insights

culture change in
the public sector

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Key points

- It takes time (usually over three years) to embed culture change within organisations.

- Cultural change can be defined as 'transformational' as it challenges the underlying assumptions of an organisation and is ongoing and adaptive.

- A framework of competing values can help define types of organisational culture.

- The public sector can be characterised as a hierarchical type of culture focused on internal stability and adherence to rules and procedures, rather than one of flexibility, innovation and openness.

- There are a number of key enablers to culture change, as well as inhibitors that relate more specifically to the public sector.

- There is some evidence of a shift from a service-specific culture to one of integration (multi-agency).

Introduction

This *Insight* focuses on the topic of organisational culture change in the public sector. In light of the financial, demographic and operational challenges that Scotland's public sector currently faces, there has, perhaps, never been a greater need for better accountability of, respect for and reflection on, organisational cultures. The Christie Commission report calls for major changes in the way public services are delivered, stating that 'Unless Scotland embraces a radical, new, collaborative culture throughout public services, both budgets and provision will buckle under the strain' (2010, pviii). It stresses the need for public sector bodies to be built around people and communities, and work together to achieve better outcomes for those that use services.

This *Insight* will examine definitions and approaches to organisational culture and how they relate to the public sector; the type of change that identifies as cultural; what the enablers are to culture change; and describe some of the challenges to changing cultures in the public sector. For the purposes of eliciting some of the generic characteristics of how culture change unfolds in an organisation, the review examines the *Getting it right for every child* (*GIRFEC*) Highland pathfinder case study.

Defining organisational culture

There are many definitions of organisational culture available (Mannion, 2008). It proves a complex concept, and one that is difficult to pin down. It is important, however, to attempt to define what organisational culture is in order to understand how it could be significantly changed or influenced in a public sector context. From the many definitions available, a popular one is '...shared learning experiences that lead, in turn, to shared, taken for granted basic assumptions held by the members of the group or organisation' (Schein, 2004, p22). This implies that culture embodies shared values, beliefs and assumptions that are deeply ingrained in an organisation's traditions, and influence how an organisation thinks and feels, wrapped up as the 'how we do things around here' maxim. The shared learning Schein refers to is historical and essentially behavioural, cognitive and emotional in nature. This is reflected in the three levels of organisational culture that he proposes: artifacts (dress code, company records, statements of philosophy, annual reports); values (ideologies and charters); and assumptions (thought processes, feelings and behaviour) (Schein, 2004).

It has been argued by Martin and Meyerson, in Wilson (2001) that organisational culture has three major perspectives:

- **Integration** perspective – proposes an organisation-wide consensus on one type of culture, where everyone within an organisation shares the same values, beliefs and assumptions and any conflict of these values could render it dysfunctional.

- **Differentiation** perspective – describes a culture that exists within the boundary of sub-cultures in an organisation. Sub-cultures can co-exist in harmony or in conflict with, or be indifferent to one another. It is the mix of sub-cultures within an organisation that generates its unique culture.

- **Fragmentation** perspective – proposes that commonalities and shared meanings do not exist organisation-wide or within sub-cultures. Both consensus and conflict co-exist between people and groups, but are only influenced by specific events or issues.

Schein asserts that any group with a shared history will have a culture and that within an organisation there is the possibility of many sub-cultures (Schein, 1990; Mannion, 2008). In essence, a predominant culture and/or a number of sub-cultures may exist in organisations depending on the size and nature

of them. A framework exists to help define types of organisational culture.
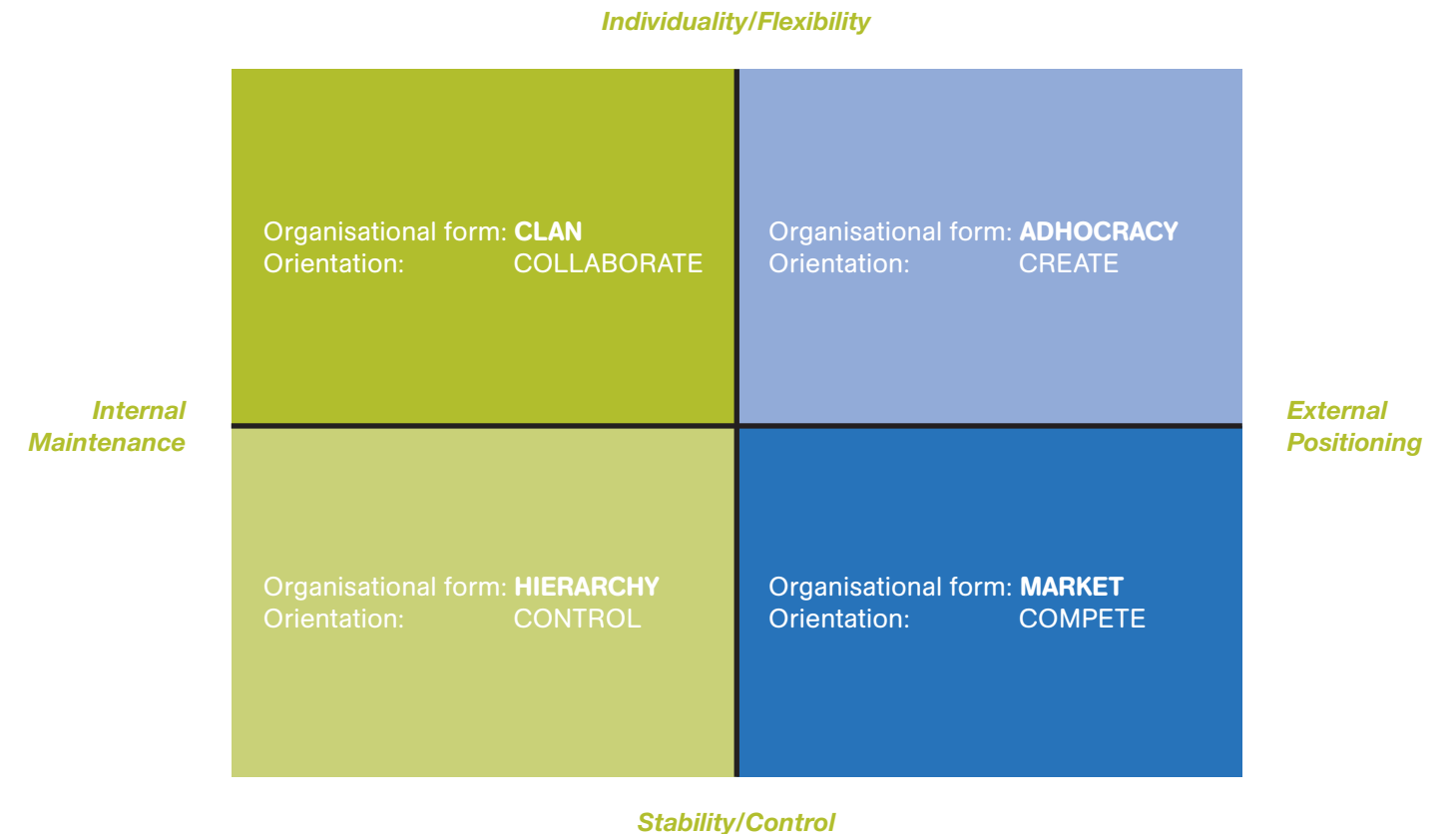
Competing Values Framework

The Competing Values Framework (CVF), a result of research conducted by Quinn and Rohrbaugh (1983) on the question of what makes organisations effective, has been used to facilitate an understanding of the values that groups have within their organisations, in order to tease out cultural leanings.

An adapted model of the CVF (Cameron et al, 2008) comprises two dimensions. The first differentiates a focus on flexibility and adaptability from a focus on control and stability. Some organisations place value on versatility and adaptability, are willing to take risks and are more open to change, whereas others place value on maintaining rules, processes and procedures – sustaining a model of control. The second dimension distinguishes internal facing organisations from external facing ones. Some organisations value internal unity and stability over external facing values such as competitiveness, independence and market-awareness.

These two dimensions give rise to four types of organisational culture:

- Clan – a culture of group collaboration and development, with an emphasis on teamwork and consensus.

- Adhocracy – a culture of readiness for change, with a focus on innovation and creativity and a willingness to take risks.

- Hierarchical – a culture focused on internal stability and control, where adhering to the rules and maintaining processes and procedures (information management) is viewed as effective.

- Market – a culture based around productivity, competitiveness, which is customer focused and outcome oriented.

Individuality/Flexibility

Organisational form: **CLAN**
Orientation: COLLABORATE

Organisational form: **ADHOCRACY**
Orientation: CREATE

Internal Maintenance

External Positioning

Organisational form: **HIERARCHY**
Orientation: CONTROL

Organisational form: **MARKET**
Orientation: COMPETE

Stability/Control

(Adapted from Cameron et al, 2008)

Parker and Bradley (2000) argue that a balance between the four culture types is desirable and that an organisation where one particular culture type dominates is more likely to be dysfunctional. They also suggest that hierarchical culture is predominant in the public sector as opposed to other types of culture, and that public sector organisations are, by nature, less market focused and more concerned with political agendas. Organisational culture in the public sector, therefore, manifests itself as more reactive than proactive - responding to political activity and policy. According to Windrum, 'Politicians are charged with decision making, while public employees deliver the public services that are defined by politicians' (p14). The Christie report (2009) supports the argument that public sector organisations are reactive, claiming that outdated attitudes and approaches, a culture of professional dominance in public bodies, has rendered them unresponsive to changing needs and risk-averse about innovation.

It has also been suggested that public sector organisations may have a strong sense of social values compared to private sector organisations, and that this can be articulated as 'public sector ethos' (Greasley, Watson and Patel, 2009). This ethos generally characterises an organisation's culture and motivates those within it, which gives weight to the argument that public sector organisations have an underlying historical culture and reflect an 'integrated' cultural perspective, where specific values, beliefs and assumptions are shared across the whole organisation. However, the complex nature of public sector organisations, and the possible existence of a number of sub-cultures, will mean processes and procedures, market focus and outcomes may vary for services, which may have implications for the type/types of culture they may need to gravitate towards.

"…hierarchical culture is predominant in the public sector as opposed to other types of culture, and… public sector organisations are, by nature, less market focused and more concerned with political agendas"

What type of change is cultural?

Anderson and Ackermann Anderson (2010) identify three types of change that occur within organisations:

- Developmental – incremental changes to a process or skill, which improve a procedure or process. An example might be a new information management system or training programme.

- Transitional – represents changes that are episodic and planned for. An example could involve the replacement of one strategy for another.

- Transformational – change that challenges underlying assumptions of an organisation and is ongoing and adaptive.

Organisational culture change falls under the 'transformational' category, as it involves a review of the underlying assumptions and values of an organisation. According to Anderson and Ackermann Anderson (2010), 'Transformation, ultimately, is the journey from where an organisation is to where it chooses to be, when the change required to get there is so significant that it requires the people and culture of the organisation to "transform" and the journey must begin before you can fully identify what your ultimate goal or desired state looks like' (p246). This indicates that cultural change occurs over time and that time is required to successfully embed changes in practice.

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Case study

Culture change in action: Getting it right for every child

An example of 'transformational' change is the national programme, *Getting it right for every child (GIRFEC). GIRFEC* aims to improve outcomes for children and young people across Scotland. The Highland pathfinder, located in Inverness and its surrounds, was one of two pilots launched in 2006 to address children's and young people's needs from birth through to eighteen. *GIRFEC* marks a shift away from a service-specific culture to an integrated one, encompassing any services or agencies involved in the welfare of children and their families. The fact that it is an inter-agency initiative also has implications for the culture of each distinct agency involved.

The use of pathfinders is a strategy for bringing about change in complex situations and has its origins in computer applications designed to identify how to move from one position to another, where change will be necessary across different services. The strategy builds on good practice but also facilitates innovative thinking and experimental approaches to achieving objectives. It 'requires a willingness by all partners to be prepared to jettison structures, procedures and support systems – even new ones – if they are not doing what they were designed to do' (Scottish Government, 2009, p3).

Some indicators of culture change occurring in the Highlands:

- Shift from a focus on labels, eg looked after child, to a more holistic view of each child.

- Greater awareness of an outcomes approach.

- Development of inter-agency working relationships.

- Adoption of common language around the Well-being Indicators.

- Buy-in to the programme by the majority of professionals involved, which resulted in a true sense of ownership of the programme.

What enables culture change?

1. A clear vision
According to Fernandez and Rainey (2006), 'The process of convincing individuals of the need for change often begins with crafting a compelling vision for it' (p169). Cameron (2004) asserts that clarity on what the change will mean in practice will enable staff to feel an integral part of the process, and to share the vision and objectives. The Scottish Government's proposed vision for *GIRFEC* was that Scotland's children would be 'successful learners, confident individuals, effective contributors and responsible citizens', and that in order to achieve this that they would need to be *safe, healthy, achieving, nurtured, active, respected, responsible* and *included* (also known as eight Well-being Indicators). From very early on, all services were clear about the vision and what the changes would mean for them. However, despite high-level clarity and agreement, success at implementing the vision at service management level varied depending on the context.

2. Identifying stories
Positive stories can create a vision for how services may operate in the future (Cameron, 2004). For example, a story could draw inspiration based on evidence from a similar service that managed to improve services while reducing costs. Focusing on the potential positive outcomes of change will help build arguments for them, and as a result, encourage an 'opt-in' attitude to change. A framework of ten Core Components and a document explaining the key principles and values of the *GIRFEC* programme (based on research and evaluations of good practice) was produced. The document set out some of the ways the programme would be delivered, including new roles, processes and its aspirations in terms of outcomes.

3. Effectively communicating the vision
A clear vision needs to be effectively communicated in order to gain opt-in from all parties involved. Transformational change will most likely be met by some resistance as it means a fundamental shift in the underlying principle of 'how things are done around here'. This resistance needs to be handled sensitively, as people will have anxieties about changes to their working patterns. According to Cameron, 'Explaining why the culture change is necessary and beneficial is probably the most vital step in generating commitment' (2004, p9). An example of how the vision was communicated in the Highlands involved awareness-raising seminars targeted at practitioners working in children's services, the police and the voluntary sector, and the nomination of Children's Champions to communicate the vision at a local level with groups of users, as well as at their strategic and governance forums.

4. Development of a strategy

Cameron (2004) and Fernandez and Rainey (2006) emphasise the need to identify strategic initiatives - the processes that need to be abandoned, existing processes that need to be improved and new initiatives that need to be developed. Cameron argues that clarifying what won't need to change is also just as important as defining what will, and that stopping an existing process is much more difficult than starting a new one. Strategic initiatives are the activities that an organisation will need to carry out, which form a core part of the cultural shift. The national GIRFEC implementation plan published in 2006 outlined a development strategy, which was piloted in the Highlands. The strategy identified systems and processes to be used, such as practice tools, training materials and guidance; and the development of an effective electronic information sharing system. This strategy also impacted on allocation of resources - new groups emerged, for example, multi-agency strategic planning groups.

5. Identifying quick wins

Small, incremental changes help to sustain momentum on achieving the long-term, fundamental ones. Identifying a number of quick wins, changes to processes that can be achieved quickly and which will ultimately be viewed positively, can get people's commitment and prevent resistance to further developments (Cameron, 2004). GIRFEC exemplified a whole programme of incremental change across processes, systems and practice in children's services, which was key to embedding new ways of working.

6. Measuring indicators of success

Cameron (2004) claims that a data gathering system is required to collect 'hard' indicators of achievement and progress, and stresses that the success around the culture change is as important as measuring progress. These key indicators should be limited in number and given due consideration. While the Highlands pathfinder used the Well-being Indicators framework to measure outcomes for children, it was acknowledged that more consistent measures were required to ensure the principles of GIRFEC were upheld.

7. Developing leadership

A lot has been written on the subject of leadership in driving change in organisations and its importance cannot be underestimated. According to Schein, 'Culture and leadership are two sides of the same coin, in that leaders first create cultures when they create groups and organisations' (2004, p22). Leaders are key to championing change programmes, communicating the vision and driving the strategic initiatives. It has been argued that a leader or champion should be assigned to each strategic initiative (Cameron 2004; Albury 2005; Fernandez and Rainey, 2006). In the Highlands, the Chief Officers' Group was instrumental in ensuring buy-in to the changes at strategic and operational level. The importance of demonstrating leadership at all levels of an organisation is also stressed as key to making successful culture change happen (Scottish Government, 2006; Scottish Social Services Council, 2012; Deacon and Linton, 2012).

Cameron (2004) also highlights that while current leaders must champion the culture change, it is important to consider future leaders who will need to be prepared to lead the organisation when the culture change has been put in place. New leadership skills that will be required must be identified, and there will also be a need to differentiate between current leadership and future leadership requirements.

Challenges to culture change in the public sector

Some challenges to organisational culture change are converse enablers: lack of vision and poor communication of it; lack of commitment at management level; poor leadership skills; a weak strategy; poor operational planning; and lack of adequate benchmarking data. There are, however, other inhibitors, which relate specifically to the public sector:

1. Short-term budgets

Albury (2005) argues that annual budgets are not conducive to long-term planning for change. Funds to support programmes that could potentially span three to five years or longer are not always accommodated, which hinders an organisation envisioning where it wants to be in relation to where it currently sits, as it may not have the confidence, let alone the resources, to plan for long-term change. Short-term budgets also limit the time that can be allocated to change programmes; political agendas support quick-wins over ongoing change initiatives that can take time. This was apparent, for example, in the implementation of the UK government's 'Back to work' programme, a public partnership between the Department for Work and Pensions and the Department of Health (Greasley, Watson and Patel, 2009).

2. Hierarchical = risk averse culture

As already ascertained, public sector organisations are characterised as a hierarchical type of culture, which focuses on internal stability and control, and rules and procedures over flexible, innovative initiatives that are market focused. This type of culture tends to be less open to taking risks and trying out new ways of working. It has also been argued that the public sector has more at stake when taking risks – the quality of life of individuals and communities, which is less pertinent to the private sector (Albury, 2005) and reminiscent of the 'public sector ethos' that has already been highlighted.

3. Lack of operational leadership skills

Anderson and Ackerman Anderson (2010) stress the importance of leading change over managing it in a transformational context. They argue that two, albeit important, aspects of change programmes - planning for implementation and overcoming employee resistance - are not enough to bring about positive and ongoing transformational change. They claim that 'Because leading transformational change is so radically different from managing or leading a stable organization, leaders cannot simply lay their old way of thinking, behaving, and operating on this new world and expect success' (Anderson and Ackerman Anderson, 2010, p3). Parker and Bradley (2000) and Webster (2011) also claim that the bureaucratic model of management associated with the public sector has made it difficult to support culture change initiatives.

Pointers to implementation

In implementing culture change the evidence suggests:

- It is important to clarify, develop and sustain a shared vision across all services and at all operational levels within each individual service.

- Managers and practitioners should take time to reflect on their role and consider how they can effect positive change, and what change will mean for people supported by services (such as children and their families).

- Leadership should be developed and demonstrated at all service levels; individuals and teams need to embrace this call-to-responsibility.

- Staff training needs to be considered for current and future changes.

- Streamlined systems for recording and assessing impact of culture change need to be implemented.

Conclusion

The evidence highlights that public sector organisations tend to adopt a hierarchical type of culture - one where control and stability is given precedence over innovation and risk taking. Additionally, the public sector is characterised by a culture that is reactive to political agendas, often to the detriment of outcomes, and is one where change initiatives can be restricted by short-term budgets. It has also been argued that the public sector has strong social values or what is known as 'public sector ethos'.

Despite the challenges to transforming culture in the public sector, as the Highlands pathfinder demonstrates, there are examples of culture change being successfully embedded in the sector. The Highlands pathfinder demonstrates the significant time (around three years) and planning that needs to go into the overall strategy (structures, systems and processes) and management of each initiative to achieve real transformational change.

There are key enablers to culture change, in particular, the need for a clear vision to effectively communicate this vision, and related to this, the need for leaders who do not just positively embrace the change required, but embody and demonstrate personal commitment to it. Leaders who walk the walk, so to speak.

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