

The Independent Review of
WORKPLACE CULTURE
at Save the Children UK

**Independent assessment of
progress in response to
recommendations contained
in the 2018 Independent Review of
Workplace Culture**

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27 November 2019

Introduction and summary of findings

We have been invited to give an independent assessment of the progress made by Save the Children UK in meeting the recommendations of the 2018 Independent Review of Workplace Culture (the Shale review). Much of this work has been carried out through the charity's 2019 'Stronger' programme. We have reviewed the documentation listed in Appendix 2, and have spoken to those people listed in Appendix 3. We have commented both on how individual recommendations were met, and on the design and implementation of Stronger.

In short, we are impressed that the charity has sought to fulfil the spirit and not just the letter of the Shale review recommendations. We argued in the introduction to our recommendations (Shale p.81) that trust would be rebuilt on a foundation of accountability, openness, and collaboration. These three values appear to us to have been embedded in the Stronger programme through the ways that it was initially developed, and in the manner in which it has been implemented. We also indicated in the Shale report that the charity needed to demonstrate consistency between words and actions, because trusted people do what they say they will do (Shale p.81). As Stronger transitions into a long term People and Culture strategy, the acid test will be whether the charity sustains into the future the commitments it has made in the past year to supporting its people and enhancing its workplace cultures.

In our 2018 report we discussed the effectiveness of the charity's response to the 2015 Lewis Silkin review. We believe that several important lessons have been learned from the past, and are apparent in some notable differences in the charity's response to the Shale review. In summary, these are:

- Co-creating the response with staff, trusting them to identify issues, analyse causes, and generate solutions.
- Being open, honest and humble about the charity's imperfections and limitations, whilst still pursuing high ambitions to learn and improve.
- Making the link between how people in the charity work together, and the values that underpin its charitable activities.
- Approaching culture change with the intention that it be, as the CEO described it, 'home made', fitted to the charity's context, its people, and its needs.
- Fully engaging the Board in leading change, supporting, challenging and monitoring progress.
- Maintaining resolve and working towards long term agreed goals.

We recognise that some people in the charity will have experienced Stronger as transformative. Others will have hardly noticed it. This is to be expected. Not everyone will be affected to the same degree. As cultures change, the people who live the cultures are changing with them and do not always notice they are doing so. And in any event, newcomers to the organisation will experience it as it is now, not how it used to be in the past.

We heard from many of those we interviewed that they thought the Stronger programme had laid the foundations for lasting change and development. This will turn out to be true only if the charity itself cherishes and builds upon these foundations in future. We wish the charity well in its endeavours.

Appendices 1-3 set out our Terms of Reference, list the documents we reviewed, and identify the people we met.

Dr Suzanne Shale and Professor Murray Anderson-Wallace
27th November 2019

The set up of the Stronger Programme

In our introduction to the Shale review recommendations, we noted that we had met many employees who possessed “deep understanding of how the charity works, and tremendous commitment to making it work better”. We urged the charity “to consider how to use the insight and expertise of staff to make the changes we advocate” and argued that enhancing the charity’s workplace culture would require “decisive leadership from those at the top and sustained collaboration with a wider group of staff drawn from every level in the organisation” (Shale p.81). Recommendation 1 was to “Work collaboratively with staff to develop, publish internally, implement and evaluate a comprehensive integrated strategy in response to this report”.

In our view Stronger has been approached in a way that fully meets the spirit of Recommendation 1. The charity has striven to engage staff from the outset, and in Stronger formulated a programme that has sought to integrate differing strands of activity (for example, ensuring diversity & inclusion and culture considerations are brought into people management training) (Doc 10). We heard of a process of engagement with staff that started shortly after publication of the Shale report (Doc. 33). We were told this initial engagement process succeeded in involving staff at many different strata and locations within the organisation, including in regional and devolved country offices. It also drew on the emerging staff networks that had provided an important element of staff voice during the Shale review.

The early engagement that fed into the overall design of Stronger appears to have facilitated development of a programme responsive to the aspirations and concerns of the charity’s staff. However, the engagement process also generated high expectations for early and visible change. This created understandable pressure on the Stronger team to make rapid progress where possible, whilst also being attentive to the need to lay the foundations for longer term change. In our view, this balance has been achieved albeit that Stronger has taken longer to complete than initially hoped. We also recognise that there will be observers in the charity who expected a larger number of measurable or evident outcomes from Stronger activity at this stage.

An important feature of Stronger was the creation of the Representative Advisory Group (RAG). Their role (Doc. 30) was to provide oversight of Stronger, to make recommendations where appropriate, and advise the Stronger team on how the programme was landing in the organisation. The creation of this group was a novel initiative. Care was given to selecting ten candidates through an application process, with provision for one fifth of their time to be given to the role. The RAG shared insightful reflections with us on how they fulfilled their role, and we return to their reflections in the final section of our report.

Capacity and resourcing

The charity seconded six people, including an experienced leader, to the Stronger team on a full time basis for the duration of the programme. The time available to the RAG amounted to an additional two full time equivalent roles. The charity recruited a new Diversity and Inclusion specialist, additional capacity in the wellbeing team, and more recently an interim Executive Director of HR and Executive Director of Transformation. The charity has reflected whether it would have been beneficial to recruit an Executive Director of Transformation sooner, given the scale of organisational change currently under way (see below). Board level input has facilitated other change activity, including systematic monitoring of Stronger, new Board communications, revised committee membership and terms of reference, and recruitment of three new trustees.

We heard that the resource to be allocated to Stronger was carefully debated at Executive and Board level, balancing the charity’s need to support Stronger with servicing other organisational change programmes under way and continuing to meet its charitable objectives in the face of a loss of funding.

We understand that Executive Directors have been supportive of Stronger, and that their own actions have been perceived to be consistent with the programme’s messages.

We believe the response to the Shale review has differed significantly from the response to the 2015 Lewis Silkin Review. The charity has approached culture change on the basis that solutions have to be locally developed, owned by its leaders, developed with staff and responsive to the charity’s existing distinctive

cultures. The charity has sought to be honest, open and transparent with staff, to draw in people who had been active in supporting the Shale review process and were calling for change, and to use the people assets of the organisation to frame the problems and seek solutions.

The timeframes set out for the initial phase of Stronger

The charity was working to an ambitious time frame for achieving its 'lead' KPIs (Docs 1, 32). The phasing of Stronger was indicative of the charity's ambition to meet Shale recommendations achievable in the short term, whilst also recognising that cultural change requires long term work sustained alongside other organisational initiatives. The Stronger team encountered a range of challenges: these include the intrinsic complexity and novelty of elements such as measuring civility; factors leading to failure to progress the Solid Foundations workstream; work not completed satisfactorily by external consultants; and the need to make space for Stronger alongside the organisation's other transformation preoccupations. However, as we note in our final section, most key goals have been accomplished within a year.

It is clear that the charity took time to analyse and understand the nature of the culture problems it is tackling, and to build a shared understanding of those issues across organisational groups. The care given to scoping the organisational issues resulted in well researched and honest problem statements that guided the team's work (Doc 1). Additionally, building relationships between the Stronger team and the wider organisation was a critical part of programme delivery, so that generating new organisational networks is undoubtedly one of Stronger's achievements. Stronger was in some respects an experiment in exercising principles underlying the charity's new Target Operating Model, and it would be beneficial if the lessons and insights from how the Stronger team worked can be captured.

The organisational context

At the point at which the Shale report was delivered, the charity was about to enter into a period of broader organisational transformation. Developments set in train at that time have led to current activity around restructuring pay and grading, and implementation of a proposed Target Operating Model which will eventually lead to more multi-disciplinary working and matrix management. Moreover, the charity has faced the need to reduce staff numbers as a result of both a drive to move resources to the front line and wider funding pressures.

We understand that the charity's commitment to implementing the Shale recommendations, at the same time as pressing ahead with the other two major transformation initiatives, has been extensively discussed between Executive leaders and with the Board. We heard there was a broad agreement that each element was of equal importance, and that the cultural change aims are inextricably bound up with those associated with changes in pay and grading and the Target Operating Model.

The Shale report described perceived problems in delivery of aspects of people management and the HR function, prompting Shale Recommendation 5. The Solid Foundations workstream in Stronger aimed to meet the requirements of Recommendation 5, and Stronger's problem statement for the workstream reflected views in the Stronger team and parts of the wider organisation about the underlying reasons for difficulties in this area. We understand that as the workstream proceeded, contrasting perspectives were advanced by the HR team. We have not heard from all those involved, but we think the divergent views may be attributable to the following factors: actors being differently situated within the organisation; differing professional perspectives informing alternative interpretations; and a dissimilar ranking of management priorities. The result appears to have been that members of the HR team did not concur with the Stronger team's analysis, nor with their proposals for potential solutions. Despite efforts on both sides to create understanding, these divergent views resulted in the cessation of the Solid Foundations workstream. However a review of the HR function's design, capability and capacity is currently being conducted under the leadership of the Interim Executive Director of HR, who will be taking forward action to respond to the issues underlying Recommendation 5.

The Stronger programme focus

It is clear that Stronger set out to stimulate the comprehensive organisational changes required to address the Shale recommendations in an integrated manner. We will note in this section the progress made against the Stronger KPIs and discuss in the next section the essential task of ensuring that as Stronger comes to an end, transitioning into the People and Culture strategy, gains are not lost.

Stronger's principles

The Stronger principles were developed through conversations with staff, and committed the team to an approach in which “how we achieve is as important as what we achieve” (Doc 35). The Stronger team consequently viewed a consultative approach, with co-creation where possible, as central to its way of working. It appears to have held to that principle well. The team is mindful that high expectations were generated in the initial consultations around the charity's response to the Shale report, with a strong desire within the charity to see tangible change. The programme team has sought to balance this desire with the aim of co-creating central aspects of the programme. Co-creation has, not unexpectedly, proven more time consuming than delivering off the peg responses.

Early engagement resulted in a communications and engagement framework for Stronger (Doc 4) reflecting that the charity's staff sought authentic and honest communication about progress. The Stronger team also established clear lines of accountability both to staff (through the RAG) and to the Board.

Delivering Stronger's aims and goals

Project documentation (e.g. Doc 37 Report to the Remco) provides a clear account of progress against the Stronger Programme workplans and also against the Shale review recommendations. Reports identify both difficulties and achievements and provide a risk rating on accomplishment of the Shale recommendations. Overall this has resulted in a clear line of sight between the Shale recommendations and the four Stronger workstreams, and provided scope for continuing conversations and challenge between the Stronger team, Executive leaders and the Board.

Within the scope of this brief report we cannot comment in detail on the achievement of each of the individual KPIs. However, having explored in documentation (e.g. Docs 5, 6, 10, 11, 12, 13, & 37) and our interviews the progress made against the lead KPIs (Doc 1), we note that many of the initial programme goals have been accomplished. Some remain the subject of ongoing action and these gaps are discussed in the next section.

Where lead KPIs have not yet been met, the team has been candid in accounting for the difficulties that they have encountered and the need to adapt in light of circumstances. The desire to implement a ‘home made’ response to the Shale recommendations has presented challenges, including the need to balance professional perspectives (e.g. on ways to organise HR delivery, or the components of a corporate diversity and inclusion strategy) with views coming from the lived experience of staff who have in the past been at the receiving end of corporate provision.

‘How we achieve is as important as what we achieve’

Whilst pursuing co-creation has been more time consuming than a less consultative approach, it is consistent with the charity's commitment to collaborative working in development and delivery of its humanitarian programmes. The approach to co-creating the charity's culture in its Farringdon, regional and devolved country offices seeks to reflect and achieve a degree of coherence between how the charity manages its programmes for beneficiaries and how it manages its corporate culture.

In the view of the Stronger team, co-creation has helped to initiate change processes shaped around the lived experiences of the charity's staff. These, they hope, will be more sustainable than imposed solutions. Two examples serve to illustrate this point.

First, the 2019 Diversity and Inclusion campaign week grew out of extensive discussion with staff and the equalities networks, and endeavoured to engage all the charity's staff in understanding the experience of people who identified as less favoured groups. It provided a safe space for those who felt adversely affected by the charity's culture to describe their experiences, it presented these experiences with honesty and courage, and it did not pretend to have ready made solutions at hand. Feedback indicates that the campaign opened up important conversations, including on the ways the charity can be open about its diversity challenges without alienating supporters and partners. The process of building awareness is now being followed up through further work by the new Diversity and Inclusion specialist, with a commitment to further staff engagement and co-design for an organisational Diversity and Inclusion strategy.

In a second example, the brief for the new programme of support for people managers was developed through work with staff, drawing on the staff survey and including staff representatives in selecting a provider. This has resulted in commissioning a provider committed to ongoing co-design of the programme with staff, and to developing bespoke provision including experiential learning. This will be followed by redeveloping the 'respect in the workplace' provision to embrace similar principles. As these programmes are still under development it is too soon to gauge the impact of a co-creation approach. However, there is optimism that provision will better meet the needs of staff because they have had, and will continue to have, input into designing it.

Progress in Stronger and the direction of travel

In 2018 we drew attention to how, over time, the charity lost sight of the need to sustain and embed its response to the 2015 Lewis Silkin review. This was partly a consequence of work on the then 'People Deal' - designed to improve organisational culture - becoming the focus of attention, rather than the specific 2015 review findings, which were not sufficiently monitored by the Executive or Board.

Board oversight of Shale recommendations

The level of Board oversight in response to the Shale review has differed markedly from the response to the 2015 Lewis Silkin review. In respect of the totality of the Shale recommendations, the Board has been regularly updated (e.g. Doc 13, 37) with a tracker showing progress against each of the recommendations, how each of the recommendations maps onto the Stronger Programme, and which Board sub-committee was responsible for monitoring progress (Nominations Committee, Audit and Risk Committee, Remuneration and People Committee). The Chair provided us with a summary chart that records how the Board has exercised oversight from the inception of the Stronger programme, both in whole Board and sub-committee meetings. We heard from the Chair and executive leaders that there had been both challenge and support in oversight meetings.

Some core recommendations have been addressed independently of Stronger, notably changes that fell to the responsibility of the Board. Following each meeting of the Board there is now a Chair's note with a summary of the Board's proceedings circulated to all staff. The Terms of Reference of the Nominations Committee have been changed to pursue greater diversity in trustee recruitment. As of July 2019 three new trustees from BAME groups have joined the Board, one with expertise in organisational development in accordance with Shale Recommendation 5. The Board has also appointed one trustee to take lead responsibility for staff liaison. We heard that new trustees have contributed both valuable expertise, and broadened the diversity of views expressed, in the course of Board discussions.

The Board tracker indicates that as of November 2019 some gaps remain in completing the first stages of the charity's response to the Shale recommendations. These gaps include:

- Working with a provider to develop a bespoke and culturally appropriate successor programme to the charity's former 'Respect in the Workplace' training, and also developing ways of measuring incivility.
- Completing a comprehensive Diversity & Inclusion strategy that embeds essential corporate structures and processes into the charity's overall approach, and building on the awareness raising campaign initiated as part of Stronger.

- Finalising the review of employee relations policies.
- Resolving the difficulties surrounding the interface between people management needs and the HR function.

On this last gap, we recognised in the Shale report that the HR challenges facing the charity are complex in nature. They have only grown in complexity since then, with the inception of the organisation's transformation programme. Stronger developed a rigorous analysis of reasons for some of the past difficulties, and this work has enabled the Board, Executive and Stronger team to better understand barriers to progress. The new interim Executive Director of HR explained her approach and priorities to us, and described how a review of design, capability and capacity is currently being implemented. The charity recognises (Doc 10) that HR capability and capacity continues to present a risk, especially as the HR team has a central role in delivering the current transformation programme and making a major contribution to the future People and Culture strategy.

Transition into the People and Culture strategy

At the end of 2019 the Stronger work will transition into the broader People and Culture strategy. Careful consideration will need to be given to how to sustain a long term focus on culture as the charity incorporates Stronger into a wider strategy that is also addressing demanding corporate restructuring aims. There is a risk that the cycle we observed in the charity's response to the 2015 Lewis Silkin review may be repeated, because the immediate visibility and disruption associated with corporate restructuring may draw attention away from long term, less visible but equally important culture change.

We understand that in the transition, management of some of the Stronger aims will revert to the HR function, and others will be co-ordinated through activity led by the Director of Transformation. We were assured that attentiveness to culture has been identified as a key element in the charity's overall transformation programme, and that this is well understood across the executive leadership team. The Remuneration and People Committee will be charged with exerting oversight over the People and Culture strategy. Trustees will therefore have a vital role to play in ensuring that cultural issues maintain sufficient profile.

Stronger sought to find a balance in its work of consultation, implementation, representation and accountability.

First, Stronger sought to combine insight from lived experience, a groundswell of 'civic activism' in staff committed to making the charity's corporate culture the best it can be, and insights that come from specific professional knowledge and expertise. Bringing together these different perspectives helped generate new ideas and approaches that have led to real progress, although as we have noted it also sometimes brought delay and disagreement.

Second, Stronger endeavoured to build genuine accountability into its work, notably through the Representative Advisory Group. This group shared some important reflections with us regarding their role in Stronger, and the challenge of being representatives, link persons, advisors, and a mechanism through which to hold leaders to account. These considerations apply more widely to future staff representation and accountability in the charity, and we understand that the RAG have co-authored a document setting out their learning from this process. The development of the Representative Advisory Group created new and potentially beneficial practices of accountability among staff. In our experience, accountability breeds accountability. Staff willing to hold leaders to account for the pursuit of valued goals tend also to be willing to hold each other to account. Reasonable accountability becomes a community practice.

We would urge that the insights generated by the Representative Advisory Group be shared with staff and taken into account in future work; and that Stronger's principles of voice and accountability be extended into the People and Culture strategy and its governance arrangements.

We have noted that the way the charity developed its approach, with sustained input from staff and acknowledging the influence of organisational micro-cultures, contrasts with the charity's response to the

2015 Lewis Silkin review. However another notable difference has been Stronger's relatively limited engagement with the Corporate Senior Leadership Team (CSLT) whose role and responsibilities were in fact a focus for attention following the 2015 Lewis Silkin review (Shale p25). The CSLT is a significant group of leaders who play an important part as influencers and opinion formers in shaping the charity's culture. The Stronger team and CEO both reflected on the role of CSLT, who sit at the heart of the organisation but had modest input into Stronger. We understand there have recently been further discussions with this group prompted by the organisational transformation programme and the Target Operating Model. It is recognised that a CSLT, with a clearer mandate and responsibilities, will have a critical role to play in driving cultural change and in the development and implementation of the overarching People and Culture strategy.

We believe that the current leadership in the charity, notably the CEO, recognises the correlation between how employees work together in the charity's offices and how they meet their charitable objects in delivering services to beneficiaries. We note that SCUK & SCI clearly recognised this connection when setting out their gender strategy. This strategy makes evident that how people understand gender inequality and work together as employees of the charity feeds into how programmes are developed, how they are delivered in the field, and how they produce impact for the charity's beneficiaries. By the same token, implementing an effective People and Culture strategy is not just important for staff recruitment, retention and wellbeing in the UK. It is important because it will support the charity's staff to do their very best work delivering the social benefits that are the charity's core purpose.

Appendix 1 - Terms of Reference

Aims:

An independent check in of the Stronger programme will be conducted in Q4 2019 and the findings will be shared with staff, trustees and key external stakeholders to ensure we are holding ourselves to account on our commitment to transparently communicate on progress being made against the Shale Recommendations. A further evaluation on the impact of the programme will be conducted in Q4 2020.

The results of the report will be used to ensure:

- We are confident in the progress and direction of travel in our work to address the recommendations of the Independent Review of Workplace Culture (IRWC) and our commitments as an organisation to improve our workplace culture.
- Reflect on learnings from the last six months to influence our organisation's broader approach in change.
- Influence the development of a long term people and culture strategy.

This scope of work will examine the following:

1. Set up of programme:

- The capacity and resourcing of the change programme
- The timeframes set out for the initial phase of Stronger
- The organisational context which the programme was operating within (ie. wider organisational change which may complement or disrupt work on people and culture).

2. Programme focus:

- Prioritisation of the priorities set out for the programme workstreams – whether appropriate activity was delivered to balance immediate deliverables and long term change
- Reviewing aims and objectives set out in the overall programme plan
- Reviewing status of deliverables and proposed long term KPIs
- Assessing whether the principles and approach initially set out were followed.

3. Measure progress and direction of travel:

- Assessing what progress has been made within the six-month timeframe against the programme plan
- Reviewing activity delivered across all of IRWC's recommendations (including beyond the Stronger programme – e.g. Board diversity)
- Examining how the programme is being transitioned to a long term people and culture strategy (we will be working on this and hope to finalise by the end of Dec 2019) .

Process:

- Programme documentation review (programme plan, monthly progress reports, tracker of progress against IRWC recommendations and advice)
- Structured discussion meetings / 1:1s with key stakeholders.

Appendix 2 - Documents reviewed

1. Stronger Programme Plan
2. Stronger Representative Advisory Group - Ways of Working
3. Stronger Representative Advisory Group June - Pre read
4. Stronger Communications and Engagement framework
5. Stronger July progress report
6. Stronger August progress report
7. Illustrative KPIs for the Outstanding Organisation Board
8. Stronger September progress report
9. Stronger Representative Advisory Group September paper
10. Stronger October progress report
11. Stronger Board of Trustees July paper
12. Stronger Board of Trustees October paper
13. Stronger Board of Trustees October board paper (Appendix: Shale Review Tracker Table)
14. Stronger internal blog - 'Are we nearly there yet?'
15. Workstream 1, Solid Foundations - Summary
16. Workstream 2, Safe Kind and Supportive - Recommendations around Zero Tolerance
17. Stronger internal blog - 'It's nice to be important, but it's more important to be nice.'
18. Workstream 2, Safe Kind and Supportive - Respect at Work proposal for T-Three consultancy
19. Workstream 3, Diverse and Inclusive - Staff Equalities Networks Terms of Reference
20. Workstream 3, Diverse and Inclusive - Staff Equalities Networks Context and Purpose
21. Workstream 3, Diverse and Inclusive - Staff Equalities Networks Guidance for new networks
22. Workstream 3, Diverse and Inclusive - Internal campaign summary
23. Workstream 3, Diverse and Inclusive - Internal campaign evaluation report
24. Workstream 3, Diverse and Inclusive - Internal campaign feedback
25. Workstream 3, Diverse and Inclusive - External Blog 'What we're doing to stop being so white.'
26. Workstream 4, Developing our People - Overview of SCUK's current experiences of line management
27. Stronger internal blog - 'What great managers can do for individuals and organisations.'
28. Workstream 4, Developing our People - T-Three consultancy proposal
29. SCUK - transition plan and summary of progress paper
30. SCUK - progress report
31. Stronger October progress report
32. Stronger programme proposal - December 2018
33. Charity Commission summary: Save the Children response to the Independent Review of Workplace Culture
34. Stronger programme pre read for Shale and Anderson-Wallace - May 2019
35. Stronger programme principles
36. Stronger and HR Joint Workplan
37. Stronger Remunerations and People Committee (RemCo) November paper

Appendix 3 - Interviewees

Stronger Programme Team

Steven McIntosh, Executive Lead for Organisational Change

Staff programme roles including:

Programme Manager
Workstream Lead – Solid Foundations
Workstream Lead – Safe, Kind and Supportive
Workstream Lead – Diverse and Inclusive
Workstream Lead – Developing our People

Stronger Representative Advisory Group

Staff members representing the following teams:

UK Poverty
Humanitarian
Programme Partnerships
New Business & Partnerships
Accountability & Transparency
Public Affairs
Community Volunteering
Human Resources

With apologies from group members from UK Programmes and Finance departments

Executive Leadership Team

Kevin Watkins, CEO
Lynne Holmes, Executive Director of HR
Fiona Clark, Executive Director of Transformation

Trustees

Charles Steel, (Interim) Chair

Other staff members

The Diversity and Inclusion Specialist