THE HONG KONG HOUSING AUTHORITY

Memorandum for the Human Resources Committee

Development of Grade Management in Housing Department

PURPOSE

The purpose of this paper is to inform members of the initial progress of work on the development of grade management in the Department, and to seek Members' views on the action plan for 1998/99.

BACKGROUND

2. To tie in with the latest internal and external changes, a number of improvement initiatives have been introduced within the Department with a view to improving the effectiveness and performance of the organization and meeting its objectives. Strengthening of our existing grade management functions has been included as one of the driver programmes in the Human Resources Management (HRM) Plan endorsed by the Human Resources Committee in July last year.

THE NEED TO STRENGTHEN GRADE MANAGEMENT FUNCTIONS

3. Grade management refers to the management of all members of a particular grade, no matter where they work. The main objectives of grade management are to develop the potential of members of the grades, motivate them to give of their best in their performance and identify ways and means to retain those good performers to support the department's aims and strategies. The various aspects of grade management functions are outlined in **Appendix I**.

4.   Grade management has been included as one of the key driver programmes in the HRM Plan for the following reasons-

a)   Staff are the most important resource of the Housing Authority (HA) and they lay the foundation of our success. A strategic approach in the way we manage them, with emphasis on effective grade management and communication, is required to ensure that we have the talents to meet the organizational objectives and the external challenges placed on HA.

b)   We depend on our staff at all levels to achieve our objectives. The need to respond to changing expectations of our community means that effective management of our staff is of paramount importance. It is the staff who deliver the service, and it is through a proactive approach in people management that a customer-focused and performance oriented staff culture will gradually evolve.

c)   Grade management serves as a platform for implementing and reinforcing other related HRM programmes. The issue has inter-locking relationships with other important HRM initiatives currently being implemented which include performance management and development, leadership development and training, core competencies development, career development, succession planning, and staff relations and communication.

d)   There is much room for improvement in departmental grade management. Details of the past practices are highlighted in **Appendix II**.

PROGRESS OF WORK

Appointment of Heads of Grades (HoGs)

5.   In view of the large number of officers and the diversity of the grades to be managed, the Director of Housing (D of H) has appointed HoGs to assist him in the overall management of various departmental grade officers. The Business Directors and Supporting Services Directors have taken up the role of HoGs for officers equivalent to Chief Professional level and below whereas the D of H will be personally responsible for staff members in the ranks of Deputy

Director, Senior Assistant Director and Assistant Director.

Establishment of the Grade Management Secretariat (GMS)

6.   With the growing importance and complexity in grade management functions, it was considered that dedicated grade management section(s) should be set up within the Department to take on the full range of functions as listed in **Appendix I**. The section(s) should be staffed by full-time grade managers who would assist the HoGs in looking after the career and development of the grade members. Accordingly, a GMS has been set up in the Administration Division of the Corporate Services Branch since 15 December 1997. The new set-up is headed by the Assistant Director/Administration and staffed by a team comprising two sections, viz. GM (Housing) Section and GM (Works) Section to assist HoGs in looking after the career and development of the grade members. The organization structure of the GMS is at **Appendix III**.

Introduction of the GMS to grade members

7.   With the setting up of the new GMS, the first task was to communicate to staff the objectives of strengthening the grade management functions and to buy in their support. With 44 departmental grades and more than 12,000 staff, the following arrangements have been made to achieve this purpose-

- Six receptions to introduce the Heads of Grades, the Assistant Director/Administration and the grade managers to the staff unions/representatives;

- 25 meetings with staff unions/representatives to discuss the priorities of their respective grade issues;

- Nine briefings to D1 and D2 officers, senior professionals, chief technical staff/grade management personnel on the development of grade management; and

- 20 focus group discussions to solicit the views of staff on grade development;

- Four grade management visits to staff groups in outstation offices to understand their needs and expectation;

- Letters to individual grade members to introduce their HoGs and the setting up of the GMS.

8.   According to the staff feedback collected so far, the development of grade management in the Department has been well received by staff.   Views and expectation on grade issues were thoroughly discussed and exchanged through these communication channels.

Development of grade management strategies

9.   The long term strategic intent is to develop the grade structures as well as the generic competencies of staff to align with the Department's vision of building a professional team which is caring, customer focused and committed, striving for continuous improvement in the provision of services to the public. In order to pursue this, the following strategies have been developed-

a)   integrate grade management functions with the corporate strategic and business plans;

b)   recognize staff as the most important resource and strengthen their ability to meet the continuous changes which the Department is going through in response to rising expectatations of customers, the Chief Executive's initiatives and the Long Term Housing Strategy;

c)   adopt a strategic and systematic approach in grade management;

d)   adopt a more personal and proactive approach in communicating with staff and soliciting staff's views on grade management issues;

e)   convey to grade members as early as possible any major change and new development in grade management policies and practices;

f)   strengthen the link between grade management and other related HRM programmes, such as performance management and development, career development, succession planning, leadership development and training etc.

1998-99 ACTION PLAN

10.   With the development of grade management strategies mentioned in paragraph 9 above, the following action plan for 1998/99 has been worked out-

		Target Commencement Date
a)	conduct regular goodwill visits to staff	Started
b)	re-examine the arrangement for reviewing appraisal reports	Started
c)	monitor the performance of grade members, conduct career interviews and provide counselling to them where necessary	Started
d)	provide input to the development of core competencies for the respective grades	Started
e)	advise on discipline and staff management matters	Started
f)	streamline the arrangement in receiving new staff	Started
g)	conduct exit interviews for outgoing staff	Started
h)	sit on all departmental consultative committees	Started
		Target Commencement Date
i)	draw up manpower forecast for the respective grades	April 98

j)	draw up time-tables for regular meetings with staff associations to discuss grade management issues	April 98
k)	arrange group discussions with staff to solicit their views on grade development	April 98
l)	identify vocational and management training needs of the grades in the light of the internal and external changes	April 98
m)	in consultation with the Training and Development Centre, identify suitable training programmes for individual grade members to develop their potential	April 98
n)	review the conditions of service for housing supporting grades	April 98
o)	develop and review career posting system for departmental grades	May 98
p)	review the grade structures of the HA grades	July 98
q)	draw up ranking criteria for the respective grades	August 98

Target Commencement Date

r)	provide input to the development of a Performance Management and Development System for grade members	September 98

s)	review the scope of work for the departmental grades as and when required in the light of internal and external changes	on-going
t)	assist in consultation and communication with grade members concerned in the implementation of new management initiatives which may affect their grades e.g. the Tenants Purchase Scheme	on-going

ADVICE SOUGHT

11.   Members are requested to note the initial progress of work on the development of grade management in the Department as detailed in paragraphs 5 to 9 above, and comment on the action plan for 1998/99 in paragraph 10.

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Major grade management functions

(a)   development of grade structure;

(b)   review of condition of service;

(c)   advice on ranking for the creation of new posts;

(d)   career development and training;

(e)   performance management and staff counselling;

(f)   posting and transfer of staff;

(g)   advice on manpower planning and appointment matters;

(h)   advice on discipline and staff management matters;

(i)   liaison with staff unions on grade management matters; and

(j)   communication with staff through staff consultation and goodwill visits.

PAST GRADE MANAGEMENT PRACTICES

There are 44 departmental grades for whom the D of H is the Head of Grade (Note [1]). Departmental grades in the Housing Department can be broadly classified into three categories:

a) Housing Class and other supporting grades in building management, valuation, squatter control and clearance streams;

b) Professional, technical, inspectorate, works supervisor and other works related grades in development, architectural, construction and building maintenance streams; and

c) Housing Authority (HA) grades in information and community relations, building security, computer systems development, insurance/risk management and office administration streams.

Housing Class

2.   Under the past arrangements, the former Housing Class Grade Management (HCGM) Section was responsible for the management of Housing Manager, Estate Assistant, Welfare Worker, Foreman, Artisan and Workman grades.   The Section was mainly responsible for postings, liaison with staff unions, advising on extensions of service, etc.   In view of the vast number of grade members (around 7,800), many of the grade management issues could not be given due attention by the HCGM Section.

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[1] Note: The Head of Department is the head of the departmental grades in the Department. He can appoint officers to be the heads of grades or the grade managers to carry out the Head of Grade functions on his or her behalf.

Works Related Grades

3.   For the works related grades, the Assistant Directors (ADs) in the former Works Group acted as the Heads of Grades for grade members of the disciplines under their own Divisions. The grade management role was discharged on a part-time basis by the respective ADs for the professional grades, and the respective Chief Technical Officers or Chief/Senior professional officers for the technical inspectorate and junior grades. The arrangements were fragmented and again most of the grade management issues were not addressed.

HA Grades

4.   There was no grade management for the HA grades staff. Day-to-day management of the staff members concerned was dealt with by the respective line managers.