

Developing an Integrated Approach to Performance Improvement: The Whole System of Work

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ABSTRACT

The achievement of integrated, sustainable change represents a major challenge, particularly in the public sector context. This paper describes the development by a local authority of a comprehensive, systematic methodology, which encompasses organisational structure, work processes and information systems. The methodology, which is defined as the Whole System of Work, has evolved over a lengthy period of sustained effort, research and testing. Definitions of the principal elements of the methodology are provided and progress to date on the pilot implementation is described. The paper concludes that the methodology has the potential to support a systematic approach to the management of transformational change, provided that certain organisational conditions are created. An essential condition is the existence of a well-defined structure of management, which explicitly distinguishes the differences in the nature and complexity of work to be performed at each level. Required conditions also include visible leadership at top management level, clarity on objectives, and active participation by key stakeholders in the process.

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1. INTRODUCTION

1.1 Outline of paper

The objective of this paper is to describe and evaluate the development and implementation of a systematic, integrated approach to the management of transformational change. The international and national context within which the public sector modernisation agenda has been developed in recent years is briefly described, together with a review of the literature on the management of IT enabled change. The paper describes the work undertaken to develop the organisation of Donegal County Council (DCC) over the past several years, and why it was decided that further work was necessary to achieve sustained organisational improvement. It will outline the development of the Whole System of Work (WSW) concept and progress to date in the early stages of its implementation. In particular, it will focus on the Human Resource (HR) work process as the pilot area for the development and implementation of the process improvement methodology, evaluating progress to date and discussing the programme of work for the coming years. The paper critiques the implementation process and evaluates the personal and organisational learning, in the context of an action-learning framework.

1.2 Donegal County Council (DCC)

Donegal County Council is a local authority, providing a wide range of individual and community services to its 140,000 residents. The organisation employs in excess of 1,200 employees and the budget for 2006 is €450 million.

Beginning in the mid 1990s, DCC has been engaged on a major restructuring programme, which included the introduction of new management structures and the decentralisation of service delivery to a network of newly constructed Public Service Centres (PSCs) around the County (see *Appendix A* for a brief history). While the restructuring programme was essential to DCC's core objective of radical improvement in service delivery, it has not by itself proved sufficient to achieve this. The changes made to date could be described as the creation of a new skeletal and muscular structure for the body; but it has been found that the development of properly functioning nervous and circulatory systems (in the form of effective work processes underpinned by information technology) are essential to bring it to life and to sustain its growth in terms of continuous improvement. The challenge for DCC, therefore, is to develop a systematic, integrated approach to the improvement of performance, which encompasses the key elements of organisation structure, process and information systems.

Over the period 2003 to 2005, the author (who as Director of Corporate Services is responsible for organisational development) has, with specialist advice and support, been working on the development and implementation of this integrated approach. The result is a methodology entitled the Whole System of Work (WSW), which is described and analysed in this paper.

1.3 Research Methodology

The methodology employed over the lifetime of the project to date is firmly grounded in the principles outlined in the action learning (Pedler 1996; Coghlan et al 2004) and action research (Stringer 1999) literature, i.e., plan, do and review on a rolling basis. As will be evident from what follows, the involvement and participation of staff and other key stakeholders (elected Councillors, trade unions, colleagues from other agencies, etc) at every stage of the project has been a key strategy to support individual and organisational learning and to facilitate change management (Coram & Burnes 2001). This participation has been facilitated through a range of mechanisms, including one to one interviews, establishment of focus groups, and creation of project teams to work on particular elements of the project.

Data collection methods have included the abstraction of financial and activity information from internal systems, as well as periodic surveys of staff attitudes (Carr Communications 1997) and customer experience (Price Waterhouse Coopers 2003; Fitzpatrick Associates 2006).

The design principles to underpin the restructuring of the organisation (Jaques 1996) are based on the premise that a thorough understanding of the nature of the work to be performed by the organisation is essential to the improvement of performance. These principles were chosen by the chief executive (County Manager) on the basis that he had utilised them previously and found that they had provided a solid foundation for change. The provision of intellectual leadership by the chief executive in this way has provided a consistent framework within which the programme of change has been planned and implemented.

2. CONTEXT

2.1 The Public Sector Reform and Modernisation Agenda

Although the precise elements of the reform agenda, internationally and nationally, over recent years may vary slightly from one country to another, a number of common themes emerge (Boyne 2003). These include:

- *Improved service delivery:* There is a widespread acceptance of the need to provide customers with services that are more convenient, more personalised to individual needs, and more integrated (Curthoys & Crabtree 2003; Gaster & Squires 2003; Poelmans 2001);
- *Greater efficiency:* Opportunities to significantly lower transaction costs, through the more efficient handling of data and the streamlining of business processes (European Commission 2003; Gershon 2004; Osborne & Gaebler 1992) are being identified and targeted;
- *Enhanced accountability:* There is an increasing demand for enhanced participation in the decision-making process and for greater transparency in the operations of government (see for example Office of the Vice President, 1993; Cabinet Office 1999; European Commission 2002).

2.2 The Reform Programme in Ireland

One of the key objectives of the Strategic Management Initiative (SMI), launched in 1994, was the provision of high quality, efficient public services (Boyle & Humphreys 2001). In 1996, the SMI framework was reinforced by the setting out of a vision for the public service, summarised in six key themes: delivering a quality customer service; reducing red tape; delegating authority and accountability; introducing a new approach to human resource management; ensuring value for money; and supporting change with information technology (Government of Ireland 1996).

In 1999, the government set out its proposals to tackle the opportunities presented by what it termed “the information society” (Information Society Commission 1999). A second government action plan was published three years later (Department of the Taoiseach 2002). The core strategy was to be the development of the Public Services Broker by the Reach agency. The government committed to the objective of having all public services that are capable of electronic delivery available online, through the Broker, by 2005.

A review of progress was undertaken in early 2003 (Department of the Taoiseach 2003). The report acknowledges the slow delivery of the Public Services Broker, a difficulty that has been commented upon elsewhere (Information Society Commission 2003). At about the same time, a review of progress on the wider modernisation agenda concluded that, while much had been achieved towards the objective of a more effective public service, a significant amount of work remained to be done (PA Consulting Group 2002).

2.3 The Change Programme in Donegal County Council

The publication of *Better Local Government – A Programme for Change* (Department of the Environment 1996) set out a set of objectives for the local government sector, including improvements to the quality of customer service and the achievement of greater efficiency. These objectives were to be achieved through a range of measures that included new management and political structures, as well as utilising the emerging opportunities presented by information technology. DCC had already begun to develop its own response to a range of challenges identified by staff and elected members, and this response was then taken forward in the context of government policy for the sector.

Over the period 1997 to 2000, a wide-ranging set of proposals were developed under the leadership of the County Manager, and driven by a Project Team of which the author was a member. The proposals included:

- The creation of a simplified, unified management structure, based on the identification of five distinct levels of work in the organisation (*see Figure 1*). These levels of work emerged from the use of an explicit set of design principles (Jaques 1996);

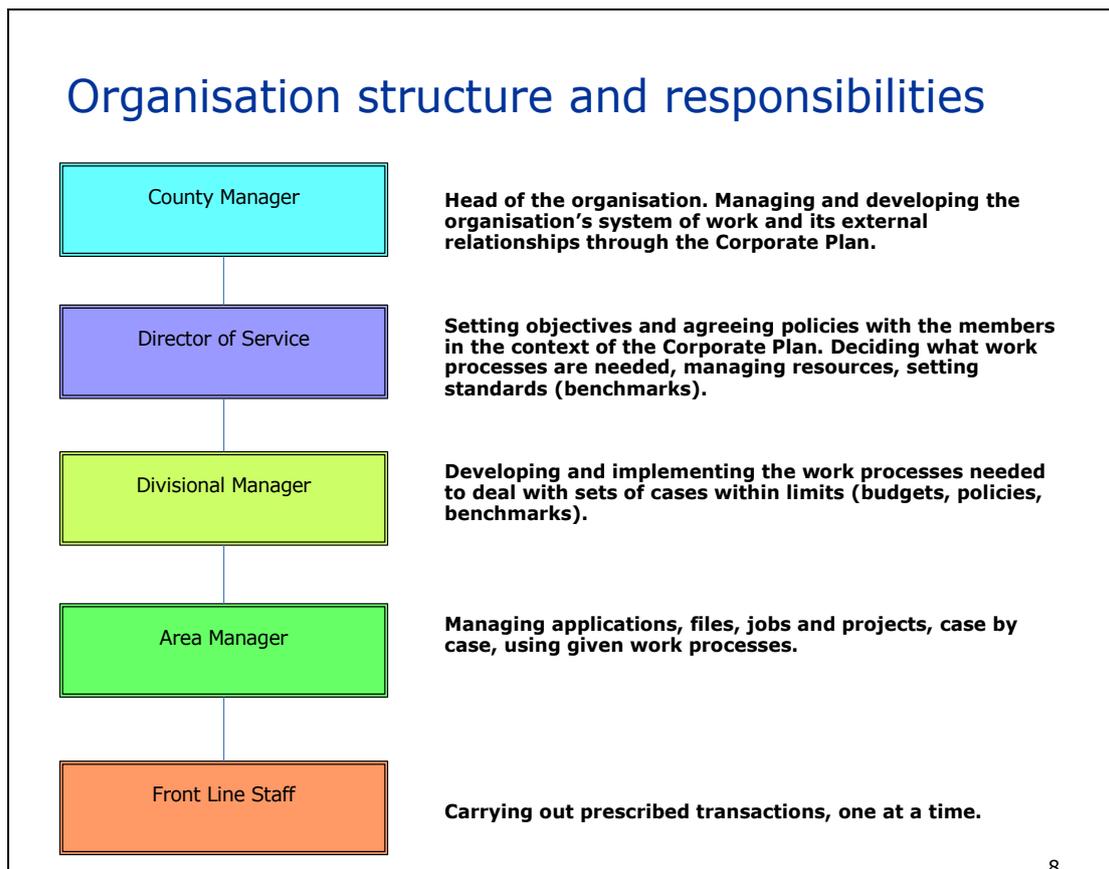


Figure 1 Basis of new management structure in DCC

- The provision of a network of five (later six) Public Service Centres around the county, through which service delivery would be organised and under-pinned by the new management and political structures;
- The development of the role of the local authority as the focal point for the more effective co-ordination of all public service delivery in the county, through mechanisms such as the County Development Board (Department of the Environment and Local Government 1998) and the provision of what were then described as one-stop-shops (Department of the Environment 1996).

By the second half of 2001, the proposals had been negotiated and agreed by staff and their representative organisations, and had been approved by the Department of the Environment. By the middle of 2003, the new management and staffing structures were put in place and four of the planned Public Service Centres were established. The history of this development programme is set out in greater detail in *Appendix A* and is summarised in *Figure 2* below.

2.4 Challenges for the Local Government Sector

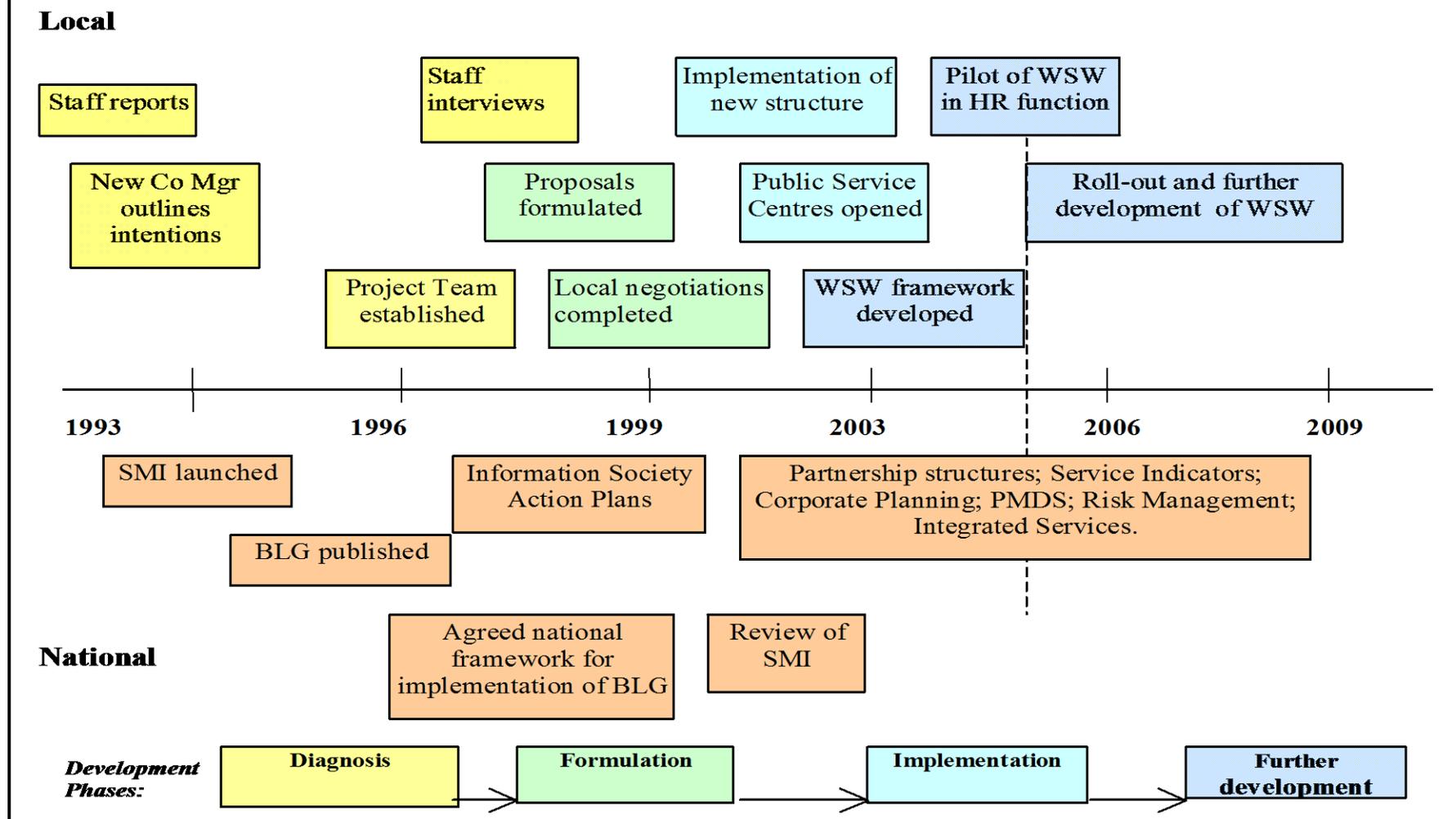
The various approaches taken by local authorities across the country to the implementation of Better Local Government (BLG) have given rise to some criticism that the objective of improvements in service delivery has not been achieved and that the principal outcome has been an increase in bureaucracy rather than a more

focussed approach to service delivery (Joint Committee on Environment and Local Government 2003). An independent review of the implementation of BLG indicated that progress was not uniform across all counties (Boyle et al 2003). Going forward, local authorities are expected to step up to a range of further initiatives, including:

- The creation of five year Corporate Plans, to be implemented through an annual business planning and budgeting process (Department of the Environment and Local Government 2000);
- The creation and implementation of a rolling multi-annual Customer Action Plan (Department of the Taoiseach 2005);
- The roll-out of a Performance Management Development System for all employees (Government of Ireland 2003)
- The development of performance measurement and reporting systems, including a set of nationally designated Service Indicators (Department of the Environment, Heritage and Local Government 2004);
- The development of a comprehensive approach to risk management (UK House of Commons 2005), including systems for the management of health, safety and welfare.

Building on the experience gained in the implementation of BLG, and on the recognition of the need to integrate structure and process, Donegal County Council intends to tackle this agenda using the methodology described in this paper.

Figure 2 Donegal County Council Modernisation Project Timeline



3. DEFINING THE PROBLEM

3.1 Sensing that more was required

In paragraph 2.3 above, the background to the establishment of the new organisation structure was outlined. By early 2002, the new management and staffing structure was in place, in the sense that the posts had been established and filled. Those who had been responsible for the design and implementation of the new structure (including the author) had implicitly assumed that this would mark the beginning of a radical transformation. Once the new structure, including the decentralisation programme, had bedded in, however, there was a growing realisation that there was more to be done, i.e. that changing the structure is a necessary, but not sufficient, condition for achieving integrated change (Beatty and Ulrich 1991).

On the surface, there was the appearance of significant change, with new job titles, role descriptions, office buildings, investment in IT systems, and so forth. The opening of the PSCs represented a significant improvement in the quality of service delivery to our customers, particularly in terms of convenience and access. It gradually became clear, however, that some pieces of the jigsaw were still missing from the picture needed to create and sustain a systematic, continuous approach to performance improvement. There was a sense of people being in post but not necessarily in role. This was particularly apparent at the middle management level (the Divisional Manager layer – see Figure 1 above). While the staff at the front line, and their Area Managers, were attempting to get to grips with their work, and the senior managers at Director level were showing signs of coming to terms with their new roles, there remained a significant degree of uncertainty and confusion over the Divisional Manager roles. In some cases, it appeared as though they were acting as “super Area Managers”, in that much of their time seemed to be taken up with individual cases that were problematic or controversial. With others, they appeared to be acting as lone contributors, in the sense that there was no clear connection between their work and that of those either above or below them in the structure. In addition, a strong sense of the “silo mentality” remained, with an absence of effective co-ordination across the different Directorates (Jaques 2002).

3.2 Linking Structure, Process and Information Systems

In the second quarter of 2003, preliminary discussions began on the question of what those missing jigsaw pieces might be. The discussions began with the premise that there were three core elements to organisational performance, namely structure, process and information systems (Galbraith & Kazanjian 1986). Through a review of the implications of this over the second half of 2003, the outlines of the remaining issues to be tackled began to emerge more clearly. The Council needed to develop and implement effective systems for, inter alia, work programming and resource scheduling; activity tracking and benchmarking performance; and systematic management and staff training. In addition, a raft of national initiatives for the local government sector, as outlined earlier, was coming on stream. A comprehensive, systematic approach was needed to:

- Introduce a new performance management system (creating the conditions in which managers at each level of the organisation could prepare business plans, agree performance measures and discuss improvement opportunities with their staff);
- Link business, team and individual work plans to the Council's Corporate Plan;
- Create and implement the systems, processes and procedures through which these work programmes could be planned, resourced, implemented and monitored;

The objective was to develop an integrated model to do this.

3.3 Implementation of IT-Supported Change

A review of the relevant literature on the relationship between structure, process and technology revealed a significant gap –until very recently, no comprehensive and successful attempt has been made to establish a firm link between process and structure as the basis for implementing IT-supported transformational change (Bensaou & Earl 1998; Blackler & Brown 1986; Davenport 1993; Evans & Hoole 2004; Nicolay 2004), although some evidence is now beginning to emerge of attempts to address this gap (Kawalek & Wastall 2005). McDonagh (2001) provides a long list of organisational factors that are frequently ignored or marginalised in the management of IT-enabled change initiatives, including:

- Inadequate attention to organisational structure, job design and the nature of work;
- Insufficient emphasis on procedures, practices and systems; and
- Lack of fit between the system and the organisation.

He concludes that such shortcomings are the most significant contributory factor in the high failure rate of such initiatives (Royal Academy of Engineering 2004). It is surprising, therefore, to find that the most recent statement by the UK Government on the transformation of the public sector appears to persist with the notion that technology remains the principal driver of radical change (Cabinet Office 2005).

Against this background, DCC concluded that no “ready-made” models existed, and that the most realistic approach was to review all of the elements necessary to the achievement of organisational transformation, and to develop a methodology for their integrated implementation in the context of the changes already made in DCC.

4. DEVELOPING THE WHOLE SYSTEM OF WORK (WSW) METHODOLOGY

4.1 Process and Structure

Taking the new five level organisation structure in DCC (see *Figure 1* above and *Appendix A*) as the starting point, considerable time and effort was invested in identifying the appropriate relationship between process and that structure (see *Appendix B* for a more detailed discussion).

DCC's definition of a work-process is an explicit set of arrangements to enable work in the first and second levels of complexity (i.e., at front line and Area Manager levels), which deal respectively with transactions and cases, to be performed effectively and to given standards. The construction of the work-process must therefore be the product of third-level (process) thinking: in other words, greater than the work of managing individual cases (the work of Area Managers), but less complex than constructing alternative types of work process and appropriate strategies and policies (the work of Directors). Third level thinking (Jaques 1996) comprises everything to do with how the work is planned and budgeted, the details of how transactions and cases are to be carried out and improved, and the creation and use of relevant financial information. This suggests that, just as an organisation structure needs work-processes to be mapped onto it, so work-processes need a structure onto which they can be mapped.

The relationship between structure and process within Donegal County Council is set out in *Figure 3*. This represented a significant breakthrough, as the role and responsibilities of the Divisional Managers, and how these roles provided a vital link between the work at the front line and at senior management levels, now became much more explicit.

It is important to stress that the Divisional Manager is personally accountable to his or her Director for this work and cannot delegate it to Area Managers. Once the Divisional Manager has constructed a work-process, it is the responsibility of the

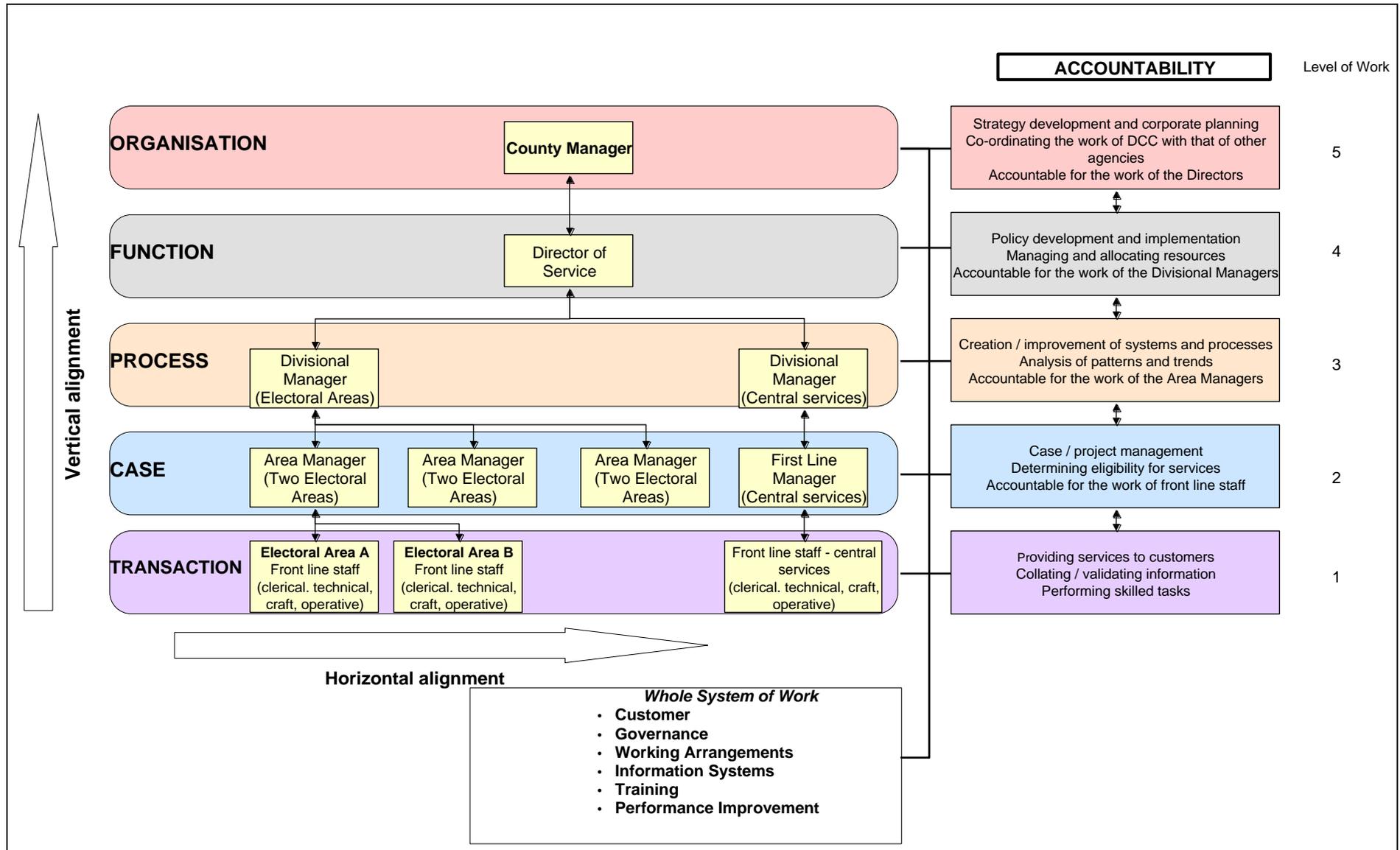


Figure 3 Relationship between structure and process

Director to decide whether the work-process is fit for the purpose. The Director will be held accountable by the County Manager for delivering services within budget and to agreed quality standards. The Director will decide on how many work-processes are required to best deliver services and of which type. Once the Director has approved a given work-process, it is the Divisional Manager who is accountable for its implementation and subsequent operation. This approach will be described in more detail in Section 5 below.

4.2 Information Systems (IS)

As this approach to work processes was developed, it gradually became clear that current information systems concepts (for example, Attaran 2003; Chen & Popovich 2003; Hargadon 2005; Prahalad & Krishnan 2002) do not provide a complete set of concepts with which to describe organisations and the work to be done by those organisations. The creation of the new structure and the reviews of work processes provide the context for the development of information systems. Effective performance at each level requires that managers and staff have access to appropriate information in real time. The strategic approach to the development of these systems is that they are derived from the needs of the organisation, i.e., IT is the enabler, rather than the driver (Jones & Williams 2005).

The emerging view of information systems, therefore, was guided by the work on identifying the links between organisation structure and work processes. Each level of management is accountable for its own work and managers are also held accountable for the work of their employees. Heretofore, it had been difficult to specify 'work' in DCC in terms which were meaningful for IS practitioners. The identification of the distinct nature of the work to be performed at each level (i.e., transactional at the front line, case management at the first level of management, and so forth) provides the basis for specifying the information requirements at each such level (see *Figures 4 and 5* for examples).

Key questions for staff at each level

- **County Manager:** are the right questions being asked and is the information available to answer them?
- **Directors:** what are the questions we need answers to, in order to manage the service effectively, e.g., what is the rate of growth in demand for various classes of services and how are existing processes coping?
- **Divisional Managers:** what information is needed to deal with these questions, where do we get it from and how is it formatted, e.g., have we enough staff and other resources to process x volume of planning applications to standard y?
- **Area Managers:** can I accumulate the information I need, in a readily accessible format, to make a decision on this file, job, complaint or situation?
- **Front line staff:** do I have the information to complete the transaction, e.g., to accept this order, approve this payment, validate this application - yes or no?

Figure 4 Information needs by level

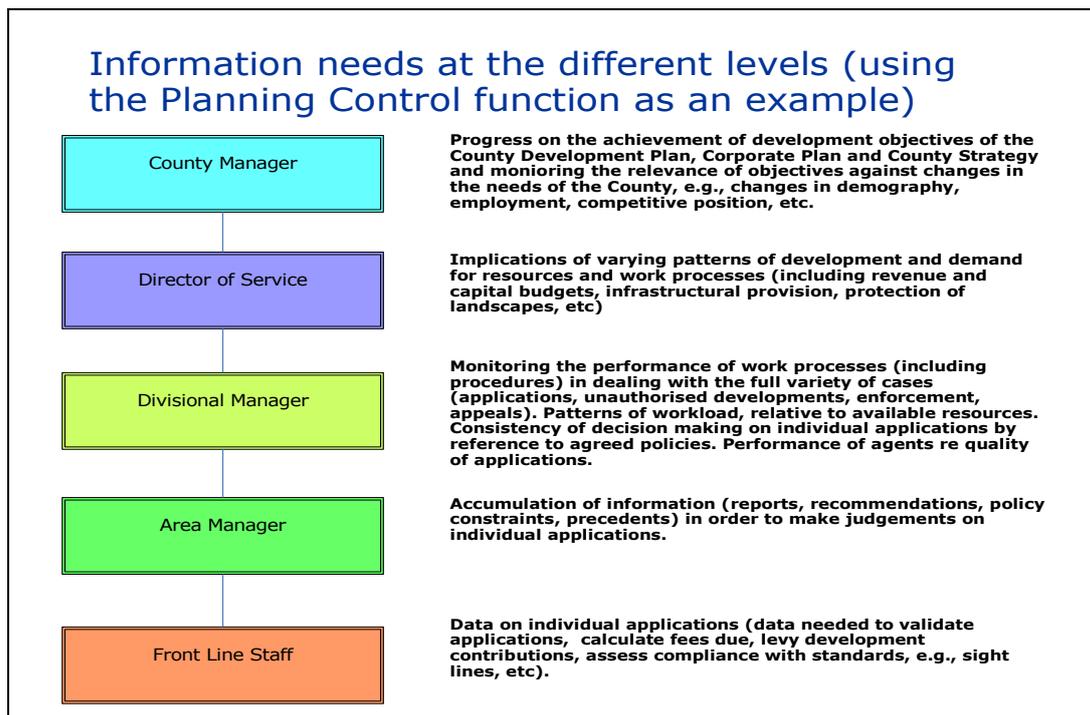


Figure 5. Example of differing levels of information requirement

The identification of information needs suggests that three types of reporting are required for each role at each level.

- *Reporting Individual:* role occupants need to know about the performance of their own work in order to decide how best to prioritise it.

- *Reporting Manager*: each role occupant's manager is held accountable for the performance of his or her employee. In order to be able to discharge this responsibility, they need to know in appropriate detail how the employee's work is being performed.
- *Reporting Customer*: almost all work performed by employees is in providing services to customers (internal, external, elected members). In many situations there will therefore be a need for customer reports on the progress of work-activities in respect for their applications, cases and jobs.

From this analysis of reporting requirements, four types of information system to meet those needs were identified:

- *Occupation Specific*: Until relatively recently all IS applications were occupation specific, many of which were custom built for the purpose. More recently, software packages have become the norm with customisation work required to fit the package to the needs of the individual customer (McAfee 2004). Examples within DCC include iPlan (to support the processing of planning applications) and Agresso (financial management package);
- *Generic*: The development of commercial email, office tools and web tools in the last ten years has resulted in widespread use of generic applications. Microsoft products (Word, Excel, Outlook, Powerpoint, etc) have dominated this market and are the most widely used (including within DCC), although open-source office tools are becoming more widespread (Australian Government Information Management Office 2005);
- *Tracking, Reporting and Auditing (TRA)*: This is a newer class of applications developed as part of the 'Business Process' (Adesola & Baines 2005) or 'Third Wave' (Smith & Fingar 2003) of information systems. These applications specialise in the representation of business processes and the management of workflows and include Business Activity Monitoring (BAM) and Business Process Management (BPM). Such applications are not currently in use in DCC;
- *Modelling*: This is also a new class of applications that build on the work done by the Object Management Group (www.omg.com) in the standards world. This class of application can be used to model the semantics and syntax, which can provide clear requirements for the other three application types. The availability of these applications will facilitate the development of a dynamic model of the DCC organisation, and enable senior managers (Directors and Divisional Managers) to review the creation, implementation and performance of work processes.

A clearer picture of the linkages between organisation structure, work and information systems was now emerging (*Figure 6*). It is anticipated that the framework will

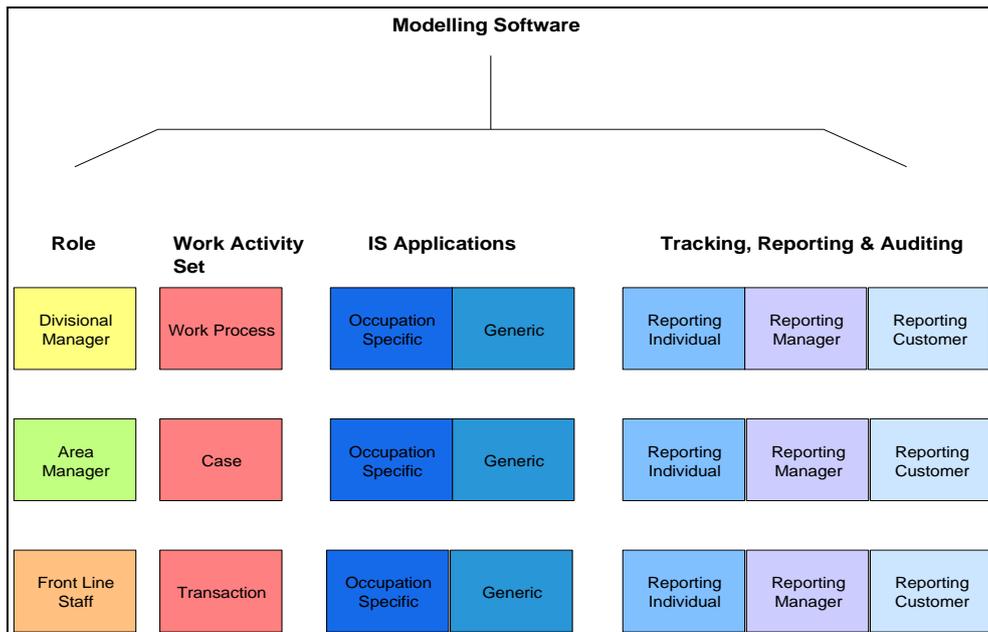


Figure 6 Link between structure, work and information systems

reduce the complexity of information systems (and the cost of development, deployment and maintenance) by bringing together organisation structure and work to define what information systems are needed for each and every role. This will also require DCC to develop new strategies for the selection, development, deployment and maintenance of information systems.

Having decided that identifying and developing the appropriate links between organisation structure, work processes and information systems represented the basis on which DCC would tackle continuous, sustained performance improvement, the next step was to identify performance objectives and the limits or constraints within which such objectives could be achieved.

4.3 The customer dimension

Whilst every department in an organisation has some relationship with customers (external or internal), each department will take a view that is relevant to its particular products or services. However, given that an organisation is established to meet a range of customer needs, there is a requirement to understand these needs independently of the provision of any particular department's products or services. The customer perspective is therefore needed to ensure that customer needs are thought about in the context of work-activities at each level in the work-process, and at the strategy and policy levels as well (Freeland 2003).

In a typical organisation, decisions about customers are often spread widely across the organisation (Anderson & Narus 1998). In commercial organisations, the sales department is usually responsible for dealing with individual customers, whilst the marketing department is responsible for deciding which classes of customers will be served and what selection of products and services will be offered to them at what price. In the public services, organisations tend to be organised around the services to be provided to the public (Accenture 2005). For example, a County Council is

responsible for delivering services in roads, housing, water, environment, planning, cultural affairs, fire services and licensing of various types.

The DCC approach starts from the position that organisations are brought into existence to serve customers, and are organised according to the levels of work-complexity needed to provide these services. The focus of the organisation is therefore first on the customers and their logical groupings, and secondly on the services to be provided. This focus is implemented at each level of management so that each such level is held accountable for the decisions appropriate to their level of work-complexity.

The starting point is the gathering of available data on customer service performance to establish baselines against which progress can be monitored and benchmarked. While a significant amount of data is available to DCC on performance characteristics such as volumes, turnaround times, and unit costs, it is not collected and analysed by reference to a systematic framework and methodology. A key task for each Director, therefore, is to determine the nature and type of information to be collected and monitored, and to assign to their respective Divisional Managers the task of creating the work processes and defining the information systems (tracking, reporting and auditing) needed to achieve this. Some examples of this are described in Section 5 below.

4.4 Governance

All organisations provide their services and manage their business within a governance framework. These governance requirements are particularly relevant in a public sector setting, with a sharp focus on accountability and transparency (Bevir et al 2003). It includes a wide variety of legal and statutory requirements, political accountability, national guidelines, financial allocations, controls on staffing numbers, audit and so forth. It plays a particularly important part in the work of the County Manager and Directors, for it is they, rather than their staff, who are accountable for compliance.

In the past, financial governance was the main area of concern, with compliance well established through internal and external audit departments. In local government, the views and decisions of elected members have always been paramount and mechanisms have evolved for reaching decisions and ensuring compliance with these over time (Bovaird & Loffler 2003).

However there are a number of new areas of governance, some of which are driven from the European Union and others that are created by national government and these too must now be taken into account (Adshead 2005; Kettl 2000). These include health and safety, procurement, employee consultation, and environmental policies. There is also a range of Government / Departmental policies and procedures including customer action plans, risk management, PMDS and corporate / business planning, as outlined previously.

In addition there are specific requirements for each Directorate in terms of building regulations, national housing policy, water pricing policy, national spatial strategy and

many others. Each one of these needs be documented and its implications for the work of Area and Divisional Managers determined by the Directors.

4.5 Training

Training is the final component of the framework. From the new perspective, what is notable by its current absence is training in the specific and simple sense of systematic attention by managers to improving the performance of their staff by direct interaction between the manager and the employee. The fact that training, in this sense, is not recognised as necessary need not be surprising: it is not possible to set about training someone in the work they are to do, unless three conditions have been met:

- the manager must understand what he or she is accountable for, and what authority he or she has been assigned to discharge that accountability;
- each employee must be similarly clear about the relationship with his or her manager. In other words, there must be shared clarity about the structure;
- the manager must first be able to state clearly enough what that work is. It is the ability to make explicit not only what the work is, but also the specific arrangements through which it is to be done, and the performance standards set for that work, which opens the door to the possibility of training someone to do it, and to do it better.

This last point means that each manager needs to understand, and to be able to explain to staff, what each item in the working arrangements means: what the particular *work objects* for the individual are (e.g., the transaction involving forms or materials, or the job involving colleagues in a set of transactions, or the case that comprise whole bundles of transactions or jobs, or the entire work-process through which cases and transactions and jobs must pass); what the *work-activities* assigned to that person's role are; what *work-activity sets* are involved; through what *working relationships* the work needs to be done.

Based on this analysis, it is now possible to outline the curriculum for training, which includes ten topics on which each and every employee must be trained.

- *Working-arrangements* – this outlines the working-arrangements within which each employee is expected to work;
- *Work-Objects* – defines the work-object or objects that the employee is expected to work on;
- *Work-Activities* – the specific tasks the employee is expected to do;
- *Work-Activity Sets* – this explains how the work-activities are arranged into work-activity sets and in what sequence work is to be done;
- *Working-Relationships* – this documents who the employee will work with to perform their work-activities and the expectations of each one of these relationships;
- *Work-Description* – this defines the complete work description for each role and what needs to be done to ensure that the occupant has the qualifications, skills, knowledge and experience to do the work;

- *Performance Characteristics* – this lays out the performance characteristics for the role and how often the employee and their manager will be updated on performance;
- *Information Systems* – this outlines the information systems and other technologies or tools that the employee will be expected to use to perform their work-activities and the training that they will receive to ensure that they can use them effectively
- *Customer dimension* – this documents what the employee needs to know about the customer dimension for their work-object(s) and work-activity set to ensure that they meet the Council’s expectations for customer service
- *Governance* – this sets out the aspects of governance that the employee needs to know and be able to apply to their work to stay within legal, financial, policy and procedural limits.

4.6 The Whole System of Work

All of these elements, taken together, provide the basis for an integrated approach to the management of change and the improvement of performance, which has been defined as the Whole System of Work (WSW) – see *Figure 7* below.

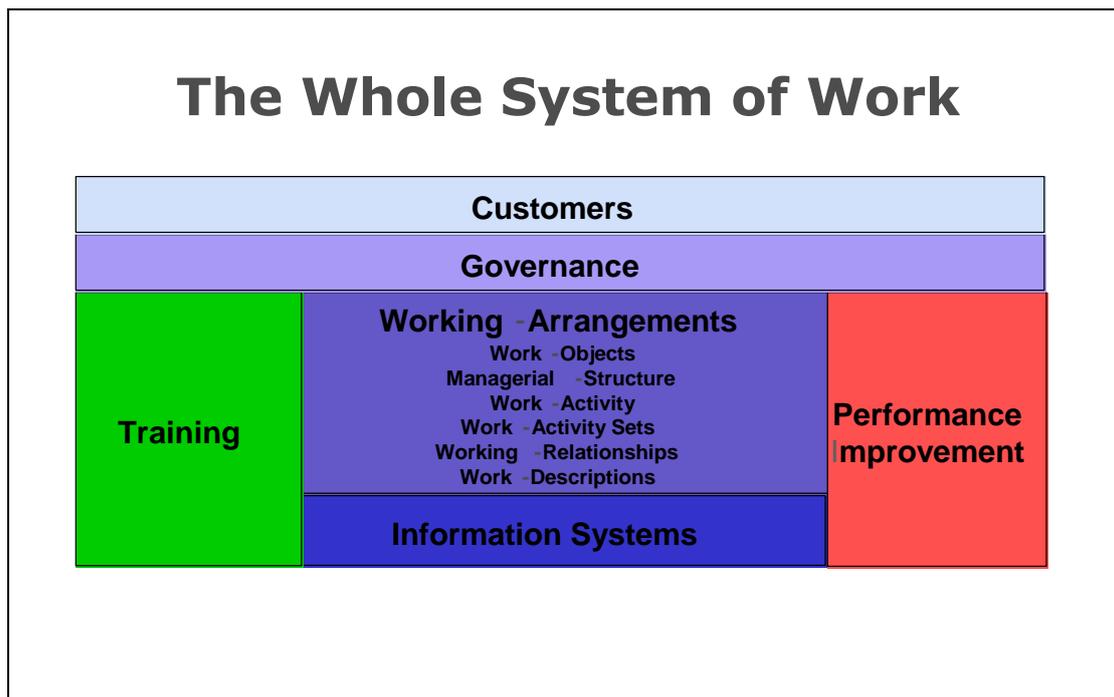


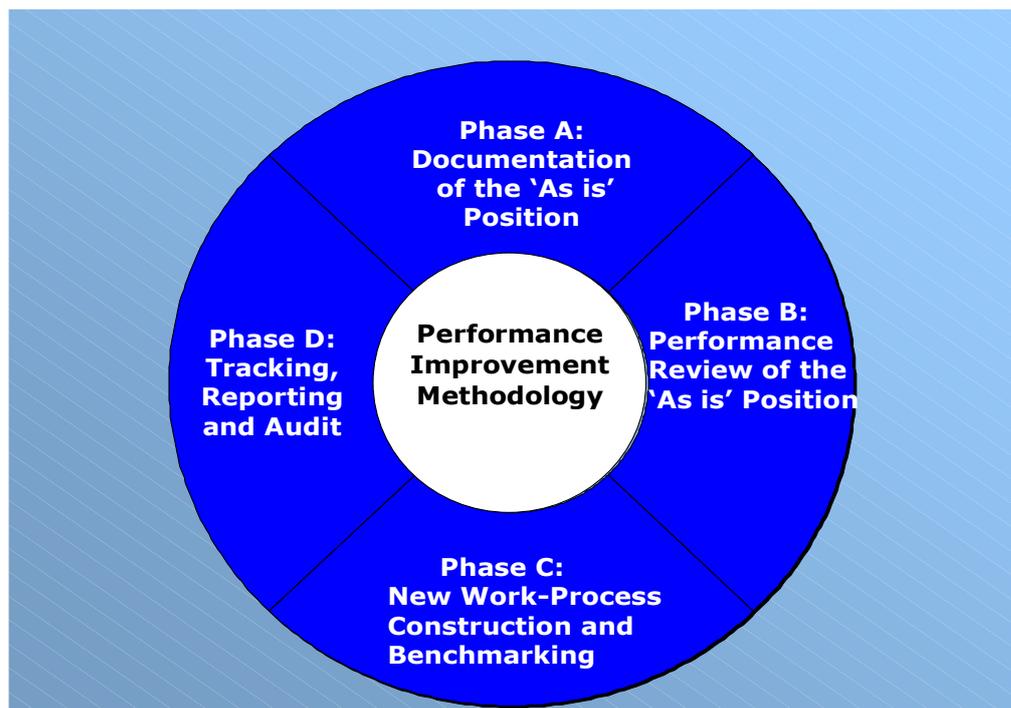
Figure 7 The Whole System of Work

To summarise, the starting point is the recognition that all organisations exist to serve customers (Day 2003). All organisations are required to work within a set of governance limits (legal, financial, ethical, etc) that set an over-arching context for their work (Hartley 2005). The experience in DCC to date indicates that an accurate description of what work is needed to meet customer requirements within these governance limits cannot be made unless the structure is clear. In other words, work-process construction and performance review need sufficient clarity, *at each level*, about *what* work is to be done and *how* it is to be done. Tracking and reporting

systems are integral to managing the work, as is the information technology needed to support the doing of the work (Eccles 1991). Identification of training needs and the provision of training (including formal training, coaching and mentoring) is derived from the previous components (Bramley 1998).

The components are completely interdependent and therefore must be addressed simultaneously for the effective management and improvement of the organisation. The continuous improvement of performance (through sustaining and disruptive innovations) is addressed through a rolling four-phase methodology (see *Figure 8*). The work is iterative, sequential and back and forward.

Figure 8 Performance Improvement Methodology



A key element of the WSW methodology is the establishment of relevant, realistic baseline measures of performance (quality, efficiency, achievement of outcomes), against which progress can be tracked and reported (Poister 2003). The methodology encompasses the public service modernisation agenda, including strategic planning, effective financial management, performance measurement and reporting, and performance management systems (OECD 2002). It also provides a context for the effective utilisation of a range of management techniques (balanced scorecard (Kaplan & Norton 1996), project management, business process re-engineering (Hammer & Champy 1994) and so forth). Finally, it embeds accountability for innovation within the management structure (Horibe 2001; Kawalek & Temren 2003).

5. TESTING THE WSW METHODOLOGY

5.1 From Development to Testing: Pilot Selection

The approach outlined above was developed, with specialist consultancy support, over the period 2003 to 2005. It emerged gradually, through a process of consultation with staff, the testing of ideas on particular work processes (at least one in each Directorate), the gathering of data, review of outcomes and further development, i.e., an action learning approach (Coghlan et al 2004). By the middle of 2005, there was a reasonable level of confidence that all of the main elements of the framework had been identified. Having developed the prototype of the model, the next step was to test it for completeness and functionality. Implementation and testing is also the most realistic way of answering the most fundamental and important questions, i.e., does it work? what are the results?

5.2 The Human Resource Work Process

The Human Resource (HR) work process was chosen for a number of reasons. Firstly, the HR Department lies within the Corporate Services Directorate, for which the author has senior management responsibility. Secondly, efforts were already under way to shift the focus of the Department from personnel administration to a more strategic HRM approach (Ruona & Gibson 2004). Thirdly, it was an activity area that was subject to complaints from our customers (line managers) regarding such issues as lengthy delays in filling vacancies. Finally, and most importantly, the HR work process impacts directly on every part of the organisation.

Figure 9 illustrates the principal stages involved in moving from a comprehensive understanding of the current state of the work process, through the definition of the required new state, culminating with the implementation of a new process. This represents change on a transformational scale (Dunphy & Stace 1998). Subsequently, the process will be subject to continuous, incremental change (Moore 2005).

5.3 State I: Assumed View

In this stage, the accountable Director (in this case, the author) outlined his assumed view of the process, i.e., his understanding of how things are done at present. This represents a high-level view of inputs / resources, process, and outputs. The first step, therefore, was to answer the question: “what is the human resource work process?” Providing an answer to this question (i.e., where does it begin, where does it end, what are the inputs, what are the outputs, and what is the process that converts inputs into outputs?) proved surprisingly difficult. Eventually, it was decided by the Director that the process could be divided into three principal phases:

- Getting people into jobs
- Managing people in role
- Facilitating the departure of people from the organisation.

Transformation of the HR Work Process Implementation States

I	II	III	IV	V	VI	VII
Assumed view by Director of Service	As-is narrative by OD Unit Observed and agreed by post holders	WSW Mark-Up applied to the as-is narrative	Director's view of the to-be process	HR Manager's development of the Director's to-be process	Implementation of the new process.	Monitoring and tracking of the new process

Figure 9 Transformation of the HR Work Process

Given that the first of these phases was the one that was giving rise to the greatest range of difficulties (including complaints from our internal customers), the Director decided that we should focus on that area of activity as our starting point. To provide a framework within which the successive stages would be undertaken, the Director set out his view of what were the principal elements of the work process, with an indication of the principal characteristics of each such activity (see *Appendix C* for an extract from this document). This work was completed in May 2005.

5.4 State II: As-Is Narrative

This outline, together with the emerging WSW methodology, then provided the basis for a more detailed analysis of the current state of the work process, in which the author's assumptions were tested and a more complete picture of the situation was created. This was undertaken by staff members in the Organisation Development Unit through interviews with front line staff and managers in the HR Department, with staff in other Departments who contribute to the process (for example, Finance), and with some line managers, to get a customer perspective. The results of these interviews were fully documented and reviewed by all participants and signed off as an accurate narrative. This was completed by August 2005.

The narrative (which ran to some 66 pages) raised a number of fundamental issues. Firstly, the narrative demonstrated that neither the Director nor the Human Resource Manager had an accurate picture of the current state of the process. For example, the assumption that all cases (i.e., vacancies to be filled) were essentially the same and could / should therefore be handled through a broadly similar process was incorrect. The narrative demonstrated that there was a range of case types (e.g., whether a vacancy is permanent or temporary, whether the post is to be filled through confined or open competition, whether the vacancy refers to a managerial, clerical, technical, craft or operative post), each of which required a distinctive approach.

Secondly, the narrative identified the key issues to be tackled by reference to the WSW methodology. Examples under each heading included:

- *Customers:* lengthy delays in effecting staff transfers; absence of effective arrangements for filling short-term vacancies; inadequate attention given to achieving a better fit of skills to posts when making staff assignments;
- *Governance:* managers and staff did not have a sufficient understanding of the implications of relevant legislation, e.g., the impact of the Protection of Employment (Fixed Term Work) Act, 2003 on arrangements for the employment of temporary staff;
- *Working arrangements:* absence of explicit role descriptions prepared by line managers; inadequate arrangements for deciding the composition of selection boards, the briefing of boards, the use of selection criteria / marking schemes, and for feedback to candidates following interview;
- *Information Systems:* a mix of paper-based, generic IT systems (databases, spreadsheets, etc) and occupation-specific software (e.g., payroll) provided an inadequate and fragmented support for the process. There was an absence of tracking systems to enable us to, for example, evaluate performance on the filling of vacancies;
- *Performance Improvement:* one of the most important issues to emerge from the narrative was the fact that most of the time of the Divisional Manager (the HR Manager) was taken up with case management. This was reinforced by the view of customers that it was essential for them to make direct contact with the HR Manager in relation to their cases. It was therefore inevitable that little or no attention was being given to the current state of the process and how it could be improved. This is a practical example of a mismatch between organisation structure and work process;
- *Training:* In light of the above, it was not surprising that effective training for managers and staff in this area of activity was largely absent.

5.5 State III: Applying the WSW Mark-Up to the Narrative

The next step was to find a systematic way of applying the WSW concepts to the as-is narrative, so that a baseline for performance improvement could be established. These concepts include role, role-relationship, work-activity and time. For each work-activity the role, role-relationship and time are also identified. The notation used for each work-activity includes:

Level: the level of work as defined in the DCC organisation structure, numeric values one through five are used;

Role: the specific role in the DCC organisation structure e.g. Administrative Officer, Human Resources Manager;

Post-Holder: the named person who is occupying the role at the time of interview;

Work-Activity Set: the set to which the named work-activity belongs;

Working-Relationship: the working relationship that guides and constrains the work-activity

These mark-ups were captured in a separate list in a new version of the as-is narrative. This list was then taken and used to create a graphical view of the process, using Role Activity Diagrams (RAD), based on recently developed techniques (Ould 2005). An example of this output is shown in *Figure 10*.

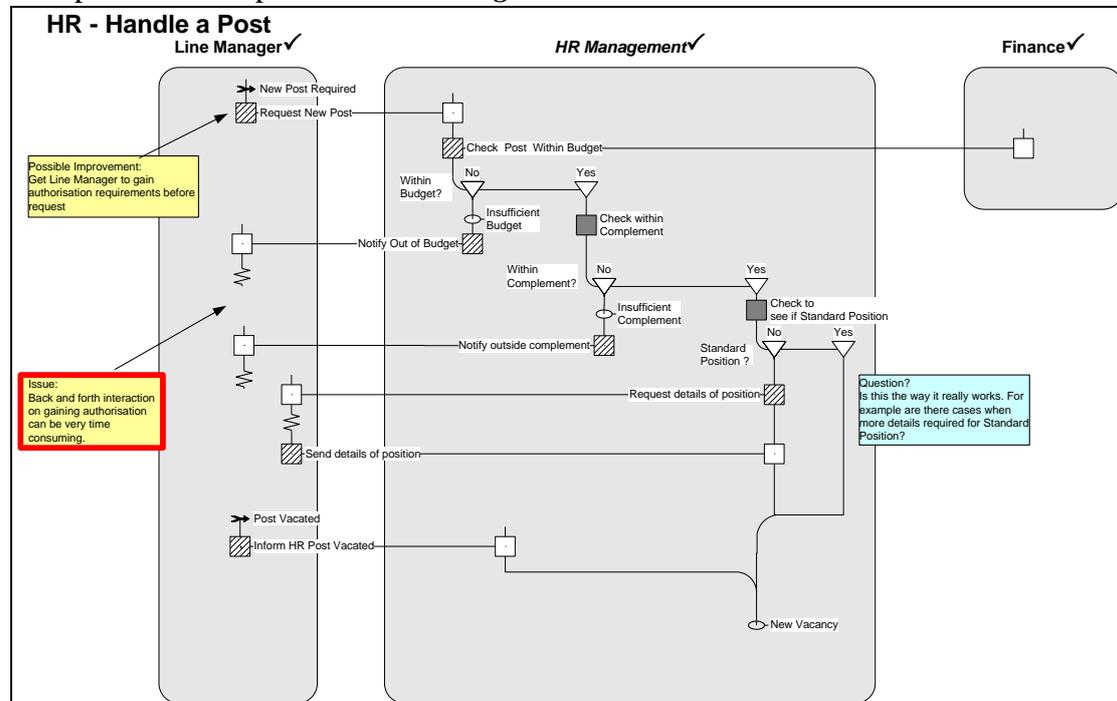


Figure 10 Graphical view of process

Once the modelling tools (which are currently being worked on) are available, a model view will be developed. At the time of writing, it should be noted that there are three additional mark-up types that require development. Further discussion is required to decide whether some or all of these should apply at the individual work-activity level or the work-activity set level:

- *Performance Characteristics* – these will include the number and variety of inputs or the specification of a job (inputs); the budget provided for the work (budget); the duration provided for the work (elapsed-time), the actual time required (clock-time); the materials required for the work (materials); the equipment or tools required for the work (tools); the location of the work (location); the headcount provided for the work (headcount); the results required (number of applications, transactions, jobs);
- *Information Characteristics* – these will include the data required for the performance of the work-activity (input-data); the operation performed on the data (operation) and the information results of the work-activity (output-data).
- *Reports* – these will include all types of reports required in both the static (i.e., fixed in the short term) and dynamic (up-dated in real-time as activities are performed) states. Because the mark-up always includes role, the reports are all role specific. Examples of static state reports include

- Organisation charts; individual work-descriptions; all work-descriptions; all role-relationships; all work-activities; all work-activity sets; by state;

Examples of dynamic state reports include:

- Director: total headcount; total vacancies forecast; overall performance;
- Divisional Manager: number of vacancies filled within performance standards; number of vacancies filled outside performance standards;
- Area (or case) Manager: any individual case by state during work-process; current state of panels; number of panels where less than two people are listed;
- Customer: state of customer's vacancy; likely time to completion based on average time taken for all vacancies across all work-activity sets.

5.6 State IV: Director's view of To-Be Process

Based on the Stage II and Stage III analyses, the Director was now in a position to set priorities for performance improvement and make suggestions to the Human Resources Manager as to how this might be accomplished. This was set out in a comprehensive report prepared in September 2005. Having identified the governance (legislation, Department circulars, national and local agreements with trade unions, etc) and structural conditions within which this was to be achieved, the Director outlined how the WSW concepts were to be applied to the HR work process. Because this was the first such process to be tackled in this way, the work is developmental in the sense that the tools and methodology are being developed as the organisation addresses the issues, i.e., an action learning approach.

The Director's initial view of what needs to be done in order to create and implement an effective work process for the filling of vacancies included:

- *Identification of case types:* each vacancy is a case – there is a need therefore to identify how many different types of case there are, so that the work activities for each one can be defined;
- *Creating the work activity sets for case management:* having identified the different case types, the next step is to define the work activities (with each activity assigned to a specific role in the structure) for each type. In defining the work activities, a range of issues raised in the State II narrative will be addressed, including vacancy forecasting, creation of comprehensive role descriptions, selection methods, and staff assignment. The identification of the activities will also facilitate the definition of reporting requirements at each level of management;
- *Assignment of case management responsibilities:* the creation of the work activity sets will enable responsibility for case management of vacancies to be assigned to a first line manager role in the HR Department, thereby facilitating the HR Manager role to be focussed exclusively on the management and improvement of the process, in accordance with the requirements of the management structure;

- *Development of information systems:* a fundamental principle of the WSW methodology is that the development and implementation of occupation-specific and tracking systems is based on a comprehensive understanding of the work process. The development of the WSW Modeller will facilitate a better understanding of the alternative views of the work process, of the required performance characteristics, of the data / information flows, and of the role relationships. This in turn will enable DCC to develop robust specifications of systems requirements, against which options for the procurement of bespoke or custom-built packages can be evaluated;
- *Performance measurement:* It will also be the Director's responsibility to determine the indicators (time, quality, cost) to be used in order to measure and track performance. This can only be done, however, once meaningful baselines of current performance are established (see Paragraph 5.8 below).

Having reviewed and discussed these proposals with the HR Manager in early October 2005, the Director determined a prioritised work programme for the coming months.

5.7 State V: Human Resource Manager's View of the To-Be Process

In this stage the accountable manager (i.e. the HR Manager) is working within the various parameters / objectives as set out by the Director to decide how to improve performance. There are a number of distinct elements to this phase of the work, including:

- *Deciding on Case Types:* The first decision to be taken is whether all vacancies dealt with by the work-activities are the same or whether some grouping might be appropriate (volume based, value based, complexity based);
- *Grouping Work-Activities in Work-Activity Sets:* There will nearly always be some grouping of work-activities into work-activity sets that makes sense. The first place to start is by looking at the different types of cases. If the work-activities are currently undifferentiated this may be because all cases are treated in the same way. The second approach is to look at the different stages of the work-process to see whether there are groupings of work-activities for each stage that are practical. Often front line staff will have created work-activity sets by default in their filing system;
- *Naming Work-Activity Sets:* As outlined above there is some thinking to be done to construct the most appropriate work-activity sets. However once they have been created they need to be given names which are meaningful to the department but also to other line managers and to external applicants;
- *Creating New Work-Activity Sets - if Needed:* There will be situations where the work-activities as currently described are incomplete in that they miss out some important piece of work. One way to look for this is to examine what starts the process. Is it an application from a customer, a phone call, or an email? Secondly to look at who starts the process, who sent the application, made the phone call or sent the email. Thirdly to ask the question whether this is the most effective way given the need to improve the department's performance. As a general guide, event driven processes are harder to manage

than forecast based processes, as an example from the retail business will explain. An example of event driven process would be where the retailer waits until the shelf was empty before ordering fresh stock. This risks losing customers who cannot find what they want and at least one day's delay before the wholesaler can deliver fresh supplies. A forecast driven process will record sales electronically (using the Point of Sale device at the till) and trigger a replenishment order before the shelf is empty so that the replacement goods arrive in the stock room just in time. Is the HR work-process an event driven or a forecast driven process and which would be more appropriate?

- *Assigning Work-Activity Sets to Roles:* Once all the work-activity sets have been decided upon and named, it is then necessary to assign each and every one of them to the appropriate role. As a general rule work-activity sets that require case work should be allocated to first line manager roles and work-activity sets that are procedural can be assigned to front line roles.
- *Reviewing Work-Activities:* Within each work-activity set there are a number of work-activities and once decisions on cases and work-activity sets has been made the next area to review is the work-activities themselves. Five different approaches can be used to review work-activities and these are:
 - Getting customers to perform work activities where possible / appropriate – for example, getting customers (job applicants and line managers) to do much of the data entry through web based forms;
 - Automating work activities – are there activities currently performed by front line staff that could be automated? An example might be the recording of customer queries;
 - Re-assigning work-activities - it will not be possible in all cases to get the customer to perform the work activity or to automate it, but there will be situations where the work activity can be re-assigned. Once different types of case have been established and the work-activity sets defined, it may be appropriate to re-assign work between clerical officers in the department to better balance the work;
 - Delegating work activities - in some cases it will be more appropriate to delegate the work-activity. In the As-Is State II narrative, the HR Manager appears to be responsible for a large number of work-activities, some of which might be delegated to a case manager. The same might apply to the work of the case manager. If the new work-process includes cases and work-activity sets then many of the calls which currently come in to the HR manager will be delegated to the case manager or to front line staff where appropriate. It may also be possible to remove some of these calls as outlined below;
 - Removing work-activities - it may be possible to remove some work-activities entirely. It is often the case that when information technology applications are deployed, staff continue to use the old paper manual system and the new IT system side by side. If the new work-process provides a tracking service, the customer (line manager) could log in and check progress without troubling the HR department, calling only when they were concerned with the length of time a particular stage was taking or when some problem arose.

5.8 Progress to date on the HR Work Process

At the time of writing (January 2006), significant progress has been made, including:

- The definition and measurement of baseline data on current performance, including volumes, workloads, turnaround times and unit costs is well advanced. It will be possible to establish benchmarks against which progress can be tracked from the beginning of 2006;
- Identification of four distinct case types to be managed (internal recruitment, external recruitment through the Public Appointments Service, re-assignment, and temporary vacancies). For each of these case types, the work activity sets are under development;
- Templates (based on the generic role descriptions prepared at the time when the new structure was established) have been developed to facilitate the creation of detailed work descriptions for each role. These templates will be electronically populated as each activity within the new work process is assigned to a specific role;
- A range of interim system improvements is being implemented. For example, electronic application forms for internal candidates are being introduced, using the Council's Intranet. This will significantly reduce time spent by HR staff on data input. Subsequently, it is intended that this facility will be made available to all candidates through the website. In addition, a contact management system has been introduced to reduce staff time spent on handling routine telephone queries from staff – the system enables such queries to be submitted electronically, logged and responded to in a more structured way;
- The first version of the WSW Modeller has been developed and is ready for implementation.

It is envisaged that the HR Manager will have completed the initial version of the new work process by February 2006. At that point, it will be a matter for the Director to determine whether the new process will achieve the objectives as set in State IV, before beginning implementation.

6. NEXT STEPS IN THE IMPLEMENTATION OF WSW

6.1 State VI: Implementation of New Process

Once the first version of the new work process is agreed, implementation will begin. This will involve, *inter alia*, the redefinition of roles within the HR Department by reference to the work activities assigned to each role, the training of staff to perform all of the activities within their respective roles, and the implementation of information systems to support the new process. Having the new process set up on the WSW Modeller will provide significant assistance to the carrying out of this work, and will enable subsequent modifications to the process to be tracked and evaluated. This will represent a significant move from a static to a dynamic view of the process, because tracking, reporting and auditing software will be implemented to provide feedback on the performance of the work process against the benchmarks and performance characteristics already defined.

6.2 State VII: Monitoring and tracking

Implementation will commence by the end of the first quarter of 2006. In this stage the impact of the new work process in terms of efficiency and quality will be evaluated by reviewed by reference to its impact on baseline performance data. By mid-year, sufficient information on the impact of the pilot process should be available to enable DCC to carry out a comprehensive review of the WSW methodology and to make further enhancements as appropriate, *i.e.*, the plan, implement, review cycle.

In parallel with this, work has already commenced on a number of other work processes throughout the organisation (for example, the spatial planning control process; the process for meeting housing need; the process for metered water charges; and the annual roadworks programme), using the same methodology as outlined above. It is expected that work on each of these processes will progress at a successively faster pace, as the methodology and tools are developed, and as staff become more familiar with the concepts and their use.

7. REFLECTIONS AND CONCLUSIONS

In the course of outlining the history of the project in the previous sections and in *Appendix A*, much of the personal and organisational learning that has taken place at each stage has been described. The paper concludes with a number of personal reflections on the experience of being directly involved in and carrying responsibility for a change programme of this scale.

7.1 The Challenge of Managing Complex Projects

The scale, complexity and timeframe of this project are not easily reduced to a simple three-phase approach (Systems Alpha, Beta and Gamma). The notion of undertaking large-scale organisational change as a once-off project is questionable (Macreadie & Sandon 1999). Alternatively, it can be viewed as a series of rolling, overlapping and interlocking stages, in which the outcomes and learning from one feed into and shape the next stage.

When DCC embarked on this project some ten years ago, there was an expectation on the part of many (including the author) that it would be completed within three to four years. As each phase of the project developed, however, the need for additional work became more apparent. The question to be asked is: "Knowing what we now know, would DCC have approached the project in a different way?" With the benefit of hindsight, there is no doubt that some elements of the project could have been streamlined. For example, the development of the WSW methodology could have been undertaken as part of the organisation structure re-design. In overall terms, however, it is unlikely that the process of changing organisation cultures, which have been embedded over many decades, could have been achieved within a significantly shorter timeframe (Schein 1986). Based on the experience of implementing large-scale, complex change, the following paragraphs outline some of the essential requirements to achieve this.

7.2 Leadership

The Donegal project provides several practical illustrations of the challenges and difficulties involved in providing organisational leadership.

The first lesson is that transformational change cannot be achieved unless the process is visibly lead by the chief executive (Miller 2002), as is the case in the Donegal project. Given the constraints of operating within a public sector environment, it would not be possible to create sufficient space for innovation within these control systems without active support and leadership at the top of the organisation (Burnes 2000; Kotter 1996; Loonam & McDonagh 2005). The challenge for individuals in top management roles is to convert the authority of their position into the provision of active leadership for the organisations they manage (Mintzberg 1975), and to achieve the right balance between what has been described as "Theory E leadership" (top-down) and "Theory O leadership" (bottom-up) (Beer and Nohria 2000).

The second lesson to be learned is that transformational change takes a lot of time and effort; therefore sustained, focussed leadership is essential to success (Brooks 1996). It is unrealistic, therefore, to rely on one individual to deliver a programme of this magnitude, where the commitment, rather than the compliance, of staff is required (Sheard & Kakabadse 2004). Significant resources (including a dedicated project team for a period in excess of four years) have been applied to the Donegal project at all stages of development and implementation. Unless organisation leaders are prepared to make these risky investments, the chances of successful outcomes are considerably diminished (Cabinet Office 2001).

The third lesson concerns what Kotter describes as a guiding coalition. Just as effective leadership is needed at all levels within individual public sector organisations (Oshagbemi & Gill 2004), so there is a similar requirement for effective leadership (vertical and horizontal) at all levels of Government (OECD 2001). The biggest difficulty faced by the Donegal project has been a reluctance by senior people at a national level to engage with, provide support for, and, above all, set an appropriate context for the change programme at a local level. Government will have to find ways of relaxing centralised constraints and actively supporting local champions if the objectives of information age reform are to be achieved (OECD 2003), rather than merely patrolling the limits to ensure compliance with controls on staffing numbers and expenditure. In this context, the OECD (2002) has suggested a number of "systemic levers" that are needed in order to achieve effective change.

7.3 The Benefits of a Set of Design Principles

From the outset of the project, the County Manager had decided that the analysis of the reported problems and the creation of a set of proposals to tackle them would be developed in accordance with the principles of stratified systems theory (Jaques 1996). Having been trained in these principles at an early stage, the members of the Project Team found that they provided a useful intellectual tool with which to tackle the work programme. Because the Team was not required to follow the principles and ideas slavishly, they were not felt to be restrictive. Through the utilisation of these principles over a period of years, and in particular the experience of the implementation phase, DCC believes that it has added significantly to the body of knowledge on these principles. This learning has in turn provided the basis for the development of the WSW methodology.

The choice of principles or ideas to be utilised in the achievement of transformational change in any organisation is a matter of choice for the leadership of that organisation, depending on its circumstances (Audit Commission 2002). The lesson to be learned from the DCC experience is the importance of having a clear view of what is to be achieved and the means to be employed to do so.

7.4 The Importance of Observation and Participation

The development of the WSW methodology over a two-year period has been founded on detailed description of each individual's work by the individuals themselves,

clarified by a trained observer (from the OD Unit), who records the description. These observations are then set out in narrative form, which is then reviewed, corrected as necessary and agreed by the person whose work was observed. These narratives can then be analysed, using the WSW methodology, to establish work complexity. This will in turn be captured in the WSW Modeller software to create a visual representation of all aspects of the work. Once the work has been modelled, it can then be reviewed by the participants, by their managers, their Directors and other interested parties (IS, OD, Training) and fully understood in the same terms by all. This provides a solid foundation on which to create, implement, track and analyse changes to work processes, and facilitates a culture of participation and learning. It represents what has been described as a socio-technical approach to change (Senge 1990). An independent assessment of the approach taken in DCC has found that this has resulted in widespread understanding and support amongst staff for the change programme (Scott et al 2004).

7.5 The Work of Management

A review of the literature on the subject of management reveals an interesting pattern. There are well-known books on the *functions* of management (Mintzberg 1973); much has been written on the *results* of effective management (Drucker 1964); a plethora of writing exists on the knowledge and skills of management, including *strategy* (Porter 1980, Chandler 1962), *marketing* (Levitt 1960), *innovation* (Christensen 1997), *learning* (Argyris 1995), *motivation* (Maslow 1970, Herzberg 1968), *leadership* (Bennis & Nanus 1985) and *culture* (Schein 1997); and there are books on the *cognitive capability* of management (Jaques 1996 and 2002). However, it is difficult to find anything of significance on the *work* of management. This is the focus of the WSW approach.

7.6 Sustaining the Effort

The implementation of major change in any organisation is a lengthy process. The Donegal programme has been on-going for some ten years with, as noted above, much remaining to be achieved. The challenge is to develop a culture of continuous improvement so that, for example, opportunities presented by technology developments to transform work processes are systematically integrated within the overall framework described above. In other words, the "Bold Stroke" needs to be followed by a "Long March" (Kanter et al 1992). The way in which Donegal County Council is approaching the challenge of sustaining "second-order change" (Levy 1989) is to locate clear accountability within the new structure (at Divisional Manager level) for the review, analysis and improvement of services.

7.7 Organisational Culture

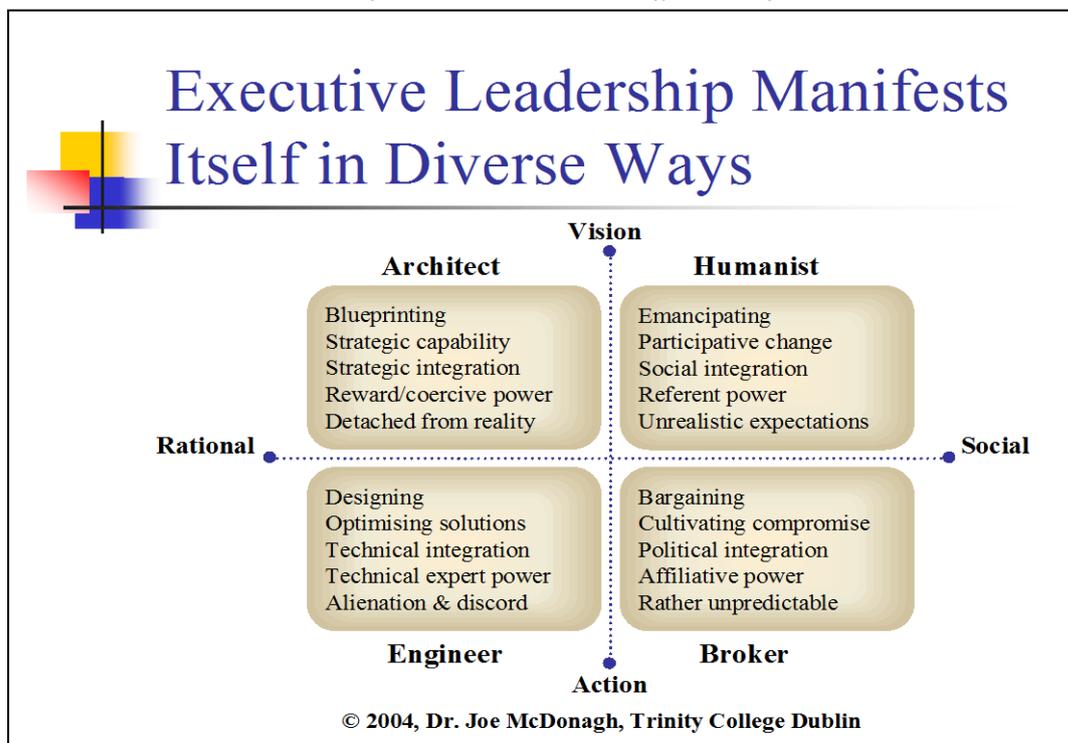
When one looks at examples of successful innovation in organisations, a number of recurring success factors emerge (Ahmed 1998; Amabile et al 2002; Christensen 1997; Yapp 2005). The most common feature is a culture within which staff are encouraged to be innovative, are rewarded and recognised for their achievements, and

failures are learned from rather than being taken as an opportunity to apportion blame. Contrast this with the prevailing culture within the public service, where the emphasis is on compliance with limits, avoiding risks, detailed centralised control, and a “silo mentality” in terms of how the customer is perceived (Borins 2001). This culture is reinforced by the prevailing human resource systems within the public sector (Farnham 2004). There is a need to radically overhaul these systems if we are create the conditions to foster an innovative culture and encourage the many staff at all levels who are committed to improving the way we do business. The introduction of the WSW methodology will facilitate a more robust and meaningful approach to the setting of performance targets and in making judgements on performance against those targets.

7.8 The Value of Hierarchy

The achievement of effective change presents a significant leadership challenge and requires a broad spectrum of skills and perspectives (European Institute of Public Administration 2005; McDonagh 2004 – see *Figure 11*). The concept of the hierarchical structure has been subjected to a significant amount of criticism, on the basis that it is outmoded and inflexible and does not promote innovation (Handy 1992; Peters & Waterman 1982; Scott-Morton 1991). The DCC experience to date suggests that hierarchy continues to provide a valuable structural framework upon which to develop and implement change, provided the hierarchical framework is built according to well defined principles of accountability, based on a clear understanding of the nature of managerial work at each level.

Figure 11 Skills needed to effect change



7.9 The Fallacy of Ready-Made Solutions

There exists a considerable body of literature on the subject of transformational change (for example, Bass 1999; Eisenbach et al 1999; Rafferty & Griffin 2004). Every few years, a new management fad or technique comes along, which promises to provide the “silver bullet” (Markus & Benjamin 1997) that will eliminate all known difficulties with immediate effect. Many of the presentations by guest speakers on the M Sc course also tended to gloss over any setbacks, and presented their stories as an uninterrupted sweep to success. As is demonstrated in this paper, the Donegal project has not followed such a smooth path.

Although DCC attempted to approach the change programme in a realistic way, nevertheless unexpected setbacks and disappointments were encountered along the way. It was not anticipated, for example, that the introduction of the new structure would have had such a limited impact on performance improvement. However, and this is at the heart of the action learning philosophy, we were not tempted at any point to delude ourselves into believing that we had achieved all of our objectives, when the evidence as described in this paper indicated that this was not the case. The important thing was to learn from each successive phase of the project, reviewing both successes and failures, and to apply that learning to the next phase. This will continue to be the approach as we move forward over the coming months and years. It is to be expected that this continuing process will lead to further refinement of the methodology.

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