

CASE STUDY



ARTS COUNCIL ENGLAND

“Investors in People has validated and assessed our strengths, allowing us to concentrate on continuous improvement. Its framework has also successfully linked the development of our people to our business objectives.”

Laura Dyer,
Executive Director

BACKGROUND

- Size:** 835 employees
- Sector:** Not for profit
- Location:** London and 10 sites across England
- Status:** Achieved Investors in People in 2006; reassessed in 2009

THE ORGANISATION

The Arts Council England was granted its Royal Charter 60 years ago and since then it has worked consistently to get more art to more people in more places. It develops and promotes the arts across England, acting as an independent body at arm's length from government. The Arts Council believes strongly that the arts have the power to change lives and communities, and to create opportunities for people throughout the country.

In 1946, the Arts Council had a budget of £235,000 and supported just four organisations. Today, its budget for 2005/06 is £410 million from the Treasury and £160 million from the National Lottery and it expects to invest £1.1 billion between 2006 and 2008. The funds are distributed to 1,100 arts organisations across England and also support hundreds of individual artists and arts projects through its Grants for the Arts programme. Its Creative Partnership programme has an annual budget of £32 million and is aimed at giving schoolchildren the opportunity to develop their creativity and take part in cultural activities of the highest quality.



- **Saved £8 million through efficiencies that have been reinvested in the Arts**
- **Staff motivation is high due to a new performance related award strategy**
- **Stronger focus on management and staff training.**

THE CHALLENGE

Over the past four years The Arts Council has focused on addressing the challenges following its merger with the regional Arts Boards. In 2005 a staff satisfaction survey following the merger showed that The Arts Council was not viewed as a single operation. There were also different levels of staff satisfaction amongst the various offices regarding the consistency of leadership from Arts Council managers, with some staff criticising their manager's approach to people management.

Additionally, with 11 different cultures there were conflicting sets of values and also different business processes and systems to contend with. These differences conspired against the organisation, preventing it from acting collectively and consistently. Furthermore, the prevailing structure was delaying the decision making process and making it difficult to measure overall performance effectively.

With large budgets from the public purse under its control and involvement in projects across the nation, the Arts Council is under constant public scrutiny to perform efficiently across a broad geographic area. It was therefore vital that the merged organisation was seen to measure success and implement efficient processes and management structures to minimise bureaucracy.

Laura Dyer, Executive Director, comments, "We wanted to examine our leadership and business processes so that we could work towards the same systems and processes across our organisation. Equally, we were keen to find a means of identifying our strengths and improving on our weaknesses so we could create a truly unified organisation. We also wanted to embed new values of trust, diversity, creativity, quality and collaboration into our behaviours and working practices."

THE STRATEGY

Hot on the heels of the results of the 2005 satisfaction survey, a project team was set up led by the Head of Learning and Development. The team audited business processes and policies and made recommendations for improvement to the board. Following this, a business planning process was initiated and a corporate plan was developed to ensure the organisation would act as a whole. Employees from across the organisation were encouraged to contribute to corporate initiatives.

This approach, which was guided by Investors in People, has helped staff to develop a heightened awareness of business priorities and helped the organisation to make best use of available staff skill sets.

The Standard also provided a framework to introduce a new performance management process to clarify the role of managers and staff in learning and development. This has enabled Arts Council managers to focus on leadership development and to discuss the learning and development needs of individuals and teams.

"We have created a 'can do' culture where all staff are empowered to act in the best interests of the organisation," adds Laura Dyer. "A flatter structure now exists where there is far less bureaucracy and where decisions are made quickly. Our values are also embedded into our key processes and the work of our staff. This has been supported by a culture that measures performance, rewards innovation and recognises the expertise of its people."

THE RESULTS

The Standard has enabled the Arts Council to review and strengthen its business and people management processes. Since merging its regional Arts Boards, the organisation has saved £8 million and been able to remove one office through economies of scale. It has centralised resources such as finance, made savings on property and streamlined its activities. The £8 million that has been saved has been invested in the arts.

With guidance from the Standard, over 23 projects involving over 150 employees have been established to improve the efficiency of the organisation. For example, prior to achieving the Standard, the Arts Council ran over 150 different grants programmes, these have now been replaced with a single programme.

Staff motivation and performance is also high thanks to the organisation's new performance-related reward strategy. In support of this, staff turnover is low with recent management information confirming that the issue is not a problem for the organisation.

"We will continue work with Investors in People to strengthen and review our processes, thereby building a better organisation that is benchmarked against a nationally recognised standard of excellence," Laura concludes.