

# Change management challenges

John Harvey, Managing Director of IRIS Consulting, outlines issues facing managers in today's public service environment...

**B**oth central and local government bodies have encountered 'capacity' shortcomings in their quest to deliver services. This might seem surprising as government organisations can command substantial resources. But the nature of the shortcomings that have been identified is more to do with lack of particular skills (especially leadership) than any shortage in overall resources or budgets.

While central government has been boosting the funding available to the major public sector service deliverers (the NHS, the schools and local authorities), concerns about their delivering a better service to the end-users remain. What can be done about this disconnection between the Government making extra resources available but no, or meagre, visible improvements on the ground?

Many public sector organisations are now grappling with issues to do with managing change and excellence in delivery. Recent research (for example, that done by the Office for Public Management for ODPM and by IRIS Consulting for the DWP) indicates that the capacity for organisations to improve is determined primarily by having the right people with the right knowledge, skills and behaviours in place.

Much work has been done over the years in developing competency frameworks. But by themselves, these are insufficient. In order to rise to the management and leadership challenges facing the public sector, senior managers need to set the example that creates a new culture and ways of doing things.

When these things get put down on paper, they tend to be described in rather formal management-speak terms as 'our core values' and 'our leadership model'.

For example, various Government departments have now developed their own leadership models and one we have seen describes its desired leaders in terms such as 'inspirational', 'creates a sense of ownership', 'sets targets and robust systems for monitoring' and is willing 'to tackle poor performance'.

In order to translate such values into practice, a range of techniques can be used. For example, development centres

can be used to identify strengths and areas for improvement in personnel at all levels in the organisation.

Some employers in the private sector are now selecting and recruiting with the aim of getting staff with the right attitudes and mindsets on the basis that it is fairly easy, subsequently, to train people in the technical know-how needed for their job. By defining the behaviours and values that will be used to measure the performance of people in the organisation, it is then possible to use techniques, such as assessment and development centres, to help ensure that the right leaders are in place, and perhaps, more importantly, that people for the future are being identified and supported.

In the words of one local authority chief executive, we interviewed as part of our recent research into management styles: "We've outsourced, we've changed our IT systems and none of it worked. It's people that are the critical factor. Great people will compensate for almost anything, including bad systems."

A recent survey commissioned by the IDeA<sup>1</sup> provides further evidence of the value of good communications, and the contribution and involvement of staff. The survey identified some key differences between the responses from employees of local authorities rated in their CPAs as 'excellent' and 'good', compared with those rated 'fair', 'weak' and 'poor'. That research concluded that these factors '...are key issues for managers who want to improve performance'.

<sup>1</sup> 'Comprehensive Performance Assessment (CPA) and Employee Attitudes: the impact of motivation on organisational success', Improvement and Development Agency/MORI, 2004.

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