

Too Busy Managing to Lead? A View from “Down Under”

by Paul Davis

Local government administration is a complex business. Managers find themselves walking on eggshells as they attempt to serve diverse and often competing interests. Then there is the dual-world system whereby managers work within a political environment at the same time they also work in a highly commercial, corporate world. Few businesses provide such a dazzling array of services or employ such a wide range of skills as the average local government. If it were a person, local government would be told to slow down, focus on one thing at a time, and go on a long vacation. It could find itself on medication.

In this context, it might not be surprising to discover that some aspects of local government management might not get the attention they deserve. Something has got to give. But if that “thing” happened to be the people who make local government work at all, then we would have a real problem. How ironic that we might neglect taking care of the car’s engine yet spend hours lovingly polishing the bodywork.

A three-year study of local government executive leadership in Australia has uncovered some worrying issues around human resources (HR) management in council organizations. It would seem that the area of people management is falling behind best practices in the private sector. In some cases, attitudes and practices seem rooted in 1960s organizational management theory.

Lest you now sigh deeply with relief and tut-tut about those Aussies and how they do things down there, think on this sobering point: the research was positioned against the global backdrop of the concepts of new public management, with local government in some 30 countries put under the microscope. Indeed, there is a good case to suggest that the Australian experience is far from unique and that local governments the world over have, to some extent, neglected their people in pursuit of the corporate dream.

REFORM OR ELSE

Over the past 25 years, there has been a worldwide effort on the part of governments of all colors to shake up public organizations. Specifically, the public sector from Botswana to Finland, from Fiji to Turkey, has been made to transition from the postwar ideal of at-any-cost public administration toward a fiscally responsible model of public governance. Local government has been at the forefront of this movement.

What we have witnessed is a paradigm shift predicated on the principle that money, not public good, must be the common denominator for the planning and delivery of public services at the local government level. This new public management, or “managerialism,” has been all pervasive, and it has cornered the efforts and interests of executives managing local governments. It has cornered their interests because politicians and higher levels of government, holding the purse strings and cracking the whip, have mandated the changes.

What has resulted? Local governments have channeled their energies into embracing managerialism to the detriment of the less visible needs within the organization and those things that managerialism is not concerned with—people. So, what we have seen in local government around the world in recent years has been a frenetic scramble to out-corporatize the private sector.

FIGURE 1. SELECTED FINDINGS

	Preference for (%)	No preference (%)	Preference against (%)	Total responses
Contingency management practice	61.5	22.5	15	1556
	High awareness (%)	Some awareness (%)	Little awareness (%)	Total responses
Organizational culture	47.5	25	27.5	1548
	High value (%)	Mid value (%)	Low value (%)	Total responses
Employee empowerment	64	19	17	1550

Reforms have focused on doing whatever can be done to balance budgets and cut costs—that is, to provide services more cost effectively. Generally, local government has made a good job of a particu-

larly challenging task. But at what cost? My research suggests that the reforms have come at the expense of developing progressive HR practices. I offer that tomorrow’s challenge is to turn our focus in on ourselves and look again at people.

scholarly research. The research that has been conducted almost entirely overlooks people issues inside local governments. Researchers have focused on intergovernmental relationships, broad governance issues, and the managerialist changes I have highlighted.

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My study, conducted through Deakin University, Melbourne, Australia, examined the attitudes and experiences of local government chief executive officers (CEOs; in other words, local government managers) toward HR imperatives. I canvassed opinion on notions of employee empowerment, organizational culture, and contingency management (a people-management style). The research also examined the goals that CEOs had for their organizations for the coming years and the overall people strategy in place to achieve those goals.

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THE RESEARCH BLACK HOLE

It will come as no great surprise to you to learn that local government the world over has suffered from a lack of

A total of 224 CEOs completed a mailed survey instrument, and 15 CEOs participated in one-on-one in-depth interviews subsequent to the survey. The survey asked respondents to indicate the extent to which they agreed with each of 21 statements. There were seven statements each on the three topics of contingency management practice,

FIGURE 2. SELECTED STATEMENTS FROM SURVEY

Statement	Theme	Nearly always and usually (%)	Sometimes (%)	Very rarely or occasionally (%)
I find that there is one best way to manage a project and that this method is applicable to any kind of project.	Contingency	19.5	25.0	55.5
I feel that there is a single set of management practices that can be applied successfully to any kind of project.	Contingency	28.0	26.0	46.0
Organizational culture tends to reflect the personal values and beliefs of the organization's top executive(s).	Culture	56.0	33.0	11.0
The underlying culture of an organization is shaped by the organization's core business.	Culture	42.5	20.0	37.5
Managers are responsible for initiating and implementing change; employees are responsible for following change.	Culture	28.0	28.5	43.5
Empowerment of staff is about managers delegating more to their staff.	Empowerment	60.5	22.0	17.5

organizational culture, and employee empowerment.

Figure 1 indicates that almost two-thirds of surveyed local government managers have a preference for contingency management, less than half could be categorized as having a high awareness for and appreciation of organizational culture, and more than one-third do not place a high value on the concept of empowering employees in the workplace.

Figure 2 presents a sample of statements from the survey and the responses to those statements. The shaded box for each statement indicates the percentage of respondents whose expressed view is not supported by commonly held ideals of best practice or general opinion in the research literature.

READING THE RESULTS

Contingency management, as a set of principles or a management philosophy, is now considered largely redundant for strong stewardship of modern organizations. The research wanted to test just how popular contingency management still was, as it has traditionally been

the main management approach for public organizations. With the radical changes demanded by managerialism in the past 25 years, however, it might have been assumed that contingency management had been swept aside as it is mostly irreconcilable with the flavor of the concepts of new public management.

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Somewhat surprisingly, we can see that local managers, while leading the new local government organization, still largely approach manage-

ment in a traditional way. Contingency management runs counter to theories and practices around modern leadership. There is little room for dynamism, proactivity, innovation, or enterprise with contingency models of management.

Contingency blows the way the wind blows; it is about second-guessing what might happen and changing to suit circumstances instead of having systems that absorb outside pressures. Contingency managers tend to see the world in a linear and predictable fashion and then get caught out when something they had not planned occurs. Contingency is consensus building: cautious, defensive, reactive, ponderous, and slow. It might have suited the local government environment in the years after World War II but not the reinvented local governments that are the backbone of progressive communities today.

The research found that many local government managers have a tendency to believe that organizational culture is something rather more simplistic than we know it to be.

Generally, the feeling that culture is shaped and controlled by the city or county manager was a sentiment quite widely expressed. Table 2 highlights some fundamental misunderstandings regarding what organizational culture actually is.

The concern is that when we misunderstand the essence of something or perceive it to be simpler than it is, success can be elusive. Many local government managers climb the ranks through engineering and planning; they are people who deal best with concrete realities rather than abstract concepts. Perhaps the idea that "the culture is of me and I control it" is appealing, but it is a belief that is likely to have serious consequences for employees across the organization.

The findings also show that the surveyed group had some traditional ideas about the concepts of empowering employees. Most notably, close to two-thirds of the respondents still understand empowerment as delegation, which we know is a real killer of employee self-determination and innovation. It was interesting that during the interviews managers spoke enthusiastically of empowerment and its value to their organization; yet, when pressed for an example, few could offer one.

THE GOOD GUYS

It must be acknowledged that through the survey and during the interviews many examples of progressive practice and sound, widely encouraged principles were evident: 75 percent of respondents rejected the statement that organizational planning and consultations should be limited to senior management, 97.5 percent of respondents agreed that organizations have a responsibility to facilitate conditions whereby staff can be creative and innovative, and 98 percent indicated that they do encourage all employees to exert some influence over how best to do their own work.

In one memorable interview, I learned of a local government manager who has introduced for all

employees a formal, written empowerment charter that explicitly empowers staff, within clearly explained boundaries, to use their initiative

and make decisions without fear of retribution.

What is important and what the survey sought to identify is where

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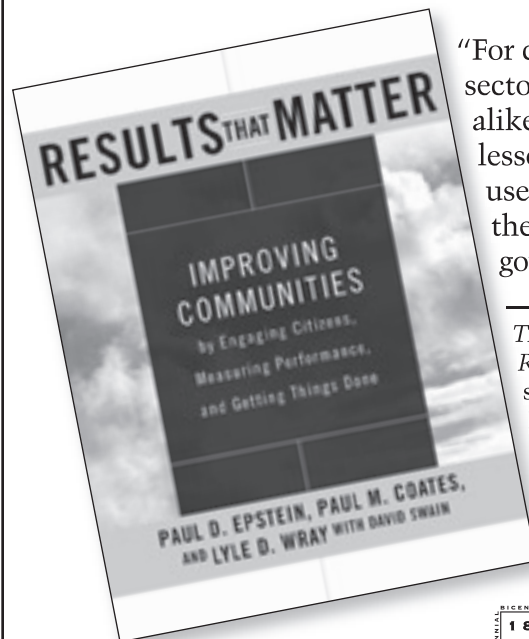
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Top 10 Tips to Rediscover Your Staff

- 1. Dump contingency management practices.** Read up on the subject and identify how contingency manifests itself in tangible ways in organizations; set about changing habits and processes.
- 2. Embrace complexity.** Complexity management practices are the antithesis of contingency management. Complexity is a nonlinear management model. It is not just a theory. Learn what it means in practice and develop staff to work in new ways.
- 3. Make plans and stick to them.** All the unpredictability and uncertainty around contingency management in practice is unsettling for staff. It gives the impression of a lack of direction, lack of conviction, and inconsistency. Learn to have plans that can absorb and accommodate challenges rather than plans that keep attuned to outside demands. Plan for the unexpected and expect the unpredictable.
- 4. Reassess your approach and attitudes toward organizational culture.** Know that organizational culture can be influenced but not controlled by senior managers. Do not mistake quiet compliance for cultural change. It is a staff survival mechanism; fury may be bubbling beneath!
- 5. Find ways to involve all staff in culture renewal, evaluation, and development initiatives.** Remember that your staff creates the culture, so getting them positive and excited leads to a positive and exciting culture.
- 6. Look carefully at your cultural messages and symbols, and ask whether you and your top team are really delivering on them.** Would I, as an outsider coming to your place for the first time, see that you mean what you preach or is it just more empty rhetoric? Take the time to make your values mean something.
- 7. Think about how you can stop talking about empowering work practices and begin enshrining them so that people believe you mean it.** A charter is one good idea.
- 8. Remember that delegation is not empowerment.** Review your approach and make sure managers do not pass on work to others as a “development opportunity.” Staff always see this for what it really is, and it does only damage.
- 9. Invite staff to take the initiative.** Real empowerment is about creating the space for people to empower themselves. Support and encourage this but do not dictate it.
- 10. Retain your awareness that the changes managerialism dictates might make the organization meaner and leaner but that the effects on people policies must be carefully managed.**

managers can improve their (and their senior team's) approach and attitudes toward key HR business drivers. Managerialism has taken the focus away from people and re-

directed it to processes and systems.

Managerialism has also diverted managers from being great leaders and asked them to be scrupulous managers. The themes of this research

and the findings of the study offer opportunity to managers to identify ways to build quality leadership in the organization by reconnecting with employees.

WHERE TO NOW?

Let the pendulum swing back a little toward your people. Now is a crucial time to look seriously at employee engagement with the organization and the opportunities that can be seized to facilitate that connectedness. News abounds of skills shortages and talent crises that seem set to worsen before they improve. Certainly in Australia, many local governments are struggling to attract and retain the highly skilled staff they require to service their communities and achieve their goals.

It makes a great deal of sense to invest more intelligently in the staff we do have, those we are already paying each week anyhow, than to hope we can replace them if they leave. Top talent will become increasingly elusive. Leveraging the latent talent within your organization through more progressive approaches to including and valuing staff abilities is a good beginning. **PM**

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