



department for  
**culture, media  
and sport**

# DCMS Continuous Improvement Strategy

July 2012

improving  
the quality  
of life for all

# Foreword

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All Central Government Departments have formulated a strategy for introducing Continuous Improvement across their business areas, as part of their efforts to simplify, standardise and streamline their everyday work practices. To realise its full potential, Continuous Improvement must incorporate cultural change. While this can be driven, and measured against a timetable, it takes time. The sections that follow describe the approach DCMS is taking, and the pace we are setting ourselves.

# Section 1: Our CI Journey - where we are now, and our long-term ambition

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The Department has made a commitment to save 50% on its annual administration costs during the period of the current Spending Review. It is currently midway through its Change Programme, which aims by 2013 to have executed large-scale, structural savings within the period of the current Spending Review on big-ticket items such as accommodation for the Department, staff costs, and IT contract costs. Our physical relocation to 100 Parliament Street is being organised for completion in April 2013. Staff costs have already fallen substantially with the 50% reduction of Senior Civil Service personnel, and will again fall steeply in the six months following the 2012 Olympic and Paralympic Games. IT costs will be a focus of attention as part of our negotiations with fellow occupants of our new home.

The Change Programme has been highly successful in embedding flexible resourcing across the Department, allowing work-pull to influence the deployment of staff resources: policy and process initiatives are assessed and prioritised, and workstreams are assigned within a flexible pool of people who use project-working skills to satisfy Ministers' requirements.

Our vision is that as we become a smaller, more flexible Department, we remain committed to our ambition and our ability to be transformational. The Department will become more nimble, deploying its staff on more than one project at a time, and its leaders will promote freedom to question and improve at every level. Embedding CI techniques into our ways of working will streamline and standardise everyday business, but will also build the creative and innovative capacity of our staff to solve problems and be more responsive to our customers be they Ministers, our Arm's Length Bodies or the public. CI will enable us both to implement the Change Programme and to develop further the gains made in flexibility and efficiency during the previous and current financial years.

To generate and sustain a culture of improvement, both during the Change Programme and beyond, CI will need to spread and grow over time. We will use CI to create a Department that is always looking at improving itself, focusing on outcomes for its customers, and engaging staff in appropriate ways across all levels.

For visitors to the Department, the clearest evidence of the impact of CI to date is the wide adoption of visual management systems (Team Information Boards and related depictions of resource levels and work in progress). Public Appointments and Honours, Libraries and Arts, Heritage, Human Resources, Information Services, Ministerial Support Team, Sport (excl 2012 Games), Tourism, Communications Team, Broadband Team, Broadcasting and Press Regulation, Delivery and Resourcing Team, and Executive Board all now represent key information and measurable activity in this way. There are 17 main TIBs and sub-TIBs currently in use.

Early projects focusing on specific workstreams have also produced highly encouraging results:

- CORRESPONDENCE AND PQs (2010/11)**  
 A pilot project was run in the Ministerial Support Team with the aim of improving productivity in Correspondence and answering Parliamentary Questions. The impetus for the pilot came from Capability Reviews in 2007 and 2009, and a report by an outside consultant, commissioned by the then Secretary of State, that looked at this area specifically. The Whitehall Standard for correspondence is that 90% of replies should go out within 20 days. The table below shows DCMS performance in correspondence replies before and after the pilot project, and also the percentage of PQs returned by the given deadline.

	<b>Before</b>	<b>After</b>
Ministerial Correspondence	58%	96%
Treat Official letters	64%	99%
PQs	39%	89%
FOI requests	75%	99%

These massive improvements coincided with a rise of 10 percentage points in a staff engagement survey that assessed workload, job satisfaction, and alignment to DCMS corporate objectives. Still more striking was that it also coincided with a 10% reduction in staff resources. The success of the pilot led to a decision by the Department to build on the experience by exposing further areas of work to the power of CI.

- PUBLIC APPOINTMENTS (2010/11)**  
 Analysing and smoothing the steps to make a public appointment has led to a number of streamlining initiatives which have enabled the Public Appointments Unit to continue functioning successfully as the staff resource fell by 37.5% in the two years to 2011.
- HR RECRUITMENT (2011)**  
 The first steps have been taken in mapping our recruitment process up to the point at which new staff become productive. Complex interactions between the Human Resources Team and other Teams (Security, Procurement, Information Services) make this a challenging piece of work. As soon as it has borne fruit, we will move on to look at other HR processes that are capable of standardisation.
- LISTED BUILDINGS (2012)**  
 End-to-end process analysis by teams at DCMS and English Heritage looked at the work involved in listing historic buildings. As a result around fifteen streamlining actions have been assigned to members of the two teams. Several have already been accomplished, with completion targets for others in summer 2012. The desirability of examining smaller segments of the end-to-end process, to flush out further opportunities for improvement, has already been discussed.

These localised projects have allowed CI to begin to permeate the Department while also developing the confidence of in-house practitioners. We have also provided external support to other public sector organisations keen to understand and apply CI to their own activities. In February 2012, for example, we used CI techniques in working with the Highways Agency and Department for Transport to look at the process for awarding Brown Tourist Signs. We have also shared our Visual Management expertise with colleagues in the Gambling Commission. Most notable, however, is the wide variety of PQ and Correspondence leads across Whitehall who have come to see CI work in action in our Ministerial Support Team and to learn from our experience.

In February-March this year, Pauline Tulloch of HMRC undertook a Review of Continuous Improvement at DCMS. She concluded:

“There are currently numerous very good examples of Continuous Improvement (CI) behaviours and activities taking place across DCMS. However, there is no apparent strategy or structure in place to uphold and drive forward what is an impressive start to creating a sustainable culture of continuous improvement.

“Whilst there is a perceived willingness and an appreciation of the potential benefits to developing a culture of continuous improvement from most of the Senior Leadership Team, there is no clear vision or strategic intent which articulates this, or indeed sets the direction from the top.

“CI Practitioner capability is very limited. Further development and support from more experienced practitioners will be vital to building a cadre of people capable of influencing and supporting the business through the desired culture shift.

“Visual management is being used to very good effect in some parts of the business. There is scope to extend this further and standardise elements of the current approach to acquire greater benefits across DCMS.”

## Section 2: Our CI Journey - capacity building in the current phase

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In March 2011 we began a process of training provided to 30 staff by the former National School for Government, known as the Department's CI Champions. The Champions' role is to act as advocates for CI across the Department at meetings up to Board level, to introduce CI to teams that have already identified processes that need streamlining, and to facilitate team meetings using CI tools and techniques for the first time.

To broaden the Champions' knowledge base, visits to observe CI in action have been held at HM Courts of Protection and the Ministry of Justice. Further Go-See sessions took place in May and June this year, and the Executive Board will begin doing so in the autumn. As the delegates have acquired knowledge about the history of CI and its main tools and techniques, further sessions have been run specifically to equip around 12 staff as CI trainers in their own right.

We are in these ways laying the foundations for higher levels of CI activity. In June 2012 the Executive Board gave its endorsement of the Department's CI Strategy. We will now move forward with:

- a) agreeing a programme of CI development training for a small group of staff, with a view to cascading their knowledge across the Dept
- b) beginning work on a number of key projects to embed CI into the DCMS ways of working, including our communications with our Arm's Length Bodies, knowledge management and business support
- c) developing the potential of Visual Management further, to ensure that teams at all levels are aligned to achieving the Department's goals, creating a clear line of sight from the top of the organisation to the bottom

# Section 3: Our CI Journey - phase 2 (2012-13)

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The next phase in our CI journey will see benefits realised in more areas of the Department, having been driven by Executive Board and the Senior Leadership Team (SLT). We know that there is important work to do as the horizon for significant staff reduction is fast approaching, and CI can help us to manage the associated risks. In the near/mid-term we want to focus on:

- Knowledge and Information Management (KIM) – this is about the way we store and access information we all need for decision-making and providing advice. The project will comprise:
  - 1) Electronic filing (Livelink)
    - a review of Livelink usage across the Department, informed by recent IT workshops and Future Organisation focus groups;
    - introducing generic folder structures and naming protocols;
    - blocking alternative storage destinations such as F&G drives and the electronic desktop;
    - making open access to Livelink folders the default;
    - establishing Departmental protocols on what to save;
    - establishing an area for sharing PPM lessons learned;
    - making better use of Livelink's functionality (eg workflows);
    - researching Livelink accessibility via Blackberry;
    - investigating how we use Livelink with social media;
    - providing support and guidance for using Livelink efficiently;
    - setting a standard for the whole Department – This Is How We Work.
  - 2) MS Outlook
    - mandating email transmission of 'links' rather than actual attachments;
    - reassessing limitations on the extent of Inbox storage available.

- Business Support – this is about systems we use to order stationery and refreshments and to facilitate everyday activities such as meetings, travel, etc. There will be many points of contact between this and the KIM project, but essentially its elements are:
  - definition of customer requirements;
  - harmonising business support with the corporate pulse (eg Business Planning rounds, Policy Committee, Corporate Committee, Investment Committee, Audit Committee, Executive Board, DCMS Ministerial Board, Home Affairs Committee clearance procedure);
  - standardising repeat work (diary management, meetings management, stationery ordering);
  - eliminating individualistic styles of working where the cost is duplication and errors.
  - Developing a flexible, skilled team which is responsive to customer needs.
  
- ALB communications – this concerns the way we distribute information to our Arm's Length Bodies. At the moment a large proportion of the Department's staff perform this action in one way or another, leading to duplication of effort and occasionally inconsistent – or even contradictory – messages. The main elements of this piece of work are:
  - definition of customer requirements;
  - comprehensive overview of DCMS initiators of communications;
  - Value Stream Mapping selected examples of communications;
  - compiling lessons learned;
  - piloting an alternative, streamlined process;
  - Value Stream Map the new process for further refinement.

Each of these projects is expected to deliver significant savings of time and effort through standardisation of processes and the elimination of wastes. Additionally the Finance, Leisure Regulation and Legal Advisers Teams are at the stage of nominating areas of work for analysis, and we anticipate launching process-mapping exercises in these areas during 2012-13. The Tourism Team is also poised to use CI techniques to support its work in meeting Ministerial priorities with diminishing resources, with the aim of identifying improvements and innovations transferable to other Teams. The savings realised in all these areas will need to be exploited in the wake of downsizing, to enable us to maintain and improve our service to Ministers and the public.

But in order to usher in the necessary cultural change, Executive Board and SLT involvement during this phase is seen as extending beyond endorsement to active role modelling. A shift in leadership behaviour will be required, in terms of more thorough-going delegation and empowerment of staff, to take greater advantage of the knowledge of processes and protocols distributed throughout the organisation. Structured problem-solving will become an established aspect of daily working at all levels. The CI strategy will be widely communicated and highly visible, and a culture of continuous improvement will be felt in all parts of the Department. The training for practitioners will be regularly and routinely reinforced by practical application within teams across the whole organisation.

It is also clearly essential that a pipeline of CI leaders within the Department is established as part of the wider creation of a CI culture. This will entail further training and development, but with an expectation that we will be able to rely increasingly on cascading knowledge and skills already held in



the Department. Four of the Department's CI Champions are to be enrolled in the Pacesetter Academy run by HMRC beginning in autumn 2012.

## Section 4: Our CI Journey - phase 3 (2013-14)

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In three to five years, we want to have realised our ambition to become a fully transformational Whitehall Department. Performance will be demonstrably focused on effective delivery of customer requirements. The Continuous Improvement culture will have attained a degree of maturity that enables reliable measurement and a sound basis for projected benefits. We want to have found sustainable answers, using CI problem-solving techniques, to managing customer demand effectively, from Ministers and other stakeholders, in the context of diminishing resources. CI principles, behaviours, systems and tools will have become established elements in our management processes. A sustainable CI culture is supported by cascaded learning, with more experienced practitioners mentoring newer ones.

We will also have laid the foundations by 2014 for taking the challenge to our Arm's Length Bodies. We expect to find that some ALBs have already begun to subject their own work to CI analysis and are realising savings as a result. But we anticipate that a consistent approach across the large family of ALBs will be missing, and that substantial further economies will be possible with a more general CI culture. For example, while the Department's internal administration spend in 2011-12 was £52m, the corresponding off-premises spend was £145m. At this distance accuracy is impossible, however the potential for savings during Phase 4 is clearly significant.

We therefore propose to map the existing CI capability of our ALBs, and to look at how we can expand it, in order to be ready by 2014 to lead such work as is necessary. We are already in the process of evolving the relationship with our ALBs, and particularly the nature of board engagement, and we envisage using the evolved relationship and governance structure to introduce a more uniform application of CI so that every sponsorship pound can be made to go further than before.

# Section 5: Conclusion

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The Change Programme at DCMS is consistent with Continuous Improvement. Whereas the Programme's primary focus has been on the centre, our CI initiatives to date have had a more local impact. We have, however, experienced the power of CI through those initiatives, and with the approval of our Executive Board we are ambitious to take it further.

The Department has also noted the March 2011 report *The Efficiency and Reform Group's role in improving public sector value for money*, issued by the National Audit Office (NAO), and welcomes its conclusion that strong central leadership would encourage the wider application of techniques to improve process management. We would urge the Efficiency and Reform Group to press ahead in working with HM Revenue & Customs to build its 'Lean Academy' into a cross-departmental centre of excellence. Indeed we have already benefitted from the buddying initiative that brought Pauline Tulloch, Principal Pacesetter Practitioner at HMRC, to the Department to reflect back to us our progress to date and to recommend next steps. We agree that a long-term strategy is needed, and that progress by individual departments needs to be monitored from the centre.



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