



# The Salvation Army

## Australia Eastern Territory

### Headquarters Restructure

### Six Month Review

**Purpose:** *TPMC Report (short)*

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**Author:** *Strategic Change Unit*



Together we see people finding freedom in Jesus

<p><b>01</b></p> <p><b>People transformed by Jesus</b></p> <p><i>Soul saving</i></p>	<p><b>02</b></p> <p><b>Healthy faith communities</b></p> <p><i>Growing saints</i></p>
<p><b>04</b></p> <p><b>Courageous stewards</b></p> <p><i>Using our mission resources effectively and efficiently</i></p>	<p><b>03</b></p> <p><b>Unified mission expressions</b></p> <p><i>Serving suffering humanity</i></p>



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## 1.0 Executive Summary

In January 2016, The Salvation Army Australia Eastern Territory (TSA) underwent a restructure with objectives which aligned to the Forward Together goals of:

- People transformed by Jesus
- Healthy faith communities
- Unified mission expressions
- Courageous stewards

Following this, in July 2016, the Strategic Change Unit (SCU) commenced a review of the restructure to understand what has been working well and where there were opportunities for improvement.

During the review of the restructure, data was collected from four sources:

1. Online survey
2. Questionnaires
3. Phone interviews
4. Focus groups

This report provides detail on the findings from each of the review sources and recommendations to improve where there were opportunities for improvement. These ranged across:

- The Area Officer role
- THQ Support Services (CFD, Finance, HR, IT and Property) and Program Support (specifically the Social Program Department).
- Culture
- Change Management Methodology.



## 2.0 Background

In January 2016, The Salvation Army Australia Eastern Territory (TSA) underwent a restructure with the following objectives:

- Highly effective spiritual formation, leadership, personnel development and accountability at every level.
- Structures designed to focus all expressions on mission priorities.
- All mission expressions more effective, empowered, equipped, connected and supported.
- Clear and achievable roles and responsibilities at every level.
- Streamlined business functions without unnecessary / duplicated processes.

In order to meet these objectives, the following design elements were employed:

- Push responsibility for mission to the divisions, and pull responsibility for administration (support services) to Territorial Headquarters (THQ).
- Increased delegations of authority at the frontline.
- Redesign boards to be more efficient, transparent and consistent.
- Creation of the Area Officer role to provide coaching, accountability and support for mission.
- Reduction of the number of divisions from seven to two to create greater consistency.

In July 2016, the Strategic Change Unit (SCU) commenced a review of the restructure to understand what has been working well and where there were opportunities for improvement. The findings of the review will inform recommendations for mitigating actions and strategies.

During the review of the restructure, data was collected from four sources:

1. **Online survey** – this was sent to all TSA (excluding Salvos Legal) personnel with an AUE email address.
2. **Questionnaires** – these were sent to Area Officers (AOs) and the leadership teams at NSW/ACT and QLD Divisional Headquarters (DHQ).
3. **Phone interviews** – seventy-five interviews were undertaken across Corps Officers (COs), chaplains and social centre managers.
4. **Focus groups** – three focus group sessions were held across three leaderships teams: Social Program Department, NSW/ACT DHQ and QLD DHQ.

While considered Program Support, the Mission Support Team (MST) was not included in this review as the restructure of this team was delayed until after the general restructure to allow the newly formed divisions to have input into the mission needs of the territory. The new MST structure came into effect on 29<sup>th</sup> August 2016. It is expected that the MST will be included in future restructure reviews.



## 3.0 Recommendations

### 3.1.1 Area Officer Role

1. Change Management activities, specifically awareness, desire and knowledge (Prosci<sup>®</sup> ADKAR), designed to increase understanding and bring greater focus to the AO role:
  - a. Release the full Position Description with communication providing any necessary clarification on the main purpose and focus of the role as coaching and support for missional effectiveness.
  - b. Clarification of the role to be provided to AOs by the Divisions. Furthermore, understand the strengths and individual support needs of AOs and provide well-planned and ongoing targeted training with support from the SCU covering the following:
    - Mission Action Planning,
    - Coaching,
    - Accountability, and
    - Clarity around the use of delegations of authority and approval activities.
2. Urgent development of the Mission Action Plan and the associated tools to support:
  - a. A structured process for increased missional effectiveness at the frontline – with ownership by the corps (not only the Corps Officer).
  - b. Integration with budget planning.
  - c. Identification of mission support requirements from both THQ Mission Support Team (MST) and Divisions.

### 3.1.2 THQ Support Services (overall) and Program Support

3. Short-term procurement of a Business Analyst to provide clear documentation articulating consistent processes for accessing support and approval from THQ Support Services (IT, HR, Property, Finance and CFD), Program Support (MST and Social Program Department), and DHQ (in the form of how-to-guides).
4. Further communications designed to increase knowledge and ability needed to access support and approval from THQ Support Services, Program Support and DHQ:
  - a. Hard-copy versions of the how-to guides to be distributed by DHQ to the frontline (which is the strong preference of the frontline).
  - b. Creation of a centralised access point for all how-to-guides:
    - Centralised website (one URL with easy links for each support service, using iNotes password).
    - Administration person from each of the THQ Support Services, Program Support and DHQ appointed to keep the information up to date.
5. Training for all staff within THQ Support Services and Program Support to ensure consistent application of documented processes.
6. Intentional re-positioning of THQ Support Services and Program Support as responsive customer service partners (rather than as directive authorising bodies), to include:
  - a. Intentional development of a greater customer service support ('can-do' attitude) culture including documenting a customer service charter
  - b. A central help line (staffed by trained customer service personnel) designed to triage enquiries and provide easy access to the required support.
  - c. Together with Advisory Board members, establish key customer service SLAs and KPIs by setting a realistic baseline of service expectations (based on consultation with the frontline and headquarters) to:



- Significantly reducing response and issue resolution times.
- Provide visible and accessible tracking of requests and submissions through to completion.
- Regularly measure actual performance to SLAs and KPIs.

### **3.1.3 IT Department (Additional Items)**

7. Review of frontline needs, with a commitment to:
  - a. Investigate the potential provision of after-hours support for social centres and corps who are often shift workers or work outside general office hours.
  - b. Develop initiatives to create better understanding of frontline IT needs.
  - c. Review the policies for the purchase and installation of hardware and software, including:
    - Greater freedom in the selection of locally appropriate IT solutions.
    - Alternate ways to purchase computers locally, within given specifications.

### **3.1.4 HR Department (Additional Items)**

No additional recommendations.

### **3.1.5 Finance Department (Additional Items)**

8. Further enhancement of the budget preparation process by including:
  - a. More thorough engagement with the frontline to ensure consideration of local history and context.
  - b. Direct linkages with the MAP process.
  - c. The provision of training and information on the budget process to the frontline.

### **3.1.6 Communications and Fundraising Department (Additional Items)**

No additional recommendations.

### **3.1.7 Property Department (Additional Items)**

9. Development of a more collaborative and consultative approach for property services due to the feedback indicating decisions are sometimes made in isolation. This includes a more partnership oriented approach with the frontline to ensure local needs are better understood and met.

### **3.1.8 Social Program Department (Additional Items)**

10. Develop a clear process for the corps-based social expressions that:
  - a. Gives missional and operational responsibility to corps.
  - b. Gives compliance, training, audit, tendering and contract requirements to the Social Program Department.
  - c. Provides clear rationale, with clear and consistent detailed processes for co-operation and collaboration between corps, divisional, social and support service teams.



### 3.1.9 Culture

11. Further development of the culture values of trust, accountability, consistency and transparency by:
  - a. Obtaining a representative set of examples where the culture values were not displayed and identifying a strategy to address the gaps.
  - b. Ensuring a pathway for all levels of the organisation to feel they can safely have a voice into significant decisions in a solution-oriented manner.
  - c. Prioritising the completion of Board Redesign to:
    - Streamline decision making.
    - Provide consistency, transparency and accountability in decision making.
    - Ensure boards are operating in alignment, according to their delegated authority.
  - d. Revising the appointment process as it applies to Board Redesign by (note that these activities are already underway):
    - Development of a capability framework to ensure appointments are better aligned with knowledge, skills and abilities.
    - Providing honest and regular feedback and targeted support to facilitate greater effectiveness in all appointments.
    - Providing greater consistency, transparency and accountability throughout the appointments process.

### 3.1.10 Change Management Methodology and LDIS

12. Undertake a similar post-restructure review in 6 months (January 2017).
13. Develop a plan to broaden Change Management to the wider Salvation Army.
14. Future use of the LDIS methodology should build on the solid work undertaken in the Learn and Design stages, with greater attention given to the ADKAR change management stages of 'Knowledge' and 'Ability', including:
  - a. Conducting a 'lessons learned' workshop on how the restructure was managed (Post Implementation Review – PIR).
  - b. Creation of well-developed and widely agreed impact assessments and corresponding activities (such as engagement, communication and training) late in the Design stage, to be applied prior to the announcement of changes.



## 4.0 Key findings

There is widespread solid support and good will for the Forward Together plan and the headquarters restructure objectives and intentions. However as is normal at this stage of such an extensive change program where structures, policies, functions and roles, processes and culture have all been significantly revised, there are still pockets of confusion over how to operate in the new environment.

### 4.1 Major areas of strength

1. The implementation of the Area Officer role is reported by a little under half of the survey respondents to be a significant benefit, providing greater connection, support and care to the frontline.
2. Improved clarifications and increases in delegations of authority are seen to have streamlined some decision making processes.
3. The Divisions are now better positioned to be both more fully empowered to carry forward responsible for mission and well placed to provide more timely, localised and tailored support.
4. Some support services are seen as functioning well and providing improved support to the frontline.
5. The move from seven to two divisions is widely considered a positive step in facilitating greater consistency and more cohesive and collaborative relationships.

### 4.2 Major opportunities for improvement

1. The most prominent issue raised is the lack of understanding of how to operate in the new structure. From a change management perspective this is clearly a gap in 'Knowledge' and 'Ability' around who to speak to and what the correct process is to follow (ADKAR - Awareness, Desire, Knowledge, Ability, Reinforcement).
2. In general, THQ support services are not yet seen to have fully made the transition from being authoritarian and direction-giving, to being more responsive to requests and providing support and advice. This is critical to facilitate greater empowerment of the frontline.
3. Approval processes at all levels (boards and support services) are still not clear. It is difficult to track where requests and submissions are up to and any subsequent decisions and other communications are often not considered timely or clear.
4. Consistent issues have been raised regarding the social program department, specifically a perceived division between corps and social, the management of corps-based social expressions, a lack of integration of social with other services (on the frontline and in divisions) and the need for an improved customer support focus.

### 4.3 Change management methodology and LDIS (Learn, Design, Implement, Sustain)

The six-month review reveals growing strength in adopting the 'Learn' and 'Design' stages of LDIS. By intentionally addressing 'Learn' and 'Design' stage activities with an integrated approach to change management (ADKAR) as per the image below, we have achieved:

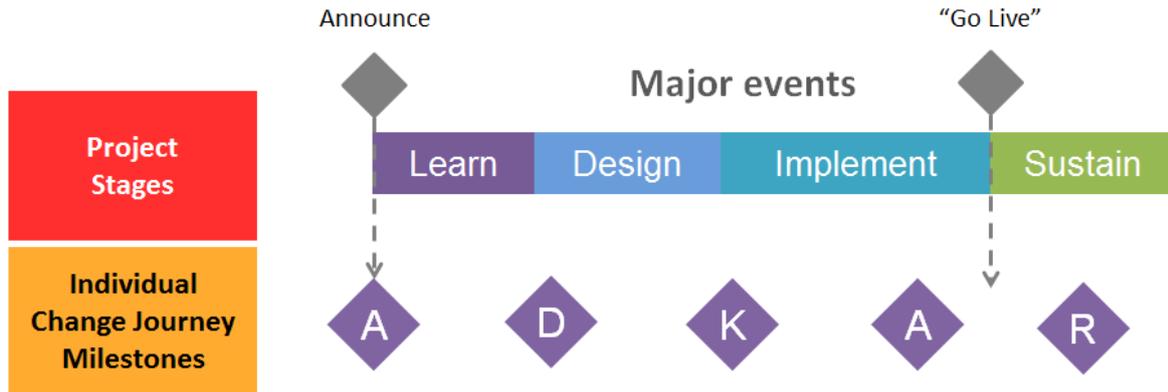
- Increased understanding, 'buy-in' and uptake of the Forward Together plan and objectives.



- Greater rigour and effectiveness in our change processes.

However, the area of implementation planning (which is ideally completed late in the ‘Design’ stage) has been identified as deficient. The significant number of comments around who to speak to and what the correct process is to follow, are an indication of the lack of diligence in identifying impacted groups and the specific detail and activities needed to build the necessary ‘Knowledge’ and ‘Ability’ for successful uptake.

Detailed findings for individual departments and areas are provided in Section 3 of the report, from page 7.



#### 4.4 Area Officer role

The AO role is reported to be an effective component of the new structure, providing greater levels of support, pastoral care and operational troubleshooting to the frontline although some COs are not highly enthusiastic about the role. Also, there is still confusion around the exact purpose/responsibilities and ‘authority’ of the role leading to inconsistency in how it is being fulfilled. Additionally, there seems to be a gap in terms of provision of missional direction and support, particularly in the areas of coaching, accountability and Mission Action Planning (MAP). In summary:

1. COs are benefitting from regular, intentional visits – overall helping them feel a greater sense of support, connection and pastoral care.
2. A significant proportion of AOs report having a clear understanding of how to support a corps to create greater missional effectiveness and the right level of authority to hold corps accountable to missional goals. However, from the CO’s perspective, this is not being fully utilised as performance in strengthening missional effectiveness is the biggest area of reported weakness, particularly in setting an agreed plan together and advancing practices needed for greater accountability.
3. Whilst AOs have reported they are adequately equipped to provide coaching support, feedback from COs indicates a big gap in this area.

#### 4.5 THQ Support Services and Social Program Department

##### 4.5.1 Overall

There were a number of themes which spanned across all THQ Support Services and the Social Program Department:

1. Not knowing who to contact for specific support.



2. The length of time it takes to get things done.
3. Not being kept up to date on the progress of a request or submission.
4. There is confusion around the processes to follow within each department - in particular the approvals process. Of greatest concern was that:
  - a. Processes aren't well documented.
  - b. There is a lack of consistency in the process you are asked to follow.
  - c. In some instances, there is a lack of understanding of the process by the particular department themselves.
5. There was consistent feedback that support services are working to their own agenda and operating in silos with minimal collaboration.
6. Feedback also showed that decisions were being made without consultation with Divisions and the frontline expressions, and in isolation with little accountability for the consequences.
7. Despite the above, the feedback also indicates that the people within the departments are perceived as helpful and the eventual outcome is usually of good quality.

#### **4.5.2 IT Department (Additional Items)**

1. While acknowledging that the issues with IT are not related to the restructure, and were present before January 2016, results also show that the restructure has done little to address or fix the issues.
2. Support provided to THQ and DHQ was reported to be better than the level of support provided to the frontline. In particular it was harder to get access and there is a perceived lack of understanding of the frontline's IT support requirements. Also, there is a sense among a significant number that the IT Department has not worked collaboratively.
3. Key issues include: lengthy response and resolution timeframes, inappropriate or ineffective solutions, help desk and ticketing management, having to circumvent the system to get effective help and sourcing and control hardware and software.

#### **4.5.3 HR Department (Additional Items)**

1. The HR Department had the most positive feedback of all the THQ Support Services by a small margin, indicating good support from HR. Perhaps there needs to be a comment that most HR responses were consistent with the main Support Services data, particularly regarding clarity and articulation of processes.
2. Key issues include being kept updated as to the progress of an issue and slow response times (there was a perception that the HR department is under resourced).
3. Support from the department was perceived to be inconsistent depending upon who you spoke to.

#### **4.5.4 Finance Department (Additional Items)**

1. Feedback from all sources indicates that the finance department is working well, and that the new structure is effective.



2. Finance has a different structure to the other THQ Support Services, providing help desk support rather than regional dedicated finance personnel. Where structure and processes are criticized, there is equal positive response to balance this, indicating that personal preference plays a strong part in how Finance is perceived. While some would prefer an individual regional support person, equal numbers appreciate being able to get the support they need, when they need it from a general number, regardless of individual staff availability.
3. Budget preparation seems to be a negative with some reporting that local understanding of history and context has been lost, making the budget preparation process more difficult.
4. Gaining access to information regarding the status of an issue and knowing who to contact were particular pain points.
5. By far, the most common area identified for improvement relates to the need for improvements in a customer service focus.

#### **4.5.5 Communications and Fundraising Department (CFD) (Additional Items)**

1. One of the themes for what is working well is having CFD staff based regionally (i.e. not just at Redfern THQ). This was primarily reported by corps, whose main interaction is during the Red Shield Appeal.
2. As with the other support services, access to information regarding the status of an issue is highlighted as an area for improvement.
3. Comments in the survey indicate that CFD operates as a silo and are perceived as having their 'own agenda' at times (dictating direction rather than performing more of a customer 'support' function).
4. CFD functions and support were not mentioned either positively or negatively in the phone interviews, questionnaires or focus groups.

#### **4.5.6 Property Department (Additional Items)**

1. Survey scores for the property department were particularly low, with common themes that indicated that there was a perceived lack of collaboration and respect for local knowledge and understanding, with property tending to operate as an authorising body, rather than a support service.
2. Positive survey comments highlighted the quality of the people, in particular that they are dedicated and professional.
3. As with the other THQ Support Services, access to information regarding the status of an issue and receiving an appropriate solution were areas of dissatisfaction. There was also a sense that the Department has not always served collaboratively.
4. Frontline phone calls also highlighted cumbersome and confusing processes that were more time consuming now than before the restructure.



#### 4.5.7 Social Program Department (additional items)

1. The main theme of the positive feedback is that members within the Social Program Department are very capable and professional.
2. Survey results indicated low levels of customer service with the lowest being access to information regarding the status of an issue.
3. There is a perceived divide between corps and social, particularly when it comes to a separation of mission and purpose. The focus groups in particular identified that this is perceived differently by the divisional and social teams. While the Social Program Department feels that the new structure has enhanced the professionalism of social expressions, divisions feel social expressions have been siloed and there is no real collaboration.
4. Corps-based social activities are highlighted as a particular area where there is significant confusion and dissatisfaction with operations. While this has always existed to some degree, there is further confusion now that social has been removed from the divisions, leaving corps with social expressions feeling confused, unsupported and caught in the middle of conflicting processes. Issues include:
  - a. Separation of corps support functions between corps and social support (e.g. finances, property). This has resulted in the Corps Officer feeling like the negotiation point between the two areas.
  - b. Confusion over which support services provide what support when looking to resolve issues.
  - c. Where corps have social services on site, there is a lack of clear processes and direction, and corps are left feeling like an 'anomaly in the system'.

#### 4.6 Culture

1. Regarding trust, consistency, transparency and accountability of decision making, on average, about 50% of the survey respondents felt there was no change, 15% felt it's gotten worse and 35% feel it's gotten better. Also:
  - a. Feedback shows from the questionnaires and focus groups that there is a real angst around decision making and what happens when things go to boards.
  - b. There is a strong feeling that people feel they are still not trusted and empowered to make decisions. The most frequently cited issues are those of transparency and accountability.

#### 4.7 Change Management Methodology and LDIS (Learn, Design, Implement, Sustain)

1. There was an overwhelming lack of understanding of how to operate in the new structure, including who to speak to and what the correct process is to follow.
2. A number of comments were made that the level of consultation in the lead up to the restructure was inadequate.
3. Comments were also made that communications regarding the restructure were rushed.

A number of people commented on that more sensitivity was required in the way redundancies were handled.