

Disability Rights Commission

Learning lessons:
The trials and
tribulations of
business planning

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Executive summary

The Learning Narratives project contributes to the broad legacy strategy of the Disability Rights Commission (DRC). It considers what the DRC has learned through its various activities since 2000 and focuses on specific activities or overarching themes where the DRC has had direct involvement.

Each narrative responds to questions such as ‘why did we, the DRC, try to do what we did?’, ‘what worked?’ and ‘what didn’t work and why?’ and draws on a range of data sources, not least of which is the experience and expertise of DRC staff, both past and present.

The trials and tribulations of business planning explores whether business planning has been a driver for the organisation, or, in effect, has the tail wagged the dog? It considers whether business planning has been a help or a hindrance to department heads and project leads; it also reflects on changes to the process and role of business planning over the lifetime of the DRC.

The trials and tribulations of business planning: Key Lessons

Establishing a business planning process

- A business plan should closely align to the strategic objectives of an organisation and fully reflect the activities within a specified period (normally a year).
- An organisation needs to clearly articulate and make transparent its overall planning cycle. This includes expectations on the level of detail required and the timescales for required information.

- The business planning process needs to 'marry' proposed activities with detailed budgets. In other words, business planning needs to be clearly linked to Finance.
- The business plan should reflect realistic aspirations. In order to be credible the plan needs to encapsulate what is 'do-able' – a scattergun approach should be avoided as it undermines the whole process.
- An organisation should establish a robust and transparent approach to allocating resources to individual projects/programmes.
- GB-wide organisations need to build in cross-nation issues from the outset when developing the plan.

Monitoring the business plan

- The business plan should be monitored regularly, eg on a quarterly basis, and a detailed report for the senior management team produced. This should inform delivery decisions going forward.
- The business planning process must be flexible enough to allow 'unplanned' and/or emerging activities to be incorporated into the plan throughout the period. Often, this will also involve decisions about what activities to remove, so the plan remains 'balanced'. Planning, therefore, should be able to positively respond to an organisations' changing environment – it becomes a dynamic rather than a static process.
- The planning process should capture enough detail about the individual project/programmes without being over-onerous for staff. The balance of information may change as the organisation evolves.

- The planning process requires clear lines of accountability. For each project/programme the relevant senior managers should 'sign off' the proposed plans.

Communicating the plan

- The business plan should be communicated to all staff as the primary document for identifying the activities to be undertaken by the organisation.
- A range of communication methods should be used to promote the content of the plan to all staff. This will include electronic, paper and face-to-face opportunities.
- Promoting the business plan 'deliverables' on a regular basis is a good way of engaging staff in understanding both the centrality and importance of it within the organisation – staff like to see their activities being recognised. It also provides a shared understanding of what the organisation 'does'.

Evolving the plan

- The business planning process will be located somewhere on the 'top down – bottom up' continuum. It will change as the organisation matures and circumstances (both internal and external) dictate.

Introduction to business planning

As in traditional management theory, the DRC's business plan has been designed to ensure that its activities are genuinely supporting its strategic plan. It requires managers to justify their proposed work in the context of achieving the DRC's agreed, collective aims. Ideally, it should allow the organisation to look at itself and reflect on what it is doing and how it is achieving its objectives; monitoring how closely its activity is measuring up to them and making the necessary adjustments to its work as a result.

The purpose of this narrative is not to formally analyse and evaluate the business planning process at the DRC, but rather to capture staff experiences of and attitudes towards it. The narrative also considers challenges that business planning has brought, the extent to which these have been overcome and how.

The main body of this narrative takes six propositions as its focus and considers the responses of the DRC's directors and heads of teams to each in turn. The narrative is also supplemented by material from three in-depth interviews conducted with individuals, including the DRC's Chief Executive, who have promoted the importance of effective business planning at the Commission.

Context: the business planning process at the DRC

At the start of the process and with fixed costs established, the Senior Management Team (SMT) reviews the previous years work and considers which actions have worked well and which have worked less well; along with changes in the environment (both internal and external) and also the consequent priorities of the DRC's Commissioners.

In the DRC's early years, communications were sent to directors and heads of teams informing them of what resources would be available in the forthcoming period; also inviting them to put together proposals of work that matched-up to the agreed broad strategic objectives. Their bids were then considered by the Business Planning Team to ensure broad agreement. These proposals would then go forward to the SMT. Usually these proposals exceeded the budget available, in which case bids were returned to managers, who were asked to reduce their funding requests before re-submission.

The DRC's business plan was therefore predominantly 'bottom-up' in nature. However, in the last couple of years SMT has taken a much more directive role in determining the range of projects to be undertaken; if projects proposed didn't fit the objectives outlined, they were not considered.

The DRC delivers a huge amount of activity across a range of areas, and typically its staff have been ambitious to do more. The challenge, for those seeking to create an effective

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business planning process, has been to discipline that enthusiasm and channel it into more closely matched up established programmes of work. Without seeming to curtail or the ambition and creativity of thought that has contributed to the organisation's success.

Proposition 1: The business plan drives the delivery of activity across the DRC

The majority of senior managers, functional and theme heads questioned, agreed that, for the most part, the business plan does drive the delivery of activity across the DRC. A minority are less confident, however, and believe that it simply maps activity, which acts as a 'reflecting process' or an inflexible record of the organisations' project-based work, without actually having to steer the delivery itself.

Generally, service delivery doesn't sit well in the business plan – but services are delivered, come what may. **DRC member of staff**

Most acknowledge that an element of flexibility exists, whereby heads are allowed some room to react and be 'opportunistic' outside the business plan. The difference of opinion comes over the extent to which this remains the case, and the extent to which it is a good thing. For a minority, the business plan has threatened to stifle the necessary creativity of staff to act in a changing environment, and for some, it has been difficult to build a plan that genuinely embodies their collective ambitions.

Plans aren't necessarily attuned to what the organisation is trying to achieve. **DRC member of staff**

For others, the balance between a strict plan and one which allows for creative deviation has been struck in about the right place.

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If you want a process that is smooth, runs like clockwork and nails a business plan to the last pound, we're probably not top of the tree. On the other hand, if you want one that reflects dynamic, ambitious plans that people identify with – even after moderating by SMT – I think we're pretty good.

DRC member of staff

Responses suggest significant change over time. Whereby, the business planning process has become more important in setting the programme across the organisation. Interviewees reflected on a time when business planning sat at the periphery of the way the DRC was run and driven. Not least because staffs' faith (in the way the business plan understood and represented what they genuinely did, across all arms of the organisation) was limited. In this context, the business plan could be viewed as something that had to be done, rather than something that had real meaning for the way that outputs were delivered and outcomes achieved.

For the first four years, the business plan bore little relation to what we did, despite huge efforts. Finally, people are getting the message that the business plan is the plan for the year and that people should deliver what is in it.

DRC member of staff

This theme, of a process that has grown closer to staff, is an important one across each of the six propositions and indicates the efforts to raise the profile of business planning and foster greater confidence in its practical use. This has been acknowledged and appreciated across all levels of the Commission.

Proposition 2: There is a clear link between the DRC's business plan and its strategic priorities

Almost all agree that there is a clear link between the DRC's business plan and its strategic priorities.

Very much so, and there has been a good weeding out of things that didn't fit... the focus has been tight, but there have often been too many projects.

DRC member of staff

The responses of some Heads, however, raise the question of whether established priorities have lacked the sharpness to be meaningful, so that programmes of work can too easily be 'made to fit'.

The priorities are so vague that the link is meaningless – they simply tailor their plans to whatever seems good. **DRC member of staff**

Everything is accepted – there hasn't been any ruthlessness at the top of the organisation. The quality of plans has improved, but they never show directly how they are part of an objective. SMT are sometimes good at strategy, but there needs to be more blood on the carpet. **DRC member of staff**

Even amongst the majority who feel there is a tangible link between business planning and strategic priorities, there is a sense that the strategic priorities have such breadth as to be open to a high degree of interpretation.

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Thus there is a mixed bag – some projects are linked, some are linked but creatively so.

DRC member of staff

Several individuals note that some 'pet projects' have in the past been allowed to 'slip through the net'. However, there is a suggestion that these have been progressively squeezed out in recent years.

We've had a problem with pet projects – people simply ignored the business plan process and just ran them alongside other work.

DRC member of staff

Proposition 3: The budget-setting process

The budget-setting process by projects/ programmes is simply a means to an end. As long as enough funding has been secured then that's acceptable. If I then have to give money back at some point, then so be it. **DRC member of staff**

The majority of respondents agree that, too often, insufficient attention is paid to budgeting properly and accurately. One respondent suggested that whilst the link from milestones to deliverables has allowed for tighter control, the original business cases that staff submit should be tightened.

One issue highlighted there was a relative low importance traditionally accorded to budget management capabilities within the organisation.

Heads have never been appraised on managing to a budget. Budgets are de-prioritised and are not measured either. Heads could have done with more budget training. **DRC member of staff**

There are lots of senior people who don't have much experience with budgets and are quite blasé about it. **DRC member of staff**

Managers have come into the DRC with different understandings and experiences of budgets, and have thus taken different approaches; some developing more accurate proposals than others. Some have felt unhappy that in their particular part of the organisation, modest resources have required them to be particularly careful about the money they spend, whilst elsewhere, spending has been seen to be sometimes been more 'lavish'.

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What is frustrating is that here, we work to the nearest £50, but in other areas they work to the nearest £1,000. **DRC member of staff**

Several commented on the problem of over-estimating funding requirements, which has often left a surplus of money needing to be spent as the financial year comes to a close.

Elsewhere people ask for minimums and then ask for more – here it is the opposite!

DRC member of staff

There is a habit of hanging on to money... and this contributes to the regularly substantial under-spends. **DRC member of staff**

Some attribute this 'laziness' in budgeting to the comparatively generous budget that has been available to staff at the Commission.

This culture... flows from its fantastic budget – there is no real limit... this all has a massive impact at the end of the financial year, since people have loads of money and often have to embark on a campaign to spend it, and such campaigns don't always reflect priorities. **DRC member of staff**

Some commented on the difficulties that arise from the budgeting process at the DRC, referring to its inflexibility, and the lack of availability of information about average costs (of publications, events etc). This, it is suggested, would have added greater certainty to financial planning and made estimating budgets less of a 'shot in the dark'.

The budget is not flexible enough, we can't bring in projects early because of profiling, and this stifles ambition. **DRC member of staff**

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I've never known what the average costs of things are, so it has taken two years to get an understanding of likely costs. **DRC member of staff**

Budget-setting for some remains an unknown quantity. It has always been more challenging for some teams (due to the 'unpredictability' of their work) than others. Financial skills amongst managers are felt to have improved, however, and the 'scattergun' approach to submitting project proposals is much less acceptable than it was. This has helped to focus minds and results in better budgets from the outset.

Proposition 4: Monitoring delivery of the business plan is worthwhile and informs future activity

Across the board, directors and heads have agreed with this proposition. The value of monitoring is felt to be in providing accountability, thus focused minds help keep work on track, and helps identify what needs to be done and makes apparent what does not.

Without learning, you can't determine what the next steps should be. **DRC member of staff**

Most significant in their responses was the belief that strong monitoring had not happened in the past, but had improved in recent years.

This has really changed. It's meaningful now, but never used to be. The changes are reflected in the business plan, [whereas before] changes were never included and often not told to SMT.

DRC member of staff

Historically, monitoring hasn't been very good but it's now getting better and there isn't any improvement that could be made.

DRC member of staff

More recently, the Finance team have tightened their monitoring practice and have thus been better equipped to tackle more 'ostentatious' funding requests early on. There has also, in recent years, been more frequent and more thorough analysis of the business plan's progression by senior managers.

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Previously, it would have been written, signed off by SMT and put away in a draw never to be seen again. Now we do quarterly reviews and analysis is produced. **DRC member of staff**

Better monitoring has helped to address the traditional problem of under-spend; something the Chief Executive has taken a strong line on tackling. Senior figures believe that there remain problems with managers securing more money than they are in fact able to spend. They also believe things have improved and that there are now more effective mechanisms in place to ensure that money can be used elsewhere. In the past an emerging under-spend could leave the Commission rushing to come up with projects that would soak up the surplus quickly. Now, with careful contingency planning, whereby projects that failed to make the original business plan can be held 'in reserve' and rolled out more smoothly and with sounder reasoning, when necessary.

The change in attitude towards monitoring has in part been attributed to the easing of the process, which is acknowledged as being less time-consuming than in the past.

It could be onerous and a waste of time, but it isn't currently and is welcome, worthwhile and helps focus minds. **DRC member of staff**

It's a lot easier now we don't complete forms.
DRC member of staff

Monitoring has led to an opening up and disseminating of the business planning process, which some claim has been a crucial factor in re-marrying the act of programme design to the act of delivery, and in raising cross-organisational awareness in the process. Of all aspects of cross-organisational working that the DRC managed, the issue of devolution has been the most significant – and a complex one for the business plan to cope with.

Proposition 5:

The business planning process adequately addresses devolution issues

On the whole, Heads and Directors do not believe that the business planning process has addressed the issue of devolution successfully. The general consensus is that the process has attempted to do this, but that the challenge has been too great, and thus the extent of this challenge is reflected in the experience of the business plan, rather than a problem confined to the business planning process itself.

I don't think there exists a process that could necessarily address the devolution issue. It's much harder to do than people think and we've never got to grips with it. **DRC member of staff**

It hasn't been ideal, but I don't know what the solution is. **DRC member of staff**

There is a sense (even in Wales and Scotland) that the business plan has at least improved regarding devolution, which some describe as 'much better' than it was – and that the Welsh and Scottish teams are more involved in the process than in the past.

We're getting there. This year, it was much more sensitive to [devolution] matters... we're substantially down the track of addressing this. **DRC member of staff**

Yes, being strong at the planning stage and requiring approval has been really helpful. **DRC member of staff**

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All project templates for GB-wide programmes of work now have to be signed off by Directors in all three countries, so all are aware of projects conceived and rolled out from the centre before they happen.

However, some respondents feel that this signing off process can be little more than a 'box ticking' exercise. They feel that meetings attended by all Heads, with sustained long term co-operation on project delivery, will be the only way that devolution can really be managed successfully.

Often, we just get what others have already decided to do – it's a fait accomplis. **DRC member of staff**

It's always difficult. Business planning tries to take account of this, but I think we play at it. There's no doubt this is a London-centric organisation.

DRC member of staff

Overall, Directors in particular were positive that business planning had helped to move the management of devolved issues in the right direction. Whilst difficulties remain, the situation has certainly improved.

But is the issue only one of devolution? Interviewees reflected that, in particular, during the early years of the DRC, there were other teams who could end up feeling like 'tail-end Charlies' in the business planning process and that 'the process for getting people on board was very clunky'.

One element of addressing this problem has been the opening up of projects to greater cross-team working, partly because the type of projects embarked on in more recent years has demanded it. This is a change that business planning has benefited from.

There are more conversations across departments, with people working on projects that aren't just owned within that team. **DRC member of staff**

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... Wales and Scotland were never left out, but are more integrated now, and we've got better at factoring in Scotland and Wales interests. **DRC member of staff**

Some respondents have suggested that the reverse has also been true. That the growth in cross-team awareness and working itself has aided the business planning process and sought to tie up the sometimes loose ends of the organisation so that everyone can see what everyone else is doing.

This has helped the business planning process to receive buy-in across different levels, with appreciation of its role in achieving outcomes. This cascades down so that staff throughout the organisation have some understanding of 'where their cog fits'.

I think we've learnt over time to improve reporting internally; we're more sophisticated about what information is needed at Director and team level... and people partnering others on projects to know what's going on in different parts of the organisation. **DRC member of staff**

Staff are now able to follow the Commission's outputs via the intranet's 'monthly message', which continually serves to raise the profile of work taking place across the organisation and to openly track the pursuit of the business plan.

People come to us and say 'you're not reflecting what I've been doing this month'... this means that activity is always being flushed out, and there's a heightened awareness of the business plan on a day-to-day basis as a result. **DRC member of staff**

I think the business plan has been a very helpful way of informing, reporting and communicating internally, such as with Commissioners, on how we're doing. That's been a useful spin off. **DRC member of staff**

Proposition 6: The business planning template provides a good focus for addressing related project/programme issues, eg success measures, risk, evaluation and continuation strategies etc

Opinions on the value of the template were generally positive (though often came with caveats) and the proposition was accepted by almost all responding Directors and Heads.

The most valuable purpose is assessing risk at the start of the project. Also, looking at other people's risks and understanding them [you can] incorporate these into your own work. **DRC member of staff**

Nonetheless, most had suggestions for additions or amendments to the template that would increase its utility. It was proposed, for instance, that impact assessments – or a separate impact assessment tool – could be included, going beyond simply asking whether the work has been impact assessed. It was also suggested that the template should allow for risks to be associated to specific projects 'instead of having them all lumped at the bottom of the template'.

People do think about risks, but they don't necessarily write them down. Perhaps if they were more integrated into each task then the template would flow better. **DRC member of staff**

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On the other hand, respondents had already acknowledged that the streamlining of the business planning process made it easier to engage in, and the shortening of the business plan template has been part of that. The interest of some respondents in adding greater nuance to the template reflects the difficult balance to produce an efficient, manageable document with the desire that it 'do more'.

One Director felt that the template had provided a 'useful focus' – its effectiveness would have been greater if it had been supported by wider project management structures but not if it had been intrinsically different.

It would have benefited from more consistency in project management more formally... there is a need for a 'centre' for project management that is linked into the allocation of funds and the way projects are managed. **DRC member of staff**

The comments of one respondent point to the hostility that the business planning templates still inspire in some quarters and the feeling that openness between colleagues throughout the process remains limited.

The template is not a user-friendly document. It is cumbersome, huge and designed to be impossible to use... it sometimes feels that business plan templates are like the cards held by bridge players, and everyone is keeping everything to their chests. **DRC member of staff**

Concluding remarks

Successful business planning has faced a number of hurdles: how to demand accuracy without inflexibility; how to make templates comprehensive without being onerous; and how to make planning timely and efficient yet ensure that it carried all branches of the organisation with it. Invariably, there are differences of opinion in what constitutes balance in relation to each of these, and there were challenges to each of the six propositions made to our respondents. That said, it is clear that Directors and Heads on the whole believe that the DRC has become much better at business planning over the course of its life. It is seen to be arrived at more inclusively, taken more seriously, adhered to more fully and monitored more closely.

Overall, Directors and Heads agree that business planning drives delivery and has clear linkages to the DRC's strategic priorities. Whilst acknowledging that it was less successful at each in the past. They believe in the importance of monitoring the plan's progress, also, less emphatically, in the value of the current business planning template.

These respondents suggest, however, that some still fall short of the mark when it comes to budget-setting, which allows the problem of under-spends to persist. They also feel that, in spite of improvements, the business plan remains inadequate in its addressing of devolution issues.

Overall, the story of business planning is one of an uphill struggle – of encouraging staff to put their time and effort into a process which can seem too far removed from delivery to be a priority, but which, if done properly, should make delivery all the more effective. That case has been made from the very top of the organisation and, in the opinions of Directors and Heads at least, has led to improvements. Much, they feel, has been achieved, but with much still to do.