City of Glasgow College

Board of Management
Audit & Assurance Committee

Date of Meeting	**Tuesday 3 September 2024**
Paper No.	**AAC1-G**
Agenda Item	**5.4.1**
Subject of Paper	**Internal Audit Report – Leadership and Management Development**
FOISA Status	**Disclosable**
Primary Contact	**Henderson Loggie**
Date of production	**2 August 2024**
Action	**For Discussion and Decision**

1. Recommendations

The Committee is asked to consider and discuss the report and the management responses to the internal audit recommendations.

2. Purpose of report

The purpose of this review is to provide management and the Audit and Assurance Committee with assurance on key controls relating to the curriculum and financial plans in place for City of Glasgow College and their alignment with the regional plan for Glasgow and the college student number targets.

3. Key Insights

This internal audit of Leadership Organisation provides an outline of the objectives, scope, findings and graded recommendations as appropriate, together with management responses. This constitutes an action plan for improvement.

The Report includes a number of audit findings which are assessed and graded to denote the overall level of assurance that can be taken from the Report. The gradings are defined as follows:

Good	System meets control objectives.
Satisfactory	System meets control objectives with some weaknesses present.
Requires improvement	System has weaknesses that could prevent it achieving control objectives.
Unacceptable	System cannot meet control objectives.

4. Impact and implications

Refer to internal audit report.

Appendix – Internal Audit Report – Leadership and Management Development

City of Glasgow College

Leadership & Management Development

Internal Audit report No: 2024/04

Draft issued: 4 July 2024

Final issued: 29 July 2024

Final re-issued: 2 August 2024

Leadership & Management Development

Level of Assurance

In addition to the grading of individual recommendations in the action plan, audit findings are assessed and graded on an overall basis to denote the level of assurance that can be taken from the report. Risk and materiality levels are considered in the assessment and grading process as well as the general quality of the procedures in place.

Gradings are defined as follows:

Good	System meets control objectives.
Satisfactory	System meets control objectives with some weaknesses present.
Requires improvement	System has weaknesses that could prevent it achieving control objectives.
Unacceptable	System cannot meet control objectives.

Action Grades

Priority 1	Fundamental issue subjecting the organisations to material risk which requires to be addressed by management and the Audit and Assurance Committee as a matter of urgency.
Priority 2	Issue subjecting the organisations to significant risk, and which should be addressed by management as a priority.
Priority 3	Matters subjecting the organisations to minor risk or which, if addressed, will enhance efficiency and effectiveness.

Management Summary

Overall Level of Assurance

Good	System meets control objectives.

Risk Assessment

This review focused on the controls in place to mitigate the following risks on the City of Glasgow College ("the College") Strategic Risk Register as of June 2024:

- SR9 – Failure to manage performance and achieve improved performance (Net Score 15, High),
- SR10 – Failure to attract, engage, and retain suitable staff (Net score 16, High), and
- SR12 – Negative impact of statutory compliance failure (Net score 10, Medium).

Background

As part of the Internal Audit programme at the College for 2023/24 we carried out a review of the arrangements in place for leadership and management development. The Audit Needs Assessment, agreed with management and the Audit and Assurance Committee on 2 March 2022, identified this as an area where risk can arise and where Internal Audit can assist in providing assurances to the Principal and the Audit and Assurance Committee that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

Since the COVID-19 pandemic, the Further Education (FE) Sector has undergone significant changes and faced a real-time reduction in Scottish Government funding. This has led the College to implement a "right-sizing" programme to achieve a break-even financial position. Over the last two academic years, the College has reduced its headcount by over 200 people.

Organisational change can bring about many positives, including more efficient ways of working, an opportunity for individuals to "step-up" - potentially into management roles for the first time, or break from their normal roles and responsibilities. The role of Organisational Development (OD) is essential at this point to ensure individuals who have moved into new roles have the support and training required to manage teams effectively. OD is also essential for talent management and for ensuring that there are robust succession planning arrangements in place for business-critical roles.

Scope, Objectives and Overall Findings

Following on from our review into Leadership Reorganisation in 2019/20 (Internal Audit Report 2020/10), and with consideration given to the ongoing organisational changes underway at the College during academic year 2022/23 and 2023/24, we reviewed the training and support provided to the College's managers.

The table below notes each separate objective for this review and records the results:

Objective		Findings			
The objective of our audit was to ensure that the College has:		**1**	**2**	**3**	**Actions In Progress**
		No. of Agreed Actions			
1. Identified the leadership and managerial skills required to deliver the Strategic Plan and departmental delivery plans.	**Good**	-	-	-	✓
2. Taken appropriate steps to ensure that managers undergo a robust Personal Development Review (PDR) process that identifies training needs to address skill requirements of their role.	**Satisfactory**	-	-	3	✓
3. A training appraisal process that assesses the priority and business need of Academic and Non-Academic training.	**Good**	-	-	-	✓
4. A Leadership Development Programme that supports robust succession of business-critical roles.	**Good**	-	-	-	✓
Overall Level of Assurance	**Good**	-	-	3	
		System meets control objectives.			

Audit Approach

Through discussions with the Vice Principal People and Corporate Services, the Associate Director People and Culture, the Organisational Development Manager, and a sample of five line managers from across the College (Head of Digital Service, Head of Estates, Head of Facilities, Associate Dean Health and Early Years (who was deputising for the Dean of Education & Humanities) and the Dean of Hospitality and Leisure), walkthrough of the talent management systems with members of the OD Team, and through the inspection of related documentation, we reviewed the College's arrangements against expected practice.

Summary of Main Findings

Strengths

- The People and Culture Strategy 2021-2030 identifies the vision for the College's workforce, with delivery supported by the annual People and Culture Operational Plan. Progress of the strategy is reported to the Board of Management.
- As part of the College organisational change and right-sizing programme, departments and faculties developed business cases outlining how their teams would be restructured and resourced to meet local objectives, and any succession planning requirements of business-critical roles.
- Where feasible, individuals were redeployed to ensure talent retention.
- We confirmed there are several measures established to ensure new and existing managers receive the appropriate support and training required for their role.
- Line Managers who we sampled highlighted the good work completed by the People and Culture and OD Teams and the frameworks established for training.
- The College has appropriate systems established to support talent management, including its Learner Experience Platform, MyDevelopment, that can be accessed by staff via the MyConnect intranet page.
- MyDevelopment can be used to track the experiences and skills of staff via a CV module that could be leveraged by management when considering succession planning or individuals to work on emerging projects. It also contains a full audit trail of training completed through the MyDevelopment system.
- A revised My Personal Development and Review (MyPDR) process is due for full launch across the College in August 2024. There is a robust internal communications plan being implemented by the OD Team that aims to ensure management and staff awareness of the process.
- There is an established OD Team who work closely with departments and individuals to ensure continuing professional development (CPD) is appropriate for their role
- There are controls established to appraise CPD proposals via the Staff Development Form found on the dedicated OD Hub page on the My Connect platform. All staff can also apply for an Enhancement of Qualifications by submitting an application and business case that is supported by their line manager and Dean / Director.
- There is a programme of training established for new and existing managers that can be readily accessed through MyDevelopment. The Learning & Teaching Academy (LTA) also has a programme established for teaching staff keen to advance in their roles.
- The College Principal has commissioned OD to develop an Executive Leadership Training Programme over 2024/25 that will be leveraged to develop a Future Leadership Programme for emerging talent to support future succession planning.
- There is an OD Operational Plan for 2024/25 established that adopts SMART practices.

Opportunities for Enhancement

There is requirement to set the tone from the top in relation to talent management and the deployment of processes that are optional to staff. However, the OD Policy (August 2014) has not adopted good version control practices to ensure that it has been updated in line with the College's People and Culture Strategy 2021-2030 and to set expectation for managers to support the College's talent management programmes. This issue is known to management and the OD Policy is due for review over the Summer 2024. To supplement this update, we have identified the following enhancements which should be considered as part of the review process:

- The MyPDR process has been in place for some time, but participation has remained optional, resulting in consistently low completion rates over the years. Although a re-launch is scheduled for August 2024, aiming for full staff participation, a recent pilot showed poor uptake, with only four out of 46 individuals completing their MyPDRs as expected. It is crucial for the College to clearly set expectations for managers to ensure their teams complete the MyPDRs in accordance with policy and to help identify and bring personal development needs into planning i.e. through an internal communications programme.

Summary of Main Findings (Continued)

Enhancements (continued)

- Completion of the Core Skills for Managers Programme is optional, with no essential components for new managers to complete, or existing managers to refresh their knowledge. As a result, participation rates for the programme have been reported as low. Expectations for managers to complete the programme should be communicated in policy and reinforced through internal communications. Consideration should be given to this becoming essential.
- The CV module on MyDevelopment is not consistently completed. Only 23 support staff and 124 academic staff members have updated their skills and experiences. This could impact the College's ability to identify emerging talent for succession planning purposes. An internal communication programme to highlight the benefits of utilising MyDevelopment, and the essential elements to be completed, should be developed and implemented.

Acknowledgments

We would like to take this opportunity to thank the staff at City of Glasgow College who helped us during the course of our audit.

Main Findings and Action Plan

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Objective 1 - Identified the leadership and managerial skills required to deliver the Strategic Plan and departmental delivery plans

The College's organisational change and rightsizing programme raised the risk that the College would lose the talent and experience needed to deliver its Strategic Plan. As part of this programme, departments and faculties developed business cases outlining how their teams would be restructured and resourced to meet local objectives, and ultimately the College's Strategic Plan. The process for developing the business cases was reviewed separately by us in our Report No. 2024/03 – Severance.

Where feasible, talent was retained and redeployed. The right-sizing programme has resulted in some individuals stepping up into supervisory roles for the first time. Other roles have been enlarged and some individuals have new responsibilities. To support these arrangements, we noted the following measures were established in line with expected practice:

- The College's People and Culture Strategy 2021-2030 outlines the workforce requirements for the College to achieve its Strategic Plan. Our review of the annual People and Culture Operational Plan, which is led by the Vice Principal People and Corporate Support, confirmed that it aligns with the People and Culture Strategy and follows SMART practices. Progress of the People and Culture Strategy was last reported to the Board of Management in February 2024.
- All manager meetings and line management one-to-ones – discussions with the five managers sampled indicated that team meetings and one-to-one sessions are essential for understanding needs and identifying any emerging risks or issues.
- The established Organisational Development (OD) Team piloted the My Personal Development and Review (MyPDR) process throughout 2023/24, with plans to implement it College-wide in August 2024. The OD Team is core to managing training programmes for new managers and the College's training budget, ensuring consistent review of all training or conference attendance proposals (see **Objective 2**).
- The Recruitment Policy and Procedure (updated February 2019) (not audited) is utilised when a specific gap in skills and experience is identified that cannot be addressed with current resources.
- The Robertson Cooper 'Good Day at Work' wellbeing staff survey was recently completed with 66% engagement from staff. The OD Team was in the process of issuing reports to managers who will develop action plans supported by workshops and drop-ins provided by OD. Management reported that there was expectation that some of the actions will relate to requests for further training, development and qualification; and
- Continuing professional development (CPD) through the Learner Experience Platform, MyDevelopment, and the Enhancement of Qualifications process (see **Objective 3**).

Annual Directorate Operational Plans and Curriculum Plans also operate as the golden thread from the College's Strategic Plan. Delivery of these plans are reviewed throughout the year by the Senior Management Team (SMT). At the time of our audit, planning for the academic year 2024/25 was underway. In line with good practice, management reported Scenario Planning – Workforce Planning to the Board of Management in March 2024. This reported the strategic workforce plan based on optimistic, pessimistic and realistic assumptions, as well as the FTE required to deliver each assumption under 11 categories.

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Leadership & Management Development

Objective 1 - Identified the leadership and managerial skills required to deliver the Strategic Plan and departmental delivery plans (continued)

The People and Culture's Team has rightly focussed on business as usual and supporting staff through the rightsizing programme. The new Associate Director, People and Culture was working closely with the Vice Principal People and Corporate Support to identify further resourcing needs for the team to support wider HR housekeeping tasks, such as the update of the College's organograms that have not yet been updated due to the level of change experienced by the College. The People and Culture Operational Plan sets out key activity for the team to support the College.

Leadership & Management Development

Objective 2 - Taken appropriate steps to ensure that managers undergo a robust Personal Development Review (PDR) process that identifies training needs to address skill requirements of their role.

The MyPDR process has been established for some time. However, this process remains optional and has not been utilised consistently by management or employees, mainly due to the requirement to balance business as usual activity with the managing of national lockdowns brought about by the COVID-19 pandemic, and due to the subsequent organisational change required through the rightsizing programme, strike actions and reluctance of the Trade Unions to endorse due to perception of links to performance, rather than development.

Noting the requirement to enhance talent management arrangements at the College, the Vice Principal People and Corporate Support submitted a proposal to the SMT (March 2024) seeking approval for the formal launch of the MyPDR process at the College in August 2024. The proposal defined the key reasons for implementing MyPDR that were in line with expectations.

A launch plan is established and is being led by the OD Team. Robust internal communication and engagement arrangements have been implemented via the OD Newsletter (March 2024), which connected individuals to informative videos and practical examples, an OD roadshow in May 2024, and All Manager sessions amongst other activities and online guidance.

A pilot was also completed, with 46 individuals having started their MyPDR as of 7 June 2024. Outcomes from the pilot have been reviewed by the OD Team who have developed a FAQ guide.

Our walkthrough of MyPDR noted that the areas align to expectations and will support staff to identify development needs.

However, we have identified the following recommendation:

Leadership & Management Development

Objective 2 - Taken appropriate steps to ensure that managers undergo a robust Personal Development Review (PDR) process that identifies training needs to address skill requirements of their role (continued)			
Observation	**Risk**	**Recommendation**	**Management Response**
The published OD Policy (August 2014) has not been updated to ensure alignment of arrangements with the College's People and Culture Strategy 2021-2030. This is a known gap. However, without this being enshrined in the policy we noted that the roles and responsibilities of managers and staff in relation to talent management are not currently transparent, particularly their role in optional talent management processes. For example, the MyPDR process has been in place for some time, but participation has remained optional, resulting in consistently low completion rates over the years. Although a re-launch is scheduled for August 2024, aiming for full staff participation, a recent pilot showed poor uptake, with only four out of 46 individuals completing their MyPDRs as expected. To ensure the MyPDR process is sustainable, it is crucial for the College to clearly set expectations for managers to ensure their teams complete the MyPDRs to help identify and bring personal development needs into planning i.e. through policy and an internal communication programme.	Staff are potentially unaware of the benefits to their, or their team's, personal development and overall job satisfaction.	**R1** As an integral part of the planned update of the OD Policy scheduled for the Summer of 2024, management should take steps to ensure that the following information is reflected in the refreshed policy: • A definition of the purpose and benefits of the MyPDR process, • A description of the overall framework to be used for all professional learning and development referrals and a description of the process for associated review and prioritisation of referrals by OD; and • Expectations placed upon managers to implement the MyPDR process within their own team. The benefits of talent management, and the tools available to managers to develop their staff, should also be clearly defined as noted elsewhere in this report.	The OD Policy update will reflect the information in all three points as listed. However, as the MyPDR process is voluntary this will be reflected in a way to encourage managers to implement the process within their teams. Policy to be completed by 31 December 2024. Policy to be approved (incl. by Unions) and published by 30 June 2025. **To be actioned by:** Organisational Development Manager **No later than:** 30 June 2025
			Grade 3

Leadership & Management Development

Objective 2 - Taken appropriate steps to ensure that managers undergo a robust Personal Development Review (PDR) process that identifies training needs to address skill requirements of their role (continued).

The MyPDR is designed to be used to inform the CPD / training requests, via MyDevelopment, which is accessed by staff through the College's MyConnect intranet site. Our walkthrough of MyDevelopment noted that it is a robust Learner Experience Platform. Staff have the capability to access a suite of training modules and the system maintains a training record that can be extracted for reporting purposes. For example, staff can access mandatory training requirements during the new staff integration process or refresher training modules for existing staff. From June 2024, the completion rates for mandatory training will now being reported to the SMT for review and action planning.

Managers use MyDevelopment to also track the training progress of teams and assign training. Managers can access the Core Skills for Managers Programme on MyDevelopment, which offers various modules and in-person training on essential management and leadership skills. Our walkthrough of MyDevelopment and training programmes established for managers noted arrangements are appropriate.

Academic areas also receive additional support from the Learning and Teaching Academy (LTA), while new Curriculum Heads (CHs) participate in a separate integration programme that includes training on timetabling, scheduling, and monitoring results. Through our previous audit work involving the LTA (Report No. 2024/02 – Libraries and Learning Technologies (L&T Academy)), we also noted learning pathways are established for lecturers and individuals stepping up into leadership positions within the curriculum. Informal mentoring arrangements are also established for leaders through one to ones with line managers.

Our discussions with five managers, from a variety of disciplines across the College, noted that there are robust OD arrangements in place to support managers.

Leadership & Management Development

Objective 2 - Taken appropriate steps to ensure that managers undergo a robust Personal Development Review (PDR) process that identifies training needs to address skill requirements of their role (continued)			
Observation	**Risk**	**Recommendation**	**Management Response**
New managers have a probation period in their new leadership role. However, completion of the Core Skills for Managers Programme on MyDevelopment was reported as optional, with no essential components for new or existing managers to complete. As a result, the OD Team reported low participation rates in the programme. There have been several instances where recent in-person sessions have been poorly attended, leading to sub optimal levels of engagement in the programme by some participants.	Skill development and application of the College's policies and procedures may be inconsistent across line managers, with an increased reliance on the People and Culture and OD Teams for supporting managers.	**R2** As part of the planned update of the OD Policy, management should determine the elements of the Core Skills for Managers Programme that are essential for new managers to complete and for existing managers to refresh regularly. Consideration should also be given to the enhancement of internal communication and engagement strategies to improve participation rates for this type of in-person training events.	The Core Skills for Managers Programme is currently optional for both new and existing Managers. A proposal for this to be changed to mandatory will be provided to SMT. If approved this will then be outlined within the policy. The move to being mandatory should enhance engagement from managers. When a manager is registered on one of the Core Skills Modules, they automatically receive a diary invite. A reminder email is then sent out the day before the module and then 1 hour before the module starts. Currently OD are also sending out emails quarterly to managers which identifies all members of staff within their teams that have not completed mandatory training. This list is also provided to SMT for visibility. **To be actioned by:** Organisational Development Manager **No later than:** 31 December 2024
			Grade 3

Leadership & Management Development

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<td colspan="4">Objective 2 - Taken appropriate steps to ensure that managers undergo a robust Personal Development Review (PDR) process that identifies training needs to address skill requirements of their role (continued)</td>
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<td>Staff can update their CV on My Development in order to provide the College with a skills inventory for assessing potential candidates for internal mobility opportunities or for succession planning purposes. Updating the CV on My Development also has an added benefit in that it provides the capacity for staff to extract their CV for reporting requirements or when the College applies for or explores external commercial opportunities. The sections to be updated within My Development include information on experience, employment history, qualifications and professional memberships.

However, our review of My Development noted that only 23 support staff and 124 academic staff have uploaded their CVs on MyDevelopment.</td>
<td>Emerging talent cannot be easily identified to support their personal development or to support any wider College activity.</td>
<td>R3   Top-down messaging should be established by management which emphasises the importance of maintaining up-to-date CVs on My Development. One option which could also be explored is the potential to embed this within the routine HR process so that ongoing support is provided to staff to help and encourage them to complete and regularly update their CVs on the My Development training platform.

Consideration should also be given to adding the requirement to update the CV element of My Development to the OD Policy as part of the scheduled update.</td>
<td>A review is currently underway to streamline the CV format within MyDevelopment.

Encouraging the updating and uploading of CV's will be an ongoing process. For all staff there are many benefits that need to be articulated. This will be outlined through various communication methods by OD.

It is recognised that this activity is voluntary (not contractual), and the OD team will continue to monitor and report on progress.

HR will assess the possibility of adding confirmation to the application form that on successful appointment, some information will be added to MyDevelopment. This will allow OD to update the CV element of MyDevelopment for the individual starting.

To be actioned by: Organisational Development Manager

No later than: 31 December 2024</td>
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Leadership & Management Development

Objective 3 - A training appraisal process that assesses the priority and business need of Academic and Non-Academic training.

The OD Team has an annual budget of £163,000 to support staff training requirements. We noted that £30,000 of this annual budget is ring fenced for the Enhancement of Qualifications. A CPD request can be made via the Staff Development Form on the OD Hub page on the My Connect platform. This is reviewed by their line manager and submitted to the OD email inbox. OD can approve requests that are under £500. For requests over £500, the course / conference must also be approved by their Dean or Director.

All staff can also apply for an Enhancement of Qualifications by submitting an application and business case that is supported by their line manager and Dean / Director. The application and business case identifies how the enhanced qualification will benefit their role and the College. This application is formally reviewed by the OD Manager and the Associate Director for People and Culture for approval. Employees who accept funding toward an Enhanced Qualification must sign a Learner Agreement with the College.

The OD budget is monitored through monthly budget reporting that is held in the Finance Folder on the College's One Drive. The status of the budget is reviewed regularly by the OD Manager and OD Officer who records monthly spending on staff training and development.

Leadership & Management Development

Objective 4 - A Leadership Development Programme that supports robust succession of business-critical roles.

At the time of our audit fieldwork the OD Team had commenced researching the arrangements required to develop an Executive Leadership Programme for Executive and Senior Management, which will connect into the Future Leadership Programme for rising talent. The development of a programme was noted to be included in the OD Operational Plan for 2024/25. Discussions highlighted that networking is a critical aspect of knowledge sharing and ensuring that leaders are aware of good practice.

The responsibility for identifying deputies to business-critical roles is the responsibility of Heads of Departments, Deans, and Directors. During the rightsizing programme, for example, all succession planning needs were detailed within the relevant business cases discussed above under Objective 1. This ensured that the resource aligned with team operational plans and ultimately the strategic objectives of the College. The process also allowed the identification of key positions and individuals who can act as deputies for planned or unexpected vacancies in business critical roles.

The refreshed MyPDR process will ultimately be key to identifying any specific leadership skill and knowledge gaps. The use of MyDevelopment, including the completion of CVs, will also support the College in talent management. This structured approach will ensure that the future leadership pipeline is robust.

Further actions to review a formal succession planning process is also identified in the People and Culture Strategy Operational Plan for 2024/25. Planning was appropriate and with the new OD Manager and Associate Director for People and Culture established, actions identified as "behind" will be progressed over the current academic year. Given planning and resource now established to implement the plans, no further recommendations were raised.