

In shape for success?

chief executives' perspectives on achieving
culture change in local government

Integrated **Positive**
Responsive
Flexible **Business-like**
Customer focused **Dynamic**
Confident **Innovative**
Enabling



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Janet Callender
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The Local Government Delivery Council (LGDC) is helping drive local service transformation. It is part of local government's commitment to delivering services that meet the needs and expectations of citizens and businesses more cost effectively.

As part of LGDC's programme of work we are sponsoring the IDEa's cultural change project because we believe that cultural change underpins service transformation. Many service transformation programmes, often costing millions of pounds, fail because of cultural reasons.

In the many debates about how to achieve successful service transformation and to try to understand what gets in the way, the phrase 'cultural change' is often used. But it is rarely analysed or discussed in any practical sense.

Our goal is to successfully transform local public services so that they are more focused and responsive to customers and delivered in new and exciting ways that reflect the changing needs of citizens and communities. This requires the commitment and engagement of staff from across the whole organisation. It also requires an openness and eagerness to work in a different way, for example working in joint teams, sharing accommodation with partner agencies or simply working out in the community more.

To make this happen, it requires strong vision and leadership across the whole organisation, as well as buy-in from staff working on the frontline, in the back office, across all roles and in all departments. This shapes the culture of the organisation, which impacts on how customers are treated and the services they receive, how staff feel, whether innovation and planned risk are welcomed and, importantly, how failure is viewed – as an opportunity and a driver for improvement or something to be avoided at all costs.

This report focuses on the chief executive's role in shaping culture, and is based on interviews with chief executives. We hope that this helps to clarify what cultural change is about and how it might be tackled, feeding into and fuelling a wider debate about the most effective things that chief executives, working with their elected members, can do to help to develop a 'fit for the future' culture in their councils and across their partnerships.

Councils are facing many major challenges with the recession, with ever tightening public service resources coming on top of already ever increasing customers' expectations. However the challenges we are facing now undoubtedly provide a 'burning platform' that chief executives can use to achieve much more radical change - as Hilary Clinton said recently, 'never waste a good crisis' – the challenges of today are the opportunities of tomorrow.

Introduction

Local government culture is on the move. Around the country, councils are seeking to change the culture within their organisations to better equip them to deliver positive outcomes and to reflect the changing role of local government in the 21st century.

We have interviewed nine chief executives in a variety of councils around the country to gain their insights into the culture challenge facing local authorities and how they are approaching it in their councils.

We'd like to thank:



Stephen Baker

Chief Executive, Suffolk Coastal District Council and Waveney District Council



Donna Hall

Chief Executive, Chorley Borough Council



Jack Hegarty

Managing Director, Wychavon District Council



Stephen Hughes

Chief Executive, Birmingham City Council



Barry Keel

Chief Executive, Plymouth City Council



Mark Lloyd

Chief Executive, Cambridgeshire County Council



Irene Lucas

Chief Executive, South Tyneside Council



Jan Ormondroyd

Chief Executive, Bristol City Council



Darra Singh

Chief Executive, Ealing Council

All of them emphasise that the organisational environment a council creates, and the mindset and attitudes with which its individual people deliver, is central to how effectively it can serve the people it represents. They emphasise the need for a more confident, externally-focused and can-do local government culture that is far removed from the more staid and bureaucratic old-style image of councils.

A positive culture, providing a springboard for staff to perform at their very best, is seen by chief executives and senior managers as vital for effective results. They stress the importance of taking a pro-active approach to organisational culture, building on the many positive aspects of council culture and moving away from aspects that act as a drag anchor on performance.

Every organisational culture is different – what works for one council, may not work for another. What is important is to be able to pinpoint aspects of culture that hinder progress and, similarly, to understand and promote those aspects that can help the council and its people perform at the top of their game. We hope that this publication will give insights into how different councils are doing that and the nature of the wider culture change journey that local government is on.

The 'culture' word

We're all used to hearing phrases like:

'There's a 'can do' culture round here'

'It's a great culture – always buzzy and responsive'

'It's a culture in which it is best to 'keep your head down' and plod on'

What do we mean when we talk about organisational culture? It is made up of all sorts of things – the values the organisation encourages, the goals it pursues, the example set by leaders, the performance and reward frameworks it deploys, the behaviours it encourages or discourages, the 'look and feel' of the workplace, and many other factors.

Together, these create the environment or the organisation's **way of doing things**. In turn, this influences the **mindset** and **behaviours** that individual people bring to their jobs and the extent to which the organisation is successful or not. Put another way, it is the interaction between the **climate** or the 'enabling framework' created by the organisation (its leaders, managers and people) which then influences the **assumptions** people bring to their tasks, the **attitudes** they hold and the **approach** they take to delivering results.

Cultures are developed over time and, once embedded, can be difficult to change. Edgar Schein, one of the 'gurus' of cultural analysis, defines 'culture' as the sum of an organisation's 'artefacts' (visible organisational structures and processes), its espoused beliefs and values and the tacit assumptions that underpin these beliefs and values. He adds: 'Any social unit that has some kind of shared history will have evolved a culture, with the strength of that culture dependent on the length of its existence, the stability of the group's membership, and the emotional intensity of the actual historical experiences they have shared' (Edgar H Schein, *Organisational Culture and Leadership*, Jossey-Bass, 2004).

Why focus on culture?

The term 'culture' sparks considerable debate. Many people do not like the word. Some say it is over-used. Others deride the way it is sometimes used as a catch-all term without any real explanation of what is being talked about. Blaming something on the culture of a place can often sound like an excuse for inaction or avoiding personal responsibility.

So why focus on it at all? Jack Hegarty, Managing Director of Wychavon Council in Worcestershire, counts himself among those who dislike the term but is in no doubt about why an organisation's culture is important to whether an organisation is successful or not. 'It sets the tone for the organisation', says Hegarty. 'For us, it is a combination of leadership, innovation, confidence and clarity that translates throughout the organisation so that, if you work here, you know what the organisation stands for and what is expected of you.'

Many of the Chief Executives we spoke to said that culture is, in many senses, more real and has much more tangible impact than many other things that absorb a council's time. Ealing's Chief Executive Darra Singh observes: 'An organisation's culture actually defines or governs how things are done much more clearly than say policy statements or procedures. An organisation's culture affects behaviours. It can either really drive the pace of change, really pushing innovation and improvement, or it can act as a brake and create inertia. It is the thing that determines how in reality we get things done as opposed to how we'd wish to get them done if we just sat in an office writing a set of plans and strategies.'

'It's what makes the organisation tick'
(Donna Hall, Chief Executive, Chorley Council)

The bottom line for Darra Singh and the other Chief Executives interviewed for this publication is that it doesn't matter how good your vision, strategies or policies are if the culture of the council is wrong or out of step. Barry Keel, Chief Executive of Plymouth City Council, points out that, ultimately, an organisation's culture 'determines where the organisation focuses and how successful it is in reality. Often it revolves around whether it's a 'can do' culture or a 'let's find problems' culture.'

The idea that culture is the stuff of real life much more than it is given credit for is also emphasised by Stephen Hughes, Chief Executive of Birmingham City Council. 'Because culture affects the attitudes of staff, it has a very real impact on the quality of the services we are delivering and the way in which our services are perceived by the public.' This view finds echo with Stephen Baker, Chief Executive of Suffolk Coastal District Council: 'Culture underpins all the different aspects of the delivery process - it affects how the staff function, how the members function, the delivery processes and also affects how our customers perceive us.'

Culture change: delivering real impact

The Chief Executives we interviewed felt that, ultimately, getting organisational culture right can mean the difference between success and failure. All the councils featured are on an upward performance curve. Here are just a few examples of the real, tangible improvements where, according to the Chief Executives, culture change has played a key role:

Chorley Council - customer satisfaction levels have soared by 14% over the last three years and sickness and absenteeism has plummeted from 15.9 days per employee per year in 2002 to 7.2 days in 2009.

Birmingham City Council - more than 30,000 staff have been involved in the council's BEST initiative (see p 14) and survey feedback suggests it is having a major impact. Staff feeling 'motivated in their current job' increased from 56% in 2006 to 83% in 2008. Staff 'feeling proud to work for the city council' rose from only 50% in 2006 to 84% in 2008 and there was an average 20.5% team productivity increase following BEST workshops.

Wychavon Council - more and more staff feel upbeat about the council with 82% saying they are proud to work for the council in 2009 compared with 71% in 2006.

Old vibes, new vibes

All the Chief Executives we interviewed believe that developing and changing the culture of local government is important. The need for change comes from three broad directions:

- **moving** away from ineffective or outdated cultures – minimising or eliminating cultures that do not fit with the new goals and ambitions of local councils;
- **learning** from what works elsewhere – embracing the best and most relevant aspects of culture that deliver success in other councils and in other sectors;
- **growing** a new, modern and more confident public service culture – developing a local government culture that will match the demands and challenges flowing from customers' rising expectations and local government's community leadership role.

Underpinning these imperatives is the recognition that the current economic downturn will place more demands on council services but the public finance outlook will be far tighter. The cloud on the public finances cast by the credit crunch and ensuing financial crisis will heighten the need for local government to become super-efficient as it steers through the resource-constrained decade that lies ahead.

Moving away from ineffective or outdated cultures

What is the nature of the culture change journey that local government is going through? What is it moving away from? What are the aspects of culture that no longer fit well with what local councils need to deliver? Many of the Chief Executives we interviewed highlighted the tendency for local government, in the past and sometimes in the present, to be inward-looking, silo-based, resistant to change and challenge, and more concerned with a self-serving attachment to a particular model of delivery than thinking what would produce the best outcome for people in the locality. Cambridgeshire County Council Chief Executive Mark Lloyd sums it up: 'It is about becoming genuinely, corporately, customer focused, instead of insular and institutionalised. We're here for our communities not for the sake of ourselves.'

'If the culture is correct the organisation focuses externally on the customer. If the culture's wrong the organisation tends to focus internally on the issues and the problems within the organisation,' reflects Plymouth's Barry Keel. This characterisation strikes a chord with Jack Hegarty in Wychavon. Wychavon Council has improved strongly in recent years to achieve an 'excellent' comprehensive performance assessment rating. 'Seven or eight years ago we were a fairly average organisation that looked inwards,' remembers Hegarty. 'We didn't find external focus comfortable - either looking out at others or being challenged by others. We were not going anywhere as an organisation if we continued with that mindset. Changing it was the biggest thing for us.'

Surveying the local government landscape, Birmingham Chief Executive Stephen Hughes says: 'Previously I think we were much more introspective. There was perhaps a 'job for life' culture amongst staff. There wasn't a great deal of challenge. Things were often done by rote. There was quite an aversion to risk. You had long gestation periods, plenty of time to think things through and the pace of change wasn't that fast.' Ealing's Darra Singh echoes this: 'Local councils were regarded as very staid organisations with fairly little get up and go. We suffered from silo-based working where looking across departments was a challenge let alone looking properly outwards.'

Singh also points out that some local councils have lacked strategic focus: 'There has been a fudging and confusion around priorities, for example. Everything was a priority and nothing wasn't, with a correspondingly poor system of resource allocation and resource reinvestment. If there are mixed messages from the leadership of a council about what really matters then that becomes a huge drag on progress.'

Learning from what works elsewhere

Everyone was in little doubt that their councils have learnt and can learn from the cultures that exist in other organisations, both public and private sector. Sometimes this took the form of an explicit strategy to promote a different mindset. In Wychavon, Jack Hegarty is very clear about his council's desire to create an environment that contrasts with the image of the traditional public sector. 'Hopefully, if you were here, it would be a business-like environment that you'd notice most. My leader describes it as being 'entrepreneurial not municipal.' We say, if we were a business, what would we need to do to survive and thrive? So it's getting that culture. Our annual report uses the phrase 'Wychavon report to shareholders.' Residents are our shareholders – they pay for the services. Things like that set the tone for the organisation.'

A business focus is something that is echoed in many councils. Suffolk Coastal's Stephen Baker says: 'Our culture is very business-like and focused on deliverables. It is not a place where you would hear local government jargon – we tend to tell it like it is. We have to be in tune with the demands and needs of the local community. It is a very immediate and lively environment.'

Like many of his counterparts, Baker uses the word 'confidence' to describe the approach he wants to encourage when it comes to managing risk and tackling challenges. He says that looking at what others were doing was key to building an internal confidence among staff. 'Taking the time out to get out and look at what others are doing is important in building the culture here. There is always a good excuse for not going to that conference in London or whatever, but we found it was actually one of the things that was instrumental in understanding what was special about what we do and taking credit for it.'

The dynamic that comes from cross-fertilisation was also emphasised by Barry Keel. 'I spent a lot of my local government career in the North East where there were 10 unitaries within a 40 mile radius. In contrast, in Plymouth the distances are much greater and there is no interface with a successful unitary. That makes a big difference because it doesn't happen automatically. You've got to work a lot harder at encouraging people to take a look at what is happening elsewhere.'

Growing a new, modern and more confident local public service culture

Jan Ormondroyd has had first hand insight into different council cultures as Chief Executive of Suffolk Coastal, Deputy Chief Executive at Hull with a particular focus on performance management, and now as Chief Executive of Bristol City Council. She describes the culture journey in terms akin to local council officers moving from being 'public servants' to being 'public enablers.' She says: 'People will need to feel confident and competent about doing that and using resources in quite a different kind of way to how they do currently.'

Ormondroyd observes: 'In the past there was more of a certainty about people being clear about what their specific roles were in a more narrow and traditional sense being a public servant. Now people are embracing the spirit of partnership working and doing things differently but I think there is still a lot of uncertainty for people around what that means in practice. Many are still looking for some solutions. In the future, we need to be much more confident about how we work in partnership to commission outcomes that deliver some clear results.'

Moving from being a 'public servant' to being a 'public enabler' entails a profound change in mindset. The need for a more 'confident' mindset was emphasised by many of the Chief Executives – more confident at delivering a place-shaping role, more confident at working in partnership, more confident in stepping back and empowering others. It means bringing a very different outlook to bear at a whole range of different levels – from the strategic to the day-to-day interactions with the public and, crucially, to the approach to shared services.

Donna Hall, Chief Executive of Chorley Borough Council, pulls no punches when she observes: 'There are some individuals, both members and officers, who are past their 'sell by date' in local government. They still haven't got it. They think it is a job for life. We've already cleared out the dead wood at Chorley but when you look around the sector, even at quite senior levels, there are people that don't understand the journey we are on.'

Talking point: From can't do to can do

Chorley Council Chief Executive Donna Hall reflects on council culture, past present and future on the basis of her experience of Chorley and the various councils she has worked for.

Past

'Silo services operating in isolation from each other with very little regard for the customer of those services. A rules-based, can't do, path of least resistance culture.'

Present

'We're starting to recognise that, like the private sector, we have customers who have complex needs and we have to work with our partners and across the council to meet those needs and aspirations. We have to be more nimble, flexible and creative. Pro-active anticipation of needs with early intervention and prevention being key. Less of a 'blame culture' than before – we've managed to get rid of that here in Chorley.'

Future

'Seamless services with local strategic partners. A can do, confident, empowering, dynamic and efficient culture with shared priorities running across public services in the area. Generic officers, tailoring bespoke, customised services to people in Chorley.'

Changing the vibe

All the chief executives we spoke to felt that their councils, and the sector in general, had made progress in moving towards a more effective culture. Equally, though, they were in no doubt that the journey was an ongoing one, that much still needed to change and that meeting the challenges that lay ahead would require further considerable change. Moreover, such change is not seen as a luxury but fundamental to delivering modern local government. Cambridgeshire's Mark Lloyd responds sharply when asked what phrases sum up the culture that councils should aspire to: 'It's not the culture we need to aspire to – it's the culture we must have! For me it is three things - customer focused, ready and willing to change, and always wanting to be better.'

Barriers to change

However, Lloyd is also in no doubt that councils still have to remove many obstacles, often of their own making, that lie in the way of change – 'bureaucracy, complacency and, on occasion, a lack of empowerment for staff'. He is not alone in seeing many obstacles in the way of the sector successfully improving its culture. Wychavon's Jack Hegarty observes: 'Local government is still incredibly bureaucratic. There's still a high degree of central government control as well which limits us. I think we tend to hide behind bureaucracy as a comfort blanket rather than do what the best of the private sector and the PLCs do which is find a way round bureaucracy, make things happen. We've got great stalling measures if we want to have them. There's also a bit of harking back rather than looking forward. Some people still tend to find reasons not to change rather than embracing change.'

Ingredients of successful change

What then are the factors that determine whether a council is successful at developing a more effective and positive culture? We asked our nine chief executives what had made the most difference in their councils.

They identified four ingredients of successful culture change:

- leadership
- clarity of purpose and priorities
- getting people involved
- a united approach.

We look at each in turn.

Leadership

The role of the chief executive was identified as crucial to determining the culture of the organisation and which direction it moves in. Donna Hall puts it plainly: 'The job of a chief executive is to instigate cultural change. The chief executive sets the cultural tone of the organisation.' Stephen Baker points out: 'The senior officers and the senior members can influence the culture and give staff and others the confidence to allow the organisation to become what it is they're aspiring to. The modern leader or chief executive has to recognise they are constantly under scrutiny and, through their own behaviour, they are influencing the behaviour of everyone in their organisation.'

The people at the top of an organisation are instrumental in determining the direction, approach and style of the rest of the organisation and nurturing a positive can do approach.

Barry Keel says that 'chief executives must lead by example, providing clear goals and celebrating success. Once you start celebrating success, people can see that they can do it. Then you can start asking the question – 'if one part of the organisation can do it, why can't other parts?' – and you start having an incremental approach to culture change.' Many of our interviewees stressed the importance of the chief executive being highly visible and connected with staff. 'I see everyone from day one,' says Wychavon's Jack Hegarty. 'We tell them what the organisation stands for, what we're going to achieve in the short-term and the long-term, what it is like to work here and what is expected of them.'

Chorley's Donna Hall says: 'Previously people never saw the chief executive from one year to the next. I'm passionate about authentic leadership where people are able to connect with you and know what you stand for, even though they may not see you all the time. I do a weekly blog, for example, which includes photographs of places I've been to and what I've been doing. Corporate messages are woven into it but it's done in a human way which includes things that are happening with my family. It is the most read thing on the intranet and I've had an incredibly positive feedback from staff.'

In a larger council, it is not practical for the chief executive to meet all their staff, but other mechanisms can be used to ensure that staff feel connected with the leadership of the organisation. For example, Birmingham's BEST programme trains front line staff to lead their team discussions on living the organisation's values (see panel on page 14).

Talking point: leadership and culture

– five factors that are making a difference in Plymouth

When Barry Keel took over at Plymouth City Council in 2005, performance was poor across the board, the council had the worst budgetary position of any council in the country and the culture did not fit well with the challenges the council needed to address. Keel identifies five leadership-related factors that have contributed to what is now an improving culture in the council:

1. **'I'm sticking around.** The first thing you've got to demonstrate, if you are coming into a poor performing environment, is that you're in this for the long haul. The staff's view of Chief Executives was that they only lasted 18 months maximum. It was quite an important message to say 'this time, it is different.'
2. **'Setting priorities** – clearly setting priorities so that the efforts and energy of the organisation are not wasted on issues that aren't priorities.
3. **'Banish in-fighting.** It is important to make the ground rules clear. We operate as a management team with collective responsibility and we weren't going to have in-fighting. Once we made a decision we stuck to it. I would listen to them but, if we couldn't decide by consensus, then I had to make a decision and I expected them to stick by that decision and not back bite.
4. **'Member/officer lines of responsibility.** Making sure we had really clear lines between what were members' responsibilities and officers' responsibilities. In an organisation that is performing badly those lines get blurred, people step over them so I had to make sure that was clear.
5. **'Being visible and celebrating success.** Getting out and communicating to staff and saying what we've achieved, where we're going, why we're doing what we're doing and celebrating successes.'

'We didn't embark on a cultural change programme like some organisations do. Instead we had a huge number of specific issues facing us which we had to tackle. We were holed below the waterline and if we hadn't dealt with key problems we would have sunk. Cultural change has sprung out of that adversity and as a consequence, services to local people are improving.'

Clarity of purpose and priorities

Clarity is a word that was mentioned time and time again by the nine Chief Executives we interviewed. Clarity of purpose, goals, priorities and expectations among staff, members and stakeholders is seen as an important springboard to having a positive culture. Darra Singh points out: 'Clarity of purpose is vital, setting out the vision and priorities, not just as a council but doing it with others, whether that's with other statutory bodies or with the voluntary community sector.' Singh emphasises that it needs to be based on really good intelligence, evidence and insight into what is needed in a locality and 'the real knack is turning that into plans which make sense and aren't just a collection of tasks'.

Practical things make a difference in delivering clarity. Donna Hall says: 'We had a massive thick corporate strategy which was about 100 pages long. Nobody ever read it or knew what was in it. When it went to the council meeting it was just nodded through. We've trimmed it right down to one page. So we have all our priorities, our vision, our objectives, our projects for the next year on one page and it sparks a really robust political debate across all the different parties every year at our policy council.'

South Tyneside Council has embarked on what it calls a 'cultural revolution'. At the heart of the revolution is the council's declared intent to be 'Hard Nosed and Warm Hearted' to ensure that it is business-like, highly efficient, with clear objectives and priorities and that everyone knows what is expected of them and are valued (see snapshot panel). South Tyneside Chief Executive Irene Lucas says: 'Right from the first induction day we talk to people about values and the way that we would like them to work and the way that we would like them to behave. We want it to be non-bureaucratic. We start with a picture of me and a bin man with a caption saying 'who would the public miss most?' The simple message is that everyone is vitally important and we all have the ability to make all the difference to the public's experience of our services.'

Snapshot: South Tyneside's Cultural Revolution

'Members, partners, officers and, importantly, residents, working together as One Team to deal with the challenges that lie ahead and deliver the council's vision for 'a better future for South Tyneside.' The Cultural Revolution sets an ethos of being 'Hard Nosed... Warm Hearted' in the way the council is going to deliver its plans for One Team and move towards its vision.

Hard nosed

'Achieving a better future for the residents of South Tyneside means getting the maximum possible value from all of our resources. Our community expects and deserves no less. We need to be highly efficient and effective, to set clear objectives and priorities, to ensure employees know what is expected of them and to have realistic but stretching targets that we monitor carefully. We need to set the very highest of standards in everything we do – and then make sure we achieve those standards, taking corrective action whenever we fall short. We need to continually look for new ways of improving what we do, being innovative, creative and not afraid to take risks. In short, to deliver the very best public services we need to take a focused, professional, business-like approach.'

Warm hearted

'Being business-like does not mean being cold and uncaring – the highest performing organisations are those with excellent people management practices in place. Only by creating a culture in which people are truly valued as individuals will we realise the full potential of our workforce. This means celebrating diversity, putting compassion and flexibility at the heart of all we do, accepting risk and trusting people to try new and innovative ways of working. It also means asking for, listening and responding to the views of our stakeholders. In short, we want a high performance culture that is warm, friendly and human. That is why we are determined to work together as 'one team', always acting in accordance with our values.'

For a copy of South Tyneside's Cultural Revolution Strategy see the IDeA website:
www.idea.gov.uk/idk/core/page.do?pagelid=8695218

Getting people involved

Clarity of purpose, goals, priorities and expectations are nothing if an organisation is not regularly reviewing its progress, gaining feedback from the public and other stakeholders and giving feedback to and involving individual staff on their contribution to this progress. Ealing's Darra Singh emphasises that 'you need to be constantly using a range of mechanisms to check how you're doing, reflecting that back to and involving staff. It is important that people within the organisation get as much information as they can about how they are doing and, in turn, are invested in to make sure we create the best people we can at their jobs.'

Initiatives like Birmingham Council's BEST programme (see panel), explicitly link expectations on individual staff and team contributions to their performance review and decisions on pay progression. South Tyneside's 'cultural revolution' incorporates the council's people management strategy and workforce development plan with a strong emphasis on learning and development for all employees and elected members. Chief Executive Irene Lucas stresses the importance of behaviour: '60 per cent of success hinges on the behaviour of people.'

There has been a tendency to avoid focusing on behaviour yet it's the thing that makes the difference. The private sector has paid attention to this for a long time, putting things like 'attitude', 'innovation' and 'energy' above formal degrees or skills qualifications.' She says initiatives such as the council's 'knock your socks off' staff awards, annual 'big thank you' event and 'stuck, not sick' initiative to work round 'staff home emergencies' encourage people 'to go the extra mile.'

Snapshot: Birmingham's BEST approach to employee involvement

Outcomes

In Birmingham, a common view has been developed by the council and its partners to focus effort on delivering better outcomes for local people in five key ways – succeeding economically, staying safe, being healthy, having a high quality of life and being able to make a contribution.

Expectations

The council launched its BEST programme in 2006 to help staff focus on the contribution they are expected to make to achieve these outcomes. BEST stands for belief, excellence, success and trust and the programme aims to embed a BEST philosophy across the organisation. It is delivered using workshops involving around 2,000 BEST leaders covering all teams. These leaders, who are not necessarily team managers, are asked to assess team performance against the BEST values and commit to making BEST service improvements. The BEST programme links into the council's performance review and pay progression mechanisms.

Results

Birmingham City Council Chief Executive Stephen Hughes has no doubt about the difference that this approach is making: 'I think we have something like 6,000 commitments to improve services. Some of them are very small, some are about the teams themselves, and some have quite a profound impact on the way people work. So across the organisation as a whole a big number of small incremental changes have a significant impact on performance. Our staff surveys also suggest it has been quite liberating for people to see how they can change things where, perhaps, they may have been intimidated from doing so in the past by a more traditional mindset.'

More than 30,000 staff have been involved in the BEST workshops so far and feedback suggests they are having a major impact. The latest survey shows that staff motivation has increased from 56 to 86 per cent, while confidence in management has gone up from 29 to 68 per cent. For more details see the case study on the IDeA website:

<http://www.idea.gov.uk/idk/core/page.do?pagelId=9308021>

Even with such initiatives in place, there can be significant barriers in the way of change. Wychavon's Jack Hegarty says: 'Middle managers are often the most difficult barrier to cultural change in an organisation. You can get the directors and heads of services to agree to a new focus but that can get stifled by the people who are managing the delivery of services.' Hegarty's solution in Wychavon was to link an element of middle manager remuneration explicitly to the extent to which they contributed to corporate delivery: 'After four years now we've reached the stage where we don't have this barrier at such a crucial tier in the organisation, we've incorporated the salary element back into the main salary and we have a good team contribution flow into corporate matters and vice versa.'

A united approach

Cohesion and a partnership approach to working are seen as a bedrock of successful organisational culture by many of the chief executives we interviewed. The need for cohesion was stressed, both between elected members and officers and between different departments of the council and, indeed, between partner organisations. Irene Lucas observes: 'There are still lots of issues in local government around member-officer relationships and that extrapolates through to the way that many councils behave towards partners – they still think they are in charge and they are not!'

The dangers of disunity are described in stark terms by Stephen Baker, who is engaged in a two-year shared chief executive role at Suffolk Coastal's troubled neighbour, Waveney Council. Baker observes: 'The focus before was all wrong. The wrong issues were getting all the emphasis, by officers and councillors, and that completely knocked focus away from the responsibility to the community for service delivery, for vision, development etc and, as a result, the organisation struggled. Now, with that renewed focus in place, confidence is growing daily'.

Waveney Council faces a number of financial crunch issues but Baker observes that a crisis is often the thing that spurs change: 'When you are in that dark place, the stars begin to shine. Members and staff come forward who have maybe taken a back seat before but who see this as the moment to finally change things. They start to drive the shift, the change in culture that is needed.'

The importance of greater cohesion is apparent elsewhere. In Chorley, Donna Hall observes: 'There's been a massive transformation. Previously there was quite a lot of cynicism and mistrust. We've tried to defuse that mistrust. We have elected members who trust officers to go off and deliver things so there isn't political interference. There is a climate in which members set the high level policy objectives and officers go ahead and deliver it and we've managed to handle that very well.'

Wychavon's Jack Hegarty praises a predecessor Chief Executive who instigated the council's 'Team Wychavon' culture which has had an important effect on creating a more effective partnership between councillors and officers: 'He changed things. In practical terms we sit down together as officers and members managing the organisation. The board members come to the management team and vice versa. It's very informal across the organisation so that was a big cultural change.'

Donna Hall also emphasises the need to break down silo-working: 'Coming down hard on departmentalism was really important as well as moving some people out of the organisation who had lost the energy for change and improvement.'

A similar focus is a priority for Jan Ormondroyd at Bristol City Council: 'When I arrived a year ago it was very departmentally based. Each department had its own newsletter but there was nothing corporate. There was nothing to share challenges, successes etc. A key priority is moving to a one council approach so that everybody can see things in a much more horizontal rather than vertical view and, increasingly also, moving to one city approach with our partners. We're making progress but we are not there yet. We want to achieve different outcomes on the ground and we recognise we can't do that by being a 'siloed' organisation.'

Snapshot: Ealing Council

It's the basics not the froth that creates a positive culture

When Darra Singh took charge as Chief Executive of Ealing Council in July 2005, the authority was rated 'weak' and had a zero star for its adult and social care service. Singh recalls: 'The organisation had lost its entire top team, was in dire financial straits, and had implemented a massive organisational wide change programme which was supposed to move the organisation to be much more customer centric.'

The change had all the hallmarks of a badly managed programme. Singh says: 'Ealing had staff who were highly sceptical, didn't believe change would make a difference and felt excluded from how their services were being re-designed and taken forward. Staff felt disempowered, the opposite of the programme's intention, and unsure where to look for leadership'.

The approach of Singh and his colleagues was to focus on the things that mattered. It meant rebuilding the finances and being clear about priorities and what was expected of people: 'As well as sorting out the finances, we had to rebuild confidence and morale. We didn't have a clear corporate plan and had a community strategy with about 80 different priorities in it, which none of the partners appeared to have looked at. We refocused our community strategy and corporate plan and used this to build stronger relationships throughout the organisation, connecting with staff, partners and with councillors of all political parties.'

Reconnecting with staff in ways that bring clarity, communicating priorities, listening to feedback and celebrating success are paying dividends. The council is improving strongly with overall performance rated 4 star by the Audit Commission. 'We've made a lot of very rapid progress and everybody's contributed to that' says Singh.

The road ahead

The road ahead entails significant culture change for local government. Two forces will interplay – significantly constrained public finances and a changed emphasis on local government as an enabler and community leader rather than necessarily as a deliverer of services.

Constrained resources

Wychavon's Jack Hegarty observes: 'Local government is always going through interesting times but these are more challenging than ever I think. In the short term we've got to deal with the effects of the economic downturn. That has positives as well as negatives - it refocuses organisations, helps you refocus on priorities.'

According to Hegarty, the really tight constraints will come not in the next year or two but in the next five years: 'Whatever government is in place post 2010 the resources for this sector will be less and less and less. We've got to find a way not just to survive but perform well in that new world. It means tough choices about what you are going to do and what you're not going to do as local government.'

Will such an environment promote cultural change or is there a danger it could stall it? Birmingham's Stephen Hughes says: 'It could go either way. If you're not prepared for what is going to happen to public spending then it will have a very negative impact. We've seen that in the past. Councils get into a mindset whereby they can become incredibly short term. They cut what's expedient rather than what needs to be reduced. They become defensive about what's happening, belligerent towards central government and those they think are causing it and a 'bunker mentality' emerges that can have a very detrimental impact on public services.'

The alternative for Hughes is 'radical long term thinking because what we're currently doing will not be sustainable in the future. We have to do something different. I think there is a lot of scope within public services to improve the efficiency and effectiveness of what we're doing and the way to get there is by being connective across different public agencies rather than thinking it is something that can be done on our own. It is an incredibly difficult challenge and needs a different mindset. We're attempting to do that within our own strategic partnership. It is a long-term programme. It is not easy – if it was it would have been done ages ago - but I think we can get there. We have to - the alternative is not very attractive.'

An enabling culture

The future for Bristol's Jan Ormondroyd is one where 'boundaries are much more permeable, both within councils and between different local organisations. As we move towards comprehensive area assessment and very tight resource constraints, we've got to learn to work across those boundaries in a different kind of way.'

South Tyneside's Irene Lucas is in no doubt that old, or even current, council cultures will not be adequate in this future environment. 'It is a paradigm shift. The pendulum is moving towards communities having the opportunity not just to co-create, co-produce and co-design services and contribute to regeneration but also to evaluate performance-managed challenge. It requires a culture and skills of listening, consulting, understanding, and paying attention to others. It is not something that fits very well with some councils.'

Some councils are already taking significant steps to developing the culture and behaviour that they will need on the road ahead. For example, in addition to how well its managers deliver on projects and tasks, South Tyneside Council looks at how well managers contribute to their teams, including partners, and their individual behaviours. Irene Lucas says: 'People cannot be successful in South Tyneside unless they can overtly demonstrate that they contributed to the success of others. If I was doing your performance agreement you couldn't be successful if you couldn't overtly demonstrate that you'd helped others to succeed. And that generates a skill set around being supportive and being there for partners and other people. With individual behaviours we use a 360 degree diagnostic. These are among a number of steps we are taking to embed cultural and behaviour change into performance management.'

Developing the right culture for the future

A chief executive checklist

As council leaders, councillors, chief executives and senior managers look at the challenges that lie ahead, how best can they assess the moves they need to make in respect of organisational culture? We conclude by suggesting a checklist to assist Chief Executives in assessing where they are with their current culture, the cultural fit they need for the future, how best to move towards this future fit and, finally, the all-important issue of evaluating cultural change.

Where you are now culturally?

- Do you have a good understanding of your current culture(s) across the organisation and in key partner organisation(s) and where different cultures are located?
- Do you understand why these cultures have formed, and what is maintaining them?
- Do you understand how your systems, processes and structures reflect your cultural assumptions?
- Are there transparent open assumptions that inform your culture? And are there hidden assumptions that need to be understood?

How will you ensure the right fit between your future culture and your future challenges?

- Have you agreed a clear and compelling vision, clear priorities, a strategy and desired outcomes for the organisation that addresses future challenges?
- Have you engaged councillors and the management team in discussing what the implications of this vision, strategy and desired outcomes are for your roles, how you behave, your leadership style, values and culture?
- Have you identified what elements of your culture might hinder achievement of the vision, strategy and desired outcomes?
- How will you challenge 'old culture' behaviours and thinking? How will you get other managers and councillors to do the same?
- How can you continue to reinforce and embed desired culture(s) beyond the initial change programme?
- How can you use your own behaviour and language plus the stories you tell to help the organisation to create the future culture you are trying to achieve?
- When you are clear about which cultural elements will help you to achieve the vision, strategy and desired outcomes, are you taking action to ensure that you reinforce these aspects?

How will you achieve the move from current to future culture?

- Have you engaged middle managers and staff in a discussion about what values, behaviours and culture exist currently, and will be needed in future?
- Have you thought about the scale and sequence of interventions needed to promote a culture that will reinforce delivery of your vision, strategy and desired outcomes?
- Have you put in place a mechanism for checking the 'pulse' of the organisation – and getting feedback on whether the cultural interventions you have made are gaining traction?

How will you evaluate the impact you are having?

- What evaluative measurements have you put in place, in collaboration with your staff, so that you can analyse the impact of the new culture on your performance, on your staff, customers' and citizens' satisfaction, on your service delivery output and so on?
- What other metrics do you need to set up to give you data on the impact of the new culture on the organisation's effectiveness?

Find out more

For more information about cultural change see IDeA's website www.idea.gov.uk/culturalchange

These webpages include more information about how to tackle cultural change, including case studies and podcasts.

For more details about IDeA's cultural change project contact Neil Shaw neil.shaw@idea.gov.uk

All quotes in this document are date referenced April 2009.

Talking point: How comfortable will councils be with the changes ahead?

Stephen Baker, Chief Executive, Suffolk Coastal District Council and Waveney District Council

'The next cultural challenges arise from the implications of working outside of our organisation. For example, maybe some people in the voluntary and third sector are better placed to provide some of the services that we currently provide? How do we feel about actually letting some things float away to arms length, reducing our 'direct control', and enabling that provision rather than being directly involved in that sort of provision?'

'Another challenge is my members are acutely aware of their budgetary constraints. They've reduced expenditure and maximised efficiency. We can't go much further down that route so they are turning to me as joint Chief Executive of both Suffolk Coastal and Waverley councils and saying 'let's look at joining up the services in order to achieve efficiencies.' We can do that quite easily in 'process' terms, but it could be really challenging in cultural terms. There are various models for shared services but councillors need to find models that they are comfortable with. Will they be happy to combine all staff for a particular service under one authority, and buy the service back? Procedurally that is straightforward, but in cultural terms it could be a challenge. Alternatively, we have been successful in working with partners and arms length organisations, but that approach also brings with it cultural issues.'

'Similar issues arise with having greater community involvement. Locally there's been a lot of talk about participatory as opposed to representative democracy. How well are councillors going to accommodate that? How comfortable are staff going to feel dealing with representatives from the community who aren't necessarily elected representatives? So culturally there is a whole range of different issues that are starting to bubble up from the new environment we are potentially heading towards and, as a result, clarity of purpose and leadership will be even more important.'



Local Government Association

The Local Government Association is the national voice for more than 400 local authorities in England and Wales. The LGA group comprises the LGA and five partner organisations which work together to support, promote and improve local government.



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