LAP
Leadership Academy Programme

Stage 2 - LEADERSHIP FOR STRATEGY

Module 14 – COMPLEXITY OF ORGANISATIONAL CHANGE

The Leadership Academy is a learning and action programme for mayors, senior officials and elected representatives of local government.

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Centre of Expertise
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COUNCIL OF EUROPE

CONSEIL DE L'EUROPE

1 MODULE OVERVIEW

1.1 BACKGROUND

- Strong organisational leadership is essential if local government is to manage efficiently and effectively within a changing environment and deliver ever higher levels of performance. The leadership must respond to complex challenges in a dynamic manner and establish appropriate change processes.

1.2 LEARNING OBJECTIVES

- To understand that local government needs to be responsive and dynamic to change and issues need to be tackled in an integrated manner.

1.3 LEARNING OUTCOMES

- Participants learn to think of an organisation as an inter-linked set of competences and not a structured set of departments and positions.
- Participants understand how good leadership can make an organisation more responsive to change.

As a result of this learning, participants will come to understand the organisation as a system; they will be better able to resolve issues and exploit opportunities by taking account of the wide range of factors that can increase or obstruct the organisation's efficiency and effectiveness.

1.4 DURATION

- 90 minutes

2 MODULE STRUCTURE

2.1 INTERACTIVE INTRODUCTION

- Participants interact in a plenary discussion to develop the idea of a dynamic organisation.

2.2 GROUP EXERCISE 1 - ROUTE MAP FOR A DYNAMIC ORGANISATION

- Participants work in groups of 3 persons, rank the 8 blocks in order of importance for their organisation, taking into account the given definitions in each block.

2.3 GROUP EXERCISE 2

- Groups draw out 2/3 dependency links between different blocks (e.g. it is difficult to adopt ethical approaches if processes are not transparent; partnerships will not be strengthened if there is little focus on producing outcomes).
- Each group can draw the linkages on a Route Map template drawn on the flipchart and explain them in terms of cause and effect.

2.4 PLENARY DISCUSSION

- Participants share insights on the main results of their work, during a plenary session:

  o What do these results mean? How can they be used? Is this an adequate measure for the organisation?
  o How integrated is the organisation? How could this be improved?
  o Managing change requires a 'whole system' perspective. What does this mean?
  o What examples are there of initiatives that showed a lack of integrated thinking and action? What were the consequences?
  o What changes should the organisation give priority to?

3 WORKING DEFINITIONS

3.1 INTEGRATION

The organisation works as a whole, with each area supporting the others and the linkages are clearly understood.

4 KEY CONCEPTS

Strong institutional leadership is essential if an organisation is to manage efficiently and effectively within a changing environment and deliver ever higher levels of performance. If the challenges are to be properly tackled, the organisation must become dynamic. This is a challenge for leadership.

If we draw the organisation chart of the organisation, it will represent the static nature of the organisation. It will not show any dynamism. Another way of drawing the organisation is to identify the core foundations of good performance. For example, how strong is the organisation at working with partners? How transparent are its processes? These are its competences.

What is the nature of a dynamic organisation? Such an organisation is like a well-tuned car; each component is crafted to high standards and relates to every other component within an integrated whole. While a car is an engineering system, an organisation is a living system. But they are both systems based on inter-linked components.

ENGINEERING SYSTEM	LIVING SYSTEM
• Project manageable • Deterministic • Process-centred • Effectiveness of targets, carrots and sticks	• Can adapt to environment • Self-organising capacity • Can learn from experience • Multi-connectedness • People-centred

There are 2 important foundations to a dynamic organisation:

- Standards of excellence in each component give staff a pride in their work and a sense of determination.
- Integration means that the organisation works as a whole, with each component supporting the others and the linkages clearly understood.

The leadership challenge is to understand how change in one part will affect, and be affected by, other parts. Success in one part may depend on initiatives in other parts. Success or failure in any part can cause ripples across the whole organisation. Managers have therefore to understand the organisation as a whole. They must have a 'whole system' perspective when considering any change initiative.

Improving organisation performance will require effort across the whole organisation.

5 EXERCISES

5.1 EXERCISE 1 – GROUP EXERCISE 1 – ROUTE MAP FOR A DYNAMIC ORGANISATION[1]

1. FUTURE-ORIENTED

- Identifies challenges for future

- Defines vision and values needed to succeed

- Creates collective purpose

- Communicates openly

2. FOCUS ON RESULTS

- Strong belief in producing results for all stakeholders

- Achieves good outcomes for stakeholders

- Adds value to local government

- Emphasises both output and outcome measures

3. INVOLVE AND DEVELOP STAFF

- Training and development for all staff

- Seeks to realize the potential of all staff, teams and of the organisation

- Encourages 'upward management'

- Creates culture of shared values, involvement and trust

4. FOCUS ON PEOPLE AND ORGANISATIONS

- Service quality is defined by stakeholders

- Regularly consults stakeholders

- Designs services in response to social, economic, cultural and environmental need

- Reaches out to all groups

5. MANAGE BY PROCESSES

- Thinks about services as horizontal processes

- Emphasises transparency and efficiency of processes from demand to provision

- Identifies processes to be improved

- Involves staff in generating improvements

6. CONTINUOUS LEARNING, IMPROVEMENT, INNOVATION

- Adopts policies of systematic improvement

- Reflects on, and evaluates, actions for learning purposes

- Collects and disseminates information, good practice and learning within organisation

- Encourages the right climate

7. PARTNERSHIPS

- Fosters network of supportive partners

- Builds strong partnerships for specific functions

- Shares knowledge with partners

- Consults NGOs, businesses, other municipalities, other public sector bodies on priorities and initiates joint activities

8. INTEGRITY

- Adopts ethical policies and approaches

- Seeks and practises good governance

- Promotes trust, transparency and accountability among all staff

- Is example of values and behaviour

[1] Drawn from 'A Manager's Guide to Leadership' by Pedler, Burgoyne, Boydell

6 REFERENCES

Pedler, M., Burgoyne, J., Boydell, T. (2010). A Manager's Guide to Leadership, Mc Graw-Hill Publishing Company, Berkshire, UK