

## IMPACT REVIEW

THE WHITEHALL & INDUSTRY GROUP

# IMPACTREVIEW 08

#### **ABOUT WIG**

WIG is an independent not-for-profit organisation with the sole objective of building understanding and co-operation between government and business to achieve:

- Better informed policy and regulation
- More effective cross-sector partnerships
- Better leadership

#### WIG is a membership organisation of:

- 89 private sector businesses
- 89 public sector organisations

	2007	2008	CHANGE
Membership	175	178	2%
of which private sector	87	89	2%
of which public sector	88	89	1%
Turnover	£1,283,385	1,281,809	-0.12%
Individual interactions	2368	2564	8%
of which private sector	1029	1108	8%
Events	50	57	14%
Staff	17	17	0%



#### CHAIRMAN'S MESSAGE

Relationships between business and government have been transformed in the last 12 months, none more so than in the UK financial services sector.

While few silver linings may be immediately apparent from the global financial crisis of autumn 2008, it has demonstrated the interdependence of all sectors and reinforced the need for future partnerships to work from a base of mutual knowledge, understanding and trust.

This will be familiar for all who have worked with WIG over the last few decades. WIG's central tenet has always been that partnership between business and government demands a common basis of understanding, and that this is as true for partnerships delivering public services as it is for the development of public policy.

WIG enters its 25th year well placed to help make a real difference to the interdependent parts of "UK plc". Our membership is finely balanced between private and public sector interests, with the mix reflected in our board: I am delighted to welcome new board members from DIUS, LloydsTSB, Ernst & Young and the Information Commissioner, whose expertise and experience are proving invaluable to WIG at an important juncture in our history.

I'm also delighted to report that WIG is in good shape financially, with healthy reserves and steady income and costs. And as a not-for-profit organisation, WIG is discharging a broad public benefit reaching beyond its membership alone in bringing business and government closer together. For this I must pay tribute to our departing Chief Executive, Sally Cantello, who over the last eight years has steered WIG to new levels of activity, influence and impact, engineered a step-change in business participation in WIG events and continually strengthened the cross-sector dimension of WIG's work. WIG's new Chief Executive, Mark Gibson, will lead WIG into its 25th year and beyond, ably assisted by an outstanding team.

Miller MXim.

Miller McLean Group General Counsel and Group Secretary The Royal Bank of Scotland Group plc and WIG Chairman

### CHIEF EXECUTIVE'S INTRODUCTION

Building on the momentum of recent years, I'm delighted to report that the past twelve months have seen a further increase in the breadth and depth of WIG's activities, and in the number of our members taking advantage of them.

Attendance at events and workshops continues to increase along with business participation, which is of key importance to WIG. In part, this has been due to engaging with a wider range of organisations and contacts within our membership, and in part, to our growing reputation for producing events of strong relevance to all sectors of the UK.

WIG is becoming a real force to inform policy, successfully demonstrating the value of offering a 'safe space' for our members to consult on regulation and legislation impacting the UK economy. Our target is now to embed WIG's approach in departmental business objectives, so that government and business alike are assured of meaningful dialogue on the issues that matter.

WIG has likewise used 2008 to build on our reputation for offering access to a powerful array of ideas, experience and contacts in our leadership programmes and forums for sharing best practice. Thanks to the breadth of interests in our membership, we are uniquely placed to draw on the experience of the UK's largest public and private sector organisations in tackling organisational issues of increasing importance to all employers, with the WIG team continuing to develop new ideas to ensure we offer what our members need.

On a valedictory note, my thanks go to my team and to all those in our membership and beyond who have helped me take WIG forward over the past eight years. I wish WIG a vibrant future, and continued success in its mission to provide an unrivalled range of opportunities for government and business to share ideas, experience and concerns and to build a robust partnership for the future.

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Sally Cantello (Chief Executive 2001-2008)



#### DIALOGUE AND CONSULTATION

WIG increased its focus on the policy agenda in 2008, with six events designed specifically to get business and government working together on regulatory or legislative initiatives.

> Feedback shows that public and private sector participants alike derived wide-ranging benefits from the access provided to Whitehall's top table and to a broad range of industry perspectives.

> > 90% of delegates rated BERR's Departmental Day 'excellent' or 'good' and the consultative workshop on renewable energy strategy received 48% 'excellent' and 52% 'good' approval ratings.

For WIG's forthcoming programme of workshops and events, see www.wig.co.uk/eventsnetworks Sir Brian Bender, Permanent Secretary at BERR, discusses his department's involvement with WIG:



"WIG has helped us with two specific events in the last few months and we're pretty satisfied customers in terms of what they did.

"BERR's departmental day in the spring gave us the chance to talk to several dozen WIG members about what was then a pretty new department. The Department's role – business competitiveness in an increasingly competitive world – requires us to engage with business – something we do in a number of different ways – and this event provided a good opportunity for marketing the department across WIG's broad membership, including to some organisations we may not otherwise have reached. The round-table discussions which followed our presentations focussed on several themes, and flagged up some business interests and provided insights which we may not otherwise have captured.

"WIG is adept at tailoring this sort of format – the day was similar to one we'd run at Defra – to draw in an audience with a general level of interest. At BERR we have a lot of contact with businesses individually, and there are many ways we can get a business audience together, but WIG allows you to tap a good cross-section with a latent interest. The format is a great opportunity for any department as it is forming itself to reach out and engage with a broad-based business audience.

"WIG also helped us this year with our consultation on strategy for renewable energy. The workshop was part of our formal consultation process and WIG, with Linklaters, pulled together attendees with a strong operational and investment focus to discuss how best to meet the challenging targets. The value of these consultative workshops is determined by the quality of the individuals taking part, and feedback from within the department showed that WIG took a lot of care to ensure the right level of attendees, that the workshop was very useful, and that they would definitely recommend WIG for similar events." WIG's practical approach to consultation allows direct input to government thinking, without the constraints of the written consultation process. It also gives delegates the chance to hear what other organisations are thinking. This year, the subject matter included **Defra's** Carbon Reduction Commitment programme, the **Better Regulation Executive**'s review of health & safety regulations, **BERR**'s strategy for the UK's renewable energy commitment and the agenda for the **UK Commission for Employment and Skills**.

**Chris Barton**, Director, UK Renewable Energy Strategy at **BERR** (now with the Department of Energy and Climate Change), led a consultative workshop in collaboration with **Linklaters**, at which 50 delegates addressed specific questions raised in BERR's renewable energy strategy consultation: "WIG's round-table event allowed a depth of discussions, with a broad cross-section of interests, to go behind the headline presentations.

"You don't normally get the chance for dialogue with such a variety of people together, all with slightly different perspectives. It's different to the written consultation process, where you get considered responses from individual organisations, which may lead to follow-up meetings on specific issues on a one-to-one basis. This event gave us a chance to find out what a rich mix of people are thinking, to have a genuine discussion about points of difference, and to understand where those different view points are coming from. It worked well at the generic level and there would be mileage in doing it again on more specific questions, such as the financial incentives to invest in renewables, what changes are necessary etc."

Companies at this year's dialogue and consultation workshops included **Arup, Balfour Beatty, Barclays, BBC, BP, BT, Camelot, Centrica, Clifford Chance, DHL, HSBC, IBM, Marks and Spencer, National Grid, Reed Elsevier, RWE npower** and **Total.** Among the key benefits, participants recorded:

- "The chance to share concerns, issues and best practice with others and make those points direct to senior officials"
- "Hearing from Defra itself and being able to get direct answers to queries"
- "Understanding first hand what's really going on in BERR"
- "Open discussion both with BERR and colleagues, and useful snippets/ nuggets of information"
- "Insight into the thinking that will develop renewable policy"
- "Speakers from Government who are directly involved in the process of policy formulation and design"
- "Hearing opinions and comments from different market players"
- "Honest questions, honest answers from Defra"

#### SHARING BEST PRACTICE

WIG was founded on the philosophy that business and government have much to learn from each other, and that if you put the right people together, in the right environment, they will all gain from the experience.

> 560 people shared best practice last year through WIG events and workshops

#### THE BENEFIT?

"Listening to issues from new perspectives and from other organisational structures."

"Finding out what was happening in other government departments. Sharing ideas on new tools and debating how to overcome the cultural barriers to making this stuff work."

"The opportunity to hear what policy makers are thinking. Helps anticipate next steps." WIG engineered a broad mix of opportunities and vehicles to help its members share best practice over the last 12 months:

**Over 40 attachments and secondments** were put in place, with each one tailor-made to deliver specific business objectives. These ranged from 18 long-term secondments to a variety of short-term placements, including two pioneers on WIG's new 'insights' scheme, designed to give individuals the inside-track on how other organisations manage specific issues.

**Ten interactive workshops** were organised: events using examples and case studies to promote leading-edge thinking on topics as relevant to public sector management as they are to commercial objectives. These included:

- Harnessing the power of social networking with practical examples from IBM, the Home Office and the Foreign and Commonwealth Office
- Service transformation with case studies from the Pension Service, BT and Oracle on maintaining staff motivation in downsizing organisations
- Procurement contract structures with a case study from the **Ministry of Defence**
- Business continuity planning with **Northgate Information Solutions** providing a working example from the Buncefield explosion
- Managing diversity and equality with case studies from Accenture and Lloyds TSB and policy input from the Government Equalities Office
- Making change work with examples from **Royal Mail** and **DVLA**

Seven meetings of the Lawyers, Finance Directors and HR networks were held, drawing together the functional experts from WIG's member organisations to discuss topics including the changing role of the Finance Director, the Legal Services Act, and new structures in public/private partnerships.

WIG continues to explore new ways of getting organisations to share best practice and this year introduced a Learning Exchange Group to explore the subject of talent management. The format follows from a successful pilot in 2007 covering human capital management, and is based on the cross-sector action learning approach successfully introduced into WIG's leadership programmes nine years ago.

For this Learning Exchange Group, the delegates were nine senior HR practitioners, pooling knowledge and experience on talent management issues from:

HM Treasury	Fujitsu Services
Department for Transport	DWP
British American Tobacco	Office of Government Commerc
Kent County Council	Financial Ombudsman Service
Reliance Security Services	

They met over a period of five months, bringing their work-place case studies to four professionally facilitated sessions where the speakers were:

Val Woodcock, National Manager Talent & Leadership, HM Prison Service David Forster, Practice Leader, Zurich Financial Services Andrew Mayo, Mayo Learning International Ltd Dr Wendy Hirsh, Consultant

nment Commerce

#### THF IMPACT?

"I found the exchange group was a great networking event that gave me the chance to understand how very different organisations (profit and non-profit, industry and government) are facing similar challenges and can learn from each other in how to tackle them. All of this happened in an open and honest environment with good team spirit."

Sigrid Erdmann, Group Head of Leadership & Talent Development, Global Human **Resources, British American Tobacco** 

"It was good to understand that management of talent is high on the agenda of a range of different public and private sector organisations. We're currently implementing a more formal strategy for talent management and the exchange group was a very good way of sharing ideas on introducing a framework into an organisation, as well as being an excellent opportunity to network and learn from others.

"I really enjoyed the format, and the combination of learning from the speakers and from others' experience of the process. It most definitely helps to have a series of meetings like this, as everyone becomes more comfortable in sharing their experience and more open, allowing us all to get more out."

Gwyn Jones, Head of HR, Reliance Security Services Ltd

#### **BUILDING LINKS**

WIG's impact depends on senior level buy-in. High profile speakers such as **Cynthia Carroll, Peter Riddell, Sir Gus O'Donnell, René Carayol, Adam Crozier, Richard Thomas** and **Clare Chapman** help attract high-calibre delegates, who in turn make for high quality interactions.

> It is this engagement, up 8% this year, which drives WIG's impact as the objective is that every one of these 2,564 interactions yields something of value: good practice to put into action, an inspirational idea, or a new contact.

> > 1108 private sector and 1456 public sector individuals were brought together by WIG in 2008



Sarah Deaves is chief executive of Coutts & Co, the international private banking arm of The Royal Bank of Scotland Group, and last year addressed WIG's annual reception, hosted by Coutts and attended by over 130 senior executives from WIG's membership. She explains the business benefit of networking events:

"Chances to chat on an informal basis are very important. At events like WIG's annual reception you can get hold of a lot of people at the same time, which is enormously helpful in building links, both within and between business and government.

"Communication and understanding are at the heart of making really good decisions. For businesses not engaged with government on a minute by minute basis, these events provide a great opportunity to start to understand the language, definitions and jargon of government. They also give us a chance to explain how we see life.

"The different perspectives provided by others are of huge value to us as a business, both in a domestic context and in understanding European and global issues affecting us. We do quite a lot of getting people together to talk in a relatively informal setting, and I take part in many events right across the spectrum, from judging on award panels to seminars discussing career aspirations with school girls. Through these, you get an extraordinary range of perspectives on the same problem and, very often, realise that people are covering a common agenda but using different words.

"If everyone is talking in shorthand and jargon, it's easy to be swept along with acronyms. I think this is why informal events can be so important in building understanding, as they give you the chance to have a proper talk about how it all works. The benefits feed through to more formal dialogue, where you might otherwise find things take twice as long to explain – or run the risk of thinking that you are working to very different ends.

"Making sure our lines don't get crossed is becoming more important than ever in the current economic climate, where strong government assistance has been needed for financial stability. We need to work and think together about how best to achieve policy objectives, marrying the two sides together rather than one or other working in isolation. Understanding is crucial to making sure we achieve the right outcomes." WIG provides a range of events over the year for members to build links, extend their networks and interact with other senior leaders.

WIG's breakfast briefings evolved a year ago to provide unique opportunities for candid exchanges between people who would not otherwise be discussing the subject with each other. This year, they called on the services of a series of top-notch speakers:

Adam Crozier, Chief Executive, Royal Mail, spoke about the challenges he has faced in his five years at the helm and his ten top tips for managing change successfully in an organisation

The annual WIG Political Briefing with **Peter Riddell** of **The Times**, provided perspectives on Gordon Brown's premiership exactly one year into the new administration

**Reijo Kemppinen**, Head of the **European Commission Representation in the UK**, outlined the timetable for the Commission's Climate Change and Energy package and provided insights into some of the concerns that have been raised by individual member states

**John Kingman**, Second Permanent Secretary at **HM Treasury** spoke on the challenges facing the Treasury's Enterprise and Growth Unit, and discussed its relations with business

**Clare Chapman**, Director-General of the **NHS Workforce** drew on her previous experience as Group Personnel Director at Tesco and her transition into her current role to talk about some key workforce issues and challenges for organisations

James Stewart of Partnerships UK and Simon England of Accenture spoke on the benefit of contestability in transforming public services

Sally Collier, Executive Director of the Office of Government Commerce addressed delegates on initiatives to improve purchasing across government

#### WIG's Women's Networking Lunch has been an annual event since 1994 and last year drew together 170 senior women from a broad spectrum of business and government backgrounds.

**Cynthia Carroll, CEO of Anglo American plc** and one of the few women to head a FTSE 100 company, gave the address, following in the footsteps of women such as Claudia Sturt, Governor of Belmarsh Prison, Gillian Kent, Director of MSN, Baroness Manningham-Buller, former Director General of the Security Service, Baroness Kingsmill former deputy chairman of the Competition Commission and Dianne Thompson, CEO of Camelot.

#### **ENHANCING LEADERSHIP**

As Permanent Secretary at the **Ministry of Justice**, **Sir Suma Chakrabarti** oversees the direction and operation of the department, assisted by a corporate management board which includes three non-executive members placed by WIG.

> He had previously worked with WIG-placed non-executives whilst Permanent Secretary of the Department for International Development, where he achieved the best rating in the government's capability review exercise. He spoke to WIG about the impact of non-executives in government:

Over 130 non-executives have been placed by WIG on government boards. WIG is now working with the voluntary sector and non-departmental public bodies to bring external leadership expertise to their organisations, placing non-executives on boards such as the National Portrait Gallery, Crisis and Coram.



"Across the civil service, we're devising change programmes to create more effective organisations. It's in this area that non-executives are particularly useful, as they can help to build the case for change by bringing their external experience to bear.

"Non-executives have greatest impact if you get them in at the right moment, the point at which you want to change. When you're in a steady state, they may not be so crucial, but they're incredibly important when you are going through change. NEDs aren't experts in the department, and they won't tell you what to do, but they will advise on how to do it.

"They need to be the right people. The great thing about the NEDs WIG has placed is that they are not private sector fetishists. They don't start with the view that all private sector organisations are perfectly formed, which means they are good at advising where private sector practice works and where it doesn't. For example, Bill Griffiths, who WIG placed at DfID, was excellent at saying what worked and didn't work in the companies where he had worked, which was much more helpful as he could talk about failures as well as success. WIG is very good at finding people like that.

"WIG has brought in people who have been very good at providing support to me as a person, alongside their organisational support. They're experienced leaders and can help with the emotional challenge of what a permanent secretary goes through in handling the tensions of the job. Their perspective is very important.

"Looking forward, I think it's important for WIG to take on the lessons from the department's capability reviews and to look at what sort of people are going to be needed to take things further. And it's important that WIG continues to evolve its programmes to provide input on cross-cutting issues, such as through the series on meeting the carbon challenge. We need to lock these into the process of policy development, ensuring that the discussions WIG facilitates between leaders from the different sectors aren't one offs, but have a powerful impact as part of the policy process." WIG's leadership programmes introduced cross-sector action learning sets in 1999 and have been developing the concept ever since. Follow-on research shows overwhelming endorsement of the benefits; for example the first of this year's WIG Leadership Programmes (WLP) was rated good or excellent by 95% of the delegates.

An innovation this year saw René Carayol, business guru and media personality, speak at the final module of WIG's Senior Leaders Programme to wide acclaim.

Recent graduates of the programmes testify to the impact on their careers. **Matt Leach** from WIG's last Senior Leaders Programme (SLP) and **Peter Driver** from the last WLP, were both then at the Housing Corporation and have both been promoted since the programmes:

"When I embarked on the SLP I was part of the senior team taking the Housing Corporation through significant change in its transition into two new agencies.

"Taking any organisation through that sort of change requires considerable personal input and commitment, and WIG provided an incredibly good space to retreat to and gain perspective, helping me to be more effective. It gave me an opportunity, at a very valuable point, to think about issues I was facing and talk to diverse people, drawing on their insight, experience and inspiration.

"WIG also helped me to identify what I wanted to do next in my career and the strengths I could bring to future roles, which was critical in positioning myself for new opportunities, leading to my appointment as Chief Executive of Capacitybuilders - an NDPB that funds support services for third sector organisations.

"I also gained a network of fascinating and diverse individuals who shared my learning set, most of whom are still in touch. Over half of the set moved on over the course of the programme, promotions which the course helped to achieve through the tools provided and the help, support and challenge in thinking about our development as leaders."

Matt Leach, Chief Executive, Capacitybuilders

"I am struck by a number of changes since joining the WIG Leadership Programme, which have helped me use my skills and talents more effectively as a leader.

"The diversity of the speakers, facilitators and delegates has been a rich source of wider perspectives on the challenges we all face as leaders. I have grown in confidence in my own strengths and acquired an armoury of practical working tools. I've also learned to identify and face down those debilitating personal gremlins that can limit us all.

"My Action Learning Set, of seven individuals from the public and private sectors, has become an ongoing reference group who are committed to supporting one another with advice, encouragement and challenge as we put these things into practice and follow our various career paths. The new security in my own skills has helped me to progress in my career. I have secured a new role as Company Secretary at the Homes and Communities Agency and I am grateful to WIG and to my Action Learning Set for the key part they have played in inspiring me to achieve the next step in the leadership journey."

Peter Driver, Company Secretary, Homes and Communities Agency

For details of WIG's leadership programmes see www.wig.co.uk/leadershipprogrammes

#### THE SPEAKERS

WIG would like to thank all 116 speakers who helped to deliver an outstanding programme of events in 2008, including:

<b>Sir Brian Bender KCB</b> Permanent Secretary BERR	Mark Camley Chief Executive Royal Parks	<b>René Carayol MBE</b> Business Guru
<b>Cynthia Carroll</b>	<b>Sir Suma Chakrabarti</b>	Clare Chapman
Chief Executive	Permanent Secretary	Director-General
Anglo American	Ministry of Justice	NHS Workforce
Adam Crozier	Sarah Deaves	<b>Brendan Dineen</b>
Chief Executive	Chief Executive	Director, 2012 Games
Royal Mail	Coutts & Co	Think London / IBM
<b>Philip Green</b> Chief Executive United Utilities	<b>David Hartnett CB</b> Permanent Secretary, Tax HM Revenue & Customs	<b>Chris Humphries</b> Chief Executive UK Commission for Employment and Skills
<b>Mike Kelly</b>	<b>Reijo Kemppinen</b>	<b>John Kingman</b>
Head of Corporate Social	Head of Representation	Second Permanent
Responsibility – Europe	in UK	Secretary
KPMG	European Commission	HM Treasury
<b>Sir Gus O'Donnell KCB</b>	Peter Riddell	<b>David Robinson OBE</b>
Cabinet Secretary & Head	Chief Political Commentator	Senior Advisor
of The Home Civil Service	The Times	Community Links
Minouche Shafik Permanent Secretary DfID	James Stewart Chief Executive Partnerships UK	<b>Richard Thomas</b> Information Commissioner

#### THE WIG TEAM



Sally Cantello Chief Executive Kathryn Brown Assistant to the Chief Executive



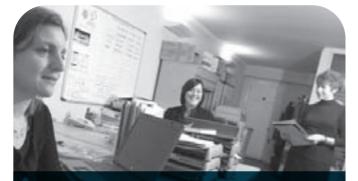
Catherine 'Spudd' Judd Office & IT Manager Walter Stewart Head of Management Services



Nahdia Khan Head of People Exchange, Emma Kelly People Exchange Co-ordinator, Roy Johnson Manager, People Exchange, Bimal Karaji Manager, People Exchange

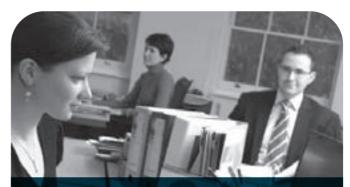


Gill Riches Head of Relationship Management Fiona Alldridge Head of Business Development



Clare Parsons Head of Leadership Programmes Rebecca Lyng Leadership Programmes Co-ordinator Hilary Danelian Programme Director

John Fenton-Jones, Financial Controller and Company Secretary (not pictured)



Stephanie Mico Events & Marketing Co-ordinator Sarah McGraw Events & Membership Co-ordinator Paul Seymour Head of Events

#### WIG BOARD

Miller McLean	Group General Counsel and Group Secretary, The Royal Bank of Scotland Group Plc (Chairman of WIG)
Ursula Brennan	Second Permanent Under Secretary of State, Ministry of Defence
James Close	Partner, Government Services, Ernst & Young
Bob Coxon OBE	Senior Advisor, The Carlyle Group
Patrick Kerr	Director of Corporate Communications, Reed Elsevier
Shirley Pointer	Director of HR, Department for Innovation, Universities and Skills
Mark Sanders	Chief Executive, Bury Metropolitan Borough Council
Richard Thomas	Information Commissioner
Rosa Wilkinson	Director of Public Policy & Regulation, Lloyds TSB

#### WIG ON WIG: WHAT THE WIG BOARD THINKS

"WIG has a unique ability to cross the sectors, allowing members from both sides to draw from experience that makes for better management. Some skirt around the edges of what WIG does but no one else does it in the fulsome way WIG does." "A lot of heat and not much light is generated in this area, but WIG is very pragmatic and helpful. It is not seen as a creature of one side or the other. It occupies neutral ground and attracts very high level people. It deserves to be taken seriously." "Because it is safe, it is good for inside track information, axes to grind, etc. People feel free to talk. It's also a great mechanism for keeping fresh. Business wants government to be doing business-friendly things. WIG provides the opportunity to give government a better understanding of what the business issues are." "The best thing about WIG? It is neutral, you can say anything; it is independent and not politically affiliated; it is well established and has the relationships it needs throughout government and in business."



Sir Gus O'Donnell Cabinet Secretary and Head of The Home Civil Service

#### WIG'S PATRONS:



**Richard Lambert** Director-General CBI



**Paul Coen** Chief Executive, Local Government Association



**Sir Tom McKillop** Chairman, The Royal Bank of Scotland Group Plc



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