Local leadership for global times

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sponsorship and support
The argument for leadership has been won. There is no serious dispute as to whether leadership is a necessary condition for public service reform and improvement. The evidence for that view is plentiful. An assessment of leadership is central to the judgments by the Audit Commission and its sister inspectorates of organisations and partnerships across local public services, and across the United Kingdom. Leadership also lies at the heart of the assessment framework now being applied to central departments. It is the subject matter and focus for a number of dedicated centres of development and capacity building. The need for leadership is recognised to transcend the managerial/political divide, and to straddle both local and central dimensions, and the boundaries between the public, private, and third sectors.

Expectation
Can leadership deliver against the weight of expectation under which it now labours? Leadership is not a panacea, something which - whatever it is - we would simply like more of and better. Although the October 2006 local government white paper fully recognised the importance of leadership - there were 15 references in the summary alone - it is not at all clear that its nature and impact are understood.

There is also a new orthodoxy of leadership, but it is not unproblematic. In part, the orthodoxy is defined by negatives rather than positives. Leadership is not, or need not be, heroic. It is not exclusively male, nor white, nor suited, nor middle-aged. Leadership is not just about individuals, but about teams, the systems which support them and the ability of the organisation to grow people. In the best organisations individuals depart but the organisation itself does not falter.

Values driven
One other positive aspect of the new orthodoxy about leadership is that it is, or should be, values driven. The most effective leaders have a visible commitment to the success of the organisation, or their part of it, which transcends their ego and gives them the authenticity to expect much of others. Yet this in turn carries some important contradictions and questions. For if leadership is strongly associated with the articulation and projection of values, then how is it to be best assessed where there is a clash of values? And if the clash of values takes place within a partnership context and makes that partnership unworkable, what of leadership then? Is the art of leadership to be identified with the (shoddy?) art of compromise?

Leadership is contextual, so objective measures are hard to come by. Audit Commission assessments pose questions about ambition and prioritisation. But in an era where there is a stronger outcome focus for public services, many will be looking for firmer measures and a more objective vantage point. That, in turn, would suggest that leadership might need to be...
interpreted independently of values – yet that value-neutral or value-free position would not sit well with modern thinking about what leaders do and what they need to achieve.

So there is still much to understand about leadership, and the voices assembled in this pamphlet should help to widen and deepen that understanding. These are the voices of people who have led and who still lead, and who have reflected on what it has meant to themselves and to those around them, and to those intended to be the ultimate beneficiaries of leadership in public services.

We congratulate Wendy Thomson on the collection she has created and edited, and we congratulate the contributors themselves. Finally, and as always, we look to the readers and users of this pamphlet to judge the product and to let us have their feedback.

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**Local leadership for global times**
by Wendy Thomson, McGill University, Montreal

**A timely contribution**
This SOLACE Foundation Imprint pamphlet brings unique insights into public service leadership in the UK, at local and central level, as seen by leaders in the UK, people who support their development, and people who bring an international perspective.

It is a timely contribution from people who are uniquely placed to have their say on the latest good idea in the public service agenda. They have experienced some of the most radical changes involving public service management and leadership in the modern world. Many people holding senior positions today began their careers as public servants through the social democratic institution building of the 1970s, and the fiscal and political crises that followed. As Thatcher’s government pursued policies designed to shift formerly collective responsibilities on to individuals and families, the challenge for managers was to radically cut expenditure, promote privatisation and negotiate labour flexibility. In 1997 Labour’s new social democratic project put social justice and public services centre stage, with a new deal making reform a condition of increased investment. The management task became public service agreements, strategies, plans, and targets, and inspection aimed at raising standards and strengthening accountability.

And while the evidence of what makes for effective reform and better services is debatable, leadership is widely held to be what makes the single greatest difference.

Indeed, each of these different political periods has introduced a different leadership fashion. With Thatcher, business could only do right and public administrators (as we were then known) were held in disdain. Blair’s style is big on vision, “McKinsey-like” analysis, and speedy execution. As reform requires transformational approaches, so much (some might say too much) attention turns to leadership. So there is a new self-consciousness about leadership – what it is and how you develop it – emerging from a context rich in experience of change. A good moment for leaders to reflect on what they have learned and what they see as coming next.

This pamphlet brings views from the UK, US and Canada and, despite the important differences in these places, common issues and challenges. Here I will draw together some of the main themes from our contributors and conclude with some personal reflections about possible futures.

**Leading places**
In local government, finally “place” is being recognised as integral to the leadership role, within which good service delivery plays its part in shaping the particular identity and attractions associated with particular places. Not surprisingly, our contributors tell their stories about places – the particular ones they care about and the more abstract idea that unites much of public service leadership.
Turnarounds
Several outstanding leaders describe their experience of turning around their areas.

Richard Leese considers the 21st century to be pretty good for local government (well, optimism is what leaders need in abundance), and believes that it was a focus on economic development that moved Manchester from a diminished local government service deliverer to a city builder. Like Moira Gibb, he talks about the long-term process of analysis, partnership, and learning this required, a development led by many “leaders” not one.

Sandy Bruce-Lockhart sets out the “drastic action” required in Kent to establish effective decision-making, avert financial crisis, develop a four-year policy, and then address staff moral and motivation. The four-year policy was precise in its targets and accountability. He explains how deprivation then became the priority for the council, requiring analysis of welfare dependency and partnerships for addressing it.

Robert Kerslake reflects on the ingredients for successful leadership, drawing on his experience in Sheffield, Hounslow and national peer reviews. He identifies three forms of leadership – political, managerial and community, and argues that not only does each need to be working well, they need to be working well together. Importance is placed on vision and targets, and changing people and structures, processes and culture, in that order. Kerslake’s uplifting message is that “one of the great strengths of local government is that no matter how unfashionable there is almost certainly a group of councillors and officers who think it is the best place on earth”.

Accounts of successful turnarounds sometimes overlook the challenge of sustaining change, in difficult conditions and over the long haul. Derrick Anderson believes that continuous effort is the key. His first 12 months as chief executive of Lambeth Council, he feels, is a more complex and personally hazardous journey than any he has embarked upon. For him the key question is how to build competence and capacity against a constantly changing landscape. His aim is to drive Lambeth forward from the conditions that require transactional change techniques, to those that enable excellent organisations to sustain improvement.

Though place is less central than the institution, Dexter Hutt’s account of turning around Ninestyles School owes a lot to the same principles – a determination to be the best, the right team, a commitment to putting students at the heart of change, early successes and a willingness to live with Handy’s idea of the “sigmoid curve” – just when it starts to feel good, you need to start changing again.

A new place for an old role?
Place is not a new idea. The Urban Task Force report published in 1999 emphasised stronger city leadership. The long-time mayor of Milwaukee, John Norquist, always said that cities are places and markets more than they are government entities. But it does have a new emphasis in UK local government.

John Foster locates his hopes for localities and citizen power in the history that shaped different industrial cities. Like the Victorian era that left domestic concerns to local government as the nation concerned itself with empire, he hopes that perhaps globalisation will again bring new purpose to local government. Central government may need to be more concerned with the national impact of globalisation, leaving more space for local government to come once again to its rightful spot. He sees huge potential for technological change enabling people to play a new and fuller role in stronger local governance.

Political and managerial relationships
David Henshaw calls for a “new constitutional settlement between central and local government” arguing that disenfranchised local political accountability not only undermines democratic principles, but challenges the relationship of members and officers; a relationship that is critical to the success of public service reform.

Though place provides a welcome sense of common purpose, Moira Gibb also feels that the focus on place sharpens tensions in the relationship between political and managerial leadership. To make a place better, she says, requires
a detailed analysis of what makes places the way they are. In Camden – where 43% of social housing households have no one in work – this means finding ways to break into cycles of workless households that “may have lasted for generations”.

Now working at an international level, after founding the influential Office of Public Management, Greg Parston’s “simple big idea” is that although public services are a mass experience, they won’t fix bad government or political failure. He objects to the way that thinking in the UK has centred on public manager’s role in defining values like “democracy”, “equity”, “trust”, and even “happiness”. Governments produce values like that, not services, and distracting managerial leaders with such expectations threatens good service delivery.

Also informed by an international comparative look at city leadership, Robin Hambleton challenges two myths. The first is that there is no longer a separation of roles between politicians and managers. He welcomes the fact that “CEOs have a political leadership role, and yes, that political leaders have a managerial role”. At first glance, his view seems to rest within what seems to be the new orthodoxy, but Henshaw argues that the current ambiguity is not sustainable, that laudable ideas about partnership and the values of trust and respect that underpin it, may not always bear up under the burden placed upon them. Gibbs also picks up this theme.

More controversial is Hambleton’s depiction of the “dangerous” myth of public service customers, which he argues individualises services and “offers little of value to the most important public policy challenges”. I agree that many services behave as if they don’t have customers, but fortunately these are becoming fewer and fewer. It seems to me that if “citizens” are what matter most, as he advocates, then we are onto the dangerous terrain that Parston warns us off – making public services far too responsible for strengthening democracy.

Christopher Hood raises a dilemma posed to modern leadership by the conflict between the principles of performance management of political priorities, on the one hand, and principles of proportionality that focus on what’s most important or poses the greatest risk, on the other. He argues that targets create incentives for leaders to achieve the low-hanging fruit, when what they should really be addressing are the really difficult and important issues. He calls for recipes that tell us how to make these trade-offs between better regulation and governance.

**Location matters for services**

People leading services also see themselves as part of the agenda about place.

The Ordnance Survey occupies a serious sense of place, and has rapidly become a national institution with a modern feel. Vanessa Lawrence maintains that location is behind everything that the Ordnance Survey does and sees the parallel between the leadership required by local communities and what makes organisations tick. Place is about how we take responsibility for delivering unified “social value”, rather than as a commissioner for a disparate range of services. Along with income, time and cost, she argues that “location” is one of the key organisational drivers.

By making the radical shift from blanket cover to risk assessment, Steve McGuirk explains how the Fire and Rescue Service is now better placed to contribute to community cohesion and place leadership. He points out that the people most at risk are the people vulnerable to other disadvantage.

Jon Rouse demonstrates how housing lies at the heart of making places, and makes the case for entrepreneurship and partnerships across sectors. Changes in the Housing Corporation and English Partnerships make them fit for this new social purpose.

**Advice for leaders**

Stephen Taylor’s piece on top teams that aren’t, speaks from the experience of working with top teams across Whitehall, local authorities and private firms. Most teams, he says, give surprisingly little thought to what the team is for, and most top teams are neither “top” nor “teams”. They don’t have a compelling common purpose but are a group of individuals whose loyalty lies with their function or profession. The good news he brings is that these problems are more soluble.
than ever before with the rediscovery of place and the white paper’s encouragement of “servant leadership”; a “visible and selfless dedication to the place their council serves”.

Distilling his experience as head of the Canadian civil service, and Whitehall observer from his position as Canadian High Commissioner, Mel Cappe urges that leaders avoid the fads and return to basics. He calls for “government to be more government-like”, advocates for “stealth”, strong political leaders and to “responsible managers” (forgive the “Franglais”). His advice provides a more do-able list than the more daunting versions of leadership dos and don’ts; one I would have found helpful.

Fashionable trends, like “leaderless termite systems”, are a step too far for Leo Boland as well. Even Wikipedia has a core directing intelligence, he points out. Heifetz’s concept of “adaptive leadership” seems to have become a basic, and Boland takes two examples of how the term can help leaders choose the correct approach or recognise the wrong one. In choosing to make local area agreements compulsory, and in making the rational case for hospital closures, he thinks that government is treating adaptive problems as technical ones. Adaptive leadership requires more real conversations between local government and its residents, and needs to do this in ways that connect with people’s ordinary lives.

Clive Grace’s account of “meta-strategy” introduces a useful but largely unrecognised perspective on the way that successful leaders hold part of their strategy beyond or above the published visions, objectives and goals. The reality of the leadership meta-strategy contrasts with the orthodox view that leaders should work through teams around transparently developed collective goals. Grace does not celebrate the pervasiveness of meta-strategy in leadership – he offers his view of what is rather than what should be. And he observes that meta-strategies may also help resolve contradictions inherent in the adaptive change involved in place shaping.

James MacKinnon brings us an e-learning approach to the age-old art of storytelling. Convinced that real leaders are more likely to take a few minutes at their laptop to learn from each other, than take time out on a course, “Fifty Lessons” was conceived. He relates experienced leaders’ personal take on some familiar lessons like listening but “discerningly”, and rather against the current trend that leaders ought not to worry about unpopularity.

From the National School of Government, David Spencer and Robin Ryde use the “heart of darkness” metaphor to describe leadership across boundaries and explaining why their long-standing leadership development programme is built on a whole systems approach. In their view, modern leadership must not be single focused (a tacit reference to the multitude of service-specific leadership centres that have sprung up in recent years). What is needed, in their view, is “to think radically differently about every moving part within the system and shape how these parts work together”. In this way they argue, it is “time to shed light on the heart of darkness”.

**Leadership – the “new” new public management?**

So what do we make of the opportunities afforded by leadership and place entering the foreground of public service debate? Is leadership sufficiently defined and driven to become the new “new public management”? Well, it seems that telling people what leadership is and how to do it better is irresistible. A Google search generates tens of millions of results. It seems to even be good business. Whether logically argued from scientific principles, or told in passionate narrative, a long list of the qualities of the ideal leader is de rigueur. In research mode, I took a look at how leadership is approached by a few of the leadership centres, capacity-builders and inspectors.

The Leadership Centre for Local Government stands out for its direct work with top teams. Their publication, Politics of Place, provides a rationale for their approach and some case studies of top teams that are becoming genuinely “top”. Its “eight point manifesto” commits the centre to “respect difference”, “leading means telling a story”, and making “politics matter”.
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strikes me as one of the better approaches in this genre. It connects with reality and embraces the political as well as the managerial role. Perhaps the fact that managers serve the whole council provides conditions that privilege this focus.

The National College of School Leadership has a leadership development framework based on 10 propositions. School leadership must be purposeful, inclusive and values driven, embrace the distinctive and inclusive context of the school, promote an active view of learning, be instructionally focused etc. From these propositions, the college derived a development framework, and principles of learning.

The NHS Institute for Innovation and Improvement also supports a leadership qualities framework. It has 15 qualities covering a range of personal, cognitive, and social qualities which are in turn arranged in three clusters – personal qualities, setting direction and delivering the service. A pretty tall order. Let’s look into the personal qualities cluster ... you are meant to have self-belief, it explains why it is important and provides standards from 0 to 3 as a basis to test yourself.

The Audit Commission’s comprehensive performance assessment, and the Best Value Corporate Inspections that preceded it, set some early benchmarks. Its CPA for local authorities has four themes to its key lines of inquiry – the fourth is “leadership, culture, and standards of conduct”, covering “community, political and managerial relationships, member-officer relationships and ethical standards and behaviour”. The theme then details three lines of enquiry and 14 “inspection focuses”.

The civil service capability reviews, much as the departmental change programme that I introduced as its precursor, is a welcome development. But the current capability framework tops the race for superlatives with its four “lines of inquiry”: set direction; ignite passion, pace and drive; take responsibility for leading delivery and change; build capability. Each of these has four or five sub-categories of equally challenging questioning. It isn’t enough to give direction, you need to demonstrate is a “compelling and coherent view of the future”. That is, not just to ignite passion, but “display passion about meeting delivery outcomes”. Have I just been away too long, or does this seem just a touch unlikely?

The dynamic, ambitious language of the capability reviews calls for civil service leadership to demonstrate ambition and values, but where does this put politicians? There is no mention of ministers, nor parliamentarians. So how can officials set direction without political legitimacy? And how can they be really passionate about one policy one day and really passionate about another one the next? Maybe it is time for the UK to think more seriously about legitimising the leadership space that special advisers occupy, as well as the inevitable contradictions between political and managerial leadership, that require more than an alignment of will and determination to make work.

Whether in prescribing leadership qualities or assessing capability, these approaches risk breaking one of the first tenets of good leadership - the overrated tendency of telling people what to do. And there lies the knot of the dilemma for a government strategy that backs leadership to order – capability does not inevitably result from reading about it or even taking lessons about it. If it did, my tennis game would be far better than it is today.

Tennis coaches talk about type 1 and type 2 learning. They warn that thinking too much, trying too hard, relying on type 2 learning, can be bad for your game. The players who excel do what they have internalised and do naturally. Care needs to be taken that good intentions to improve the leadership game don’t put the good ones off their game and make the poor ones worse. “Tips are a dime a dozen ... what is more difficult to come by is a workable way to apply tips”. According to tennis pro Timothy Gallway, once you have learned how to replace one pattern of behaviour with another … once you have learned how to learn … it is relatively simple to learn which ones to learn.

**Leadership reflections from Quebec**

In reading the contributions to this pamphlet, I was struck by both the similarities and differences that places present to political and managerial
leadership. Here in Montreal, Mayor Tremblay is arguing for more revenue-generating powers, responding to opposition over library closures, and has been very publicly defeated in his attempt to change the street name of Park Avenue.

Quintessential local politics with a distinctive local character.

At the same time global issues like climate change, security and population migration, are making a radical impact on all places in different ways. People are moving round the globe at an unprecedented scale, but Quebec's policy of "reasonable accommodation" has made international headlines because of the responses of some of its local leaders. The policy attempts to provide legal remedies for accommodating religious and cultural minorities in order that everyone can fully participate in society, on terms consistent with their beliefs. Each case is to be treated on its merits and in accordance with the Canadian Charter of Human Rights. The media have made much of a few cases of "accommodation" (local decisions about granting employees religious holidays and screening views of women working out in a local YMCA), and created the impression of a "nation" under siege.

Different places' leadership has responded to the same dilemma differently. The remote little town of Hérouxville, north of Montréal, published a list of "norms" of their way of life for prospective immigrants, such as men and women have equal rights, children cannot carry weapons in school, boys and girls are allowed to swim together, and others. The Reuters story led with "Immigrants wishing to live in the small Canadian town of Hérouxville, Quebec, must not stone women to death, burn them alive or throw acid on them". While other councils in the region deliberate on whether or not to adopt similar norms, in a region to the west, Huntington Town Council adopted a resolution promoting immigration and multiculturalism, promising to accept all newcomers of all origins, serve them in Canada's two official languages, and keep religion out of municipal affairs.

The future of the Quebec "nation" and strength of its identity within north America both relies upon and is threatened by its carefully selected French-speaking immigrants. A common leadership challenge, but rather different here in Quebec than in the UK or USA where threats to the nation’s way of life can’t be taken seriously. Though these are global questions, different places are addressing them with different answers exercising different kinds of leadership, calling for "adaptive" leadership at local, regional and national levels.

Possible futures

You could say that post-new public management occupies a space akin to the "old post-industrial" or even, the "new postmodern". It is clear what it is not but not at all clear what it is. One thing I am sure that it must not be is complacent.

Many public service professionals welcome the idea of leadership replacing a regime of performance targets, accountability and inspection. Especially when coupled with a discourse that is populated by "distributive" styles, "empowerment" and "bottom up", modelled on more organic kinds of evolutionary change (a more respectful image of Leo Boland’s termites). All this sounds understandably attractive, but how compatible are these leadership ideas with a political appetite for change and the public’s expectations for standards that keep pace?

If government relaxes a top-down model for improvement, what evidence is there that the system has the inbuilt capacity to adapt to changing public demands and political imperatives? For surely that should be the best safeguard for the future of public services and the legacy of reform.

In looking to possible futures, the final segment of this "letter from Canada", is a story of public service pasts, a moral tale against a return to the bad old days. Here in Canada, the focus is all about spending – usually about spending more – and how much more the provinces and municipalities can get the feds to pay towards health, education and urban infrastructure.

As the election in Quebec unfolds, it seems unlikely that any political party will have the
courage to address the adaptive challenges facing the province – declining population (though enjoying a tiny baby boom last year), poorly performing public services, high taxes, low economic growth, entrenched professional and public sector trade union interests. And despite good intentions to expand childcare (the famous $7 a day daycare), reorganise healthcare and legislate against poverty and social exclusion, where is the leadership and capacity to deliver? In his first term the liberal Quebec premier, Jean Charest, managed only modest support for change, though had impressive success in obtaining federal transfers (which matters when money is the only currency that really counts).

And it isn’t only a question of the political leadership – officials’ faith in legislation’s ability to create change rivals only the heady days of the old Home Office. Detailed bureaucratic plans, set out from on high the “one right way”, down to the detail of the number of staff a hospital can employ, and the number of beds and equipment they can procure. And while they can tell you how many staff are in a department of a specific local health centre, down to the detail of two decimal points, and record volumes of occupancy rates and activity levels, there is very little real idea about outcomes or what works.

The Canadian federal government is said to have “done” new public management but a decade on it seems to have left little trace. Remember annual budgets that are determined a few weeks before the end of the financial year? And financial approval systems that require multiple signatures but have no real accountability? At the end of February 2007, my department received approval of government grants for 2006/7 that must be spent before year end on March 31. A savings strategy this may be, but it is not effective management. So despite the hopes of previous reforms, there is little evidence here in Canada that public services are able to transform themselves, in the absence of external threat, top-down imperative or bottom-up service choice.

The saddest thing about this tale is that the failure to challenge conventional ways of doing things and traditional vested interests, leads people to believe that there is really no hope for public services. That these important struggles to promote social solidarity, develop caring universal health care, and create top-class educational opportunities for all are a hopeless cause. However much people value good public services, they are simply unaffordable. This is tragic, when genuine reform is not being tried, and neither a managerial leadership nor an informed public have yet to be drawn into play.

No such future need face public services in the UK. One thing we need to resist is dangerously simplistic thinking that the future lies in either top-down mechanistic approaches or bottom-up organic ones. Place-shaping public services are not simple organisms evolving and adapting as environments change. They are made up of people: thinking, conscious, able to make choices about what they do. So it can’t be one or the other, but rather about embracing the contradictions between the two. The art of leadership is working with these national/local opposites, understanding the logic of the system and the key assumptions that generate these tensions. It is those that need to be changed in order to move the system on to face the next generation of challenges.

I would like to thank all the contributors for making the time to write such excellent articles for this pamphlet. It has been a pleasure for me personally, and in the best tradition of the SOLACE Foundation Imprint continues to provide a platform for outstanding people in their field to share their thinking in “real time”.

Wendy Thomson CBE is currently professor at McGill University in Montreal, where she is chair of the School of Social Work. She also works as a consultant in Canada, the UK, and Africa, and is on the international expert panel of the UNDP’s Global Forum on Reinventing Government. She was formerly head of the Prime Minister’s Office of Public Service Reform, director at the Audit Commission, and chief executive of the London Borough of Newham
I know where I'm going . . .
by Richard Leese, leader, Manchester City Council

The 21st century has so far been pretty good for local government and its role in leadership of place. Local strategic partnerships, sustainable community strategies, and local area agreements have given a policy and delivery framework that has enabled local authorities to bring all key actors together on a common agenda. This has happened most effectively where it has been underpinned by a strong, statutory framework, as with crime reduction partnerships. The legislative and regulatory framework emerging from the white paper on Strong and Prosperous Communities should strengthen these further in all but one very important respect: the personification of leadership.

Unique
While welcoming the contribution of Lyons and others in putting “place” at the heart of the local government agenda, we need to remember that this is an agenda, and an approach that has come from local government itself. Key to this is understanding our reason for being. Manchester city council exists for Manchester and nothing else, and this is the uniqueness of local government.

In 2006, the State of the Cities report described Manchester as having the following crucial qualities: “political stability, administrative capacity, a track record of delivering, willingness to take brave, long-term decisions, willingness to enter into partnerships, ambition, the wish to do quality work, an understanding of the components of place”. It was not always so. While our Victorian and early 20th century forerunners may have understood and relished their role as city and indeed civilisation builders, by the late 1980s, a very diminished local government had largely become a deliverer of services, and even then in a way almost entirely constrained by an authoritarian and centralising government. How did Manchester get from there to where we are now?

Jobs
There are lots of arguments about what kicked off the ongoing renaissance of Manchester. Some cite Hulme city challenge, certainly a pivotal experience, others our two Olympic bids where vital relationships across sectors were established. However, for me, Manchester’s new approach started from Labour losing the 1987 general election (nine years before I was elected leader).

From that loss followed a four-year debate on the city’s needs and the role of the council in meeting them. The core conclusion was that the biggest issue facing the city was poverty and we needed to tackle first and foremost the principal causes of poverty - unemployment and low-wage/low-skill employment. That meant bringing more jobs into the city, and at that time they certainly weren’t going to come from the public sector. More jobs could only be delivered through the private sector. The debate led us to understand the need for clear focus and also that the role we had defined for ourselves as a council went beyond our capacity to deliver unless we worked in partnership with others.

Sharing
This focus on the economy was reinforced a few years later when we did some work on defining
sustainable communities on the basis that if we wanted to have them we ought to at least have an idea what they would look like. The surprising conclusion was that we arrived at an essentially economic definition, but this further confirmed that we were pursuing the right priorities.

While our practical skills in these new ways of working were largely honed between 1990 and 1996 through Hulme City Challenge, it was City Pride, the invitation from John Gummer to set out a long-term vision for the city that crystallised much of our strategic thinking. It was a vision that went beyond our own boundaries into adjacent local authorities, and for the first time sought to engage every sector in a coherent approach to rebuilding our city. The council had led a process of building a shared vision for the city. That was 1994. By 2005, much of that vision had been achieved, and was no longer driving progress. Our second community strategy has a new vision for the next 10 years: aspirational yet deliverable.

Reasons
Vision, focus and partnership working were great, but we also had to be clear about delivery. In 1996, the council identified a number of key objectives (reducing crime, preventing ill-health, developing integrated transport and so on) none of which we could deliver on our own, but which we could ensure that everything we did contributed to. Staff survey evidence showed that through this approach our employees not only knew what they were supposed to be doing, but why they were doing it!

I once raised an issue with a council department centred on the delivery of a particular corporate objective. I got a letter telling me that I should understand that they had other things to deliver besides the corporate objectives. They got a reply from me saying “Oh no you haven’t!”.

That department no longer exists.

We were making real and measurable progress, particularly in job creation, but we were still not making the step-change in outcomes needed to address multiple deprivation in the city. We discovered a disjuncture between services based on location (housing, parks etc) and services targeted at individuals (personal social services, health etc), caused by conflicting value systems. A three-year work programme through a working group I chaired, the SAD (serious about delivery) group, eventually developed a set of corporate values that we could use to drive performance. These include key values of “pride in our city” and being “community focused”, putting Manchester and its neighbourhoods at the centre of policy development and delivery. The local authority has to ensure not only that that is represented in its own core values, but also in the core values of all we work with.

Persuasion
The State of the Cities report showed how "assertive, confident, proactive leadership in Manchester shaped the renaissance of the city". However, this did not happen overnight but through a long process of self and external analysis of learning and development. We can make long-term decisions because we are clear and focused, value-driven, have a route map, and a shared long-term vision with our partners of where we want to get to.

Our success was not down to a single, powerful leader. Over the past two decades we have had many good “leaders” in many sectors. Although to a large extent the council and its leadership has been the composer/conductor of the Manchester orchestra, our approach has been essentially collegiate. I may be the “captain” of “Team Manchester” but our effectiveness as a team is driven more by persuasion than by power.

So, have we got it cracked? Last year we had Sue Goss doing some work with us on leadership, work she commented on in a pamphlet, Politics of Place, published by the Leadership Centre. She said of us: “This is a council serious about leadership, proof, if proof were needed, can be seen in the determination of its leaders to do better”. She also said good leaders “know where they’re going”. We do.

Sir Richard Leese is leader of Manchester City Council. His background is in youth work, community work and education research.
Leadership – process, policy and a noble goal
by Sandy Bruce-Lockhart, Kent County Council

"The essence of leadership is to grasp and hold out a vision", said US President Ronald Reagan.

For a decade, public services have dominated political and public attention. However, although we have seen record increases in expenditure, real improvement in services has remained elusive.

My experience as a local government leader, and in dealing with the wider public sector and government itself, is that of all the factors that make up successful public service reform and delivery, it is leadership that stands alone as the single most important ingredient.

I have often been asked about the revolution in service performance in Kent county council; and I believe that this was just one example of many, and that improvement always requires leadership both political and managerial.

I joined local government in 1989, and four years later I won an election to become the opposition Conservative leader. In 1997, the conservatives won the county elections and I became the leader of the county council.

Our immediate problems were well known. On my first day the county finance officer came to warn me that the county council could be formally "sectioned" as a failing authority because of our severe and deep-seated financial problems. We had just two days' revenue expenditure in our reserves, and at the budget meeting before the election, the chief executive had taken the unprecedented step of speaking at a main council meeting and warning that the budget was "high risk". To make matters worse, the council's performance was in the bottom quartile nationally, and staff morale was at a record low.

Drastic action was needed. I had first to establish strong and effective decision-making processes. Then deal with the financial crisis. Then set out a clear four-year policy. And, finally, turn to staff morale and motivation.

Process
We set up an eight-member "cabinet". This was in the first week of the New Labour government and long before they suggested "cabinets" for councils. From that first week our cabinet met at 9am every Monday morning for eight years. Every Monday I also met with the chief executive for an hour before the cabinet meetings. Every second Monday, our members met with the chief officer board. We rewrote from scratch the council's constitution, so that it invested "all executive powers of the council in the leader".

Resources
We were then ready to deal with the financial crisis. We cut the chief officers from 14 down to five, hired an outstanding new chief executive, Mike Pitt, and introduced an emergency full council budget which made £27m in staff and administrative savings.

At the same time I decided to act to start to help create a more united and better coordinated organisation. County hall with its members and 400 central officers was situated a mile away from another complex for the 1,500 senior staff of the service departments. I remember going there in my first week to see our senior education officers. As I stood waiting in reception I...
heard the receptionist phone through to the director’s office and say “those people from the county council are here”. I vowed to bring us closer together. By chance a new office block, 30 yards from county hall, had been empty for three years. Despite having no reserves, we made an offer on the building – this was a symbolic decision, signalling a closer organisation, and investment in staff.

Policy and direction
Next we decided to set out clear policy. We produced Kent: The Next Four Years – 60 political priorities, with measurable targets across all departments, such as “cut failing schools from 17 to nil; increase respite care by 40%; treble the miles of roads resurfaced each year”. We sent this statement of priorities and targets to every household in Kent. Exact progress was publicly reported annually. Each target had a named officer and member who had to report every six months to a star chamber of leader, deputy and chief executive.

Kent: The Next Four Years soon appeared on the office walls of managers and frontline staff throughout the county. As well as priorities and targets it contained a simple statement of values and beliefs: “Kent county council has a clear role in helping to build a society with a sense of purpose, order and belonging, fostering independence and empowering people to be responsible for themselves, their families and their communities”.

The policy statement also stated clearly and publicly our belief in our staff: “Our success is dependent on our staff in whom we have every confidence, we will support them and help them develop their full potential”. We backed this up with a full range of staff packages, including intensive, regular training, free health screening, staff exchanges with the United States, the achievement of Investors in People by every department within two years, and the biggest graduate entry scheme in local government.

As our own service performance improved we started to concentrate more on our partners in the wider public sector. We set out to build relationships. This requires investment in time, and above all in formulating shared ambitions.

A noble goal
Kent has severe social deprivation, particularly in east and north Kent, where we lost all our coalfields and shipyards, and now have some 160,000 people between 16 and 65 who are workless. We therefore focused our work with our partners around the goal of helping people, who through no fault of their own found themselves trapped in dependency on the state. In 2001, we promoted this to the Treasury and the Department for Work and Pensions (DWP). We proposed to them that by helping people out of dependency and back into employment, independence and more fulfilling lives, we would cut welfare expenditure. But we argued for a small percentage of these benefit savings to come back to Kent to be reinvested in our "back to work" schemes. The DWP agreed this principle.

Together with the Treasury, we engaged Oxford University to monitor Kent’s benefit expenditure. After three years we had saved welfare expenditure, but we never got our money. But it was indeed a noble goal, and as such was a motivating force for the whole organisation and one we shared with our partners.

Looking across Whitehall and the whole of public services, when we see small and incremental improvements turn into truly extraordinary transformational service change, we find leadership that inspires with a vision, and then motivates, encourages and empowers its own staff. Indeed when people come together and truly share a common goal, and have a passionate belief and determination to achieve it, then they create an extraordinary energy where their success is limited only by their own ambitions.

Lord Sandy Bruce-Lockhart was elected to Kent County Council in 1989, he became leader of the Conservative group in 1993 and was leader of the council from 1997 to 2005. He was vice-chairman of the Local Government Association in 2001 and became Chairman in 2004, knighted in 2002 and entered the House of Lords in 2006.
Turnaround leadership
by Robert Kerslake, chief executive, Sheffield City Council

Leadership defined by place
Leadership in local government is defined and shaped by the places we lead. A style and model of leadership that works brilliantly in one place could fail utterly in another. The most powerful examples of leadership that we see in local government today are those that go beyond the effective delivery of services to shape and influence the direction of their areas. They derive their authority to do this from being well-run organisations that are rooted in the culture and values of their locality. Their real impact though comes from doing much more than just reflecting the views of their community, challenging them to change where they believe change is needed if the future of their area is to be secured.

The theme of this piece is leadership in turnaround situations. It is not a coincidence that some of the most necessary and significant examples of turnaround in local government have occurred in places with significant economic and social challenges themselves. The task of effective leadership is harder and the pressures on it massively greater. Once things go wrong the risk of going in to a spiral of decline is much bigger. Equally though, the consequences of weak leadership are thrown in to much starker relief. In deprived and fragmented areas the local authority is the critical agent of change without which it almost impossible for sustained improvement to occur. The imperative to improve is therefore much stronger.

My experience of leadership in local government comes mainly from having been for a decade the chief executive of Sheffield city council and prior to that for five years the chief executive of the London borough of Hounslow. But it also comes from being involved in four Improvement and Development Agency (IDEA) peer reviews, one comprehensive performance assessment and three years as a judge for Council of the Year. Reflecting on this, what comes across powerfully is both the diversity of leadership and the consistent themes that underpin what works and what doesn't. Increasingly, I have been interested in what creates the conditions for effective leadership in the areas that need it most.

The distinctive features of local government leadership
After its unique relationship to place perhaps the most distinctive feature of local government is that local leadership takes at least three forms: political, managerial and community. For the overall leadership to be effective each one of these must be effective in its own right and the interrelationship between them must work as well. Crucially, there must be a mutual respect and recognition of roles: if any one part is devalued or ineffective it is impossible for one of the other parts, however strong, to compensate. I have personally never seen a well-led place where there is not strong political, managerial and community leadership working well together.

Beyond this, there must also be a realistic understanding of where the place and authority are now and a shared vision of where they are trying to get. The realism of the challenge is particularly crucial in areas where there is a big
hill to climb. When I went for the job in Sheffield the advert talked about wanting someone who was willing and ready to change things. When I got the job and asked the then leader what he wanted to change he said "everything". In these circumstances the brief is clear and the challenge is equally so.

Behind the broad vision there need to be some very clear targets and milestones by which to assess progress. This much would be in any standard management textbook. What marks out the best examples of leadership, though, is the rigour with which these are pursued and the honesty with which progress is assessed. This is particularly so in turnaround situations where the pressure to achieve quick change is most strong.

**People, processes and culture**
Change in organisations happens at three levels:
- people
- processes
- culture

The first of these – typically a reorganisation at the top – can happen pretty quickly and is essential to get the right people in the right positions. The second – getting the basic processes to work properly – takes a bit longer but is vital if managers and staff are going to have the confidence to lead change (people won’t jump if they think the floorboards aren’t sound). The third – cultural change – is harder to measure and much harder to achieve. Organisational psychologists will tell you that most cultural change programmes fail. Being prepared to be tough about how much progress has really been made is a hallmark of good leadership, not a sign of weakness.

Showing realism about overall progress does not mean you can’t celebrate success. What is striking from my experience of going to local authorities is that even within those that have the most severe challenges in their performance, there are examples of management and service excellence that you can learn from. Progress across the organisation is much more rapid where these are recognised, celebrated and most importantly, shared. Creating a single corporate culture that learns from the best as well as challenges the worst makes a big difference to the pace and sustainability of change. Internal peer review is a very powerful way of achieving this.

Amongst the thousands of things in a poorly performing organisation that ought to change there will be a relatively small number of things that absolutely must change. Invariably they will be the most deeply rooted in the organisation and the most difficult to address. They will be widely "known", that is to say that managers and staff will readily identify them when you speak to them individually, but often not recognised for the key issues that they are. George Orwell described this as the "elephant on the doorstep".

The key to effective leadership, especially in a turnaround situation, is to know what these key issues/decisions are and ensure that they are properly dealt with. In Sheffield’s case an example was the fact that the clear that the deep-rooted financial problems coupled with the long drawn out and indecisive budget process was a major barrier to the organisation progressing. Recognition of this by members and officers was a very important step forward.

**Creating the conditions for strong and sustained leadership**
Do the conditions exist to support the development of the sort of the long-term high-quality leadership that is essential to turnaround under performing authorities and tackle our most deprived areas? I am not sure. In my visits to other local authorities I have seen some examples of truly inspired leadership in some of the most unpromising of circumstances. Sometimes the challenges seem so great and the available assets so limited that only those who are born or who have come to love their areas would have the staying power and commitment that is required. One of the great strengths of local government is that no matter how unfashionable or challenged a place is, there is almost certainly a group of council members and officers who think it is the best place on earth.

The leadership, though, is often fragile, over
dependent on a small number of people, too subject to the outcome of the annual party group or local elections. It often seems to exist in spite of the political system rather than because of it. Once it is gone it can take many years to recover and no amount of external help (invited or uninvited) is likely to do the trick until new leadership emerges.

The changes set out in the recent local government white paper could address some of these weaknesses, but a lot depends on how local government itself responds. Creating the conditions which truly encourage strong and sustained political, managerial and community leadership in all localities may require more radical changes than central and local government have so far been willing to contemplate.

Sir Robert Kerslake has been chief executive of Sheffield City Council since 1997. Prior to that he was chief executive of the London Borough of Hounslow. He is a non-executive member on the Board of the Department for Communities and Local Government
“Continuous effort – not strength or intelligence – is the key to unlocking our potential”, said Winston Churchill.

As a chief executive of an inner London borough, wrestling day by day with the management of our improvement agenda, Churchill’s statement appears to be far too true, too much of the time. Huge continuous effort – far more than intelligence or strength – is required to keep on top of central government and its rapidly changing priorities. Massive continuous effort is necessary to navigate the improvement journey that each local council is on. Immense continuous effort is vital to ensure that the services we provide for our residents are getting better. And, last but not least, continuous effort is also required to respond to inspections, service reviews, members’ enquiries and freedom of information requests.

In this essay I pick up on the challenge of sustaining the velocity of improvement in today’s public service environment, while keeping an eye on the challenges for the future.

The challenges facing us
I mentioned the continuous effort required to embrace the challenges which face us. There are many such challenges. The Lyons review and the local government white paper with its focus on citizens and neighbourhoods; the government’s comprehensive spending review (CSR 2007) and the sure knowledge that with council tax capped at around 5% this will once again mean doing more with less. Add that mix to a fragile, though improving, set of local partnership arrangements and other significant issues around staff turnover, dependency on agency staff and a highly transient and diverse set of communities and you should by now get a sense of the complexity and unpredictability of the managerial environment.

In this kind of environment the challenge of sustaining improvement month on month, year on year, becomes much more an art than it is a science. Continuous effort is required to ensure that the government’s expectation is met that “today’s” improvements be made, while ensuring the continued extraction of efficiency savings from core services and all that entails. This only makes staying on course more difficult.

Rising to meet the challenges
The key question for me in rising to this challenge is how to build capacity and competence at every level in the organisation against such a rapidly changing landscape. Whatever the answer is, the forward strategy has to be based overtly upon resource reprioritisation and business transformation. These are simple remedies, but we all know that these activities, while absolutely necessary, are difficult things to deliver without strong and determined leadership, and coherent strategic planning. Without these elements there will be significant disruption to the improvement journey.

Change always brings with it the potential to depress morale with a consequential impact on the pace of the transformation. Leadership and leadership development must be at the heart of the programme if change is to be sustained. However, if you want to stay firmly on course, other aspects of corporate development are also necessary.

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My own organisational and culture development framework, while having leadership at its centre, also focuses on:
  • mechanisms for strengthening the capacity to programme and performance manage improvement
  • a platform for activities which build the capacity of the workforce so they can plan and manage more effectively
  • delivering business process re-engineering in a coordinated manner across the organisation
  • a business planning framework which allows for a better alignment of policy integration between the activities of our partners and other stakeholders
  • approaches that encourage key staff to actively live the values of the organisation by modelling appropriate behaviours in the workplace (especially in the presence of more junior colleagues)
  • building a strong platform for robust internal/external communications

There is nothing particularly revolutionary or new about any of these components. Indeed, I would be somewhat surprised if these things were not evident in the frameworks of most organisations. What is different is that in Lambeth we have a strong focus on developing “inspirational leadership” as the central facet of our plan. This is necessary to sustain motivation and momentum throughout the change process. Investment in inspirational leadership is not simply a “distraction” from the pressures of the day to day. It is one means by which we can develop the tools to tackle the key issues which need to be addressed within the ‘change management’ process.

**Transactional versus transformational leadership**

The evidence that supports my conviction that leadership development should rest at the centre of the improvement plan stems largely from my practical experience of driving change management in several large organisations in the past. While the delivery of the policy and strategic direction, work programmes and plans are essential and give clarity to the organisation’s direction of travel (transactional aspects of change), the pace of and the passion for change, I believe, is directly linked to the competence and tenacity of the leaders within the organisation (transformational drivers).

The ability to communicate the rhyme and reason for change, to instil confidence and enthusiasm in staff, to raise productivity at those moments when the stress of life in modern public service is at its most “downpressing”, are some of the evident characteristics of a good transformational leader. The ability to adapt one’s approach on the basis of intelligence acquired about the impact of change on the people in the organisation (emotional intelligence) is also an important set of skills a transformational leader must acquire.

Good and excellent authorities have leaders who are able to sustain improvement as a natural part of the day job. They are ambitious for their authorities and their areas. Good leaders know how to challenge effectively yet can also innovate. They inspire and motivate staff and other stakeholders. They are capable of being strategically focused and acting decisively but are prepared to step back, reflect and change direction if necessary. Effective leaders are courageous in driving actions which deliver the best outcomes for the local people. They are well connected and promote good matrix working inside the council and between the authority and other stakeholder interests. They are confident enough to “name the issues” and take the full responsibility for making things happen and ensuring others deliver too.

Lest we forget, our elected members can also play an important role in growing and improving the organisation and acting as role models for staff. The Improvement and Development Agency (IDeA) clearly sees the essential role for councillors and has set up a Leadership Academy (for more information see the IDeA’s website here: http://www.idea.gov.uk/idk/core/page.do?pageld=4425442) to bring together councillors to assist on developing their leadership skills. This helps bridge the gap that can sometimes exist in member/officer relations. As offic-
ers we would do well to draw on our members’ skills as we move our organisations forward.

**Parting remarks**

Let me end with another quotation. Oscar Wilde once said: "I have the simplest tastes. I am always satisfied with the best". When it comes to Lambeth, I will only be satisfied when I feel that I have delivered the best for the organisation. I will be satisfied when Lambeth has made the transition to an excellent authority and we are delivering high-quality services to all our residents. When our staff feel not only that they are led by inspirational leaders, but when they can see that they too will become an inspirational leader themselves in the future. I’ll keep you posted...

*Derrick Anderson, CBE, is the chief executive of Lambeth Council. Mr Anderson has 20 years’ management experience in local government and more than 25 years in the public sector*
Transformation in the education sector
by Dexter Hutt, executive head, Ninestiles Federation of Schools

Most of us want to be leaders or at least members of a successful organisation and there are two obvious ways that this can happen. The more common way is to join an already successful organisation and contribute to its further success. The other, harder, way is to stay put and determine to make your failing organisation a successful one. This essay is about the leadership involved in taking the latter path in a public sector organisation – in this case turning a large, failing secondary school, Ninestiles – into one that now has a national, and increasingly international, profile. It is also one of a handful of schools to receive two consecutive “outstanding” classifications by government inspectors – perhaps more importantly in its most recent inspection Ofsted also judged Ninestiles’ capacity for further improvement as “outstanding”.

The first step for me as a new leader was a determination to be the best and to state this openly. We didn’t know exactly how this would happen or what the “best” would look like given our rapidly changing educational world. But in sailing parlance we set out to reach the “best” shore, and in doing so we recognised that we would have to “tack” this way and that way as the educational winds blew. But we never took our eyes off that initially distant shore.

Credibility is the platform for change
People working in failing public sector organisations will make fairly early personal judgments about incoming leadership and their ability to take the organisation forward. A negative judgment is likely to result in staff retreating into self-survival mode. But everyone likes to be part of a winning team and a positive judgement can release much goodwill, energy and commitment. So a new leader’s initial moves are critical in establishing credibility. They will be the basis of judgments about his or her vision, determination, and the all-important ability and willingness to grasp nettles. This bank of credibility is the initial platform for leading and managing future organisational change.

Using the curve
There is a danger, particularly in the public sector that leaders, in spite of their best intentions, end up merely creating pockets of good practice rather than changing the organisational culture. At Ninestiles we set out to create an understanding throughout the organisation that while there was always a winning formula (strategy), the winning formula would be bound to change as the world changed. Complacency would never be an option. The sigmoid curve – which illustrates the powerful point that every strategy has a limited life – and its implications were explored at team meetings at every level to the extent that it was understood and owned by all. Assimilating the sigmoid curve thinking into our organisational culture has probably been our greatest achievement. It means that as an organisation we don’t waste valuable energy arguing about whether there is a need for change, or feel a need to defend our current strategy. Instead, we understand and accept the need for a new cycle of change and we focus on discussing what our new strategy needs to be to stay ahead of the
People had to associate change with progress from the start. So it was vitally important that our first major organisational changes were successful. We talked openly to staff about the prototype approach in industry. We said that even with the best planning we couldn’t foresee all the problems that would arise, but we could foresee that we couldn’t – and therefore, like any good general, we would have some resources (in this case a budget and staff time) in reserve. And, like industry with its prototypes, we would keep revisiting and tweaking until implementation was smooth. We also talked openly about people and change. That some would change their behaviour before their beliefs. And about Lyndon Johnson’s saying that “it was important to win the hearts and minds of senators but sometimes he knew that if he squeezed them by the balls their hearts and minds would follow!”

We have never bought into the concept of the flat management structure. Our experience is that teams just don’t happen – you need the right leadership to create an effective team. We have an enabling hierarchy – the role of managers is to clear away the obstacles and set the climate for others to be effective. We agree tight whole school frameworks and then our teams gain ownership by having the freedom to be creative within these frameworks. We describe it as loose professional coupling within tightly agreed frameworks. This combination has enabled us to benefit from significant energy and creativity while ensuring that at the same time the ship sails in the right direction. We have a no blame but highly accountable culture. People are encouraged to take planned risks. We don’t blame them if it goes wrong. But we do expect them to tell us what they have learned from the experience.

The brand can motivate
And building the brand has been an important strand of our strategy. People have an emotional need to be proud of their organisation and to feel a sense of pride when its name and its achievements are recognised. The business sector has its financial indicators as a mark of success. Those who choose to work in the public sector often do so because at least to some extent they want to make a difference in their particular field. Recognition from their peers and from the wider community tells them that they are making a difference. So building the brand in the public sector is not about being egotistical – it is an integral aspect of good leadership.

We regard ourselves as providing a service. The law might say that young people have to attend school but no law can keep them engaged with the school and the learning process. So we see our students as our customers. We roleplay the daily experience from their point of view. Our service promise to them is that no one will wait more than five minutes in a lunch queue. Our teachers spend hours planning whole school assemblies that will both engage and reinforce the values that we hold dear. And we get feedback from our students on their experience of the learning that we plan for them. Christine Quinn, our headteacher, has just personally interviewed every one of our 270 year 7 students to get their view of the school.

The new challenge
As I write this the sigmoid curve is about to strike again. We have decided that we are merely a very good end of 20th century school. But this is the 21st century. The level of education of the average worker in all western countries needs to be higher. America has “No Child Left Behind”; England has “Every Child Matters”. And we need to become a 21st-century school if we are going to make the rhetoric a reality. We are seeking to give every student a personalised offering. So we have set sail again and we will tack as we need to. But we will reach the 21st-century shore and no doubt others will follow. Leadership in the public sector can be very exciting and deeply rewarding.

Sir Dexter Hutt was the head of Ninestiles School from 1988 to 2004. He is now the executive head of the Ninestiles Federation and is involved in school improvement nationally, in Indiana and in Cape Town.
In his excellent book, *Building Jerusalem*, Tristram Hunt chronicles the rise of localism in England. Tracing it as far back as the Saxon era he focuses on what might now be viewed as a golden age. Unfortunately, for us that was the late 19th century. Industrialisation and the wealth it created enabled the growth of major towns and cities, each of which endeavoured to develop a sense of specific place. They were all the same – industrial cities. But they were all different – Leeds, Bradford, Manchester, Liverpool, Birmingham, and so on.

This sense of place, something Sir Michael Lyons has reminded us of, came about largely through an almost unique combination of visionary local leadership and entrepreneurialism empowered by fiscal autonomy. As national governments of the Victorian era were consumed by the concerns of empire, domestic policy was largely ignored and it was left to local leaders and localities to address the problems of poverty and sanitation and the need for new physical infrastructure.

But there was more to life than that and civic leaders such as Joseph Chamberlain were also concerned to develop the cultural life of their cities as they saw that their European counterparts had done. Their legacy is not just about the great buildings – especially the town and city halls, the museums and art collections, the transport and sanitation infrastructures. It was also just as much about governance—how we conduct the business of managing our towns and cities.

Local government may have had its genesis in the desire to address the social and economic problems of the age, but its great innovation was that these problems were capable of being addressed locally and new systems of governance were developed to do that. In John Stewart’s memorable phrase, “communities were governing themselves”. But that was then.

**The present**

Stewart himself, along with George Jones followed by many others have chronicled the decline of localism throughout the 20th century, particularly in the post war period. The utilities, public health, further education, public transport and more recently schools, social housing, skills and training and much of adult social care and what we now seem to be calling “back office” functions have been centralised or privatised, indeed anything but localised. This has taken place in the name of efficiency or political expediency or even democratic accountability. We are now asking ourselves, assisted by Lyons and others: if local government isn’t about any of these things, then what it is about?

In my time in local government I have seen a lot of these changes happen. And as a manager and chief executive I have had to deal with the consequences. A constantly changing panorama of urban policy from the Home Office’s community development programme and Peter Shore’s plans in the late 1960s and 1970s to the more recent New Deal for Communities and the government’s neighbourhood renewal strategy. We have had the single regeneration budget (SRB – which wasn’t really a single budget at all) and now, local area agreements.
Over the same period, governments have indulged in massive restructuring of local government: the abolition of the metropolitan counties, the Banham Commission, new unitary authorities and the promise of more in the white paper, Strong and Prosperous Communities. We also have an essentially managerialist approach of external oversight and inspection regimes, something which has grown almost exponentially under the current government. While there is no doubt that we have been better resourced since 1997 this has been largely permissive and tightly controlled, and is now coming to an end as the comprehensive spending review 2007 looms. Recent governments, with the exception of Margaret Thatcher, have generally had very good intentions towards local government. The current government broadly recognises that many of their objectives can only be resolved by local delivery, but the policies and programmes that have been introduced have suffered in their implementation from a degree of micro-management that has focussed too much on process and outputs rather than the "outcomes" that are the subject of most of the intention. Local area agreements are a recent example of this. I was responsible for developing one of the very first local public service agreements in 1999/2000 in which the council and its partners were signing up unequivocally to deliver the targets contained within it, whereas Whitehall departments were to use their "best endeavours" to provide the freedoms needed to deliver it. This reluctance of central government to let go can’t all be blamed on civil servants—ministers must also take responsibility.

So this is now. Recently I have written about experiencing a sense of deja vu as successive programmes have proposed decentralisation, devolution, freedom, flexibility, empowerment and so on. But I’m now beginning to feel rather more like Bill Murray in Groundhog Day (or Prometheus if you are a classicist and find it all too painful).

The future?
Is there a new Jerusalem around the corner? The debate in the past two or three years has indicat-
of their community. This is facilitated rather than driven by technology. The internet is the greatest generator of knowledge in history. But more than that citizens are contributing to society’s knowledge bank not just accessing it. Web publishing, social networking services, online communities and virtual worlds are fascinating demonstrations of citizens as creators and democratic participants.

And mobile technology means that people no longer have to be chained to their computers in splendid isolation. These liberating dimensions of technology provide the tools for the growth of knowledge, but this is a necessary rather than a sufficient condition. It’s what citizens do with that knowledge that matters. Sampson’s work suggests that by being able to access information previously denied to them on key issues such as local crime, they can transform from passive, dependent recipients, into active citizens, taking ownership of their own problems, as others have done and in the process creating safer, more cohesive and ultimately more sustainable communities.

**Benefits**
The benefits for national and local states are obvious. Sustainable communities are inherently efficient. We have not found the holy grail, but we should be optimistic for the future. The technology is natural to younger people in ways that I can only wonder at. But as more direct forms of democratic participation emerge, traditional forms of governance will also evolve. More direct democracy will mean less, or at least different forms of representative democracy. Smarter politicians and managers are recognising this. The ones who do not are today’s dinosaurs. The future of local government is in the hands of the people, which in a democracy is where it should be. It is why we can be positive and passionate about our own contribution as public servants.

*John Foster took up his post as chief executive of the City of Wakefield Metropolitan District Council in January 2003. He was previously chief executive of Middlesbrough Council and North Tyneside Council*
A wider perspective on leadership tensions

by David Henshaw, Chairman, North West Strategic Health Authority

Expectations of managerial leadership in local government continue to grow. Pressures at a local level, with the politician’s ever-present eye to re-election, produce demands for improved services at a lower cost but are often accompanied by resistance to the necessary changes which appear to threaten territory, councillor powers, responsibilities and, at times, public profile. Central government, political parties, the Audit Commission, regulators and the like also have their own high expectations, often looking to managerial leadership to provide the impetus, push the boundaries and establish faster change agendas. Chief executives and chief officers increasingly find themselves with a direct responsibility and accountability to “the centre” by-passing legitimate council accountabilities. Tensions are growing and the Association of Local Authority Chief Executives is reporting growing numbers of chief executives and local authorities in conflict.

Politicians lose power in the new pluralism

Other dimensions add to the pressures. The private sector, anxious to develop relationships, builds opportunities for outsourcing, joint ventures etc wants to deal with a managerial leadership with experience and its hands on the levers”. The more subtle among them seek to “stroke” the politicians but it’s sometimes seen as a sham and can actually stoke the tensions. One chief executive, so concerned about appearances in meetings with private sector partners, actually insists on sitting behind the council leader so it looks like the partners are addressing her! Local strategic partnerships with advice and guidance flooding from officials at the centre increasingly find that games are being played. Quango officials insist on officer involvement, while the non-executives (including the council leaders) are in another room without the power. The “nearly not so new pluralism” that we see across the country involving an array of stakeholders working with communities, joining up with public, private and not-for-profit partners is, in many places, proving to be a recipe for further marginalising our democratically elected politicians.

To most of the elected leaders, it does not matter. But for a few it does. They prefer their picture in the newspaper next day or an appearance on TV to the serious business of leading local governance and settling the strategic vision for their locality. “Place making” is a serious business and calls for serious and weighty people.

It causes problems inside local authorities as well. Traditional member/officer relationships are challenged, with difficult choices on matters of loyalty, accountability and responsibility, especially for the officers. The general body of members finds it challenging too, with the new cabinet and scrutiny systems not changing the pecking order of the political greasy pole but simply concentrating power further within the inner circle.

Public service reform is the loser

Most importantly, though, it threatens serious public service reform which can only ever be achieved by aligned political and managerial leadership operating together behind a set-
A wider perspective on leadership tensions

A wider reflection on the debate and change at locality level in recent years would suggest a continued tinkering by the centre at all sorts of dimensions – revenue support grant settlements, council tax, poll tax, comprehensive performance assessment, targets, cabinets, education reforms – the list is endless. However in analysis, the overall architecture of a heavily centralised state seeking to control at a local level remains in place. Local government has continued to muddle through and generally make the best of things. Indeed, the great safety net has always been local government getting through things – making the poll tax work being the best example.

But this can no longer be an issue of incremental improvement. For a whole set of societal reasons, radical reform and improvement in the delivery of public services is no longer simply an option – it has to be delivered. Effective delivery is the driving imperative and a re-energised local political accountability with weighty local politicians held responsible by the electorate and looked to for leadership is a fundamental building block of reform.

Many in local government know that the current arrangements are unsustainable. Confusion in leadership and accountability, more and more erosion of power for elected councillors, an increasingly apathetic electorate and no signs of an emerging appetite for local politics among the young, all this in counterpoint to an increasing frustration that public services lag behind the private sector in the pace of improvement. It all points to something having to give.

It is clear that there is a “debating space” to be occupied by political leadership at all levels. There are some signs of junior ministers wanting to move this way but no serious weighty lead being given. Local government’s national leadership sits in the foothills of the discussion seemingly content to argue on the details of the endless supply of national “local” initiatives.

A new settlement

A revised political accountability should be part of a new constitutional settlement between central and local government. But so far it appears the distribution of power between locality and the centre, and all it means for the future of high-quality public services, will not be a blue water issue for the next election.

The daily progress in local government across the country should not mask these deep fault lines. The answers should not be seen in marginal changes like more unitary authorities, more protection for chief executives and the like. Cementing over the cracks in the façade will no longer do because now the foundations require urgent attention. Local and central government structures have been termed “monuments to past problems”. Make fundamental changes that produce high-quality local political leadership with real responsibility and power and the rest will follow.

Sir David Henshaw was chief executive of Liverpool until March 2006. He is now undertaking a variety of public and private roles including being chairman of the North West Strategic Health Authority and has recently concluded a redesign of the child support system.
Place shaping: the political and managerial interface

by Moira Gibb, chief executive, Camden Council

In a relatively short period of time the phrase “place shaping” has gained real currency. Every generation of reform creates its own language, and this is no exception, with local area agreements, double devolution and city regions, coming and going as debates take shape. However, the particular appeal of the place-shaping language is that for once we are describing a purpose rather than a process. It’s about articulating local government’s higher purpose, one which partners can also share. The development of the debate away from examinations of structures, and the measurement of activity to focus on the core strategic role for local government is overdue and welcome.

Clearly, when looking at the role of local government, it is also necessary to examine the respective roles and responsibilities of those leading and managing our authorities. Behaviours and styles may need to be adapted, and the structure and dynamics of some of the key relationships, including the relationship between the managerial and political, will need to evolve. The relationship between leader and chief executive is one that has the potential to add immense value and to provide great clarity, but equally, there could be potential for tensions over place shaping, where the roles are perhaps not as clearly defined.

Managing change
Place shaping is not a passive process, it’s about change. It’s the management of change in a world where there are myriad influences and forces on places, as well as the instigation of change to break some of the negative cycles and tackle the apparently insoluble problems. Understanding and making sense of this constant change must be at the heart of the role of modern councils and, without doubt, is one of the key tasks for the modern chief executive. Managing complexity is critical to the support that a chief executive provides to political leadership, beyond the management of services and situations.

In my own borough, the partnership administration has developed the concept of a “borough of opportunity” as their overarching vision – looking to maximise the opportunities available in the borough across a whole range of dimensions, and at the same time, removing barriers and enabling residents to take these up, so no one is left behind. This is both challenging and exciting. Yet to make this vision reality, there needs to be a deep understanding of what the borough is about and what challenges it faces. For example, in Camden 43% of households in social housing have no adult in work. This is both cause and effect of issues that have so far proved intractable, and gaining the detailed and evidence-based understanding of the place necessary to break into cycles that may have lasted for generations is a key area where the managerial leadership must support the political leaders. This is a very real example of how change must be instigated to reshape a place.

However, where change has a momentum of its own, the issue is more about managing the impacts and deriving benefits. I recently attended a conference in New York on immigration and diversity. Just over 40% of the New...
York workforce are immigrants, and this has been turned into a massive strength for the city, which has a proud identity and very strong sense of place. In Britain, and especially in London, we now have an opportunity to derive some of these benefits. From reading the press, we might sometimes think that the overriding public message is downbeat around immigration, but our recent consultation on our community strategy showed that Camden's residents are very positive about diversity. However, there is a tension in that the same consultation also revealed a nervousness around growth and expansion of development. Delivering solutions which have regard to all of these tensions and providing facilitation for change are vital components of the managerial role.

Those who work in traditional local government roles may be more likely to see the council's role as service delivery, and thinking can be based around professional specialisms, while the challenges cannot be defined in those terms. Since becoming a chief executive, I have realised how much more the role requires you to think about the function of a place than a director role with responsibility for specific services does. As a leader as well as manager, I need to be able to create for the workforce that sense of shaping of the place if all services are to contribute to our higher purpose. This is a challenge in itself, and especially so when central government policies often seem to undermine this. For example, Department for Education and Skills policies often emphasise the primacy of individual schools over a wider system of educational provision, interacting with its area and other services. The New York commissioner for schools put it succinctly: "the notion that a school is a self-contained unit is nuts".

Defining place
Of course, this highlights another layer of subtlety to the place-shaping debate. Is a place a neighbourhood, a ward, a borough, a region, a “city region”? What do the boundaries mean for the visions and aspirations, and on a practical level, for the organisation of services? Depending on these boundaries, the implications for local government as a service provider, or commissioner, are potentially significant, as those authorities embarking on bids for unitary status will attest.

There is also the possibility of tension between what could easily become a parochial approach to place shaping, with a wider vision for a region or even a country. It is clear that in London, for example, there are massive challenges in pulling together 33 local authorities and a strategic authority, each with their own system of governance, distinctive character and pursuing their own priorities, into a single system that makes the city function as well as it possibly can.

If local government is truly to be about place, there needs to be scope for choice about investment and delivery, and a new maturity around this, that moves away from the often feverish rhetoric around "postcode lotteries". The point of place is that everything cannot, and should not, be the same everywhere. There needs to be a debate about what the common standards are – what can everyone expect regardless of the place they inhabit – and where the discretion lies. Beyond this, local areas need to reclaim their leadership role.

Services, as well as helping to shape places, are one of the key things that give politicians credibility and authority, and that is critically important if local government is to be able to effectively fulfil the convenor role, bringing together other agencies and stakeholders.

For council members, the authority to lead derives of course from its democratic mandate, but in large part from the extent to which they are fronting a large, complex and credible organisation. Let's not forget the very direct impact of services on place – if streets are not clean, children not educated and the vulnerable not cared for then that place will look very different to a place where these things are happening as they should. They also give credibility to the role of convenor.

The chief executive role
So what does all of this mean for chief executives now, and for those of the future? Clearly, the role
of head of paid service will continue to be managing lots of people to procure or deliver lots of services, but the role in place shaping will be more nebulous. There is of course the interface between services and place, but we will be involved in envisaging possibilities, enabling their delivery, exploring solutions, supporting the process, building shared understanding across our staff, partners and communities. The skills required are less than ever those of traditional professional disciplines, and increasingly around strategic capacity. In discharging our responsibilities to develop the next generation of chief executives, we need to actively think about how we ensure that debate around place is an integral part of our corporate discussions.

In terms of talent management, there is more scope than ever to tap into skills that people from non-traditional career paths have too, and to alter the nature of the chief executive demographic. According to the Equal Opportunities Commission, only 17.5% of local authority chief executives are women. But the skills that are going to be required more than ever are around networking, negotiation and brokering, where women can excel. We need to be challenging some of the barriers and preconceptions, and demonstrating how transferable skills can be applied.

Moira Gibb, CBE, is chief executive of Camden Council. Having qualified as a social worker in Edinburgh after a brief career in teaching, Moira has worked for Newcastle, Surrey, Ealing, and Kensington and Chelsea as a frontline social worker, manager and inspector. Moira was president of the Association of Directors of Social Services in 2000/01
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A simple big idea
by Greg Parston, director, Accenture Institute for Public Service Value

So here’s my “big idea”: public services are the most common way in which citizens transact with their government – they may vote once every few years, but they take the bus or go to school or ring their council everyday. Yet good public services will not fix bad government or the failures of politics, so let’s stop burdening its managers with that responsibility and let them focus on the job of providing good service to the public.

Among those who enjoy arguing about the course of public service reform – “what’s the next big idea?” – we are frequently asked – there are two terms that are being bandied about a lot these days: leadership and public value. The first is seen to be sorely wanting in public services and the second has been rediscovered as their raison d’etre. Consequently, there is a lot being done now – including this pamphlet – to fire new thinking and big ideas that will enable us to develop new leaders who will create public value.

I have two objections to this latter perspective: First, politics and government produce (or don’t produce) values like democracy, equity, trust and maybe happiness. Public services do not, in and of themselves, however much they may contribute. Public services produce values – or outcomes – like safety, learning and health, and sometimes despite the absence of the former political ones. We should not pretend that a next big reform of public service delivery is going to compensate for failures of politicians or governments to be democratic, equitable or trustworthy, but neither should we allow problems in politics to prevent us from producing better safety, learning and health.

Second, the new public value theory’s emphasis on managers engaging communities in a process of defining value comes dangerously close to reducing the public service leader’s role of Harvard’s Kennedy School of Government, whose pioneering book Creating Public Value implanted the term into the discourse of public management. Moore is now working on unpacking the multi-faceted and sometimes conflicting nature of public value – a benefit that he sees accruing simultaneously but differently to the many different stakeholders of policing, education and health. But much of the other current work, largely abstract and theoretical, including in the UK, has centred on the public manager’s role in defining values that go beyond service delivery to include “democracy”, “equity”, “trust” and even “happiness”. This difference in orientation is important, because it leads to a very different view about what public service leaders should do.

The complexity of public value
"Public value" emerged as a descriptor of what public services are meant to produce back in the 1990s. The most significant contributor to the thinking then was Professor Mark Moore of Harvard’s Kennedy School of Government, whose pioneering book Creating Public Value implanted the term into the discourse of public management. Moore is now working on unpacking the multi-faceted and sometimes conflicting nature of public value – a benefit that he sees accruing simultaneously but differently to the many different stakeholders of policing, education and health. But much of the other current work, largely abstract and theoretical, including in the UK, has centred on the public manager’s role in defining values that go beyond service delivery to include “democracy”, “equity”, “trust” and even “happiness”. This difference in orientation is important, because it leads to a very different view about what public service leaders should do.

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Second, the new public value theory’s emphasis on managers engaging communities in a process of defining value comes dangerously close to reducing the public service leader’s role
to one of fostering deliberation among the politically disempowered and then trying to find ways to deliver what it is that the "public" values. This is frequently argued without a realistic regard for cost and without regard to whether or not the public manager can, or should, rightfully supplant the role of politician.

The fact is that public value is not simply what the "public" wants or even needs. What public services do is change people's lives, for better or for worse, and equally or - more often - unequally. People feel that change – as consumers, citizens, taxpayers and even politicians – differently and simultaneously, as Moore purports. There is no one public; there is no one public value. There are many and they can conflict.

That is why management of public services is not an easy job. Political direction can frequently conflict with what most of the electorate seem to want; what the public as aggregated consumers wants infrequently accords with what the public as collective taxpayer is willing to finance; and what the individual wants for the masses is not always what he or she is happy to consume. That's the reality of public service delivery and the complexity of the public values it creates. The challenge is to define and assess that reality and complexity and to ensure that all aspects of service delivery are orchestrated to focus on it.

The real hard work
In looking to the nobler heights of democracy or happiness for the next big idea in public service reform, it is too easy to forget that the real hard but necessary work of the public service leaders is to identify the different accrued values of the services they deliver: help mediate among them, where possible, to craft vision and strategy; and operationalise service delivery to focus on value creation. By and large, we know how to do that.

Because of its inherent complexity and its potential to generate conflict, public value is not often addressed explicitly. So, yes, a key role for the public service leader is to help put that right and define a bottom line that is at once political and economic, about customer responsiveness and public good, about output and outcomes.

In healthcare, this will include ensuring quicker access and improving health of the local population; in policing, higher arrest rates and safer communities; in public broadcasting, entertainment and a more informed national debate; in education, reduced truancy and employed school leavers.

The tensions contained in these sets of value-creating results require leaders to engage in a dialogue with all stakeholders to understand their expectations and needs. It means fostering dialogue between stakeholders in order to help each understand the demands of all, identifying areas of consensus and difference, strengthening the voice of those whose claims are often easy to ignore, and explaining and assessing the organisation's direction and performance in light of that.

But the leader's fundamental job and unique role is to use those definitions of public value in order to set vision and formulate strategy; to manage, motivate and develop human capital; to build and run sound financial, information and logistical systems; and to manage performance – to orchestrate all of that – and so deliver good services to the range of stakeholders, frequently in collaboration with agencies outside the leader's control. That is good public management; that is inspiring public service leadership. Anything less is failure; anything more is impudence.

The public service leader's job is partly political, but it is not to be a politician; it has to be strategic, but not at the expense of the operational; it is one of servant, not philosopher-king. It is a tough job. A big idea is simply to let those who have it do it.

Greg Parston is director of Accenture's Institute for Public Service Value, which promote high performance in government. Previously, he was co-founder/CEO of the Office for Public Management and a longstanding member of Treasury's public service productivity panel.
Local leadership – home thoughts from abroad
by Robin Hambleton, dean, College of Urban and Public Affairs at the University of Illinois

In July 2004 my college organised an international conference here in Chicago on “City Futures”. John Prescott gave one of the keynote presentations, and he referred in positive vein to lessons he had picked up from innovative US cities. Over 250 participants from 36 countries shared their insights on urban trends and innovations in urban governance. Most of the papers are on our website (http://www.uic.edu/cuppa/cityfutures/) and, not surprisingly city leadership – how to frame it and how to improve it – was a key theme in the conversations.

The international scholars at our conference took the view that the old, top-down approach to leadership, in which the “city boss” hands down instructions to a grateful – or not so grateful – band of subordinates, is well past its sell-by date. Relationship building and orchestrating collaboration across the public, private and non-profit sectors is now seen as a, if not the, central leadership task in modern cities.

UK local authority chief executives I interviewed in 1999 for a SOLACE publication, Modernisation – Developing Managerial Leadership, anticipated this shift. They indicated that working inside town and county halls would continue to be important, but they also said that they would need to work much more actively with other partners. As one put it: “We need to get out more!” In an important sense these respondents correctly predicted that the role of the UK chief executive officer (CEO) was set to expand.

So far, so good. International experience provides some reassurance to UK local authority leaders – both politicians and officers. They are right to be spending more time building sound partnerships with other stakeholders in the local economy and civic community. This is, apart from anything else, likely to enhance local authority effectiveness.

However, when viewed from abroad, two myths relating to UK local leadership persist. Unless we become much bolder in challenging these myths – well, dumping them actually – UK local leadership will continue to underperform.

Myth 1: There is a sharp separation of roles between politicians and officers

Or worse still: politicians lead and officers manage. The old adage that politicians decide on policy and officers implement it was challenged 25 years ago by research on policy implementation. This showed that implementation is an interactive process between those seeking to put policy into effect and those upon whom action depends. Much of the humour in the popular Yes, Minister BBC television comedy was built around puncturing this myth. In this series Sir Humphrey, the top civil servant, makes policy while Minister Hacker bumbles along believing he is making policy when he is actually a mere puppet.

In more academic vein a major cross-national study by PE Mouritzen and JH Svara published in 2002 under the title Leadership at the Apex – involving a study of political leaders and CEOs in local authorities in 14 countries – confirms that overlapping leadership roles between senior politicians and CEOs is the norm. In this context we can note that institutional design matters. Directly elected mayors, and the associated
reforms introduced into England by the Local Government Act 2000, represented an effort to reshape political management structures in a way that would strengthen the connection between political and managerial roles.

But these changes have not had the intended impact. This is because the myth of a sharp separation of roles has served a useful purpose for decades. The dichotomy shields administrators from scrutiny and serves the interests of politicians who can pass responsibility for unpopular decisions to the administrators.

Recent leadership development work with “top teams” in the UK, led by Andy Holder and others for the Improvement and Development Agency, is important as it helps participants focus on the overlap between political and managerial roles.

But we need to go further. We need much more sophisticated leadership training and development programmes for what we might call locality leaders. These programmes need to embrace not just local authority leaders and their CEOs, but also the other key locality leaders – private sector managing directors, non-profit organisation CEOs, vice chancellors of universities, local community leaders and so on.

Myth 2: Customer-focused leadership represents the best way forward

This myth may be even more dangerous than myth 1 because it poses a fundamental challenge to the role of the citizen in modern democratic societies. It stems from a movement that scholars describe as the “new public management” (NPM). Stated simply NPM involves importing private sector management concepts into the public sector.

Why is this a problem? Because we are losing sight of the underlying social purpose of public services and of the crucial importance of insisting on strong forms of democratic accountability of public service providers to the UK citizen.

In modern society the “customer” has the power to shift her or his “business” to another provider – a different supermarket/pub/hairdresser/bank/newsagent etc might provide a better service. It is breathtakingly obvious that this empowerment mechanism – the notion of switching providers – has very limited potential in the context of public services. Clean air, attractive parks, vibrant public spaces, well-maintained cycle ways and streets, inclusive and caring social services, civic amenities, effective public transport, sound city planning, environmental sustainability, a safe community – are not advanced by the customer focus. This is because they are public goods. The customer orientation attempts to individualise services and life experiences and, as a result, offers little of value to the most important public policy challenges of our time.

The key lesson here is that public service leaders need to focus much more attention on the citizen, not the customer. The legal and political rights and responsibilities of the citizen are under threat in Britain and elsewhere. The failure of leaders to grasp and advocate this point in recent years is disappointing.

There are, however, some beacons of light. Many public service managers continue to place a very high value on core beliefs relating to human dignity, trust, sense of belonging, concern for others, service and citizenship that are entirely disregarded in the flimsy managerialism of a customer-driven approach. Add in the perceived loss of trust in authority encountered in many British multicultural communities and the argument for a citizen focus – is unanswerable.

Conclusion

In our new book, Governing Cities in a Global Era, Jill Gross and I suggest that “governance” may now – just like the city boss model of old – be past its sell-by date. If, in the past city, leaders focused too much on the town hall bureaucracy – and recall that I write from Chicago, the exemplar of city boss politics in the past – the present risk is that the pendulum has swung too far the other way. We – and this is a cross-national point – are in danger of forgetting how important “government” is in shaping the local quality of life.

Robin Hambleton is dean of the College of Urban and Public Affairs at the University of Illinois at Chicago, USA. His latest book, Governing Cities in a Global Era is due out later this year
High principles, better government?
If putting out lists of "principles" of good governance and better regulation was all it took to improve public services, the UK should have turned into an administrative heaven on earth years ago. Over the past decade, such lists have poured out of Whitehall's word-processors as thick as Milton's famous autumn leaves in Vallombrosa. But that public-management nirvana has stubbornly failed to arrive. Discontents over governance, regulation and public service performance have not been stilled. And all that industrious list-making seems to have had no perceptible impact in reducing the incidence of embarrassing performance failures. Why?

The trouble is that such "principles", like the precepts of 1920s management science, turn out to be political catchphrases for the people at the top, rather than practical guides for action. For example, if you compare the Principles of Better Regulation (originally written in 1998) with the famous Soldier’s Pocket Book written by Garnet Wolseley in 1869 and satirised by Gilbert and Sullivan in The Pirates of Penzance, you find the latter tells you how to dig latrines, mark stores, fit up ships to carry horses, while the former offers you a collection of abstract nouns like transparency and proportionality. Those abstract nouns sound impressive enough, but when you try to apply them, you find they are individually ambiguous and collectively contradictory. The hard problem comes as soon as you have to face painful trade-offs among these principles – and on that issue the list-makers are invariably, and significantly, silent.

Where principles conflict
Indeed, a problem that lies at the heart of some of the deepest current travails in British government stems from the conflict between two principles of public management that have been heavily invoked over the past decade. One is the idea of managing public services by performance targets, to clarify managers' goals, put pressure on them to improve and provide a demonstrable measure of progress. The other is the idea of proportionality, equally heavily canvassed in all those official lists of desiderata for better governance and regulation, and meaning that public agencies should concentrate their resources on subjects that are most important or pose the greatest risk or danger. Both of those ideas make sense in the abstract. But how easy are they to combine?

The idea of managing public services by numerical targets is an appealing one. After all, case-clear-up targets have long been used to manage the processing of casework in welfare, tax and job placement organisations. Government used targets to manage munitions production in both 20th century world wars, and in recent decades the same approach has been applied to more and more organisations – notably the executive agencies the conservatives carved out of Whitehall after 1988, and to Whitehall departments as well under labour after 1998. The standard argument for this approach is that it fosters transparency and accountability, by making explicit what managers need to aim for and putting the spotlight on the outcomes desired rather than telling managers how to achieve them.

So how do managers behave when they are...
faced with high-profile delivery targets? As everyone knows, they go for the quick wins and the low-hanging fruit. That means concentrating on the easiest cases – the most box-tickable problems, the most accessible and least recalcitrant people, the most bureaucracy-friendly situations that fit the compartmentalised world of government organisation. That’s what traffic authorities do when they focus on the easy electronically processable cases of petty traffic violations. It’s what the Child Support Agency did when it concentrated enforcement action on individuals already on its register rather than on the absconding fathers not on their register. It’s what tax agencies do when they focus on auditing individuals already in their computer systems rather than trying to pull in people who aren’t in such systems. Why do the managers of such bureaucracies behave in that way, in everything from parking enforcement to deportation of failed asylum seekers? Because it’s easier for them to meet their delivery targets that way.

So what’s wrong with that? Doesn’t it leave everyone happy, with politicians boasting about delivery numbers and managers picking up their performance bonuses? There are two related problems:

• The high-minded one is that the rival principle of proportionality would require those managers to behave in a diametrically opposite way – concentrating their limited resources on the most serious cases or those that present the greatest threat to public welfare, not the low-hanging fruit.

• The more realpolitik one is that, as has been dramatically shown in the UK over the past two years, the real political risks often turn out to involve slow-win material and high-hanging fruit that can drop unexpectedly on ministers’ heads with devastating political consequences. And when that happens, it produces the media firestorms, bureaucratic meltdown and desperate blame games that we have seen in cases such as the NHS financial blowouts stemming from managers going for broke on waiting-time targets at the expense of financial targets during new labour’s second term, and the lack of attention to foreign prisoners being released into the community that brought down Charles Clarke as home secretary in 2006.

Is there a solution?
The underlying problem here is that the “principle” of performance-based accountability represented by target systems cuts across the equally plausible “principle” of proportionality in administrative action. Could these two rival “principles” be reconciled? Yes, in some imaginary world of Platonic philosopher-kings who set the targets in such a way that managers couldn’t ignore the high-hanging fruit. But doing that is not just a matter of hiring more philosophical brain-power in Whitehall, given the antipathy of politicians, public managers and contractors to performance targets that focus on the slow wins and the high-hanging fruit. And if such principles cannot be reconciled in practice, even if they could be in theory, what we need are recipes for better regulation and good governance that tell us how to deal with the inevitable trade-offs – something more like the Soldier’s Pocket Book and less like the Principles of Better Regulation.

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Leadership with a sense of place

by Vanessa Lawrence, director general and chief executive, Ordnance Survey

You would expect the head of a national mapping agency to support a government agenda driven by the concept of place. After all, location is behind everything Ordnance Survey does each day in capturing, maintaining and providing geographic information covering every inch of the country. Our data is pervasive in crucial public sector activities where location is key, from identifying areas of deprivation to finding derelict sites for house building; and from controlling the traffic flow to helping the police monitor crime patterns and catch offenders.

But aside from Ordnance Survey’s particular work, there are some clear parallels between the leadership required by local communities and that which makes other organisations tick.

In its excellent publication on the Politics of Place, the Leadership Centre for Local Government recognises that public service leadership, whether political or managerial, helps to shape the places where we live, learn, work and do business.

Taking responsibility
Place has become an important way of looking at how we take responsibility. For local government it is about ensuring that the overall community is being served as well as possible. Typically this means taking full responsibility for delivering unified, social value rather than simply acting as a commissioner for a range of disparate services or a broker for multiple strategic partnerships. Being best placed for decision-making is key to improving the wellbeing of an area and empowering the people there. The balance between national and local has to be struck just right.

Shaping that place can involve managing a physical office or remote work environment for staff, the engagement with local residents around a headquarters or other site, and many less obvious activities involving social and financial capital. Just as with the local government agenda, it is about understanding the needs of different people in the same locality. Different places have their own agendas; a clear reason why people should be involved in shaping their places and having a say in their services.

Location or place is one of the four key drivers for virtually all business organisations, irrespective of whether they are in the public or private sector, along with income, time and cost. Consider the questions a leader has to answer:
- Where are my staff located?
- What kind of environment and culture do they work in there?
- What places can I improve and how will that help drive productivity?
- Where are my customers or service users?
- How do I reach them?

Understanding just how much is dependent on the concept of place can help drive efficiency.

Motivating staff
Leaders must articulate a clear, unambiguous vision for a place and share it through strong communication, so inspiring and carrying people with them. You have to be consistent and ensure that everyone understands that what they, as employees, say and do is important to the overall message of an organisation.
A two-way process is the most successful – if you can get 70% of the people in your workplace to understand the vision, you are on the way to success. At Ordnance Survey, our staff surveys show that we are way above that figure. It helps if people have a passion for working for the organisation and in our case Ordnance Survey staff are motivated by that fact that what they do has a positive effect on a much bigger place, the nation. They know their work to create accurate, maintained geographic data for Great Britain is really important and they also know they are "world class" at their activity. Their work enables more than 500 Ordnance Survey partners to contribute between £300–£400m to the economy each year by adding value for end-user applications such as in-car navigation, banking, insurance and financial services, tracking valuable goods and geographically-based educational products.

This is exactly the same in an efficient local authority where people at all levels take responsibility for the whole community. Whichever part of the country we live in, social problems such as antisocial behaviour, drug abuse, domestic violence and street crime are everyone's concern. Trying to demonstrate success in a local authority can easily be undermined if the bins are not being emptied regularly or the graffiti is not tackled quickly. Impressions are terribly important. It is vital to have the moral mandate in people's minds to do the job and that involves everyone in the whole organisation.

Championing innovation

Another "leadership of place" analogy between local government and other organisations lies among the challenges and opportunities of the digital revolution. As a public sector business facing global competition, Ordnance Survey has had to completely transform its thinking from paper maps to being part of the information technology age. Our offices used to have cartographic drawing boards; these have been replaced by digital editing suites. Our field surveyors have grasped the benefits of digital GPS technology in their data collection activities and driven massive efficiencies through their part of the organisation.

Local government too is modernising within a fast-changing IT world – everything from people reporting faulty streetlights through the mapping interface on an online portal to corporate intranets connecting different council services and enabling a rapid response. IT development means we all have very different working environments now and a requirement for computer literacy from all our staff. This affects the places we work in and the work we do in those places. Leaders have to champion innovation and recognise that if you equip people with the right skills, they can transform their places of work.

Another key aspect of the concept of place is navigation. Leaders should facilitate career development to help their staff manage their contribution as they navigate through the organisation. People's lives are never static – they change and adapt. My advice is never to allow people to set their aspirations too low; give people the opportunity and normally they will relish the chance to grow within a role. Ask yourself if you have confidence in your people and make sure you continue to communicate with them at all times.

Just as the place agenda advocates that communities need strategic leadership, so do organisations and the people within them.

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The polemic over concepts such as community cohesion and citizen empowerment typically pivots around the perspectives of the "usual suspects". There is one public sector body consistently omitted from the debate, however, the Fire and Rescue Service (FRS). This is understandable – the FRS never will be central to polity at a local level. But, there has been massive change taking place in recent years that has shifted the centre of gravity of the service. I am proposing that the opportunity now exists, therefore, for the service to make a more significant contribution to community cohesion and the local leadership of place.

Positive role model/ trusted messenger
The American poet, John Godfrey Saxe, once said, "If Prometheus was worthy of the wrath of heaven for kindling the first fire upon earth, how ought the gods honour those who make it their professional business to put it out?" It is clear there is good community support for the FRS "brand". On the other hand, it cannot be taken for granted. The image was dented during the strikes of 2002–03 and, as that dispute unfolded, the need for the modernisation of working arrangements became apparent. Thus, the Independent Review undertaken in 2002 initiated a wholesale reform programme. Notwithstanding the turbulence of that period, local communities retain trust and respect in the FRS; the same shared values that engender a sense of community cohesion. I believe that there is an opportunity being missed for the FRS potential to be used better within the partnership agenda – and local area agreements – for the wider benefit of other public agencies.

Command and control
Historically, the FRS leadership approach has been militaristic; a command-and-control culture within a top-down, hierarchical model. Correspondingly, the role of elected members on fire authorities was largely ceremonial, with little local discretion because national standards determined most key decisions.

The new approach to service delivery – post-independent review – has demanded a fundamental change in culture, leadership and outlook.

Drivers of change
The world has become vastly more complex since fire brigades were formed. New technology, climate change, terrorism and demographics bring huge challenges for policy makers, but also bring new risks for communities, risks for which the FRS is often the last resort.

We must continue to be highly effective in our traditional profession of emergency incident management. In addition, though, we also recognise a shared responsibility for reducing risk and creating a safer society. And this is only possible by working in partnership at a local level as part of the leadership of place.

Fire is as much a social phenomenon as it is a combustion process. Most fires follow clear trends both in relation to when they occur and where they occur, with the people most at risk the same people vulnerable to a range of other disadvantage and deprivation factors.
Risk analysis
Consequently, we have now fundamentally changed our business model, from one of planning on the basis of “blanket fire cover”, to one of risk assessment. In other words, using risk analysis, supported by sophisticated modelling techniques and computer programmes, to provide the right type of emergency response in the right place at the right time. In addition, we have developed extensive community risk-reduction programmes that use marketing principles and thinking to engage different sectors of the community in differentiated ways – “customer-centric” ways.

We now publish our risk analysis and risk management programme annually in a Risk Management Plan and the comprehensive performance process assesses our performance against this plan in a rigorous way. I consider that the thrust of the local government white paper is pushing all local authorities in this risk direction, so we have much experience and learning we can offer local partners.

But risk management, at its heart, is about judgement and the professional and political leaders of the FRS, as all public services, must now exercise judgement to align their resources, weighing up the costs, benefits, risks and the public aspirations associated with alternative courses of action – “voice and choice”.

The leadership challenge
The magnitude of the shift outlined and the impact on our culture cannot be overstated. Although, as identified, there remains a need to deal with emergencies on every level, that facet of the service occupies a small portion of time; the rest is now spent off the station working in the heart of communities.

This shift of emphasis to become much more outward looking is not yet universally accepted as received wisdom, and can still prove a difficult message to deliver to staff and their representatives as well the wider community. The community often views the fire station as a reassuring presence – a kind of insurance policy – rather than a strategic base from which to deploy resources.

Cultural change
The tension around reform – aligned to other environmental factors – has also lead to a significant change of personnel at all levels. This movement has provided an important opportunity for us, though, because a significant number of people have joined the FRS from professions outside the sector, bringing much greater diversity in terms of gender and ethnicity. Crucially, the new people have also brought diversity of perspective and opinion, something I would contend the FRS can bring to local partnerships.

Is the change successful?
On a number of levels there is positive evidence to suggest good progress is being made.

Operationally, the FRS has continued to achieve excellent outcomes – the London bombings and the Buncefield incident being among the most high-profile illustrations. A number of fire authorities now have beacon council status for activities outside the traditional FRS role and the results of CPA for fire authorities are encouraging when compared with all local authorities. Most importantly, fire deaths are at their lowest level since 1958 and are continuing to fall.

In other ways, the evidence is less compelling - especially in the context of “the leadership of place”. The local government white paper made just one mention of fire authorities; a recent publication by the Prime Minister’s Strategy Unit on transforming public services (covered extensively in September’s SFI pamphlet) didn’t mention them at all. So, there remains some way to go to reposition the FRS in the eyes of some key stakeholders.

I have no doubt that the FRS can add value, and should be used better by partners as part of the development of an integrated public realm and the collective leadership of place. It is clear, though, that there is more work to be done – and confidence built – if the FRS is to be seen as a more central player in the idea of public services without boundaries, rather than its customary position of being something of an afterthought until there is a crisis.
Steve McGuirk is the chief fire officer of Cheshire Fire & Rescue and also the vice-president of the Chief Fire Officers Association

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As chief executive of the Housing Corporation, I am well aware of the importance of strong local government leadership. We recently signed a national protocol with the Local Government Association and we are currently taking forward over 20 local agreements with local authorities across the country, setting out our commitment to joint working, and setting out our expectations around the role of housing associations acting as key third sector partners for local government. The protocols cover themes as diverse as preventing homelessness, promoting housing choice, using local land assets and tackling antisocial behaviour. This is a strong foundation and one which stands us in good stead as we start to embark upon fundamental changes in the way that housing and regeneration is delivered. Looking ahead, I am confident that the relationship between the new national agency, Communities England, and local government will be strong and productive. But if we are to make the most of the transformative potential of Communities England, then dynamic local authority leadership, bringing together local partners from across the sectors in defining and shaping the vision of the place where people want to live, will be critical.

As we saw in the October 2006 local government white paper, Strong and Prosperous Communities, there is a strong political commitment to localism, devolution and community empowerment. The message is clear – local people and communities are to have a greater say in shaping local services. The challenge for local government is to provide leadership that enables this: leadership in the direct delivery of services but also increasingly a leadership role that is about acting as a catalyst for wider partnership and delivery.

**Unlocking the potential of community and voluntary organisations**

Over the past two decades significant strides have been made in opening up public services to the private sector. We have been less successful, however, in bringing in third sector partners. If we are to realise the full potential of a mixed economy of provision, then capitalising on the vast, untapped potential of voluntary and community organisations is essential. This isn’t to say that inroads haven’t been made. Community empowerment networks are now represented on local strategic partnerships, bringing together third sector partners together with public and private to coordinate the contribution that each can make to local communities. Voluntary sector compacts have been rolled out in almost all local authorities.

With the local government white paper setting out a likelihood of a new revised best value duty to strengthen participation, local authority partnership with third sector will become even more important. The level of commitment and interest in the third sector is also evident through the introduction of capacity building initiatives alongside continuing service delivery contracts. The role that the third sector can play in delivering public services is finally being recognised, and a flurry of initiatives aimed at equipping the sector to cope with escalating demands and future expectations has also been introduced.
**Why the third sector?**

There are four key motivations for the current interest in the third sector:

- Third sector organisations are a key building block on which social capital can be built. Robert Putnam’s work (Bowling Alone, 2000) on how people are associating less with each other has resonated loudly with UK policy-makers, with David Halpern another to focus on, as he puts it, “what makes bowling so important anyway” (Social Capital, 2004).
- The third sector is a key mechanism for developing active citizenship, giving people a means to address issues which concern them, either through direct action themselves or by lobbying others to do so.
- Third sector organisations can deliver personalised public services, particularly for marginalised and vulnerable groups. In many cases they are better placed to do this than statutory providers or the private sector.
- The third sector provides a way in which communities can influence the delivery of public services, helping to shape those services as well as more directly hold them to account.

Yet, in all the excitement about the role of the third sector, I wonder if we have fully come to terms with the way in which this increasingly demanding, sophisticated and influential sector is engaging with its most key partner – local government – a partner which is in itself also embarking upon a period of fundamental change?

We need strong policy frameworks that incentivise partnership, but also greater recognition and understanding of the value that differences in approach can bring. There is much to be learnt from the way that local government is providing leadership through its strategic housing role and from the contribution that housing associations are making in delivering strong communities.

**What we can learn from the strategic housing experience**

Today, many local authorities are engaged in a dynamic and effective leadership across the housing agenda. This extends beyond day-to-day administration of housing lists and management of retained stock. It is increasingly about finding new ways to deliver the necessary new housing, increase tenant choice, reduce homelessness, tackle antisocial behaviour and ensure balanced communities. And as sustainable community strategies come to the fore, the role of local authorities in ensuring that these provide the local vision for housing and communities will be more important.

At the heart of this leadership is a growing willingness to capitalise on the expertise and strengths that different partners can offer. Housing associations clearly are dominant in this respect. They now manage a majority of the social housing stock and with a balance sheet strength of over £40bn, are serious investors in the physical and social fabric of communities.

Across the affordable housing sector, the benefits of using this third sector strength are being realised. For example Liverpool city council is drawing on the skills of the Plus Group through their “Include” joint venture in running neighbourhood management services in southern Liverpool. And our Gold award winners, St Basils in Birmingham (a specialist housing association), is partnering with the council in leading on the prevention of youth homelessness.

**Towards a new Communities England**

As we move towards Communities England, I believe we have a strong foundation to build on and a strong local leadership model already in place. We have a widening pool of providers coming together to deliver more and better new homes, as well as additional housing and community services. Significantly, we have strong and capable third sector housing associations that are extremely well-run social businesses. The task for Communities England will be to help broker better and stronger relationships so that, together, we can deliver more at ground level.

Jon Rouse is chief executive of the Housing Corporation, and was previously chief executive of the Commission on Architecture and the Built Environment. Prior to that he was secretary to the Urban Task Force and policy and communications manager at English Partnerships.
Top teams often don’t live up to their name

by Stephen Taylor, chief executive, the Leadership Centre for Local Government

A dwarf on a giant’s shoulders sees the further of the two
(George Herbert, English poet, 1593–1633)
Not that many years ago I went to see a council chief executive who said he had problems with his corporate management team (CMT). I asked who was on it. “Well there’s me, and then the 23 chief officers...”. I stopped him there. In another council, the cabinet and CMT lost confidence in one another, the cabinet because they saw the CMT dragging its feet over much of what they wanted to do and the CMT because they saw cabinet members endlessly interfering at junior level to “fix” management issues. In public they were polite to each other, in private scathing.

Top team problems of this kind go beyond local government. It’s not long since you were automatically on the board of the Department of Health if you were a professional head such as the chief dental officer, which suggests no one had thought through what the board was for. I know only two government departments where ministers and board members have had an adult-to-adult discussion about what they need from one another to succeed. The NHS is littered with failed boards.

Why top teams fail
This, then, is the problem of top teams: they often aren’t. They are no more than groups. Of course not every group of people working together needs to be a team. A reasonable degree of cooperation will often suffice. But at the top of organisations, many of the challenges fall into Ron Heifetz’ adaptive category, where no one yet knows the answer and the senior people themselves must change to find it (Heifetz and Linsky, 2002). For this, a real team is essential. The definition of “team” I like is: “A small group of people committed to a common purpose, holding themselves mutually accountable for achieving it and supporting one another to do so.”

Some groups, as in the example above, fall at the hurdle of the second word (and some, I sometimes uncharitably suspect, at the fifth). But most fall because they have not identified a compelling common purpose sufficient to create loyalty to the organisation as a whole rather than to department, function or profession. This is not an issue of our day but of eternal human behaviour. John Harvey-Jones’ autobiography of his time at ICI, written nearly 20 years ago, describes it as the toughest thing he had to deal with. It seems to me, however, that the problem...
of top teams is greater in local government than elsewhere but also right now more soluble.

**Local government challenges**

Why greater? For three reasons:
- first, because local government officers’ careers’ climb a professional ladder – for example in social work or finance or environment – not a managerial one. By contrast with the private sector and the civil service, there is very little movement between functions. (Ironically, the civil service is now trying to reverse its “amateurism” with the Professional Skills in Government programme. Let us hope they do not discard the baby with the bathwater.) The consequence is that people arrive at the top table with first-hand experience of only one area of the business
- second, because in local government the relationship between officers and politicians is fuller and more immediate, and the boundary between them less defined, than in the rest of the public sector. Officers serve all members, not just the ruling group, and the ruling group is increasingly a political coalition which makes it all the harder to function as a team
- third, because setting out the common purpose is hard. By contrast with the private sector there is less interdependence of the parts (for example manufacturing and sales) and no simple overarching goal. How, pray, do you trade off, say, street lights versus home helps versus clean restaurants?

**Grasping the opportunity**

Why is this problem of local government top teams now more soluble than before? Because last October’s local government white paper, Strong and Prosperous Communities, rediscovers local government as the leader of “place”. Fully grasped, as colleagues describe elsewhere in this pamphlet, this enables a council to mobilise all the public resources going into its area to deliver a better service and take out waste (in every sense of that phrase). Getting beyond some general mantra of wellbeing, this calls on the local strategic partnership and public service board to look hard at what they want for the locality and how they can best pool their endeavours and their money to get it.

Done well under the aegis of an able cabinet, this creates a new role for councillors as frontline representatives rather than backbench members. And it creates a common purpose for the corporate management team: to deliver the vision of the place as opposed to horse trade over resources for their services. Some councils are already on the case. Manchester, Brighton and Hove and the Isle of Wight are among 25 the Leadership Centre is working with on “place” and many more will follow this year.

Strong and Prosperous Communities also encourages the kind of leadership seen in local government at its best. In my experience the most able leaders in local government are not particularly charismatic. Some of them aren’t even aromatic. Nor do they tick all the boxes on a competency framework. What they do have is the integrity which flows from what Robert Greenleaf (1998) called “servant leadership”: a visible and selfless dedication to the place their council serves. We will need many more of them to make the aims of the white paper a reality.

Which brings me back to George Herbert. If you are a leader, be the giant. Lift dwarfs on your shoulders. Then they have a shot at being giants themselves one day.

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Stephen Taylor is chief executive of the Leadership Centre for Local Government, on secondment from the organisation consultancy Stanton Marris. He has worked over the past 28 years with top teams in 30 councils, every government department and a dozen FTSE 100 companies.
Public leadership: avoid the fads

by Mel Cappe, president, Institute for Research in Public Policy in Montreal

The popular instruments and elements of leadership come and go. Underneath the fads, there is something important. Leaders need to avoid the fads and return to basics!

The essentials of leadership are enduring. They are the fundamentals of good management. But don't just manage, lead. Herewith, I offer Cappe's apparently unfounded assertions about public service leadership.

Look after your people and they will look after you
Good leaders create good followers by inducing good behaviour and good performance in their staff. A caring approach to people brings out the best in them. Empowering staff is important. But it is really about unleashing the creativity of your staff. A good leader knows how to open their staff to ideas, and how to open themselves to their staff's ideas. I once was told by a predecessor manager that I had to beware of “Wally”, a director in my organisation. Wally had 50 ideas a day, but only two of them were any good. My attitude was that this was two more than most people. The good leader sees that the two good ideas get through.

Make government more government-like
From time to time, one hears the plaintive cry of the private sector that government should be more businesslike. Return to the focus on the public interest; get out of areas where the private sector can deliver better service and then get out of the way. Contract out, privatise, whatever. Don't pretend that where there is a clear public interest to be protected, the private sector can do as well as government. In Canada, government contracted out airport security. The wages and costs of doing the screening went down, as did the quality of the staff and the quality of the screening. After several years, the government was forced to contract in and replace contract workers with public servants.

Good public service leaders demand strong political leaders
I am a democrat. Although I was a devotee of Yes Minister, as a public servant I resented the allegation that it was public servants who drove ministers. Rather, in my experience, responsible public servants have always worked better for strong political leaders. When a minister unfailingly did what I recommended, I always felt good at the time. However, afterwards, I always felt a sense of drift. Strong public service leaders work best with strong political leaders.

Leadership in public service requires senior officials to challenge ministers
This does not mean subterfuge or obstruction of ministerial direction. However, it does mean being the minister’s conscience and classically “speaking truth to power”. This sounds easy if you say it fast, but it requires great confidence and subtlety to be effective. And when the challenge function is missing, ministers make mistakes and officials deserve to be blamed.
Good leaders collaborate
However, collaboration requires leaders with great confidence. With confidence comes the ability to submerge ego. And with the submergence of ego comes the opportunity for true joined-up working (we call this working “horizontally” in Canada). Collaboration can make you much more effective but it can be costly in time and effort. Thus for some functions autocracy and hierarchy work well. Most issues in modern government, however, cut across ministries and collaboration is essential.

Leaders do good by stealth
You will be most effective if you are prepared to give others credit. In the mid 1990s I chaired a deputy ministers’ (I prefer the enduring term of permanent secretary) task force on working horizontally. Together we had 350 years of public service experience around the table and we discovered the blindingly obvious: you have to reward good behaviour, punish bad behaviour, set clear objectives agreed to by the collectivity, see that credit is shared, and leave egos at the door. Unfortunately, these principles are most often honoured in the breach.

Leadership requires taking risks and knowing what risks to take
Public sectors are notorious for not tolerating risk. Mistakes get punished and seldom do you hear: “Good try, too bad it didn’t work”. Accountability does not require blame. Good leaders support optimal risk taking. In delivering a programme of income support, experimentation may yield significant benefits. Even in air safety and anti-terror there is appropriate innovation. In Canada the 2004/06 Royal Commission on Sponsorship uncovered illegal contract-directing, payoffs and fraud. After the perpetrators were sentenced to jail, the government reacted (or overreacted) with the Federal Accountability Act to ensure that such activity would never happen again. The government has so bureaucratised processes that legitimate support to NGOs as well as innovation in programme design will not take place. Each time there is wrongdoing, there is an attempt to permanently change rules, which reduces the incentive for creative experimentation.

“Responsibilise” managers, as appropriate
In a bilingual society, one has the ability to be more precise. Responsibiliser is a very compact and elegant way of saying give responsibility to managers. Leadership in the public sector requires people to understand when “empowerment” is appropriate. Several commissioners ago the Royal Canadian Mounted Police (RCMP) delegated authority, let the managers manage and empowered frontline officers. Problem was that the RCMP is a quasi-military organisation where command and control has a reason. The subsequent commissioner had to resign because of the actions of junior officers who inappropriately passed information to a US agency, resulting in a Canadian being extraordinarily rendered to the Syrians and tortured. Hierarchy has a place. However, overcentralisation can be taken too far. Some years ago, Donald Savoie, a distinguished Canadian academic in public administration, wrote a book entitled Governing from the Centre. It was about how the then Chrétien government had overcentralised control. Of course, the Blair government has taken centralisation to new heights. The Harper government in Canada has far surpassed Chrétien’s degree of centralisation, but is only approaching Blair’s. Centralisation may provide strategic direction. But it undermines ministerial accountability.

Leadership in public services requires putting yourself outside of government looking in
This forces the public service manager to take the citizens’ perspective. The service user does not care which government or department serves them. Taking the citizens’ perspective allows for client-centred service. Much of the leadership literature creates new fads. Avoid the fads and return to basics!

Mel Cappe is the president of the Institute for Research in Public Policy in Montreal. He was Canada’s High Commissioner to the UK and previously was secretary to cabinet in Canada
Kutuzov gave no orders, but only assented to or dissented from what others suggested. It seemed as if he were not interested in the words spoken, but in the expression and tone of those who were reporting. He knew that it is impossible for one person to direct thousands of others and he knew that results are decided not by orders of a commander but by intangible force and he watched this force (Leo Tolstoy, War and Peace, 1865-1869)

Tolstoy’s observations on the Russian general commanding the Battle of Borodino neatly summarises my daily work as chief executive of a London council (apart, obviously, from “watching the force” bit). It also chimes with much fashionable management literature about “adaptive” leadership and “giving the problem back to the people”, “self-organising systems”, and “collaboratives” replacing corporations.

But this rethinking of leadership can go too far. When people start using leaderless termite systems which build geometrically perfect arches as analogies for managing large organisations, then sure as hell we are not in Kansas anymore. Even the online encyclopaedia, Wikipedia, has a core directing intelligence. Any senior manager who loses track of performance management, sound finances, organisational development, good governance and council reputation will be lucky to survive unscathed. However, as we think more systematically about leading places as well as running councils, these new, more libertarian, less hierarchical concepts are welcome and useful. We must accept the duality of managing organisations and making places.

Thinking about these problems, I have found a couple of pieces of academic theory useful in navigating through this dual world.

Adaptive leadership and technical work
The Heifetz duality contrasts problems that have a technical answer (solved by professional expertise) against adaptive leadership (convincing people that their behavioural change is part of the solution). For example, we all now run a “waste encouragement” service. We say to the public: “you make waste and we’ll cart it away as efficiently as possible”. But now we need to convince people that these highly valued services, in which we have invested so much to make them work well, need to be repositioned to collect less waste. On top of that we have to persuade people, either as producers or consumers, to present us with significantly less waste. Collecting waste efficiently is “technical work”. Convincing people to produce less waste is “adaptive leadership”.

Both modes of management are necessary, but you need to know which mode you are in. Consider the striking example of getting it wrong in the October 2006 local government white paper Strong and Prosperous Communities. This tells us that government will reinforce “the strategic leadership role of local government”. How will they do this? By making local area agreements (LAAs) compulsory. But surely LAAs are purely a technical device for setting performance standards between publicly-funded bodies in a locality? They may constitute a small sub-set of strategic leadership of place, but if the white paper leads councils to
believe that’s all there is to it, the place-shaping leadership agenda will be lost. What you really need are not technical process skills but the much more creative activity of synthesising everything we know, and feel, about our areas.

We are about designing a new future for our places, a future that is unique and that people will want to buy into.

Another example of the dangers of getting your mode of management wrong can be seen in the acute health sector, where most changes hit a brick wall because they are routinely approached as technical issues: “population is changing, primary health care is better and cheaper, therefore we need to close hospital X”. But hospital X hardly ever closes because it is not a technical issue. People love and cherish their hospitals and will only agree to let them go when they are convinced the alternative is actually better. This latter approach needs adaptive leadership: telling convincing stories about what an alternative future will look like and getting people to collaborate in their own health improvement.

A more parochial example, from Barnet, is that we have adapted to the fact that, because the borough is largely affluent, with only pockets of deprivation, we do not score against any government criteria for regeneration funding. A technical answer would have been to assemble, no doubt fruitlessly, hordes of statistics showing that really we were deprived. The adaptive response was to realise that one of the spin-offs of affluence is high land values. So by demolishing existing low density public housing and replacing it with high density, mixed tenure development, we could build the same quantity of social housing we had before but at much higher quality. This would be subsidised by the sale of the rest of the extra new homes. Barnet therefore gets better public housing in a more sustainable urban setting and at minimal cost to the public treasury.

The lifeworld and the system
Another duality, proposed by Jurgen Habermas, is between the “lifeworld” and “the system”, contrasting our everyday lives (what we do when we are being ourselves) with the world of the state, public corporations, political parties, trade unions etc. In the system actions are rationalised, systematic, quantifiable, ideologically driven, and depersonalised. But in the lifeworld we talk as equals outside any given party line. This lifeworld/system duality is a useful touchstone to shape our thinking about leadership of place. If we are to take the leap from leading organisations to leading places, we cannot take the behaviour of the system into the lifeworld.

If the council still “does public engagement” from a baize-covered table set out in front of an audience in a shabby church hall, then it is taking the behaviour of the system into the lifeworld. We are shoe-horning people into being “the public” and confining their issues to ones we can easily manage (normally relatively minor service failures). This is not how we talk to each other in our everyday lives but it mirrors how, via call centres, corporations tightly corral our issues. A ward councillor regularly having a chat with residents in a local coffee shop is much more like everyday life. This allows “the public” an equal chance to define what the issues are in the first place.

From consultation to conversation
In leading places, we need to move from “consultation” to “conversation” if people are genuinely to take part in shaping their future. It’s time to grasp the opportunity offered to us by current national thinking and take an active lead in designing the future of our localities.

We have to take Michael Lyons’s lead, whose quotation I stole for the title of this essay.

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Leo Boland has been chief executive of Barnet Council for six years. The council serves a third of a million people in north London and in 2006 went from two to three stars
Of all the perspectives and ideas about leadership in public services there is one aspect which is often critical and central to success but which remains uncelebrated and unrecognised. It is the felt need of leaders to develop and deliver their “meta-strategy” – that part of their leadership strategy which lies beyond the published visions, objectives, and the goals that leaders (both political and managerial) share with their top teams and their organisations. Probably no successful leader you have known has done without one. All successful public services leaders need to develop and pursue a conscious strategy of change or development, and the reality invariably is that they either cannot – or feel that they cannot – make known the full content of that strategy.

If you want to test this – and in the process to pin down more about what a meta-strategy actually is – speak to successful leaders and ask whether they (plus perhaps a small group of associates) keep to themselves something beyond the more widely known strategy of their leadership, something that guides the leader and the leadership team in shaping the published strategy, the articulated goals and the projected vision. They will tell you that there is.

Just how much is held back depends on many factors, and varies enormously. As to what is held back, it is no doubt desirable if there is consistency between the published strategy and the meta-strategy. That should help avoid outright deceit and potential dissonance on the part of the leadership. It should also make it easier to manage the boundaries between those who are party to the meta-strategy and those who are not. And it should permit at least partial exposure of the meta-strategy to challenge and revision.

But in practice what is held back may not be entirely consistent with what is more widely known and acknowledged. This is why the idea that leaders have and operate meta-strategies is somewhat alien to the current orthodoxy (which is mainly normative in character and which I broadly agree with) that public services leadership should work through teams around transparently developed and well-projected collective goals. What I am trying to do here is to identify the reality of meta-strategies of leadership, and to urge that they are understood better, rather than to say how leaders “ought” to behave.

Making change happen
Meta-strategies have been especially important in local government in the UK over the past 10 years or so because of the need for significant change, combined with the responsibilities of leadership to make that change happen in a context of people, politicians, and organisations that were not equipped for change and where passive and even active resistance to it was widespread.

Some of the most favourable circumstances were where there was an understanding between the chief executive and leader of the council, together with at least a small group of senior politicians and managers, who understood what needed to happen so that the council and its partners and communities could better meet the challenges that faced them. Often the
meta-strategy was about the pace of change, and about how it could be staged and managed to make it acceptable and to ensure that it did not get derailed or overreach itself. Often it was about the messy business of building a team with the capacity to lead and manage the change but which sometimes involved very difficult decisions about individuals who were seen (rightly or wrongly) as unable to make a significant contribution. And often it was about having an underlying understanding of what needed to be done and then seizing the opportunities which arose to edge things in the "right" direction, perhaps even through the energy and focus created by an adverse audit report.

In the most extreme cases, meta-strategies of leadership included those of political leaders who felt they needed a different chief executive in order to achieve what they wanted. And also the strategies of chief executives who considered that change could only be achieved despite rather than with the political leadership, and acted accordingly. These were often, but not always, organisations that were in great difficulty. There may be fewer of them now, but only the naive would imagine that such meta-strategies no longer occur.

Meta-strategy and place shaping
Even more interesting, perhaps, is how meta-strategies might work in an era of place shaping, because much place shaping leadership involves what Ron Heifetz calls "adaptive challenges". He describes the efforts of leaders to support their organisations and communities through the process of adaptive change, which is change involving loss. For Heifetz it is the greatest calling of leadership because it entails moral courage as well as technical skills and the personal qualities of determination and resilience, and a willingness to be a leader without popularity. He recounts stories of leaders who have challenged their communities to face up to their own drunken dependency, or who have helped their organisations to face up to deeply unpalatable truths about transformations necessary in the interests of efficiency or customer service but which dislocate people. Meta-strategies are very common in such circumstances, sometimes because leaders lack the moral courage to help others meet the truth head on. But sometimes it is about the quality of their judgment and understanding that introducing the new reality must be managed and that extra time may be needed while the anger and distress of loss is worked through.

In place shaping especially there may be a tension between the short-term “success” of leaders in forging an active consensus for moving forward and getting things done, and the longer term evaluation of their efforts. This is another area where meta-strategy may offend the current orthodoxy because we expect our leaders to be recognised as such at the time, and we frequently use reputational methods to find out if their leadership is any good. Asking the views of the peers of the leader and those who are led what they think of the leadership they enjoy is one of the prime methodologies for assessing the quality of leadership in public services. Quite rightly we expect leaders to face the challenge of staff surveys to find out how they are doing. Overwhelmingly, it is these qualitative and reputational aspects of leadership that are used to judge leadership, and these methods are quintessentially contemporaneous. There are no surveys of leadership which ask how the leader’s efforts are likely to be evaluated retrospectively in five years time. It is the here and now which we privilege.

Successful leadership
There is nothing wrong with this. It is right that those who are led should feel confident about their leaders. It may even be a necessary condition of successful leadership. But recognise also that a leader who helps others to face adaptive challenges, but who too robustly asks for the full reality to be faced up to may not only forego popularity. S/he may also damage the essential partnerships, team spirit and sense of shared mission and momentum essential to cope with the adaptive challenges that lay ahead. Meta-strategies may play a critical part in resolving these contradictions. Whether or not they should
Meta-strategy and leadership

do, we would all benefit by recognising more openly the fact that they might, and devoting some research effort to explore the part that they play in public services leadership more fully.

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When it comes to great leadership there are no magic rules or veiled secrets that guarantee lifelong success. Each great leader has best and worst-practice stories and strategies that are unique to them. They have learned their leadership lessons through years of experience and practice. Inspiring next generation leaders for 21st-century organisations is a challenging but achievable task if one can draw upon real-life experiences. Training courses and workshops are increasingly viewed as an antiquated approach to learning leadership skills. In today's time-pressured world, a lengthy course away from the office can often do more harm than good with little take-away knowledge in return for the resources invested.

Lessons in leadership, as collected by the management resource Fifty Lessons (www.50lessons.com), are being increasingly employed to motivate and educate emerging leaders. Insight into the experiences of the top CEOs, directors, entrepreneurs and managers in the public and private sector is like gold dust for our emerging leaders. Next generation leaders for 21st-century organisations can develop their skills by listening to experienced leaders at the top of their game. In all walks of life.

JW Marriott, Jr, the man behind the $19bn global lodging company, explains the essence of listening and learning in leadership: “A lot of people listen; it goes in one ear and out the other. You have to hear, you have to make notes, you have to think about what they said, take it back and discuss it with your people, and decide whether this is something you ought to be doing”.

Unpopularity contest
Sanjiv Ahuja, the chief executive of the Orange Group, recalls the importance of being a decisive and effective leader to encourage teams to follow the management’s direction: “There’s a big myth amongst leaders that they need to win the popularity contest inside a company”. The next generation of leaders must be aware that they are not always going to win first prize in such a contest, and this should not be their primary objective.

Ahuja comments: “As a leader of a business, be very clear in your mind that you are not running a democracy. By virtue of the fact that you have been appointed the leader there is a significant degree of autocracy that comes with you. When you make decisions and when you make choices they’re not always the most popular”.

Communicating change
Unpopularity is an unfortunate byproduct for many leaders in times of change, particularly when the change is managed without simplicity and conviction, according to James Strachan, former chairman of the Audit Commission, and current chairman of the Royal National Institute for Deaf People. Strachan believes communication is essential in change management and he has a wealth of experience in both the private and public sectors: “In times of change there’s a lot of turbulence, confusion, worry and concern. This is all natural. So people naturally gravitate towards a leadership that tries to take this confusion and describe in simple terms: why we are doing this, and why is all this agony worthwhile? In times of change; simplicity and conviction rule”.

Next generation leaders for modern organisations
by James Mackinnon, co-founder, Fifty Lessons
A focused turnaround strategy enables senior managers of underperforming organisations to understand the critical causes of poor results, in order to effect change and restore growth. A well thought out turnaround strategy can result in a leader encouraging all members of staff to achieve their full potential. However, effecting change in the public sector can be a complex procedure, as Professor Wendy Thomson recalls during her time working with Newham Council. To introduce real social change, Thomson recommends that public money should be viewed in the same way an entrepreneur views investment. The London Borough of Newham represented something of a conundrum for Thomson with its proximity to the City balanced against its status as the then poorest area in the UK. Thomson adopted a very different attitude to the borough’s turnaround than was previously witnessed by the majority of public sector leaders. She says: “When you ask about how we brought this change around, there are long held values, in the public service particularly, about the importance of helping the most vulnerable. Those are values I would share but what we were proposing by this entrepreneurial, investment-oriented approach was that there was more than one way of helping people”.

“Helping people in the long run was better served by giving them the tools, the jobs, the conditions in which they could look after themselves. Some people found that very difficult, they said that this was gentrification; where would poor people live if we started allowing richer people to live in these communities?”

Thomson’s leadership work in Newham resulted in change for the whole borough. The step-change within Newham went in line with the shift from the “tax and spend days”. Thomson concludes, “where you just look at need and spend public money on it. Instead you need to see public money more as an investment”.

Sir Gerry Robinson believes managing a turnaround can be one of the most exciting aspects of a leader’s role. The former non-executive chairman of Allied Domecq, recalls his personal experiences made him realise the importance of thinking fast. Robinson says: “Get in there quickly: the fact it is a turnaround means the company is in trouble. You’ve got to look at what the issues are, and you’re probably going to have to take people out of the organisation: that’s a fact of life. There’s no point in having an organisation go to the floor where everybody loses. So you have to do something about it, and do it quickly. Then get the people who are left behind rallied”.

Robinson offers a word of caution for emerging leaders who will inevitably face the issue of change management at some time throughout their careers: “Never carry out a reorganisation unless you’re certain you will only do it once: there’s nothing worse than going through a redundancy programme and having to repeat it three months later”.

Lead by example...
Do you ever get the feeling you are being watched? It seems that emerging leaders should get used to that feeling, as the rest of the organisation, and the outside world, will be closely monitoring their actions. There is a growing expectation that those at the top of the organisation should lead by example, as responsibility and accountability become more pertinent issues over the next decade. In the modern business world, change management and turnarounds in particular, should be directed from the top, with leaders setting the tone. Sir Michael Rake, chairman of KPMG International comments: “Leaders have to understand that they’re very visible, and this is one of the key [factors] in leadership by example”.

“Things can go wrong; but if you come down to the culture [of an organisation], you often see that it’s the tone at the top – the tone that an individual leader sets – that is incredibly important to the way the whole organisation works”.

Leading by example will be a “need-to-have” rather than a “nice-to-have” attribute for tomorrow’s leaders. This will be particularly pertinent in the public sector, where the eyes and ears of internal and external stakeholders will be firmly placed on the actions of team leaders. In the
words of John Roberts, former chief executive of United Utilities: "I fundamentally believe that nobody goes to work wanting to do a bad job. It's what happens at work that stops them doing a good job, and the whole purpose of the culture change process is to take down those barriers and obstacles that get in the way of people performing well as individuals and teams".

James MacKinnon is a co-founder of Fifty Lessons, an initiative that has captured on film, and disseminated through the medium of storytelling, the experience of over 150 successful business leaders. Prior to starting Fifty Lessons in 2003, he spent 10 years in the television and video production industry.
Leadership in the heart of darkness
by David Spencer and Robin Ryde, National School of Government

The prime minister’s flagship leadership development programme, the “top management programme” is nearing its 21st birthday. Having gone through numerous updates it has spent 21 years teaching leadership to some of the most senior people in the civil service, local government, the private sector, the police, the third sector – you name it, the programme has done it. In fact there are very few people running government departments or organisations in the UK today that haven’t in some way been involved with the programme either as participants or contributors. From Sir Gus O’Donnell (the cabinet secretary) to Pete Waterman; from Sir John Browne, (chief executive of BP) to Jeremy Paxman and from Nick Partridge (chief executive of the Terrence Higgins Trust) to Lucy de Groot (executive director of IDeA).

So here is a leadership programme that has great longevity and equally great people involved. But what is significant about this example is the underpinning philosophy that has created it and continues to sustain it, that is the need for leadership that is focused in every way on the whole system of public service delivery. No player within the system is left out. No sector is deemed to be irrelevant. No parts of the country are off the map. Why? Because the new challenge for leaders, even more so than when this particular programme was established, is about how to exercise leadership across institutional, geographical and sector boundaries. And one of the hardest parts of this is how to draw senior people out of the relative comfort zones of their own departments into the heart of the darkness that is cross-institutional leadership.

Urgent vs important
This challenge reminds me of the wonderfully simple two-box matrix created by Stephen Covey to help senior people with time management. Covey divides activities into those that are urgent and those that are important arguing that leaders need to shift their energies from the former to the latter. This is of course difficult enough when your local authority or your department suddenly hits the front page of the newspapers requiring your immediate attention; or when a patient dies in the waiting room of your hospital trust; or when there is a major security alert at an airport that grounds all flights for 24 hours. But when something important occurs that is beyond your formal locus of control, outside of the perimeter of your organisation, where is it likely to feature on your list of priorities?

Delivery chains
An Audit Commission and National Audit Office joint report published last year on the subject of public service delivery chains (Delivering Efficiently: Strengthening the links in public service delivery chains, HC 940 2005-2006) concluded: “Strong national and local leadership is vital. Delivery partners are subject to many competing pressures and cannot take on new targets unless there is active leadership” (executive summary). In this report the auditors tie cross-institutional leadership directly into the achievement of pub-
lic service delivery and the targets we all face. In an earlier report by the National Audit Office on obesity they marvelled at conflicting messages provided by the Department of Health on healthy eating for children and the appearance on crisp packets of coupons to be cashed in at your local school to put toward computers – a programme sponsored by the Department for Education and Skills that may have encouraged unhealthy eating amongst children.

I am not suggesting here a witch-hunt for policies and practices that conflict, rather a call to leadership to focus on the whole system of public service delivery, as complex and uncharted as it is. What leaders need are the right forums and the right methods to discuss issues that are relevant to them and they need the time to map the relationships between sometimes seemingly unconnected imperatives.

**Private finance**

Our private finance initiatives, now representing some £42.7bn of investment provide another example of why leaders need to connect and learn together. Under these schemes, such as the Building Schools for the Future programme designed to transform schools across the country, central government establish the policy and provide some of the funding, local authorities manage the programmes, the private sector take on the financial risk, different private sector firms offer advice and support and parents and children shape and ultimately benefit from the investment. At every step in the process, leaders need to be aligned with what is going on and understand the world in which each party operates.

One of the ways to tackle these challenges is, of course, through leadership development but the field is unfortunately afflicted with much of the same introspection and insularity that we find elsewhere. Far too many leadership programmes are single-department or single-authority focused. Even the very sensible growth in “organisational development” is characterised by exploration of the health of single organisations rather than leading us towards improving the collective health of many, interdependent organisations. The growth of corporate universities, with all the strengths that this brings, directs our attention inwards. The better we get at building the leadership strength of the corporate "us" the more that we seem to hold “them” at arms length.

**Shining some light into the heart of darkness**

It is no small feat for today’s leaders to do what is already asked of them, and for this they need all they help they can get. But, what they need to do tomorrow, to improve public service, is to think radically differently about every moving part within the system and shape how those parts work together. This can’t be done in isolation. Outmoded notions of the lone, charismatic leader need to be put to bed and the light turned off. Cold water needs to be poured over the command-and-control model, and the book needs to be closed forever on leadership as something that relies on formal and organisation-bound authority. It is time to shine some light into the heart of darkness.

*David Spencer is the principal and chief executive of the UK National School of Government. His career has developed in both the public and private sectors. He chairs the World Medical Fund and has served as a non-executive director of HM Customs and Excise. He is also a board member of CAPAM (Commonwealth Association for Public Administration and Management)*

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In writing their articles, our contributors have drawn on books that they enjoyed and found useful in helping them develop their thinking on leadership. Maybe it is my new professorial perspective, but I found it fascinating to see what people were reading and thought that our readers might be interested too. We make no claim that this is an “authoritative” or exhaustive set of references. We do know that one or more of our authors found them useful, which is a pretty good tip.

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