

Guidance

Title:

Working for the champion organisation

Keywords: climate change; spatial planning; robust spatial plan; Champion Organisation; level 6; Strategic Responsiveness; level 5; Strategic Experimentation; level 4; Efficient Management; level 3; Compliant; level 2; Non-responsive; level 1; risk; minimising risk; change management; organisational change; organisation; change; progress; progressive; levels of response; global warming; adaptive capacity; capacity to adapt; strategy; strategic direction; explore strategic direction; Hampshire County Council; South East Climate Change Partnership; Alexander Ballard Limited; Alexander Ballard Ltd; Ballard; sustainability; sustain; sustainable; leadership; leaders; timescales; planning cycle; partnership; senior management; management processes; champions, 3As for change; association; agency; awareness; 4As; champions for change; decision making; stakeholder; stakeholder engagement; proactive; political support; community leadership; improve; stern review

Audience:

Organisations of any size operating at local, regional, national or international levels who wish to visualise their capacity to adapt to climate change and understand the steps needed to become exemplar examples of how to function

Messages in the ESPACE strategy to which the guidance applies:

1.X	2.	3.X	4.X	5.X	6.	7.
8.	9.	10.	11.	12.	13.X	14.X

Sentences linking the guidance to relevant strategy messages:

1. The *Working for the Champion Organisation* guidance describes how we can begin to develop organisations so that more than a small number of individuals and groups understand how the climate change crisis affects them and their services – and how to act accordingly. This will in turn support the development of robust policy frameworks.

3. The *Working for the Champion Organisation* guidance illustrates what level of response an organisation may have to climate change, and can assist with determining the most appropriate and effective governance and management processes.

4. The *Working for the Champion Organisation* guidance illustrates what level of response an organisation may have to climate change, and can assist with exploring the most appropriate strategic direction and how to deliver it. This is applicable to both the internal workings and external engagement of the organisation.

5. The *Working for the Champion Organisation* guidance illustrates what level of response an organisation may have to climate change, and can assist with exploring

the most appropriate strategic direction and how to deliver it. This is applicable to both the internal workings and external engagement of a given organisation.

13. The *Working for the Champion Organisation* guidance illustrates what level of response an organisation may have to climate change, and can assist with exploring the most appropriate strategic direction and how to deliver it. This insight can focus pro-active political decision-making.

14. The *Working for the Champion Organisation* guidance gives a useful baseline to which actions can be reviewed and measured against.

Photo/diagram/map:

Overview:

This guidance describes the foundations of an organisational change tool and provides the reader with a greater understanding of how an organisation can develop its capacity to adapt to the challenges faced by climate change. Alexander Ballard Limited, in its work, through ESPACE, with Hampshire County Council and the South East Climate Change Partnership, has begun to distinguish between six distinct organisational levels of response to climate change. These can be used to visualise where a given organisation is positioned in the levels and to allow exploration of strategic directions in order for that organisation to progress.

Description:

INTRODUCTION

“Ignoring climate change poses great financial, social and environmental risk

Robust spatial planning has a crucial part to play in minimising the risk of climate change, however current frameworks are poorly developed and are unable to deal adequately with this risk. ESPACE aims to tackle this problem by ensuring that adaptation strategies are incorporated into spatial planning systems.

...ESPACE will also focus on a major issue at the core of adaptation – a lack of awareness and understanding of climate change. ESPACE will raise awareness among a wide range of stakeholders including policymakers, practitioners and members of the community to ensure that climate change is acknowledged as a major influence on spatial planning processes.”

www.espace-project.org/about.htm

To achieve the above goals, stated on its website, then it is essential that Partner Organisations, the members of the Extended Partnership and other stakeholders begin to

operate and collaborate in ways that are products of profound understanding and change.

What is needed is that we begin to develop organisations so that more than a small number of individuals and groups understand how the climate change crisis affects them and their services – and act accordingly. *Entire organisations need to become much more capable of learning, changing and contributing to inter-organisational learning and change.*

This is a key enabler for climate change adaptation (and indeed mitigation) to take place on a wide enough scale, to an adequate depth and with sufficient urgency for the “...great financial, social and environmental risk “, mentioned above, to be addressed effectively.

ORGANISATIONAL LEVELS OF RESPONSE

Alexander Ballard Limited, in its work, through ESPACE, with Hampshire County Council and the South East Climate Change Partnership, has begun to distinguish between six distinct organisational levels of response to climate change:

Level 1 – Non-Responsive

This level of response is now relatively rare among larger organisations. In such an organisation senior managers will feel threatened by climate change. They feel this not so much because of the environmental, social and economic threats the issue represents but other reasons. These include its complexity and the increasing emphasis being placed upon the topic among legislators, the media, investor groups, activists and customers. The response is one of denial, burying heads in the sand, hoping the problem will simply go away. There will be reluctant, opportunistic action, if any; no resources will be allocated.

Level 2 – Compliant

This level is still one of reactivity as opposed to pro-activity. There is somewhat more action than at Level 1 and perhaps a small or occasional allocation of ‘fire fighting’ budgets. The actions taken are generally in response to external stimuli such as customer complaints, investor demands or, increasingly, changing legislation. Typically those few internal influences that spur change come from areas such as facilities management staff, occasionally from elected members or non-executive directors. There is no attempt to go looking for opportunities to act and no strategic plan to direct engagement or look for growing return on investment. Manager’s timescales reflect their position in the organisational hierarchy and are measured in weeks or months.

Level 3 – Efficient Management

At this level, climate change begins to enter the proactive agenda. The ‘ad hococracy’ gives way to a more systematic response as some individuals recognise the need to address the issue as a management priority. It is still seen as one among many separate tactical disciplines, as are, say, human resources or health and safety. Climate change is now dealt with on a regular basis as a part of the set of management processes. Measurement systems will be developed, targets set and dedicated staff appointed. Senior management, however, seeing this as a secondary priority, will delegate the work to middle managers. It will be treated as a technical problem and will manifest in such forms as ISO 14001 certification and, often, PR-focused reporting procedures. Timescales will typically be linked to the operational planning cycle – usually annual.

Level 4 – Strategic Experimentation

This is the level at which the senior management team begins to think about the very real

risks and opportunities posed by climate change. Response becomes both proactive and innovative. While the majority of the more time-consuming action is still delegated, senior managers will become more actively involved in setting the agenda and monitoring progress, with senior levels of the organisation becoming actively interested in projects. There is a focus upon searching for breakthrough performances through experimentation; original thinking is encouraged. Managers' timescales lengthen and are typically three to five years.

Level Five – Strategic Responsiveness

Here the links with core strategic thinking have been acknowledged and are being acted upon, decisively and iteratively, by the senior team. Climate change has become a key theme in mainstream, long-term strategic thinking *and* day-to-day activities throughout and beyond the organisation. Senior managers are personally involved in setting policies and overseeing tactical responses. The impacts on organisational resilience are explicitly addressed in areas such as capital, real estate, people, plant, services and products. Managers' timescales are congruent with other major decisions and investment cycles – at least five to ten years.

Level Six – The 'Champion Organisation'

Consistent performance at this level is extremely rare – Interface Carpets (whose CEO's stated goal is to go beyond long-term sustainability to become 'a restorative organisation') may be the only example. Here issues concerning the role of organisations as servants of society (or not) are addressed. Systematic response has been transcended to achieve systemic response. The understanding, range and nature of significant stakeholder relationships have been extended to include former critics, future generations and the global levels of the economy and ecology. Managers' timescales are linked to global trends – decades and more.

There are several features of the climate change agenda that make it vitally important that organisations respond at the highest possible strategic (or even meta-strategic) level and make every effort to raise their current level continually:

- It is a global phenomenon; leaders' timescales, thinking and action needs to be based on global, long-term strategies. Only high-level organisations and leaders can achieve and maintain this
- Paradoxically, these long-term-thinking, visionary organisations also need to see and act upon the true urgency of climate change. Change at the level that is required will take many years. With an accelerating problem, however, every month's delay can add years to the time it may take to arrest deterioration
- As shown by the UK's recent Stern Review, the global economy could suffer climate change-related damage of between 5% and 20% of total GDP if we don't act appropriately and decisively
- Stern continues to point out that effective action, begun now, need only cost around 1% of GDP or less
- There are significant economic advantages to being among the leaders of this change: many revenue-generating opportunities exist as well as the ability to avoid anticipated growth in carbon taxes and spiralling energy costs

SO HOW DOES AN ORGANISATION IMPROVE ITS RESPONSE LEVEL?

To complement the work on the six 'Levels of Responsiveness', Alexander Ballard Limited is currently working to refine a set of 'Pathways for Change' which its research is showing to be necessary for demonstrable progress. This early work will continue into the ESPACE

Extension Programme with a specific focus on organisational change issues around spatial planning. The agreed goal is to build on this to deliver and deploy a set of tools which will enable organisations to measure their current levels of responsiveness, learn what has worked best elsewhere and continue to improve their own development and performance.

What are the likely pathways? A draft set of nine has been developed and is being tested before beginning work in late 2007. Here are some examples of what a well responding organisation will be doing:

1. Identifying and developing climate change *champions* (see ESPACE Guidance Document: *Champions for Change*). Clearly a 'Champion Organisation' will be better at doing this and will do it differently than, say, a 'Compliant Organisation'.
2. Raising the level of 'awareness' of how climate change impacts the organisation, now and into the future (see ESPACE Guidance Document: *The Three A's for Change at Project Level: Awareness, Agency and Association*)
3. Be good at recognising and deploying specialist skills where they can add most to resilience of facilities and services.

NB. The concepts being presented in this document will continue to be developed throughout the ESPACE Extension Period (September 2007 to May 2008), where they will incorporate a benchmarking component. This will then form a matrix that can be used to visualise a given organisations strategic direction and assess its progress. This tool will prove invaluable to organisations exploring their strategic direction and to organisations wishing to self-assess their capacity to adapt to climate change as well as those involved in assessing others. Much of the ground work has already taken place to develop the matrix concept. Please see the 'Further Information' section to read about progress to date.

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Further information:

"Moving to the Higher Ground: Developing
Climate Responsive Organisations"

Appendices - "Moving to the Higher Ground:
Developing Climate Responsive Organisations"