



Government Actuary's Department

Strategic Plan
2015 - 2020

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Foreword

Actuaries lay claim to analytical skills that help decision-makers take good account of risk and uncertainty. At GAD we believe that those skills can help governments in highly complex areas where long term risk and uncertainty feature most heavily.

It is difficult to believe that, during the five years to 2020, our world will become any less uncertain than it is today. Global economic growth is not a given. Traditional economic indicators that have behaved atypically for most of a decade are unlikely to revert quickly to "normality". The challenges of an historically large public debt and the competing demands from, for example, an ageing population, the need for security against new threats and for competitive business infrastructure seem likely to persist throughout the period covered by this strategy.

At the same time, understandable pressure on public services will continue to create the demand for efficiencies, for new and better ways of working in the public sector, for increasing use of new technologies and better use of existing ones. Reform of the civil service will continue apace with its increasing professionalisation including for example the finance functions within government departments demanding better and more intelligent financial data and management.

For GAD this means a subtly shifting demand for the sort of specialist advice in which we excel and a considerable challenge in the way that advice is delivered and the cost efficiency with which we can deliver it. So whilst at some levels, GAD in 2020 will still be familiar to those of us who know it well now, at the same time it will be significantly different.

We will have risen to the challenges of developing our services – both familiar ones to our core clients and those that are somewhat less well known – for a highly complex and uncertain modern world in which there is an increased demand for professional financial and risk management.

Our comprehensive programme of continuous improvement will have helped us to review, redesign and refresh the way we do things to ensure we continue to offer high quality and value for money.

And we will have aligned our developments closely with the reform of the civil service generally, thereby keeping us in step with our public sector clients.

This means we will always learn and develop, as individuals and as an organisation. Even if the core work remains similar to now, the way we do that work and are organised to do it will change. Leadership will come from throughout GAD, and as an organisation we will be leading thought across Government wherever our actuarial skills can be applied.

The strategy to transform GAD is an ambitious programme of change that we can all help to achieve.

Martin Clarke
Government Actuary

"I know that history is going to be dominated by an improbable event, I just don't know what that event will be."

Nassim Nicholas Taleb
– Black Swan; The impact of the highly improbable

Vision, Mission and Values

2020 Vision

We aim to ensure that GAD becomes a single, high-performing team that:

- Is recognised throughout government as a high quality source of innovative thinking and specialist advice across many sectors
- Has substantially enhanced its reputation for efficiency and value for money
- Achieves high levels of consistency and standardisation in its operations and business processes
- Is widely recognised for its development of analytical, actuarial and business skills in its people

Mission

To support effective decision-making and robust reporting within government as the first choice provider of actuarial and specialist analysis, advice and assurance.

Values

A gile	D edicated	E xpert	P artnering	T rusted
through technical innovation and flexible working to meet evolving client needs	to delivering timely advice and first class and cost-effective customer service	and focused on quality of analysis to provide robust assurance on decision making	with our clients to understand their business needs and develop solutions that add value for them	to deliver a professional service with integrity

Strategy Overview

Our strategy is centred on four “Strategic themes” to enable us to respond to changes in the external environment and achieve our vision. These are set out in the diagram below, and developed in more detail throughout the pages of this document.



Within each theme, this strategy document sets out a summary of the key objectives and explores the relevant issues in more detail. This is a strategy for the whole department, and is designed to be referred to over the entire five-year period – not read once and filed away.

Annual business plans will cover more detailed targets, Key Performance Indicators (KPIs), budgets and required Management Information (MI) to help us to measure our success in each of these areas. These plans will focus on the current priorities and objectives which are aligned to this strategy and with which our own individual objectives will in turn also be aligned. Each and every one of us has a part to play in helping GAD to achieve our mission, and this strategy document is intended to help us all to do so.

Monitoring Our Performance

At the same time as tracking how well we are doing against the annual business plans, we must also measure our performance with regard to progress towards our longer-term vision as set out in this strategy. This depends on achieving the outcomes we are looking for, much of which can most objectively be measured via client and staff surveys.

Specifically we are aiming for significant increases in our staff engagement scores and the areas of “leadership and managing change”, “my manager” and “my team” from the annual staff survey.

Similarly we are aiming to enhance our scores for “value for money” in our client surveys, to maintain our ratings for “high quality advice” and to score highly in a new category relating to “innovative thinking”.

Clients

GAD's absolute priority is providing a high level of service to our clients – identifying their requirements and delivering them as effectively and efficiently as possible. This requires us to reflect our values by Partnering with our clients and being agile to innovate wherever necessary. GAD doesn't exist to make a profit or to grow business for its own sake, but to do the best we can for the taxpayer. We aim to be proactive in acting to secure our existing clients and diversifying our offering to both existing and new clients:

Retention of Existing Clients

Enhance our knowledge of our key clients, for example by:

- Increasing number of client contacts, at different levels of seniority
- Increasing amount of client contact (by email/phone/ in person)
- Characterising quality and depth of relationship
- Independent client review meetings

More Work with Existing Clients

- Develop client development plans for major clients (and share with clients)
- Articulate what we currently do for clients, and explore ways we could help them in other areas
- Become better embedded and closer to senior decision-makers
- More cross-team sharing of information – e.g. could what some teams do for their clients also be done for other clients?

Developing New Opportunities

- Explore different areas of work where GAD can provide actuarial advice within government to identify new clients and new client types
- Invest time in research and development to grow new propositions
- Consider how best to engage with new clients. For example: networking, responding to invitations to tender, cold calling, "thought pieces"
- Develop best practice for engaging in each of these areas (cost-effective and time-efficient)
- More dedicated resource to business development

Leadership

People at all levels, across all teams, should have the opportunity to be leaders at GAD. Managers and leaders at all grades should be seen to embrace all elements of GAD values, strategy and objectives. This will help us achieve our vision of becoming a single, high-performing team. Focus will be given to:

Functional Leadership

- Leadership to become a distributed function – people at all levels can be leaders, leadership not being limited to leading staff in a client team.
- Nominated leaders will take responsibility for, promote, drive forward and co-ordinate specified activities, such as:
 - Business development
 - Project management
 - Specific work areas (linked to standardised processes in the 'Processes' theme)
 - SuperVal

Drive Forward Change

- GAD Change Board established – responsible for:
 - Ensuring change within GAD is managed well
 - Challenging robustness of plans and tracking progress
 - Helping facilitate necessary resources
 - Ensuring good communication throughout GAD
 - Assessing risks to delivery and remedial action plans
- Prioritise change initiatives – recognise the overlaps, conflicts and dependencies
- Ensure changes are completed and embedded
- People at all levels to be included in change initiatives

Lead by Example

- Individual objectives at all levels should reflect GAD objectives
- Managers at all grades should embrace all elements of GAD values, strategy and objectives
- Leaders at all levels to be transparent and objective

People

In order to be successful as a professional services organisation it is essential for GAD to effectively recruit, retain, manage, motivate and develop professional actuaries and those in roles supporting them. This requires strategies, policies and processes aligned to business need, many of which are already in place. However revised strategies, policies and processes will be developed to continuously improve GAD's ability to meet this objective. Some specific areas that have been identified for action in the early years of this strategic plan are:

Learning and Development

- A revised Learning & Development strategy was launched in November 2014 which introduces activities to support and encourage the rounded development of staff, with a particular emphasis on improved leadership, management and consultancy skills
- The GAD Change Board will monitor progress in embedding the strategy and it will be reviewed to ensure it remains fit for purpose
- Increased focus on personal development and competencies through the performance management approach

Performance Management

- Streamline and continually refine the performance management policy and processes, ensuring line managers use the processes effectively
- Improved linkage of individual objectives to organisational objectives
- Closer alignment of the GAD competency framework to the Civil Service competency framework

Reward and Recognition

- Formulate and implement a long term reward strategy which adheres to HMT requirements and political direction, but which strengthens the link between pay and performance and allows GAD to recruit, retain and motivate high quality staff

Talent Management

- Develop a Talent Management policy that systematically identifies, develops, engages, retains and deploys particular staff, either in view of their "high potential" for the future or because they are fulfilling business/operation-critical roles

Processes

GAD's operational processes should be organised in order to maximise efficiency throughout the department, reflecting our dedication to carry out the highest quality work for the best value-for-money for our clients. We will focus on the following areas:

Organisational Structure

- Ensure that the organisational structure of the department is the most suitable model for delivering our clients' requirements as effectively as possible
- Ensure systems and processes are always up-to-date, in particular regarding actuarial methods and techniques
- Move to 'Smart Working' in line with Civil Service reform agenda

IT Systems and Software

- Our IT capabilities should be modernised and be continuously improved over time to keep pace with changes in technology, our clients' needs and our own requirements:
 - IT hardware and infrastructure must keep up-to-date so that staff have the best IT tools available with which to carry out their work
 - all software tools we use must continuously be fit for purpose, and effective in enabling us to deliver accurate advice to our clients as efficiently as possible, and supporting our internal functions as necessary
- Transition payroll from an in house service to a shared service centre, subject to the business case for doing so providing benefits to GAD

Work Efficiencies

- Better management of volatile workloads (within and between teams)
- More flexible sharing of resources between teams
- Better use of contractors and secondments to meet resourcing requirements

Standardisation Procedures

- Move to standardise work in certain areas to the fullest extent possible – e.g. valuation work, data analysis, factor reviews, routine calculations
- Ensure consistency of actuarial techniques and advice given to different clients on similar issues
- Facilitate better knowledge sharing between teams and cross-team working – avoid re-inventing the wheel