

Developing a Strategic Plan

On June 28th, the Implementation Board asked the agencies to work together to set out an approach for the development of a draft strategic plan to take forward this recommendation from Phase 2 of the Enterprise & Skills Review.

As the starting point of this work, we have used the Phase 2 recommendations, Scotland's current economic strategy and existing analysis of areas where improvements in economic performance would drive growth and productivity.

There is already a strong platform of collaboration to build upon across the agencies with recent examples including joint work on ICT and digital platforms, customer journeys, international branding and delivering the manufacturing action plan. We are ambitious for greater collaboration and to demonstrate how that will bring additional actions and value to what's already happening, for example the joint work by SDS and SFC on the 5 Step Skills Planning and Provision model set out in the Phase 2 recommendations. We see the work led by Bob Keiller to further develop a culture of collaboration as an important action to support this.

We are conscious of the tight timescales to deliver a draft plan by 28 September 2017 and what we have set out in this paper is our recommended approach. We are seeking input from Implementation Board members on

- the approach we are recommending
- the level of involvement members of the Implementation Board would like to have as we start to develop the content for the draft plan and what we recommend to the Strategic Board

July 26 2017

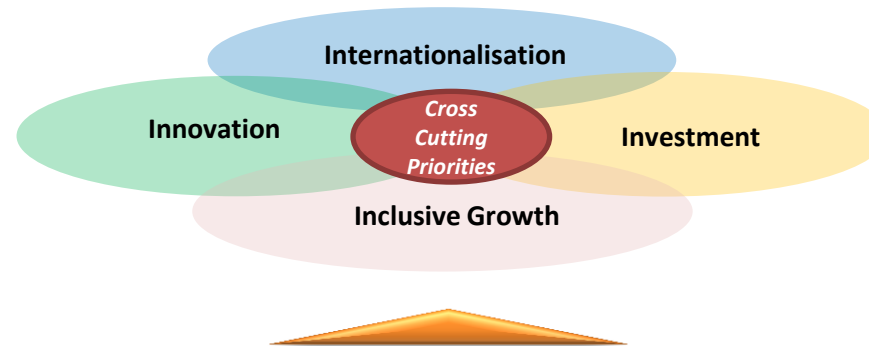
The content of this paper is:

- **Scotland's Economic Context:** we already have building blocks in place – including Scotland's Economic Strategy which sets out the challenges and opportunities for Scotland.
- **Everything Connected:** how the Plan will seek to link to Scotland's Economic Strategy, other Strategies and the Agencies' Operating Plans.
- **Strategic Plan Principles:** the why, what and how of the plan.
- **Plan Structure:** what the Strategic Plan could look like.
- **Discussion Points:** a set of recommendations, where guidance and support from the Implementation Board is welcomed to help steer the work over the next 8 weeks.
- **Next Steps:** actions by the end of September.

Scotland's Economic Context

Vision: To make Scotland a more successful country, with opportunities for all to flourish, through increasing sustainable economic growth
Long-term goal: **"Scotland to rank amongst the top quartile of OECD countries for productivity, equality & wellbeing and sustainability"**

...working within the structure provided by SCOTLAND'S ECONOMIC STRATEGY:



Shaped by the widely-recognised *Drivers of Productivity and Growth*, set out in the Phase 2 Report:

INVESTMENT	SKILLS	INNOVATION	INTERNATIONALISATION	ENTERPRISE
Increased business investment Infrastructure investment, focused on developing key growth opportunities	A skilled, productive and engaged workforce that can access higher quality, higher wage jobs.	Increased growth through business innovation and R&D Stronger engagement between research and industry.	More new exporters and broader internationalisation. Increased inward investment.	More new businesses in Scotland with higher growth ambitions . A full pipeline of entrepreneurs building high-growth ventures

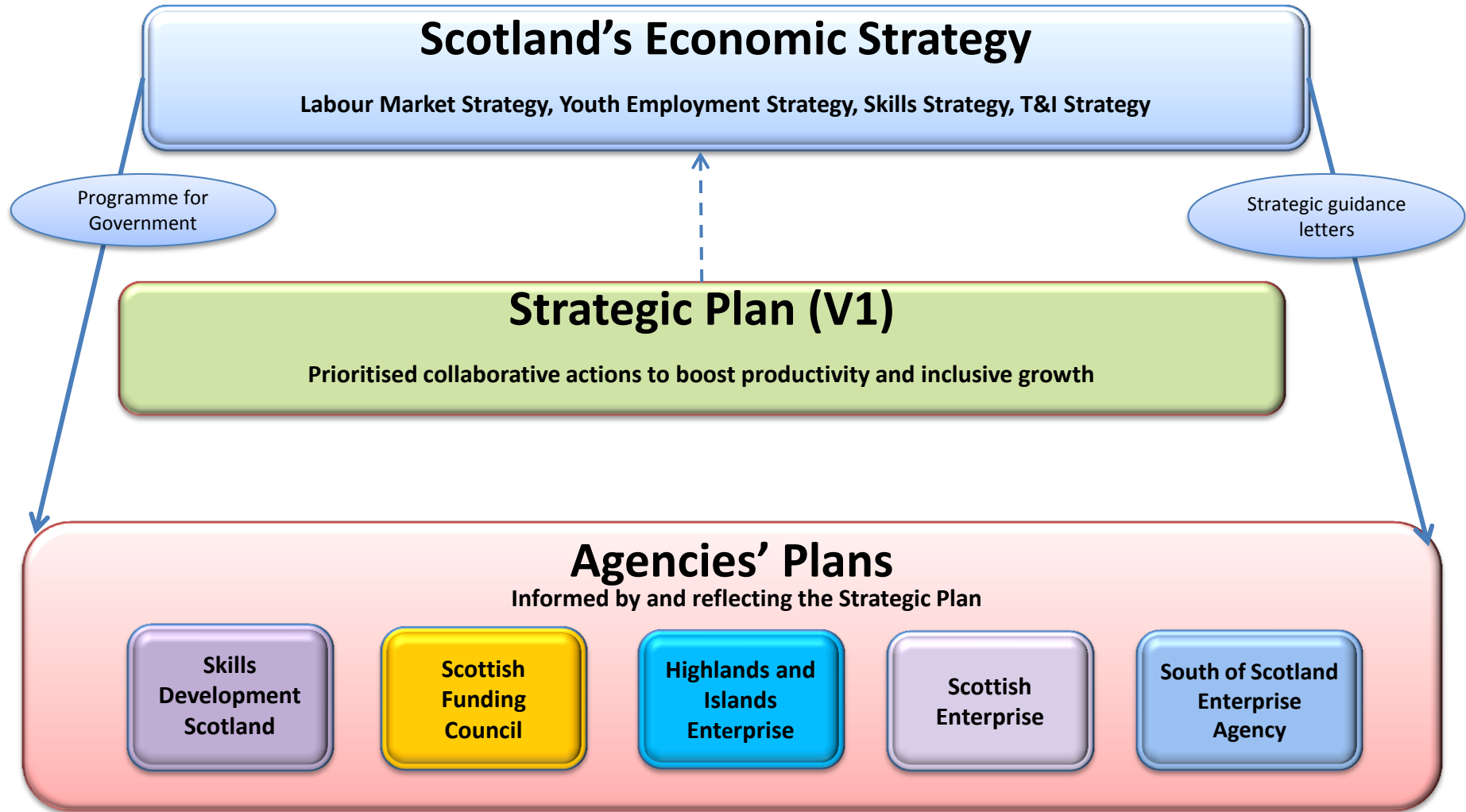
Underpinned by reducing inequalities between people and places across Scotland and economic growth that is sustainable for the long term.

Fully embed cross-cutting priorities of

- Inclusive Growth
- Jobs, equality and fair work;
- Ambition and aspiration;
- International, national and regional factors;
- Ease of access to services including digital delivery

"Everything Connected"

Strategic Plan will capture collaborative actions to drive greater economic growth based on current Economic Strategy, E&S Review and Agency Operating Plans



Strategic Plan Principles

The Why?

Delivery of bold actions to help Scotland rank in the first quartile of OECD countries for productivity, equality and wellbeing, and sustainability

Set out the focus of the Strategic Board and which actions are prioritised to address a significant shift in performance on economic challenges and opportunities

Drive closer collaboration and alignment between partners



Improve the overall performance of the economy by **ensuring the whole enterprise and skills system delivers Scotland's Economic Strategy** and supporting strategies, in all parts of Scotland.

The What?

Based on the 5 drivers, clear accountability to deliver prioritised actions to boost the performance of Scotland's economy including:

- focus on sectors and opportunities where Scotland has distinctive competitive advantage
- collective actions that shift performance at international, national and regional levels
- embed a culture of innovation and aspiration within our businesses and people
- build the skills infrastructure required to realise these opportunities



Through **collective responsibility ensure hard alignment can clearly be demonstrated** between agencies to drive improvement in Scottish productivity and better support businesses and users of the skills system.

The How?

Use evidence and clear outcomes to focus actions and bring greater transparency

Demonstrate how we are collaborating, the actions that drives and value it adds across the enterprise and skills system

Understand customer needs to drive growth and ensure services are easy to access including digital delivery

Continue to improve the plan over time as we better understand the size and nature of the challenge and what will make a difference



To **drive a culture of collaboration and leadership**, that goes beyond what happens now based on shared outcomes and common values and empowers delivery.

- For each of the 5 drivers of Productivity and Growth, we will look for collective actions to boost performance

Plan Structure

We aim to produce a draft outline plan by the end of September, with the following structure:

- **Overall a strategic plan of around 10 pages**
- **Introduction and Context** – covering the scope and purpose of the plan, what it needs to be read alongside (like Economic Strategy, PFG, Agency Plans, industry strategies) and how cross cutting priorities are handled in the plan
- **Actions:** 1 page for each of the 5 Drivers linked to the economic performance ambition . This will embed how **cross cutting priorities** will be addressed within each Driver and will be reflected in the success measures for each action. This needs to link to the work on the performance framework
- **Enablers:** 1 page on what steps we are taking **to help us work better together and implement faster** e.g. IT systems, CPD, Induction, Data sharing, Team working

Discussion points

The Implementation Board is asked to discuss the approach we are recommending

Recommendations:

- **develop a draft plan for end Sept 2017 highlighting collaborative actions based on current knowledge**
- **accompany this with a proposed strategic planning process for end Sept 2017 that the new Strategic Board can own and drive based on data/insights (analytical unit), wide engagement and a more robust understanding of the economic performance gaps that can be addressed by stronger collaboration. This will shape the next version of the Strategic Plan to inform 2018 Programme for Government and planning cycles of the agencies**
- **base the draft plan on the 5 Drivers of Growth /Productivity and the cross cutting priorities set out and reflect this in the Performance Framework that supports this.**
- **clarify the scope of the Strategic Plan and Strategic Board to maximise alignment of economic development actions across Government and other key players**

Implementation Board members are invited to consider their involvement as we start to develop the content for the draft plan and what we recommend to the Strategic Board .

Next Steps

To develop a draft Strategic Plan by the end of September, aligned with the Strategic Board Governance workstream, the Analytic Unit and the Performance Framework:

Action
Identify collaborative actions, prioritised against the 5 drivers and the outcomes this will achieve
Assess potential new areas of collaborative actions and their outcomes
Agree how the cross-cutting actions might work in practice

To help the Strategic Board prepare for the next version of the Strategic Plan taking account of evidence, insights and demonstrate more fully what actions are needed to address specific economic performance gaps :

Produce a recommended strategic planning process for the Strategic Board
Develop a better understanding of the evidence behind the 5 Drivers and what gaps need filled
Map key steps to align the Strategic Plan with the 2018 Programme for Government and Agency planning cycles
Consider what communications and wider engagement are needed to begin to engage on the strategic plan more widely (to tee up for the new Strategic Board)