Departmental staff were temporarily transferred to D/Social Protection with these functions but returned to the Department between August and December 2011

with the HR area. They pointed in particular to poor staff allocation relative to workloads and skills. It is acknowledged, though, that the impact of the early retirement scheme and the moratorium on recruitment would have influenced this perception.

**ORP conclusion on customer service:** On external customer service, the reduction of the administrative burden and the work in developing the online forms were positive developments. The redeployment of staff to key frontline services was customer-centric. However in order to ensure that a high quality service is provided, it is necessary to track customer/stakeholder satisfaction rates through internal surveys and externally through surveys of key stakeholders such as other Government Departments, agencies, trade unions, employer bodies and so on. Such surveys should be carried out and a Customer Service charter and action plan put in place. In addition, where it hasn't already been done, rationalisation and e-delivery of paper-based forms should be pursued as a standard practice across the organisation. On internal customer service, the findings in relation to Finance and ICT are positive but there is some scope for improvement in the HR area.

### ***Managing delivery: HR***

The ORP review found that there was considerable emphasis on HR management in the Department but pointed to scope for improvements - in particular management of performance, on-the-job training, addressing skills gaps, better mobility and succession planning. Good skills were needed in the areas of economic and social analysis to develop policy and strategy. The Department undertook to take the following actions:

Workforce planning: to use workforce planning techniques in conjunction with wider HR policies to ensure skills gaps are identified and measures put in place to address them - The Department reports that in addition to HR policies being implemented, a workforce planning project is currently being piloted in one Division in partnership with the Public Appointments Service. The project involves an analysis of the skills, competencies, knowledge and behaviours necessary to deliver the Division's business plan and assess those that will be needed in the medium term. The output will be recommendations to the MAC by end 2011 on how gaps might be addressed and the potential for streamlining workforce planning in the Department.

Leadership development: In 2007/2008, the Department put in place an extensive leadership training programme for all Principals and Assistant Principals involving a full 360<sup>o</sup> review/assessment, personal coaching and leadership development modules on people and organisational skills, business skills and communication.

Mentoring: A pilot mentoring programme took place in 2009. The Department had planned to review it but in the event this was deprioritised and the programme has been discontinued.

Performance management: The Department is implementing PMDS and is monitoring ratings which are reported to the MAC and will implement the new changes to PMDS which recently issued from D/ Public Expenditure and Reform. It regularly encourages the acknowledgement of good staff performance. In relation to underperformance, it developed guidelines which were disseminated to all staff in July 2010, information sessions were held and training provided. These guidelines formed a key part of those subsequently adopted as the standard for the wider Civil Service. The Department

reports that it is now in the process of devising a training programme to revitalise performance management and it intends to roll out this programme before February 2012.

Training: The Department reports that training and development needs as identified through the PMDS continue to be met. In addition, focussed training is provided for relevant staff in the management of State agencies, anti-bribery and corruption. In-house programmes have been delivered in areas such as time management, teamworking, transposing EU Directives and Employment Law. In addition, as required under the 'Croke Park' Agreement, the Department has developed an Attendance Management policy which is being monitored. The Department reports that it will incorporate the Learning and Development Framework developed by D/Public Expenditure and Reform into a new training and development strategy which will form part of a revised HR strategy. Some Managers referred to Ireland's upcoming EU Presidency and the need to enhance staff knowledge and skills sets where necessary especially prior to assignment abroad. The Department needs to ensure that EU areas are given the necessary priority and resources to ensure that successful outcomes are secured.

Mobility: The Department reports that it has an established practice aimed at developing staff to give them experience in a variety of work areas. In general it seeks to move staff every 4-6 years though this may vary considerably depending on factors such as the nature of work, grade of staff member, the business needs etc. However, the moratorium on recruitment and the restriction on promotions have limited the Department's ability to implement a mobility policy.

Flexible working: Comprehensive guidelines on the management of flexible working were produced in July 2011. An analysis of its impact and that of work-life balance was conducted including a survey of staff to elicit views. The report with recommendations was presented to MAC on 30<sup>th</sup> September 2011 and the decision of the MAC in these regards will be implemented. A teleworking scheme was piloted and evaluated in 2009 and while not extended more widely, a number of staff who were involved in the pilot continue to telework.

Merit award scheme: At the time of the ORP review, the scheme was under review. It was subsequently implemented in 2009 and 2010 and was then referred to the Partnership Committee for review. However the Department is now reviewing the work of the Partnership Committee and as the Committee has not met since April 2011, the review of the Merit award scheme has not been completed. Some staff pointed to the need for a mechanism to bring forward ideas and new thinking on issues and renewal of the scheme might be an option in this regard. However, it is acknowledged and welcomed that Minister Bruton, shortly after his appointment, wrote to all staff and invited them to submit their ideas.

**ORP conclusion on HR:** The ORP review pointed to the need *inter alia* to address skills gaps and to do succession planning and the Department undertook to use workforce planning techniques and HR policies in this respect. Since the review, the Department went through considerable changes in staffing levels and functions. While the workforce planning pilot being carried out in one Division is commendable given the anticipated loss of resources in early 2012 from the early retirement scheme and the moratorium on recruitment, the Department is only now carrying it out some three years after it undertook to do so. It needs to follow up on the pilot project urgently with a view to speedy roll out to

the rest of the Department<sup>5</sup>. All options should be utilised when addressing any skills gaps including allocating resources so as to achieve a best fit between available skills and business needs, training and secondment of expertise from its agencies or other State bodies where desirable and feasible.

Given the reduction in staffing resources and the inevitability of further retirements, it is more important than ever that steps are taken to broaden the skills base and build staff capacity in policy-making, leadership and shared understanding in particular. A number of initiatives would assist in this regard:

- Put in place a new HR strategy which will include a new training and development programme
- Expansion of the leadership development programme to below AP level
- Implementing a staff mobility policy
- Renewal of the mentoring scheme.

### ***Managing delivery: ICT/Innovation and Change***

The ORP review found that the Department is open to change and encourages improvement and innovation but is less good at responding to challenges and managing change. It pointed to the need for a step change by top management in partnership with the ICT Unit to develop the necessary vision, undertake significant business process reengineering and deliver transformational eGovernment services. The Department needed to strengthen its ICT project governance skills and address ICT skills gaps. The Department reports that it took the following actions:

Site: to review and enhance its website – the Department is in the process of engaging consultants to develop a new website and expects that it will be live in Q1 2012. It has also developed a new Intranet (see Communications).

Upskill ICT Unit: to analyse ICT skills needs and develop a strategy to address them and become less dependant on external expertise. It reports that:

- A comprehensive stocktake was taken of ICT Unit's skills set and skills to be acquired. An ICT skills strategy paper was developed setting out how the skills deficiencies might be addressed. Eleven posts were required including 5 specialists to be recruited externally and the remainder to be filled internally. Four internal reassignments to the ICT Unit were made during 2011 to meet some of the needs identified including on the Helpdesk, but final sanction was received from CMOD to recruit only one specialist post.
- A programme of upskilling existing ICT staff is continuing including through online elearning and increased funding has been made available for the provision of industry standard training for ICT staff. The Department also reports that staff are learning from the external providers and it is expected that the Helpdesk contract will not be renewed when it expires in March/April 2012. The provision of helpdesk services is currently under review in the light of Presidency priorities and

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<sup>5</sup> The D/Public Expenditure and Reform recently required that all Departments and non-commercial state bodies have workforce plans in place by June 2012.

needs, and it is likely that a blended model will be used until the end of Ireland's Presidency of the EU, which will nevertheless reduce reliance on external providers.

New techniques: It is using new techniques to deliver training to all staff (e.g. online training on staff PCs) to support implementation of a new Attendance Management policy and a new ICT usage policy, video tutorials and so on.

Online services: It is working with the Community Trade Mark Office and a number of EU Member States on the development of a common web-based trade mark e-filing tool which is expected to be operational in Q1 2013. However as an interim measure, online filing of trademark applications is possible since November 2011 via a secure electronic drop box which facilitates the electronic filing of applications. The Companies Registration Office introduced e-filing in 1999 but more recently it extended its range of online facilities available including an electronic signing system in 2010 on a form-by-form basis.

Business process improvement: It deployed a new Employment Permits Management System in 2010, which included new business processes, more automation, rule based decision making etc. It moved to full Electronic Fund Transfer payments of payroll and travel and subsistence for all staff in 2011 and has introduced electronic payslips. It also did some initial work with a view to entering shared financial services for payroll and is in close contact with D/Public Expenditure and Reform in this respect. Some staff spoke in positive terms of these initiatives.

Governance: It has a five year ICT strategy and it put a steering group in place which approves projects. Standard budgetary governance arrangements apply and regular ICT team meetings are held to monitor the business plan. Regarding projects, standard management methodologies are used involving boards led by the relevant business Units. All ICT staff with project management responsibilities are trained to Prince2 Foundation Level standard (Prince2 is an internationally recognised project management standard).

IT Forum: Through Science Foundation Ireland, it has established an online forum *itforum.ie* whereby IT staff in the agencies and the Department can engage with each other to discuss IT technical and policy matters. The forum has since been extended and now includes 30 organisations.

Organisational change: The Department has overseen considerable organisational change involving the acquisition and transfer of functions including the Redundancy and Insolvency Payments functions to the D/Social Protection (with 35 staff being provided on loan for 8-12 months), the transfer to the Department of Education and Skills of oversight of the FAS labour market function as well as the labour market policy unit; and the transfer of the Trade function to D/Foreign Affairs and Trade.

**ORP conclusion on ICT/continuous innovation and improvement**: The Department has taken a number of actions in the area of ICT such as to improve communications through IT, governance of ICT and customer service. Development of the IT forum is a particularly good initiative allowing for the sharing of knowledge and ideas and learning from best practice.

It also took the initial steps required to address ICT skills gaps: conducting an analysis of available and required skills and developing a strategy to address these gaps. It obtained sanction to fill one specialist post which it filled and has taken steps to utilise internal redeployment to address ICT skills needs.

While it continues to proactively manage its staffing need, some technical skills are not available within the Department and can only be acquired through external recruitment. The Department continues to rely on external providers to some extent therefore. The moratorium on recruitment and promotions places the Department in a difficult position to address this issue and to build the development capacity required. This is also a problem for a number of other organisations reviewed and there is a role for D/Public Expenditure and Reform in addressing it.

On the management of change, the Department oversaw considerable changes in functions involving the inward and outward transfer of major policy-making and operational areas of work. These transfers, which required a huge investment of time and resource input, were made while services continued to be provided despite the hugely changed working environment and the magnitude of budgetary and staffing reductions.

On innovation and continuous improvement generally, the Department has undertaken a number of small but worthwhile initiatives particularly in the area of ICT as referred to already. However, the overall picture emerging is that the Department is weak at managing change. It needs to be more agile in responding to new challenges and be more proactive and less reactive. The Department needs to work harder at promoting a culture of innovation across the organisation.

## **Evaluation / Governance**

The following key findings in terms of governance/evaluation arose in the ORP review:

Internally, there was no consistent protocol on what issues should be considered by the Management Board. Externally, the governance of the agencies needed to be enhanced with a view to securing greater accountability and performance management (e.g. service level agreements and/or Memoranda of Understanding (MOUs)) to clarify reporting arrangements and deliverables. Another finding was that the Department needed to evaluate the large number of bodies under its aegis and the scope for rationalisation. The Department undertook to carry out the following actions to address these issues:

MAC agenda: The Department has a document in place on the roles and procedures of the MAC and each item which goes to the MAC is sponsored by a MAC member.

Rationalisation of agencies: While this did not feature as a follow up action point by the Department, it is now undertaking:

- A major rationalisation of the 4 Employment Rights and Industrial Relations Bodies and amalgamating these together with the Employment Tribunal that is currently under the D/Justice and Equality to create a single-tier structure for complaints of first instance and a single appellate body. It aims to have a Bill drafted before end 2012 and in the meantime is undertaking some measures to improve customer service e.g. a single portal of contact for all employment and equality information requests, complaints, claims and referrals.
- A merger of the National Consumer Agency and the Competition Authority. It is envisaged that the Bill will be published and initiated in the Oireachtas during the first half of 2012.

- A review on the existence of the 35 County and City Enterprise Boards. The Department reports that work is well advanced on determining the extent of the restructuring of the network and primary legislation is required to transfer the functions to Enterprise Ireland or another body in 2012.
- A feasibility study on combining the Office of the Director of Corporate Enforcement and the Companies Registration Office (which is already effectively merged with the Registrar of Friendly Societies) into a single corporate entity is to be carried out in the first half of 2012.
- A feasibility study of merging Forfás into the Department (see Strategy).

Agency liaison meetings: The Department reports that regular meetings are held with each of the agencies and with the County Enterprise Boards' central co-ordination unit (within Enterprise Ireland) to discuss strategic and other issues. The liaison units are in constant contact with the agencies on day-to-day issues. In addition some meetings with the agencies are held at Assistant Secretary level, and with the Secretary General and the Minister on high level or strategic items. The CEOs of the agencies collectively meet the Minister and the Secretary General typically once a year or more frequently when the need arises.

Governance of Offices and Agencies: At the time of the ORP report, the Department was drawing up template MOUs for use in the governance of its 8 Offices – There are still no MoUs in place but the Department reports that an MOU for three of its Offices is now being finalised and that an MOU will be put in place for the new amalgamated structure absorbing the functions of the four existing employment rights bodies.

There are no service level agreements or MoUs in place with any of the agencies though they have corporate plans and/or detailed work programmes. In the case of Science Foundation Ireland, a letter issues each year confirming the SFI allocation and setting out details of what is expected to be delivered. There is a Financial Memorandum in place between the Department, the D/Finance and Inter-Trade Ireland and the two equivalent Departments in the North which sets out financial procedures and accountability arrangements.

On the whole the agencies feel that they have good working relationships with the Department but have mixed views on whether more formal governance arrangements need to be put in place.

Performance monitoring skills: It undertook to ensure staff have the skills to monitor agency performance – the Department reports that its Internal Audit Unit (IAU) carried out audits of the liaison units practices in relation to agency governance and revised general recommendations for them in that regard. The IAU also gave an in-house talk to relevant staff on the recommendations in May 2011. However respondents to the questionnaire feel that the governance of agencies is not as strong as it should be owing to the lack of formal governance arrangements and deficiencies in some skills sets. Some staff perceive that the main focus of the Department is on financial monitoring of the agency expenditure and insufficiently on strategies and outcomes.

**ORP conclusion on governance/evaluation:** There is a real value in having formal governance arrangements in place in the form of service level agreements or MoUs with the agencies as appropriate. These should be put in place and in the case of those agencies being amalgamated, on completion of that process. As regards the Offices, the development of a template MoU is positive and should be completed quickly in respect of the three Offices concerned and then extended to all other Offices. The work done by the IAU with the liaison units to improve external governance is very worthwhile and should continue to be supported. While the Department appears strong on probity matters, and notwithstanding the training already provided on agency management, it needs to ensure that a broader governance training programme on the oversight of agencies is provided.

## **Assessment**

Over the last three years, the Department has made some progress in improving its capacity but it has been slow to address a number of the issues raised in the ORP report and there is still a considerable distance to go. While the Department's organisational footprint has been reduced, which is of help, it still faces some significant challenges in an increasingly fraught external environment and against the backdrop of considerable staffing reductions. In order to meet these challenges, it is important that the capacity issues highlighted in this 'look back' report are given immediate attention and particularly in the areas of:

- leadership both internal and external including on cross cutting issues
- communications
- integration of Office staff with the mainstream Department
- workforce planning - staff allocation and deployment, especially between the Department and the Offices
- stronger governance arrangements of agencies and Offices
- management of change and promotion of innovation, and acceleration of its pace of delivery.

## Department of Transport, Tourism and Sport Organisational Review Programme: Progress Report

### Key achievements

#### *Strategy/leadership*

The Department has identified a suite of new priorities and has restructured and realigned staff and functions in line with them. A goal in that regard was the more equitable distribution of workloads between business units and staff who can now be re-assigned quickly to high priority areas as appropriate.

Made efforts to demonstrate more visible leadership internally through regular meetings between MAC members and Principals and between Principals and staff; and externally through the Department's leadership of groups on cross-cutting issues.

#### *Communications/co-ordination*

Has taken a number of initiatives to improve media management resulting in positive coverage and a more coherent response between the Department and its agencies on major national incidents.

Enhanced the co-ordination function with a view to streamlining requests to business units and providing a more timely response to external queries.

#### *Managing Resources*

Introduced a number of HR policies and measures to address shortcomings in the areas of leadership/staff management, communications, mobility, performance management etc. It also carried out a resource capacity study and a skills audit identifying skills needs and gaps and taking action to address them.

Added several enhancements to its ICT systems/applications including the development of a new staff intranet 'The Hub' which is used to promote greater sharing and reuse of information and ideas and to facilitate more efficient and effective means of working.

Developed a Records Management Protocol.

#### *Internal Customer service*

Produced an Internal Customer Charter and now carries out staff surveys to obtain feedback and to monitor services provided.

#### *Governance*

Introduced new governance arrangements for the agencies under its remit including more structured face-to-face engagement on strategy and performance-related issues.

## Introduction

The ORP review of the D/Transport (now D/Transport, Tourism and Sport) was published in November 2008. It involved examination of the capacity of the transport functions of the Department to respond effectively to challenges with a view to delivering focused public services into the future. It spanned three main headings: strategy, managing delivery and evaluation. The purpose of this 'look back' is to check what progress has been made in implementing its action plan three years on and addressing the issues raised.

## The Department

The Department's new mission is *"to ensure that the transport, tourism and sport sectors make the greatest possible contribution to economic recovery, job creation and social development"*.

### *Working environment*

The environment in which the Department operates has changed considerably since the ORP review was carried out. Functions such as bus licensing, funding and Public Service Obligation subventions were transferred to the National Transport Authority on its establishment in December 2009. The Sports and Tourism functions were merged into the Department with effect from 1 April 2011.

In 2008, the ORP review found that the then D/Transport was stretched in terms of resources (564.5 WTE). Since then, there has been a reduction of over 30% in senior management over the period 2008-2010 with a fall of 12% in overall numbers (495.5 WTE) and substantially reduced funding. The staffing complement at end June 2011 for the new Department was 516.6 WTE. The Department has restructured and realigned to reflect the reducing resources and the future constraints to 2014 under the Employment Control Framework.

The following table sets out the broad budgetary position although the 2011 figures are not directly comparable with previous years due to the change of functions.

<b>Department</b>	<b>Year</b>	<b>Current (€m)</b>	<b>Capital (€m)</b>	<b>Total (€m)</b>
Transport	2008	730	3,106	3,837
Transport	2009	704	2,398	3,102
Transport	2010	676	2,081	2,758
Transport, Tourism and Sport	2011	855	1,502	2,357

The Comprehensive Review of Expenditure will likely result in further reductions to the Department's capital and current budgets.

### ***Key priorities and challenges***

The key priorities for the Department over the coming years are to:

- Develop and implement a realistic, affordable and deliverable plan to maintain and upgrade roads and public transport infrastructure,
- Drive efficiencies and rationalisation in the public transport companies in the context of falling subsidies,
- Encourage more people out of their cars by improving their experience of public transport through initiatives like integrated ticketing, better stations, better bus stops and real-time passenger information, safe cycling and attractive walking,
- Keep road fatalities and injuries down,
- Rationalise and restore the State-owned airports and ports to financial health and profitability,
- Increase the number of tourists coming to Ireland and improve their experience of Ireland and its regions, and
- Improve local sports facilities and support Ireland's top-level athletes to compete on the world stage.

The main challenges over the coming years will be to progress and implement these priorities, to continue delivering services within the budgetary parameters and staffing resources available to the Department and its agencies, and to play its role in contributing to and supporting the wider public sector response to the current economic crisis.

### **Findings on progress**

In response to the ORP findings, the then D/Transport developed an Action Plan set to four broad goals:

1. Giving strategic leadership across the transport sector
2. Improving communications and relationships
3. Promoting a culture of continuous improvement
4. Strengthening service delivery and improving governance

### **Strategic leadership across the transport sector**

#### ***Strategy and leadership***

The ORP review found that the Department had good capacity for strategic thinking but the short-term tended to crowd out the strategic, giving rise to excessive burdens on some staff. Thus better prioritisation and delegation were needed. The review also highlighted shortcomings in communications between MAC/senior management and staff, along with the need for more visible internal leadership and improved leadership on cross-cutting issues. In response, the Department has taken the following actions:

Structure, staff deployment and priorities: Senior management agreed priorities with the Minister and communicated these to all staff. They reviewed and realigned the Department's structure/functions and staffing allocation in 2010 (with some further adjustment in September 2011) by reference to these priorities and, in the process, facilitated a more balanced workload at Assistant Secretary level. The realignment involved a major streamlining of work and internal reorganisation reflecting the reduction in

senior management numbers and changes in Departmental functions (see HR below). In addition, re-assignments of staff to priority activities are now being made in a responsive and speedy manner – e.g. at AP and HEO level to deal with priority legislation.

Training: In addition to its general training and development supports, the Department introduced on a pilot basis a staff exchange scheme with one of its agencies to provide new learning opportunities. The Department reports that this, coupled with training opportunities such as policy analysis and leadership programmes, will assist in developing a cadre of staff equipped to work across divisions and deal with crises or emerging new priorities and facilitate staff deployment as needed.

Visibility and team working: It is reported that formal meetings are held between Assistant Secretaries and divisions/sections and many Principals hold regular staff meetings. The Secretary General and Assistant Secretaries have visited Divisions in all the regions on a number of occasions to meet staff and Management Committee meetings have been held in each of the main decentralised offices (Shannon, Killarney and Loughrea). There are Principal Officers based in Killarney and Shannon whereas the Loughrea office is headed up by an Assistant Principal but the relevant Principal Officer visits that office for meetings on a two-monthly basis. Video conferencing is the preferred means for conducting meetings between relevant Assistant Secretaries in Dublin and staff in regions. The MAC has recently agreed to an ISD proposal to enhance the video conferencing facilities available.

Leadership on cross-cutting issues: The Department reports that it is exercising a more proactive leadership role on cross-cutting issues, citing examples such as its lead role on the cross-Departmental/agency group on the introduction of a new plastic card driving licence and its leadership in the national response to the volcanic ash disruption. It reports that it has received positive feedback from the media and the public regarding the quality, accuracy, transparency and availability of information on services by its agencies in a co-ordinated, clear way following major incidents. It also completed a major consultation process with stakeholders in relation to the Department's Statement of Strategy and held other public consultations on important policy matters such as airport charges, bus licensing and transport manager policy.

**ORP conclusion on strategy and leadership:** The Department has sharpened its focus on priorities through its Statement of Strategy and has improved communication of them to staff. Along with the structural changes to improve the alignment of resources with priorities, a clearer sense of organisational direction is being developed and promulgated internally and externally.

However, the predominant view amongst Departmental respondents to a questionnaire issued by the ORP team is that while staff are allocated to priorities where possible, the reduction in staffing resources is such that the main focus continues to be on the unavoidable short-term issues to the detriment of more strategic work. Many staff are still very stretched trying to manage workloads which will increase further in the next few months as more staff retire. Staff also drew particular attention to the loss of corporate memory arising as staff leave the Department.

Clearly therefore, individual Assistant Secretaries should thoroughly assess each year the distribution of workloads across the business units under their remits and ensure that staff deployment matches appropriately the areas of greatest need. This is particularly important in view of the continued reduction in staff. The situation requires planning by Principals and considerable agility in assessing burdens and demands, in prioritising and adjusting workloads accordingly, and in allocating staff in

line with changing needs and priorities on an ongoing basis. Indeed communication, leadership and efficient resource management are essential at all management levels as is ensuring that all staff are working to their full potential and ability.

Efforts have been made to improve internal leadership and increase the visibility of senior management. While video-conferencing is useful, it will be important over the years that MAC members meet their staff regularly, including those in regional offices, to discuss objectives/challenges and review progress. Face-to-face engagement of that kind will help boost motivation and morale against the backdrop of reduced resources and, in some instances, increased workloads. While leadership and communications are improving, regular team meetings between Principals and their staff are still not standard practice and this should be changed. Such meetings are critical not only for informing staff of work developments but also for debriefing on meetings between MAC members and Principals, sharing ideas, ensuring staff are working to full capacity with manageable workloads and demonstrating senior management visibility.

Given the cross-cutting nature of its strategic objectives and dependency on others for delivery, it is vital that the Department works collegiately across internal business units, and strategically with its agencies and other Departments and bodies. This is necessary to ensure that cross-cutting issues in the transport agenda are dealt with in a co-ordinated and proactive way. The Department has taken steps towards this aim through new and improved consultation processes. It points to a number of examples of good external leadership such as in bringing key stakeholders together in relation to volcanic ash, the plastic card driving licence, real time passenger information and so on.

Stakeholders felt that the Department is moving in the right direction citing examples such as the leadership role taken in planning for and responding to extreme weather conditions, the multi-agency planning and strategy meetings during the Transport 21 investment programme, the engagement on aviation matters and so on. However they also considered that delivery could be made more effective through more systemic, structured and formalised engagement with the agencies on cross-cutting issues, including review meetings at least twice a year.

### **Improving communications and relationships**

The ORP review found that the Department needed to develop a more proactive approach to media management and establish a central co-ordination unit/information repository to deal with queries proactively. It also needed to address communications shortcomings and the regular procurement of staff and agency feedback on policy matters, including on the practicalities of implementation. The Department has taken the following actions:

Media management: The Press Office:

- implemented new protocols on media management and the provision of public service information during major public transport incidents (e.g. search and rescue, major pollution, and severe weather),
- initiated a process involving specific briefing sessions between the Minister and individual journalists on topical issues,

- developed a media plan on a quarterly basis (ideas for press releases on topical issues such as improvements to tourism numbers and additional funding for sustainable transport projects, and highlighting upcoming events),
- developed new technical tools to facilitate the immediate upload of press releases and emergency information onto the Department's website and a media query database to track engagements with the media and the responses issued, and
- is considering the future use of social media.

The Department reports that it successfully managed a co-ordinated media response with its agencies to recent major incidents affecting transport across Ireland – e.g. an air accident in Cork in 2011 – and plans are in place between the Department and its agencies for media management in the event of future severe weather events.

Internal co-ordination and communication: The Department established a co-ordination unit and, following a study of internal communications by a partnership sub-group, developed a central information repository ('The Hub' – see ICT) to facilitate the easy preparation of responses to internal/external information requests and to reduce the reporting burden. In addition, regular staff lunchtime information/policy briefing sessions are held.

Organisation chart: The Department has developed and maintains a comprehensive, up-to-date and accessible organisation chart specifying who deals with what functions.

Networks: The PO network continues to meet periodically bringing issues to the MAC for discussion or decision. A new AP network was established but an EO network, which had also been established, has unfortunately lapsed.

Building relationships: The Department is continuing its work on integrating Tourism and Sport staff (the majority of whom are based in Killarney) into its mainstream operations. The MAC held a meeting in the new Killarney office in April 2011 and met with staff there. Corporate Services staff gave briefings on the integration of processes and systems which has been completed since then. The Department's launch of its new intranet site in Killarney signalled good intentions regarding the integration of that office into the mainstream.

**ORP conclusion on communications:** The Department is now more proactive in managing its engagement with the media than it had been when the ORP review was undertaken. It reports that it is achieving positive media coverage and more coherent responses to issues between itself and its agencies. A stronger platform for internal shared understanding in the pursuit of Departmental priorities is being put in place through such initiatives as information sessions for staff, new management networks, regular team meetings, greater staff mobility and improvements in ICT (see continuous improvement/management of resources below). It has made efforts to integrate the new staff into the Department and while it is limited to some extent as regards staff mobility, nonetheless it is particularly important that senior management strives to promote a unified culture, shared understanding and common working practices. Given the many functions of the Department and their dispersal across a number of offices, senior management should consider developing a communications plan to ensure all avenues to promote good communications, engagement and working relationships are explored.

## **Promoting a culture of continuous improvement**

### ***Continuous improvement/management of resources***

The ORP review found that there was no overall culture of continuous improvement and innovation in the Department due in part to weak ICT capacity and a lack of openness by line managers to the views of staff. The review also highlighted significant shortcomings in HR management (staff deployment in line with priorities with some units stretched and others under-utilised, training deficits, underperformance, PMDS, an unresponsive HR Unit, dissatisfaction with accommodation, need for mobility policy), and challenges around ICT management and ability to deliver. The Department has taken the following actions to address the issues raised:

#### **HR**

**HR strategy:** Developed a *Human Resources Strategy 2010-2014*, the implementation of which is overseen by the HR Unit. The strategy covers the key HR areas (e.g. PMDS, sick leave, underperformance, recruitment, promotion) and outlines actions to be taken.

**Training:** Produced a *Training and Development Strategy 2010-2014* which involved a review of challenges (arising from early retirements and career breaks) and an audit of skills. Individual training needs are addressed through PMDS (e.g. speciality training for emergency services) and support is available for a variety of third level studies. Training co-ordinators have been appointed to each Division to identify the skills sets required and to ensure appropriate training is delivered to those who need it. Ongoing ECDL training is provided such that at least 60% of staff will have achieved the ECDL Start Certificate. Familiarisation training has been given to all staff on the Microsoft 2010 suite of Office programmes as well as on applications such as ePQs and eSubmissions. Training on absence management is being rolled out.

**Induction:** Put in place a comprehensive induction programme and delivered five induction courses to new staff in 2009 (there have been no recruitments to general grades in 2010/2011).

**Capacity study:** Completed a Resource Capacity Study at end 2009 and developed a detailed implementation action plan which was adopted by MAC in May 2010. This involved reviewing the allocation of resources required for the delivery of strategies, taking account of staff number reductions (including from 6 to 4 Assistant Secretaries and from 21 to 15 POs) and the recruitment moratorium. The Department reports that most of the actions have been completed, with the remainder incorporated into their 'Public Service Agreement' action plan which is monitored and reported on regularly.

**New expertise:** The MAC identified a number of specialist areas where it lacks expertise. In recent months, it has acquired an accountant from the National Roads Authority on a secondment basis and an engineer from Irish Rail through the exchange programme. It has also identified the need for economics expertise and is seeking to recruit same.

**Managing underperformance:** Developed underperformance guidelines which issued in July 2009. It is reported that these guidelines are operational across the Department, with local managers progressing or resolving issues themselves in the first instance thereby bringing about a significant reduction in the number of referrals to the HR Unit in the early stages of a problem. The Personnel Officer conducts a quarterly review and follow-up on all such cases and monitors staff PMDS ratings of 2 or less along

with follow-up actions. The MAC monitors PMDS returns on a regular basis – 93% of staff were assessed by end April 2011.

Staff mobility: Developed a mobility policy for administrative grades in June 2009 and this has been implemented for HEOs and APs between 2009 and 2010. The Department reports that the HR Unit undertakes a twice yearly review of staff due to be reassigned in accordance with the mobility policy but the number of moves being made is decreasing due to the effects of redeployment and retirement. The mobility policy document is well thought out, especially in terms of striking an appropriate balance between the business needs of the Department and the developmental needs of staff.

Corporate services: Restructured Corporate Services functions to enhance the focus on HR, ICT/ Information Systems and to drive an accommodation renewal programme.

### ***ICT***

Strategy: Developed a five year ICT strategy which is currently being implemented. The Department is working towards improving ICT capacity and has restructured itself into four sub-teams (service desk, network, database support and web development, and business systems development). The service desk team is now fully managed by internal staff. The other three teams continue to have a mix of external contracted experts and staff but the Department reports that its staff are now learning some best practice from these experts.

Website: Revamped the website to provide high quality, accessible information on the Department's activities to stakeholders and the wider public.

'The Hub': Rebuilt the Staffnet site ('The Hub') which was launched in September 2011. Key features include an InfoShare area (shared knowledge centre on over 60 topics such as governance, procurement, leave entitlements), discussion and news boards, a departmental calendar diary of upcoming events, the organisation chart, a strong search engine and a portal to the Department's online systems. The Department reports that 'The Hub':

- provides improved access to information, is a method for staff to share knowledge/experience and has the potential to become a one-stop-shop for all documents;
- reduces time and effort when developing material through the use of templates and working examples of draft legislation, Requests for Tenders and so forth; and
- encourages a culture of reuse of common data from other systems.

While only recently rolled out, the Department reports that feedback to date has been positive. Staff who responded to the questionnaire consider that the ICT improvements, and in particular 'the Hub', provide an opportunity to share information and will assist in bridging the communications gap. They also acknowledge that it provides best practice guidelines, templates, worked examples and advice on common activities such as Memorandums for Government and procurement. However, some staff consider that the Department cannot rely solely on such initiatives to enhance communication; cohesive working between divisions will continue to be very dependant on the willingness and co-operation of individual staff members.

Records management: Developed a *Protocol on Records Management* which was included in the ECDL programme in 2009. The protocol sets out general rules for saving and maintaining paper and electronic files, folders and emails for quick and easy retrieval. The Department reports that the protocol has been widely adopted across the organisation and that it:

- improves sharing of information between staff and reduces the amount of printed paper, and
- provides a more efficient and effective means for compliance with legal and statutory requirements (Freedom of Information, Data Protection and National Archives Acts).

WorkSmart strategy: Developed the WorkSmart strategy, the implementation of which is overseen by a project team) and has delivered 15 systems/applications including:

- ‘The Hub’ (information repository enabling the Department to respond more quickly to media/Oireachtas/other queries, improved access to information, etc) and most of the applications rolled out will be linked to the Hub portal;
- document processing and management (PQs, submissions to Ministers, supporting documents to Management Board meetings);
- electronic document co-ordination/collaboration such as on the current legislation programme which enables staff to update the programme on a single central site on foot of automated requests for updates. The compiled report is generated automatically for the MAC or the Chief Whip’s Office without any end-user intervention. The system also co-ordinates updates to the list of State Board memberships and to the Department’s FOI section 15/16 guide; and
- electronic forms processing sick/absence reporting, travel authorisation, stationery ordering, supplier set up request form and so on.

### ***Accommodation***

Reduced the number of buildings occupied by the Department in Dublin city centre from six to three in 2009, thus reducing fragmentation, and completed a programme of refurbishment of these three buildings in 2010.

**ORP conclusion on continuous improvement and innovation:** The Department has worked hard to promote change and introduce more efficient ways of working through business process improvements, more effective use of ICT and strengthened HR capacity. The evidence suggests that while the ICT innovations are helping to improve internal co-ordination and information sharing, the Department should also explore opportunities to further promote more cohesive working across divisions. Consideration should be given to further business process improvements with a view to avoiding unnecessary duplication of effort and eliminating processes and practices that are no longer essential. The discussion forum and/or a staff suggestion scheme could be used to obtain ideas from staff on this.

The HR policies and measures put in place should, over time, address the shortcomings raised in the ORP report and improve leadership, staff management, performance and skills sets generally. Performance is being monitored and there is a greater tendency now to take corrective measures where underperformance occurs. Notwithstanding the considerable progress made, some staff believe that

there are still cases of underperformance. They also believe that there is greater scope for maximising available skills which is especially important given the heavy workloads. Furthermore, while the Department has taken action to address specialist skills gaps, clearly its reliance on contractual external ICT expertise remains an issue. Finally, the pilot exchange programme with an agency is a good initiative and if the outcomes are promising, then the Department should extend the programme on a phased basis to other agencies and perhaps local authorities.

## **Strengthening service delivery and improving governance**

### ***Customer service/governance***

The ORP review found that the Department's services to direct customers were good but it needed to create more public awareness of its activities, particularly as many of its services are provided through its agencies. The review also found that significant action was needed with regard to the oversight of agencies – especially more formalised arrangements such as Memoranda of Understanding, improved output and outcome indicators and access to data/metrics from transport companies and agencies. In response, the Department has taken the following actions:

### ***Customer service***

Internal Customer Charter: It has developed and is implementing an Internal Customer Charter aimed at providing staff with best practice, top quality services.

Customer surveys: Internal staff surveys have been carried out on service levels and communications. The customer ServiceDesk has run customer satisfaction surveys over the last two years and has well developed processes for obtaining internal feedback. An attitudinal staff survey is to be undertaken shortly and will likely include communications and leadership questions which will test, *inter alia*, whether efforts to-date have improved in practice internal cooperation on cross-cutting issues.

Monitoring service: The Finance Unit has specific provision targets for internal and external customers, its performance indicators are reviewed fortnightly by management of the Unit, and it achieved ISO 9001 certification in 2008 from the NSAI, a key requirement of which is to have a customer focus. The ServiceDesk reports monthly to management of the Unit on the status of calls/queries and monitors incoming emails to the Departmental website on a weekly basis with a view to rectifying any issues.

Public awareness: The Department revamped its website (see ICT) and is more proactive in its approach to media management (see Communications)

### ***Governance***

ICT governance: The Department has significantly strengthened its governance of ICT. A new ICT strategy group was established in September 2011, is chaired by the Head of Information Services and comprises representation from each MAC member area. This group decides where ICT resources (human and financial) should be invested, approves the business plan, and reviews progress. In addition, business units now have a key role in leading ICT projects – e.g. the Worksmart project team is led by the Head of the Finance Unit and comprises representatives from business units while the SafeSeas Ireland project board is led by the Head of the Marine Survey Office.

Agency governance: The Department introduced new agency governance arrangements in November 2008 in the form of a Ministerial letter to the agencies which *inter alia*:

- provides for more structured meetings between the Department and the Boards of agencies as well as meetings with the Minister to discuss strategic and governance issues. The CEOs of relevant non-commercial State bodies meet with senior management within the Department on a regular basis,
- requests a detailed annual statement of compliance with the Code of Practice,
- sets out improved information flows such as highlights of key performance and associated analytical commentary to accompany the submission of audited/unaudited accounts, and
- requests five year rolling corporate plans to assess effectiveness and performance against targets as well as ensuring agency plans are in line with the Government's objectives.

Formal reports on agency compliance with the governance Code of Practice are provided to the MAC. With the help of its internal financial advisor, the Department intends to set up a formal procedure (including checklists) to monitor annual reports, agency publications and so on.

The remit of the Department and its relationships with the transport agencies have changed considerably since the ORP review in 2008. The establishment of the National Transport Authority (NTA) now fulfils the role of ensuring appropriate co-ordination between the transport agencies and representing them centrally on cross-cutting issues. There is extensive reporting between the NTA and the Department – on a monthly basis in a very comprehensive fashion on its activities and actions required and on expenditure and project timelines as well as regular meetings on governance, staffing and administrative matters. The targets and objectives for the NTA are clear and are expressed in Government/Departmental plans, approved strategies and implementation plans and additional memoranda of understanding. There is a formal Public Service Contract in place between the NTA and the transport agencies which is reviewed every quarter and forms the basis of the arrangements for the payment of subventions. Furthermore, through the Public Service Contract process, the objectives which the Department and the NTA set for the transport agencies are very clear, and progress is measured by reference to a suite of performance targets. As regards the other agencies, all of them are required to have corporate plans but only some have Service Level Agreements and/or Memorandums of Understanding in place with the Department.

Performance indicators: The Department, with the assistance of the IPA, developed performance indicators for transport policies (including indicators for the agencies) in the Department's new Statement of Strategy. In the case of the CIE companies, performance standards are contained in the Public Service Obligation contracts signed with the National Transport Authority.

**ORP conclusion on service delivery and governance:** Internally, the staff surveys and the customer charter are positive steps providing a mechanism to obtain feedback and improve internal services. While staff feedback was sought in the development of the Statement of Strategy, it is also important that they, especially frontline staff, are engaged in policy development on an ongoing basis.

Externally, significant improvements in media management and the new website will assist the Department in improving public awareness of its activities, objectives, achievements and so on.

In relation to internal governance, the new formal ICT governance structures will deepen the involvement of business units and help ensure that priorities are delivered on. The Department is working to enhance its measurement of performance. For example, it engaged IPA expertise on the adequacy of the performance indicators in its Statement of Strategy. Although good progress is being made, the Department still has a distance to go in developing output and outcome indicators to enable it to better evaluate performance. It should also explore its agencies' performances against similar bodies internationally.

Regarding external governance, the new agency arrangements will enable the Department to exercise stronger oversight of its agencies, providing an opportunity to monitor performance against corporate plans and have strategic dialogue through structured meetings. CEO commentaries to accompany reports/accounts will assist in the interpretation of the returns and deepen the Department's understanding of the key issues. Stakeholders consider that the meetings between the agencies and the Department and/or the Minister are useful and they are generally satisfied with the communications structures in place for inputting into policy and strategy development. Nonetheless, stakeholders believe that more timely decision-making by the Department would enable the agencies to operate more responsively and effectively. Overall, the improved information flows will strengthen the Department's ability to make evidence-based policy.

The evidence suggests that the formalised arrangements between the NTA and the transport agencies is working very well and represent a significant improvement on the governance arrangements that had previously been in place. Progress is also being made through the greater use of service level agreements and/or Memorandums of Understanding. The Department should now build on that by putting in place more formalised governance arrangements with each agency under its remit.

### **Assessment of progress**

Over the last three years, the Department has addressed many of the issues raised in the ORP review and has made impressive progress in some respects. These achievements were made despite the changed working environment and the acquisition of new functions. Looking ahead, the Department faces some significant challenges arising in particular from reduced staff and budgetary resources. It will position itself well to meet the challenges if it continues to strengthen the governance of the agencies under its remits, adopts systemic and structured approaches when dealing with cross-cutting issues, strengthens internal ICT capacity and continues efforts to foster a culture of innovation and dynamism across the Department. A critical determinant of its success will be the achievement of a better balance between focussing on long term planning and managing short-term issues principally through better prioritisation.

## Department of Health Organisational Review Programme: Progress Report

### Key achievements

#### *Management of human resources*

The ORP review identified HR management (especially the optimal deployment of staff, the appropriate use of available skills and the better management of performance) as a key challenge. In response, the Department has produced four high quality HR-related reports with follow-up actions which it is promulgating amongst staff. The aim is to achieve over time best practice in staff management (e.g. induction supports, up-skilling and training, skills matching, delegation, effective meetings, and efficient ICT usage), staff mobility, the allocation of work and the management of performance.

#### *Leadership*

The Department strengthened its leadership internally and externally by communicating more clearly to staff, agencies and stakeholders on its priorities, leadership role and functions in the health sector in developing its draft Statement of Strategy. For each programme, it sets out the outcome desired, the actions to be taken, and the means by which progress will be monitored and measured.

#### *Shared understanding*

In response to the ORP finding that the Department needed to strengthen its consultative processes with key stakeholders, it has put in place structured engagement arrangements to ensure it communicates with, listens to and builds relationships with professional groupings and other stakeholders. The Department has also committed that relevant Units will consult with service users. These measures should strengthen the evidentiary base for policy development and implementation resulting in improved customer service delivery.

#### *Strategy and governance*

The ORP review found that the governance arrangements between the Department and the HSE, especially around their respective roles, responsibilities and functions, were unclear to staff and stakeholders. In response, a draft Memorandum of Understanding (MoU) between the two bodies, which would clarify their respective roles and functions, facilitate improved bilateral engagement and co-operation, and strengthen governance arrangements, was prepared by the Department. However, the finalisation of this MOU has been deferred in the light of the radical structural reforms of the health services provided for in the Programme for Government and pending decisions on the future role of the HSE itself.

#### *Business process improvement*

The Department has reviewed and streamlined a number of business processes including risk management, business planning, annual output statement/annual report and PMDS.

## **Introduction**

The ORP review of the Department of Health and Children (now two separate Departments) was published in September 2010. It examined the capacity of the organisation to respond effectively to challenges under three main headings: strategy, managing delivery and evaluation. The purpose of this ‘look back’ is to assess the progress made by the Department in implementing its action plan one year on.

## **The Department**

The Department’s mission is “*to improve the health and well-being of people in Ireland in a manner that promotes better health for everyone, fair access, responsive and appropriate care delivery, and high performance*”.

### ***Key priorities and challenges***

The Department’s key priorities over the next three to five years are:

- To lead a fundamental reform and restructuring of the health sector, the ultimate objective of which is to ensure equal access to healthcare based on need, not income. This objective will be achieved through a single-tier health service supported by Universal Health Insurance. It will involve:
  - significant strengthening of the primary care sector with removal of cost as a barrier to access,
  - radical reform of the acute hospital sector, and
  - the transformation of HSE hospitals to independent Trust status under the oversight of a new Patient Safety Authority.
- The establishment of a risk equalisation scheme for the private health insurance market and the financial restructuring and authorisation of the Voluntary Health Insurance Board.

### ***Working environment***

The Department’s working environment has changed considerably since the ORP review was completed. The establishment of the new Department of Children and Youth Affairs on 3<sup>rd</sup> June 2011 led to the transfer out of some 80 (WTE) staff to the new Department and the inward transfer of 16 (WTE) staff from the former Department of Community, Equality and Gaeltacht Affairs to cover the drugs policy functions. As of July 2011, the staffing level in the Department of Health was 363 WTE.

The budgetary position for the Department has also changed with the gross outturn at 2010 for Vote 39 being €307.8 million. The 2011 gross provision for the Department of Health is €347.701 million.

## **Findings on progress**

In response to the findings of the ORP review, the Department of Health developed an action plan comprising 15 priority action points based on a framework addressing the following areas:

- (i) the role of the Department,
- (ii) the empowerment of staff,
- (iii) interactions with service users, agencies and external stakeholders, and

- (iv) internal business processes and structures.

The Department divided implementation into two phases, selecting 8 actions for completion in phase 1 and the remainder in phase 2.

Regarding phase 1, working groups comprising staff volunteers of all grades were established to progress implementation. Each group was led by a member of the MAC. The Department reports that the process worked very well, with positive engagement from all involved. While the groups functioned in an open and inclusive way, the MAC members exercised a critical guidance role by maintaining a group perspective on what proposals would be achievable and by presenting the findings and recommendations in a cogent manner.

Regarding phase 2, a consultation process similar to that used in phase 1 will be applied. However, the MAC has decided to defer phase 2 until 2012 because the landscape in which the ORP was framed has changed fundamentally and processes are underway which will bring further change arising in particular from the Programme for Government. Such changes include the reshaping of the health sector and the Department's place within it, the establishment of a Special Delivery Unit within the Department to address issues around hospital waiting lists, and a review of business processes in central Units.

### **Strategy and Governance: Memorandum of Understanding with HSE**

The ORP review found that the Department has evident capacity to set strategic direction and create policy. However, a key issue which had surfaced was the lack of clear understanding regarding the role of the Department vis-à-vis that of the HSE and the related need to strengthen governance arrangements.

In response, the Department developed a draft Memorandum of Understanding (MoU) which provides guiding principles and addresses the scope, mission, mandate and functions of the two organisations, the statutory framework, the governance arrangements, and the general and specific business rules involved<sup>6</sup>. However, the finalisation of this MOU has been deferred in the light of the radical structural reforms of the health services provided for in the Programme for Government and pending decisions on the future role of the HSE itself.

**ORP conclusion on strategy and governance:** The MoU between the Department of Health and the HSE was an effective response to the need for clarification of their respective roles, duties and responsibilities and for strengthening the governance framework. The deliberation involved in its development, the principles articulated and the understandings reached will assist the Department in the future in implementing the vision set out in the Programme for Government and in developing formal governance agreements with other health agencies under its remit.

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<sup>6</sup> Policy development and legislation, policy implementation/service delivery, structured arrangements for communications, external communications as well as patient safety, early warning, code of governance, risk management, service planning and performance monitoring and evaluation, finance, HR/IR, information sharing, ICT, parliamentary affairs, joint relationship with other Departments/agencies, FOI.

## **Leadership**

The ORP review highlighted that the Department needed to strengthen its leadership role in the health sector by communicating more effectively to staff, agencies and stakeholders on its priorities, roles and functions. The review also highlighted that the Department becomes excessively embroiled in crisis management with the short-term tending to crowd out deliberation on long term issues and, therefore, it needs to get better at prioritisation. It found as well that there was scope to improve communication between senior management and the rest of staff. The Department is following up on these findings as follows:

Statement of Strategy: In its new draft Statement of Strategy, the Department outlines very clearly its high-level aims, objectives, programmes and priorities for the health sector over the period 2011-2014. It focuses on the functions and responsibilities of the Department itself in leading health service improvements and reforms in the coming years. In relation to each programme, the Department sets out what it wants to achieve, the actions it will take and how it will measure progress. The draft Statement of Strategy includes a good performance framework of indicators to measure 'keeping people healthy', provision of healthcare, high quality services and so on. In essence performance can be clearly measured against targets, thus addressing an important finding in the ORP report on the need to build measurable targets into strategies.

Review of internal operations: An independent review has been undertaken of key areas within the Department, including the Press and Communications Office, and implementation of the recommendations of this review should improve communications on an ongoing basis.

Internal communications: As a consequence of the ORP review, the Department reports that across all its business units, managers are more acutely aware now of the need to communicate better and more systemically with staff on a wide range of day-to-day issues. Responsibility to bring about improvements is devolved to individual managers and the Department considers this approach to be more effective than targeted interventions designed at high management level.

**ORP conclusion on leadership:** The orientation and content of the new draft Statement of Strategy and the associated Business Plans to stem from it constitute a step in the right direction, clarifying in particular the Department's strategic direction, role and priorities over the next three years. The language of the draft Statement of Strategy is clear and concise and the actions are backed up by a good suite of indicators to measure performance.

It is essential that the Department communicates effectively on work priorities and strategic direction with staff and stakeholders alike on an ongoing basis, and it also needs to ensure that early warnings are provided to central Departments and Offices where appropriate on the scale and impact of any major issues emerging. It is particularly important that the Department articulates its vision for the health sector, publicises achievements and best practice, and explains clearly the rationale for decisions. The Press Office will obviously play a critical role in this context. While steps have been taken to strengthen internal management behaviours and processes, the MAC must build on the steps taken to actively engage with staff. This is critical to securing their continued buy-in to the change programme which the Department is undertaking internally and externally through the fundamental reforms planned and being developed for the health sector.

## **Creating shared understanding and delivering customer service**

The ORP review indicated that the Department has had limited success in marshalling CEOs of agencies, stakeholder bodies and Departmental staff to pursue agendas on the basis of shared approaches and, therefore, it needs to do more to keep in close touch with all parts of the health sector. The Department has:

- set up a structured system of engagement with a number of professional groupings and other stakeholders. In that regard, the Chief Medical Officer will hold meetings quarterly or as required on an ongoing basis with relevant stakeholders; and
- committed to strengthening consultation and improving arrangements for gathering feedback from service users. In this regard it had set up a Citizens Participation Unit but when the Department split into two Departments, the staffing levels were such that it could no longer have a Unit for this purpose. Relevant individual Units within the Department will consult and gather feedback from service users in the course of their functions.

**ORP conclusion on shared understanding and customer service:** A structured system for engagement with key stakeholders will improve shared understanding between the Department and vested interests. However, the voice of the citizen should not be lost sight of; options in that regard, as noted in the ORP review, include the undertaking of regular customer satisfaction surveys.

## **Management of resources: HR**

HR challenges facing the Department, as reported in the ORP review, related primarily to staff allocation, imbalance in workloads, staff mobility issues, skills gaps, underperformance, low morale, high sick leave and managing change. The Department has taken a number of actions to address these issues:

Best practice: A number of accomplished papers have been produced which make a series of recommendations and set out protocols in relation to:

- staff management (staff induction, internal promotions, up-skilling and training, delegation, effective Unit meetings, use of ICT, HR issues/disputes and internal communications),
- PMDS, involving measures to ensure effective implementation across the Department with a special emphasis on good staff management, training and development set within the context of strong task and service delivery, and
- staff mobility, whereby a policy has been introduced that addresses pre-existing rigidities and facilitates managers to transfer staff to help deal with crisis issues and critical objectives.

Morale and motivation: Staff were surveyed to elicit their views on how their work assignments could be made more satisfying and rewarding. The Department also developed profiles outlining tasks that should be assigned to each grade with a view to improved delegation practices; this should result in better utilisation of staff skills and abilities and thus better motivate staff.

Adequate workloads: The Department has taken steps to ensure a better balance in the distribution of workloads, such as requiring each PO to assess and confirm whether all their staff have adequate work to do. A survey of all staff to check the appropriateness and adequacy of workloads will be conducted at regular intervals.

Sick leave: Staff sick leave absences in the Department of Health and Children were among the highest reported across Government Departments in a C&AG report published in 2009. This report quoted a Lost Time Rate of 5.73% compared to a civil service average of 4.93%. The Lost Time Rate of 4.38% for 2010 represented a significant improvement. The Department reports that it is considering how the Department of Finance Circular 9/2010 on sick leave can be more effectively implemented with a view to lowering the rate of such absences even further.

In rolling out phase 2 of its action plan, the Department intends to review its approach to performance management with a renewed focus on underperformance. It also proposes to carry out a skills analysis to identify needs and gaps and, on that basis, devise a strategy to meet requirements.

**ORP conclusion on management of HR:** The Department has undertaken some very good initiatives to strengthen its HR management capacity. The protocols and other documentation provided are well considered, are of high quality and are examples of best practice in HR policies. Having effective Unit meetings should help bridge the gap between staff and senior management enabling them to keep in touch with staff views and ensure work objectives are clearly understood. It will also help strengthen the internal leadership role of managers. The issue now is to ensure that these protocols and policies become embedded as mainstream practice and, in that regard, it is positive that the Department intends to promote awareness and encourage their use on an ongoing basis. Delivery of the Department's proposals in phase 2 (actions 5 and 7) are important in the context of delivering a high quality health sector with reducing staff resources in the future.

In time, the initiatives adopted and now being taken hold should lead to a better balance in workloads, better succession planning, and better motivated staff with more rounded work experiences.

## **Continuous improvement and innovation**

The ORP review found that greater focus on continuous improvement and innovation was needed. The Department has reviewed and improved a number of its business processes:

Risk management: Revision of existing guidelines, development of reporting tools for MAC and supporting documentation for units to assist in the overall management of the risk register.

Business planning: Process streamlined with deadlines for sign-off being implemented on all business plans. Arrangements were put in place to support the production of a single report setting out overall Departmental 2011 business plan deadline items by month for the Secretary General.

Annual Output Statement: Arrangements for completing the annual output statement for the Health Vote Group and the Department's annual report have been simplified in order to reduce the number of demands on divisions/units to provide the same or similar information for different purposes.

**PMDS:** This process was also improved (see Management of Resources: HR) including the implementation of revised deadlines for role profiles, interim reviews and the refinement of the forms to facilitate discussions with staff on mobility, staff/unit management and the development of reporting arrangements for MAC.

**Business processes:** The Department has just embarked on a review of some business processes in central Units. It is being carried out by the Department of Public Expenditure and Reform.

**ORP conclusion on continuous improvement and innovation:** Evidently, good progress is being made. Streamlining business processes will free up staff and management time for achieving objectives and, over time, will promote a more efficient working environment.

### **Assessment of progress**

The Department has made substantial progress in the year since publication of the ORP review and there has been a sustained effort to engage staff at all stages. It has more work to do in terms of strengthening leadership, addressing sick leave and promoting a culture of innovation but, overall, the work completed to date is to a high standard and the agreed actions in phase 1 have been substantially completed. It is still at an early stage, but the measures taken will stand to the Department and will strengthen its capacity to tackle its key priorities over the coming years.

Phase 2 actions are in the areas of HR, governance of agencies, dealing with cross-cutting issues (analytical evaluation and implementation aspects of policy development) and improving systems to serve the parliamentary process. Although the Department is going through major change at present, it would still be important that it resumes the good work and progresses phase 2 actions as early as possible in 2012.



## Office of the Revenue Commissioners Organisational Review Programme: Progress Report

### Key achievements

#### *REAP system*

Revenue continues to enhance its Risk Evaluation Analysis and Profiling (REAP) system to better interrogate information on taxpayers and identify the cases posing the greatest risk of non-compliance and likely to produce the highest tax-yield. International benchmarking indicates that the Revenue's REAP system is an example of best practice of effective risk assessment.

#### *Skills base*

Taken a number of steps to enhance its skills base, e.g. through refinement of a training programme on applied taxation with the University of Limerick, recruited new staff to fill gaps in critical areas such as audit, ICT and legislation, and developed a paper on staff mobility.

#### *Staff input and feedback*

Used a range of communications channels to get staff input into developing the new Statement of Strategy, developed a revised staff INPUT scheme, carried out a number of climate surveys and produced follow-up action plans which are developed locally.

#### *Communications strategy*

Developed a draft communications strategy to improve internal and external communications

#### *Management Information Framework*

Is enhancing its Management Information Framework on a phased basis to better link staff to outputs and costs for each business unit as a means of measuring performance and with a view to achieving more effective allocation of staff in line with priorities. Enhancements to its Case Management System will further contribute to the evaluation of its compliance programmes.

## **Introduction**

The organisational review of the Office of the Revenue Commissioners was published in September 2010. The review examined the ability of the organisation to respond effectively to current and future challenges under three main headings: strategy, managing delivery and evaluation. The purpose of this 'look back' is to check what progress has been made in implementing its action plan one year on.

## **The Office**

The Office's mission is *"to serve the community by fairly and efficiently collecting taxes and duties and implementing customs controls"*.

### ***Key priorities***

The Office's key priorities over the next three to five years are:

- Collect budgeted revenue,
- Reduce debt, achieve compliance targets and reduce compliance costs,
- Improve early detection of highest risk evasion and prosecute for serious evasion and fraud,
- Prioritise resources to tackle the shadow economy and focus on stemming the threat from drugs and tobacco smuggling, oil laundering and other emerging risks,
- Increase focus on performance management, efficiency and reducing costs,
- Increase the use of Revenue's electronic channels,
- Successfully realise the Programme for Government's taxation and reform initiatives, and
- Contribute to a successful EU Presidency in 2013.

### ***Challenges over the next 3-5 years***

- Maintaining timely tax payment rates and reducing debt, while supporting viable businesses, in the current economic environment,
- Effectively tackling the shadow economy,
- Minimising the fiscal and safety threat from smuggling including drugs and tobacco,
- Managing loss of skills and experience due to the retirement of significant numbers of experienced staff,
- Addressing resource constraints will require increased flexibility, efficiency and innovation,
- The more difficult environment for business will put increased focus on the costs of compliance and reducing red tape,
- Stabilising the public finances which will involve changes to the tax system and associated implementation challenges, and
- Managing the risks involved in on-line transactions and maintaining the security of electronic data will be an ongoing challenge

## Findings on progress

In response to the ORP report, the Office of the Revenue Commissioners (“Revenue”) developed an action plan comprising 20 main priority actions under four aspects of organisational performance namely:

- Organisational capacity
- Human Resource management and deployment
- Communications
- Performance measurement

## Organisational capacity

### *Strategy*

The ORP review found that setting strategic direction is a considerable strength but nonetheless Revenue needed to use its Risk Evaluation Analysis and Profiling (REAP) system<sup>7</sup> to better interrogate information on taxpayers and identify the cases posing the greatest risk and those like to produce the highest tax-yield. In response, Revenue, as part of its existing development programme, committed in its ORP action plan to enhance by 2013 the REAP’s capability by:

- further use of third party data (e.g. Taxi Regulator, non-Principal Private Residence Levy, Private Residential Tenancies Board) along with predictive modelling and analytics to improve target selection through enhancing the Case Select and Risk Profile Viewer tools – this work is ongoing and the targets set are well on the way to being achieved. All Level 1 interventions (except Random Audit) and other PPSN driven interventions are now selected on risk using analytics/intelligence. Revenue aims to achieve less than 20% non-yielding audits by 2013 and has already achieved 25.9% at end May 2011. Thus compliance interventions are becoming more effective.
- adding new Revenue data to (e.g. Excise licences, Customs imports/exports, Capital Acquisitions Tax) - work is ongoing in these respects. Revenue has also developed a PAYE risk profile focused on assisting in shadow economy projects and a pilot is currently in place.
- developing new rules to identify cases with a statistically significant high probability to yield or to go into liquidation – a new collection of specific risk rules was introduced in October 2010 which allow the REAP to take account of these additional factors.

Revenue recently participated in an international benchmarking exercise involving 10 leading tax administrations. Preliminary results indicate that Revenue compares well to its peers. Its risk evaluation system is noted as an example of best practice and genuinely effective risk assessment.

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<sup>7</sup> REAP is a knowledge-based, electronic risk analysis engine that reduces the possibility of Revenue intruding on compliant businesses and unnecessarily imposing a tax audit burden. It allows Revenue to deploy resources far more effectively. REAP was introduced in 2006 for business accounts but has continually evolved through refinement of its risk rules and the addition of new/updated sources of data.

## ***Leadership***

The ORP team found that central leadership in Revenue is strong but that some senior managers need to strike a better balance between their operational and strategic responsibilities, senior management visibility needs to be improved at district level, and future leaders with strong technical and leadership/people management skills need to be developed. In addition, the restructuring of Revenue into regions was intended to free up regional managers to innovate and make decisions locally but risked leading to autonomous offices and separate fiefdoms. In response, Revenue, as part of its ongoing development programme, undertook to carry out a number of initiatives:

Better balance between short term and strategic: A new approach was taken to the development and format of the Statement of Strategy such that it is more closely focused on key priorities and links to business plans. The aim is to increase awareness of and achieve a better balance between operational and strategic priorities, with improved delivery of key corporate priorities.

Improve governance: Revenue is in the process of reviewing its governance/management framework (sub-structures to the Management Committee (MAC)) to ensure continued compliance with corporate obligations and evolving best practice, and with the aim of developing greater cohesion between the various parts of the organization thus mitigating against the risk of autonomous offices. A draft governance framework will be submitted to the MAC in December 2011.

### Enhance the skills base:

- It reviewed the Revenue Technical Service<sup>8</sup> with a view to ensuring it has appropriately skilled staff to deal with complex cases – a Revenue/practitioner working group<sup>9</sup> was established with a view to producing a paper on the effectiveness of the service, adjustments needed, additional services to be provided and to make recommendations accordingly. Discussions in this regard are ongoing.
- Revenue continues to work with the University of Limerick on refining taxation BA and Diploma Applied Taxation training programmes with a view to developing specialist staff with detailed tax knowledge – the courses have been in place for 6 years and have been refined to meet the needs of Revenue. Some 577 staff have graduated with Diplomas or Degrees to date.

Succession planning: Revenue plans to rotate staff into Revenue Legislation Services and Planning Divisions which are among the critical areas where there are/will be staff retiring and skills gaps arising - a discussion paper on staff mobility was presented to MAC in September 2011.

Revenue established a sub-group to MAC to first identify capability development requirements and priorities and then adopt and monitor implementation of detailed action plans to achieve performance targets in defined areas. ICT and audit capabilities were reviewed as these are critical areas where skills gaps have been identified. On foot of its recommendations, Revenue recruited by way of open competition:

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<sup>8</sup> The Revenue Technical Service was established to deal with complex, technical queries from practitioners and business taxpayers (e.g. accountancy and legal firms) and provides clarification on matters where such clarification is not already in the public domain. Queries must be submitted in writing and must be specific to a particular named taxpayer.

<sup>9</sup> A sub-group of the Tax Advisory Liaison Committee (TALC) including senior Revenue officials and reps of agency bodies.

- 5 POs (4 for audit and 1 for ICT),
- 24 APs (22 for audit and 2 for economics),
- 25 AOs (primarily for audit and ICT) and
- 2 AOs (solicitors).
- Sanction has been received to recruit a further 30 AOs and 10 EOs for ICT.

These resources will help it to manage further loss of skills and experience ahead and, over time, there will be knowledge transfer. The sub-group is currently reviewing capability in Customs and Excise.

Networks: Revenue makes a conscious effort to engage in civil service wide networks to *inter alia* promote greater sensitivity to the achievement of wider Government objectives through taxation-related policies and measures. It will also participate in the Senior Public Service programme when implemented centrally.

**ORP conclusion on strategy and leadership:** The enhancements to the REAP facilitate a stronger risk-based emphasis on compliance and a greater focus on cases which produce the highest tax yield. The provision of a profile of risks for all business areas facilitates better enforcement and should result in increased voluntary compliance. While further enhancements will be introduced in the next year or two, it is noteworthy that the REAP system is considered best practice by peer tax administrations.

A number of initiatives have also been undertaken to strengthen Revenue’s leadership capacity and enhance its skills base through training, recruitment, strengthening the Revenue Technical Service, and mobilizing staff to fill gaps arising due to retirements. Revenue reports that following these measures, it will be better placed to recoup, over time, the corporate memory and technical/specialist expertise lost recently and to reduce the organisation’s reliance on external providers in the case of ICT. These measures should assist in further promoting organizational coherence and strengthen overall capacity particularly in terms of the skills base.

The ORP review team identified that there were leadership issues at local level and a considerable variation in the quality of leadership across Revenue. It found that some senior managers needed to strike a better balance between their operational responsibilities and their strategic and leadership responsibilities and that there was scope to improve senior management visibility at district level. Clarifying the priorities in the new Statement of Strategy is a first step in that regard. Of itself this would not be sufficient to ensure that all senior managers strike the appropriate balance in carrying out their operational, strategic and leadership responsibilities. In addition, it is not clear that particular steps have in fact been taken to improve senior management visibility in the regions. It would be important to address this issue given that a finding in the ORP report was that “*in some offices managers need to conduct more face to face meetings with their staff if the culture of effective communications is to be deepened*”.

## **HR management and deployment**

The ORP team found that Revenue faces challenges in the deployment of resources, the management of underperformance and the replacement of organizational memory and expertise lost in recent years. Revenue undertook to address these issues as follows:

Staff allocation: It is enhancing its Management Information Framework on a phased basis to better link staff to outputs and costs for each business unit (see Performance Measurement). It is expected that this system will provide a stronger basis for timely decision-making, and help managers prioritise and allocate staff optimally.

Performance management: Revenue will work at ensuring better handling of performance management and underperformance through appropriate use of PMDS and inputs into emerging changes in the system to be led centrally. Regular meetings are held between senior management and staff to keep them abreast of work developments and to monitor progress.

Mobility: Although significant staff mobility has taken place due to decentralisation and high levels of retirement, Revenue nonetheless has undertaken to enhance its mobility policies with attendant benefits for staff development and organisational coherence. It aims to achieve an increase in the proportion of staff that have had more than one assignment in the past five years.

Staff INPUT: While Revenue has been very innovative in its use of ICT and its openness to new structures and ways of working, the ORP team found that there is scope for greater responsiveness to suggestions made by junior and frontline staff. In the period since the ORP report was published, Revenue has revised its staff INPUT scheme with a particular focus on more junior grades and the new scheme will be launched before end 2011.

**ORP conclusion on HR management and deployment**: Revenue is either in the process of or has taken some positive steps to address HR-related issues identified in the ORP report. It is strategically moving staff to areas of priority and developing skills and knowledge before skills gaps arise. The INPUT scheme will enable the organization to tap into innovative ideas from all staff. The new Performance Measurement and Reporting System (see performance evaluation) is intended to assist in the allocation of staff in line with priorities and returns on investment. This is at an early stage of development however and regular reassessment of workloads with staff allocated accordingly will continue to be required in the medium term.

Managing underperformance was highlighted as a particular issue – as noted in the ORP report, “*there is a huge reluctance to deal with underperformance*” even though Revenue, like other organizations, has documented guidelines on this matter in place. Revenue reports that it relies on these guidelines (issued in December 2007), the PMDS process and disciplinary procedures where necessary to address the issue and is participating with the centre on further initiatives in this regard. Relying on these initiatives alone may not be adequate given the huge reluctance identified in the report in this respect. Options in this regard would include mentoring, targeted training and workload reallocation to better utilize the skills of underperforming staff.

## Communications

Revenue has delegated responsibility for specified areas of HR management to Principals. While HR policies and practices are operating well in some parts of the organization, the ORP team highlighted the need to put in place a more effective communications programme at local level. Revenue undertook to do the following:

Climate surveys: It would carry out climate type surveys in every Division every 2 years - climate surveys were undertaken in 2 Divisions/Regions in 2010 and 7 will be undertaken in 2011 with the remainder scheduled to take place in 2012. Action plans are being developed to address issues raised and their implementation is monitored by local level partnership committees.

Management visibility: It would use the annual Senior Management Conference (SMC) to promote the importance of management visibility and communication – presentation and workshop at the SMC in November 2010. Revenue reports that this led to increased regularity of team meetings, the carrying out of climate surveys and the development of a new draft Communications Strategy to improve both internal/external communications and implement the ORP recommendations.

Internal networks and groups: It would employ a broad range of networking, collaborative and idea gathering approaches in developing the Statement of Strategy – partnership committees, sub-groups, the senior management conference and technology fora (e.g. Ideas@work) were used. It reports that this new approach works well in that it gives all staff the opportunity to input.

**ORP conclusion on communications:** Undertaking climate type surveys and addressing issues raised should help to promote a positive working environment and may help mitigate against absenteeism and underperformance. While the surveys are carried out and addressed locally, it would be worthwhile reviewing all results so that action could be taken centrally on any common issues emerging. The use of a variety of approaches to enable staff to input into strategy development is most positive: it promotes sharing of experience and learning as well as giving all staff a voice and a sense of contribution to the development and achievement of organizational goals. The draft communications strategy is also a positive development and obviously it should be completed as soon as possible. In time its implementation will, inter alia, promote a culture of working together and shared understanding. Its impact should be kept under review.

## Performance measurement

The ORP team highlighted a number of issues requiring attention: namely an over-reliance on manual collection systems in some areas, a lack of clarity amongst staff regarding the use of performance information, a requirement to make greater use of performance measures to inform certain operational decisions and a need to collect feedback from staff regularly. Revenue, in the ongoing development of its performance measurement systems, undertook to address these issues by:

Measuring outcomes: Enhance its Management Information Framework to better link staff to outputs and costs for each business unit – the first phase of a new Performance Measurement and Reporting System (PMRS) was launched in April 2011 where staff and costs are mapped onto business functions. The second phase, which will link outputs to this data, will allow Revenue to determine more accurately the effectiveness and efficiency of its activities and programmes. This integrated usage of

data will provide a solid platform for the development of models to measure the impact of outputs and their related customer orientated outcomes.

Enhancing the Integrated Case Management System<sup>10</sup> (ICMS): Revenue is examining the effectiveness of the ICMS which is used by managers and caseworkers to assign, track and manage compliance interventions. It is adding functionality as needed and is ensuring that it keeps pace with developments in linked systems such as REAP. Recent developments have focused on the provision of enhanced management information to contribute towards the evaluation of its compliance programmes. Further enhancements will be completed in early 2012.

Learning from international best practice: Revenue is one of 10 countries which participated in a benchmark study led by HM Revenue and Customs, the purpose of which is to highlight best practice in 10 key areas (e.g. debt management) and for each tax administration to learn from one another. Revenue also participated in EU, OECD and Intra-European Organisation of Tax Administrations (IOTA) events in 2011.

**ORP conclusion on performance measurement**: Revenue continues to perform well in terms of evaluating of its performance and benchmarking itself internationally. The enhancements to the Integrated Case Management System have the potential to provide significantly improved measurement of its compliance programmes. The Performance Measurement and Reporting System linking staff and other costs to outputs is a progressive step to measuring performance (and would seem to be similar to systems in place in some other Departments and Offices for producing annual output statements) but as it's still in the development phase, it will take a couple of years for its full capacity to be realized. Monitoring workloads and outputs by line managers in the context of business plans will need to continue.

### **Assessment of progress**

Revenue has made substantial progress during the past year in acting upon the key findings of the ORP review. It needs to build on the good platforms for progress which it has put in place, notably on the replenishment of corporate memory loss, the allocation of staff and the management and measurement of performance. Improved visibility of senior management in the regions and the roll-out and monitoring of the communications strategy currently being developed would help sustain management and staff buy-in to ongoing incremental change. Finally, Revenue will need to continue its work in the ICT area so as to achieve progressive reductions in its reliance on external providers.

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<sup>10</sup> Non-compliance risks are identified using the REAP and following examination of the level of risk posed, managers assign cases for appropriate intervention.

# Central Statistics Office

## Organisational Review Programme: Progress Report

### Key achievements

#### *Strategy/leadership/shared understanding*

Developed a new Management Information System for tracking progress on projects and strategy implementation and established a Decisions Register for the Senior Management Committee (SMC); there is now greater involvement of middle and senior managers in the development and implementation of strategy.

Together with the National Statistics Board, the CSO developed a new implementation strategy for the Irish Statistical System (ISS). The core objective is the more cost-effective production of new statistical analyses, improved utilization and integration of data sources and continued reductions in the burden on survey respondents. The CSO is meeting Government Departments to promote a shared vision in this respect.

The response burden was reduced by 7.3% in 2009 and there was an estimated reduction of 12% in non-agriculture surveys in 2010. This cumulative reduction to 2010 marks significant progress by the CSO towards fully meeting the 25% reduction target by 2012 set out in the EU Action Programme on Reducing Administrative Burden. The CSO carried out a number of significant business process improvements and restructured some operations to achieve efficiencies (e.g. the abolition of the business field force as part of the re-engineering of business surveys saving €309,000 per annum).

#### *Managing delivery*

Improved timeliness of publications significantly and has an ongoing programme of internal audits and reviews – e.g. the review of the Retail Sales Index has resulted in its publication on a monthly basis 28 days after the reference period (over halving the publication schedule) and is now produced using 50% less payroll costs (saving c.€170,000 per annum).

Some significant data gaps have been addressed through the introduction of a number of indices and indicators; and work is in hand to address further data gaps.

Has carried out a number of actions to strengthen HR capacity and ICT governance.

#### *Evaluation*

Is rolling out time allocation and costing systems to all business areas over time and is analyzing metrics for individual business units with a view to enhancing evaluation capacity.

Holding seminars and regular meetings with business representatives to gather feedback on service delivery.



## **Introduction**

The organisational review of the Central Statistics Office was published in October 2010. The purpose of the review was to examine the ability of the organisation to respond effectively to current and future challenges. It was reviewed under three main headings: strategy, managing delivery and evaluation. The purpose of this ‘look back’ is to examine progress made by the organisation in implementing its action plan one year on.

## **Central Statistics Office (CSO)**

The CSO’s mission: “*Statistics for a modern Ireland - The efficient and timely provision of high quality information for a changing society*”.

## **Key priorities and challenges**

### ***Priorities***

The following are the CSO’s five high-level goals for 2011-2014:

- Meet statistical needs
- Develop the Irish Statistical System
- Promote awareness and use of statistics
- Increase efficiency
- Reduce burden

### ***Challenges***

The following are the main challenges facing the CSO over the next 3-5 years:

- Continue to deliver the core statistical programme, about 300 releases and publications per year, required by EU regulations and national policy.
- Implement savings in cost and staff numbers, through a continuous and strong focus on reviewing business processes and improving work practices.
- Review of options for Census 2016, to identify lower cost alternatives to the traditional five-yearly census.
- Transformation of the household survey collection system, to meet growing demands for statistics on society and households. Future information needs can only be met by making substantial changes to the present system.
- Development of the Irish Statistical System, in line with the National Statistics Board’s *Strategy for Statistics 2009-2014*. The CSO is taking a lead role, under the Public Service Reform Implementation Plan, in implementing the steps needed to improve the way data is organised and used for statistical purposes across the public service.
- In conjunction with the above point, make increasing use of administrative and other data sources to produce statistics, as part of the overall strategy to meet information needs while managing cost and administrative burden.
- Promote the use of statistics to support evidence-informed policy, in line with the National Statistics Board strategy.
- Insofar as possible, meet new and emerging statistical information needs. Requirements at EU level include surveys of Adult Education, Health and Social Integration, Safety and Security. At national level, surveys of Transport and of Household Finance and Consumption will be required. There are also data demands arising from the international Stiglitz report on the

measurement of economic performance and well-being; and increased demands relating to macroeconomic statistics. These requirements represent a substantial challenge for the CSO.

- Meet the 2007-2012 target of reducing the statistical burden on business by 25%; and continue to implement an integrated programme to manage the burden on statistical data providers.

## **Findings on progress**

In response to the ORP review, the CSO developed a 37 point Action Plan. Progress is reviewed quarterly by the Senior Management Committee (SMC).

## **Strategy**

### ***Setting strategic direction***

The ORP review found that while the CSO had good capacity to set strategic direction, it nonetheless needed to achieve a balance between its short-term and strategic focus, develop a comprehensive strategy for coverage of the services sector and improve strategy implementation. The CSO has taken the following actions:

New business processes: Organisational and structural changes have been made to contribute more effectively to setting strategic direction and translating strategy into action. New business processes are being implemented incrementally and are kept under review in divisional action plans twice a year.

Deeper middle management input: It adopted new charters and working procedures in 2010 including meetings between the SMC and middle managers in order that the latter will become more involved in development and implementation of strategy. Two new middle management sub-groups were established to consider resources and corporate culture and a middle management plenary will be held in 2011. And a sub-group of middle/senior management is developing the CSO's new Statement of Strategy.

Management Information System: The CSO has developed a new Management Information System for tracking progress on projects and strategy implementation and a Decisions Register was established for the SMC.

### ***Giving leadership***

The ORP review noted that while the CSO had many able leaders, it needed to strengthen leadership capacity and improve communications and consultation with staff. Externally it needed to be more influential with key stakeholders, reduce the burden on data providers and develop further the Irish Statistical System. In response the CSO has taken the following actions:

Leadership training: It provided targeted training in 2010 to develop the leadership and communications capabilities of CSO managers and is currently updating its training strategy.

Irish Statistical System: Together with the National Statistics Board, it has developed a new implementation strategy for the Irish Statistical System (ISS). The CSO is meeting with Ministers and Secretaries General in 2011 to promote a shared vision for using statistics to inform policy. The development of analytical capability across the public service is a pre-requisite to making good use of

information and the CSO is happy to work closely with existing and new Departmental statistical units in this respect.

The CSO has promoted cross-cutting objectives for the development of the Irish Statistical System through a programme of seminars commencing in 2011, in addition to its meetings with key stakeholders.

Response burden: With a view to reducing the burden on respondents, the CSO is making greater use of administrative data sources (e.g. Revenue data is being used in 2011 to estimate annual business data for small service enterprises), reducing the size of samples and forms and making greater use of electronic data gathering (e.g. used information from the Department of Agriculture, Food and the Marine on cattle and cereals to reduce the questionnaire for the 2010 Census of Agriculture and for the annual June and December farm surveys). The 2011 Burden Barometer shows that the response burden in business surveys, excluding the Census of Agriculture, fell by 18% between 2008 and 2010. This cumulative reduction to 2010 marks significant progress by the CSO towards fully meeting the 25% reduction target by 2012 set out in the EU Action Programme on Reducing Administrative Burden.

### ***Creating shared understanding***

According to the ORP review, the CSO needed to improve its management of internal cross-cutting issues, and devise ways to reinforce a single corporate culture and a unified approach to issues given that it operates from three separate locations and has both field and office staff. It also needed to develop a more systematic approach to the documentation of work processes. The CSO has taken the following actions:

Internal communications: It reviewed and improved internal communications processes between middle and senior management and reviewed its Partnership Charter and communications policy.

Field staff participation: It is using a business process review of household survey collections to examine communications and participation issues affecting field staff. Since the ORP review, the CSO has improved the lines of communication with these staff by giving them access to internal Lotus Notes databases and formally meeting them each quarter, thereby providing a regular opportunity for dialogue and feedback.

Internal co-ordination processes: It has implemented new internal processes in order to co-ordinate and measure progress on cross-cutting issues such as respondent management, information dissemination and organisational efficiency. The principal business process outcomes to date include:

- A process-based divisional structure now in place replacing previous 'silo' units for Industry, Services and Construction with two divisions for Structural Business Statistics and Short-term Business Statistics respectively;
- Abolished the Business Field Force in October 2010 as part of the re-engineering of business surveys (saving €309,000 per annum); and

- Developed a methodology for using Revenue administrative data to reduce the response burden and survey costs of the annual business surveys. As a result, the number of small enterprises (under 10 employees) being asked to complete the Annual Services Inquiry in 2011 has been reduced from 22,000 to 17,000.

**ORP conclusion on strategy:** The actions taken by the CSO will improve the implementation of strategy, helped by the steps taken to deepen the involvement of middle managers. There will be other benefits too in terms of leadership, shared understanding and team working. The structural changes and improved business processes being made will promote more efficient and joined-up working, particularly on cross-cutting issues, and will help forge stronger links and more unified approaches between the Dublin and Cork offices. The actions taken should increase the focus on strategic issues as well as broaden the skills base. A number of actions have also been taken to address data gaps in the services sector but further work is required (see Customer Service and the conclusion under Managing Delivery below).

The CSO is now taking a stronger leadership role in the development of the ISS and the use of statistical information which can make a valuable contribution to public service reform specifically and policymaking generally. It has made very commendable progress in reducing the statistical burden and associated costs on respondents, and it is clear that the CSO regard progress on this ground as an evolving endeavour that will continue to be given particular attention.

## **Managing delivery**

### *Customer service and delivery*

The ORP review found that while customer service was a particular organisational strength, the CSO still needed to address gaps in statistical output in key policy areas, improve timelines of key indicators and provide more comprehensive commentaries on statistical findings in some instances. The CSO has responded as follows:

Statistical gaps: The CSO reports that since the ORP review:

- significant data gaps have been addressed by the introduction of the Residential Property Price Index, Services Producer Price Index and the Job Churn Indicator,
- the CSO is currently collecting data for the OECD Programme for the International Assessment of Adult Competencies (in literacy and numeracy),
- there are substantial new and emerging demands, at EU and national level, for additional surveys on health, safety and well-being, education, transport and travel, and other topics. The project to review and transform the CSO's household survey system is a pre-requisite to meeting those information needs on a sustainable rather than ad-hoc basis,
- an Environmental Indicators report is currently being prepared for publication early in 2012, and
- the CSO is taking an active part in international discussion of data needs arising from the Stiglitz report on the measurement of well-being; this will help to define more precisely future information needs relating to quality of life and sustainability.

Timeliness of publication: Earnings statistics are now published quarterly within 2.5 months of the reference period. The CSO reviewed its approach to online statistical dissemination resulting in the

upgrade of its tabular dissemination system (STATBANK) which was launched in February 2011, and installed a new content management system in June 2011 which allows for the electronic publication of statistical releases linked to the STATBANK system.

Analysis of results: The CSO is providing more in-depth analyses and commentaries on some statistical releases than it has been doing prior to the ORP review. For example, a new style release template was introduced in March 2011 on the Q4 2010 Quarterly National Household Survey (QNHS). It is also making greater use of graphics and commentaries in its releases on the QNHS modules and in the presentation of Census 2011 Preliminary Results.

Code of Practice: It plans to roll out the European Statistics Code of Practice across the wider public service and get sign up and practical implementation by public bodies through implementation of the ISS strategy (see Strategy above).

### ***Continuous improvement and innovation***

The ORP review found that the CSO was open to change but needed to strengthen its capacity to manage change, respond on a timely basis and deal more effectively with complex business problems. In response, the CSO has taken the following actions:

Quality assurance: It has completed the preparation of reports on survey metadata and quality and 75% (42/56) of required quality reports on statistical outputs have been published. (See [http://www.cso.ie/surveysandmethodologies/standard\\_reports\\_methods\\_quality.htm](http://www.cso.ie/surveysandmethodologies/standard_reports_methods_quality.htm))

Internal audits and quality improvements: It has an ongoing programme of internal audits and quality improvement actions that drove a series of Lean Six Sigma reviews supporting continuous improvement in its statistical methods and processes. The reviews completed are in Trade, Construction, National Accounts (part), Retail Sales Index, HR (part) and QNHS (part). By way of illustration, the review of the Retail Sales Index has resulted in its publication on a monthly basis 28 days after the reference period (over halving the publication schedule) and is now produced using 50% less payroll costs (saving c. €170,000 per annum). The annual Survey of Income and Living Conditions (SILC) is now published in November (11 months after end of reference period) whereas the 2012 publication will be at least 6 months earlier.

### ***Resource management***

The ORP review found that while the finance function was managed well, the CSO should extend its statistical audit processes to areas of financial risk. In relation to HR, it needed to address shortcomings in the areas of deployment of staff, management of field staff, grade drift, succession planning, induction and divisions between professional and administrative staff. In relation to ICT, the review found that stronger ICT leadership and governance arrangements were required, including corporate standards for computer programming and testing, and that it was important to learn the lessons from the development of the Data Management System (DMS). The CSO has taken a number of actions:

Audits of financial risk: Such audits are now included in the audit work programme, with a recent audit report to the SMC having covered procurement.

HR: The CSO is developing a new HR strategy in 2011. It reviewed training needs and is preparing a new strategy while continuing to provide necessary training. It also conducted a quality review of PMDS role profile forms of Heads of Divisions in 2010 and this was rolled out to other management grades in 2011 with a view to ensuring that work is being done at appropriate grades.

ICT strategy, standards and skills: Implementation of the ICT strategy is ongoing and is being monitored by an IT Strategy Board which was established to strengthen governance arrangements and support better decision-making on resources. The Board reports to the SMC on a quarterly basis and the SMC also avails of the new Project Tracking MIS. The DMS is now embedded as one of the core applications for survey processing and is being supported and developed by the CSO to meet new business needs. The CSO developed new end-user computing standards in June 2011 and training and promotion of same was carried out in Q3. In addition, an IT skills inventory was carried out to determine the appropriate mix of training, recruitment and outsourcing required to support the IT Strategy and business needs.

ICT project management: Documentation and processes for project management were completely overhauled in 2009/10 and key features now up and running include:

- Simplified document templates for each stage from project proposal to monitoring to completion,
- Clearer decision processes and levels of responsibility for each step of the project lifecycle,
- Strong focus in the IT Strategy on business alignment and internal customer support. System User Support team, which combines business analyst and IT skills, works closely with business areas when developing project ideas or proposals, and
- IT Strategy Board, reporting to the SMC, oversees the overall progress of the IT strategy and ensures projects are in line with it.

### ***Governance***

The ORP review found that the roles of the Senior Management Group and the General Management Forum (middle management) should be examined to determine how they could contribute more effectively to strategic and operational change. The CSO has responded as follows:

Feedback mechanisms: It established feedback mechanisms between the two groups and ensured that there was active consultation by them with the SMC in developing their agendas and work programmes. Directorate presentations to all staff on key strategy issues took place in September 2011.

Reporting: Monthly SMC minutes are published internally. A Decisions Register and a new Project Tracking MIS have been put in place.

**ORP conclusion on managing delivery**: The CSO is delivering a better customer service by the improvements made to the timeliness of some key publications/indicators and the provision of more comprehensive commentaries on the results from some surveys and other data collection exercises. It has also addressed some significant data gaps and work is in hand to address further gaps through additional surveys to be carried out following the review of the household survey system.

The CSO has demonstrated its capacity for improvement and innovation in a number of ways – notably the improved timeliness of some publications, the application of Lean Six Sigma reviews, the reduction in response burdens, and the innovations made to some the business processes. In its efforts to develop a culture of innovation across the organisation, the CSO will obviously have to engage all management and staff grades in an ongoing systematic manner.

The actions taken in the financial and ICT areas should address many of the key issues raised in the ORP report. However, further work is required in the HR area. In particular a mechanism is needed to facilitate the ready transfer of staff between areas during downtime periods (it is noted that a sub-group to the middle managers group has been established to look at resources), the good work on improving communications with field staff must be sustained, job documentation needs to become a standardised practice across the organisation, and the divides between the statistician and general services staff should be examined and steps taken accordingly.

Consultation by the SMC with middle and senior managers on work agendas and programmes and the presentations by the Directorate to all staff are good initiatives. However, the CSO might usefully consider putting feedback mechanisms (e.g. staff surveys, staff suggestion schemes) in place as well as divisional meetings by individual SMC members to allow ongoing consultation/information sharing/contribution to work to take place, thus making best use of all available skills/knowledge/ideas.

## **Evaluation**

### ***Performance management***

The ORP review found that the CSO had a positive approach to performance measurement but it needed to raise staff awareness of the work done in this respect. It was advocated in the review that the CSO should initiate a process of evaluating the efficiency of individual business units and developing performance metrics for them. The CSO has taken the following actions:

Extended systems: It has extended the time allocation and costing systems used in ICT and business projects to cover major cyclical projects and they are being adapted for broader use in all statistical and support activities.

Performance metrics: Business statistical units developed detailed project and activity metrics and these are being analysed to determine how they can contribute to management/decision information systems.

### ***Customer and stakeholder feedback***

The ORP review found that the CSO was good at seeking feedback from users of its products but needed to seek more feedback from data providers and frontline staff. The CSO has responded as follows:

Frontline staff communications: It has involved frontline staff closely in the development of annual Local Business Plans and Divisional Action Plans. It is carrying out a business process review on the

household survey collections which will also be used to examine communications mechanisms with field staff.

Data provider communications: It has organised regular meetings with business representative groups and conducts seminars with the full range of external stakeholders and all papers from the seminars are published on the CSO website. It is also undertaking a customer satisfaction survey on behalf of the National Statistics Board.

**ORP conclusion on evaluation**: The CSO is good at performance measurement. The roll out of the time allocation and costing systems to all areas together with performance metrics for individual business units will increase staff awareness of performance measurement as well as lead to efficiency improvements over time. The meetings and seminars with the data providers and the customer satisfaction survey will help the organisation to improve further the quality of its outputs and its services to data providers. However, while the CSO is improving communications with frontline staff, it needs to communicate and consult with these staff regularly to gather feedback from them in relation to service delivery, and innovative ideas on improvements that could be made.

### **Assessment of progress**

Overall the CSO has made excellent progress in many areas over the year since the publication of the ORP review and the measures in totality will strengthen organisational capacity. Obviously it needs to maintain momentum especially in relation to implementation of the strategy on the Irish Statistical System, reducing the burden on respondents, the timeliness of publications and the improved analysis and commentary. In addition, the CSO reports that the work done in response to the ORP review has assisted it in developing and implementing its undertakings in the Croke Park Agreement.

While excellent progress has been made, there is a need for the CSO to continue to monitor staff deployment and ensure that work processes are documented to facilitate succession planning. It must also engage with all staff regularly in relation to work developments and on ideas for further service and other improvements, and address any disconnect between administrative and professional staff.



## Property Registration Authority Organisation Review Programme: Progress Report

The PRA demonstrated strong capacity in each of the three main areas of strategy, managing delivery and evaluation when the ORP review was carried out. Only two issues arose where capacity could be enhanced and the PRA has taken action in both these respects.

### **Key achievements**

#### *Transformation Forum*

Established a central ‘Transformation Forum’, which comprises the various staff interest groups and supported by local groups in each of its offices, to oversee the implementation of its action plan for the Public Service Agreement and to improve communications processes across the organisation. The PRA is also carrying out a staff climate survey to obtain staff feedback.

#### *Legacy cases*

Took a number of actions to ensure backlogs of legacy cases are dealt with efficiently and in accordance with appropriate priority.

## Introduction

The ORP review of the Property Registration Authority (PRA) was published in September 2010. It involved examination of the capacity of the PRA to respond effectively to challenges with a view to delivering focused public services into the future. It spanned three main headings: strategy, managing delivery and evaluation. The purpose of this ‘look back’ is to check what progress the PRA has made in implementing its action plan one year on.

## Property Registration Authority (PRA)

The PRA was established in 2006 and its mission is *“to promote and safeguard the legal, societal and economic framework of property ownership in Ireland. This will be achieved by maintaining and extending a comprehensive and reliable system of registration of title, which secures property rights and facilitates property transactions”*.

### Working environment

#### Budget

The following table illustrates the expenditure of the PRA (Vote 23) since 2007. The estimated cost for 2011 is based on the assumption that day-to-day running costs will continue to decline in accordance with the PRA’s cost reduction programme.

Year	Expenditure	Capital element
2007	€41.0m	€3.1m
2008	€46.5m	€4.6m
2009	€40.0m	€4.4m
2010	€35.0m	€2.3m
2011 (est.)	€32.5m	€0.4m

### Staffing

When the ORP review was carried out, staffing levels had been reduced to 620 from a peak of 712 in September 2007. At end June 2011, staffing levels had fallen to 585 and under the terms of the Employment Control Framework (ECF) the targets are:

Year	Staffing target
2011	573
2012	563
2013	553
2014	541

Achieving these targets depends to some extent on the PRA being able to staff its new office in Roscommon which was set up in line with decentralisation policy. It is proving difficult to obtain the requisite staff while maintaining overall staffing levels within ECF targets. Even if surplus staff from other Government bodies in the Roscommon hinterland were redeployed into the PRA office, there would still be the barrier around transfer out of the PRA’s mapping technical grades, who are distinct from the general service stream, into other Departments. More generally, issues such as the current

state of the housing market and restricted access to credit facilities are limiting the attractiveness of decentralisation.

### ***Priorities and challenges***

The priorities facing the PRA over the period 2012-2015 can be summarized as follows:

- Advance the completion of the Irish Land Register.
- Further roll out of the PRA's online services through [www.landdirect.ie](http://www.landdirect.ie)
- Implementation of the eRegistration programme in accordance with overall eGovernment policy and the national eConveyancing programme (e.g. eDischarges whereby over 60% of registration of redeemed mortgages now take place electronically).
- Provision of specialist support to NAMA by means of dedicated electronic facilities to assist it in managing its portfolio of interests in property. As a result, NAMA can now view its interests on a geographical basis including where multiple lending institutions and developers are involved.
- Continuing with the major programme to clear the backlogs of casework which accrued during the property boom.
- Following the digitisation of all land parcels during the period 2005-2010, the PRA is now completing a programme to address legacy issues derived from the previous paper map environment. The purpose is to minimize possible future risk to the statutory compensation scheme operated by the PRA.
- Continue to use its feature-rich database of information to facilitate other public service organisations in the delivery of Government policy efficiently. For example, it already provides spatial information for the National Roads Authority's infrastructure programme and electronic data to a number of regulatory agencies. It is in a position to provide property-related information as a basis of a future property tax.
- A strategic issue for the PRA is the assimilation of technical mapping grades into the general service streams. This is essential in the context of any future redeployment of staff out of the organisation.

The main challenge facing the PRA over the period 2012-2015 is to achieve these priorities within the confines of reduced budgetary allocations, decreasing staff numbers and other potential constraints arising from the Expenditure Review process. In addition, there are specific challenges arising from the implementation of its action plan under the Public Service Agreement including the decentralisation of up to 230 personnel to Roscommon.

## **Findings on progress**

The ORP review found that the PRA was an excellent organisation, displaying significant capacity and impressive performance in all areas being examined. The PRA's strengths can be summarised as follows:

### **1. Strengths**

- The PRA has a clear sense of direction and a strong capacity to meet forthcoming challenges with a thoroughly engaged and effective senior management team.
- It demonstrates sectoral leadership, especially in bringing the various interests involved in property to agree on and implement a new approach to conveyancing. Internal leadership is strong and effective.
- There is a clear understanding of the PRA's role and functions within the organisation and, through the PRA's efforts, amongst its customers and stakeholders.
- It has good focus on customers' needs and there is a high level of satisfaction with the quality of service.
- It has used ICT to rapidly modernise its way of working.
- Innovation and a commitment to continuously improve business practices are key strengths.
- Its capacity to manage resources (human, financial, ICT) is a major strength with considerable focus placed on staff management. The PRA has a very small ICT team compared to other organisations and yet has delivered significant change and its financial systems appear transparent and robust.
- Internal governance is strong with good structures in place to promote appropriate behaviour and practice.
- It has implemented a system whereby the casework system provides a daily count of progress. Comparisons between teams and areas are carried out so that workflow efficiency is maximised. The PRA benchmarks itself against other similar organisations.
- It is open to customer and stakeholder feedback and invites them onto project steering groups and has regular customer focus group meetings. It demonstrates a genuine willingness to use feedback to improve policies, strategies and practice.

### **2. Scope for Improvement**

All of these findings demonstrate that the PRA has considerable strengths which will serve it well in facing future challenges. Insofar as any enhancements to its capacity could be made, the ORP review found that there was scope for improving communications and there was a need to ensure that the

priority afforded to the processing of older and more complex cases would be maintained. The actions taken by the PRA in these respects are set out below.

### ***Communications***

The ORP review found that while communications from senior management to middle management were effective, they were less so from middle management to more junior staff and were dependent on local practice. In addition, the PRA needed to improve on consulting staff and responding to their feedback; over 40% of respondents to the staff survey did not agree that they were consulted appropriately when decisions were made that affected their area. The PRA has taken the following actions:

- A staff climate survey was prepared and issued in November 2011 which the PRA intends to complete and begin acting on by end-2011.
- Briefing sessions, in which all staff were appraised of ongoing developments in the organisation, have been held in 2010 and 2011. These sessions give staff the opportunity to meet with senior management and discuss all relevant issues, with a heavy emphasis upon the measures set out in the PRA's Public Service Agreement action plan. It is anticipated that these briefing sessions will continue to be held, at least on an annual basis.
- In April 2011, the PRA established a central 'Transformation Forum' to oversee the implementation of its action plan for the Public Service Agreement and to improve the communication process across the organisation:
  - The Forum comprises staff representatives, management and unions and is augmented by a group based in each of the PRA's offices in Dublin, Waterford and Roscommon.
  - Each local group is led by a local line manager and their remit includes encouraging two-way communications and explaining the transformation agenda.
  - These groups discuss and evaluate new ideas and ensure there is a continuous focus at a local level on improving processes, reducing costs and delivering high quality customer service.

**ORP conclusion on communications:** Establishing the Forum comprising the various interest groups is a worthwhile initiative. Its agenda is such that it will require the local groups to obtain ideas and feedback from staff in the various offices for communication back to the central Forum. This should promote interesting and useful discussions while improving communications. The staff climate survey is a useful means of obtaining feedback and, of course, any matters raised will need to be followed up and addressed appropriately.

### ***Case prioritisation***

The ORP review noted that there were backlogs which would take up to two years to clear (these arose due to the huge increase in the workload during the property boom). While the PRA policy was to process cases in order of receipt, concern was expressed by staff that some cases, which were perceived as easier to process, were being dealt with in advance of others in order to maximise outputs and meet targets. The PRA has taken the following actions:

- Established a new group to deal with the oldest cases which are associated with Land Commission Vestings and progress continues to be made in the clearance of these Vestings.
- Prioritised the arrear clearance programme on a systematic basis over the 2010-2011 period. Arrears at end June 2011 were 102,090 cases representing a 45% reduction from the levels recorded when the ORP report was written (186,750 cases).
- Incorporated 'old cases' clearance targets into divisional business plans and clearance of older cases continues across all business areas.
- Put processes in place to ensure 'easier' cases are not selected out of turn.

**ORP conclusion on case prioritisation:** The actions taken by the PRA address the issues raised in the ORP report about processing the backlog of cases and will ensure such backlogs are dealt with efficiently. The PRA might reflect on the possible usefulness of applying weights to the complex legacy cases in its measurements of performance.

### **Assessment of progress**

The PRA has substantially implemented its action plan. The backlog issues are being addressed. It has put structures in place to improve communications across the organisation. The PRA is a strongly performing organisation and is very well placed to meet future challenges.

## Observations on the ‘look back’ process for rounds one and two of the Organisational Review Programme and general observations on the ORP exercise

### Introduction

The decision to undertake a ‘look back’ at progress in the implementation of action plans by the seven departments and offices reviewed during rounds one and two of the Organisational Review Programme (ORP) was initiated in July 2011 by the Department of Public Expenditure and Reform<sup>11</sup>. This ‘look back’ exercise followed on from comments by the late Professor John Murray in his observations on the second round of the ORP where he stated that ‘It is not fully clear how the ORP process ensures that the follow-up plan is an appropriate response, or how specific commitments and accountabilities for action to build capacity in the reviewed organisation are to be set, managed and monitored’. The ‘look back’ exercise provides an opportunity to assess the degree of engagement of departments and offices with the process of implementation following on from the production of their action plan.

The ‘look back’ exercise was undertaken from July through to December 2011. Despite this tight timeframe, the exercise was conducted in a rigorous manner and provides sound evidence of progress made in implementing the action plans and consequent issues arising. My role was to act as an independent reviewer and read a final draft of the ‘look back’ review reports at the same time as they were submitted to the departments for fact checking. I met with the members of the central ORP team to discuss the findings, but had no involvement in the ‘look back’ process.

My observations focus on findings emerging from the ‘look back’ exercise with broad implications for the civil service. I also take the opportunity at the end of this report to provide some observations on the whole ORP exercise to date.

### Findings emerging from the ‘look back’ exercise

The first thing that is very clear from the reports produced is the significant changes that have taken place in the operating environment of the departments and organisations reviewed since the initial reviews took place (the first round of reviews was completed in 2008). Many have had functions re-allocated as a result of machinery of government changes implemented by the new government. Cutbacks in expenditure programmes and staffing numbers were also evident, and in many cases very significant. These changes impact on the type of capacity building that can be pursued, but also set a context where building effective capacity is more important than ever.

A general impression that is formed is that most organisations have engaged seriously with attempting to implement their action plans. Most departments and offices have made good progress in implementing their action plans. This despite the lack of any external scrutiny mechanism until this ‘look back’ exercise and the challenges presented by the operational environment as mentioned above.

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<sup>11</sup> The seven Departments and Offices (using their titles following the re-allocation of functions on the appointment of the new government in March 2011) are: (a) three from the first round of the ORP, the Department of Agriculture, Food and the Marine (DAFM), Department of Jobs, Enterprise and Innovation (DJEI), and Department of Transport, Tourism and Sport (DTTS); and (b) four from the second round, the Central Statistics Office (CSO), Department of Health (DH), Property Registration Authority (PRA), and Office of the Revenue Commissioners (Revenue).

Some organisations have taken particular care to develop a structured process to ensuring follow up with regard to implementing the action plans. For example, the DH established working groups comprising staff volunteers of all grades to progress implementation, led by a member of the department's management advisory committee. Similarly, the DECLG has appointed a member of the department's management advisory committee as the 'action sponsor' for each action in the plan, to provide direction and support to an identified 'action manager' in charge of delivery of the action. Half-yearly progress reports are presented to the management advisory committee and the partnership committee, with an annual review of progress published on the department's website. These would seem to be good ways to achieve wider engagement and commitment whilst maintaining senior management leadership in the process.

The reports identify a number of good practice exemplars which could be of interest to the civil service generally in addressing particular capacity challenges common across the system. Included here are:

- Initiatives aimed at better management of resources. DAFM have been successful in their efficiency agenda particularly with regard to reviews of business units undertaken by the management services division, including the reorganisation of local offices. A comprehensive restructuring involved the closure of 42 offices and the retention and expansion of 16 regional offices to provide an enhanced service to customers. This resulted in a reduction of 400 staff (full time equivalents) and savings of the order of €30 million per annum. The DH has addressed some workforce planning issues by taking steps to better balance the distribution of workloads. Revenue has addressed succession planning problems by establishing a sub-group of the management advisory committee to identify capability development requirements and priorities and developing and adopting detailed action plans to achieve performance targets in defined areas.
- Initiatives aimed at improving governance of agencies. The DAFM has established a central unit with expertise in corporate governance to support divisions and ensure coherence in monitoring compliance. The DH established a memorandum of understanding between the Department and the HSE which has been helpful in clarifying respective roles, duties and responsibilities<sup>12</sup>.
- Innovative ICT practices to address capacity shortages have been developed in some instances. The DTTS rebuilt and rebranded the staff intranet site ('The Hub') as a central information repository, providing good practice guidelines, templates, worked examples and advice on common activities such as memorandums for government, procurement and draft legislation.
- Efforts to enhance shared understanding and create a common corporate culture, such as the CSOs use of a business process review of household survey collections to examine communications and participation issues affecting field staff. This has improved communications with field staff.

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<sup>12</sup> While the memorandum of understanding may be superseded by the reform agenda for the health sector as set out in the Programme for Government, the lessons learned in its production and the issues articulated in the agreement remain relevant.

- Performance measurement initiatives, such as the DH making much more use of measuring performance against targets and developing a performance framework of indicators to measure various aspects of health status. The PRA has implemented a process whereby the casework system provides a daily count of progress in clearing cases, and allows comparisons between teams and areas so as to maximise workflow efficiency. The DAFM has pioneered the use of performance information for performance budgeting.

Such initiatives provide exemplars of good practice in tackling long-established capacity challenges, as identified and highlighted through the ORP process. The identification of such exemplars is an important by-product of the ‘look back’ process and could provide the basis for further sharing of good practice across the system.

### **General observations on the ORP process, methodology and findings arising from the whole ORP process to date**

The ‘look back’ exercise and review of round three of the ORP provides a basis for a more general assessment of the whole ORP exercise to date. From its inception in 2006, eleven departments and offices have now gone through the ORP process. During that period the public service landscape has changed dramatically. It is useful therefore at this point to try to identify some of the broader issues emerging from the review experience.

#### ***Capacity strengths and challenges***

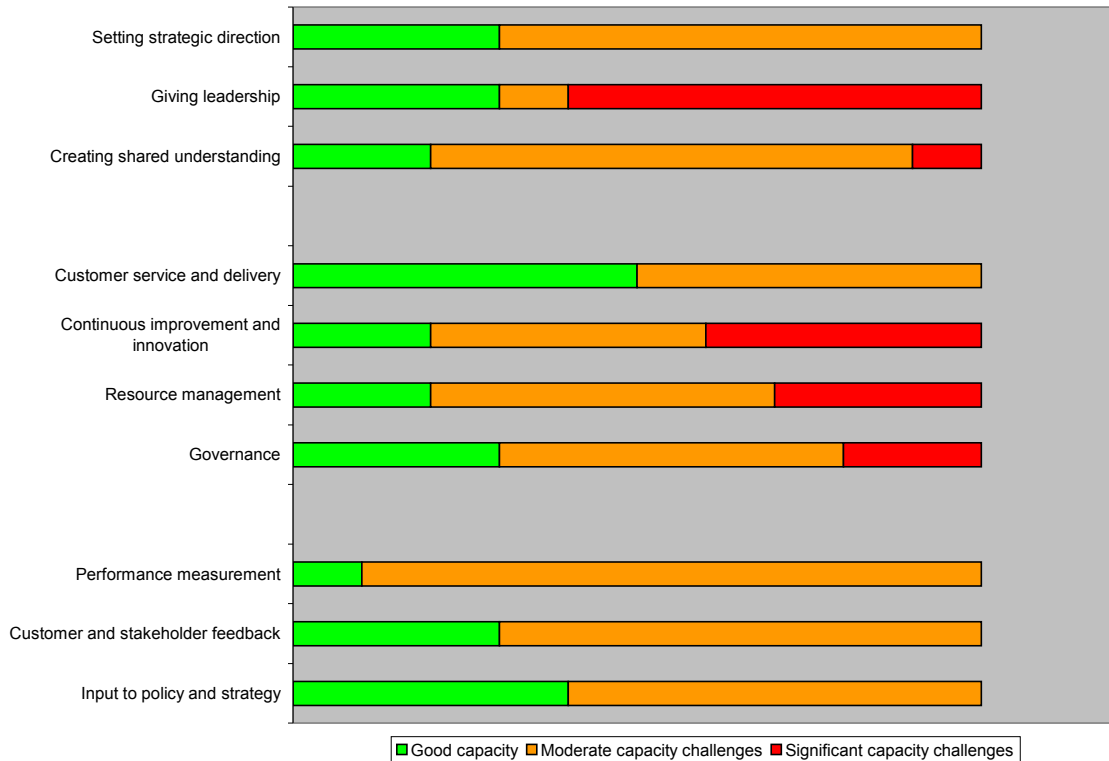
A starting point is to identify where the reports show that capacity is relatively strong and relatively weak in the civil service. Figure 1 is based on my own structured qualitative analysis of ten ORP reports (excluding the Department of the Taoiseach report<sup>13</sup>) produced in rounds one, two and three of the ORP. I rated each department or office against each of the capacity attributes developed by the ORP team, using a three point scale:

- 1 Good capacity (existing good capacity, a clean bill of health or relatively minor issues identified)
- 2 Moderate capacity challenges (a mix of existing positive capacity highlighted along with some capacity challenges identified)
- 3 Significant capacity challenges (either general capacity weaknesses identified for the attribute or a significant capacity weakness for some element(s) of the attribute)

### **Figure 1: Capacity strengths and weaknesses**

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<sup>13</sup> The report on the Department of the Taoiseach was different in format to the other reports, focusing on pointers for the future rather than its historic capacity, given the significant changes in the department’s function following the change in government in February 2011. It was therefore not possible to compare this report with the others.



It can be seen from Figure 1 that the strongest existing capacity attributes are in the areas of customer service and delivery, input to policy and strategy, customer and stakeholder feedback and setting strategic direction. In general the customer orientation and strategy development functions of government departments and offices are given a broadly positive assessment in terms of existing capacity.

The main capacity challenge identified is the ‘giving leadership’ attribute. The quality of leadership identified in the reviews is mixed. Internally, prioritising and coordinating work and communicating objectives with staff presents challenges for many organisations. Externally, the need to be more effective in leading and influencing key stakeholders is seen as a widespread challenge. The competence to manage ‘cross-cutting’ issues which are not totally under the control of an individual organisation presents particular capacity challenges, with the ability to build alliances around departmental and government priorities seen as in need of strengthening in some cases.

The managing delivery component of capacity can also be seen to present challenges, particularly with regard to the attributes of continuous improvement and innovation, resource management, and governance. There are notable challenges associated with the efficient allocation of resources and with workforce planning. The management of change generally is noted as a limitation in several organisations, including issues such as developing a shared understanding of the need for change, planning, and project management. With regard to resource management, challenges with the development and application of ICT capacity are noted. There are also significant human resource management challenges identified in the reports. The ability to develop sound human resource strategies and then implement these strategies in areas such as addressing skills gaps, staff deployment, morale and motivation, and performance management is seen as problematic for many organisations. Some good examples of governance capacity are identified in the reports, but there are also significant

challenges highlighted, associated particularly with the governance of agencies. With regard to internal governance, some of the reports highlight the need for top management committees to be more effective in mapping out and communicating the strategic direction of the organisation.

The ‘performance measurement’ attribute, while not emerging as an area with major capacity challenges identified, is noteworthy as the attribute identified with the least existing good capacity. The challenges identified by the late Professor Murray in his observations on the second round of the ORP remain: ‘...explicit measurement of performance is limited and is more problematic as measurement moves from inputs to throughputs, outputs and outcomes. The limited capacity of organisations to come to terms with metrication and calibration deserves particular emphasis and attention’.

### ***The ORP process and methodology***

In general, the ORP process and methodology has proved to be sound and robust. It has produced evidence informed reports, incorporating the views of a range of stakeholders on capacity issues. The cooperation of organisations and staff has been mostly very positive. But as with any process, there are opportunities for reflection on how it might be improved or developed. O’Riordan<sup>14</sup> has undertaken a review of the ORP that helpfully raises some process issues, a number of which are noted below for consideration:

- The ORP framework of ten attributes grouped under three components has proved a useful framework, but might be examined for the extent of overlap across the attributes. Also, the provision of policy advice and analysis does not explicitly fall within the scope of the ORP. Given the importance of civil servants providing well judged, independent, evidence informed and timely counsel this might be an important attribute to be considered. Neither is regulatory capacity explicitly covered in the list of attributes, but it is an area of growing importance for governments generally in recent years.
- The reviews are conducted by teams internal to the civil service. This has particular strengths in providing expertise with knowledge of the system and in winning cooperation from participating organisations, and has not compromised the objectivity of the exercise. But other jurisdictions have included external representation in similar exercises, bringing insights from the private and non-commercial sectors. External engagement in future reviews might be given consideration. On a linked point, the late Professor Murray described the style of the reports as one that ‘facilitates a developmental relationship’ but suggested that the balance between this developmental style and a more audit based approach should be kept under consideration.
- The ORP has proved a long drawn out process. Initiated in 2006, eleven departments and offices have gone through the process to date. The limited resources available to the ORP team and the extensive methodology employed have contributed to this situation. But given the rapidly changing environment a more timely process is required. The ‘look back’ exercise, delivered to a tight timescale with a more limited interview process provides an example of what is feasible.

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<sup>14</sup> J. O’Riordan (2011), *Organisational capacity in the Irish Civil Service: An Examination of the Organisational Review Programme*, Dublin: Institute of Public Administration, [http://www.ipa.ie/pdf/ipa\\_report\\_no3.pdf](http://www.ipa.ie/pdf/ipa_report_no3.pdf)

- The consistency between report findings and action plans has varied between organisations. There is an onus on the organisations being reviewed to ensure that the commitments made in action plans are directly related to the challenges identified in the reviews and are clear and assessable. Good practice templates exist for this.
- As a further element of accountability, consideration should be given to the engagement of the relevant Oireachtas committee with review and ‘look back’ reports.

The need to benchmark against good practice as a means of establishing organisational performance is an important element of the ORP process, as noted by the late Professor Murray. Standards of performance are difficult to determine for many areas of civil service activity. Nevertheless, some organisations involved in the ORP process show what can be done. Revenue, as their ‘look back’ report notes, have participated in an international benchmarking exercise with ten other leading tax administrations to compare practices. The PRA benchmarks itself against other similar organisations. The third round report on DFAT helpfully drew on comparisons of practice with other foreign ministries. More active engagement with benchmarking against similar organisations or of similar functions with different organisations is to be encouraged. Similarly, there may be good practice exemplars that organisations can draw on to benchmark and develop capacity in areas where they have current limitations. Examples include:

- With regard to human resource management, the OECDs Government at a Glance report<sup>15</sup> provides an international comparison of practice against a number of human resource practices.
- Regarding the governance of agencies another OECD study provides useful information on experience in Sweden, Denmark and the Netherlands in department/agency performance dialogues.<sup>16</sup> A study by MacCarthaigh<sup>17</sup> outlines possible content areas for performance agreements between departments and agencies based on international practice.

The ORP exercise (both the initial review reports and the subsequent ‘look back’ reports) has proved valuable both to individual organisations and in terms of identifying capacity strengths and challenges across the civil service. The recently launched Public Service Reform programme provides impetus for the addressing of civil service wide challenges identified in the ORP, such as various human resource management issues, staff redeployment, workforce planning and governance. Implementation of the reform programme agenda will be necessary to complement actions taken at organisation level if capacity challenges are to be addressed in a manner that will result in an effective civil service meeting the needs of all its citizens.

Richard Boyle  
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<sup>15</sup> OECD (2011), *Government at a Glance*, Paris: OECD, pp.125-133,  
[http://www.oecd.org/document/33/0,3746,en\\_2649\\_33735\\_43714657\\_1\\_1\\_1\\_1,00.html](http://www.oecd.org/document/33/0,3746,en_2649_33735_43714657_1_1_1_1,00.html)

<sup>16</sup> OECD (2010), *Public Administration After “New Public Management”*, Paris: OECD, pp.72-78

<sup>17</sup> M. MacCarthaigh (2010), *National Non-Commercial State Agencies in Ireland*, Dublin: Institute of Public Administration, pp.22-23, <http://www.ipa.ie/pdf/StateAgenciesReport.pdf>