Creating high-performing public service organisations

Report from Sue Ryall, Centre Manager, CLEW

Poor leadership, weak people management and flawed upward information flows are contributing to the stagnation of public sector productivity, participants at a recent seminar were told. A change in focus for the HR profession is also required to create high-performing public agencies. Senior public sector leaders who spoke at the seminar included Productivity Commission chairperson Murray Sherwin and Department of Internal Affairs chief executive Colin MacDonald.

Productivity difficult to measure

Murray Sherwin set the scene by highlighting the difficulty of measuring public sector and service sector productivity: a lack of understanding of how to analyse the data and what to do with it. The evidence suggests weak public sector productivity performance and apparent declining labour productivity in the education sector.

Constraints include a tendency to ‘set and forget’ with poor or non-existent evaluation, and cultural schisms between professions and between managers and people at the coal face. Organisations also tend to think of risks to themselves rather than clients and users of their services. Murray acknowledged that the 1980s reforms have run their course and more attention needs to be paid to culture rather than structure.

Subsequent speakers identified improved collaboration, leadership development, involvement of an organisation’s employees at all levels, and stakeholder support as key factors in lifting performance.

Shift to more trusting culture

Ginny Baddeley, State Services Commission leadership and capability development director, and Colin MacDonald emphasised that no single solution, agency or leader will resolve the issues. Collaboration is required, a shift to a more trusting culture. Colin
said a cohort of chief executives have improved collaboration by meeting and working together but this needs to move to other levels as well. Ginny pointed to the development of strong practitioner groups such as HR, ICT and finance who can collaborate across agencies, sharing and developing their skills.

**Develop leaders early**

Professor Peter Gahan, Centre for Workplace Leadership director at Melbourne University, said leadership – both senior leaders and line managers – is critical for the acceptance of high performance work practices.

Ginny Baddeley outlined new approaches to leadership in response to the need to lift performance in the public sector. A common leadership framework and revised chief executive selection and performance management systems have been recently introduced, representing a different model of leadership. She also commented on the need to identify and develop leaders early in their career.

**Involve employees**

Employee involvement and engagement is the factor most consistently identified in achieving high performance in public services. Professor Gahan, drawing on early results from the Centre for Workplace Leadership research, stressed that high performance work systems do not come down to one feature but are associated with three ‘bundles’ of practices: employee discretion and involvement, investments in skill, and employee motivation and engagement. He said, ‘Challenges to implementing these in the public sector are largely due to the wide-ranging reforms and changes in approach to public sector management over the last 30 years, constant change and perpetual adaptation’. This has led to a diffusion of high performance work practices. His research concludes that leadership, stakeholder support, and employment security and workplace climate are the three critical factors to achieve high performance work practices.

Richard Wagstaff, Public Service Association joint National Secretary, said high performance has been on the PSA’s agenda since the 1990s because employees want to work in successful organisations. He cited the Eurofound Third European Company survey on workplace practices, *Patterns, Performance and Well-being*, that shows organisations with strong employee participation in decision-making are more productive and better places to work.

**Improve communication**

Dr Geoff Plimmer from the School of Management at Victoria University presented the findings of the CLEW/PSA 2013 survey of public sector workers. This shows that communication systems, particularly upward from employee to manager, and poor organisational processes, are hindering the development of high-involvement work practices. ‘We need employees with authority, the ability to make decisions regarding their job,’ he said. ‘We need managers who listen and are open to feedback and feedforward. Efficiency and innovation are not mutually exclusive, in fact they can support each other.’
and feedforward. Efficiency and innovation are not mutually exclusive, in fact they can support each other.’

Geoff also picked up on earlier comments from Ginny Baddeley that employees choose to work in the public sector because they are motivated to make a difference to society. It is therefore important that the systems and structures enable them to feel they can do this in their work.

Colin MacDonald said the Department of Internal Affairs succeeded in turning around its performance by prioritising, listening to staff and getting their ideas about what they wanted the culture of the organisation to be. ‘It is important to connect to people in a real way in their workplace, drawn at the business group or department level, not just the organisation level,’ he said. ‘Listening and connecting to employees is key to engagement, and to performance.’

**Change HR focus**

Jeanie Truell, Chief People Officer at Inland Revenue, challenged human resource practitioners to look at the widening gap between what business leaders want and HR delivers. Leaders want leadership and culture programmes that make a difference. HR should be the experts in culture, leadership, talent. They should facilitate and enable organisational growth and change by being innovative and future-orientated, and create new ways of working for leaders, HR and organisations.

Jeanie said HR needed huge refoocusing and reskilling. There is a capability gap in HR as a profession in the face of change and leadership and culture challenges. It needs to get smart about people analytics and be data driven: tell the story to business by making the data meaningful.

Around 60 people from public sector organisations and unions attended the seminar organised by Victoria University’s Centre for Labour, Employment and Work in Wellington on April 14. Slides are available on the CLEW website and a summary of each session will be available soon.

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**References for further reading:**

CLEW’D IN, April 2015
RESEARCH UPDATE

RECENT PUBLICATIONS


Abstract: Natural disasters disrupt the nature of work, promoting an urgent review of where work is performed. Home-based telework (HbTW), a common form of telework, is increasingly promoted as a means to ensure continuity of operations in an emergency situation. While widely advocated, little is known of the challenges and outcomes of HbTW when employed in disaster situations. This article explores the organisational and employee experiences of HbTW in the aftermath of a disaster, drawing on data from over 240 public sector workers and their managers who worked from home following a series of earthquakes in Christchurch, New Zealand. Findings point to critical factors shaping the experiences and outcomes of HbTW in disaster situations. Significant variation in the experiences and perceptions of HbTW for team leaders highlights their pivotal role and heightened pressures to maintain control in complex disaster situations.

Link to published outlet: http://onlinelibrary.wiley.com/journal/10.1111/(ISSN)1468-005X

Contact Noelle Donnelly at Noelle.donnelly@vuw.ac.nz for more information on this research.

Employment Agreements Update 2013/2014 still available

If you are heading into bargaining in the next two months make sure you have checked out our publication ‘Employment Agreements: Bargaining Trends and Employment Law Update 2013/2014’. The book is seen as the essential reference for employment relations experts and the only source of information on current provisions in collective agreements. It includes information wages/salaries, term of agreements, all forms of leave, work hours and penal/overtime rates, redundancy, superannuation/kiwisaver, union provisions and much more.

We currently have a limited number of copies of the 2013/2014 book (published July 2014) at $138 and the 2014/2015 book will be available in late July (cost $150), in time for our seminars starting in Dunedin on July 22.

Abstract: This article examines the responses of more than 10,000 unionised women and nearly 5000 unionised men, working in the New Zealand public sector, to a selection of questions in a workplace dynamics survey. The questions investigated in this article provide insights into women’s levels of commitment and job satisfaction compared to those of men. It also reports on comparative experiences of cooperation, information sharing, recognition and managerial practices. The findings show that women and men do not differ significantly in terms of organisational commitment. However, women are more committed generally and enjoy their work more than men, but they report less favourably on experiences of cooperation and communication at work. Women, compared with men, also report experiencing less recognition. We discuss the possible meaning of these results and the potential implications for management and unions.

Link to published outlet:
http://www.tandfonline.com/doi/abs/10.1080/10301763.2014.978965

Contact Jane Bryson at jane.bryson@vuw.ac.nz for more information on this research.

UPCOMING PROJECTS

Education Sector Employment

Readers may have read the recent decision of the Employment Court in Edwards v Bay of Islands College BOT [2015] NZEmpC 6. The case concerns the dismissal of a school principal for alleged misconduct relating to aspects of his management of the school. Among other things the decision alludes to some of the problems arising from having dual jurisdictions applying to the employment of teachers.

Teachers are accountable not only to their employing BOT but also to the New Zealand Teachers Council, shortly to be recreated as the Education Council of Aotearoa New Zealand. Broadly speaking any employment issues relating to teachers such as misconduct or lack of competency will come within the purview of both the BOT and the Council and will be investigated by both. Dual accountability, and hence potential legal complications, are likely in such scenarios.

Legal News

3rd Biennial Labour Law Conference

The New Zealand Labour Law Society in conjunction with the Victoria University Faculty of Law is holding its third biennial conference in Wellington on 27 November 2015.

The conference will be of interest to anyone with an interest in labour and employment law matters, whether it is in its practical application or policy.

For the call for papers and registration information click here.

Update Course: Developments in Health and Safety Law

Victoria University’s Faculty of Law is offering a postgraduate block-course on health and safety law. The course runs on Friday’s 5.40–7.30pm and Saturday’s 8.30am–12.20pm with the dates 30 July/1 August; 21/22 August; 11/12 September and 2/3 October. The course is open to LLB graduates and to others with an appropriate background in law or health and safety. While the course may be taken as part of a postgraduate qualification (LLM or GradCert Law) it can also be taken as a stand-alone course (COP).

For further information contact Prof Gordon Anderson
gordon.anderson@vuw.ac.nz

or the postgraduate administrator
jonathan.dempsey@vuw.ac.nz
double jeopardy, is likely to have an impact throughout the employment relationship and impact the HRM processes of schools including disciplinary processes, processes that are already complex given the nature of professional employment.

**Dr Jane Bryson** (CLEW and Victoria Business School) and **Professor Gordon Anderson** (Faculty of Law) have recently initiated a research project to examine the human resource and legal issues associated with the employment of primary and secondary teachers. This project will involve interviewing a range of teacher-managers, union officials, STA officials and other relevant persons to determine how they deal with both day to day HRM issues and with disciplinary-performance issues within the legal and regulatory framework governing professional educational employment.

It is hoped that this research will identify problems and solutions across the education sector and provide information that will help improve HRM processes in the sector therefore contributing to teacher retention and contribute to improvements in the professional abilities of teachers.

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**CLEW – WHO ARE WE?**

The Centre for Labour, Employment and Work (CLEW) is situated in the School of Management at Victoria University of Wellington. Our research and public education programme are centred on three pillars of research:

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<th>Organisational dynamics and performance</th>
<th>Employment rights and institutions</th>
<th>Changing nature of work and the workforce</th>
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<td>- What happens in organisations matters. From strategies, business processes, management practices, worker experiences to knowledge sharing, collaboration, innovation, productivity, engagement and trust – these all impact how individuals and organisations perform.</td>
<td>- What is the role of trade unions and of collective bargaining in New Zealand’s contemporary economy and society? Is the current system of employment rights and the institutions and processes for enforcement of those rights in New Zealand still relevant? Is it efficient, and does it contribute to overall productivity growth?</td>
<td>- Rapid and increasing change in the external environment of organisations has fundamentally changed the world of work. Factors shaping how we organise and participate in work include rapid technological development, intensifying environmental and resource pressures, globalised markets, mobile workforces and changing demographics.</td>
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